

# Supply and Use Tables, 2018

**Tirana, 29 September 2021:** INSTAT presents consolidated Supply, Use (SUTs) for the reference year 2018. SUTs offer a detailed portrait of an economy. They are an important instrument in analysing and creating statistical models. These tables describe sources; uses of products and inter-industry relations in economy.

In the year 2018, total supply at purchasers' prices and total use in current price was estimated ALL 3.554.034 million, showing a growth in nominal terms by 3.8% compared to 2017.

Domestic production represents 73.4% of total supply at purchasers' prices where goods represent 48.6 % and services 51.4%. Imports represent 20.8% of total supply where imported goods constitutes 65.9 % while services 34.1%.

Intermediate consumption represents 33.1% of total use at current prices where goods constitute with 70.7% and services 29.3%. Final demand represents 66.9% of total use where the demand for goods represent 59.8% and for services 40.2%.

**Tab. 1: The Supply, use table at current prices for year 2018, in ALL millions**

Industries (NACE)	Industry	Services	Total output of products	Imports (CIF)	MTT*	Total supply at purchasers' prices	Industry	Services	Intermediate consumption of products	Final Demand	Total use
Products (CPA)	1	2	3=1+2	4	5	6=3+4+5	7	8	9=7+8	10	11=9+10
<b>Industry [1-43]</b>	1.260.370	8.074	1.268.444	487.789	497.899	2.254.133	580.880	251.535	832.414	1.421.718	2.254.133
<b>Services [45-98]</b>	56.952	1.283.070	1.340.022	252.606	(292.726)	1.299.902	86.515	257.979	344.494	955.408	1.299.902
<b>Services [45-98]</b>	1.317.322	1.291.144	2.608.466	740.395	205.173	3.554.034	667.395	509.514	1.176.908	2.377.126	3.554.034
<b>Value Added</b>							649.927	781.630	1.431.558		

\* Trade, transport margins and net taxes on products

## Supply Table

This table provides estimates of the supply of goods and services (products) by domestic industries as well as imports of goods and services. The supply of products is presented in the rows while the columns show the industry branches that produce these goods and services. The classification of each industry is based on whichever product accounts for the largest part of its output.

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**Tab. 2: Supply Table at basic prices including a transformation into purchasers' prices, in ALL millions**

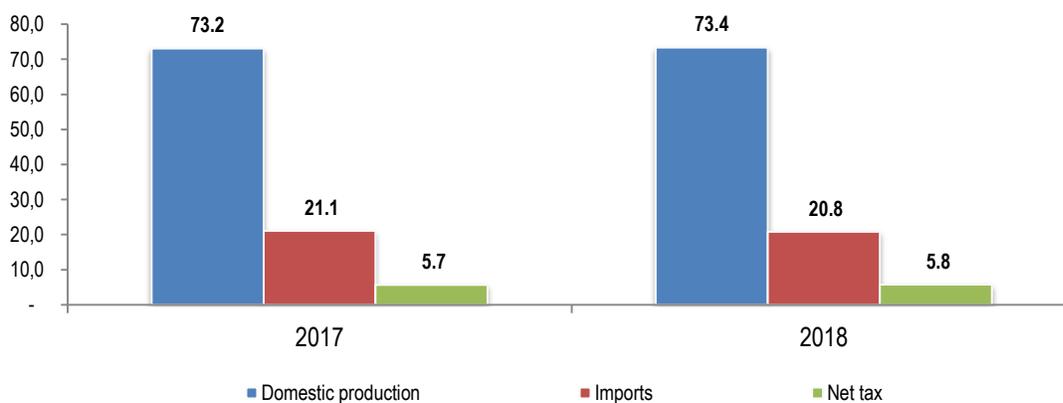
Industries (NACE)*	A	B-E	F	G-I	J	K	L	M-N	O-Q	R-U	Total output of products	Imports (CIF) P7	MTTT**	Total supply at purchasers' prices
Products (CPA)*	Output of industries (NACE). at basic prices													
A	310.601	-	-	-	-	-	-	-	-	-	310.601	24.631	64.335	399.566
B-E	108.069	439.637	38.993	2.854	17	-	-	3	236	1.529	591.340	463.119	424.165	1.478.623
F	-	10.813	352.257	1.526	-	-	41	1.867	-	-	366.504	39	9.400	375.943
G-I	275	12.388	13.974	452.215	253	-	1.146	6.308	753	460	487.772	121.405	(303.288)	305.888
J	-	400	173	29	112.733	-	-	5	76	122	113.538	21.147	3.866	138.552
K	-	-	-	-	-	61.666	-	-	-	-	61.666	9.405	-	71.071
L	-	-	17.110	2.091	-	-	103.196	1.260	1	38	123.696	-	177	123.873
M-N	-	921	11.073	261	1.304	-	13	195.874	2.808	3.632	215.886	34.539	4.565	254.990
O-Q	-	-	96	21	-	-	10	20	251.585	11	251.743	24.345	223	276.312
R-U	-	537	5	42	7	-	-	28	91	85.011	85.721	41.764	1.731	129.216
<b>Output of industries</b>	<b>418.945</b>	<b>464.696</b>	<b>433.681</b>	<b>459.039</b>	<b>114.313</b>	<b>61.666</b>	<b>104.406</b>	<b>205.365</b>	<b>255.552</b>	<b>90.803</b>	<b>2.608.466</b>	<b>740.395</b>	<b>205.173</b>	<b>3.554.034</b>

