

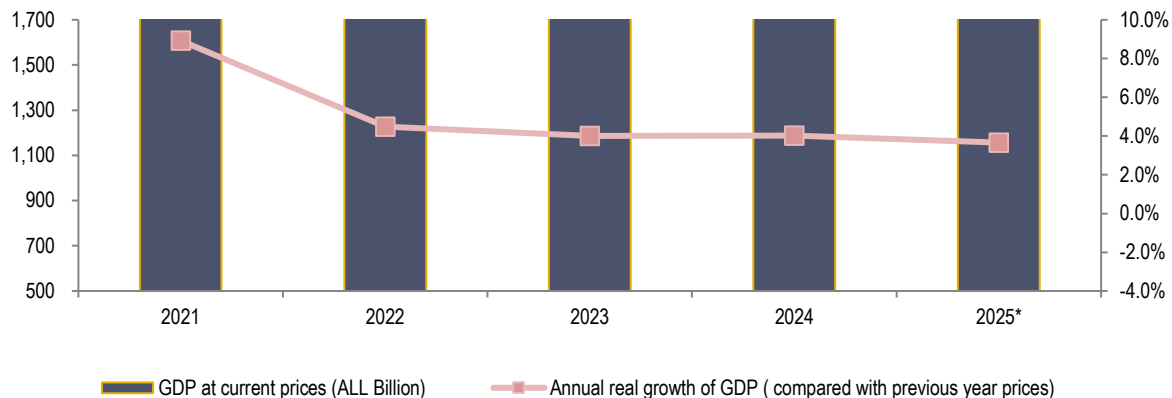
# GROSS DOMESTIC PRODUCT

2025\*

INSTAT publishes the final Gross Domestic Product (GDP) data for 2024 and the semi-final estimates for 2025. GDP at current prices was estimated at ALL 2,648,505 million in 2025 and ALL 2,517,279 million in 2024.

The Albanian economy recorded real GDP growth of 3.66% in 2025, compared with 4.03% in 2024.

**FIG.1.GDP AND ECONOMIC GROWTH, 2021–2025\***



2025\* Semi-final data

## Production Approach

Regarding the structure of GDP by economic activity, in 2025 the largest share of the economy was represented by "Total Services", accounting for 49.10% of GDP, with a real growth rate of 5.83%. "Industry" accounted for 10.08% of GDP and recorded a real decline of 3.72%. "Construction" represented 12.56% of GDP and increased by 4.11% in real terms. "Agriculture, forestry and fishing" accounted for 14.59% of GDP and recorded a real decrease of 2.50%.

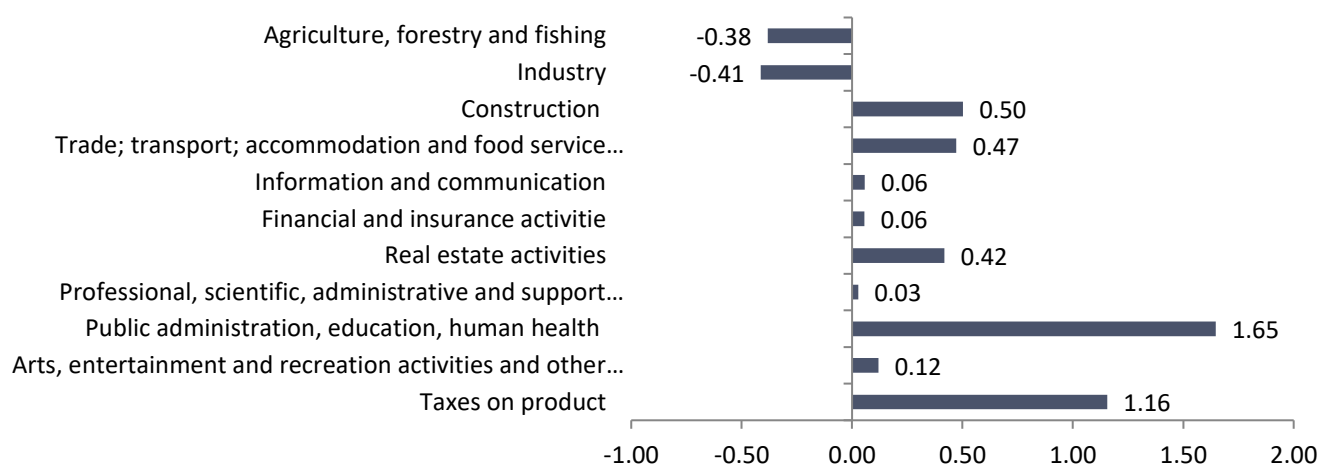
The contribution of economic activities to real GDP growth was as follows:

