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Republika Kosova-Republic of Kosovo
Qeveria - Vlada - Government
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Agjencia e Statistikave të Kosovës - Agencija za Statistike Kosova - Kosovo Agency of Statistics

Series 5: Social Statistics

Results of Household Budget Survey (2014)





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F o r e w o r d

Kosovo Agency of Statistics (KAS), the Department of Social Statistics (DSS) is conducting Household Budget Survey (HBS) since 2002.

The purpose of publishing of the results of the HBS 2014 is to provide statistical data related to income, consumption and other similar issues related to household standard of living in Kosovo.

This publication presents the summarized results for consumption, expenditure and household income for periods 2012 - 2014, living conditions for period 2013 – 2014, and access to health and costs services for 2014.

This publication aims to ease the lack of information in the field of household standard of living in Kosovo. We believe this publication will serve as a useful reference base for all users of statistical data.

Professional support for development of the HBS has been provided by Swedish organization (SIDA) and the World Bank (WB). We especially thank experts of those organizations for their contribution. We also thank the KAS regional staff who contributed in the collection of the HBS data.

Comments, remarks or proposals related to this publication are welcome and can be sent in electronic address: social@rks-gov.net .

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June, 2015

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Abbreviations

| | | |
|--------|---|--|
| COICOP | - | Classification of Individual Consumption by Purpose |
| CPI | - | Consumer Price Index |
| DSS | - | Department of Social Statistics |
| EU | - | European Union |
| GDP | - | Gross Domestic Product |
| HBS | - | Household Budget Survey |
| KAS | - | Kosovo Agency of Statistics |
| NA | - | National Accounts |
| SIDA | - | Swedish International Development Cooperation Agency |
| WB | - | World Bank |

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I N T R O D U C T I O N

HBS is a statistical survey performed to obtain data on expenditures for consumption, self-consumption and household income, and for basic socio-economic environment in which Kosovo families live. The survey also provides data on some key indicators on living conditions (housing, possession of long term equipment in the family, conditions of heat, travel and/or annual holidays) as well as data on basic demographic, economic and social characteristics of the family.

Data collected through HBS also provide information on living standards, the measure and the composition of total consumption and expenditure of families and their socio-economic characteristics. One of the specific objectives of the HBS is to obtain necessary data for assessing the weight used to calculate the Consumer Price Index (CPI). Also, this survey provides data that will be used as an input for the measurement of private consumption in the National Accounts (NA) of families, as well as for analysis of welfare and poverty at the country level within the specified timeframe.

Data were collected throughout Kosovo for over a year, by including 2400 households, selected by random method and in accordance with the European Union (EU) standards and best international practices. The level of response was about 82 percent if the replaced households were considered that they did not respond.

Economic progress in recent years would be defined as improvement of living conditions in comparison with the period immediately after the war. In these circumstances, HBS is welcomed to measure the living standard, to measure the Gross Domestic Product (GDP), and to obtain weights for consumer prices.

The HBS sample has its scope in urban and rural areas, in the entire territory of Kosovo. Processing and analyzing of data is done through ACCESS and STATA programs. The questionnaire contained demographic information on the composition of the household by including information on each individual member of the household, income, consumption and expenditure, housing conditions and activities in business and agriculture, access to basic infrastructure and public services, etc.

1 Overall consumption in Kosovo 2012 – 2014

This publication presents HBS macroeconomic data for 2012 - 2014. In some cases the results are different from NA, since NA are filled with several other sources of data (e.g. data from customs, imports and other data from domestic production) with some adaptations.

Data are collected according to standard international Classification of Individual Consumption by Purpose (COICOP). On a somewhat smaller sample, results should be considered approximate.

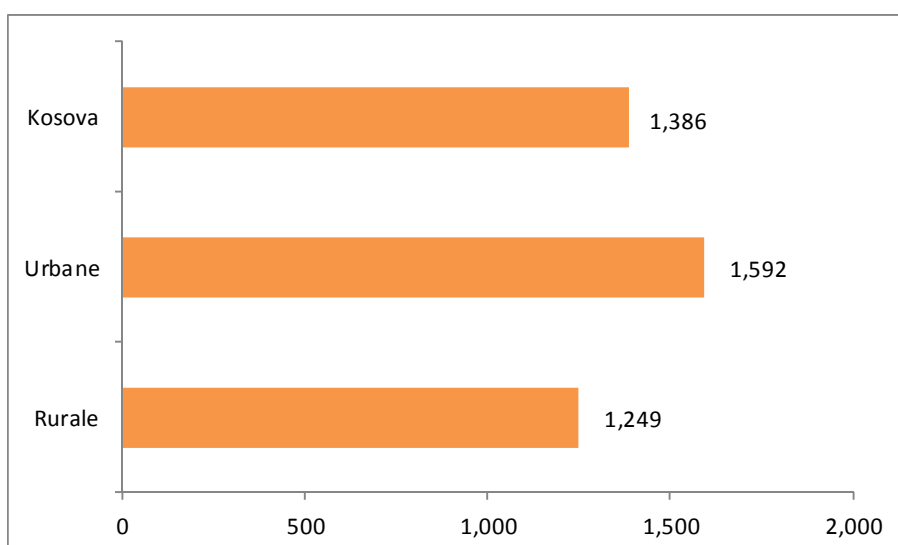
1.1 Consumer trends

Table 1: Overall consumption in Kosovo, 2012 – 2014

| Year | Million € | Consumption per household € | Consumption per capita € |
|------|-----------|-----------------------------|--------------------------|
| 2012 | 2,292 | 7,657 | 1,380 |
| 2013 | 2,382 | 7,625 | 1,402 |
| 2014 | 2,471 | 7,611 | 1,386 |

According to HBS 2014 outcomes, there is an increase by 3.7 percent of total consumption compared to 2013, but there is a decrease by 0.18 percent in household consumption, and a decrease by 1.1 percent of consumption per capita.

Graph 1: Consumption per capita 2014, €



1.2 Distribution of consumption according to consumption groups

Most of the households' budget in 2014 was spent on food and housing, 44 percent for food and 28 percent for housing of total consumption, followed by transport costs 5 percent and by 4 percent for alcohol and tobacco, and also for clothing and furniture 4 percent. In 2014, as in the two previous years, food from own production in total consumption represents 6 percent. (Details are shown in Table 2).

Table 2: Distribution of consumption in Kosovo according to consumption groups, 2012 – 2014 in%

| Consumption | 2012 | 2013 | 2014 |
|----------------------------------|------|------|------|
| Food and Non-alcoholic beverages | 45 | 45 | 44 |
| Alcohol and Tobacco | 5 | 4 | 4 |
| Clothing and Footwear | 4 | 4 | 4 |
| Housing | 30 | 30 | 28 |
| Furniture | 3 | 3 | 4 |
| Health | 2 | 2 | 3 |
| Transport | 4 | 4 | 5 |
| Communication | 2 | 2 | 3 |
| Recreation | 1 | 1 | 0 |
| Education | 1 | 1 | 1 |
| Hotels and Restaurants | 1 | 2 | 2 |
| Other | 2 | 2 | 2 |
| <i>Domestic food production</i> | 6 | 6 | 6 |

Food in Kosovo is dominated by meat, bread and cereals, milk, cheese, eggs, contributing in more than a half of the consumption of food (in value). The next important items are vegetables and non-alcoholic beverages.

