

# Supply and Use Tables

## Year 2014

**Tirana, October 13, 2017:** INSTAT presents consolidated Supply and Use Tables (SUTs), for the reference year 2014, which offer detailed portrait of an economy and are an important instrument in analyzing and creating statistical models. These tables describe sources and uses of products and inter-industry relations in economy.

Total supply at purchasers' prices, in the year 2014, was estimated ALL 3,088,518 million, performing a growth in nominal terms by +1.18 %, compared with year 2013.

Domestic production represents 72.93 %, of total supply at purchasers' prices, goods represented 21.23 % and services 48.77 %. Imported goods constitutes 66.40, %, while services 33.60 %.

**Tab. 1 Supply tables at current prices for year 2014, in ALL millions**

| Industries (NACE)               | Agriculture | Industry | Services  | Total output of products | Imports (CIF) | MTTT*    | Total supply at purchasers' prices |
|---------------------------------|-------------|----------|-----------|--------------------------|---------------|----------|------------------------------------|
| Products (CPA)                  | 1           | 2        | 3         | 4=1+2+3                  | 5             | 6        | 7=4+5+6                            |
| <b>Agriculture [1-3]</b>        | 280 158     |          | 48        | 280 207                  | 24 513        | 61 028   | 365 749                            |
| <b>Industry [5-43]</b>          | 105 224     | 765 403  | 3 175     | 873 802                  | 412 754       | 379 950  | 1 666 505                          |
| <b>Services [45-98]</b>         | 1 326       | 46 684   | 1 050 526 | 1 098 536                | 221 245       | -263 517 | 1 056 264                          |
| <b>Total output by activity</b> | 386 708     | 812 087  | 1 053 749 | 2 252 545                | 658 512       | 177 461  | 3 088 518                          |

\* Trade, transport margins and net taxes on products

Structure of the use of disposable goods and services represented the following structure: 33.50 % was used for intermediate consumption in production processes, 41.87 % was used for final consumption form households and public administration.

**Tab. 2 Use tables at current prices for year 2014, in ALL millions**

| Industries (NACE)             | Agriculture | Industry | Services | IC* of products | FD**      | Total use at purchasers' prices |
|-------------------------------|-------------|----------|----------|-----------------|-----------|---------------------------------|
| Products (CPA)                | 1           | 2        | 3        | 4=1+2+3         | 5         | 6=4+5                           |
| <b>Agriculture [1-3]</b>      | 85 199      | 18 989   | 12 413   | 116 602         | 249 147   | 365 749                         |
| <b>Industry [5-43]</b>        | 18 703      | 429 293  | 189 791  | 637 788         | 1 028 717 | 1 666 505                       |
| <b>Services [45-98]</b>       | 3 882       | 63 690   | 212 739  | 280 311         | 775 953   | 1 056 264                       |
| <b>Total IC of industries</b> | 107 784     | 511 973  | 414 944  | 1 034 701       | 2 053 817 | 3 088 518                       |
| <b>Value Added</b>            | 278 924     | 300 114  | 638 806  | 1 217 843       |           |                                 |

\* Intermediate consumption

\*\* Total final demand

**For release 13/10/2017**

## Supply Table

This table provides estimates of the supply of goods and services (products) by domestic industries as well as imports of goods and services. The supply of products is presented in the rows while the columns show the industry branches that produce these goods and services. The classification of each industry is based on whichever product accounts for the largest part of its output.

Components of supply table for year 2014, compared with year 2013, appeared as follows:

Domestic production, which shares an important part in supply table appeared to increase by 0.28 %.

Imports goods and services increased by 3.87 %.

Net Taxes on products increased by 2.96 %.

