

Household Budget Survey, 2020

04 October 2021, Tirana: In 2020, the average monthly consumption expenditures of a household composed of 3.6 persons on average are 83,475 ALL. The total consumption expenditure is 64.2 billion ALL per month for 768,963 households.

The estimation of the monthly average consumption expenditure of the household, in 2020 is 1.5 percent higher than in 2019. The growth of the consumer prices recorded in 2020 compared to 2019 is 1.6 percent.

The monthly average consumption expenditures in 2020, compared to 2019, recorded the highest decrease in expenditures that are dedicated to the group “Recreation and culture” by 26.4 percent while the largest increase is recorded in the budget part of the households which goes for “Health” by 28.0 percent.

Tab.1 Monthly consumption expenditures of the households, 2019 - 2020

Main groups	HBS 2019		HBS 2020		Differences (%)
	Value in ALL	%	Value in ALL	%	
Food and non-alcoholic beverages	33,952	41.3	34,713	41.6	2.2
Alcoholic beverages, tobacco	3,077	3.7	3,130	3.7	1.7
Clothing and footwear	4,289	5.2	3,875	4.6	-9.7
Housing, water, electricity, gas and other fuels	8,291	10.1	8,357	10.0	0.8
Furnishing, household equipment and routine maintenance of the dwelling	5,523	6.7	5,794	6.9	4.9
Health	3,506	4.3	4,487	5.4	28.0
Transport	4,871	5.9	5,150	6.2	5.7
Communication	3,036	3.7	3,128	3.7	3.0
Recreation and culture	3,143	3.8	2,315	2.8	-26.4
Education	2,532	3.1	2,607	3.1	3.0
Restaurants and hotels	3,988	4.9	4,669	5.6	17.1
Miscellaneous goods and services	6,027	7.3	5,250	6.3	-12.9
Average total consumption expenditures	82,235	100.0	83,475	100.0	1.5

- **The expenditures made for the group “Health”** in 2020 recorded the highest increase by 28.0 percent compared to the previous year as a result of the largest increase of expenditures of the sub-group “Vitamins”.
- **The expenditures made for the group “Restaurants and hotels”** have recorded an increase of 17.1 percent compared with 2019, due to the increase of expenditures of the sub-group of: “expenditures in overnight stay in Albania (hotel, hotel complex, holiday village, camping, private house etc.) and “expenditures in fast food and take away food services or delivered to the customer's home”.

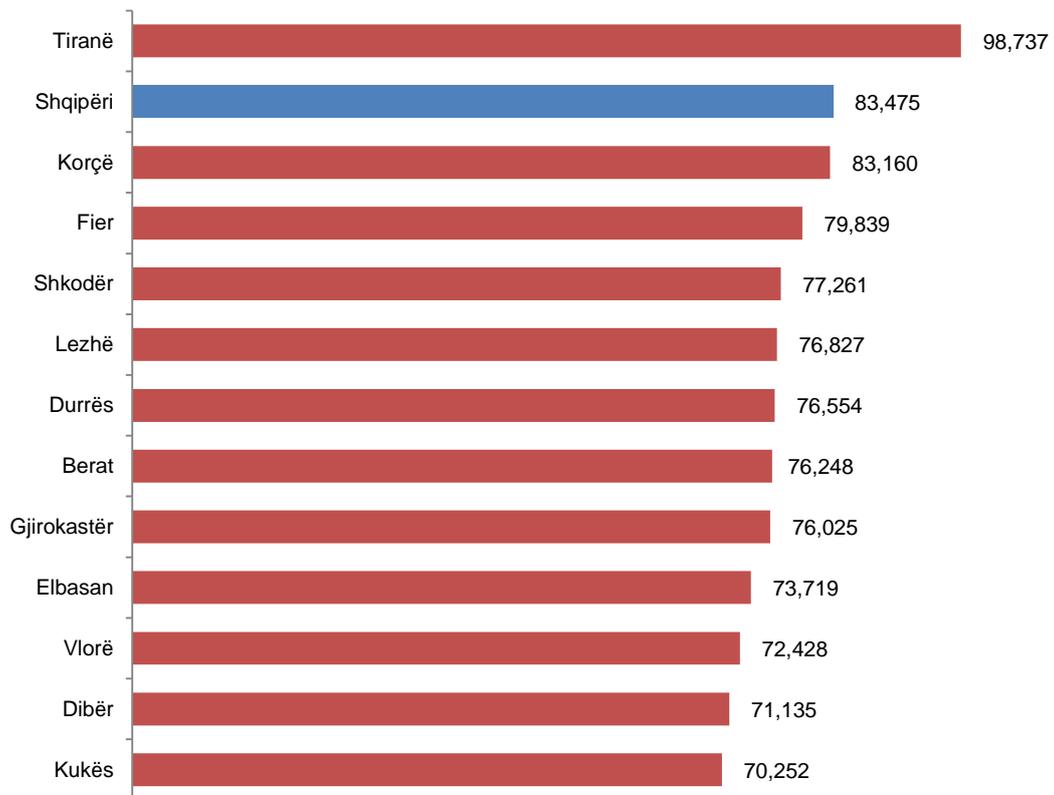
- **The expenditures made for the group “Transport”** have recorded an increase of 5.7 percent compared to the previous year due to the increase of expenditures of the sub-groups: “Hire of garages, parking spaces (not providing parking in connection with the dwelling)” and “taxi service”.

