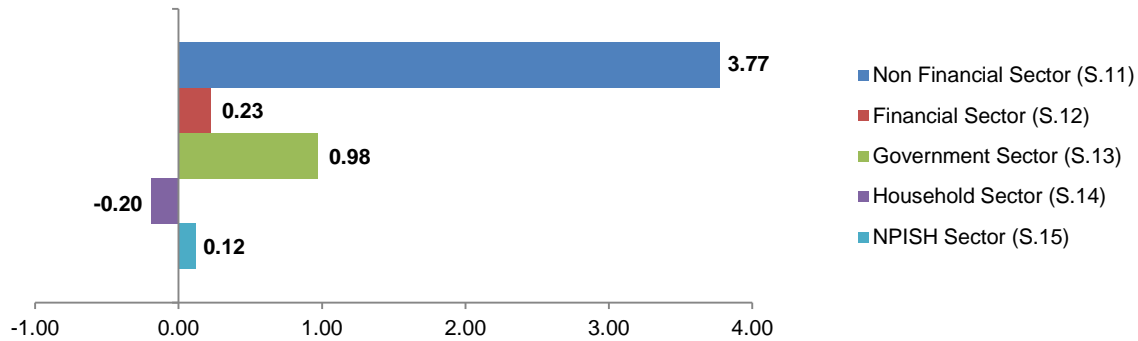


Annual Sector Accounts 2017

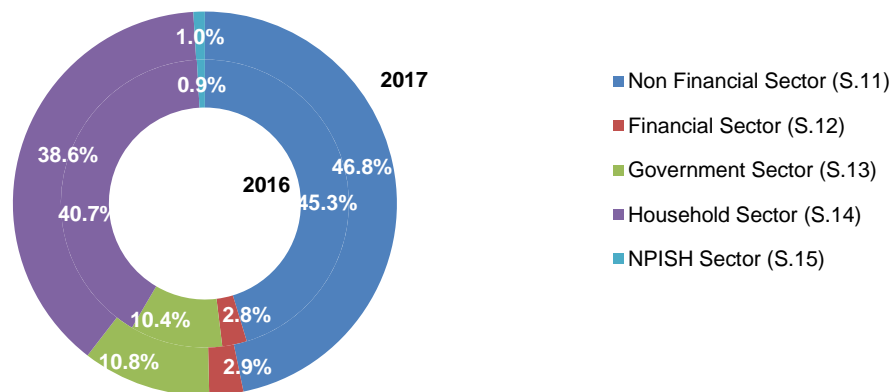
Tirana, May 28 2020: During 2017, Nominal Gross Value Added increased by 4.9 % compared to 2016. The highest contribution to this growth was given by the Non-Financial Sector (S.11) by 3.77 %. The lowest contribution was provided by the Household Sector (S.14), at -0.20 percentage points.

Fig. 1: Sectors contribution in Nominal Growth Of Gross Values Added, percentage points



In the 2017 Gross Value Added structure, Non-Financial Sector (S.11) has the largest share with 46.8 %, followed by Household Sector (S.14) with 38.6 %.

Fig. 2: Gross Value Added structure by institutional sectors, 2016-2017



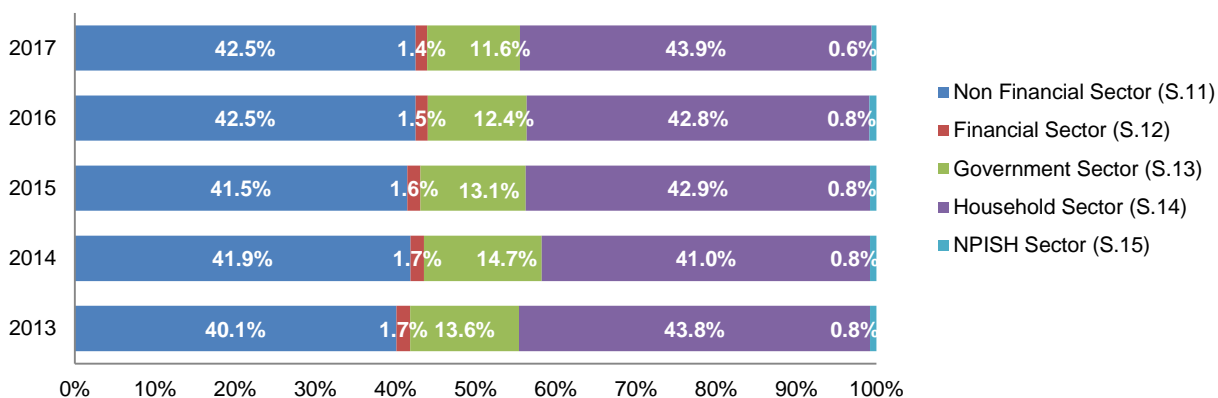
In 2017, Compensation of Employees comprises 69.4 % of Gross Values Added, compared to 67.4 % in 2016.

