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To: Members of the Executive Board

From: The Secretary

Subject: **Albania—Report on Observance of Standards and Codes**

The attached report on the observance of standards and codes (ROSC) for Albania on data dissemination has been prepared in the context of the 2000 Article IV consultation discussions with Albania and the second review under the second annual arrangement under the Poverty Reduction and Growth Facility (EBS/00/92, 5/25/00), which is tentatively scheduled for discussion on Friday, June 9, 2000.

It is expected that following the Board discussion, this report will be published on the Fund's external website.

Ms. San Jose (ext. 36327) and Mr. Rother (ext. 34033) are available to answer technical or factual questions relating to this paper prior to the Board discussion.

Att: (1)

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Department Heads

ALBANIA

Report on the Observance of Standards and Codes (ROSC)

Prepared by:

Staff of the International Monetary Fund

Data

Dissemination

Albania

Prepared by a staff team from the International
Monetary Fund on the basis of information provided
by the Albanian authorities.

The International Monetary Fund

Prepared in May 2000

I. THE STANDARD [1]

1.   The principal standard against which the transparency of Albania's macroeconomic and socio-demographic data is assessed is the IMF's General Data Dissemination System (GDDS).[2] The primary focus of the GDDS is on presenting a framework for evaluating the need for data improvements, prioritizing such improvements, and providing guidance on data dissemination. The GDDS emphasizes the development of core statistical frameworks and indicators; some supplementary aggregates are also encouraged. The focus on data quality recognizes the fact that for many countries improvements in data quality are a necessary precursor to enhanced dissemination of data to the public.

2.   The GDDS places emphasis on following sound practices in four dimensions:

- the data (the coverage, periodicity, and timeliness of the data)

- quality of the disseminated data

- integrity of the disseminated data

- access by the public

3.   In addition to the four sectors into which economic data are grouped (real, fiscal, financial, and external), the GDDS also includes socio-demographic data. The GDDS provides clear links to the IMF's Special Data Dissemination Standard (SDDS)—a more demanding standard for data dissemination—such that a country could use the GDDS as a step towards subscription to the SDDS. Participation in the GDDS is voluntary. It requires a commitment to use the GDDS as a framework for statistical development; designation of a country coordinator; and preparation of metadata, for posting by the IMF on the Dissemination Standards Bulletin Board.[3]

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[1] In preparing this report, the IMF staff held discussions with officials in the Bank of Albania, the Institute of Statistics, and the Ministry of Finance.

[2] Descriptions of the IMF's General Data Dissemination System and the Special Data Dissemination Standard (SDDS) can be found on the IMF's Dissemination Standards Bulletin Board on the Internet at dsbb.imf.org.

[3] Metadata refers to information about the data, such as how data are compiled and disseminated, data coverage, periodicity, and timeliness, as well as plans for improvement.

4.   Albania has decided to participate in the GDDS and is committed to using the GDDS to develop its statistical systems. A GDDS coordinator has been appointed, and the preparation of its metadata, including plans for improvement, has been completed.

II. SUMMARY OF PRACTICES

5.   The coverage, periodicity, and timeliness for macroeconomic data in Albania are summarized and contrasted with GDDS recommendations in Table 1. As regards the quality of data, including their integrity and accessibility features, an experimental framework identifying six key aspects by which to judge the data has been developed by the staff and is presented in the Box and Table 2.[4]

A. Data: Coverage, Periodicity, and Timeliness

Real Sector

6.   The data meet GDDS recommendations on coverage, periodicity, and timeliness, except for national accounts, monthly industrial production index (IPI), and the quarterly wage data. No official national accounts statistics have been compiled. A well defined work program has been developed to strengthen the Institute of Statistics' (INSTAT) institutional capacity to compute national accounts, based on the *1993 System of National Accounts (SNA93)*. However, the production and publication of annual GDP data by industrial origin and expenditure at current and constant prices in line with GDDS recommendations remains a medium-term objective. In respect of both the monthly industrial production index and wage data, coverage is limited to the public sector, although both periodicity and timeliness conform to the GDDS recommendations. The consumer price index is produced monthly following international guidelines, and on a timely basis. Dissemination of data is occasionally delayed due to problems with the printing process. The posting of data on INSTAT's website, which is currently under development, should improve the timeliness of dissemination.