Regarding the structure of the monthly expenditures of households by the 12 main groups of consumption shows that the largest share goes for the groups:

- **The group “Food and non-alcoholic beverages”** with an average monthly expenditure of 34,713 ALL which represented 41.6 percent of overall budget. The subgroups with the largest share of the food expenditures, are “meat and its products”, 23.7 percent, “vegetables”, 16.8 percent, “milk and milk products/derives and eggs”, 13.8 percent, followed by and “fruits” 9.6 percent.
- **The group of expenditures for housing**, with expenditures for electricity, water, fuel, rent and small repairs with an average monthly expenditure of 8,357 ALL took 10.0 percent of the budget.
- **The group “Furnishing, household equipment and routine maintenance of the dwelling”** with an average monthly expenditures of 5,794 ALL took 6.9 percent of the total budget. The largest share within this group goes for the sub-group “Products for cleaning and house maintenance”.

The monthly average consumption expenditures by prefectures, 2020

In 2020 the prefecture of Tiranë shows the highest monthly average consumption expenditures. A household in Tirana prefecture spent monthly for consumption on average 98,737 ALL. The prefectures that show the highest monthly average consumption expenditures after Tirana prefecture, are the prefecture of Korçë and Fier, with respectively 83,160 ALL and 79,839 ALL monthly per household. The prefectures with the lowest level of monthly average consumption expenditures are the prefectures of Kukës and Dibër, with respectively 70,252 ALL and 71,135 ALL monthly per household. The largest increase of expenditures is recorded in the prefecture of Elbasan with 7.0 percent followed by the prefecture of Dibër with 4.9 percent.

Fig.1 The monthly average consumption expenditures by prefectures, 2020

In 2020, the mean household size in Albania is 3.6. The highest number of household members is recorded in the prefecture of Kukës 4.2, while in Gjirokastrë is recorded the smallest number of household members with 2.9 members.

Tab. 2 Mean household size by prefectures, 2020

Prefecture	Berat	Dibër	Durrës	Elbasan	Fier	Gjirokastrë	Korçë	Kukës	Lezhë	Shkodër	Tiranë	Vlorë	Albania
Mean household size	3.3	3.8	3.8	3.6	3.6	2.9	3.3	4.2	3.7	3.8	3.8	3.3	3.6

The distribution of the average consumption expenditures by the type of households, 2020

In 2020, the households composed by adult with children the share on food consumption is the highest compared to other types, 46.4 percent. The highest shares of expenditures on transport are recorded in the households composed by three or more adults with dependent children by 7.3 percent. The households composed by three or more adults without dependent children have the highest share on education compared to other types of the households.

