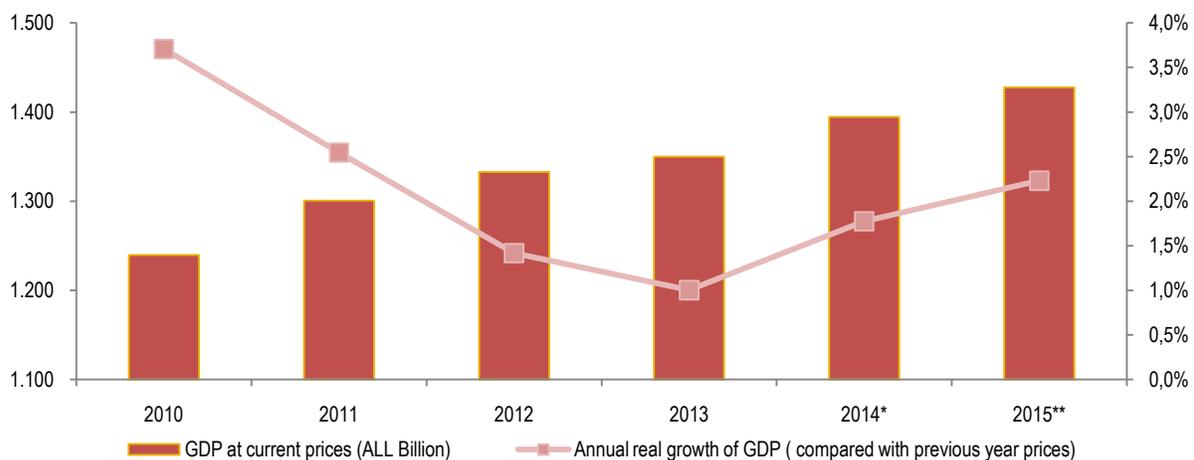


# Gross Domestic Product, 2015

## Final estimates 2014, Semi-final 2015

**Tirana, May 31, 2017:** During year 2015, Albanian economy performed a real GDP growth rate by +2.23 % compared with year 2014, after a growth rate by +1.77 % in year 2014 compared with year 2013.

Fig 1. GDP and real growth rate, 2010-2015



GDP at current prices was estimated ALL 1,427,799 million (EUR 10.2 Billion) in the year 2015 and ALL 1,395,305 million (EUR 10.0 Billion) amounted in the year 2014. In 2015, GDP per capita amounted to ALL 496 thousand (or EUR 3,547) from ALL 483 thousand (or EUR 3,450) in year 2014.

Tab.1 Main macroeconomic indicators (2014-2015 me at current prices)

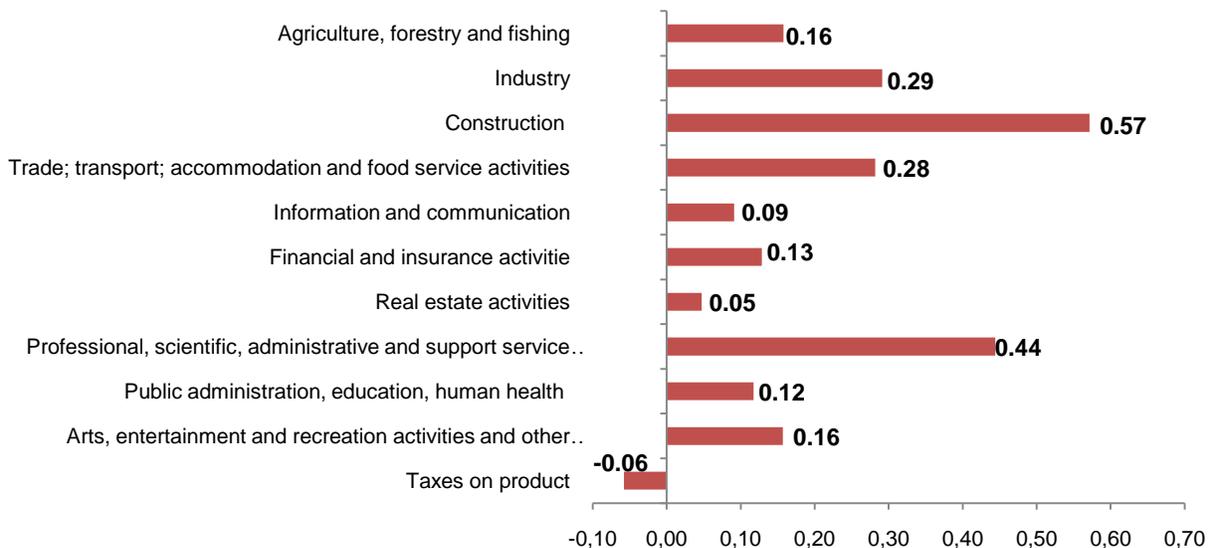
Indicators	Years	
	2014*	2015**
Gross Domestic Product at current prices (in ALL millions)	1,395,305	1,427,799
Gross National Income (in ALL millions)	1,378,599	1,414,015
Annual real growth of GDP at constant prices compared to previous year (in %)	1.77	2.23
GDP deflator (in %)	1.5	0.1
Average annual population (in thousand inhabitants)	2,889	2,881
Gross Domestic Product per capita	In ALL thousand	483
	EURO	3,450
	USD	4,579

