

The European Union's IPA 2012 Programme

Project 1: National Accounts Methodology

Description of Sources and Methods

Part E, Regional Accounts

Albania

September 2015





IPA 2012, Part E:

Description of sources and methods for Regional Account

Albania



W	ritten	hv
V V .	ııııcıı	ν_{ν}

Elton Alika, eliko@instat.gov.al

Gentian Sinakoli, gsinakoli@instat.gov.al

The product and the data it contains are copyrighted. All rights are reserved by the Institute of Statistics of Albania. Copying and dissemination of the data and commercial use thereof is not permitted without previous written approval. It is also forbidden to put the data on the Internet, even if this is done so free of charge, without prior approval in writing from the Institute of Statistics. Further use is permissible only if the source is correctly identified as "Institute of Statistics of Albania".

© INSTAT

September 2015



CONTENTS

СНАРТЕН	R 1	SUMMARY: OVERVIEW, METHODOLOGY AND SOURCES5				
1.1.	Organiz	eation of the statistical process for compiling Regional Accounts,6				
1.2.	Overview of the methodology of regional GVA compilation					
1.3.	Main sources used for the compilation of regional GVA9					
СНАРТЕ		RELEASE AND PUBLICATION TIMETABLE, REVISION				
POLI	CY, AC	CESS FOR THE PUBLIC10				
2.1.	Timetab	ble for release and publication of provisional and final estimates10				
2.2.	Revisio	n policy10				
2.3.	Compar	rability over time				
2.4.	Accessi	bility for the public10				
CHAPTEI GVA	_	METHODOLOGY FOR THE CALCULATION OF REGIONAL 12				
3.1.	PRINCI	IPLES APPLICABLE TO ALL INDUSTRIES12				
	3.1.1.	Available sources and information				
	3.1.2.	Use of benchmarks and extrapolations				
	3.1.3.	Treatment of ancillary activities				
	3.1.4.	Approach to exhaustiveness				
	3.1.5.	Calculation of FISIM by user industries, regional allocation of FISIM				
	3.1.6.	Transition from GVA to GDP19				
3.2.	SPECIF	FIC METHODS FOR COMPILING REGIONAL GVA19				
	3.2.1.	NACE Section A1 - Agriculture, hunting, forestry and fishing (A1 of A10)19				
	3.2.2.	NACE Section A2 – Mining and Quarrying; Manufacturing; Electricity and Water Supply (A2 of A10)20				
	3.2.3.	NACE Section A3 -Construction (A3 of A10)23				
	3.2.4.	NACE Section A4 – Wholesale; Retail Trade; Transportation (A4 of A10)				
	3.2.5.	NACE Section A5 – Information and communication (A5 of A10) .26				
	3.2.6.	NACE Section A6 – Financial and Insurance Activities (A6 of A10)26				
	3.2.7.	NACE Section A8 – Professional, Scientific and Technical Activities (A8 of A10)				



		3.2.8.	NACE Section A9 – Public Administration; Education; Health and Social Work Activities (A9 of A10)	.29
		3.2.9.	NACE Section A10 – Arts, entertainment and recreation (A10 of A10)	
	3.3.	REGIO	NAL GVA AT CONSTANT PRICES	.33
СНА	PTEF	R 4	QUALITY ASSESSMENT AND IMPROVEMENT	.33
	4.1.	Self-Ass	sessment of the methodology for compilation of regional GVA	.33
	4.2.	Plans fo	r further improvement	.34
ANN	EXE	S		.35



CHAPTER 1 SUMMARY: OVERVIEW, METHODOLOGY AND SOURCES

On 28-th April 2011 EUROSTAT confirmed INSTAT proposal, approved by Council of Ministers^{1,} for regional break down of Albania in 3 statistical regions level 2 and 12 statistical regions level 3, corresponding existing prefectures. The composition of statistical regions is presented in the following table:

Table 1-1: Regional structure in Albania

Code	Statistical Region level1	Statistical Region level2	Statistical Region level3
AL	Republic of Albania		
AL01		North	
AL011			Dibër
AL012			Durrës
AL013			Kukës
AL014			Lezhë
AL015			Shkodër
AL02		Center	
AL021			Elbasan
AL022			Tiranë
AL03		South	
AL031			Berat
AL032			Fier
AL033			Gjirokastër
AL034			Korçë
AL035			Vlorë

The breakdown of the Albania territory is in coherence with Regulation (EC) No 1059/2003 of the European Parliament and of the Council of 26 May 2003 on the establishment of a common classification of territorial Measuring Units for statistics (NUTS).

Number of population for each non-administrative unit at level NUTS 2 is harmonized with thresholds in Regulation of European Commission arranged minimum size 800 thousand people and maximum 3 million inhabitants.

¹ Decision of C.M no.1037 date 15.12.2010 "On the implementation of the nomenclature "Albania in 3 (three) regions NUTS II"according to the Nomenclature of the Territorial Units on statistics (NUTS) of the European Union.



Regions at level 3 are administrative Measuring Units (Prefectures). Average number of population for level 3 is 241.447 inhabitants in year 2013 within interval from 150 to 800 thousand of inhabitants.

Table 1-2: NUTS regions specifications

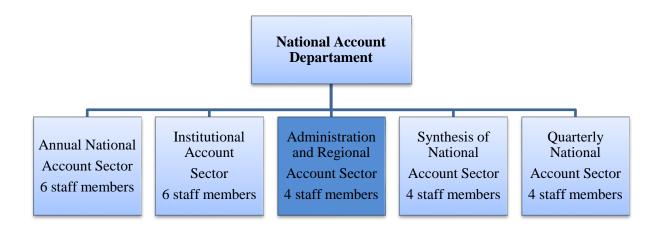
NUTS	Minimal number of residents	Maximal number of residents
NUTS 1	3,000,000	7,000.000
NUTS 2	800,000	3,000,000
NUTS 3	150,000	800,000

1.1. Organization of the statistical process for compiling Regional Accounts,

The position of the INSTAT as a central agency is defined by Law No. 9180, dated 5.2.2004 "On official statistics". The mission, tasks, organizational structure, rights and duties of the INSTAT are regulated by the Programme of official statistics 2012-2016, based on Law No. 9180, dated 5.2.2004 "On official statistics", and passed by Parliament.

Albanian Institute of Statistics (INSTAT) – National Account Directory (NAD) is responsible for the compilation and co-ordination of all aspects of the national accounts. NA Directory consists of five separate sections as is shown below in Figure 1.

Figure 1: National Account Department organizational chart, September 2015



Annual National Account Sector produces the estimation of annual Gross Domestic Production by production approach in current and constant prices at previous year prices. This sector is responsible for estimates of output, intermediate consumption and value added by industries and the exhaustiveness adjustments of GDP.



The development in national accounts fields for further improvements in quality and implementation of 2010 ESA/ 2008 SNA are part of the work of this sector. It has 6 staff members, the head of the sector and 5 specialists where each of them is responsible for the estimation of economic indicators of GDP of one respective industry at national level.

Institutional Account Sector has two main objectives:

- 1. Compiling institutional sector accounts,
- Estimation of GDP according to the expenditure approach in current prices and constant prices, in national level, aiming coherence with ESA 2010 / SNA 2008 concepts.

It is composed by 6 staff member, head of the sector and 5 specialists. Work is organized in such a way that 3 of the staff members are dealing with the first objective (expenditure method of GDP) and the other 3 are working with the second objective (institutional sector accounts).

The Synthesis of National Account (SNA) Sector has 4 staff members, the head of the sector which reports to the Director of National Accounts Department and 3 specialists who report to the head of the sector. The sector compiles supply and use tables at current and constant prices (under preparation), compiles symmetrical input-output tables. This sector, in cooperation with other NA sectors, is responsible for data source processing and participates in designing annual statistical surveys.

Quarterly National Account Sector is responsible for the estimation of quarterly gross domestic product (QGDP) by production and expenditure approach. The Sector estimates quarterly GDP at current and constant prices (changes in volume of the quarterly GDP) expressed at average prices of the previous year and chain-linked with the reference year, (2010=100). The estimates of quarterly GDP are compiled in both original and seasonally adjusted formats. The Quarterly National Account Sector has 4 staff members, the head of the sector and 3 specialists.

Administration and Regional Account Sector has 4 staff members, the head of the sector which reports to the Director of National Account Department and 3 specialists who reports to the head of the sector. This sector has two main objectives:

- 1. Estimation of National Accounts indicators for General Government quarterly and annually,
- 2. Estimation of the indicators of GVA and GDP for Regional Accounts in Albania.