Tab.5 The distribution of consumption expenditures by the type of households in percentage, 2020

Main groups	Type of Household						Total
	One person	Adult with children	Two adults without children	Two adults with children	Three or more adults without children	Three or more adults with children	
Food and non-alcoholic beverages	44.4	46.4	44.9	42.0	39.8	40.9	41.6
Alcoholic beverages, tobacco	2.4	2.1	3.6	3.6	4.0	3.9	3.7
Clothing and footwear	3.3	6.0	3.4	5.3	4.5	5.2	4.6
Housing, water, electricity, gas and other fuels	15.0	17.0	11.9	11.0	9.0	8.8	10.0
Furnishing, household equipment and routine maintenance of the dwelling	6.7	6.1	7.7	6.7	6.5	7.1	6.9
Health	7.6	1.6	7.1	3.9	5.0	5.3	5.4
Transport	2.3	4.1	4.6	6.4	6.2	7.3	6.2
Communication	4.0	4.1	3.9	3.6	3.9	3.6	3.7
Recreation and culture	1.4	1.6	1.8	3.5	2.2	3.6	2.8
Education	0.5	0.9	0.8	1.9	5.9	2.8	3.1
Restaurants and hotels	7.2	4.6	4.6	5.4	6.5	5.2	5.6
Miscellaneous goods and services	5.2	5.4	5.7	6.8	6.4	6.4	6.3
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Methodology

The Household Budget Survey is a statistical survey which is carried out at the household level and gives an overview of the socio-economic situation of the Albanian households. The results of this survey are also used to update the Consumer Price Index and Final Consumption calculation households as an important aggregate of GDP by the expenditure method. The Household Budget Survey was conducted for the first time in 1999-2000 and was representative only for urban areas, continuing later on in 2006-2007, 2008-2009¹ and since 2014 is continuously. From 2006-2007 the survey is spread in the whole Albanian territory including urban and rural areas and also representative in prefecture level.

In 2020 the sample designed for Household Budget Survey was 10,452 households. Due to the pandemic, fieldwork was suspended during the March-May period where 2,616 households were not interviewed. Thus, the survey was conducted over a 9-month period with a sample of 7,836 households. At the end of the survey there were around 5,799 interviewed households distributed uniformly in the whole Albanian territory. The households' response rate, calculated as the ratio of the number of interviewed households during the 9th month's fieldwork with the number of selected households to be conducted during 2020, expressed as a percentage is 55.5 percent.

The sample selection follows a two-step procedure. The first step units (PSUs) are the Census homogeneous areas², with a proportional probability to the size of the Census area. In the second step, within each selected area in the first step, is selected by the method of systematic selection with equal probability a fixed number of 12 households. The selection in both steps is done in a random way by providing a representation also at the prefecture level. The total households sample was divided into 4 sub-samples of three months which were geographically spread homogeneously throughout the year, to reflect the seasonal changes. Consequently, each month were interviewed about 872 households spread evenly in all selected areas so to ensure representativeness for each area each month of the year.

Data collection was based in two different ways of collection:

- Filling a dairy from the households, where are recorded expenditures for purchasing products/services of consumption and when it was necessary filling a daily self-consumption dairy for 7 days, where are recorded only the products produced and consumed by the household itself during the same period, which values are estimated with the price that would be paid in the nearest shop/market.

¹ The period of the survey field work was: October 2006- September 2007 and November 2008- October 2009.

² Homogeneous means that each Census area has the same characteristics of households' consumption expenditures and the size of each PSU has almost the same number of households or individuals.

- Direct interview from the interviewer with a questionnaire where are included different questions about big expenditures and with a rare frequency, grouped and sorted according to specific topics. In the same questionnaire are included questions about socio-demographic data of household composition that will help in the analysis of household budget survey by household type.
- The reference period of data collection for the 2020 survey, where the data of diary are collected with a reference period of 1 week.