- "Public administration, education and health" contributed 1.65 percentage points;
- "Construction" contributed 0.50 percentage points;
- "Trade, transport, accommodation and food service activities" contributed 0.47 percentage points;
- "Real estate activities" contributed 0.42 percentage points;
- "Information and communication activities" contributed 0.06 percentage points;

- “Industry” contributed -0.41 percentage points;
- “Agriculture, forestry and fishing” contributed -0.38 percentage points.

Net taxes on products contributed positively with 1.16 percentage points to the real economic growth rate.

**FIG.2. CONTRIBUTION OF THE MAIN ECONOMIC ACTIVITIES TO REAL GDP GROWTH, 2025\*, IN PERCENTAGE POINTS\***



**TAB. 1 TREGUESIT SIPAS AKTIVITETEVE EKONOMIKE, GRUPIMI A10**

A10	Economic activities	Values at current prices (In ALL millions)		Values at previous year prices	Real growth (%)	GDP structure (%)		Contribution
		2024	2025*	2025*	2025*	2024	2025*	2025*
A1	Agriculture, forestry and fishing	385,346	386,369	375,731	-2.50	15.31	14.59	(0.38)
A2	Industry	279,250	266,857	268,854	-3.72	11.09	10.08	(0.41)
2a	Manufacturing Industry	175,404	171,139	172,939	-1.41	6.97	6.46	(0.10)
A3	Construction	307,532	332,666	320,179	4.11	12.22	12.56	0.50
A4	Trade; transport; accommodation and food service activities	475,508	513,825	487,400	2.50	18.89	19.40	0.47
A5	Information and communication	61,123	63,599	62,568	2.36	2.43	2.40	0.06
A6	Financial and insurance activities	39,658	43,125	41,060	3.53	1.58	1.63	0.06
A7	Real estate activities	127,329	141,881	137,849	8.26	5.06	5.36	0.42
A8	Professional, scientific, administrative and support service activities	173,571	177,689	174,272	0.40	6.90	6.71	0.03
A9	Public administration, education, human health	285,480	311,950	326,942	14.52	11.34	11.78	1.65
A10	Arts, entertainment and recreation activities and other services	44,903	48,293	47,898	6.67	1.78	1.82	0.12
	<b>GVA at basic prices</b>	<b>2,179,700</b>	<b>2,286,253</b>	<b>2,242,753</b>	<b>2.89</b>	<b>86.59</b>	<b>86.32</b>	<b>2.50</b>
	Taxes on product	337,579	362,252	366,661	8.62	13.41	13.68	1.16
	<b>GDP AT MARKET PRICES</b>	<b>2,517,279</b>	<b>2,648,505</b>	<b>2,609,414</b>	<b>3.66</b>	<b>100.00</b>	<b>100.00</b>	<b>3.66</b>