\* The aggregation of industries and products according to the Nomenclature of the Economic Activities (NACE Rev. 2) and the Nomenclature of Products by Activity (CPA 2008)

\*\* Trade, transport margins and net taxes on products

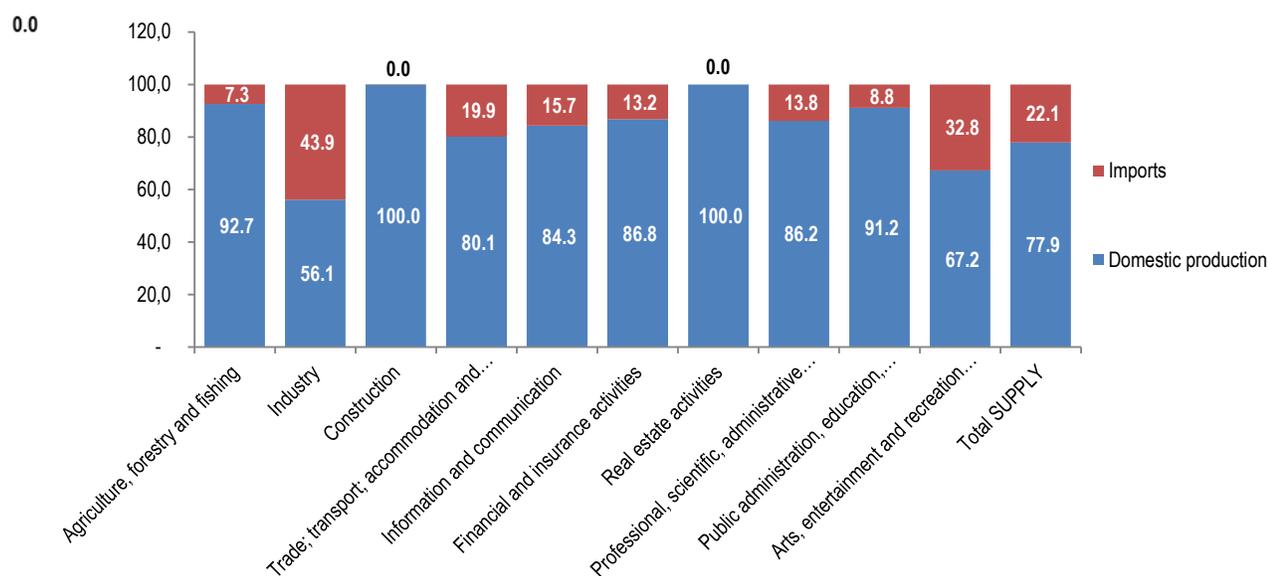
Components of supply table for year 2018 compared to year 2017 appear as follows:

- Domestic production which shares an important part in supply table performed an increase by 4.1%;
- Imports goods and services decreased by 2.4 %;
- Net Taxes on products increased by 4.6 %.