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[4] This framework, which draws upon work done in the Fund and in other organizations, especially national statistical offices, focuses on six areas vital to the production and dissemination of statistics. These areas are the statistical infrastructure, including the legal and material basis for data production; the conceptual framework; the nature and characteristics of the source data; the statistical techniques used to compile the data; the serviceability or usefulness of the data compiled; and the accessibility of the data and metadata.

Fiscal Sector

7.   Compiled data meet GDDS recommendations on coverage, periodicity, and timeliness. However, the national presentation and classification of data for central government operations, which reflect administrative and operational purposes, are not in accordance with *A Manual on Government Finance Statistics, 1986 (GFSM)*. With technical assistance from the IMF, the Ministry of Finance (MOF) is currently working on a new and more detailed classification of revenue and expenditure by economic and functional category. As regards central government debt, work is well advanced to improve the transparency and usability of the data through the separate presentation of arrears and guaranteed debt, as well as the presentation of data by maturity and currency.

Financial Sector

8.   The data for the banking system meet GDDS recommendations on coverage, periodicity, and timeliness. However, interest rate data, except for treasury bills which are disseminated online through the Bank of Albania's (BOA) Reuters page, do not meet the timeliness recommendation of the GDDS. This is because interest rates are disseminated in the *Monthly Statistical Report (MSR)*, which has a two-month publication lag. This shortcoming is expected to be addressed when the BOA posts the financial sector data on its website.

External Sector

9.   The compilation of balance of payments aggregates generally follows the IMF's *Balance of Payments Manual, fifth edition (BPM5)* and meets the GDDS recommendations on periodicity and timeliness. Coverage of several components of the balance of payments, however, is deficient largely because of weaknesses in basic source data. Work on a number of fronts is underway to improve source data, although some results, especially those tied to surveys, will be realized only in the medium-term. Currently, the BOA relies on a variety of estimates to circumvent the shortcomings in coverage. The timeliness of international reserves data is affected by the three-month publication lag of the BOA's *Quarterly Statistics Bulletin (QSB)*. Exchange rate data are posted daily on the BOA's Reuters page. As with the financial sector data, the timeliness of the external sector data, particularly for international reserves, will be significantly improved when the BOA begins to disseminate data on its website.

Socio-demographic indicators

10.   INSTAT compiles and disseminates indicators on population, health, education, and poverty. INSTAT plans to conduct a new population census in 2001, which will provide updated benchmarks for a number of socio-demographic indicators, and has begun a number of programs aimed at improving administrative efficiency and permitting the reporting of additional indicators. INSTAT is also committed to improve the timeliness of disseminated data through its forthcoming website.

B. Data Quality, Integrity, and Access

Statistical Framework

11. Three agencies are primarily responsible for the production and dissemination of data covered by the GDDS – INSTAT, MOF, and the BOA. The dissemination of most data is carried out as a public service. All three agencies currently disseminate data through various publications, which are available (with and without charge) by subscription.

12. INSTAT, the national statistical agency of Albania, operates according to the National Assembly Law of Statistics in the Republic of Albania No. 7687 (Law of Statistics), dated March 16, 1993, and Decision No. 97 of the Council of Ministers, On Organization and Functioning of the Albanian Institute of Statistics, dated March 15, 1994. Under the provisions of the law, INSTAT is required to collect, process, and publish statistical results, in compliance with the National Statistical Program (NSP) and in accordance with international standards. By law, all statistical information collected by INSTAT is confidential and can only be used or published in aggregated form and on an anonymous basis. Staff are subject to fines and other administrative sanctions if confidential data are revealed. Individual data cannot be used for purposes of fiscal control, economic repression, or juridical investigation.

13. Statistical data in Albania are collected also by statistical directorates in the districts, statistical directorates (divisions) in government ministries and other central government institutions, and civil registration offices. These statistical bodies are responsible for implementing the statistical programs of their institutions and collecting statistical information relevant to their work. Recognizing the need for closer coordination and collaboration among all statistical agencies, the authorities recently established the Council of Statistics to formulate Albania's statistical policy, including the development of programs and the setting of priorities.

