

Income and Living Conditions in Albania, 2024*

Tirana, 15 October 2025: INSTAT publishes the main results of Income and Living Conditions Survey (EU- SILC) 2024 which measures living conditions, relative poverty and material and social deprivation in Albanian households. The main indicators for monitoring relative poverty, income distribution and other indicators of the living conditions are based on the objective of the Europe 2030 agenda.

- *At-risk of poverty rate* in Albania, in 2024, is 19.2 %, experiencing a decrease by 0.6 percentage points compared to the revision data of 2023;
- *The at risk of poverty threshold* for a one-member household in 2024 was set at 324,336 ALL, compare to 262,325 ALL in 2023;
- In 2024, there are estimated 4.7% decrease in the *number of individuals below the at-risk-of-poverty threshold*, compare to 2023;
- *Severe material and social deprivation rate (SMSD)* according to the Europe 2030 agenda, represents the percentage of the population that cannot afford at least 7 out of 13 categories of material and social deprivation. For 2024, this indicator is estimated at 32.8 % against 35.9 % estimated in 2023.
- According to the EU 2030 agenda, individuals aged 18-64 who live in households with *very low work intensity* in 2024, are estimated 8.4 %, compared to 9.7 % in 2023, reflecting a decrease of 1.3 percentage points.

At Risk of Poverty or Social Exclusion (AROPE) refers to individuals who are in at risk of poverty, or severe materially and socially deprived, or living in households with very low work intensity:

- In 2024, this indicator according to the Europe 2030 agenda is estimated at 40.5 %, compared to 43.2 % estimated in 2023.

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* Starting from 2024 onwards, the sampling frame and the calibration of the survey results will be based on the 2023 Population and Housing Census.

To ensure comparability, the results of the Income and Living Conditions Survey 2023 have been re-evaluated based on the data from the 2023 Population and Housing Census.

Social transfers, such as old-age and family pensions, included in disposable household income, reduce the risk of poverty rate. The impact of social benefits is evident if we were to estimate the risk of poverty before and after transfers:

- In 2024, 36.7% of the population would be assessed in at risk of poverty, if all social benefits (including old age/family pensions) were excluded from the income level;
- If old-age and family pensions were included in disposable income but other social benefits were excluded, the risk of poverty would be estimated at 22.7%.

Tab.1 The main indicators of at risk of poverty and social exclusion, 2023 - 2024.

Indicators	2023	2024
At risk of poverty rate (%)	19.8	19.2
Severe material and social deprivation (%) (lack of 7 out of 13 categories of material deprivation)	35.9	32.8
Very low work intensity (age 18-64) (%)	9.7	8.4
At risk of poverty or social exclusion (AROPE-Europa 2030) (%)	43.2	40.5
At risk of poverty threshold; one-person household (ALL)	262,325	324,336
At risk of poverty threshold; household with 2 adults and 2 dependent children (ALL)	550,883	681,106
At risk of poverty before social transfers (%) (Old-age and family pensions included in social transfers)	37.4	36.7
At risk of poverty after social transfers (%) (Old-age and family pensions excluded in social transfers)	23.2	22.7

Source: "Income and Living Conditions Survey 2023 and 2024."

At risk of poverty rate by age group and sex

The decreasing trend is observed across age groups, but a greater decrease has the age group 0-17 years old, where at risk of poverty in 2024, compared to 2023, has decreased by 0.9 percentage points. The age group 65 and over has experienced a slight increase in 2024 by 0.2 percentage points, compared to 2023.