**Tab. 3 Supply Table at basic prices, including a transformation into purchasers' prices (current prices), in ALL millions**

| Industries (NACE)*          | A  | B-E            | F              | G-I            | J              | K             | L             | M-N            | O-Q            | R-U           | Total output of products | Imports (CIF) P7 | MTTT**         | Total supply at purchasers' prices |
|-----------------------------|--|----------------|----------------|----------------|----------------|---------------|---------------|----------------|----------------|---------------|--------------------------|------------------|----------------|------------------------------------|
| Products (CPA)*             | Output of industries (NACE), at basic prices |                |                |                |                |               |               |                |                |               |                          |                  |                |                                    |
| A                           | 280 158                                      |                |                |                |                |               |               |                | 48             |               | 280 207                  | 24 513           | 61 028         | 365 749                            |
| B-E                         | 105 224                                      | 410 211        | 36 795         | 13             | 23             |               |               | 1 850          | 118            | 31            | 554 264                  | 412 454          | 376 630        | 1 343 348                          |
| F                           |  | 3 900          | 314 497        | 936            |                |               | 25            | 176            | 4              |               | 319 537                  | 300              | 3 319          | 323 156                            |
| G-I                         | 234  | 6 989          | 17 088         | 377 015        | 31             |               | 913           | 204            | 489            | 80            | 403 044                  | 122 139          | - 274 231      | 250 952                            |
| J                           |  | 557            | 176            | 4              | 104 704        |               |               |                | 1 647          |               | 107 087                  | 25 171           | 3 743          | 136 001                            |
| K                           |  |                |                | 959            |                | 55 430        |               |                |                |               | 56 389                   | 5 930            | 303            | 62 623                             |
| L                           |  | 849            | 13 800         | 248            |                |               | 98 293        | 10             | 16             | 1             | 113 218                  |                  | 68             | 113 286                            |
| M-N                         | 1 092  | 12             | 7 077          | 177            | 4              |               |               | 135 198        | 1 237          |               | 144 797                  | 19 776           | 1 104          | 165 676                            |
| O-Q                         |  | 10             | 102            | 70             |                |               |               |                | 209 271        | 2             | 209 455                  | 20 047           | 64             | 229 566                            |
| R-U                         |  | 22             | 2              | 909            |                |               |               |                | 76             | 63 537        | 64 546                   | 28 182           | 5 433          | 98 161                             |
| <b>Output of industries</b> | <b>386 708</b>                               | <b>422 549</b> | <b>389 538</b> | <b>380 332</b> | <b>104 762</b> | <b>55 430</b> | <b>99 232</b> | <b>137 438</b> | <b>212 906</b> | <b>63 650</b> | <b>2 252 545</b>         | <b>658 512</b>   | <b>177 461</b> | <b>3 088 518</b>                   |

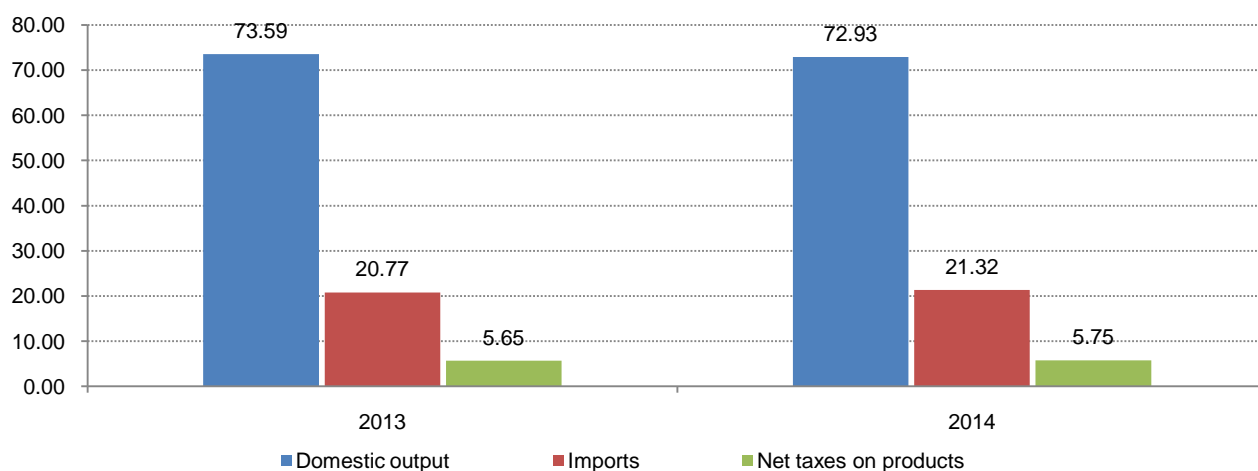
\* The aggregation of industries and products according to the Nomenclature of the Economic Activities (NACE Rev. 2) and the Nomenclature of Products by Activity (CPA 2008)