14. The MOF is responsible for compiling and disseminating data for central government operations and central government external debt. The Organic Budget Law of July 29, 1998 authorizes the Minister of Finance to specify accounting procedures and reporting requirements for government institutions. It also requires the Minister of Finance to present to the Council of Ministers and the Parliament a final statement of accounts by the end of June of each year and a statement on the government debt (foreign and domestic) situation twice a year. In keeping with the increased emphasis on the dissemination of data among users, the MOF has begun producing the *Fiscal Statistics of Government (FSG)*, which contains short-period fiscal data for consolidated central government. Annual and monthly summary data in accordance with the *GFSM* will be published in the *FSG*, beginning with the first quarter 2000 issue.

15. The BOA is responsible for producing and disseminating data on the financial sector and the external sector. The law "On the Bank of Albania," No. 8269 of 1997, requires (a) all banks, institutions, juridical and physical persons to deliver statistical data in accordance with

the reporting system approved by the BOA; and (b) the BOA to prepare periodic analyses on economic and monetary matters, publish the outcomes and submit proposals and measures to the Government. As regards confidentiality, BOA administrators, employees, and agents are prohibited from disclosing, or transferring to a third party any information obtained during the performance of their BOA duties, or using or allowing the use of such information for personal gain.

Source Data

16.   According to the Law of Statistics, all institutions of the public sector (general government and public enterprises) as well as private enterprises with 10 or more employees must report statistical information to INSTAT as part of the NSP. Data for government operations, covering both central and local governments, are compiled from administrative records of MOF's Treasury Department (TD) and returns from Social and Health Care Insurance Institutes and data for government debt are compiled from administrative records of the MOF's Debt Department and the BOA.

17.   Data for monetary aggregates are based on the monthly balance sheets and other accounting records of the BOA and the commercial banks. As regards the external sector, data for the components of the BOP are compiled from administrative records and surveys obtained mainly from the General Directorate of Customs, government agencies, BOA, and commercial banks.

Statistical Techniques

18.   Incomplete or weak source data mean that estimates have to be made in compiling real and external sector statistics and socio-demographic indicators. Data on births and deaths from the vital registration offices are adjusted for consistency with other demographic indicators; population is estimated on the basis of statistics on live births and deaths and assumptions on migration flows; and employment in agriculture is estimated from available indicators such as production and area cultivated. For the balance of payments, the BOA makes adjustments to the customs data and estimates direct investment and informal imports of goods to address weaknesses in coverage due to inadequate source data. However, no statistical or seasonal adjustments are made to the central government operations and financial data.

Serviceability

19.   With regard to the provision of information that allows users to assess aspects of the *quality of data*, INSTAT has published summaries of compilation methodologies for most of the indicators that it publishes and the BOA provides notes to the monetary and balance of payments tables as part of its *QSB*. There is no public dissemination of the compilation methodology for fiscal data, but the MOF has plans to issue descriptions of the methodology in its forthcoming release of fiscal data. With the important exception of national accounts

for which there is no compiled data, the data disseminated by the agencies are presented in component detail and time series to permit users to assess the reasonableness of data.

20.   The macroeconomic data produced by the three agencies are checked for intersectoral consistency. All systems apply the *BPM5* residency criterion and *SNA93's* economic sectorization of accounts. In particular, the BOA uses the same balance sheet data from the commercial banks in compiling the balance of payments and the monetary statistics, thus ensuring identical instrument and institutional coverage. The balance of payments data on reserves are checked for consistency with the foreign asset position of the banking system, and fiscal financing data are reconciled with financial sector claims on and liabilities to the government. Similarly, government debt and official flows data are reconciled with the balance of payments.

21.   The statistical agencies have begun to further strengthen data consistency through the use of common data sources and regular reconciliation of data both within and among agencies. The MOF and BOA have plans to improve the database for foreign loans, develop a database for private sector foreign debt, and establish an electronic link between the BOA and the MOF. The BOA plans to use INSTAT's Business Register and the results of INSTAT's Structural Survey and Household Budget Survey to improve estimates of some components of the balance of payments. As regards data reconciliation, the data from the MOF's Treasury and Debt Departments are reconciled on a monthly basis, as are data between the Debt Department and foreign creditors and the domestic commercial banks. The BOA also reconciles its balance sheet data with corresponding data in the commercial banks' and the MOF's records.