2014\* Final data

2015\*\* Semi-final data

According to GDP *by production approach*, the main contribution to economic growth is driven by the following branches: “Construction” by +0.57 percentage point, “Professional services and Administrative services” by +0.44 percentage point, “Industry” by +0.29 percentage point, “Trade, transport, accommodation and food services” by +0.28 percentage point, “Arts, entertainment and other services” by +0.16 percentage point, “Agriculture, hunting and forestry” by +0.16 percentage point and “Financial and insurance activities” by +0.13 percentage point. Net Taxes on products contributed by -0.06 percentage point.

**Fig. 2 Contribution of the main branches of the economy to real growth rate of GDP 2015, in %**



Related to GDP structure by economic activities, *Services* continue to represent the main share in the economy for year 2015, by 46.5 % of GDP and they increased by 2.77 % in real terms. *Industry* and *Construction* realized 21.2 % of Gross Domestic Products. *Industry* rose by 2.26 % in real terms, meanwhile *Construction* by 6.64 %. *Agriculture, hunting and forestry* with 20.1 % share of GDP, grew by 0.79 % in real terms.

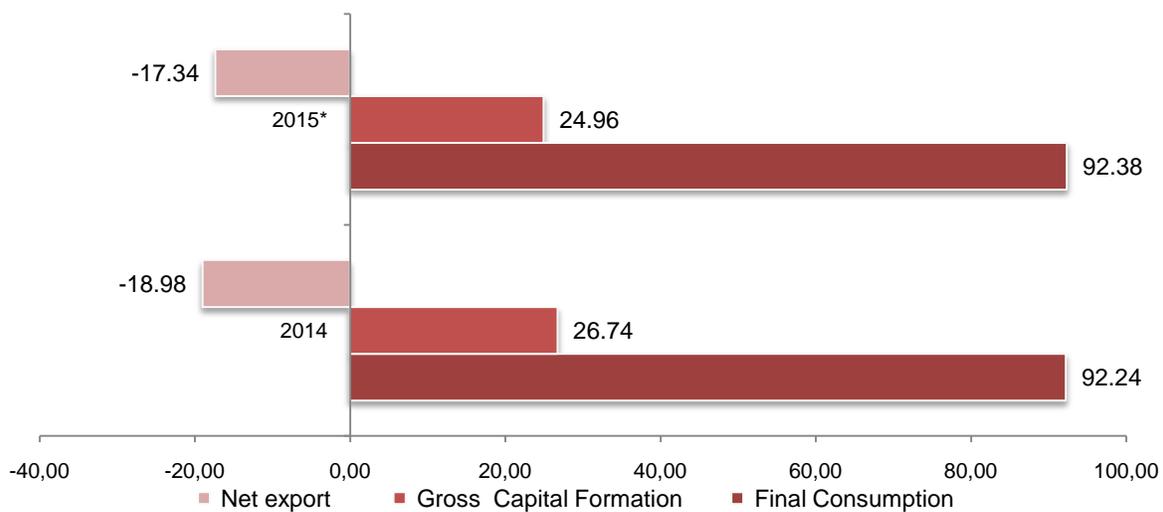
Gross Domestic Product deflator was +0.1 %.