Table 3: Distribution of food consumption in Kosovo 2012 – 2014 in %

| Consumption | 2012 | 2013 | 2014 |
|-------------------------|------|------|------|
| Bread and cereals | 19 | 19 | 18 |
| Meat | 20 | 19 | 20 |
| Fish | 1 | 2 | 1 |
| Milk, cheese, eggs | 16 | 16 | 17 |
| Oils and fats | 4 | 4 | 3 |
| Fruits | 7 | 7 | 8 |
| Vegetables | 11 | 12 | 12 |
| Sugar and confectionery | 7 | 6 | 6 |
| Food products | 5 | 5 | 5 |
| Non-alcoholic beverages | 10 | 10 | 10 |
| Total | 100 | 100 | 100 |

2 Household consumption in Kosovo 2012 – 2014

It is known that consumption is an important part of the life of the population, so the level and the size of consumption are essential for the welfare, while wealth and poverty depend on other aspects in life. Data for consumption are taken from households, while incomes are earned from individuals. Alcohol and tobacco, clothing, recreation and some other specific things can be consumed individually, but most, such as food, housing and supplies are used jointly by members of the household.

Consumption is classified according to Standard Classification of Individual Consumption by Purpose (COICOP) in harmony with the National Accounts and Consumer Price Index. Apart from some improvements, the same standards are applied over the years by making it more easily comparable over time.

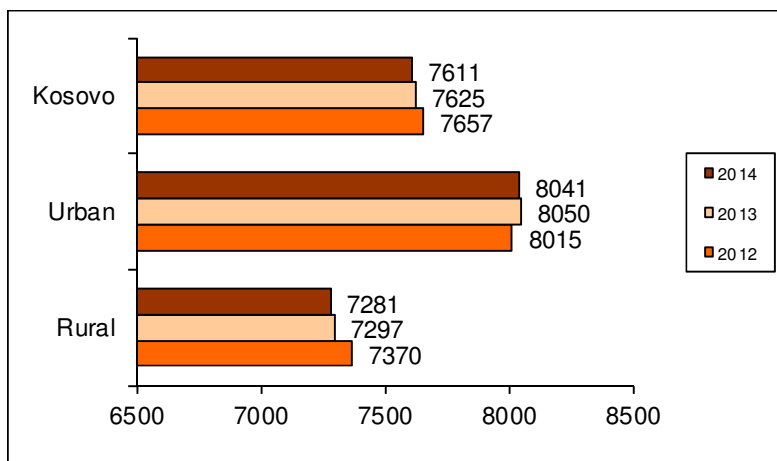
Most of the consumption is based on purchased goods and services paid during the reference period, and a smaller part of the goods are self-produced. The reference period is two weeks for food items (supported by the maintenance of records), last three months for non-food items and the last 12 months for durable goods.

This document focuses on the level of consumption for different consumer groups (food, clothing, housing, etc.), and their participation in the overall consumption. Households with higher education and urban households can be seen as indicative for the future development of consumption since more and more people are educated and Kosovo is being urbanized.

Figures in the text are rounded to indicate that a sample survey can give only approximate values.

Consumption per household in Kosovo in 2014 was € 7,611, this shows that there was a decrease by 0.18 percent compared with 2013. In urban and rural areas households have had a slight decrease in consumption.

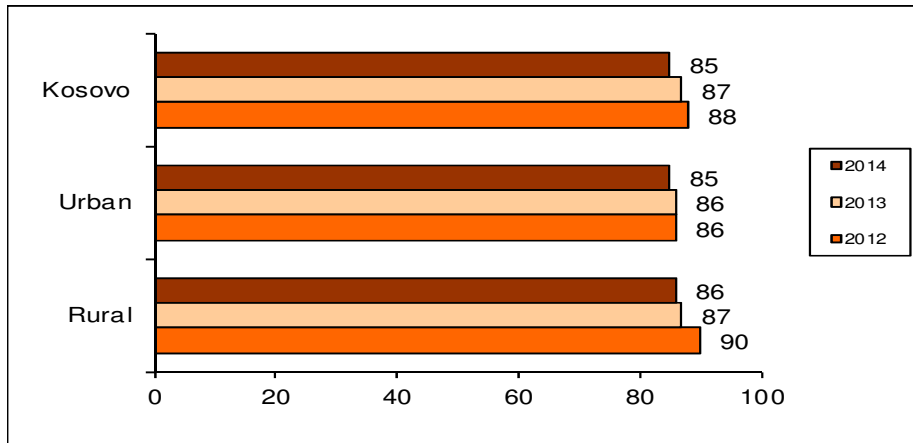
Graph 2: Household overall annual consumption according to location, 2012 – 2014



2.1 Main consumption (five largest groups)

As shown in Graph 3 five main categories of the largest consumption (food, housing, alcohol and tobacco, transport and clothing and footwear) represent 85 percent of total consumption. Seven other categories share 15 percent of consumption.

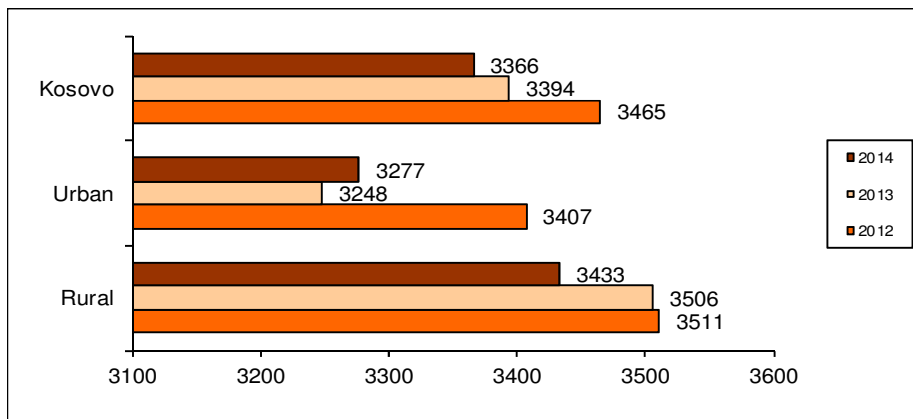
Graph 3: Five largest categories of household consumption according to location, % of total 2012 – 2014



2.2 Food and non-alcoholic beverages

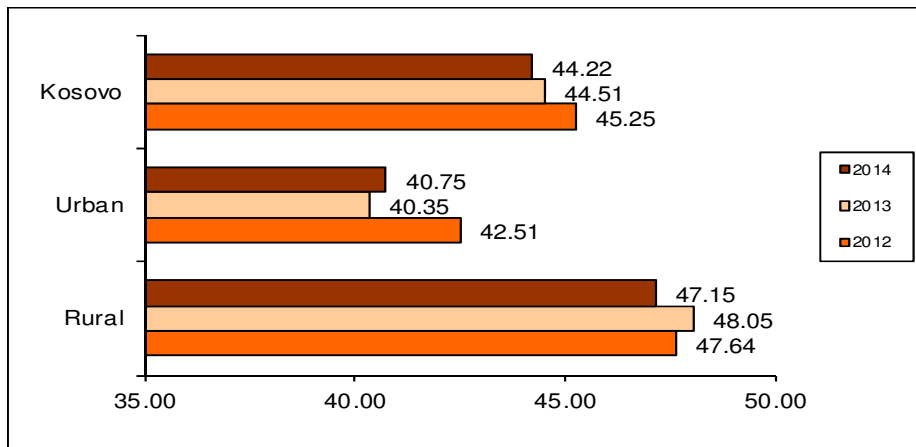
Most of the household budget is used for food and non-alcoholic beverages and is estimated at € 3.366 € for 2014 or 44,2 percent of total consumption. Expenditures for food and non-alcoholic beverages in household's shows slight decrease of 0,8 percent compared with 2013.