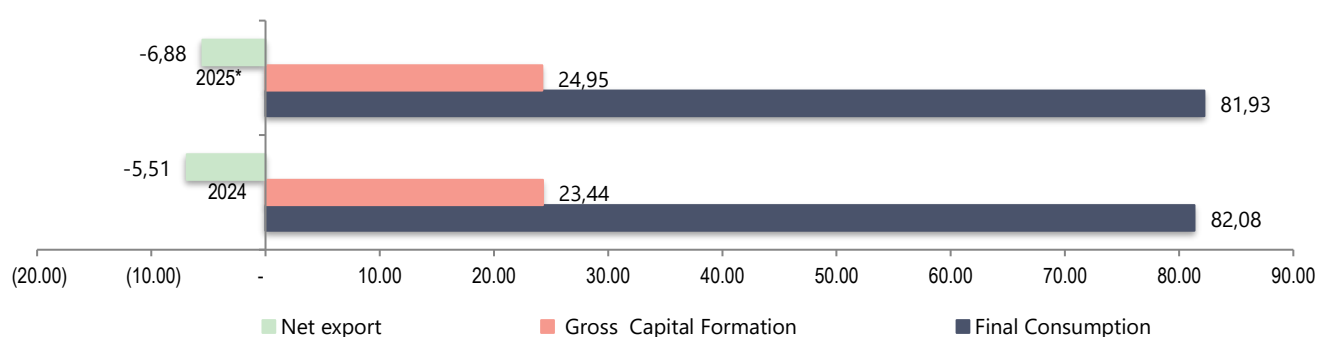
2025\* Semi-final data

## Expenditure Approach

According to the expenditure approach to GDP, total consumption represents the largest component of GDP, accounting for 82.20% of the economy. This component increased by 6.31% in nominal terms and 4.66% in real terms compared with 2024.

- Household final consumption expenditure accounts for 68.63% of total consumption, followed by general government final consumption expenditure with 12.89%, and final consumption expenditure of Non-Profit Institutions Serving Households (NPISH) with 0.68%.
- In 2025, Gross Fixed Capital Formation (GFCF), which accounted for 24.23% of GDP, increased by 4.98% in nominal terms and by 3.30% in real terms compared with 2024.
- Exports of goods and services increased by 7.41% in nominal terms and 7.42% in real terms, while imports of goods and services increased by 3.70% in nominal terms and 3.62% in real terms, compared with 2024.

**FIG. 3 GDP STRUCTURE BY THE EXPENDITURE APPROACH, IN %**



**TABLE 2. INDICATORS OF THE MAIN COMPONENTS OF GDP BY THE EXPENDITURE APPROACH**

GDP indicators	Value		GDP at previous year prices (2054/2024)	Real growth (%) 2025*	GDP structure (%)		Contribution 2025*
	In ALL million				2024	2025*	
<b>Final Consumption</b>	2,047,950	2,177,177	2,143,449	4.66	81.36	82.20	3.79
<b>Final Consumption of the Households</b>	1,723,481	1,817,736	1,782,033	3.40	68.47	68.63	2.33
<b>Final Consumption of General Government</b>	309,475	341,407	344,674	11.37	12.29	12.89	1.40
Individual consumption	141,450	155,094	161,075	13.87	5.62	5.86	0.78
Collective consumption	168,025	186,313	183,599	9.27	6.67	7.03	0.62
<b>Consumption of NPISHs</b>	14,994	18,034	16,741	11.65	0.60	0.68	0.07
<b>Gross Fixed Capital Formation</b>	611,363	641,838	631,538	3.30	24.29	24.23	0.80
<b>Change in inventories</b>	31,315	(24,584)	(20,719)		1.24	(0.93)	(2.07)
<b>Net export</b>	(173,349)	(145,926)	(144,853)	(16.44)	(6.89)	(5.51)	1.13
<b>Exports of goods and services (f.o.b)</b>	913,588	981,241	981,385	7.42	36.29	37.05	2.69
Exports of goods	169,050	153,063	155,791	(7.84)	6.72	5.78	(0.53)
Exports of services	744,538	828,178	825,593	10.89	29.58	31.27	3.22
<b>Imports of goods and services (f.o.b)</b>	1,086,937	1,127,166	1,126,238	3.62	43.18	42.56	1.56
Imports of goods	731,470	735,527	731,060	(0.06)	29.06	27.77	(0.02)
Imports of services	355,467	391,639	395,178	11.17	14.12	14.79	1.58
<b>GROSS DOMESTIC PRODUCT</b>	2,517,279	2,648,505	2,609,414	3.66	100.00	100.00	3.66

2025\* Semi-final data

## Income Approach

According to this approach, the gross operating surplus (B.2g), which represents the value remaining after deducting compensation of employees and net taxes on production from gross value added, constitutes the largest share of income in the economy, accounting for 52.87%.