According to GDP by expenditure approach, *Final consumption* constitutes a major share in the economy, with 92.38 %. This component rose by 2.49 % in nominal terms and 0.89 % in real terms. In the total Final Consumption, final consumption of households occupies the largest share, of 80.54 %, followed by the final consumption of General Government with 11.16 % and final consumption of non-profit institutions serving households (NPISH) with 0.68 %.

In 2015, *gross fixed capital formation*, which constitutes 24.64% of GDP, rose by 4.37% in nominal terms and 4.03% in real terms compared with 2014.

*Exports of goods and services* decreased by 0.65% in nominal terms and 0.97% in real terms, while *imports of goods and services* decreased by 3.00 % in nominal terms and 2.88% in real terms compared with 2014.

**Fig 3. Structure of GDP by expenditure approach, in %**



Tab2. Economic indicators by activities, at level A10

A10	Economic activities	Values at current prices (In ALL millions)		Values at previous year prices	Real growth (%)	GDP structure (%)		Contribution
		2014*	2015**	2015**	2015**	2014*	2015**	2015**
A1	Agriculture, forestry and fishing	278,924	286,458	281,124	0.79	19.99	20.06	0.16
A2	Industry	179,946	174,800	184,010	2.26	12.90	12.24	0.29
2a	Manufacturing Industry	74,312	81,205	80,160	7.87	5.33	5.69	0.42
A3	Construction	120,168	128,228	128,141	6.64	8.61	8.98	0.57
A4	Trade; transport; accommodation and food service activities	221,215	226,644	225,150	1.78	15.85	15.87	0.28
A5	Information and communication	39,015	40,907	40,287	3.26	2.80	2.87	0.09
A6	Financial and insurance activities	35,160	38,975	36,956	5.11	2.52	2.73	0.13
A7	Real estate activities	85,701	85,548	86,358	0.77	6.14	5.99	0.05
A8	Professional, scientific, administrative and support service activities	71,042	78,681	77,235	8.72	5.09	5.51	0.44
A9	Public administration, education, human health	154,500	158,434	156,137	1.06	11.07	11.10	0.12
A10	Arts, entertainment and recreation activities and other services	32,173	34,543	34,364	6.81	2.31	2.42	0.16
	<b>GVA at basic prices</b>	<b>1,217,843</b>	<b>1,253,219</b>	<b>1,249,762</b>	<b>2.62</b>	<b>87.28</b>	<b>87.77</b>	<b>2.29</b>
	Taxes on product	177,461	174,580	176,658	-0.45	12.72	12.23	-0.06
	<b>GDP AT MARKET PRICES</b>	<b>1,395,305</b>	<b>1,427,799</b>	<b>1,426,420</b>	<b>2.23</b>	<b>100.00</b>	<b>100.00</b>	<b>2.23</b>