Graph 4: Household annual consumption of food and non-alcoholic beverages according to location, 2012 - 2014 in €



The data in Graph 5 show that food and non-alcoholic beverages constitute main component of consumption with almost 44 percent. Year 2014 recorded a small decline of participation in consumption of food and non-alcoholic beverages in total and in rural areas, while in urban areas recorded slight increase of 1 percent compared with 2013.

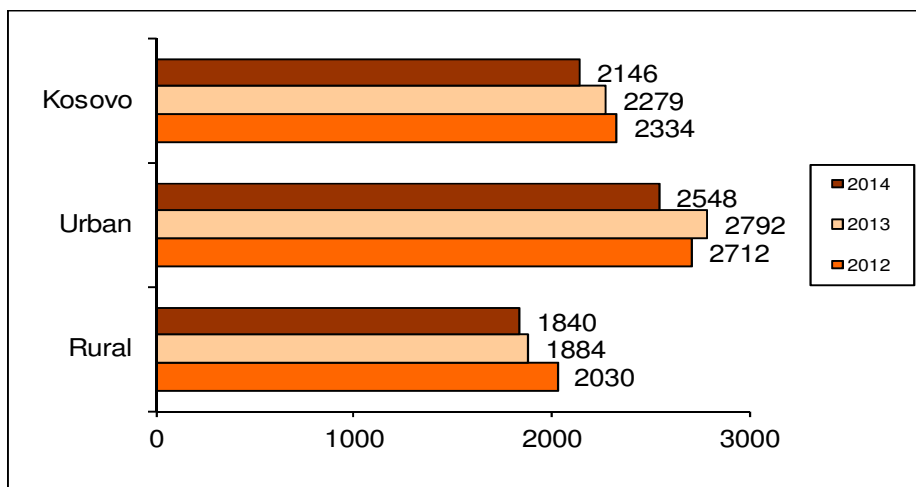
Graph 5: Participation of food and non-alcoholic beverages in the overall consumption according to location, 2012 – 2014 in%



2.3 Housing

Housing constitutes the second largest household budget with € 2,146 or 28 percent of the household budget. Year 2014 shows decrease of expenditures for housing in all groups, in total around 6 percent, in urban areas around 9 percent and in rural areas around 2 percent compared to 2013. The biggest part of housing is “estimated rent”. A small part of households pay rent. Food, non-alcoholic beverages and housing together constitute almost three-fourths or 72 percent of the household budget.

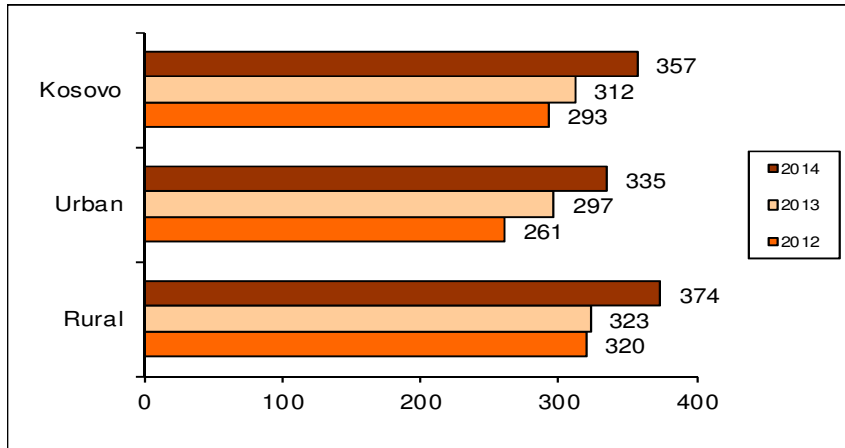
Graph 6: Household expenditure for housing according to location, 2012 – 2014 in €



2.4 Transport

During 2012-2014 transport had a constant increase in all groups. Year 2014, compared with 2013, shows increase of transport costs around 14 percent in total, around 13 percent in urban areas and more evident growth in rural areas by about 16 percent. The budget allocated for transport in 2014 was 4 percent for urban households, and 5 percent for rural households.

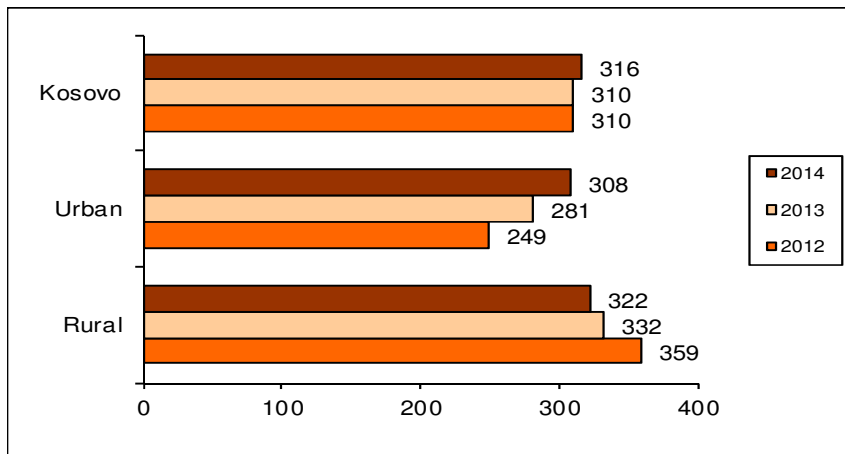
Graph 7: Household expenditure for transport according to location, 2012 - 2014 in €



2.5 Clothing and footwear

In 2014 the average household spent € 316 for clothing or 4 percent of the budget in the frames of the overall budget. In urban areas, during 2012 - 2014 was noted a constant increase of clothing expenditure while opposite for rural areas.