\*\* Trade, transport margins and net taxes on products

In 2014, domestic production represents 72.93 % of total supply on domestic territory at purchasers' prices.

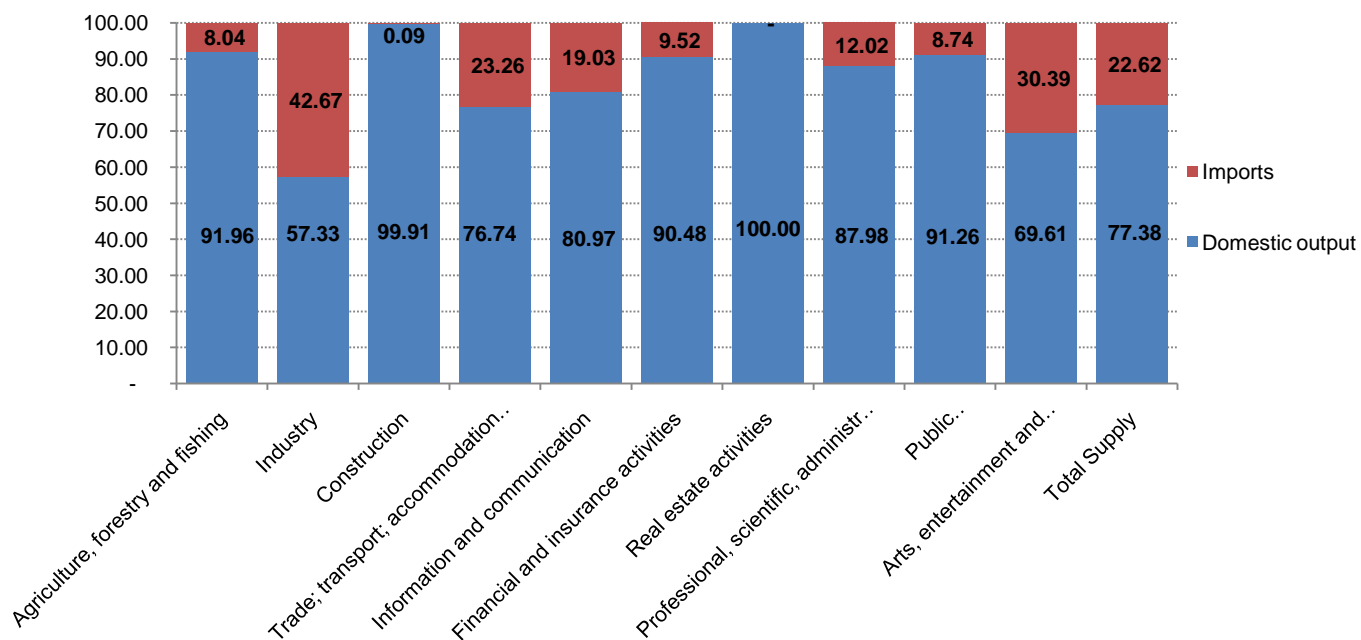
Imports represents 21.32 %, mwhile net taxes on products (taxes less subsidies on product) constitutes 5.75 %.