Tab. 2 At-risk of poverty rate by age group and sex, in %

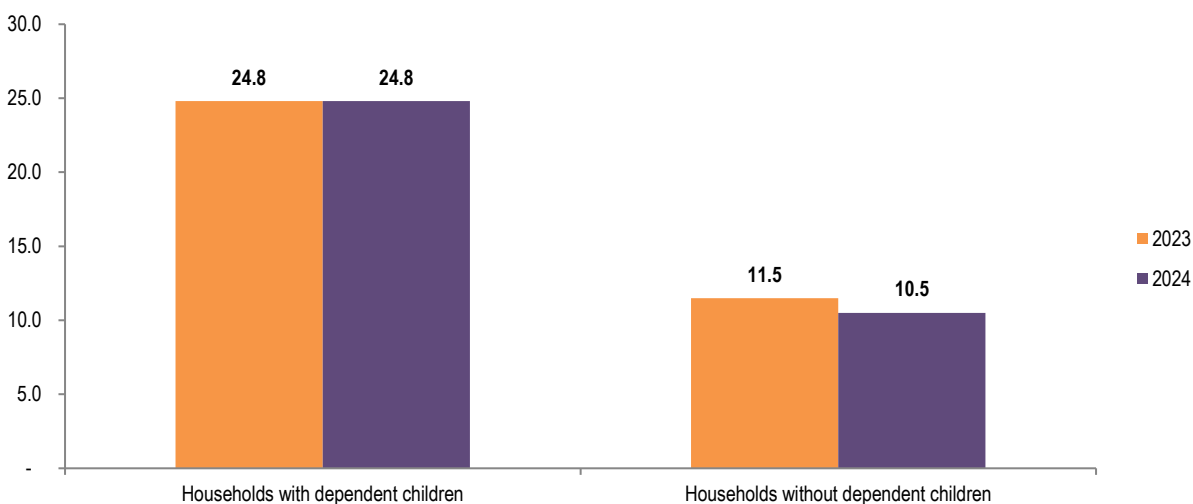
Age group	2023			2024		
	Male	Female	Total	Male	Female	Total
0-17 years old	27.1	27.8	27.5	26.4	26.8	26.6
18-64 years old	18.9	19.5	19.2	18.4	18.9	18.6
65 and over	12.5	14.5	13.6	12.8	14.7	13.8
Total	19.4	20.1	19.8	18.9	19.5	19.2

Source: "Income and Living Conditions Survey 2023 and 2024"

People at risk of poverty by household type

In 2024, the percentage of individuals in at risk of poverty in households without dependent children it is estimated to be lower compared to the households with dependent children.

Fig.1 At-risk of poverty rate by household type, in %



Source: "Income and Living Conditions Survey 2023 and 2024"

The inequality level

Gini coefficient measures the inequality in income distribution where 0% expresses the perfect equality where everyone has the same level of income, while a Gini coefficient of 100% expresses full inequality where only one person has all the income:

- In 2024, Gini coefficient is estimated 29.8 %, decreased by 0.8 percentage points from 2023.

The income quintile share ratio S80/S20 is an indicator of income distribution and measures the ratio of highest equivalized disposable income (last quintile) with the lowest equivalized disposable income (first quintile):

- In 2024, the S80 / S20 ratio is estimated 4.8 compared to 5.0 in 2023.

Tab.3 Inequality indicators

Inequality indicators	2023	2024
GINI (in %)	30.6	29.8
Ratio S80/S20	5.0	4.8
S80/20 65 years old and over	3.5	3.5
S80/20 less than 65 years old	5.4	5.0

Source: "Income and Living Conditions Survey 2023 and 2024"

Monthly mean equivalized disposable income

In 2024, the monthly mean equivalized disposable income per capita has increased by 23.2 % compared to 2023.

Tab. 4 Monthly mean equivalized disposable income

	2023	2024
Monthly Mean equivalised disposable income per capita (ALL)	41,479	51,122

Source: "Income and Living Conditions Survey 2023 and 2024"

Methodology

The Survey on Income and Living Conditions is conducted in 2017 for the first time in Albania where the reference income is 2016. For release of 2024, the reference income is 2023.

The results present comparable statistics to other countries as well as provide reliable data in the area of relative poverty, social exclusion and household income, helping policymakers in the policies designing for reducing poverty. Until 2012, the only source for measuring living conditions, absolute poverty and well-being of Albanian households was the Living Standard Measurement Survey known as LSMS. This survey has collected a variety of monetary and non-monetary indicators bringing a variety of information to different users. Through LSMS, the measurement of poverty is based on consumption using the absolute poverty line, while SILC is based on household income using the relative poverty line.

Starting from 2024 onwards, the sampling frame and the calibration of the survey results will be based on the 2023 Population and Housing Census.

Based on these methodological changes used in these two surveys, it is expected that the information from Income and Living Conditions Survey will be different, compared to the data provided by the Living Standard Measurement Survey.

Coverage: EU-SILC Survey covers all households of the Republic of Albania territory regardless of their size or socio-economic characteristics.

Excluded from the survey: Population living in institutional households of all types (dormitories, elderly homes, hospitals, prisons, rehabilitation centers, camps etc.).

Household concept: is referred to a group of persons or a person related by blood or not, who live together in the same dwelling or in a part of the house and share a partial or common economy.

Sample size: In 2024, the survey was conducted on a sample size of 8,443 households, where respondent households were 6,942, while in 2023 the sample size was 8,834 households with 6,822 households respondent.