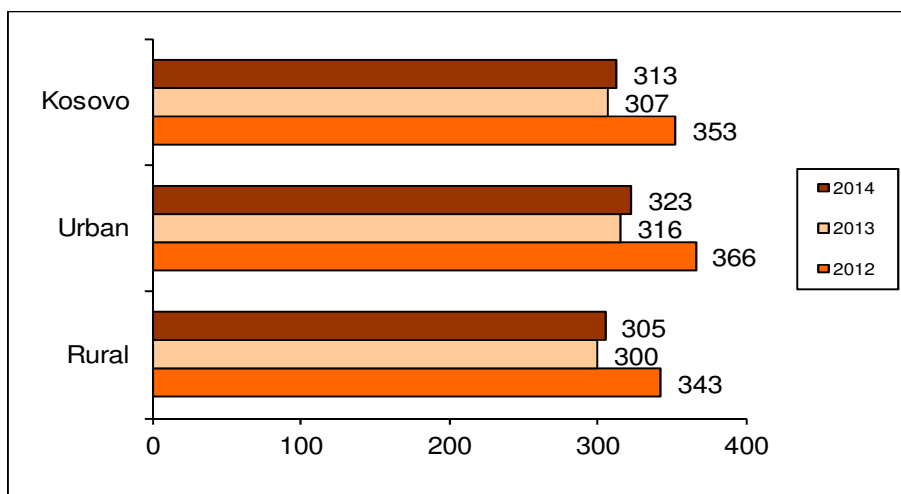
Graph 8: Household expenditure for clothing and footwear according to location, 2012 - 2014 in €



2.6 Alcohol and tobacco

In the overall household budget in 2014 alcohol and tobacco takes 4 percent or € 313 per year. Year 2013 compared with 2012 shows a decrease of spending on alcohol and tobacco consumption by about 13 percent in total and also in urban and rural areas, but year 2014 compared to 2013 recorded a small increase by 2 percent.

Graph 9: Household consumption of alcohol and tobacco by location, 2012 - 2014, in €



Smokers noticed small increase in total consumption and to females. Percentage of smokers who consume daily 1 to 10 cigarettes in 2014 increased in total and by gender.

Table 4: Percentage of smokers in population in 2013-2014 according to gender and daily consumption of cigarettes, % of population aged 10 years and older

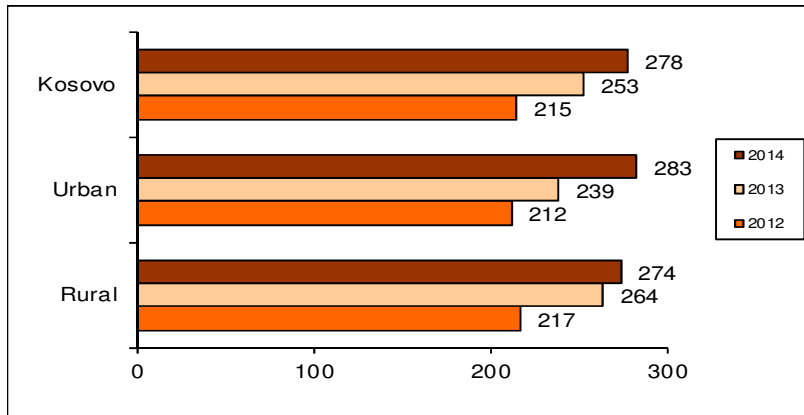
| Nr. of cigarettes | Male (%) | | Female (%) | | Total(%) | |
|-----------------------|----------|------|------------|------|----------|------|
| | 2013 | 2014 | 2013 | 2014 | 2013 | 2014 |
| 1 up to 10 | 1 | 2 | 1 | 2 | 1 | 2 |
| 11 up to 20 | 19 | 18 | 4 | 4 | 11 | 11 |
| 21+ | 3 | 3 | 0 | 0 | 1 | 1 |
| Percentage of smokers | 23 | 23 | 5 | 6 | 13 | 14 |

2.7 Furniture

Period 2012-2014 shows increase of total costs for furniture in both urban and rural areas. Compared with 2013, year 2014 recorded an increase in the total of 10 percent, in urban areas slightly emphasized increase of 18 percent and in rural areas small increase by 4 percent.

In 2014 the household spent on furniture in average € 278 per year.

Graph 10: Furniture expenditure according to locality, 2012 - 2014 in €

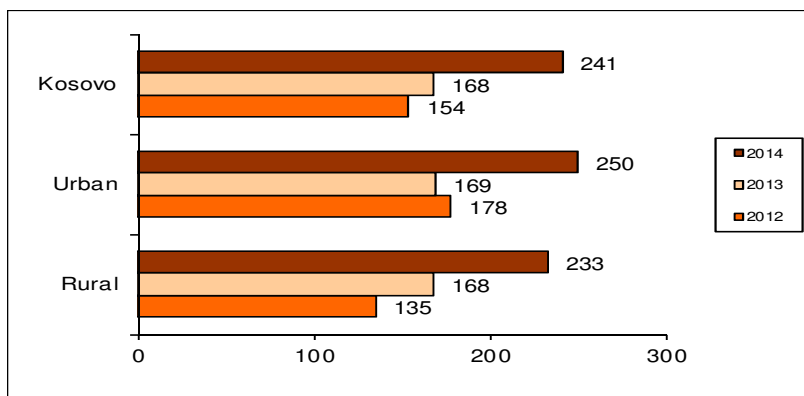


2.8 Health

Health expenditures in 2014 compared to 2013 have increased significantly in all groups (in total 43 percent, 48 percent in urban areas and 39 percent in rural areas).

*In 2014 households were asked about expenditures made on health services, housing, food and transport (with ambulance transport) abroad Kosovo and this reflected in the statement of expenditure for health.

Graph 11: Household expenditure on health according to location, 2012 - 2014 in €

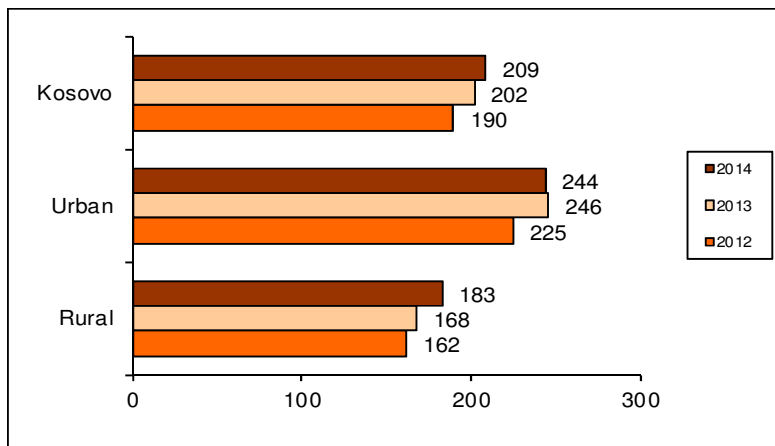


2.9 Communication

During 2012-2013 communication costs faced a steady increase. This growth trend continued in 2014 in total and in rural areas, while in urban areas recorded a slight decrease of 1 percent.

Communication costs in 2014 were € 209 and participated with 3 percent in the allocation of the overall budget of household.

Graph 12: Household expenditure on communication according to location, 2012 - 2014 in €

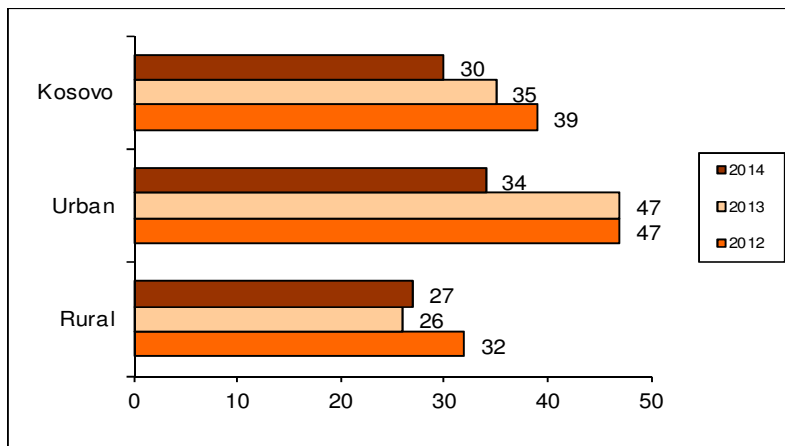


2.10 Recreation

The level of household expenditures for recreation in Kosovo marked continuous decrease during 2012-2014.