**Fig. 1: Supply Structure, in %**

The structure of supply table at basic price, according to the origin (Fig.2) is as follow: domestic production represents 77.9 % of the total, while imports represent 22.1 %. The highest penetration of imports of goods and services is observed in Industry products by 43.9 %.

**Fig. 2 : Supply Structure at basic price, according to origin of products, in %**



In 2018, the main share of domestic production structure at basic prices is represented by Industry Products which accounted for 22.7 % followed by Trade, transport, accommodation and food services with 18.7 % and Construction 14.1 %.

Imported goods in 2018 were also lead by Industry products taking up 62.6 % followed by Trade, transport, accommodation and food services with 16.4 %.

**Tab. 3: Supply Structure at basic price by products and by origin**

Products by CPA		Domestic output		Imports	
		mln	%	mln	%
A	Agriculture, forestry and fishing [1-3]	310.601	11.9	24.631	3.3
B-E	Industry [5-39]	591.340	22.7	463.119	62.6
F	Construction [41-43]	366.504	14.1	39	0.0
G-I	Trade; transport; accommodation and food services [45-56]	487.772	18.7	121.405	16.4
J	Information and communication [58-63]	113.538	4.4	21.147	2.9
K	Financial and insurance services [64-66]	61.666	2.4	9.405	1.3
L	Real estate services [68]	123.696	4.7	-	-
M-N	Professional, scientific, administrative and support services [69.1-82]	215.886	8.3	34.539	4.7
O-Q	Public administration, education, human health [84-88]	251.743	9.7	24.345	3.3
R-U	Arts, entertainment and recreation services and other services [90-98]	85.721	3.3	41.764	5.6
Total Supply at basic prices		2.608.466	100.0	740.395	100.0

### Use Table

Use Table shows the usage of products by domestic industry and by the final demand sectors i.e. final consumption by households, public administration and non-profit organizations serving households (NPISH), gross capital formation and export. It has two main objectives; firstly it reveals the input structure of each industry in columns and secondly it describes the usage of different products and services in rows.

Components of use table for 2018 compared to 2017 appeared as follows:

- Final consumption which shares an important part in total economy appeared to increase by 5.3%;
- Intermediate consumption decreased by 2.2 %;
- Gross Fixed Capital Formation decreased by 0.7 %;
- Exports of goods and services increased by 5.6 %.