Accessibility

22.   Recently, the Albanian authorities have placed considerable emphasis on articulating principles and establishing practices with respect to *data integrity* and *access to the data by the public*. INSTAT began publishing an advance release calendar in 1999, and will continue to do so at the beginning of each year. The calendar covers real sector indicators, socio-demographic data, and the external trade statistics published by INSTAT. The calendar is disseminated in the publication *Calendar of Publication* and is usually updated in June. The BOA and MOF are currently developing advance release calendars for their publications. The BOA plans to post its advance release calendar on its website, with the initial release of the calendar announced in the *Monthly Statistical Report*. In the case of MOF, an advance release calendar for the next four quarterly issues will be regularly included in the *FSG*, beginning with the issue for the First Quarter 2000.

23.   All statistical agencies release statistical data simultaneously to all users through press releases and periodicals; the BOA disseminates higher frequency data on exchange rates and treasury bill rates to subscribers of the Reuters online service. No outside agencies have access to the data before they are released and there are no ministerial commentaries on the data released by INSTAT and the BOA at the time of release.

III. IMF STAFF COMMENTARY

24.   With Albania's transition to a market economy in 1992, and despite the severe disruptions during the civil unrest of 1997, its statistical system is progressing toward meeting the needs of both official and private users of statistics. Under the impetus of Albania's decision to participate in the GDDS, as well as technical assistance provided by the IMF and others, the BOA, MOF, and INSTAT have enhanced their capability to compile and disseminate statistics that meet, and in many instances exceed, the recommendations of the GDDS. Among the notable recent improvements in dissemination are the publication of an advance release calendar and an increasing number of regular and special statistical bulletins by INSTAT, the publication of the *FSG* by the MOF, and the use of press releases by INSTAT, MOF, and the BOA to ensure more timely release of data. Data dissemination should improve significantly in the short-term as the respective agencies utilize the Internet as a dissemination mode. Although the principles and practices with respect to data integrity and access to the data by the public are relatively new in Albania, current practices are generally consistent with the GDDS objectives.

25.   The area of greatest concern for Albania's statistics, and consequently the one demanding urgent action is national accounts—no official national accounts are compiled. However, INSTAT is developing a methodology for compiling national accounts based on *SNA93*, in accordance with a well-defined work program formulated with assistance from the IMF. New data sources, such as well designed surveys, and improved statistical techniques that capture transactions both in the formal private sector and in the informal sector are crucial to overcome the inadequacies in the coverage and quality of the data for both the national accounts and balance of payments statistics. These deficiencies are also common to other countries in transition.

26.   Against this background, the authorities should aim to strengthen the legal framework by clarifying the responsibilities of the official statistical agencies, enforcing compliance of both private and public sectors with the provisions of the NSP, and revising the report forms, with a view to increasing administrative efficiency and expanding the range of statistical indicators. Sustained action to improve the functioning of the INSTAT would also help the compilation of the major components of the balance of payments, which rely on estimation methods to overcome problems in coverage. In that regard, the authorities are committed under the current Poverty Reduction and Growth Facility to strengthening the staffing of INSTAT and introducing new legislation on statistics. Given the detailed plans, drawn up by the authorities in cooperation with the Fund staff, to develop their statistical system within the framework of the GDDS, and the authorities' track record of implementing their work programs, there is a strong prospect that the needed improvements will come sooner rather than later.