Reference period: is different depending on types of information collected:

Incomes: is the last calendar year - N - 1 (for SILC 2024 is 2023, for SILC 2023 is 2022);

Material deprivation: is the moment when the interview is conducted - (Year 2024)

According to the methodology for measuring poverty, the poverty line is calculated based on its relative concept (poor in relation to others) and is defined at 60% of the median total equivalised disposable household income, using the modified OECD equivalised scale. Total equivalised disposable income of the household is considered the total net income (that is. income after taxes and social contributions) received by all household members.

Equivalised income:

As equivalised disposable income of the individual is considered the total disposable income of household after being divided by the modified OECD equivalised scale. In the income distribution per person each household member possesses the same amount of income, corresponding to the equivalent disposable income of the household. This means that each member of the household enjoys the same level of living. Consequently, in the income distribution per person, the income that is attributed to each person does not represent wages, but actually, an indicator of the level of living.

Equivalence scale

Equivalent size refers to the OECD modified scale which gives a weight of 1.0 to the first adult (over 14years old). 0.5 to other persons aged 14 or over who are living in the household and 0.3 to each child aged under 14. Example: The income of household with two adults and two children under 14 years is divided with a weight $1+0.5+2*0.3= 2.1$, for household with two adults is $1 + 0.5 = 1.5$. etc.

The indicators of at risk of poverty and social exclusion are based on the concept of relative poverty, which takes into account household disposable income, the number of household members, and income distribution of the total population.

The main indicator definitions:

At-risk-of-poverty threshold represents the lowest annual disposable income for a person to not be considered in at risk of poverty. At-risk-of-poverty threshold is defined as 60% of the median equivalised disposable income for all households.

At-risk-of-poverty rate indicates the percentage of persons living in households where equivalent disposable income is below the at-risk-of-poverty threshold.

Severe Material and Social Deprivation (Europe 2030) represents the percentage of people living in households that cannot afford at least seven of the thirteen categories of deprivation (6 categories related to deprivation at the individual level and 7 categories related to deprivation at the household level).

List of items at household level:

1. Capacity to being confronted with payment arrears (on mortgage or rental payments, utility bills, hire purchase installments or other loan payments);
2. Capacity to afford paying for one-week annual holiday away from home;
3. Capacity to face unexpected expenses of 30,000 ALL;
4. Capacity to afford a meal with meat, chicken, fish or vegetarian equivalent every second day;
5. Ability to keep home adequately warm;
6. Have access to a car/van for personal use;
7. Replacing worn-out furniture.

List of items at individual level:

1. Having internet connection;
2. Replacing worn-out clothes by some new ones;
3. Having two pairs of properly fitting shoes (including a pair of all-weather shoes);
4. Spending a small amount of money each week on him/herself;
5. Having regular leisure activities;
6. Getting together with friends/family for a drink/meal at least once a month.

The work intensity of the household is defined as the ratio of the number of months that all household members have been working during the income reference year to the total number of months that could have theoretically worked during the same period (12 months).

A person of working age is considered to be a person of the age group 18-64 years according to the **Europe 2030 objectives**, excluding persons belonging to the age group 18-24 years who are dependent and economically inactive as well as the exception of persons receiving family pension and inactive persons aged 60-64 living in households in which the main source of income is pension.

The work intensity is: very low (0 %- 20 %), low (20 % - 45 %), medium (45 % - 55 %), high (55 % -85 %) and very high (85 % - 100 %). Very low work intensity refers to the situation of persons in the household where no one works, or works very little, meaning that working-age household members work only 20% or less of the total number of months they can work during the reference period.

At Risk of Poverty or Social Exclusion (AROPE 2030) refers to the individuals who are at risk of poverty or severe materially and socially deprived or living in a household with very low work intensity.

The table below shows the differences between the **At-risk-of-poverty or social exclusion rate (AROPE)** defined for the Europe 2030 targets.

Indicator	Europa 2030
Severe Material and Social Deprivation Rate	The severe material and social deprivation rate (SMSD): is defined as the proportion of the population experiencing an enforced lack of at least 7 out of 13 deprivation items (6 related to the individual and 7 related to the household).
At-risk-of- poverty rate	The percentage of people in the total population who are at risk of poverty.
Low work intensity indicator	People from 0-64 years living in households where the adults (those aged 18-64, but excluding students aged 18-24 and people who are retired according to their self-defined current economic status as well as people in the age group 60-64 who are inactive and living in a household where the main income is pensions) worked a working time equal or less than 20% of their total combined work- time potential during the previous year.