In 2012 and 2013 the urban households spent almost the same for recreation, while in 2014 recorded a decrease of 28 percent. In rural areas there is a slight increase by 4 percent. Part of the general budget allocated for recreation in 2014 was € 30.

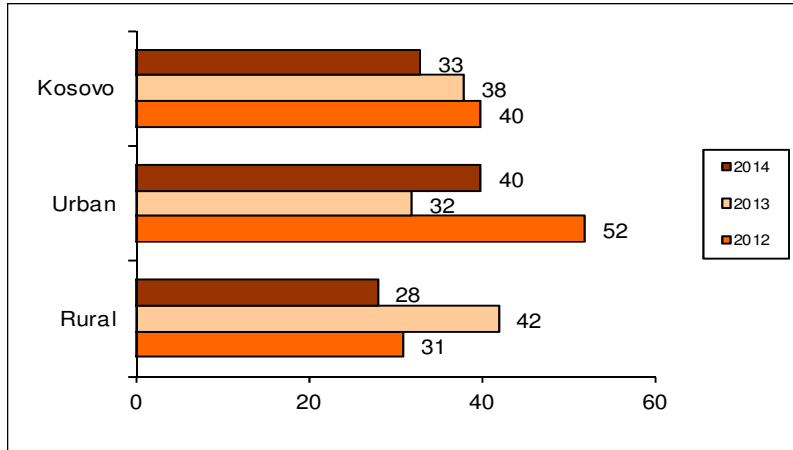
Graph 13: Household expenditure for recreation according to locality, 2012 - 2014 in €



2.11 Education

Education expenditure during 2012-2014 constantly decreased in total, and from 2013 on 2014 have decrease to about 13 percent .

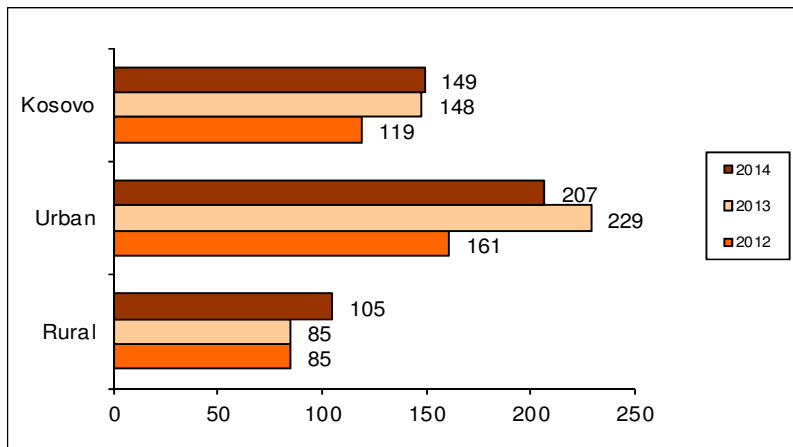
Graph 14: Household expenditure on education according to location, 2012 - 2014 in €



2.12 Hotels and restaurants

In 2014, compared with 2013, expenditures for hotels and restaurants recorded a slight increase of 1 percent in total. In urban areas, after a large increase in 2013, shows a decrease of 10 percent in 2014. In rural areas the costs for hotels and restaurants have been the same between 2012 and 2013, but in 2014 recorded an increase of 24 percent.

Graph 15: Household expenditure for hotels and restaurants according to location, 2012 - 2014 in €

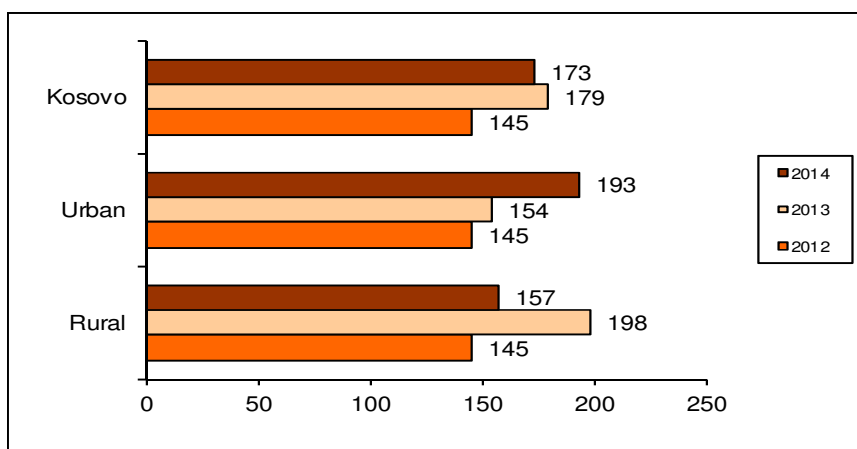


2.13 Other goods and services

This group is a mix of expenditures for goods and services for hair regulation, goods for personal needs, costs for insurance and other financial expenses.

Year 2013, compared with 2012, recorded an increase of these costs in all groups (in total around 23 percent, in urban areas around 6 percent and in rural areas around 37 percent). In 2014, this trend of growth was recorded only in urban areas (25 percent), while in total observed decrease of 3 percent, and in rural areas decrease by 21 percent compared with 2013.

Graph 16: Other household expenses by locality in 2012-2014 in €



3 Private income in Kosovo 2013 – 2014

3.1. Main household income

In 2014, public sector wages were the important source of income in Kosovo, but most important source were salaries from the private sector for more than a quarter of households. Other important sources for household were pensions and household businesses. Remittances from abroad (remittances) are appreciated for about 8 percent of households. Most households have mixed sources of income, so the current revenues provide a different insight.

Table 5: Household main source of income in Kosovo, %

| Source of income | 2013 | 2014 |
|--|------------|------------|
| Salaries and wages from public sector | 23 | 22 |
| Salaries and wages from private sector | 28 | 30 |
| Agriculture | 5 | 4 |
| Income from per diem ¹ | 7 | 7 |
| Other household businesses | 11 | 10 |
| Pensions | 11 | 13 |
| Money sent from abroad (remittances) | 8 | 8 |
| Money sent from Kosovo | 0 | 0 |
| Social benefits - 1st Category | 4 | 3 |
| Social benefits - 2nd Category | 1 | 1 |
| Other ² | 2 | 2 |
| Total in % | 100 | 100 |

¹ Income from temporary activities

² Other – Source of income not specified in the above categories.

3.2 Sources of individual income

The main source of income is wages from regular employment, composing half of total revenues.

Second source are net revenues from businesses that compose 12 percent of total revenues. About 5 percent are earned by temporary work.

Another important source is the cash money sent from abroad (remittances) by members of households, 1 percent with an addition of 7 percent from other persons abroad. Pensions from Kosovo make up 7 percent and 5 percent pensions from abroad.

Wages from regular employment are more important for women than for men, but the income from own business are more important to men (14 percent) than for women (4 percent).