LIST OF ACRONYMS

BOA	Bank of Albania
BPM5	Balance of Payments Manual, fifth edition
BPQSB	Balance of Payments Quarterly Statistical Bulletin
COICOP	Classification of Individual Consumption by Purpose
CPA	Classification of Products by Activities
FSG	Fiscal Statistics of Government
GDDS	General Data Dissemination Standard
GFSM	A Manual on Government Finance Statistics, 1986
INSTAT	Institute of Statistics
ICD-9	International Classification of Diseases, 9th Revision
IIP	International Investment Position
IPI	Industrial Production Index
ISCED-97	1997 International Standard Classification of Education
ISCO-88	1988 International Standard Classification of Occupations
MFSM	Monetary and Financial Statistics Manual
MOF	Ministry of Finance
MSR	Monthly Statistical Report
NACE	Nomenclature Générale des Activités Economiques dans les Communautés Européennes
NSP	National Statistical Program
QSB	Quarterly Statistical Bulletin
ROSC	Report on Observance of Standards and Codes
SDDS	Special Data Dissemination Standard
SNA93	System of National Accounts 1993
TD	Treasury Department

Box

AN APPROACH FOR THE ASSESSMENT OF DATA QUALITY

Statistical infrastructure   The institutional and legal foundation for the collection, compilation, and dissemination of macroeconomic statistics.

Rationale: *The statistical infrastructure is an important factor underlying the quality of statistics.*

Conceptual framework   The body of features relating to concepts, definitions, coverage, classification, sectorization, and other aspects of macroeconomic statistics that is intended to provide the analytical basis for the compiled statistics.

Rationale: *The conceptual framework attempts to define the intended features of the compiled data. A conceptual framework that is in line with international standards facilitates cross-country comparisons.*

Source data   The nature of the source data and the manner in which they are processed.

Rationale: *The source data are one determinant of the extent to which compiled data attain their intended features.*

Statistical techniques   The body of statistical estimation, adjustment, and other methods, together with methods of ensuring arithmetic precision, as applied to data collection and processing.

Rationale: *Statistical techniques are another determinant of the extent to which compiled data attain their intended features.*

Serviceability   The features relating to requirements of users in terms of general usefulness, consistency, and revisions policy and practices.

Rationale: *Data that are in conformity with best practice in other respects also need to meet these tests of usefulness.*

Accessibility   The availability of data and metadata to users.

Rationale: *Accessibility includes features of a broad concept of data quality.*

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Table 1. Data Categories and Indicators[1]

Data Categories	Indicators	Periodicity (GDDS Recommendation)	Timeliness (GDDS Recommendation)
Real Sector National accounts aggregates	GDP (nominal and real)	Not available (Annually)	Not available (6–9 months)
Production index/indices	Manufacturing or industrial	Monthly (Monthly)	1 month (6 weeks–3 months for all indices)
Price indices	Consumer price index	Monthly (Monthly)	(8 days) 1–2 months
Labor market indicators	Employment Unemployment Wages	Annually Monthly Quarterly (Annually - all items)	2 months 1 month 2 months (6–9 months)
Fiscal Sector Central government budgetary aggregates	Revenue, expenditure, balance, and financing With breakdowns, as relevant	Monthly (Quarterly)	2 weeks (1 quarter)
Central government debt	Domestic debt (by debt holder and instrument) External debt (by currency, maturity, debt holder and instrument)	Quarterly (Annually)	5 weeks (1–2 quarters)

[1] In the columns on Periodicity and Timeliness, the GDDS recommendation, in parenthesis, is noted directly below the actual practice.

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Table 1 (continued).   Data Categories and Indicators[1]

Data Categories	Indicators	Periodicity (GDDS Recommendation)	Timeliness (GDDS Recommendation)
Financial Sector Broad money and credit aggregates	Net external position, domestic credit, broad or narrow money	Monthly (Monthly)	2 months (1–3 months)
Central Bank Aggregates Interest rates	Reserve money Short- and long-term government security rates, policy variable rate	Monthly (Monthly) Monthly (Monthly)	2 months (1–2 months) 2 months 1 day after auction for TBs (1 month)
Stock market[2]		Not available (Monthly)	Not available (1 month)
External Sector Balance of payments aggregates	Imports and exports of goods and services, current account balance, reserves, overall balance	Quarterly (Annually)	2 months (6 months)
International reserves	Gross official reserves denominated in US dollars	Monthly (Monthly)	2 months (1–4 weeks)
Merchandise trade	Total exports and total imports	Monthly (Monthly)	2 months (8 weeks–3 months)
Exchange rates	Spot rates	Daily (Daily)	Daily (Disseminated on a high frequency)

[1] In the columns on Periodicity and Timeliness, the GDDS recommendation, in parenthesis, is noted directly below the actual practice.