During the period 2013-2017, there is an increasing trend of Compensation of Employees, following the same trend of Gross Value Added, for the total economy.

Compensation of employees increased by 8.05 % in total economy (S.1) compared to 2016.

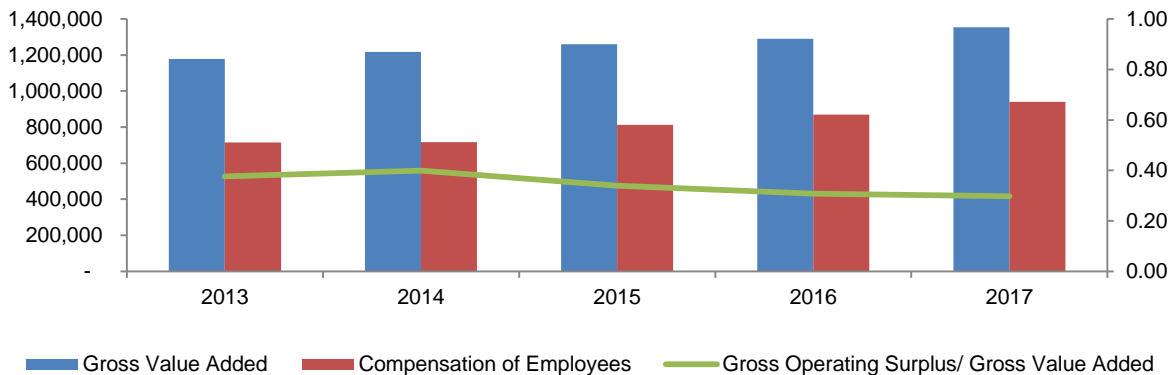
The Non-Financial Sector (S.11) and Household Sector (S.14) are the two largest sectors in the economy, and represent respectively 42.5 % and 43.9 % of the total compensation of employees. There is a small number of institutional units operating in the Financial Sector (S.12), which consist of 1.4 % of the compensation of employees. The Non-Profit Institutions serving Households Sector (S.15) occupies the smallest share of the compensation of employees by 0.6 %.

Fig. 3: Structure of compensation of employees, 2013-2017



Gross Operating Surplus as a share of Gross Value Added constitutes 29.7 % in 2017 compared to 30.8 % in 2016. This result is due to the higher growth in Compensation of Employees' indicator by 8.05 % compared to the 4.9 % increase in Gross Value Added.