Regional Accounts is compiled by the team of Government and Regional Accounts Sector within the National Accounts Department. The regional accounts team works closely with the team responsible for the compilation of Annual National Accounts.

Albanian regional Gross Value Added (GVA) and Gross Domestic Product (GDP) was first published in 2011 for year 2009.

In 2015, data are published for the period 2008-2013. Regional Accounts are published annually around 19 months after the reference period and follow the publication of Annual National Accounts Annual data (timetabled for end May/June) with t-2 months. Annual National Accounts provide the national figures for regional GVA. Data are compiled for some indicators at the district level (36) and then aggregated to regions on statistical level 3 (12 regions) and regions on statistical level 2 (3 regions). Data are published at statistical level 3 and statistical level 2.

1.2. Overview of the methodology of regional GVA compilation

The report gives an outline of the estimation of regional GVA for Albania. The purpose is to describe the sources and methods of the regionalization process for the National Accounts data. The report focuses on the compilation of Gross Value Added (GVA) and Gross Domestic Product (GDP). Calculations currently follow the concepts of the European System of Accounts (ESA).

In general the production approach is used in the Albanian Regional Accounts. The same data sources are used for the estimation of the Production and Intermediate Consumption in regions as well as at national level.

The methods used to calculate Regional Gross Value Added (GVA) are a combination of the methods Bottom–Up, Mixed methods (Pseudo-Bottom-Up method) and Top-Down, in line with ESA manual chapter 13:

- Bottom-Up means that all information is collected from the local KAU and converted to the level of the National Accounts.
- Top-Down is the inverse method of bottom-up .It means that the aggregate of GVA in these sectors is allocated to a region and to an industry and not to the local units. The national figure is distributed using an indicator which is close to the value added
- Pseudo-Bottom-Up method is the mixture of Bottom-Up and Top-Down methods.
 The Pseudo-Bottom-Up approach in our case consists of assigning of regional weights to enterprises and data for local units are not available. Weights are determined according to the wages and salaries, number of employees, in the sum of local units in



the regions. Many enterprises have local units only in one region and that is why calculation in this case is just as in a purely Bottom-Up approach.

In the compilation of the Regional Accounts the GVA is valued at basic prices. In the calculation of GDP for the regions the GVA is converted into market prices. That is, the subsidies for each product are deducted and the taxes added to the basic prices. Taxes and subsidies are regionalized in proportion of the overall regional breakdown of total GVA.

In compiling indicators at constant prices, national price indices are used in deflating production by economic branch. No regional information in prices is used in this distribution.

The constant prices are estimated as in the Annual National Accounts, on the basis of regionally distributed previous years' prices.

1.3. Main sources used for the compilation of regional GVA

Estimation of Regional Accounts is based on existing data sources used in Annual National Accounts. Statistical data sources include data coming from the Structural Business Survey (SBS), the Survey on Agriculture and Fishing from Ministry of Agriculture and Ministry of Environment, Labor Force Survey (LFS), Price statistics, Business Register, etc. In addition, administrative data sources are also used. These data sources include VAT declaration statement, enterprises balance sheets, the Annual report of Banking System, Insurance, State budget revenues and expenditures, etc.

At national and regional level the same classifications are applied for economic branches.

CHAPTER 2 RELEASE AND PUBLICATION TIMETABLE, REVISION POLICY, ACCESS FOR THE PUBLIC

2.1. Timetable for release and publication of provisional and final estimates

Regional Accounts are based on the same principles and definitions as of the Annual National Accounts which are compiled in the line with the ESA methodology. The same data sources are used in both national and regional accounts. Also the "Regional Accounts Methods – Gross value-added and gross fixed capital formation by activity", published by EUROSTAT, is used as manual for regionalization process of macroeconomic indicators.

The Regional Accounts are published annually, T+19 months after the reference year. Publication of the Albanian Regional Accounts follows release of the Annual National Accounts dataset. The release calendar for national and regional accounts is published on the INSTAT website:

http://www.instat.gov.al/en/publications/calendar.aspx

Regional Accounts data for 2013 were published in July 2015. The data are published in different regional levels with focus on NUTS at level 2 and 3.

2.2. Revision policy

The National and Regional Accounts are compiled from lots of data sources derived from administrative and statistical sources. INSTAT for years 2008-2013 at current and constant prices revised its national figures after the integration of new sources of data, improvement of statistical techniques and methods of GDP estimations and implementation of international methodology introduced by SNA 2008 and ESA 2010.

2.3. Comparability over time

INSTAT published regional economic indicators in coherence with developments and revisions related with improvement in data sources and methodology of Annual National Accounts. Indicators for each year are estimated using detailed data sources. For missing information on local units in specific years, projections were used based on the growth in Value Added by activity in each year applied to the regional allocation of Value Added for each activity in specific year.

2.4. Accessibility for the public

The annual "Regional Accounts in Albania" is published annually as a PDF format on INSTAT website. (www.instat.gov.al)



http://www.instat.gov.al/en/themes/national-accounts.aspx?tab=tabs-4

The publication includes a more in depth description of Regional Accounts in Albania, as well as information about specific branch-shares for the statistical regions, with following analytical tables:

- Gross Value Added by Region Statistics Level 1, 2, 3
- Gross Domestic Product in current prices
- Gross Domestic Product at prices of previous year
- Gross Domestic Product in the Euro
- Gross Domestic Product in PPS
- Real growth of Gross Domestic Product
- Average population in Albania by statistical regions
- Gross Domestic Product per capita in ALL
- Gross Domestic Product per capita in Euro
- Gross Domestic Product per capita in PPS by statistical regions level 2
- Gross Domestic Product per capita, AL = 100
- Gross Domestic Product per capita, EU28 = 100 by statistical regions level 2
- Structure of GVA by Region branches of economy
- GVA for 3 Statistical Region 2
- GVA for 12 Statistical Region 3 (Prefectures)

Tables by statistical regions also include a 10-industry breakdown (A10) of GVA for both statistical regions 2 and 3:

A1	Agriculture, Forestry; Fishing
A2	Mining and quarrying; Manufacturing; Electricity and Water Supply
A3	Construction
A4	Wholesale; Retail trade; Transportation; Accommodation;
A5	Information and communication
A6	Financial activities; Insurance activities
A7	Real estate activities
A8	Professional, scientific and technical activities;
A9	Public administration; education; health and social work activities
A10	Arts, entertainment and recreation



CHAPTER 3 METHODOLOGY FOR THE CALCULATION OF REGIONAL GVA

This chapter provides general overview about methodological principles of the calculation of Regional GVA, describing the various sources and methods used.

3.1. PRINCIPLES APPLICABLE TO ALL INDUSTRIES

Regional Accounts are a regional specification of the corresponding accounts of the national economy. Regional Accounts provide a regional break down for major aggregates such as Gross Value Added by economic branches, Gross Domestic Product etc.

National Accounts concepts are used also for Regional Accounts. The estimation of Regional Accounts indicators enables regional structural differences, making more visible the developments of specific regions.

• Concepts and classification used

The Regional and National Accounts in the Republic of Albania are based on the same concepts of ESA. National version of the Nomenclature of Economic Activities (NACE Rev. 2), used by National Accounts in Albania, is presented in Annex IV.

• Residence Principle

The main principle for allocation GVA in Regional Accounts is that GVA should be allocated to the region where the producer unit is resident (it means that GVA have to be allocated to region where is created).

This residence principle is particularly difficult to apply in some branches like as energy transport, etc. The main problem is allocation of GVA by multi-regional companies.

• The classification of statistical units used in regional accounts

Some of the specific issues in Regional Accounts are linked to the units being used. In the Regional Accounts the institutional level is not appropriate and the more detailed units as local KAU-s have to be used. The local KAU is an institutional unit producing goods and services, or a part of this goods and services, located in a single region. The local KAU is identified with the region where its centre of economic interest is, i.e. the region where the local KAU is physically located.

• Treatment of multi-regional units

Many producer units have sites in more than one region and are active in more than one industry. Activities of the multi-regional units should be classified correctly to local KAUs



The treatment of multi-regional and multi-industry unit follows in Regional Accounts the same principle that has been applied in the National Accounts. The treatment starts by defining the possible primary, secondary and ancillary activities of the enterprise. The primary activity of a local KAU is the activity whose Value Added exceeds that of any other activity carried out within the same unit. A secondary activity is an activity carried out within a single local KAU in addition to the principal activity.

