

Table 2b. Albania: General Government Operations, 2016–25

(Billions of Leks)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
	Proj.									
Total revenue and grants	403.1	430.4	449.4	460.3	430.4	487.1	534.9	570.7	617.3	667.6
Tax revenue	366.0	398.6	419.3	426.3	379.9	434.1	485.5	522.0	566.3	613.1
VAT	128.1	139.5	143.5	132.4	125.0	144.2	164.5	178.3	194.5	210.9
Profit tax	28.5	31.6	34.5	36.6	29.7	32.4	39.1	43.1	46.4	50.0
Excise tax	41.9	45.1	45.0	46.7	39.1	43.7	47.5	50.4	53.5	56.5
Customs duties	6.1	6.5	6.2	6.5	4.7	7.2	8.9	9.5	10.1	10.8
Personal income tax	31.4	32.1	36.5	46.1	40.8	45.2	49.7	52.9	56.5	60.3
National taxes	35.8	38.5	38.6	36.4	28.4	38.5	41.4	45.0	49.6	54.5
Local government revenue 1/	15.0	18.4	21.9	23.1	19.5	21.7	23.9	25.4	27.2	30.1
Social insurance contributions	79.2	86.8	93.2	98.4	92.7	101.3	110.6	117.5	128.4	139.9
Non-tax revenue	22.5	20.7	22.0	25.3	23.3	25.9	27.0	27.4	29.3	31.3
Grants	14.6	11.1	8.1	8.8	27.2	27.1	22.3	21.3	21.7	23.2
Total expenditure	436.5	461.2	471.4	493.3	518.6	542.7	584.7	613.0	653.5	700.5
Current expenditure	370.6	382.6	392.6	418.2	417.0	440.3	481.2	511.1	544.9	580.6
Personnel cost 2/	67.5	72.6	73.6	77.0	79.8	84.4	91.5	97.7	104.1	110.7
Interest	36.3	31.9	36.5	35.1	34.0	29.5	29.4	31.4	33.3	33.5
Operations & maintenance	44.3	43.4	45.3	47.2	47.1	51.9	57.0	60.8	65.0	69.4
Subsidies	3.8	2.6	1.9	2.8	1.3	1.4	1.6	1.7	1.8	1.9
Social insurance outlays	152.6	162.1	168.3	175.6	173.2	194.1	213.3	225.2	240.6	257.1
Local government expenditure 2/ 3/	41.7	46.5	49.6	56.2	54.7	50.0	55.0	58.7	62.7	68.0
Social protection transfers	24.5	23.4	17.5	21.9	24.6	26.4	30.6	32.6	34.3	36.6
Capital expenditure 4/	58.2	68.8	78.8	75.0	63.8	80.6	90.7	98.1	106.8	118.1
Domestically financed	37.9	46.6	52.2	51.5	26.1	40.2	55.9	56.8	69.3	73.0
Foreign financed	20.4	22.3	26.2	23.5	37.7	40.4	34.8	41.3	37.5	45.2
Lending minus repayment	7.4	9.2	0.0	0.2	0.0	0.0	0.0	0.0	-1.0	-1.0
Reserve and contingency funds			0.0	0.0	37.7	21.8	12.8	3.8	2.8	2.8
Overall balance 4/	-33.3	-30.8	-22.0	-33.0	-88.2	-55.6	-49.8	-42.3	-36.1	-32.9
Financing gap					95.0					
Financing	33.3	30.9	22.0	33.0	-6.8	55.6	49.8	42.3	36.1	32.9
Domestic	13.9	-12.1	-25.0	41.7	34.7	7.4	7.4	58.8	51.4	42.4
Privatization receipts	2.8	0.4	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net borrowing	10.6	7.3	13.5	22.8	4.7	37.4	4.6	38.3	53.4	54.4
Change in general gov. deposits	-4.3	-5.2	-33.6	18.9	30.0	-30.0	2.8	20.5	-2.0	-12.0
Other	4.8	-14.6	-5.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Foreign	19.5	29.4	47.0	-8.7	-41.5	48.3	42.4	-16.5	-15.2	-9.5
Gross borrowing	41.9	55.0	98.8	22.7	29.3	93.5	90.1	32.3	26.4	121.8
Amortization	22.0	25.8	51.7	31.4	70.8	45.2	47.7	48.8	41.7	131.2
<i>Memorandum Items:</i>										
Primary balance	2.9	1.1	14.5	2.1	-54.1	-26.1	-20.3	-10.9	-2.9	0.5
Structural primary balance	6.4	4.5	17.7	5.6	-27.4	-27.0	-23.9	-9.1	-11.1	0.0
General government debt 5/	1079.7	1114.8	1137.0	1137.1	1235.5	1282.8	1327.0	1349.7	1389.0	1433.9
Direct general government external debt	481.4	490.5	496.8	488.1	496.3	512.7	556.6	541.6	527.8	518.5
Government guaranteed external debt	23.2	19.8	29.5	26.7	36.6	34.7	33.6	33.0	32.6	32.4

Sources: Albanian authorities; and IMF staff estimates and calculations.

1/ Includes the property tax, the simplified profit tax for small businesses, and other local taxes.

2/ There is a structural break in 2016, reflecting the transfer of central government employees to local governments, as part of fiscal decentralization.

3/ There is a structural break in 2017, reflecting the transfer of the Regional Development Fund to the Ministry of Urban Development.

4/ The fiscal balance includes guarantees for new loans to the energy sector through 2019.

5/ The stock of general government debt includes arrears from central and local government.