Fig. 4: Compensation of employees and gross operating surplus, 2013-2017



Tab.1 Annual Sector Accounts year 2017

USES						CURRENT ACCOUNTS	RESOURCES						
NPISH Sector (S.15)	Household Sector (S.14)	Government Sector (S.13)	Financial Sector (S.12)	Non Financial Sector (S.11)	Total Economy (S.1)		Total Economy (S.1)	Non Financial Sector (S.11)	Financial Sector (S.12)	Government Sector (S.13)	Household Sector (S.14)	NPISH Sector (S.15)	
PRODUCTION ACCOUNT													
						P.1	Output	2,506,028	1,431,057	62,723	190,275	792,579	29,394
16,357	270,190	43,576	23,978	797,437	1,151,538	P.2	Intermediate Consumption						
13,037	522,389	146,699	38,745	633,620	1,354,490	B.1g	Gross Value Added						
						D.21- D.31	Taxes less subsidies on products	196,155					
					1,550,645	B.1g*⁽¹⁾	Gross Domestic Product (GDP)						
<i>(1) Gross Domestic Product (GDP) is gross value added plus taxes less subsidies on products (D21-D31)</i>													
GENERATION OF INCOME ACCOUNT													
						B.1g/B.1g*⁽²⁾	Gross Value Added / Gross Domestic Product	1,550,645	633,620	38,745	146,699	522,389	13,037
5,404	412,483	109,054	13,342	400,043	940,326	D.1	Compensation of employees						
					202,578	D.21	Taxes on products						
225	555	352	568	9,822	11,521	D.29	Other taxes on production						
						D.31	Subsidies on products	6,423					
7,409	109,350	37,293	24,835	223,755	402,643	B.2g/B.3g⁽³⁾	Gross operating surplus / Mixed Income						
<i>(2) Taxes and subsidies can not be sectorized, so GDP at market prices is not sectorized but is given for the total economy S.1.</i>													
<i>(3) Including mixed income for S.14 and S.1</i>													

Methodology

Description of Institutional Sectors

The institutional unit is an economic entity characterized by autonomy in decision-making. The resident unit is considered as an integral part of the institutional unit in the economic territory where it has its main economic interest center, if it has decision-making autonomy and whether it holds a full set of accounts or is able to compile a full set of accounts. For purposes of the system of accounts, based on the type of producers and their main activities and functions that indicate a certain economic behavior, the institutional units are grouped together in five institutional sectors comprised of: Non-Financial Corporations, Financial Corporations, General Government, Household Sector and Non-profit institutions serving households. These five sectors together form the total economy and each sector can be divided into subsectors.

S.11 The non-financial sector consists of institutional units which are independent legal entities and market producers and whose main activity is the production of non-financial goods and services.

S.12 The financial sector consists of institutional units which are independent legal entities and market producers, whose main activity is the production of financial services.

S.13 The general government sector consists of institutional units that are non-market producers, whose production is directed at individual and collective consumption, and mainly financed by compulsory payments made by units belonging to other sectors and institutional units engaged mainly in the redistribution of national income and assets.

S.14 The household sector consists of individuals and groups of individuals as consumers and entrepreneurs, who produce commercial goods and financial and nonfinancial services (market producers) only if the production of goods and services is not made by specific entities treated as quasi-corporations . It also includes individuals or groups of individuals as producers of non-financial goods and services for final consumer consumption.

S.15 The Non-Profit Institutions serving households (NPISH) sector consists of non-profit institutions that are separate legal entities that serve households and are private market producers. Their main sources are derived from voluntary contributions in cash or in kind from family to their quality as consumers, from payments made by public administration and from property income.

Definition of variables

Production: An activity exercised under the control and responsibility of an institutional unit that combines resources in labor, capital and products and services to produce products or services. Clear natural processes without human intervention or control are not part of the production. There are three types of production: market production; production for own final use and other non-market output.

Intermediate consumption: Value of products or services transformed or fully consumed during the production process. The use of fixed assets put into operation is not taken into account; it is evidenced in the consumption of fixed capital.

Gross value added: Gross value added represents the contribution of different activities to GDP and is calculated as the difference between output and intermediate consumption

Taxes on products and imports: Taxes on products are the taxes payable per unit of some goods and services such as: Value Added Tax (VAT), excise duty and customs duty on imports.

Subsidies on products and imports: Subsidies on products are non-refundable payments that public administration units make to enterprises as a fixed amount of money per unit of a good or service.

Subsidies on imports consist of subsidizing goods or services that become payable when goods cross the border of economic territory or when services are transferred to resident institutional units.

Compensation of employees is defined as the total compensation in cash or in kind that the employer pays to the employee in exchange for the work done by him during the accounting period. Compensation of employees includes employer's wages and social contributions.

Gross Operating Surplus/ Mixed Income (B.2g / B.3g)

The Gross Operating Surplus (B.2g) is the difference that remains after the deduction from the added value (at basic prices) of compensation of employees and other taxes and subsidies on production.

The operating surplus of the self-employed is called "Mixed Income (B.3g)" because it also includes compensation for the work of self-employed persons and their family members.