Definitions:

Consumption expenditures of households includes any kind of purchases made for goods and services made by households, It excludes purchases of durable goods, investments, money given to the others and imputed rent,

Main groups of consumption expenditure are defined by Classification of Individual Consumption by Purpose (COICOP), 2012.

Reference period is the duration of a certain subject that the information is collected on. The survey uses different reference periods depending on the type of information that must be taken and objectives of each matter to be analysed.

Household is referred to a group of people, a related person or not, who live together in the same apartment or in a part of the house and share a partial or common economy.

Head of household is a person who is defined as the head for the purposes of the survey, (person who is the owner of the house or the person identified by other members of the family). If family members do not determine by themselves the person, he will normally be the person who contributes more to the income of the household.

Child is considered every person under 18 years old.

Annex 1 - Classification of Individual Consumption by Purpose (COICOP)

The Individual Consumption According to Purpose (COICOP)	
GROUPS	The description of products and services classified as household consumption.
1 - FOOD AND NON-ALCOHOLIC BEVERAGES	The food products classified here are those generally purchased and produced for home consumption. Wheat, corn, rice, flour and its sub-products, bread and other bakery products, meat, fish, other seafood, oil, fresh and canned fruits, fresh and canned vegetables, milk, cheese, butter, cottage cheese, eggs, mineral and sparkling water, fruit juices, coffee, tea, honey, sweet products, and also all products of this category produced and consumed by the household etc.
2 - ALCOHOLIC BEVERAGES, TOBACCO	The alcoholic beverages classified here are those generally purchased for home consumption. Wine, beer, raki, whisky, all kinds of liqueurs, ouzo and other spirits beverages. Tobacco, cigarettes, cigars, cigarette paper, and other tobacco products like cigar paper, filter etc.
3 - CLOTHING AND FOOTWEAR	In this group are included: Garments, footwear, new or used, materials for garments, and the repair of garments etc. Garments for men, women, children (3 to 13 years old) and infants (0 to 2 years old), either ready-made or custom made, in all materials (including leather, fur, plastic and rubber), daily using, for sports or work: slicker, rain robes, t-shirts, coat, jackets, vests, pants, suits, dresses, skirts, etc. Shirts, blouses, sweaters, slim fit T-shirts, shorts, swimsuit, tracksuit, jogging suits, pantyhose, etc. Vest, lingerie, socks, tights, bra, skirts, lingerie with lace, night dresses, belts, corset, knitted socks, etc. Pyjamas, nightshirts, bathing suits, jackets for home, etc. Children's garments and knitted socks for children.