Fig. 1 Supply Structure, in %



Regarding the supply table structure according to the origin (Fig.2), domestic production represents 77.38 % of the total, while the imports represent 22.62%. The highest penetration of imports of goods and services is observed in *Industry products*, by 42.64 %.

Fig. 2 Supply Structure by products, in %



In 2014, the main share of domestic production structure at basic prices is represented by *Industry products* which accounted 24.61 %, followed by *Trade, transport, accommodation and food services* with 17.89 % and *Construction* 16.09 %.

Imported goods in 2014 were predominantly also from *Industry products* with 62.63 %, followed by *Trade, transport, accommodation and food services* by 18.55 %.

**Tab. 4 Supply Structure according to origin, in millions and %**

| Products (CPA)               |   | Domestic output |        | Imports |        |
|------------------------------|---|-----------------|--------|---------|--------|
|                              |   | mln             | %      | mln     | %      |
| A                            | Agriculture, forestry and fishing [1-3]                                 | 280,207         | 12.44  | 24,513  | 3.72   |
| B-E                          | Industry [5-39]   | 554,264         | 24.61  | 412,454 | 62.63  |
| F                            | Construction [41-43]  | 319,537         | 14.19  | 300     | 0.05   |
| G-I                          | Trade; transport; accommodation and food services [45-56]               | 403,044         | 17.89  | 122,139 | 18.55  |
| J                            | Information and communication [58-63]                                   | 107,087         | 4.75   | 25,171  | 3.82   |
| K                            | Financial and insurance services [64-66]                                | 56,389          | 2.50   | 5,930   | 0.90   |
| L                            | Real estate services [68]   | 113,218         | 5.03   |         | 0.00   |
| M-N                          | Professional, scientific, administrative and support services [69.1-82] | 144,797         | 6.43   | 19,776  | 3.00   |
| O-Q                          | Public administration, education, human health [84-88]                  | 209,455         | 9.30   | 20,047  | 3.04   |
| R-U                          | Arts, entertainment and recreation services and other services [90-98]  | 64,546          | 2.87   | 28,182  | 4.28   |
| Total Supply at basic prices |   | 2,252,545       | 100.00 | 658,512 | 100.00 |

### Use Table

Use table shows the use of products by domestic industry and by the final demand sectors, i.e. final consumption by households, public administration, and non-profit organizations serving households (NPISH), gross capital formation and export. The use table has two main objectives, firstly, it reveals by column the input structure of each industry and secondly, it describes in the rows the use of different products and services.

Components of use table for year 2014, compared with year 2013, appeared as follows:

Final consumption which shares an important part in total economy appeared to increase by 7.24 %.

Intermediate consumption decreased by -3.17 %.

Gross Fixed Capital Formation decreased by -6.42 %.

Exports of goods and services increased by 1.46 %.