2014\* Final data

2015\*\* Semi-final data

Tab.3 Nominal growth rates and structure of GDP at market prices, 2014-2015

A19	Economic Activities NACE Rev. 2	Values at current prices (In ALL millions)		Nominal growth rate (%)	GDP structure (%)	
		2014*	2015**	(2015/2014)	2014*	2015**
A1	Agriculture, forestry and fishing	278,924	286,458	2.70	19.99	20.06
A2	Mining and quarrying	69,784	46,707	-33.07	5.00	3.27
A3	Manufacturing	74,312	81,205	9.28	5.33	5.69
A4	Electricity, gas, steam and air conditioning supply	25,850	36,853	42.57	1.85	2.58
A5	Water supply; sewerage, waste management and remediation activities	10,001	10,036	0.35	0.72	0.70
A6	Construction	120,168	128,228	6.71	8.61	8.98
A7	Wholesale and retail trade; repair of motor vehicles and motorcycles	154,867	156,716	1.19	11.10	10.98
A8	Transportation and storage	41,915	43,884	4.70	3.00	3.07
A9	Accommodation and food service activities	24,432	26,044	6.60	1.75	1.82
A10	Information and communication	39,015	40,907	4.85	2.80	2.87
A11	Financial and insurance activities	35,160	38,975	10.85	2.52	2.73
A12	Real estate activities	85,701	85,548	-0.18	6.14	5.99
A13	Professional, scientific and technical activities	35,977	38,496	7.00	2.58	2.70
A14	Administrative and support service activities	35,064	40,185	14.60	2.51	2.81
A15	Public administration and defense; compulsory social security	57,149	59,266	3.70	4.10	4.15
A16	Education	59,788	61,126	2.24	4.28	4.28
A17	Human health and social work activities	37,563	38,042	1.27	2.69	2.66
A18	Arts, entertainment and recreation	16,636	16,689	0.32	1.19	1.17
A19	Other service activities	15,537	17,854	14.92	1.11	1.25
	<b>GVA at basic prices</b>	<b>1,217,843</b>	<b>1,253,219</b>	<b>2.90</b>	<b>87.28</b>	<b>87.77</b>
	Net taxes on product	177,461	174,580	-1.62	12.72	12.23
	<b>GDP AT MARKET PRICES</b>	<b>1,395,305</b>	<b>1,427,799</b>	<b>2.33</b>	<b>100.00</b>	<b>100.00</b>

2014\* Final data

2015\*\* Semi-final data

Tab.4 GDP at current prices, previous year prices and real growth, 2014-2015

A19	Economic Activities NACE Rev. 2	Values at current prices		Values at previous year prices	Real growth (%)
		(In ALL millions)		2015**	2015**
		2014*	2015**		2015**
A1	Agriculture, forestry and fishing	278,924	286,458	281,124	0.79
A2	Mining and quarrying	69,784	46,707	64,206	-7.99
A3	Manufacturing	74,312	81,205	80,160	7.87
A4	Electricity, gas, steam and air conditioning supply	25,850	36,853	29,372	13.62
A5	Water supply; sewerage, waste management and remediation activities	10,001	10,036	10,272	2.72
A6	Construction	120,168	128,228	128,141	6.64
A7	Wholesale and retail trade; repair of motor vehicles and motorcycles	154,867	156,716	154,498	-0.24
A8	Transportation and storage	41,915	43,884	44,741	6.74
A9	Accommodation and food service activities	24,432	26,044	25,910	6.05
A10	Information and communication	39,015	40,907	40,287	3.26
A11	Financial and insurance activities	35,160	38,975	36,956	5.11
A12	Real estate activities	85,701	85,548	86,358	0.77
A13	Professional, scientific and technical activities	35,977	38,496	37,789	5.04
A14	Administrative and support service activities	35,064	40,185	39,446	12.49
A15	Public administration and defense; compulsory social security	57,149	59,266	58,392	2.18
A16	Education	59,788	61,126	59,481	-0.51
A17	Human health and social work activities	37,563	38,042	38,263	1.86
A18	Arts, entertainment and recreation	16,636	16,689	16,740	0.63
A19	Other service activities	15,537	17,854	17,624	13.43
	<b>GVA at basic prices</b>	<b>1,217,843</b>	<b>1,253,219</b>	<b>1,249,762</b>	<b>2.62</b>
	Net taxes on product	177,461	174,580	176,658	-0.45
	<b>GDP AT MARKET PRICES</b>	<b>1,395,305</b>	<b>1,427,799</b>	<b>1,426,420</b>	<b>2.23</b>

