

# ENVIRONMENTAL TAXES IN ALBANIA

2024

In 2024, revenues from environmental taxes reached approximately ALL 66.2 billion increasing by 9.45 %, compared to 2023.

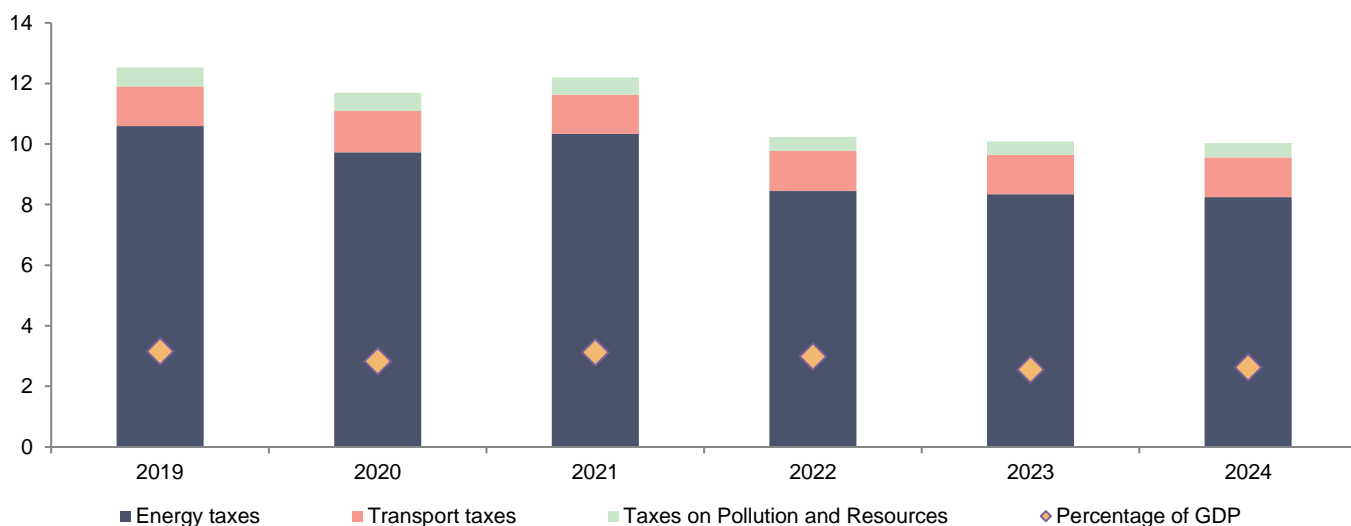
As shown from the structure of environmental taxes in 2024, the greatest share of revenues comes from energy taxes, with 82.2 %, followed by the transport taxes with 13 %, pollution taxes 4.7 % and natural resource taxes 0.08 %.

During the year 2024, revenues from energy taxes increased by 8.95 %, while revenues from transport taxes experienced a rise of 10.53 %. During the same period, revenues from pollution taxes also increased by 16.3 %, whereas revenues from natural resource taxes saw a decrease of 18.77 % (Tab. 2).

In 2024, the share of revenues from environmental taxes in gross domestic product (GDP) is 2.63 %, experiencing an increase of 0.08 percentage points, compared to 2023.

Income from environmental taxes in 2024 represent 10.04 % of total taxes and social contributions, experiencing a decrease of 0.3 percentage points, compared to 2023. (Tab. 3).

**FIG. 1: ENVIRONMENTAL TAX REVENUE BY CATEGORY AS % OF TAXES AND SOCIAL CONTRIBUTIONS AND GDP**



Source: Ministry of Finance and Economy, INSTAT calculation

**TAB. 1 ENVIRONMENTAL TAXES REVENUES, BY TYPES OF TAXES (MILLION ALL)**

	2023	2024
Energy Taxes	49,925	54,392
Transport Taxes	7,795	8,616
Pollution Taxes	2,692	3,131
Recourse Taxes	61	50
<b>Total</b>	<b>60,474</b>	<b>66,189</b>

Source: Ministry of Finance and Economy, calculations INSTAT

**TAB. 2 STRUCTURE OF ENVIRONMENTAL TAXES REVENUES, BY TYPE**

	Annual increase (%)		Structure (%)	
	2023	2024	2023	2024
Energy Taxes	9.17	8.95	82.56	82.18
Transport Taxes	8.78	10.53	12.89	13.02
Pollution Taxes	7.90	16.30	4.45	4.73
Recourse Taxes	-13.76	-18.77	0.1	0.08

Source: Ministry of Finance and Economy, calculations INSTAT

**TAB. 3 STRUCTURE OF ENVIRONMENTAL TAXES REVENUES, BY TYPE**

	2023	2024*
The share of revenues from environmental taxes on GDP	2.55	2.63
The share of revenues from environmental taxes in total taxes and social contributions	10.10	10.04

2024\* Are used the Semi-final GDP

Source: Ministry of Finance and Economy, calculations INSTAT

**Note to users:** Detailed monthly and annual data by groups are available in INSTAT's statistical database: [Enviromental Taxes in Albania](#)

# Methodology

## Environmental taxes

Environmental taxes are considered as an economic instrument to control pollution and management of natural resources and are designed to influence the behaviour of businesses, producers and consumers. Environmental taxes are a module of Environmental Economic Accounts, part of National Accounts system.

VAT and other taxes do not represent a tax that directly or indirectly affects the environment, and is not used in an exclusive way to protect the environment. As a result, these taxes are excluded from these estimates.

The national tax list is a starting point for the assessment of environmental tax revenues. The methodology used for their calculation is made in accordance with Regulation (EU) No 691/2011 and Eurostat guidelines: "Environmental taxes, a statistical guide". These data are harmonized with the European System of Economic Accounts (ESA 2010).

The Environmental taxes data are provided by the Ministry of Finance and Economy. Data on energy taxes, transport taxes, pollution taxes, and resources taxes are subject of revision.

For more information refer to: [http://www.instat.gov.al/media/371722/revision\\_policy\\_2016.pdf](http://www.instat.gov.al/media/371722/revision_policy_2016.pdf)

## Definitions

Below we present the definition of the four major environmental tax groups:

**Energy taxes** - Energy taxes (including car fuel) include taxes on energy products in the country, as well as on energy products that are also used for transport purposes. This also includes taxes on bio fuels and other forms of energy from renewable sources, as well as taxes on energy product reserves.

**Transport taxes** - Transportation taxes (excluding car fuel) refer mainly to taxes related to ownership and use of vehicles. These taxes also include taxes on other means of transport (such as aircraft, ships and trains, etc.) and their services.

**Pollution taxes** - Pollution taxes include emissions to air and water, solid waste management and noise etc. The tax on CO2 emissions, which is covered by the energy tax category, is excluded.

**Resource taxes** - Resource taxes include taxes on the extraction or use of natural resources (water, forests, wildlife, etc.).