Tab. 5 Use table at purchasers' price, in million ALL

| Industries (NACE) | A                          | B-E     | F       | G-I     | J      | K      | L      | M-N    | O-Q     | R-U    | IC* of products | FCE**<br>P3_S13-14 | GFCF***<br>P51-52 | Exports (FOB)<br>P6 | Use at purchasers' prices |
|-------------------|----------------------------|---------|---------|---------|--------|--------|--------|--------|---------|--------|-----------------|--------------------|-------------------|---------------------|---------------------------|
| Products (CPA)    | Input of industries (NACE) |         |         |         |        |        |        |        |         |        |                 |                    |                   |                     |                           |
| A                 | 85 199                     | 16 820  | 2 169   | 10 574  | 60     | 12     | 202    | 797    | 526     | 243    | 116 602         | 231 670            | 8 815             | 8 662               | 365 749                   |
| B-E               | 18 509                     | 197 105 | 185 401 | 70 792  | 27 144 | 2 030  | 1 898  | 28 416 | 34 795  | 6 720  | 572 812         | 516 044            | 99 433            | 155 060             | 1 343 348                 |
| F                 | 194                        | 4 369   | 42 419  | 3 334   | 1 455  | 3      | 6 151  | 2 980  | 3 242   | 830    | 64 976          | 8 350              | 248 746           | 1 084               | 323 156                   |
| G-I               | 2 039                      | 7 493   | 6 109   | 21 996  | 4 221  | 1 068  | 226    | 9 016  | 7 607   | 4 725  | 64 499          | 82 198             |                   | 104 255             | 250 952                   |
| J                 | 5                          | 1 106   | 1 237   | 2 850   | 17 445 | 3 660  | 363    | 4 552  | 4 146   | 4 380  | 39 744          | 54 778             | 1 487             | 39 991              | 136 001                   |
| K                 | 429                        | 7 465   | 4 767   | 12 633  | 1 004  | 3 496  | 3 886  | 882    | 1 853   | 3 164  | 39 578          | 14 522             |                   | 8 523               | 62 623                    |
| L                 | 245                        | 2 507   | 2 779   | 4 696   | 2 157  | 2 859  | 151    | 6 761  | 754     | 1 930  | 24 838          | 88 447             |                   |                     | 113 286                   |
| M-N               | 1 164                      | 5 571   | 24 320  | 31 413  | 11 971 | 6 696  | 652    | 12 482 | 703     | 6 826  | 101 797         | 14 138             | 8 625             | 41 116              | 165 676                   |
| O-Q               |                            | 76      | 165     | 198     | 173    | 377    | 2      | 504    | 3 978   | 2 099  | 7 571           | 208 884            |                   | 13 112              | 229 566                   |
| R-U               |                            | 91      | 4       | 631     | 118    | 71     |        | 6      | 801     | 561    | 2 284           | 74 023             |                   | 21 854              | 98 161                    |
| IC by industries  | 107 784                    | 242 603 | 269 370 | 159 118 | 65 747 | 20 270 | 13 530 | 66 396 | 58 405  | 31 477 | 1 034 701       | 1 293 053          | 367 106           | 393 657             | 3 088 518                 |
| Value Added       | 278 924                    | 179 946 | 120 168 | 221 215 | 39 015 | 35 160 | 85 701 | 71 042 | 154 500 | 32 173 | 1 217 843       |                    |                   |                     |                           |