2014\* Final data

2015\*\* Semi-final data

Tab.5 Gross Domestic Products by Expenditure Approach by current prices

GDP indicators	Value In ALL million		Nominal growth rate (%) (2015/2014)	GDP structure (%)	
	2014*	2015**		2014*	2015**
<b>Final Consumption</b>	1,287,018	1,319,032	2.49	92.24	92.38
<b>Final Consumption of the Households</b>	1,119,647	1,149,930	2.70	80.24	80.54
<b>Final Consumption of General Government</b>	159,788	159,361	-0.27	11.45	11.16
Individual consumption	80,060	77,022	-3.79	5.74	5.39
Collective consumption	79,729	82,339	3.27	5.71	5.77
<b>Consumption of NPISHs</b>	7,583	9,741	28.47	0.54	0.68
<b>Gross Fixed Capital Formation</b>	337,087	351,815	4.37	24.16	24.64
<b>Change in inventories</b>	21,153	24,249	14.64	1.52	1.70
<b>Statistical discrepancy</b>	14,900	-19,647		1.07	-1.38
<b>Net export</b>	-264,855	-247,651	6.50	-18.98	-17.34
<b>Exports of goods and services (f.o.b)</b>	393,657	391,098	-0.65	28.21	27.39
Exports of goods	130,401	107,849	-17.29	9.35	7.55
Exports of services	263,257	283,249	7.59	18.87	19.84
<b>Imports of goods and services (f.o.b)</b>	658,512	638,749	-3.00	47.19	44.74
Imports of goods	440,461	428,797	-2.65	31.57	30.03
Imports of services	218,051	209,951	-3.71	15.63	14.70
<b>GROSS DOMESTIC PRODUCT</b>	<b>1,395,305</b>	<b>1,427,799</b>	<b>2.33</b>	<b>100.00</b>	<b>100.00</b>

2014\* Final data

2015\*\* Semi-final data

Tab.6 Gross Domestic Products by Expenditure Approach by constant prices

GDP indicators	Value In ALL million		GDP at previous year prices	Real growth (%)
	2014*	2015**	(2015/2014)	2015**
<b>Final Consumption</b>	1,287,018	1,319,032	1,298,456	0.89
<b>Final Consumption of the Households</b>	1,119,647	1,149,930	1,130,786	0.99
<b>Final Consumption of General Government</b>	159,788	159,361	158,024	-1.10
Individual consumption	80,060	77,022	76,975	-3.85
Collective consumption	79,729	82,339	81,049	1.66
<b>Consumption of NPISHs</b>	7,583	9,741	9,646	27.21
<b>Gross Fixed Capital Formation</b>	337,087	351,815	350,678	4.03
<b>Change in inventories</b>	21,153	24,249	24,814	17.30
<b>Statistical discrepancy</b>	14,900	-19,647	-5,422	
<b>Net export</b>	-264,855	-247,651	-242,105	8.59
<b>Exports of goods and services (f.o.b)</b>	393,657	391,098	397,473	0.97
Exports of goods	130,401	107,849	108,154	-17.06
Exports of services	263,257	283,249	289,319	9.90
<b>Imports of goods and services (f.o.b)</b>	658,512	638,749	639,578	-2.88
Imports of goods	440,461	428,797	432,287	-1.86
Imports of services	218,051	209,951	207,291	-4.93
<b>GROSS DOMESTIC PRODUCT</b>	<b>1,395,305</b>	<b>1,427,799</b>	<b>1,426,420</b>	<b>2.23</b>

2014\* Final data

2015\*\* Semi-final data

# Information for Users

**Note:** *The next publication of annual GDP is going to be published in the first quarter of year 2018 as a result of changes in revisions policy of annual national accounts.*

## Methodology and classification

The GDP estimations are harmonised with concepts and definitions of European System of Accounts (ESA 2010) and System of National Accounts (SNA 2008). Both these methodologies are the latest updates of ESA 1995 and SNA 1993. The European System of National Accounts and Regional Accounts is the framework for the measurement of economic and financial activities of the economic system, their components and the links between them for a given period of time (usually quarterly up to one year). Transactions made by the economic agents related to other resident or non-resident units in an economic territory are object of measurements in National Accounts.

The classifications used in the National Accounts are as follow:

- Nomenclature of the economic activities REV.2 (NACE Rev.2);
- Nomenclature of Products by Activity (CPA);
- Classification of individual consumption by purpose (COICOP);
- Classification of the functions of the government (COFOG).