Pensions from Kosovo by 14 percent compared to only 5 percent for males constitute the source of the second most important income for females. The third important source for females is remittances with 10 percent compared with 7 percent for males. Important source of income for males is agriculture with 11 percent, while for females only 1 percent.

Table 6: Sources of individual income in Kosovo in 2014, (%)

| Source of income | Male | Female | All |
|--|-------|--------|-------|
| Net wages and fees earned in Kosovo, without net tax | 49 | 60 | 51 |
| Incomes from per diem | 6 | 0 | 5 |
| Rent, dividends, interest (from savings in the bank) | 2 | 1 | 1 |
| Benefits from social welfare | 1 | 2 | 1 |
| Pensions from Kosovo | 5 | 14 | 7 |
| Pensions from abroad | 4 | 5 | 5 |
| Net income from self business in Kosovo | 14 | 4 | 12 |
| Cash remittances from abroad by the members present / present / (wages, transfers, etc.) | 1 | 2 | 1 |
| Cash remittances from the diaspora from other people | 6 | 8 | 7 |
| Income from agriculture | 11 | 1 | 9 |
| Other | 1 | 3 | 1 |
| Total in % | 100 | 100 | 100 |
| Total in million € | 1,532 | 395 | 1,927 |

Education has a main impact on the sources of revenue. More education leads to greater income from regular employment. Those with primary education or under, to a considerable extent must live by agriculture, pensions, support from abroad, own business and per diem.

Table 7: Sources of income according to highest level of education, 2014 (%)

| Source of income | Primary | Secondary | University or more |
|--|------------|------------|--------------------|
| Net wages and fees earned in Kosovo, without net tax | 16 | 60 | 78 |
| Incomes from per diem | 7 | 5 | 0 |
| Rent, dividends, interest (from savings in the bank) | 0 | 2 | 2 |
| Benefits from social welfare | 3 | 1 | 0 |
| Pensions from Kosovo | 17 | 3 | 3 |
| Pensions from abroad | 11 | 3 | 1 |
| Net income from self business in Kosovo | 8 | 16 | 10 |
| Cash remittances from abroad by the members present / present / (wages, transfers, etc.) | 1 | 0 | 1 |
| Cash remittances from the diaspora from other people | 11 | 6 | 3 |
| Income from agriculture | 24 | 2 | 1 |
| Other | 2 | 2 | 1 |
| Total in % | 100 | 100 | 100 |

3.3 Income according to gender structure

Regarding the 12 months employment, females and males have equal incomes as individual average, but according to the level of education females have lower income than males. Explanation may be found in the volume of different jobs rather than in the unfair wages.

Table 8: Average income from regular 12-months employment according to gender, €

| Income | Yearly average male's wages by 12-month employment | Yearly average female's wages by 12-month employment | Percentage of employees by 12-month employment |
|--|--|--|--|
| Income for 12-month employment | 4,125 € | 4,086 € | 50% |
| Employees by primary education (12 months) | 3,465 € | 2,834 € | 54% |
| Employees by secondary education (12 months) | 3,780 € | 3,604 € | 51% |
| Employees by higher education (12 months) | 5,666 € | 4,879 € | 51% |

4 Living Conditions and affordability

4.1 Ownership by gender structure and mortgage

Table 9: Ownership according to gender, 2013-2014 in%

| Owner of house (flat) | 2013 | 2014 |
|-----------------------|------|------|
| Men | 95 | 91 |
| Women | 5 | 9 |

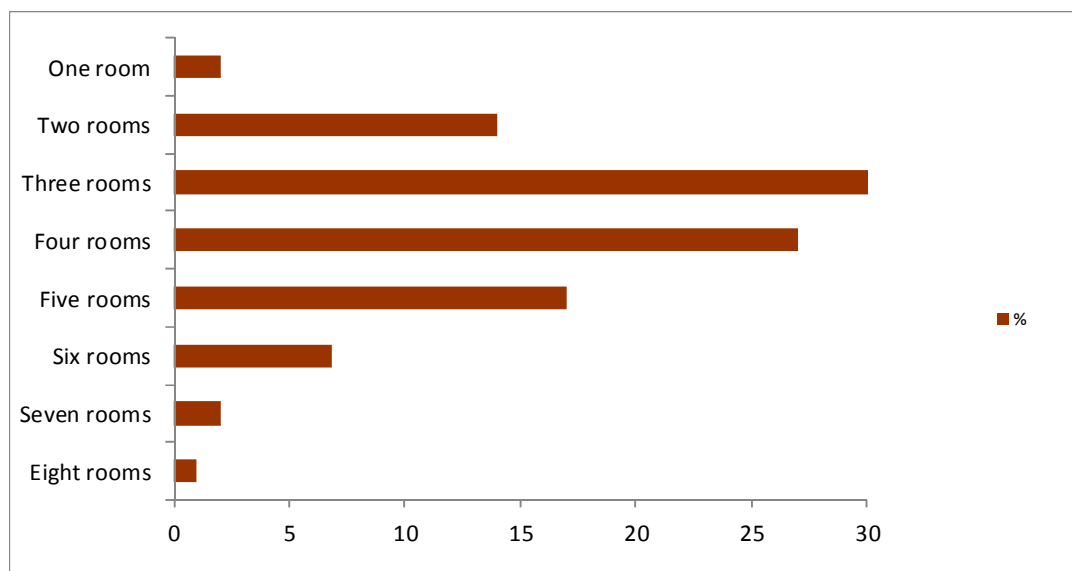
According to the data from table 9 the tradition continues, meaning that males are owners of house or apartment.

Table 10: Houses/flats mortgaged in 2013-2014 in %

| Houses/flats mortgaged | 2013 | 2014 |
|------------------------|------|------|
| Not mortgaged | 97 | 97 |
| Mortgaged | 3 | 3 |

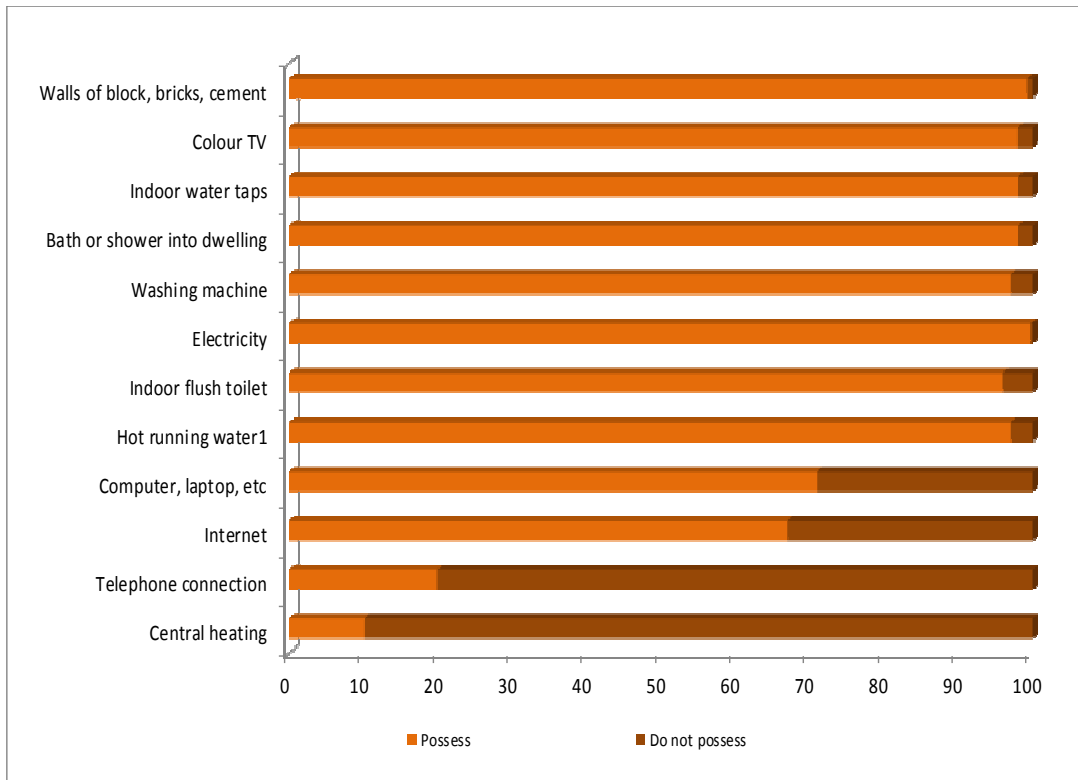
4.2 Possession of rooms and equipment/services