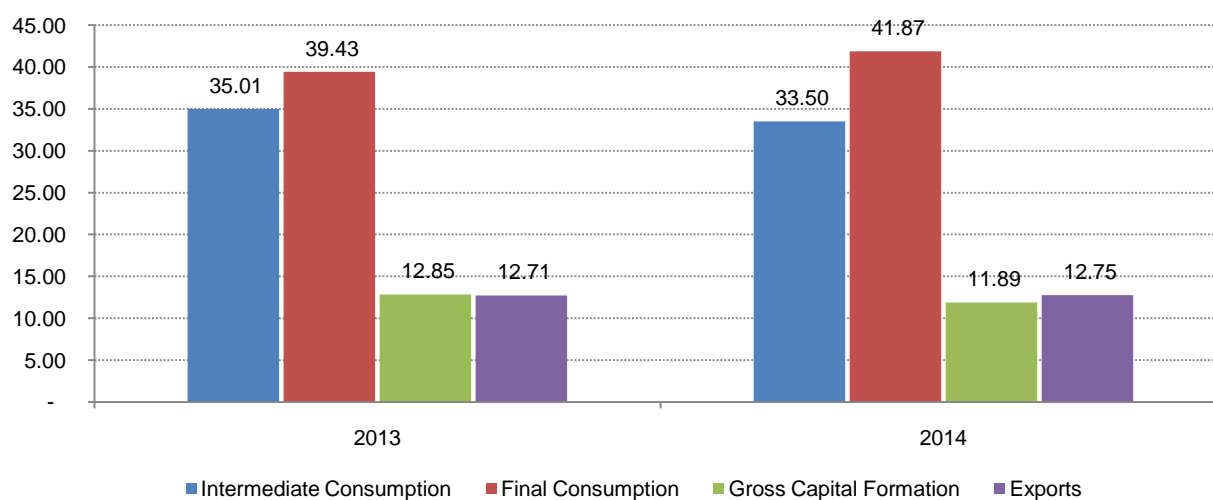
\* Intermediate consumption

\*\* Final consumption expenditure by households and government

\*\*\* Gross fixed capital formation and changes in inventories

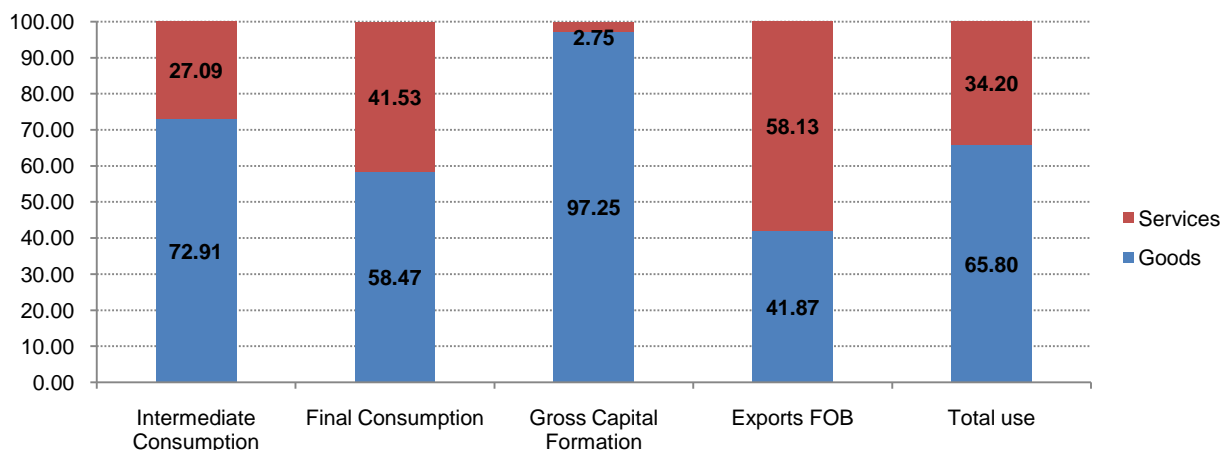
During year 2014, the use of disposable goods and services on the domestic territory and exported in foreign countries (Fig.3), represented the following structure: 33.50 % was used for intermediate consumption in production processes, 41.87 % for final consumption by households and government consumption, 11.89 % by gross fixed capital formation and 12.75 % was exported.

Fig. 3 Use Structure, in %



In use table (Fig. 4), goods contributed 66.91 % of the total, while services 33.09 %. The use of goods tops the entries of gross capital formation by 97.25 % and intermediate consumption with 72.91 %. Their weight decreasing comes to final consumption in 58.23 %, on the other hand in exports the services lead with 56.00 % against 44.00 % of the goods.

**Fig. 4 Use Structure by products, in %**



In 2014, the structure of domestic use at purchasers' prices (*where included for intermediate consumption, final consumption by household and public administration, gross fixed capital formation and change in inventory*), main share is represented by *Industry products* which accounted 37.07 % followed by *Construction* 14.49 % and *Agriculture products* 14.49 %.

Exported goods in 2014 were predominantly also from *Industry products* with 39.39 % followed by *Trade; transport; accommodation and food service activities* by 26.48 %.

