

Public Finances Bulletin - September 2014



by Institute for Public Policies and Good Governance

The Ministry of Finances of the Republic of Albania published the Fiscal Statistics for September 2014 on 28th of October 2014. In service to our analyses we utilize available cumulative data on public revenues, government expenditures, public investments and budget deficit from January 1998 up to September 2014.

Analyzing the public finances developments during September, Arben Malaj, IPPM Chairman of Board articulates:

“The progress of implementation of the budget of 2014, highlights a positive trend of the revenue collection. The indicator for the excise revenues has substantial fluctuations. Accuracy of reimbursements and other obligations to business administration increases the transparency of numbers and the quality of their analysis. Total budget expenditures have increased, but remained below the average of the last ten years. Realization of the public Investment financed by internal and external sources is under the average of the last ten years.”

Main comparisons:

- **Public revenues** in September 2014 reached the value of 30.33 billion leks. Comparing to the same month of the previous year is noticed an increase of 23.41 % in revenues mainly caused from increased taxes and customs revenues.
- **Total expenditures** for this month reached the value of 38.62 billion leks, marking an increase of 29.88% compared with the total of expenditures made during September 2013.
- **Public Investments** during September were in the value of 2.92 billion leks or around 11.31% lower than investments realized during the same month in the previous year, while is seen a decrease in the realization of investments finances with domestic funds.

secretary@ippm.al
www.ippm.al

Ismail Qemali Street, P.27/1
Tirana, Albania

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list please write us in
secretary@ippm.al*

Chairman of Board:
Arben Malaj

Executive Director
Ada Shameti

Institute for Public Policies and Good Governance

Registered in Tirana Region Court
Registration No 389
Ismail Qemali Street P.27/1
Tirana
Albania
www.ippm.al

Further analysis of indicators

Basing on official data from monthly fiscal statistics published by Ministry of Finances is prepared a more focused analysis on the main public finances indicators.

State budget revenues

Total revenues for September in nominal value were 30.33 billion leks, or 5.75 billion leks more than revenues received during the same month one year ago. The increase of 23.41% in revenues in annual terms is caused mainly by the increase in tax revenues by 23.37%. In September 2014 were collected 5.41 billion leks of tax revenues more than in September 2013, from which 5.03 billion has been collected from the increased revenues from taxes and customs. To this growth has contributed the increase of 85.76 % in revenues from excise, and the increase of 17.35% in revenues from the value added tax, this last nominally of 1.52 billion leks compared with September 2013.

Cumulative data show that during the first 9 months of 2014 were collected 31.47 billion leks or 13.38% more than during the same period in 2013.

According to IPPM Index, in September, received revenues over predicted revenues from Budget 2014 are 0.27 percentage points lower than the averaged weight of revenues received in the month September during the last 10 years, while in a cumulative point of view are 0.98 p.p. higher than the value of the cumulative index for these first 9 months.

Central Government Expenditures

During September 2014, total expenditures experienced an increase of 4.41% compared to the same month of the previous year, reaching the value of 29.88 billion leks.

Interest expenditures in September 2014 decreased by 5.70 % comparing to September 2013, where we can mention a decrease in domestic interest expenditures with 9.88% or 201 million leks less than the previous year.

During the nine-month period in 2014, total expenditures levels are 297.23 billion leks, specifically 3.45 billion or 1.17% more than during the period January-September 2013.



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Referring to the IPPM 10-years Index 2004-2013, it is seen that the weight of total expenditures made during September 2014 over that predicted from Budget 2014 is 1.30 percentage points lower than the averaged weight of expenditures in the month September during the last 10 years, or 2.96 p.p. below the value of the cumulative index for the period January-September 2014.

Public Investments

Public investments in September 2014 reached the nominal value of 2.92 billion leks marking a decrease of 372 million leks comparing to September 2013, expressing this in relative terms means 11.31% less.

Analyzing the cumulative values of statistics for the period January-September 2014, public investments in 2014 were 42.11% or 21.69 billion leks less than the public investments incurred during the same period of 2013.

According to IPPM Index, the weight of public investments made during the month of September 2014 over that predicted for the public investments from the Budget 2014 is 3.14 percentage points lower than the averaged weight in the month September during the last 10 years and 14.38 p.p. below the value of the cumulative index for the first nine months of 2014.

In order to receive in real time the Public Finances Bulletin please contact Ada Shameti, Executive Director of Institute for Public Policies and Good Governance in adashameti@ippm.al or write us in secretary@ippm.al

Further information regarding the analysis offered by the Public Finances Bulletin could be found in :

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www.ippm.al/buletiniifinancavepublike

Ministry of Finances, Monthly Fiscal Statistics
www.minfin.gov.al



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