## Data sources

Various statistical and administrative sources are used for the estimation of GDP. Data could be statistical products of INSTAT or administrative data from different national institutions such as Ministries, General Directorate of Taxes and Customs, National Registration Centre, Bank of Albania, Financial Supervisory Authority, National Agency of Natural Resources, etc. By comparing these sources with each other, it is obtained a clear picture of the economy which is comprehensive, consistent, coherent and fully integrated.

The statistical sources include data gathered from various records and surveys on entities or households. among which it could be mentioned: Business Register; Population and Housing Census; Structural Business Survey; Retail Trade Survey; Household Budget Survey; Labour Force Survey; Living Standard Measurement Survey; Price Statistics Survey, etc.

Administrative sources include administrative data collected by other institutions for various purposes, among which it could be mentioned: The annual financial statements; Value added tax (VAT); Monetary financial statistics; Balance of Payments; Government fiscal statistics; Foreign trade statistics; Data on electricity and energy products; etc.

### **Stage of publication and revision policies**

Estimates of annual GDP pass through three stages of calculations and publications.

- The first stage is the preliminary estimate of annual GDP. by both methods, within eleven months after the end of the year (t+11) and is based on preliminary data sources of the annual Structural Business Survey and administrative sources.
- The second stage includes semi-final estimates of the annual accounts of the GDP for the year “t” within six months after the preliminary assessment (t+17). Semi-final calculations are based on data sources more complete and therefore almost entirely on direct methods.
- The third stage includes the final estimates of GDP for the year (t). In this third stage, when the data set of the year (t+1) is received, the data of the year (t) is reviewed once again in order to incorporate any changes made to the year (t) and to ensure the consistency of the two consecutive years. During this stage is performed the final balancing at product level between the two methods of GDP.

The published data are revised based on revision policies of the national accounts. The annual estimates of the GDP and its components are subject of two types of revisions: routine and major revisions.

#### *Routine revisions:*

Annual routine revisions are as a result of updates of annual available data sources with the latest data of a given year “t”. Estimation of GDP of year “t” pass through three above stages of compilation until to final estimations. The first annual preliminary estimates on annual basis of the current year are available 11 months after the end of the reporting year (at the beginning of December of year t+1). Annual preliminary estimations are based on preliminary data of annual survey and other administrative sources. Preliminary results are revised after six months in order to obtain semi-final estimates. At the same time there are also revised the estimates of the previous year (t-1) in order to transform the estimates from semi-final to final.

#### *Major revisions:*

Major revisions are linked with incorporation of new statistical and administrative data sources; improvement of statistical techniques and methods of national accounts data compilation; changes in definitions,

methods and classifications in international level, introduced by new System of National Accounts 2008 (SNA 2008) and European System of Accounts 2010 (ESA 2010).

### **Definitions**

**Gross Domestic Product (GDP):** Gross Domestic Product at market prices, is the final result of production activity of productive resident units during a year. It is calculated in two approaches:

- **GDP according to production approach** is equal to sum of gross added values relevant to different kinds of activities, adding taxes and subtracting subsidies on products (not distributed to sectors or branches of a certain activity);

- **GDP according to expenditure approach** is equal to final domestic usage of products and services (final consumption. gross fixed capital formation. changes in inventories), plus exports, minus imports.

**Output:** production is an activity carried out under the control, responsibility and management of an institutional unit that uses inputs of labour, 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.

**Gross Value Added:** Gross Value Added represents the contribution of different activities in GDP and is calculated as the difference between the output and intermediate consumption.

**Nominal GDP:** measures the current market value of a country's gross domestic product.

**Real GDP:** measures the volume level of a gross domestic product after changes in prices have been taken into account. It is obtained by expressing values in terms of a base period or previous period prices.

**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 and imports:** 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 fulfil 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).

**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.

**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.

**Constant prices:** Estimation in constant prices represents the estimation in real terms, deflated with prices of a base year or of the previous year.

**GDP percapita:** It is a measure of the Gross Domestic Product (GDP) divided by the average number of people in the country.