Graph 17: Possession of rooms in households in 2014 in%

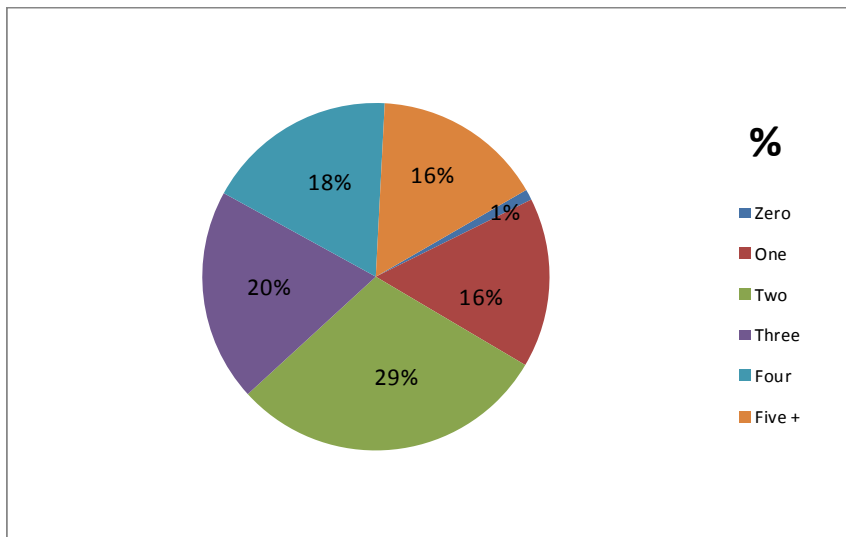


It is a phenomenon that households, in many cases, use the kitchen as one of rooms due to bad conditions (standards).

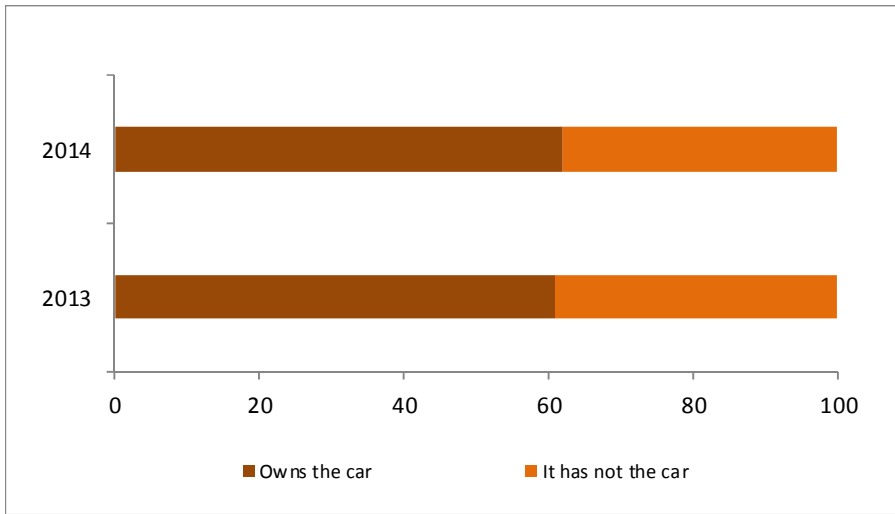
Graph 18: Possession of equipment/services for housing in 2014 in%



Graph 19: Possession of mobile phones in households in 2014 in%



Graph 20: Possession of vehicles in households in 2013-2014 in%

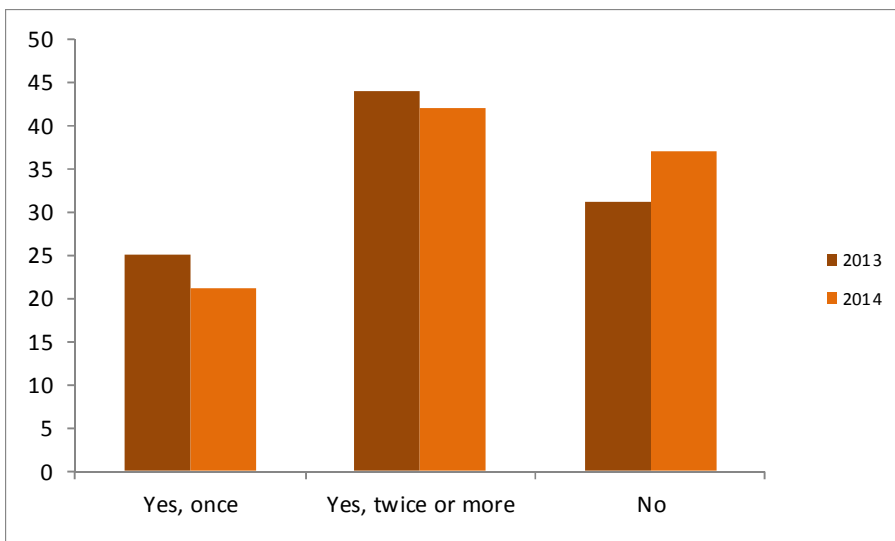


4.3 Affordability

Households often are not able to pay on time payments such as rent, loans, taxes, utility costs - bills, regular maintenance, etc.