4 - HOUSING, WATER ELECTRICITY, GAS AND OTHER FUELS	This group includes: Paid rent, maintenance and repair of the dwelling: like painting and repair, carpenters' services, materials for repair, payment for electricity bill, water bill, gas, garbage removal, and all payments related to the household home etc.
5 - FURNISHING, HOUSEHOLD EQUIPMENT AND ROUTINE MAINTENANCE OF THE DWELLING	This group includes: All kinds of home textiles such as fabric textiles, curtains, sheets, blankets, towels, etc. Small electric appliances for home, equipment for food, machinery for coffee, kettle and other similar equipment, repair of household appliances. Glass, crystal, ceramic and porcelain sets, spoon sets, knives and fork sets, silver sets. Equipment and tools for the garden and house. Payment for the gardener, cooker, babysitter, etc.
6 - HEALTH	This group includes: Medicaments such as medicines for heart and blood pressure (adalat, propranolol), Antibiotics (penicillin, streptomycin, ampicillin), Analgesics (with calming effect) (algin, analgine, aspirin, etc.), Sedatives (for calming the nervous system), Rheumatics (brufen, voltaren, indometacin etc.), Medicines based on hormones (insulin, danyl, tiroidine etc.), Vitamins (B1, B6, B12, C, E, A+D, PP, K, A etj) and medicaments for asthma. Medicaments for stomach and entrails. General Doctors, specialized doctors or interns. Dentists (adjustments, oral hygien, etc.) Laboratory (blood, urine, etc.), Other diagnostic controls (X-ray). Thermal baths, correction therapeutically gymnastics, taking nurses and paramedic (physiotherapy treatments). Services in general hospitals or specialized services of medical and rehabilitation centres in the country and abroad.
7 - TRANSPORT	This group includes: Spare parts and accessories for personal transport such as tires for cars, bicycles and motorcycles, and other accessories for personal transport (plugs, batteries, etc.). Fuel such as (gasoline, diesel, benzene, gas, etc.). Oils, lubricants, anti-freezer, etc. Maintenance and repair of vehicles used for personal transportation. Renting the garage and parking spaces, car rental (without driver). Taxes for (bridges, parking in the city). Lessons for driver's licenses, tests, obtaining driver licenses, separate tickets, monthly (pass) on trains, special tickets, monthly (pass) to tram and metro, special tickets, monthly (pass) for interurban transport. Daily tickets, monthly or seasonal for individual transport etc.
8 - COMMUNICATION	This group includes: Postal services (letters, postcards, telegrams, stamps). Private postal services and package delivery. Repair of communication equipment (telephone, fax, etc.). Fixed telephones bill public telephones (including prepaid cards, mobile phones and subscription bills). Internet services at home, internet café services costs, services grouped into packages, other information transmission services.
9 - RECREATION AND CULTURE	This group includes: Equipment for reception, recording and reproduction of sounds and picture. Mobile audio and visual equipment, other equipment for reception, recording and reproduction of sounds and picture. Photographic and cinematographic equipment and optical instruments, information processing equipment, recording equipment for media. Equipment for sports and games and other items for Recreation, gardens and pets, games, toys and entertainment facilities. Equipment for sport, camping and outdoor recreation, repair and maintenance fees. Plants and garden flower, pets, veterinary services and products related to pets. Participation, follow and entertainment in sport. Hire of equipment and accessories for sport and recreation. Television and radio license fees, subscriptions, newspapers, books and stationery. Binding services and E-book downloads, various printed material, stationery and drawing materials, package holidays within the country and abroad.
10 - EDUCATION	This group covers educational services only. Classification of educational services is based on categories according to the level the International Standard Classification of Education (ISCED) of the United Nations Educational, Scientific and Cultural Organization (UNESCO). Includes: Pre-primary and primary education Elementary and primary education, 8/9 years of school and secondary education, Post-secondary education, University, Education not definable by levels.
11 - RESTAURANTS AND HOTELS	This group includes: Restaurants, bars and dancing halls, fast food and take away food services, canteens, accommodation services such as (Hotels, motels, inns and similar accommodation services. Holiday centre, camping sites, hostels for young people and services alike, accommodation services to other institutions etc.
12 - MISCELLANEOUS GOODS AND SERVICES	This group includes: Personal care treatments in beauty salons and personal care institutions for men and children, household electrical appliances for personal care, repair of electrical appliances for personal care. Appliances, articles and other products for personal care such as shaving razors and machines for cutting hair, scissors, nail-file, styling combs, shaving brush, hair brush, toothbrush, nail brush, pins for hair, curling tongs, personal scales, scales for children, etc. Articles for personal hygiene and well-being, specific products and beauty products such as soap, medical soap, cleansing oil and milk, shaving soap, shaving cream and shaving foam, toothpaste, shampoo and bathing products, toilet paper, tissues, cotton, baby wipes, toilet paper, sanitary towels, shower sponges, etc. Wellness and esoteric products (natural remedy, herbs, healing stones etc.) beauty products: lipstick, nail varnish, make-up and make-up removal products (including powder compacts, brushes and powder puffs), hair lacquers and lotions, pre-shave and after-shave products, sunbathing products, hair removers, perfumes and toilet waters, personal deodorants, bath products, etc. Jewels, clocks, watches, and their repair etc. Social protection, insurance, specified financial services, other unspecified services etc.