[2] The stock market is not developed and functions only as a secondary market for treasury bills.

ALBANIA
Table 1 (concluded).   Data Categories and Indicators[1]

Data Categories	Indicators	Periodicity	Timeliness
Socio-Demographic Data Population	Population size, births, deaths, migration flows	Annual	6 months
Health	Mortality rates, morbidity rates, health inputs, health services	Annual	3 months
Education	Enrollment rates, repetition and drop-out rates, inputs, achievement scores	Bi-annual	3 months
Poverty	Characteristics of the poor: household composition and size, income and access to credit, sources of income, consumption, assets	Irregular	Not available

[1] The columns on Periodicity and Timeliness relate to the actual practice. The World Bank, in collaboration with other international institutions, is developing a set of recommended good practices.

Table 2. Albania – Salient Features of the Data Quality Matrix

	Statistical Infrastructure	Conceptual Framework	Source Data	Statistical Techniques	Serviceability	Accessibility
Real Sector						
National accounts aggregates; Production index	The Law of Statistics of March 1993 requires the Institute of Statistics (INSTAT) to collect, process, and publish statistics. A Council of Statistics has been established to formulate Albania's statistical policy including the development of programs and the setting of priorities.	No official national accounts are yet compiled. A well defined work program has been developed to strengthen INSTAT's institutional capacity to compile national accounts in accordance with *1993 System of National Accounts*. The compilation of the Industrial Production Index (IPI) uses the Nomenclature Générale des Activités Economiques dans les Communautés Européennes (NACE), Rev.1 classification. From 1998, the *Classification of Products by Activities (CPA)* has been used.	Administrative records and surveys of private and public institutions, in accordance with National Statistics Program (NSP). GDP estimates suffer from poor coverage, especially of the private sector. New basic data sources, e.g., censuses, surveys, and business register are being developed and coverage of existing sources (industrial production index) is being expanded.	The IPI is not seasonally adjusted.	No official national accounts are yet compiled. Data revisions and changes in methodology for IPI are identified in notes in INSTAT's publications.	No official national accounts are yet compiled. INSTAT publishes an advance release calendar covering real sector indicators. Methodology for compiling the IPI is described in *Methodology of the Industrial production Index*. The IPI is published in the *Month Briefly, Quarterly Statistics Bulletin, Conjuncture,* and *Albania in Figures.*

Table 2. Albania – Salient Features of the Data Quality Matrix

	Statistical Infrastructure	Conceptual Framework	Source Data	Statistical Techniques	Serviceability	Accessibility
Real Sector (cont'd)						
Consumer Price index (CPI)	See national accounts	The CPI covers 11 cities and compilation is based on a sample of 221 items, with December 1993 as the base period. Classification of goods and services follows the *Classification of Individual Consumption by Purpose (COICOP)*	The weights are based on the 1993 Household Budget Survey. These are expected to be updated on the basis of the results of the 1999-2000 Household Budget Survey.	The CPI is not seasonally adjusted	A detailed breakdown of the index for the 8 major groups is available.	The methodology was published in the *Quarterly Statistical Bulletin* No. 4 of 1994. The CPI is published in the monthly *Consumer Price Index* for the most recent 12 months.
Labor market indicators – employment, unemployment, and wages	See national accounts.	Annual employment data cover the public and private formal sectors. Classification is based on 1988 International Standard Classification of Occupations (ISCO-88) and NACE, Rev. 1. Definition of unemployment is based on the recommendations of the International Labor Organization. Average monthly wage data cover only public sector. Data on the official minimum wage are also published.	Public sector – declarations in accordance with NSP. Private sector – declaration forms filled for tax offices. Administrative records of the Ministry of Labor and Social Affairs. Wages collected on a quarterly basis through declarations in accordance with NSP.	Estimates for agricultural private sector based on indicators such as production and area cultivated.	Detailed breakdown by district, gender and activity. Detailed breakdown by district, gender, age group and education. Published data breakdown by occupation, economic activity, and district.	Methodology for employment, unemployment, and wages published in the 1994 issue of *Albania Labor Market*. Annual employment, unemployment, and wages data are published in *Albania in Figures* and *Albania Labor Market*. Data on unemployment are published in *Month Briefly, Quarterly Statistics Bulletin, and Conjuncture*. Data on wages are published in *Conjuncture*.