**Tab. 4: Use table at purchasers' price in ALL million**

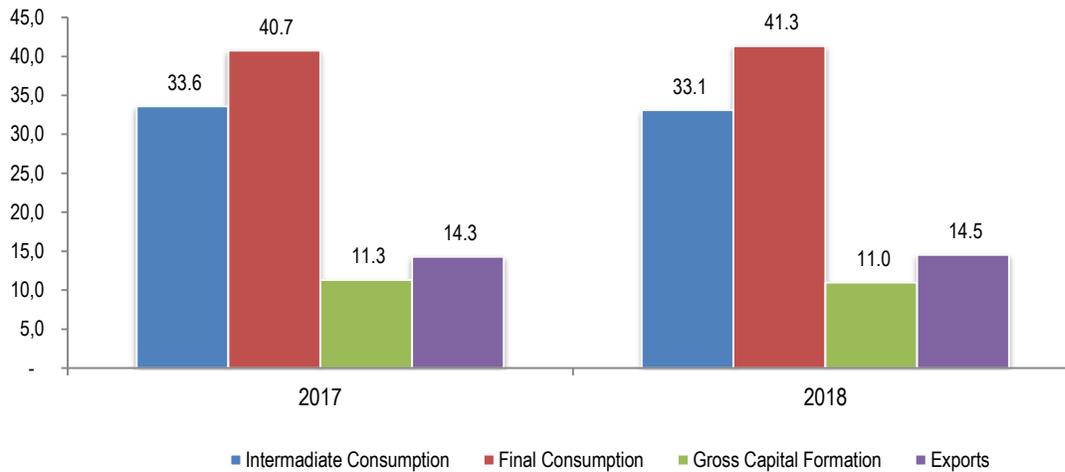
Industries (NACE)	A	B-E	F	G-I	J	K	L	M-N	O-Q	R-U	IC* of products	FCE**	GFCF***	Exports (FOB)	Use at purchasers' prices
Products (CPA)	Input of industries (NACE)											P3_S13-14	P51-52	P6	
A	81.456	11.797	1.183	8.807	37	5	74	436	334	199	104.328	274.832	4.907	15.499	399.566
B-E	30.741	210.543	194.601	87.190	34.316	2.561	1.380	46.594	36.345	11.093	655.364	566.751	86.090	170.418	1.478.623
F	337	3.848	46.375	5.012	1.596	2	5.865	3.890	4.895	903	72.722	4.885	297.906	431	375.943
G-I	2.718	12.180	4.628	30.321	3.459	1.114	116	10.393	7.221	5.283	77.431	95.672	-	132.785	305.888
J	8	3.601	1.203	3.987	17.096	4.451	267	5.456	6.006	6.285	48.360	61.427	2.428	26.337	138.552
K	312	7.134	4.731	13.121	856	4.069	6.284	1.233	2.339	4.325	44.406	17.533	-	9.132	71.071
L	492	5.996	2.395	6.195	1.834	2.589	105	5.455	820	3.369	29.249	94.624	-	-	123.873
M-N	1.239	7.754	31.211	33.465	8.027	9.030	436	24.594	2.480	10.547	128.784	14.985	14	111.206	254.990
O-Q	-	312	294	549	110	538	2	1.008	2.654	3.988	9.455	256.331	-	10.527	276.312
R-U	0	280	26	1.674	88	58	1	7	4.305	369	6.808	81.994	-	40.414	129.216
IC by industries	117.304	263.446	286.645	190.320	67.420	24.417	14.531	99.066	67.399	46.360	1.176.908	1.469.033	391.345	516.748	3.554.034
Value Added	301.641	201.251	147.036	268.719	46.893	37.249	89.875	106.300	188.153	44.442	1.431.558				

\* Intermediate consumption

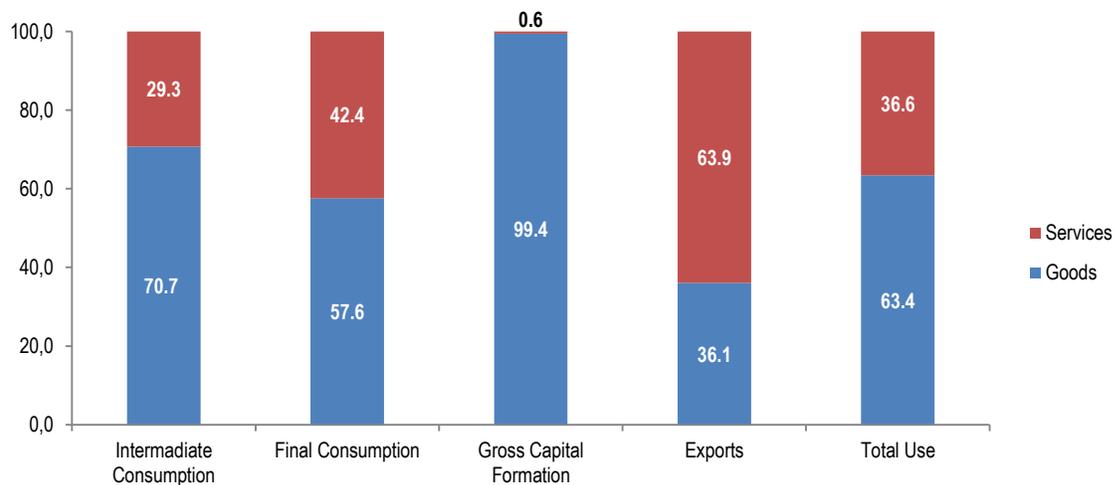
\*\* Final consumption expenditure by households and government

\*\*\* Gross fixed capital formation and changes in inventories

In 2018, the use of disposable goods and services on the domestic territory and exports to foreign countries (Fig.3) represents the following structure: 33.1 % used for *Intermediate Consumption* in production processes, 41.3 % for *Final Consumption by Households and Government Consumption*, 11.0% for *Gross Fixed Capital Formation* and 14.5 % for *Exports*.