FIG. 4. GDP STRUCTURE BY THE INCOME APPROACH, IN %



Compensation of employees, which includes the total remuneration, in cash or in kind, paid by employers to employees in return for the work performed, accounts for 28.98% of GDP, followed by taxes on products with 13.70%.

TABLE 3. INDICATORS OF THE MAIN COMPONENTS OF GDP BY THE INCOME APPROACH

ESA CODE	Indicators	2021	2022	2023	2024	2025*	Structure in GDP (%)
<b>D.1</b>	<b>Compensation of employees</b>	469,811	506,207	620,796	691,810	765,068	28.98%
D.11	Wages and salaries	402,578	434,435	531,474	595,510	661,161	24.96%
D.12	Employers' social contributions	67,233	71,772	89,322	96,300	103,906	3.92%
D.21	Taxes on production and import	270,619	294,548	305,781	338,047	362,799	13.70%
D.29	Taxes on products	27,913	28,641	33,333	42,383	43,351	1.64%
D.31	Other taxes on production	-66	-219	-508	-468	-547	-0.02%
D.39	Other subsidies on production	-255	-1,205	-241	-1,056	-1,922	-0.07%
<b>B.2g/B.3g</b>	<b>Gross operating profit</b>	1,102,197	1,322,587	1,406,026	1,446,563	1,479,762	55.87%
<b>B.1g</b>	<b>GROSS DOMESTIC PRODUCT</b>	<b>1,870,218</b>	<b>2,150,559</b>	<b>2,365,187</b>	<b>2,517,279</b>	<b>2,648,511</b>	<b>100.00%</b>

2025\* Semi-final data

### Shënim për përdoruesit:

Të dhënat e detajuara vjetore sipas aktiviteteve ekonomike janë të disponueshme në databazën statistikore të INSTAT: [Produkti i brendshëm bruto](#), si dhe në seksionin e tabelave në website në temën: [Produkti i brendshëm bruto](#)

# Methodology

## 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 Business 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 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.

### **Revision policies**

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. For more information refer to:

<https://www.instat.gov.al/al/temat/ekonomi-dhe-financ%C3%AB/llogarit%C3%AB-komb%C3%ABtare-gdp/#tab4>

### **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'.

### **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 (SNA and ESA). Link:

<https://www.instat.gov.al/al/temat/ekonomi-dhe-financ%C3%AB/llogarit%C3%AB-komb%C3%ABtare-gdp/#tab4>

### **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.

- **GDP according to income approach** calculates the value of all products and services that are created within an economy during a certain period, usually a year, focusing on the accumulation of income that is generated by the factors of production.

**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.

**Compensation of employees:** is defined as the total remuneration, in cash or in kind, that the employer pays to the employee in exchange for the work performed by the latter, during the accounting period. Employee compensation includes employers' wages and social contributions.

**Gross operating surplus, (B.2g)** is the difference that remains after deducting from value added (at basic prices) compensation of employees and other taxes and subsidies on production. The operating surplus of the self-employed is called "Gross mixed income (B.3g)", because it also contains compensation for the work of the self-employed and other family members.

**Other taxes on production** are taxes that businesses must pay as a result of engaging in production, regardless of the quantity or value of the goods and services they produce or sell.

**Subsidies on production** are financial assistance provided by governments to businesses to support the production of goods and services. These subsidies aim to encourage production, reduce production costs, or assist in the development of specific economic sectors.

**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 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.

**Gross national income:** Gross national income includes all income earned by a country's residents and businesses, including that earned abroad.

**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.