	Statistical Infrastructure	Conceptual Framework	Source Data	Statistical Techniques	Serviceability	Accessibility
Fiscal Sector						
Central government budgetary aggregates; Central government debt	The Organic Budget Law of July 1998 requires the Minister of Finance to present a final statement of accounts to the Council of Ministers and Parliament by the end of June each year. For government debt (foreign and domestic), the presentation is twice a year.	Compilation methodology is broadly consistent with the analytical framework in the IMF's *A Manual on Government Finance Statistics (GFSM) 1986*. Data cover the general government sector. Distinction between foreign and domestic debt is based on the residency criterion of the IMF's *Balance of Payments Manual, fifth edition (BPM5)*. IMF credit is not included in the debt of central government. Arrears of past communist regime are excluded. Domestic debt data are not consolidated to net out intra-government holdings. Data are on cash basis; transactions in financial instruments are valued at market prices.	Data for government operations are compiled from administrative records of the Ministry of Finance's (MOF) Treasury Department and returns from Social and Health Care Insurance Institutes. Data on foreign loans are compiled from administrative records of the Debt Department and from the Bank of Albania (BOA). The basic source for domestic debt data is the BOA.	No statistical or seasonal adjustments are made.	Data are presented in sufficient component detail and time series to permit users to assess reasonableness of the data. National presentation and classification of data for central government operations differ from the *GFSM* format. Government financing data are reconciled with financial sector claims on and liabilities to government, as well as with records of foreign creditors. Data on government debt and official debt flows are reconciled with the balance of payments. Data on grants received by official sector are not consistent with grants received by general government. Technical descriptions of changes appear as footnotes in *FSG*.	A methodological description is not publicly available, but an internal document defining the detailed series within revenue and expenditure is available on request. Monthly and annual data on the consolidated budget are published in the quarterly *Fiscal Statistics of Government*. Data are released simultaneously to all users through press releases and periodicals. No outside agencies have access to data before release.

	Statistical Infrastructure	Conceptual Framework	Source Data	Statistical Techniques	Serviceability	Accessibility
Financial Sector						
Broad money and credit aggregates; Central Bank aggregates; Interest rates	The legal basis for the collection, compilation, and publication of financial data is contained in the Bank of Albania Law of 1997. BOA staff and affiliates are prohibited from disclosing, transferring to a third party, or using information obtained during the performance of their duties. The credit institutions and savings and loan associations are governed by a separate law, the "Law on Savings and Loan Associations" of 1996.	The monetary survey is compiled in accordance with the analytical framework in the IMF's *Monetary and Financial Statistics Manual (MFSM)*. The survey consolidates the positions of the BOA and the commercial banks. Accounts of credit institutions and savings and loan associations are not included in the monetary survey. Data are compiled on an accrual basis; transactions in financial instruments are valued at market prices. Interest rate data disseminated by the BOA do not include the inter-bank repurchase agreement rate.	Data are based on the monthly balance sheets and other accounting records of the BOA and on the monthly returns of commercial banks.	The monetary survey is based on actual accounting records of the BOA and the commercial banks. No sampling or estimations are applied. No statistical or seasonal adjustments are made.	The data are published within a balance sheet framework of the monetary survey. Separate balance sheet data for the monetary authorities and commercial banks are published, which permit some cross-checking of the data. BOA reconciles its balance sheet data with corresponding accounts from commercial banks and central government fiscal accounts. Data revisions and changes in the data compilation practices are noted in footnotes to the tables published in the *Monthly Statistical Report*. The BOA disseminates monthly weighted average rates for commercial bank's loans and deposits. Time series for the past six years are published.	The compilation methodology is not published in national sources, but is based on the IMF's *MFSM*. Data are published in the BOA's *Monthly Statistical Report* and *Quarterly Bulletin*. Data are released simultaneously to all users through press releases and periodicals. High frequency data on treasury bill rates (auction days) are disseminated to subscribers of Reuters online service. No outside agencies have access to data before release. There is no ministerial commentary on the data at the time of release.