• Treatment of extra-territorial units

Extra-territorial units are special cases of a country territory that might not be part of the mainland or is a territory that has some special properties (like embassies of some military basis, etc). For extra-territorial units we don't have information for the treatment in regional accounts.

3.1.1. Available sources and information

Structural Business Statistics

Structural Business Statistics covers all active enterprises in the following industries:

Table 3-1: Classification by economic activities

NACE Rev 1.1		NACE Rev 2		Economic Activities covered by SBS	
A	Agriculture, hunting and forestry	A	Agriculture, hunting and fishing	Not-Covered	
В	Fishing				
С	C Mining and quarrying		Mining and quarrying	Mining and quarrying	
D	D Manufacturing		Manufacturing	Manufacturing	
	E Electricity, gas and water supply		Electricity, gas, steam and air conditioning supply	Electricity, water	
Е			Water supply, sewerage, waste management and remediation activities	and waste management	
F	Construction	F	Construction	Construction	
G	Wholesale and retail trade; repair of motor vehicles, motorcycles and personal and households goods	G	Wholesale and retail trade; repair of motor vehicles and motorcycles	Trade	
I Hotels and restaurants		I	Accommodation and food service activities	Accommodation and food services	



	Transport, storage and	Н	Transport and storage	Transport,
Н	communication	J	Information and communication	information and communication
J	Financial intermediation	K	Financial and insurance activities	Not-Covered
		L	Real estate activities	
K	Real estate, renting and business activities	M	Professional, scientific and technical activities	Other services
	ousniess activities	N	Administrative and support services activities	
L	Public and defense administration; compulsory social security		Public and defense administration; compulsory social security	Not-Covered
M	Education		Education	Other
N	Health and other social work		Human health and social work activities	Other services; Public Sector Not-
	Other community, social and personal services activities		Art, entertainment and recreation	Covered
О			Other service activities	Other services (excluding S94)
P	Activities of private households as employers and undifferentiated production activities of private households		Activities of households as employers; undifferentiated goods-and services-producing activities of households for own use	Other services
Q	Extraterritorial organizations and bodies		Extraterritorial organizations and bodies	Not-Covered

Agriculture, Forestry, Financial Activities, Public Administration, and Cultural Activities are not included.

Reporting units are mainly Non-Financial enterprises. Periodicity is annual and the data collected refer to the calendar year. Preliminary results are available 11 months after the end of the reference year. The sample frame consists of all active enterprises in the Business Register (BR) classified into economic activities with at least 1 (one) employee. Both the public and private sector is included. The sampling frame is divided into strata based on economic activity.

The treatment of partial non-response is done by using direct methods or their combinations such as:

- analysis of time series data of enterprise and branch;
- data from balance-sheet file (profit and loss accounts);
- information from other files available in INSTAT such as business register, VAT file, etc.



Statistics on employment

LFS has been conducted since 2007. The sample for 2007-2010 was 7, 740 households. From 2011 LFS has moved to a quarterly survey.

Employment data are compiled by 2-digit NACE Rev 1.1. (Branches). For the years 2012 and onward LFS was conducted quarterly and the sample size by quarter was 5,040 families. The sampling process was not conducted taking into accounts NACE but the classification of NACE rev 1.1 and NACE Rev2 was introduced later in the questioner. Data for Regional Accounts purposes are received on total employment by NACE and prefectures.

National accounts figures

National Accounts figures are derived from annual data on Value Added by the main branches of the economy.

Census of Enterprises 2010

The results of the new Business Register Census for Non-financial and Non-Agriculture Enterprises provide additional information for multi-regional companies (persons employed by regions, wages.). This Census allows the identification of Local Units in multi-regional companies and for refining the allocation of regional GVA.

Methods

INSTAT used, for the development of the methods required for estimating RGVA, a combination of Bottom-Up, Pseudo Bottom-Up, and Top-Down methods.

These methods are for the first time implemented in year 2014 for year 2012-2013 and are consistent with the recommendations set out by EUROSTAT in the latest methodological guide for RGVA compilation. The adoption of these methods has improved the conceptual quality of the estimates.

Regional GVA has been compiled as a combination on Bottom Up method for uni-regional units, Pseudo Bottom-Up method for multi-regional units, and Top-Down method for specific branches and non-observed economy.

SBS and annual financial statements are the main data source for calculation of both National and Regional Accounts. For Regional GVA all data on Production and Intermediate Consumption are taken from these data sources detailed at the level of enterprise.



For multi-regional enterprises the data sources are combined with Census of Enterprise Section on local units to obtain weights for regional allocation of GVA (weights are the number of employees by LKAU). Pseudo Bottom-Up method provides estimation of indicators for local kind of activity units and/or local units for each company.

It provides an allocation of aggregates, not only the structure by industry at national level, but also a sum for each institutional unit-company. The Number of employees, wages and salaries are used as a key in this case.

For other units coming from VAT database, Social Security the data are estimated following Annual National Accounts Methods for the imputation of missing data. Than all the information by NIPT is allocated depending on the part that is uni-regional or multi-regional the same way as SBS and balance sheets are distributed.

Other reallocations are made using weights with respect to regional values received by the structure of uni-regional and multi-regional enterprises by activities.

We made estimations for each LKAUs (and/or LUs), which could be aggregated into total GVA for regions with branch structure.

Total Regional GVA estimation is split into sub-aggregation for 21 branches which is harmonized with NACE Rev. 2 A21 classification.

The available information includes data on Output, Intermediate Consumption, Value Added by units, activities, prefectures.

Main Formulas applied

The estimation is divided into those firms which have local units in more than one prefecture ('Multi-Enterprises') and those only operating in one prefecture ('Uni Enterprises').

a) For the Uni-Enterprises Value Added is estimated as:

Equation 3-1
$$V_i = (O_i - I_i)$$

b) For the Multi-Enterprises Value Added is estimated as:

Equation 3-2
$$V_i = (O_i - I_i) \frac{E_{ij}}{\sum_i E_{ij}}$$



Where V_i - is the Value Added for the ith - Enterprise

 O_i - is the Output of the ith Enterprise

 I_i - is the Intermediate Consumption of the ith Enterprise

 E_{ij} - is the sum of employment of the local units of the ith enterprise in the jth prefecture. Employment is based on the Census of Enterprises.

For year 2013, around 19.3 percent of GVA was regionalized using pure Bottom-Up method, almost 26.4 % by using Pseudo Bottom-Up method;

Top-down according to employments was 26.9 %. Other Top-Down data using closely related keys was 27.4% with the main share for the branch of Agriculture, Fishing and Financial Activities and Imputed Rent.

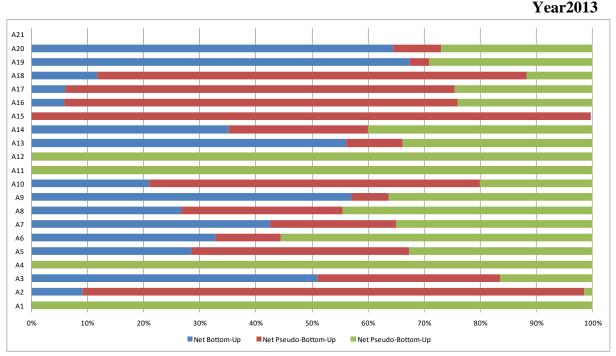
For greater detail about the methodology see Section on 3.2 "Specific Methods and Sources for compiling Regional GVA".

Table 3-2: Coverage by the regionalization method compared to the National Accounts

Estimation methods of GVA, 2012	Rate in %
Net Bottom-Up	19.3
Net Pseudo-Bottom-Up	26.4
Top-Down according to employment	26.9
Top-Down according others keys	27.4
Total GVA	100.0



Chart 3-1: Methods of regionalization of GVA according to units and branches A1-A21,



3.1.2. Use of benchmarks and extrapolations

Benchmarks and extrapolations are not usually used while compiling regular regional GVA as annual data sources are generally available in time for the release of RGVA data. Only when preliminary data are not available will the structure of the previous year or extrapolations be applied.

3.1.3. Treatment of ancillary activities

The most important unit of observation used by regional accounts, from the statistical data source of the Structural Business Statistics (SBS) and statistics on employment and wages, is the KAU (Kind of Activity Unit). One KAU may consist of more than one local KAU, located in one or more regions. There is no available industry classification data for ancillary activities for each separate local KAU.