**Fig . 3: Use Structure, in %**

In the Use Table (Fig. 4), *Goods* contributed 63.4 % of the total while *Services* 36.6 %. The use of goods has the main share on *gross capital formation* by 99.4 % and *intermediate consumption* by 70.7 %.

**Fig. 4: Use Structure by components, in %**

In 2018 the domestic use at purchasers' prices structure (consisting of *Intermediate Consumption*, *Final Consumption by Household and Public Administration*, *Gross Fixed Capital Formation* and *Change In Inventory*),

is represented by *Industry Products* which accounted for 43.1 % followed by *Agriculture Products* 12.6 % and *Construction* 12.4 %.

Exported Goods in 2018 consist mainly of *Industry Products* with 33.0% followed by *Trade, transport, accommodation and food service activities* taking up 25.7 %.

**Tab. 5: Use Structure at purchasers' prices according to destination**

Products (CPA)		Domestic Use		Exports	
		mln	%	mln	%
A	Agriculture, forestry and fishing [1-3]	384.067	12.6	15.499	3.0
B-E	Industry [5-39]	1.308.205	43.1	170.418	33.0
F	Construction [41-43]	375.512	12.4	431	0.1
G-I	Trade; transport; accommodation and food services [45-56]	173.104	5.7	132.785	25.7
J	Information and communication [58-63]	112.215	3.7	26.337	5.1
K	Financial and insurance services [64-66]	61.938	2.0	9.132	1.8
L	Real estate services [68]	123.873	4.1	-	-
M-N	Professional, scientific, administrative and support services [69.1-82]	143.784	4.7	111.206	21.5
O-Q	Public administration, education, human health [84-88]	265.786	8.8	10.527	2.0
R-U	Arts, entertainment and recreation services and other services [90-98]	88.802	2.9	40.414	7.8
Total Uses at purchasers' prices		3.037.287	100.0	516.748	100.0

# Methodology

## Methodology and classification

Supply and Use Tables calculations are based methodologically on the basic concepts of the European System of Accounts (ESA 2010) and the System of National Accounts (SNA 2008) of the United Nations Organization (UN). SUT compilation requires a large number of data gathered in a highly detailed level. The Information sources used in this system are of the most varied, and in many cases can also be secondary. However they can play an important role in balancing the flow of products. In addition, the methodology of preparation of SUT and TIO refer to the link:

<http://www.instat.gov.al/en/themes/national-accounts/publications/books/2015/supply.-use-and-input-output-tables-in-albania-2009-2011.aspx>

[http://www.instat.gov.al/media/333404/part\\_d-sut\\_compilation\\_albania.pdf](http://www.instat.gov.al/media/333404/part_d-sut_compilation_albania.pdf)

Classifications used in National Accounts are: - Nomenclature of economic activities (NACE Rev. 2). - Nomenclature of products (CPA); Classification of Individual Consumption According to Purpose (COICOP); Classification of the Functions of Government (COFOG).

## Data sources

The information provided by various statistical and administrative sources is used to calculate SUT. The data used can come from INSTAT's statistics producer or other various national institutions such as Ministries, Departments of the General Taxation and Customs, National Registration Center, Central Bank of Albania, Financial Supervisory Authority, National Agency of Natural Resources and others. By comparing these sources with each other we are able to have a better view of the economy which is comprehensive, consistent, coherent and fully integrated.

Statistical sources include data obtained from records and surveys on various economic units for households among which we may mention: the Register of Enterprises; Structure Survey; Retail Trade Survey; Household Budget Survey; Price Statistics Survey; Agriculture and Environment Statistics, etc.

Administrative sources include administrative data collected by other institutions for various purposes among which we can mention: Annual Financial Statements; Value added tax (VAT); Balance of Payments; Public administration fiscal statistics; foreign trade statistics; sales and purchases, etc.

## Balancing process

The balancing of supply and use table is a very important process. The supply must equal to uses after a detailed processing for each product.