	Statistical Infrastructure	Conceptual Framework	Source Data	Statistical Techniques	Serviceability	Accessibility
External Sector						
Balance of payments aggregates; International reserves; Merchandise trade; Exchange rates; and International Investment Position (IIP)	BOA is responsible for producing and disseminating data on balance of payments, international reserves, and exchange rates. The BOA law requires all institutions and persons to deliver statistical data in accordance with the reporting system approved by the BOA.	The framework of the balance of payments conforms with the basic principles of *BPM5*. Coverage is deficient as illegal activities lie outside the source net. Monthly external trade statistics are produced and disseminated by INSTAT and are compiled in accordance with the recommendations of the United Nations. The definition of international reserve assets follows the methodology of *BPM5*. A comprehensive IIP is not available due to lack of data on foreign direct investment and on outstanding foreign assets and liabilities of the private sector. Transactions other than exports and imports are valued at market prices.	Main sources are, customs statistics (for merchandise trade); the foreign exchange record derived from bank reports, and report forms completed by government agencies, including BOA and the MOF (for services, income, transfers, and financial account). Adjustments to imports and exports are attributable to smuggling.	Incomplete source data require various estimations. For exports and imports, BOA makes adjustments to customs data to exclude temporary exports/imports and re-exports, to include goods smuggled into Albania and electric energy exports and imports, and to estimate imports on a f.o.b. basis. Many components of services, income and transfers are estimated by applying a fixed percentage to exports (to derive freight credits) and travel credits are based on number of visitors, average length of stay, and per capita spending.	Gross official reserves data are fully reconciled with the data on foreign assets published in the BOA's *Monthly Statistical Report*. Detailed data and time series for the most recent four quarters and six years are available in the BOA's *Balance of Payments Quarterly Statistical Bulletin(BPQSB)*. Detailed data and analysis of developments in external trade are available in the BOA's *Quarterly Trade Balance Bulletin*. External trade statistics published by INSTAT include quarterly trade balances disaggregated by country and product (Harmonized system) and annual quarter-to-quarter comparisons. Data revisions and changes in methodology are identified in footnotes in the *BPQSB*.	A methodological description on the balance of payments is available on request from the BOA. Methodological notes on external trade statistics are published together with the figures in *Situation of Foreign Trade* and *Conjuncture*. Data on the BOP are compiled on a quarterly basis and published in the BOA's *BPQSB*. Data are released simultaneously to all users through press releases and periodicals. High frequency data on exchange rates (daily) are disseminated to subscribers of Reuters online service. No outside agencies have access to data before release. There is no ministerial commentary on the data at the time of release.

	Statistical Infrastructure	Conceptual Framework	Source Data	Statistical Techniques	Serviceability	Accessibility
Socio-Demographic Data						
Population; Health; Education; Poverty	The Law of Statistics requires all institutions of the public sector and private enterprises with 10 or more employees to report statistical data to INSTAT as part of the National Statistical Program	Statistics on education, mortality, and morbidity are based on *1997 International Standard Classification of Education (ISCED-97)* and *International Classification of Diseases, 9th Revision (ICD-9)*. Albania participates in UNESCO/OECD/Euro stat (UOE) program on education statistics and Eurostat/WHO program on health statistics. Relative poverty levels are compiled in accordance with recommendations of the European Union and Eurostat.	Administrative records and surveys of public health, social care, and education institutions; population censuses; living conditions and household budget surveys; civil registration offices; declaration forms filled for tax offices.	Incomplete source data require various estimations. Data from vital registration offices are cross-checked with data from Ministry of Justice and Ministry of Local Government and are adjusted for consistency with other demographic indicators. Population is estimated from data on live births and deaths and assumptions on migration flows. Employment in agricultural sector is estimated form available indicators.	Data are presented in sufficient component detail and time series to permit users to assess reasonableness of the data. Data revisions and changes in methodology are identified in notes in INSTAT's publications.	Methodological notes are published in *Demographic Yearbook*. INSTAT publishes an advance release calendar covering socio-demographic data. Data are released simultaneously to all users through press releases and periodicals. No outside agencies have access to data before release. There is no ministerial commentary on the data at the time of release.