3.1.4. Approach to exhaustiveness

In National level

Following the revisions in national level the exhaustiveness of GDP estimates was improved by using the updated techniques for the estimates of non-observed economy (NOE). The estimates are based on the EUROSTAT tabular approach for exhaustiveness in National



Accounts and on the OECD Handbook. Based on the revised Labor Force Survey, Structural Business Statistics survey and Household Budget Survey data, it was done the identification of N1-N7 types of the non-exhaustiveness and a direct estimation of the NOE was realized. The Labor Input Method was applied to estimate NOE N1 and N6 types of EUROSTAT tabular approach for all activities except Agriculture, Financial sector and Public Administration. Also, to estimate underreporting (NOE, N6) the "Franz" method was introduced.

3.1.5. Calculation of FISIM by user industries, regional allocation of FISIM

In annual level the estimation of FISIM is based on available data on stocks of Other Depositary Corporations and Other Financial Intermediaries loans by sector, activity and by type .The FISIM allocation to various users was performed following 2008 SNA and ESA 2010. The allocation of FISIM by user sector was performed.

Regional Gross Value Added per industry is calculated by subtracting Intermediate Consumption from Output.

The national totals of Intermediate Consumption include FISIM. The regional estimates of Intermediate Consumption also include this item. The regional distribution of FISIM follows the regional distribution (per industry) of Intermediate Consumption.

3.1.6. Transition from GVA to GDP

According to EUROSTAT recommendations, national taxes on products (D.21) and subsidies on products (D.29) are regionalized in the same structure as the total Value Added of all industries at basic prices (proportional allocation). There is no data available for regional allocation of taxes and subsidies to statistical regions.

3.2. SPECIFIC METHODS FOR COMPILING REGIONAL GVA

This chapter describes methods and sources which are used for regionalization of specific industries in Albania. Regional Gross Value Added (GVA) is compiled at level A21 of detail according to NACE rev.2.

3.2.1. NACE Section A1 - Agriculture, hunting, forestry and fishing (A1 of A10)

Description of the Branch

The branch of agriculture, hunting and forestry covers the exploitation of vegetable and animal natural resources. The section comprises the activities of growing crops, raising animals, harvesting timber, and harvesting other plants and animals from a farm or their



natural habitats. The main data sources for the compilation of Regional data of Agriculture, hunting, forestry and fishing industries are from the agriculture directory inside INSTAT. The Directory combines a variety of administrative and survey data sources to finalize the production of each branch in volume and in value estimates. Data are available detailed by regions and by changes in volume

GVA for Agriculture is allocated to regions using a Top-Down method of the regional output indicator. The indicator is built up from commodity estimates. Regional agriculture commodity ratios are derived from regional volume and price data. These ratios are applied to the national commodity gross-Output and Intermediate Consumption.

In 2013, Value Added of agricultural and fishing industry represented 22.5 % of Value Added of all industries in Albania.

Table 3-3: Share of each prefecture in % (branch of economy = 100), 2013

Prefecture	A Agriculture, hunting, forestry and fishing
Berat	8.11
Dibër	6.49
Durrës	7.34
Elbasan	13.24
Fier	19.60
Gjirokastër	3.45
Korçë	10.15
Kukës	3.53
Lezhë	5.08
Shkodër	8.48
Tiranë	8.37
Vlorë	6.16
Total	100.00

3.2.2. NACE Section A2 – Mining and Quarrying; Manufacturing; Electricity and Water Supply (A2 of A10)

NACE Section A2 includes Mining and Quarrying, Manufacturing, Electricity and Water Supply.

The major part of the GVA in the NACE Section C belonged to the Non-Financial Institutional Sector. The main data sources used for the estimation of these branches are the annual Balance Sheets, SBS questionnaires, Value Added tax form, Social Security Tax form, etc. (all data sources are in line with the data sources used by annual national accounts)



combined with information from Business Register about multi-regional units. In these cases Bottom-Up and Pseudo Bottom-Up approaches are used (with number of employees as key indicator for pseudo-bottom up approach).

NACE Section A2 contributed by 14.4 % to total GVA in 2013.

In regional accounts, the activities of NACE Section B are distinguished in A21 as follows:

• B Mining and quarrying

Mining and quarrying include the extraction of minerals occurring naturally as solids (coal and ores), liquids (petroleum) or gases (natural gas). Extraction can be achieved by different methods such as underground or surface mining, well operation, seabed mining etc.

GVA of Mining and quarrying is taken directly from the SBS questionnaire ,Balance Sheets and other data annual data sources (VAT, Social Security, etc), which are the main data sources. Major part of the Output in the NACE C belongs to the Non-Financial Corporation's Institutional Sector.

In these cases Bottom-Up and Pseudo Bottom-Up approaches for regionalization are used (number of employees as key indicator for Pseudo Bottom-Up approach).

Mining and quarrying contributed by 5.65 % to the total GVA in 2013. In regions the branch B -Mining and quarrying was 67.42 % of total production in prefecture Fier.

• C Manufacturing

The manufacturing activity is the mechanical, physical or chemical transformation of materials, substances or components into new products. The materials, substances or components transformed are raw materials that are products of agriculture, forestry, fishing, mining or quarrying as well as products of other manufacturing activities. The new manufactured product may be finished in the sense that it is ready for utilization or consumption, or it may be semi-finished to become an input for further manufacturing.

The major part of the GVA in the NACE Section C belonged to the Non-Financial Institutional Sector. In these cases Bottom-Up and Pseudo Bottom-Up approaches are used (with number of employees as key indicator for pseudo-bottom up approach).

Manufacturing contributed by 5.58 % to total GVA in 2013.



• D Electricity, gas, steam and air conditioning supply

Section D includes the activity of providing electric power, natural gas, steam, hot water and the like through a permanentinfrastructure (network) of lines, mains and pipes.

For the activity Production and distribution of electricity a special distribution key is used to regionalize. The key is made up of the combination of electricity production in megawatts (50 %) by prefectures and the rest is used from data coming from Structural Business Survey. The Regionalization process was done separately for the Production, Distribution and Transmission Process using employment by region as a key index.

Electricity, gas, steam and air conditioning supply contributed by 2.36 % to total GVA in 2013.

• E Water supply, sewerage, waste management and remediation activities

Section E includes activities related to the management (including collection, treatment and disposal) of various forms of waste, such as solid or non-solid industrial or household waste, as well as contaminated sites. The output of the wasteor sewage treatment process can either be disposed of or become an input into other production processes. Activities ofwater supply are also grouped in this section, since they are often carried out in connection with, or by units also engagedin, the treatment of sewage.

For activity Water Supply Bottom-Up and Pseudo Bottom-Up approaches for regionalization are used (number of employees as key indicator for pseudo-bottom up approach).

Water supply, sewerage, waste management and remediation activities contributed by 0.85 % to total GVA in 2013.



Table 3-4: Share of each prefecture in % (branch of economy = 100), 2013

Prefecture	B Mining and quarrying	C Manufacturing	D Electricity, gas, steam and air conditioning supply	E Water supply, sewerage, waste management and remediation activities
Berat	2.04	3.52	1.53	6.93
Dibër	5.36	0.67	6.65	1.60
Durrës	2.43	19.13	5.81	10.45
Elbasan	0.96	12.44	5.61	4.86
Fier	67.42	4.06	7.26	4.61
Gjirokastër	0.03	2.42	1.17	1.98
Korçë	0.29	5.25	2.47	10.68
Kukës	0.96	0.40	7.25	0.75
Lezhë	2.12	2.52	2.09	2.76
Shkodër	0.23	5.74	16.53	6.01
Tiranë	11.62	40.10	37.81	41.99
Vlorë	6.54	3.75	5.82	7.38
Total	100.00	100.00	100.00	100.00

3.2.3. NACE Section A3 -Construction (A3 of A10)

Section A3 includes general construction and specialized construction activities for buildings and civil engineering works. It includes new work, repair, additions and alterations, the erection of prefabricated buildings or structures on the site and also construction of a temporary nature.

Main share of market output in the section Construction was realized in the Institutional Sector of Non-Financial Enterprises. The main data sources used for the estimation of this branches are the annual Balance Sheets, SBS questionnaires, Value Added tax form, Social Security Tax form, etc. (all data sources are in line with the data sources used by annual national accounts) combined with information from Business Register about multi-regional units.

Bottom-Up and Pseudo Bottom-Up methods were used for regionalization (number of employees as key indicator for pseudo-bottom up approach).