**Tab. 6 Use Structure at purchasers' prices according to destination, in millions and %**

| Products (CPA)                   |   | Domestic Use |         | Exports |         |
|----------------------------------|---|--------------|---------|---------|---------|
|                                  |   | mln          | %       | mln     | %       |
| A                                | Agriculture, forestry and fishing [1-3]                                 | 240,484      | 14.49%  | 8,662   | 2.20%   |
| B-E                              | Industry [5-39]   | 615,477      | 37.07%  | 155,060 | 39.39%  |
| F                                | Construction [41-43]  | 257,096      | 15.49%  | 1,084   | 0.28%   |
| G-I                              | Trade; transport; accommodation and food services [45-56]               | 82,198       | 4.95%   | 104,255 | 26.48%  |
| J                                | Information and communication [58-63]                                   | 56,265       | 3.39%   | 39,991  | 10.16%  |
| K                                | Financial and insurance services [64-66]                                | 14,522       | 0.87%   | 8,523   | 2.17%   |
| L                                | Real estate services [68]   | 88,447       | 5.33%   |         | 0.00%   |
| M-N                              | Professional, scientific, administrative and support services [69.1-82] | 22,763       | 1.37%   | 41,116  | 10.44%  |
| O-Q                              | Public administration, education, human health [84-88]                  | 208,884      | 12.58%  | 13,112  | 3.33%   |
| R-U                              | Arts, entertainment and recreation services and other services [90-98]  | 74,023       | 4.46%   | 21,854  | 5.55%   |
| Total Uses at purchasers' prices |   | 1,660,159    | 100.00% | 393.657 | 100.00% |

# Information for users

## Methodology and classification

Supply and Use Tables calculations are based methodologically on the basic concepts of the European System of Accounts (ESA 2010) and the System of National Accounts (SNA 2008) of the United Nations Organization (UN). SUT compilation requires a large number of data gathered in a highly detailed level. The Information sources used in this system are of the most varied and in many cases can also be secondary, but they can play an important role in balancing the flow of products. In addition, the methodology of preparation of SUT and TIO refer to the link:

<http://www.instat.gov.al/en/themes/national-accounts/publications/books/2015/supply,-use-and-input-output-tables-in-albania-2009-2011.aspx>

[http://www.instat.gov.al/media/333404/part\\_d-sut\\_compilation\\_albania.pdf](http://www.instat.gov.al/media/333404/part_d-sut_compilation_albania.pdf)

Classifications used in National Accounts are: - Nomenclature of economic activities (NACE Rev. 2). - Nomenclature of products (CPA); - Classification of Individual Consumption According to Purpose (COICOP); - Classification of the Functions of Government (COFOG).

## Data sources

To calculate SUT it is used the information provided by various statistical and administrative sources. The data used can come from INSTAT's statistics producers or other various national institutions such as Ministries, Departments of the General Taxation and Customs, the National Registration Center, Bank of Albania, Financial Supervisory Authority, the National Agency of Natural Resources and others. By comparing these sources with each other, we are able to have a better view of the economy which is comprehensive, consistent, coherent and fully integrated.

Statistical sources include data obtained from records and surveys on various economic units or households, among which we may mention: the Register of Enterprises; Structure Survey; Retail Trade Survey; Household Budget Survey; Price Statistics Survey, Statistics agriculture and the environment, etc.

Administrative resources include administrative data collected by other institutions for various purposes, among which we may mention: the Annual Financial Statements; Value added tax (VAT); Balance of Payments; Public administration fiscal statistics; foreign trade statistics; The sales and purchases; etc.

## Balancing process

The balancing of supply and use table is a very important process. After a detailed processing for each product, all the supply of a country must equal to uses. In many cases this is difficult to be reached since the first step of using data sources, for this reason the analysis are done at product level.

Before we look at product discrepancies, is analyzed the statistical discrepancies between two different approaches of GDP estimation. In the supply and use framework this discrepancies are eliminated and therefore is required to be achieved this macroeconomic balance.