Before we look at product discrepancies it is analyzed the statistical discrepancies between two different approaches of GDP estimation. In the supply and use framework these discrepancies are eliminated and therefore is required to be achieved this macroeconomic balance.

In cases where the discrepancies between the supply and use are greater than 5% it is used an automatic balancing based on the distribution of the existing discrepancies ratios. The discrepancies between 5% and 10% are relied on manual analysis and balancing of the discrepancies. If discrepancies are greater than 10% the situation requires adjustment of the primary data sources. It is necessary to check the data sources to better understand what has inflicted the discrepancies.

It may be necessary for a revaluation of different component of the supply or use table. which would lead to a circular cycle of evaluations. This cycle will be continuous until all the discrepancies arrive within acceptable intervals enabling a full consistency between different approaches of GDP estimation.

### **Definitions**

**The Supply and Use tables at current prices:** SUT framework at current prices in Albania is evaluated at products and industries corresponding to NACE rev 2 two-digit level. Analyses were conducted according to CPA 2, 4 and 6-digit classification enabling a clear view of a commodity flow in the economy. To compile SUT in Albania are conducted a series of analyzes and studies in order to provide an efficient use of the statistical and administrative data sources. Special focus is put mainly level of detail of data to move to a greater breakdown potential.

**Output:** production is an activity carried out under the control, responsibility and management of an institutional unit that uses inputs of labor, capital and goods and services to produce outputs of goods and services. The total of products created during the accounting period is considered as output. There are three types of output such as: market output; output produced for own final use; non-market output.

**Intermediate consumption:** Intermediate consumption consists of goods and services consumed as inputs by a process of production excluding fixed assets whose consumption is recorded as consumption of fixed capital. The goods and services are either transformed or used up by the production services.

**Taxes on products and imports:** Taxes on products are paid taxes per unit of some goods and services like the Value Added Tax, excise and customs' tax on imports.

**Subsidies on products:** Subsidies on products are non-reverse payment made by public administration units to the companies in the form of a certain amount of money per unit of goods or services. Subsidies on imports consist in subsidies of goods or services payable when the product surpasses the border of economic territory or if the services were made to resident institutional units.

**Final consumption:** Final consumption is one of the basic components of GDP by expenditure method. It consists in goods and services used by separate families or communities and are calculated as the sum of final

consumption of household, final consumption of general government and final consumption of non - profit institutions serving the households.

**Final consumption of households:** Final consumption of households contains all goods and services directly used to fulfill the individual needs of resident families.

**Final consumption of General government and Non Profit Institutions Serving Households (NIPSH):** is the value of non - commercial services ensured by General government and non - profit institutions to the profit of communities or groups of families. It is calculated as the difference between the general government production and NPISH s and their market production value.

**Net Export:** Net export is the difference between export of goods and services (fob) and import of goods and services (fob).

**Imports of goods and services:** consist of the value of transactions in goods and services to residents with non-residents.

**Gross fixed capital formation:** Consists in expenses made to buy new capital or other specific expenses accomplished by resident producers in goods or services to maintain, increase or enlarge their productive activity or create new process conditions in the future.

**Changes in inventories:** Is defined as the difference between inventories of stocks in process and circulating assets by the end of the year and beginning of the other one. Inventories include raw material and others products works and services in process, not finished and finished goods, animals etc.

**Trade Margins:** The value of trade margins represents the output of wholesalers and retailers. European system of accounts (ESA 2010) defines trade margin is the difference between the actual or imputed sale price realized on a good purchased for resale and the price that would have to be paid by the distributor to replace the good at the time it is sold or otherwise disposed of.

**Transport margin:** Transport margins include transportation costs paid separately by the purchaser and included in the use of products at purchasers' prices but not in the basic prices of a manufacturers' output or in the trade margins.

**Basic prices:** is the price receivable by the producer from the purchaser for a unit of a good or services produced as output, minus any tax payable and plus any subsidy receivable on product. It excludes any transport charges invoiced separately by the producer.

**Market prices:** is the price after adding taxes and deducting subsidies on products.

**Current prices:** Prices of reference period. They represent the price paid for goods and services during the time of production or consumption.