The share of Gross Value Added of the NACE F in the overall Gross Value Added was11.93% in 2013. In regions NUTS 3 (prefectures) it was between 1.42 % in prefecture Dibër and 43.41 % in prefecture Tiranë.



Table 3-5: Share of each prefecture in % (branch of economy = 100), 2013

Prefecture	F - Construction
Berat	1.87
Dibër	1.42
Durrës	11.79
Elbasan	6.16
Fier	7.59
Gjirokastër	2.99
Korçë	4.30
Kukës	4.78
Lezhë	2.56
Shkodër	4.68
Tiranë	43.41
Vlorë	8.45
Total	100.00

3.2.4. NACE Section A4 – Wholesale; Retail Trade; Transportation (A4 of A10)

The NACE G comprises predominantly with businesses whose main activities are purchases and sales of goods and services. Therefore the significant feature of this industry is the high proportion of the Trade Margin to the Output. The main data sources used for the estimation of these branches are the annual Balance Sheets, SBS questionnaires, Value Added tax form, Social Security Tax form, etc. (all data sources are in line with the data sources used by annual national accounts) combined with information from Business Register about multiregional units.

The share of Gross Value Added of the NACE Section A4 in the overall Gross Value Added was 18.2 % in 2013.

Activities of NACE Section A4 are distinguished in 3 industries:

• NACE G-Wholesale and retail trade; repair of motor vehicles and motorcycles

NACE G includes wholesale and retail sale (i.e. sale without transformation) of any type of goods, and rendering services incidental to the sale of merchandise. Wholesaling and retailing are the final steps in the distribution of merchandise. Also included in this section are the repair of motor vehicles and motorcycles.

The share of Gross Value Added of the NACE G was 12.48 % in the overall Gross Value Added in 2013.

• NACE H-Transportation and Storage

Transportation and Storage includes the provision of passenger or freight transport, whether scheduled or not, by rail, pipeline, road, water or air and associated activities such as terminal and parking facilities, cargo handling, storage etc. Included in this section is the renting of transport equipment with driver or operator.

The share of Gross Value Added of the NACE H was 3.73 % in the overall Gross Value Added in 2013.

NACE I-Accommodation and Food Service Activities

Accommodation and Food Service Activities include the provision of short-stay accommodation for visitors and other travelers and the provision of complete meals and drinks fit for immediate consumption. The amount and type of supplementary services provided within this section can vary widely. In 2013, Value Added of NACE G industry represented 1.96 % of Value Added of all industries in national economy.

Bottom-Up and Pseudo Bottom-Up methods were used for the regionalization of both branches (with wages and salaries as key indicator for pseudo-bottom up approach).

Table 3-6: Share of each prefecture in % (branch of economy = 100), 2013

Prefecture	G-Trade	H-Transportation	I- Accommodation and
		and Storage	Food Service Activities
Berat	2.22	2.84	2.44
Dibër	1.08	1.86	1.14
Durrës	10.73	18.09	11.76
Elbasan	6.81	3.67	5.34
Fier	9.08	7.59	4.84
Gjirokastër	3.21	2.61	2.46
Korçë	5.41	6.45	5.64
Kukës	0.93	0.60	1.12
Lezhë	2.48	1.78	2.97
Shkodër	4.02	4.19	5.04
Tiranë	49.63	41.53	50.47
Vlorë	4.40	8.79	6.78
Total	100.00	100.00	100.00



3.2.5. NACE Section A5 – Information and communication (A5 of A10)

The NACE J includes the production and distribution of information and cultural products, the provision of the meansto transmit or distribute these products, as well as data or communications, information technology activities and the processing of data and other information service activities. The main data sources used for the estimation of this branches are the annual Balance Sheets, SBS questionnaires, Value Added tax form, Social Security Tax form, etc. (all data sources are in line with the data sources used by annual national accounts) combined with information from Business Register about multi-regional units.

Table 3-7: Share of each prefecture in % (branch of economy = 100), 2013

Prefecture	J- Information and
Trefecture	communication
Berat	1.58
Dibër	1.23
Durrës	3.74
Elbasan	2.08
Fier	4.02
Gjirokastër	1.55
Korçë	1.96
Kukës	1.02
Lezhë	1.47
Shkodër	2.76
Tiranë	75.22
Vlorë	3.37
Total	100.00

Information and communication contributed by 3.2 % to GVA in 2013. This Activity is concentrated in prefecture Tiranë.

3.2.6. NACE Section A6 – Financial and Insurance Activities (A6 of A10)

NACE K includes financial service activities, including insurance, reinsurance and pension funding activities and activities to support financial services. Financial activities services exist in all regions but special concentration is in capital city of Tirana. In regional accounts, the activities of NACE K are distinguished in three branches:

- 64Financial service activities, except insurance and pension funding
- 65Insurance, reinsurance and pension funding, except compulsory socialsecurity66Activities auxiliary to financial services and insurance activities

Most companies have a multiregional nature, like banks and other financial institutions. For regional calculation of GVA in industry Top-Down method is used on basis of the structure of total number of employees from large enterprise. (Data source from Tax Authorities). The



main data sources used for the financial activities are the administrative data collected from the Central Bank (mainly for banking activity) and from the Agency for the Monitoring of Financial Activities (mainly involved in the monitoring of the insurance market in Albania).

Table 3-8: Share of each prefecture in % (branch of economy = 100), 2013

Prefecture	K-Financial activities
Berat	1.93
Dibër	1.84
Durrës	5.57
Elbasan	4.86
Fier	7.91
Gjirokastër	3.00
Korçë	5.44
Kukës	1.31
Lezhë	3.50
Shkodër	4.11
Tiranë	54.95
Vlorë	5.58
Total	100.00

The total share of Value Added of Financial Activity on national GVA in 2013 was 2.5 %. Regional ratio of NACE K on total GVA ranged between 1.31 % in prefecture Kukës and 54.95 % in prefecture Tiranë.

3.2.7. NACE Section A7 – Real Estate Activities (A7 of A10)

Financial and Insurance Activities includes acting as lessors, agents and/or brokers in one or more of the following: selling or buying real estate, renting real estate, providing other real estate services such as appraising real estate or acting as real estate escrow agents.

Activities in this section may be carried out on own or leased property and may be done on a fee or contract basis. Also included is the building of structures, combined with maintaining ownership or leasing of such structures.

Gross Value Added share of the industry- Real estate and business activities, in the total Gross Value Added of the all economy was 7.3 % in 2013. Institutional units included in real



estate, renting and business activities make a contribution to GVA mainly in prefecture Tiranë and other urban areas.

User cost approach was applied for estimation of Owner Occupied Dwellings services and Imputed Rent. Imputed Rent is the rent considered to be paid by the owners of the dwellings if they are supposed to live in a rental dwelling. Proper implementation of User Costs-Approach requires a large set of different data sources useful for each component that has to be integrated in the calculations. Census of Population and Dwellings, carried out in October 2011, provided more detailed information since it collected data on dwelling stocks in physical units, year of construction, etc. Calculations were based on the 2011 Population Census data stratified by twelve prefectures (divided in urban and rural area), year of construction and type of dwellings (detached house, semi-detached house, row (or terraced) house, apartment). At regional level results from this method for year 2011 are used as a key for regional allocation of imputed rents from national accounts.

Table 3-9: Share of each prefecture in % (branch of economy = 100), 2013

Prefecture	L –Rent
Berat	1.98
Dibër	1.67
Durrës	13.64
Elbasan	5.72
Fier	7.13
Gjirokastër	1.67
Korçë	4.47
Kukës	1.06
Lezhë	3.13
Shkodër	5.17
Tiranë	47.00
Vlorë	7.36
Total	100.00

3.2.7. NACE Section A8 – Professional, Scientific and Technical Activities (A8 of A10)

NACE M includes specialized professional, scientific and technical activities. These activities require a high degree of training, and make specialized knowledge and skills available to users. NACE N includes a variety of activities that support general business operation.



Gross Value Added share of the industry- Professional, Scientific and Technical Activities, in the total Gross Value Added of the all economy was 5.1 % in 2013.