In cases where the discrepancies between the supply and use are greater than 5%, is used an automatic balancing based on the distribution of the existing discrepancies ratios. When the discrepancies are between 5% and 10%, it can be relied on manual analysis and balancing of the discrepancies. If discrepancies are greater than 10% the situation requires adjustment of the primary data sources. It is necessary to check the data sources to better understand what has inflicted the discrepancies.

It may be necessary for a revaluation of different component of the supply or use table, which would lead to a circular cycle of evaluations. This cycle will be continuous until all the discrepancies arrive within acceptable intervals enabling a full consistency between different approaches of GDP estimation.

### **Definitions**

**The Supply and Use tables at current prices:** SUT framework at current prices in Albania is evaluated at a level of 88 products and 88 industries corresponding to NACE rev 2 two digit level. Analyses were conducted according to CPA 2, 4 and 6-digit classification enabling a clear view of a commodity flow in the economy. To compile SUT in Albania are conducted a series of analyzes and studies in order to provide an efficient use of the statistical and administrative data sources. Special focus is put mainly level of detail of data to move to a greater breakdown potential.

**Output:** production is an activity carried out under the control, responsibility and management of an institutional unit that uses inputs of labor, capital and goods and services to produce outputs of goods and services. The total of products created during the accounting period is considered as output. There are three types of output such as: market output; output produced for own final use; non-market output.

**Intermediate consumption:** Intermediate consumption consists of goods and services consumed as inputs by a process of production, excluding fixed assets whose consumption is recorded as consumption of fixed capital. The goods and services are either transformed or used up by the production services.

**Taxes on products and imports:** Taxes on products are paid taxes per unit of some goods and services like the Value Added Tax, excise and customs' tax on imports.

**Subsidies on products:** Subsidies on products are non-reverse payment made by public administration units to the companies in the form of a certain amount of money per unit of goods or services. Subsidies on imports consist in subsidies of goods or services payable when the product surpasses the border of economic territory or if the services were made to resident institutional units.

**Final consumption:** Final consumption is one of the basic components of GDP by expenditure method. It consists in goods and services used by separate families or communities and are calculated as the sum of final



consumption of household, final consumption of general government and final consumption of non - profit institutions serving the households.

**Final consumption of households:** Final consumption of households' contains all goods and services directly used to fulfill the individual needs of resident families.

**Final consumption of General government and Non Profit Institutions Serving Households (NIPSH):** Is the value of non - commercial services ensured by General government and non - profit institutions to the profit of communities or groups of families. It is calculated as the difference between the general government production and NPISH s and their market production value.

**Net Export:** Net export is the difference between export of goods and services (fob) and import of goods and services (fob).

**Imports of goods and services:** consist of the value of transactions in goods and services to residents with non-residents.

**Gross fixed capital formation:** Consists in expenses made to buy new capital or other specific expenses accomplished by resident producers in goods or services to maintain, increase or enlarge their productive activity or create new process conditions in the future.

**Changes in inventories:** Is defined as the difference between inventories of stocks in process and circulating assets by the end of the year and beginning of the other one. Inventories include raw material and others, products, works and services in process, not finished and finished goods, animals etc.

**Trade Margins:** The value of trade margins represents the output of wholesalers and retailers. European system of accounts (ESA 2010) defines trade margin is the difference between the actual or imputed sale price realized on a good purchased for resale, and the price that would have to be paid by the distributor to replace the good at the time it is sold or otherwise disposed of.

**Transport margin:** Transport margins include transportation costs paid separately by the purchaser and included in the use of products at purchasers' prices but not in the basic prices of a manufacturers' output or in the trade margins.

**Basic prices:** is the price receivable by the producer from the purchaser for a unit of a good or services produced as output, minus any tax payable and plus any subsidy receivable on product. It excludes any transport charges invoiced separately by the producer.

**Market prices:** is the price after adding taxes and deducting subsidies on products.

**Current prices:** Prices of reference period. They represent the price paid for goods and services during the time of production or consumption.