Prefecture	M-Professional, Scientific and Technical Activities	N-Administrative and Support Service Activities
Berat	0.78	0.91
Dibër	0.58	1.36
Durrës	10.66	11.09
Elbasan	3.78	1.11
Fier	3.43	8.68
Gjirokastër	0.86	1.60
Korçë	4.50	1.14
Kukës	0.42	0.46
Lezhë	1.73	0.83
Shkodër	0.86	2.45
Tiranë	69.41	68.38
Vlorë	2.99	1.99
Total	100.00	100.00

3.2.8. NACE Section A9 – Public Administration; Education; Health and Social Work Activities (A9 of A10)

The major part of this section is made of non-Financial, non-market producer. For the non-marked production the cost method is used for the allocation of Value Added by prefectures using data about wages and salaries by prefectures. Data for public sector is comprised by administrative data from the Ministry of Finance. The original data source from the Ministry of Finance is very detailed and it provides information detailed by Spending Units (even more detailed information for Institutional Units which also identifies the units that are allowed to use budget funds.) This Information is then analyzed in a very detailed level allowing the estimation of GVA for Public Units by Regions directly. The Ministry of Finance system contains mainly budgetary units. Some information on extra-budgetary units was collected separately to have a broader picture of the public sector.



NACE O -Public Administration and Defense; Compulsory Social Security

It includes activities of central bodies of public administration. There is a significant share in the regional and local administration. All these activities are carried out by centrally and locally controlled budgetary organizations. It includes also activities in the area of defense, civil protection, public safety and order, legal protection, fire prevention etc .This branch consists of only one two-digit industry:

84 Public Administration and defense services; compulsory social security service

The most significant part of total Output in the case of industry O is "Other non-market output", calculated on cost base. This is due to the fact that industry covers notably activities of non-market producers, predominantly basic (non-entrepreneurial) activities. This concerns mainly activities of budgetary organizations and those semi-budgetary organizations, which do not meet the 50 % criteria (coverage of operation costs by market revenues excluding income from taxes collection).

For regional allocation of GVA Pseudo Bottom-Up method is used on basis of regional structure of wages and salaries. Level of wages and salaries is very close to total GVA in terms of regional structures. In 2013, Gross Value Added of NACE O represented 4.59 % of total Gross Value Added in Albania.

NACE P – Education

NACE P includes Public and Private Education systems on all levels and degree of expertise. It includes education, child rearing and education controlled of various institutions, and regular education system in different levels and furthermore adult education. NACE P in National Accounts of Albania consists in one two-digit industry:

85 Education

The biggest part of Output is formed by the Government Sector. There is the main part of Non-Market producers whose main economical function is to provide education services.

For the estimation of the Education activity a combination of data sources was used. For part of public Education, the administrative data sources were used (administrative data sources allow the estimation of public education by regions directly) and for the private Education we used the data from the Annual Profit and Loss statements, SBS questionnaires, etc (the same data sources used by annual accounts but with the Region key indicator added to the estimations). The combination of the two data sources gave the regionalized value of the Education activity.



For regional allocation of GVA mixed method is used – Pseudo Bottom-Up method on basis of regional structure of wages and salaries.

The education sector made a contribution of 5.20 % to national GVA in 2013.

NACE Q - Human Health and Social Work Activities

This branch consists in the provision of health and social work activities. Activities include a wide range of activities, starting from health care provided by trained medical professionals in hospitals and other facilities, over residential care activities that still involve a degree of health care activities to social work activities without any involvement of health care professionals.

86-87-88Human Health and Social Work Activities

For the estimation of the Health Industry a combination of data sources was used. For part of the public Health, administrative data sources were used (administrative data sources allow the estimation of public Health by regions directly) and for private Health we used the data coming from Annual Profit and Loss statements, SBS questionnaires, etc. (the same data sources used by annual accounts but with the Region key indicator added to the estimations). The combination of the two data sources gave the regionalized value of the Health Industry.

For regional allocation of GVA Mixed method is used (based on regional structure of wages and salaries). The Health sector made a contribution to the total GVA of 2.96 % in 2013.

Table 3-10: Share of each prefecture in % (branch of economy = 100), 2013

Prefecture	O- Public administration and defense	P- Education	Q- Human Health and Social Work Activities
Berat	2.41	4.47	4.70
Dibër	2.54	4.72	4.19
Durrës	6.71	7.77	7.36
Elbasan	4.68	9.96	7.04
Fier	4.86	8.25	6.72
Gjirokastër	2.68	3.55	3.31
Korçë	4.96	6.90	7.46
Kukës	2.50	2.86	2.48
Lezhë	2.94	3.37	3.20
Shkodër	4.21	7.52	6.57
Tiranë	56.24	34.02	40.56
Vlorë	5.28	6.61	6.40
Total	100.00	100.00	100.00



3.2.9. NACE Section A10 – Arts, entertainment and recreation (A10 of A10)

Section A10 "Arts, entertainment and recreation" consists of 3 industries:

- R-Arts, Entertainment and Recreation includes a wide range of activities to meet varied cultural, entertainment and recreational interests of thegeneral public, including live performances, operation of museum sites, gambling, sports and recreation activities.
- S-Other Service Activities includes the activities of membership organizations, the repair of computers and personal and household goods and a variety of personal service activities.
- T-Activities of Households as Employers; Undifferentiated Goods- and Servicesproducing Activities of Households for own use

The main data sources used for the estimation of these branches are the annual Balance Sheets, SBS questionnaires, Value Added tax form, Social Security Tax form, etc. (all data sources are in line with the data sources used by annual national accounts) combined with information from Business Register about multi-regional units.

In 2013, the share of Gross Value Added of the other community, social and personal service activities on the GVA was 3.5 %.

Table 3-11: Share of each prefecture in % (branch of economy = 100), 2013

Prefecture	R - Arts, Entertainment and Recreation	S - Other Service Activities	T- Activities of Households as Employers
Berat	2.12	1.13	0.18
Dibër	2.01	1.58	0.20
Durrës	6.46	6.10	5.85
Elbasan	4.60	4.53	5.13
Fier	4.52	2.58	3.13
Gjirokastër	1.15	0.90	1.90
Korçë	4.87	3.13	3.95
Kukës	1.19	0.33	0.09
Lezhë	1.31	3.12	0.13
Shkodër	3.09	6.07	1.61
Tiranë	63.44	65.51	75.86
Vlorë	5.24	5.02	1.97
Total	100.00	100.00	100.00



3.3. REGIONAL GVA AT CONSTANT PRICES

The transformation of GDP from Current to Constant prices is made separately for each prefecture and by branches. This process is made with respect to specific branch structure in particularly regions.

In compiling indicators at constant prices, national price indices are used in deflating process according to economic branches. No regional information on prices is used in this distribution. The constant prices are estimated as in the annual national accounts, on the basis of previous years' prices. Regional constant prices for specific year are formed using the regional structure of current prices for the same year. The same method is used in some other EU member states.

CHAPTER 4 QUALITY ASSESSMENT AND IMPROVEMENT

Before a self-assessment of the Albanian Regional Accounts, with stress on methodology for compilation and estimation of Regional Gross Value Added, it is necessary to mention that Regional Accounts in Albania are based on data from Annual National Accounts. The principal rule followed is that the sum of Regional Accounts has to be equal the National Accounts figures.

4.1. Self-Assessment of the methodology for compilation of regional GVA

The methodology of compilation of regional GVA in Albanian Regional Accounts is in accordance with the rules of the ESA – XIII Chapter and also with "Regional Accounts Methods – Gross value-added and gross fixed capital formation by activity" manual (it is a known recommendation of EUROSTAT). Increased attention is focused on improvement of the ever-changing and always improving methodological concepts of Regional Accounts.

Link with National Accounts figures

The National Accounts data from RGVA calculation in Albania, as the sum of the regional figures, are equal the published national accounts figures for each activity.

Activity classification

INSTAT currently compile national accounts and RGVA classified according to NACE Rev 2.



Quality assessment and documentation

The quality of regional Gross Value Added figures is dependent on the quality of the distribution keys used for the regionalization process. The main advantage of new methodology is the fact that now the methodology is more based on Bottom-Up and Mixed methods. The methodology of estimation has changed – mainly Pseudo Bottom-Up method is applied instead of the Top-Down method. Also the level of analysis and publication is enlarged with detail information by branches of the economy.

Different sources of information of regional Gross Value Added are of different level of quality. The regionalized compensation of employees, number of employees by local units is considered to be of reasonable quality.

However, Bottom-Up methods can currently serve also as a means for checking and improving the existing methods.

Revision analysis

Data are revised due to changes in data sources or compilation methods. Revisions due to major National Accounts revisions are implemented in Regional Accounts as well. Minor revisions in time series are carried out and published in each compilation round.

4.2. Plans for further improvement

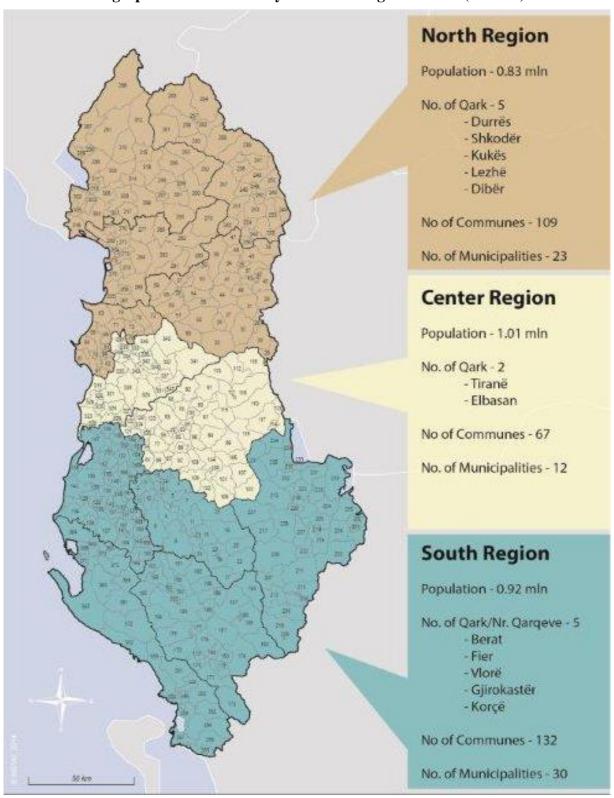
The improvement on data Sources and Methodology

A special module was established in **Structural Business Survey** (SBS) table for variables like the number of employees, wages and salaries and investments in enterprises. These data sources have multi-regional characteristics for identifying which enterprises had local units. The data are collected at the level of enterprise with several questions about local units indicators.

Every institutional unit has the obligation to be registered into **National Register of Enterprises**. In BR database there are also information about LKAU and LU and also data sources related to employment on local units. In the future step there will be made a more in depth analyzes for the correlations of information between SBS with BR data.



ANNEXES
ANNEX I. Geographical distribution by Statistical Regions level 2 (NUTS2)





		runc	s and municip	anne	•				
1,700		2225	2.00	11927	V4204200		10000000	222	
	RAT	76	NIKEL	151	GRABIAN	226	VITHKUQ	301	RRAPÉ
5 V1.007	TALLI	77	BELSH	152	GRADISHTE	227	VOSKOP	302	ANA E MALIT
	MAS	78	BRADASHESH	153	HYSGJOKAJ	228	VOSKOPOJE	303	BERDICE
	LABISHT	79	CERRIK	154	KARBUNARÉ	229	VRESHTAS	304	BUSHAT
	LLAK	80	ELBASAN	155	KOLONJE	230	BUÇIMAS	305	DAJÇ
	SHNJE	81	FIERZE	156	KRUTJE	231	ÇERRAVE	306	GURLEZI
	SHNIK	62	FUNARÉ	157	LUSHNJE	232	DARDHAS	307	HAJMEL
T) 10.0000	NJÉ	83	GJERGJAN	156	RREMAS	233	POGRADEC	308	VAU I DEJĒS
	RPAN	84	GJINAR .	159	TERBUF	234	PROPTISHT	309	POSTRIBÉ
	RA VAJGURORE	85	GOSTIMÉ	160	ARANITAS	235	TREBINJE	310	PULT
	RTOP	86	GRACEN	161	BALLSH	236	HUDENISHT	311	RRETHINAT
	KALAT	87	GREKAN	162	FRATAR	237	VELÇAN	312	SHALE
	ZARE	88	KAJAN	163	GRESHICE	238	FAJZA	313	SHKODER
	ÇOVE	89	KLOS	164	HEKAL	239	GOLAJ	314	SHLLAK
	RONDI	90	LABINOT FUSHE	165	KUTÉ	240	GJINAJ	315	SHOSH
	GOVE	91	LABINOT MAL	166	NGRAÇAN	241	KRUMĒ	316	VELIPOJE
100000	PAN	92	MOLLAS	167	GENDER	242	ARREN	317	VIG-MNELE
	ROVODE	93	PAPER	168	SEUTÉ	243	BICAJ	318	TEMAL
	ERBÉS	94	RRASÉ	169	ANTIGONÉ	244	BUSHTRICE	319	GOLEM
	SHNJË	95	SHALES	170	CEPO	245	KOLSH	320	GOSE
	DLIÇAN	96	SHIRGJAN	171	DROPULL I POSHTÉM	246	KUKÈS	321	HELMÉS
	MOTO	97	SHUSHICE	172	DROPULL I SIPERM	247	MALZI	322	KAVAJĖ
	INDÉR	98	TREGAN	173	GJIROKASTÉR	248	ZAPOD	323	KRYEVIDH
	NDRESHÊ	99	ZAVALIN	174	LAZARAT	249	SHISHTAVEC	324	LEKAJ
Age of the same	EPÉ	100	GRAMSH	175	LIBOHOVÉ	250	SHTIQEN	325	LUZIVOGEL
	ILQIZE	101	KODOVJAT	176	LUNXHERI	251	SURROJ	326	RROGOZHINE
	ISHÊ BULQIZÊ	102	KUSHOVĒ	177	CORIE	252	TERTHORE	3.27	SINABALLAJ
	IORICĒ	103	LENIE	178	PICAR	253	TOPOJAN	328	SYNEJ
	EBISHT	104	PISHAJ	179	POGON	254	UJÉMISHT	329	BALDUSHK
	TREN	105	POROÇAN	180	GENDÉR LIBOHOVÉ	255	GRYKË ÇAJÊ	330	BÉRXULLÉ
31 SH	UPENZÉ	106	SKÉNDERBEGAS	181	ZAGORI	256	KALIS	331	BÉRZHITÉ
32 ZE	ROAN	107	KUKUR	182	BALLABAN	257	BAJRAM CURRE	332	DAJT
33 MA	ARTANESH	108	SULT	183	ÇARÇOVÊ	258	BUJAN	333	KAMÉZ
34 AR	IRAS	109	TUNJÉ	184	FRASHER	259	BYTYC	334	KASHAR
35 FU	ISHE-ÇIDHÊN	110	HOTOLISHT	185	KELCYRÉ	260	FIERZE	335	NDROQ
38 KA	LA E DODËS	111	LIBRAZHD	186	PÉRMET	261	LEKBIBAJ	336	PASKUQAN
37 KA	STRIOT	112	LUNIK	187	GENDER	262	LLUGAJ	337	PETRELE
38 LU	RÉ	113	ORENJE	188	SUKE	263	MARGEGAJ	338	PEZE
39 MA	AQELLARÊ	114	PĒRRENJAS	189	DISHNICE	264	TROPOJĖ	339	PREZÉ
to ME	LAN	115	POLIS	190	PETRAN	265	FUSHË KUQE	340	FARKÉ
41 FU	SHÉ MUHUR	116	QENDÉR	191	BUZ	266	LAC	341	SHÊNGJERGJ
	SHKOPI	117	QUKÉS	192	FSHAT MEMALIAJ	267	MAMURRAS	342	TIRANÉ
43 QE	NDER TOMIN	118	STEBLEVE	193	KRAHÉS	268	MILOT	343	VAQARR
A.Z. (1900-000)	LISHTE	119	STRAVAJ	194	KURVELESH	269	BALLDREN (R)	344	VORÉ
5 SU	LOVE	120	RRAJCÉ	195	LOPÉS	270	BLINISHT	345	ZALL BASTAR
	LL DARDHÉ	121	GJOCAJ	196	LUFTINJÉ	271	DAJC	346	ZALL HERR
	LL REC	122	KARINÉ	197	MEMAUAJ	272	KALLMET	347	KÉRRABÉ
	ZNI	123	PAJOVÉ	198	QENDER	273	KOLC	348	DELVINE
19 BA		124	PEQIN	199	QESARAT	274	LEZHÉ	349	FINIO
	RJAN	125	PÉRPARIM	200	TEPELENÉ	275	SHÊNGJIN	350	MESOPOTAM
	JRRÉ	126	SHEZË	201	BILISHT	276	SHÉNKOLL	351	VERGO
	OS	127	CAKRAN	202	GENDER BILISHT	277	UNGREJ	352	DHIVER
	MSI		DERMENAS		MIRAS	97,0300	ZEJMEN	353	
54 LIS			FIER		HOÇISHT		FAN		LIVADHJA
	ACUKULL		FRAKULL		PROGÉR		KACINAR		LUKOVÉ
	RREL		RUZHDIE		BARMASH		KTHJELLE	356	
	JKAJ		KUMAN		CLIRIM		OROSH		XARRE
58 SU		2007000	KURJAN		ERSEKÉ	5.7.30	RRESHEN	0.00	ALIKO
	EZ		LEVAN		LESKOVIK		RUBIK	359	
	BÉR		LIBOFSHE		LESKOVIK		SELITÉ		KSAMIL
	RRES		MEROSTAR		MOLLAS		GRUEMIRĒ	361	
	EPALAJ		PATOS		NOVOSELÉ		KASTRAT		HIMARE
	HÉM		PORTEZ		GENDER	1000000	KELMEND	363	
	100 March 100 Ma		QENDER		DRENOVE		KOPLIK		NOVOSELE
	TUND I RI			100000000000000000000000000000000000000					
	AMINAS		ROSKOVEC		GORÉ	277.7	QENDER		ORIKUM
	ANEZ		STRUM		KORÇE	2000	SHKREL	366	The second secon
	RASHBULL		TOPOJE		LEKAS		BLERIM		SELENICE
	IUAK		ZHARRÉS	100000	LIBONIK		FIERZÉ		SEVASTER
	KTH		ALLKAJ	-	LICENAS		FUSHE ARREZ		SHUSHICE
	AFZOTAJ		BALLAGAT		MALIQ		GJEGJAN		VLLAHINE
	.8Q		BUBULLIMÉ		MOGLICE		IBALLÉ		VLORE
	IDHI		DIVJAKE		MOLLAJ	297	LI POSTONICA DE LA CONTRACTOR DE LA CONT		VRANISHT
	ISHÉ KRUJÉ		DUSHK		PIRG		QELEZ	373	ARMEN
74 KO	DER THUMANE		FIERSHEGAN		POJAN		QERRET		
75 KR	RULE	150	GOLEM	225	GENDER	300	QAPE MALI		

@ INSTAT, 2014



ANNEX II. – Regional GVA Compilation Table

Year 2013

	GVA by Region and by NACE Rev 2 for 2013															
					-up methods					Top-down methods]		
		Survey data			Administrative data Data based			Survey or census data		Administrative data		_	A 45	i		
	Industrie A21	Exhaustive mono- regional	multi- regional	sample mono- regional	multi- regional	mono- regional	multi- regional	on extra- polations or models	Sub-total bottom-up	Closely related indicators	Data based on extra- polations or models	Closely related indicator s	Data based on extra- polations or models	Sub-total top-down	Adjustment To National Accounts	Total
	I	2	3	4	5	6	7	8	9 (=2+3+4+5 +6+7+8)	10	11	12	13	14 (=10+11 +12+13)	15=16- (9+14)	16
A1	Agriculture, forestry and fishing	-	-	-	-	-	48	-	48	265,099	-	-	-	265,099	-	265,147
A2	Mining and quarrying	-	-	6,105	59,572	-	-	-	65,676	945	-	-	-	945	-	66,622
А3	Manufacturing	-	-	33,436	20,794	-	647	-	54,877	10,816	-	-	-	10,816	-	65,693
A4	Electricity, gas, steam and air conditioning supply	-	-	-	-	-	-	-	-	27,795	-	-	-	27,795	-	27,795
A5	Water supply, sewerage, waste management and remediation activities	-	-	2,857	3,483	-	412	-	6,752	3,272	-	-	-	3,272	-	10,024
A6	Construction	-	-	46,045	15,296	-	1,110	-	62,451	78,105	-	-	-	78,105	-	140,556
A7	Wholesale and retail trade; repair of motor vehicles and motorcycles	-	-	62,599	32,986	-	-	-	95,585	51,500	-	-	-	51,500	-	147,085
A8	Transport and storage	-	-	11,714	12,420	-	254	-	24,388	19,612	-	-	-	19,612	-	44,000
A9	Accommodation and food services activities	-	-	13,158	1,319	-	220	-	14,698	8,381	-	-	-	8,381	-	23,079
A10	Information and communication	-	-	7,799	20,851	-	1,095	-	29,745	7,457	-	-	-	7,457	-	37,202
A11	Financial and insurance activities	-	-	-	-	-	-	-	-	30,359	-	-	-	30,359	-	30,359
A12	Real estate activities	-	-	-	-	-	-	-	-	86,402	-	-	-	86,402	-	86,402
A13	Professional, scientific and technical activities	-	-	16,579	1,943	-	1,043	-	19,564	9,985	-	-	-	9,985	-	29,550
A14	Administrative and support service activities	-	-	10,569	6,701	-	731	-	18,001	12,009	-	-	-	12,009	-	30,011
A15	Public administration and defence; compulsory social security	-	-	-	-	-	54,086	-	54,234	-	-	-	-	-	-	54,086
A16	Education	-	-	3,569	3,314	-	39,657	-	46,540	14,716	-	-	-	14,716	-	61,256
A17	Health and social work	-	-	2,134	2,471	-	21,712	-	26,317	8,577	-	-	-	8,577	-	34,893
A18	Arts, entertainment and recreation	-	-	1,181	6,093	-	1,615	-	8,889	1,190	-	-	-	1,190	-	10,080
A19	Other service activities	-	-	9,719	463	-	33	-	10,216	4,186	-	-	-	4,186	-	14,402
A20	Activities of Households as employers; undifferentiated goods and services producing activities of households for own use	-	-	18	2	-	-	-	21	8	-	-	-	8	-	29
A21	Activities of extraterritorial organisations and bodies	-	-	-	-	-	-	-	-	-	-	-	-	-		-



ANNEX $\,$ III. Share of industries in % year 2013

Industry		
code	Industry GVA (national)	Share of industry GVA (national)
	in Million lek	in total GVA (national) in %
A1	265,147	22.5
A2	66,622	5.66
A3	65,693	5.57
A4	27,795	2.36
A5	10,024	0.9
A6	140,556	11.9
A7	147,085	12.5
A8	44,000	3.7
A9	23,079	2.0
A10	37,202	3.1
A11	30,359	2.6
A12	86,402	7.3
A13	29,550	2.5
A14	30,011	2.5
A15	54,086	4.6
A16	61,256	5.2
A17	34,893	3.0
A18	10,080	0.8
A19	14,402	1.2
A20	29	0.002
A21	-	0
Total	1,178,271	100.0



ANNEX IV Classification NACE, rev. 2.0

A 21	NACE	NVE	Description	
	Rev2_Section	Rev2_Division		
	level	level		
A1	A	01_03	Agriculture, forestry and fishing	
A2	В	05_09	Mining and quarrying	
A3	С	10_33	Manufacturing	
A4	D	35	Electricity, gas, steam and air conditioning supply	
A5	Е	36-39	Water supply, sewerage, waste management and	
			remediation activities	
A6	F	41-43	Construction	
A7	G	45_47	Wholesale and retail trade; repair of motor vehicles and	
			motorcycles	
A8	Н	49-53	Transport and storage	
A9	I	55_56	Accommodation and food services activities	
A10	J	58-63	Information and communication	
A11	K	64-66	Financial and insurance activities	
A12	L	68	Real estate activities	
A13	M	69-75	Professional, scientific and technical activities	
A14	N	77-82	Administrative and support service activities	
A15	О	84	Public administration and defence; compulsory social	
			security	
A16	P	85	Education	
A17	Q	86-88	Health and social work	
A18	R	90-93	Arts, entertainment and recreation	
A19	S	94-96	Other service activities	
A20	T	97-98	Activities of Households as employers; undifferentiated	
			goods and services producing activities of households	
			for own use	
A21	U	99	Activities of extraterritorial organisations and bodies	



ANNEX V References

EUROSTAT: Manual on Regional Accounts Methods, 2013

 $\underline{http://epp.eurostat.ec.europa.eu/cache/ITY_OFFPUB/KS-GQ-13-001/EN/KS-GQ-13-001-EN.PDF}$

EUROPEAN COMMISSION. European System of Accounts ESA 2010. Luxemburg: EUROSTAT, 2013

OFFICAL JOURNAL OF THE EUROPEAN UNION: REGULATION (EC) No 1059/2003-on the establishment of a common classification of territorial units for statistics (NUTS), of 26 May 2003