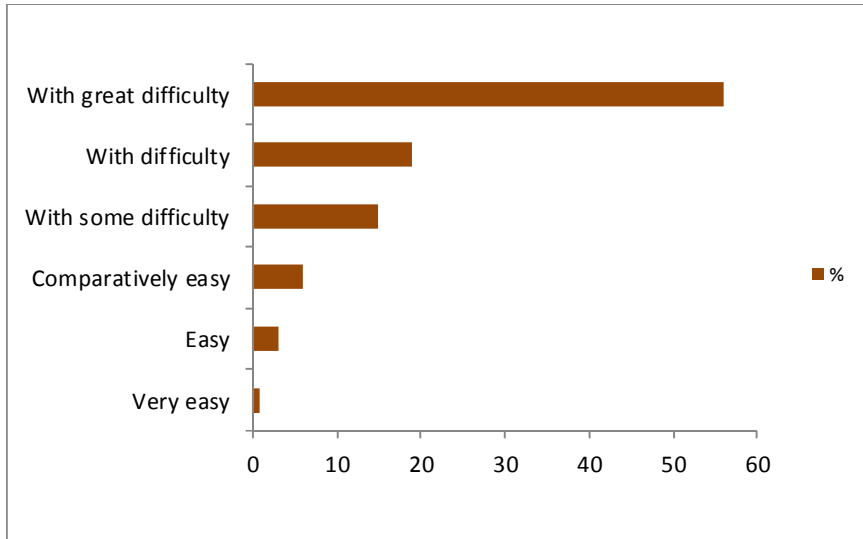
During 2013, 44 percent of households twice or more could not afford the fees, while year 2014 shows a decrease of 2 percent. Even among households that once could not afford the fees there is a decrease of 4 percent in 2014 compared with 2013.

Graph 21: Non-affordability of payments of households, 2013-2014 in%



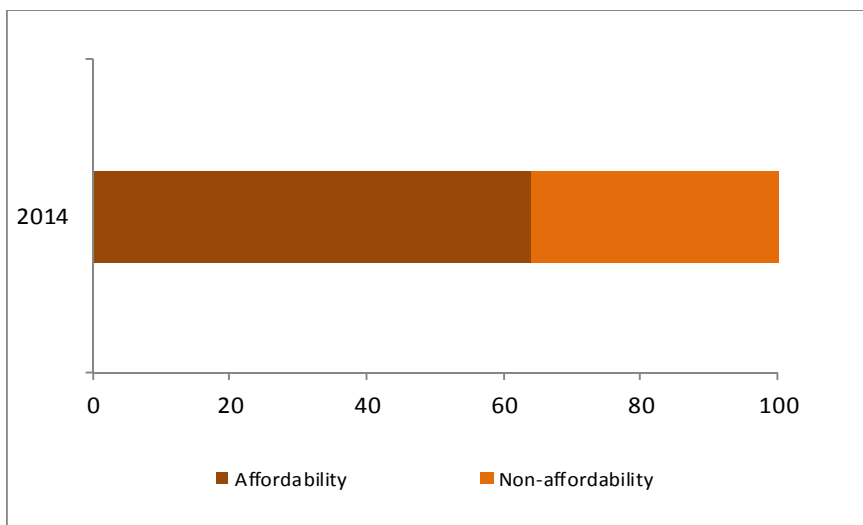
More than half of households in Kosovo during 2014 have stated that they have not been able to afford an unexpected expense of € 500 through own resources.

Graph 22: Affordability of an unexpected required expense of 500 €, in 2014 in%

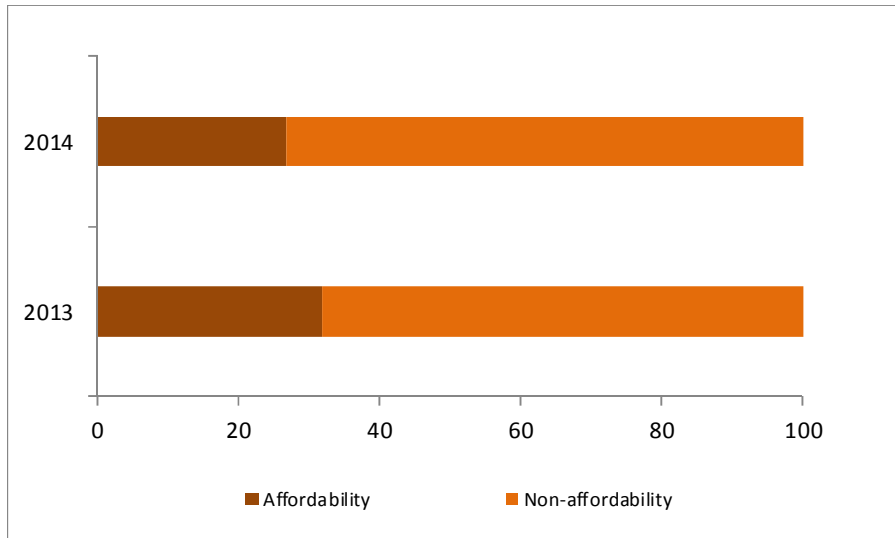


During 2014, 64 percent of households could keep warm house or apartment adequately.

Graph 23: Affordability of heating home/apartment adequately during winter, 2014 in%

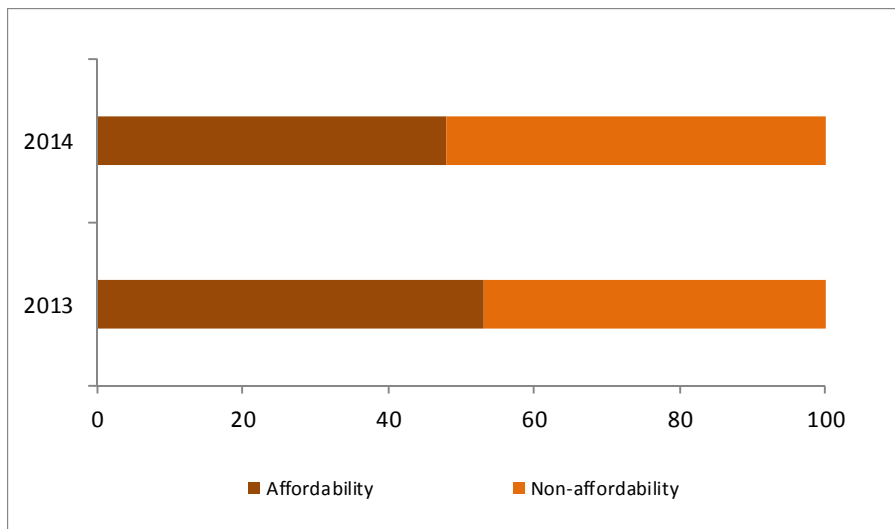


Graph 24: Affordability of one week annual holiday away from home, 2013-2014 in%



In 2013, 68 percent of households were not able to afford a one week annual leave while in 2014 this situation worsened by 72 percent.

Graph 25: Affordability of meat, chicken, fish meal (or vegetarian), 2013-2014 in%



More than half of households in Kosovo in 2014 were not able to cope with feeding every other day meal with meat, chicken, fish or vegetarian. In 2013 the situation slightly changed for better, from 5 percent in favor of the sustainability of eating meat.

5 Conclusions

Through HBS, KAS respectively DSS is trying to fill a vacuum in the absence of information about living standard of households, and Household Budget Survey is welcomed for providing these data. The main purpose of this report is to estimate household consumption, income and living conditions at the country level for 2014. This report provides data for years 2012-2014.

HBS analysis reveals that in 2014 in Kosovo total consumption increased by 3,7%, decrease of 1,1% per capita, and 0,18% for household consumption. (Table 1). Households in Kosovo spent mostly on food, housing, alcohol and tobacco, clothing and transportation. (Table 2). About food distribution in consumption in 2014 dominates meat, bread, cereals, milk, cheese and eggs. (Table 3)

Kosovo household consumption is significant with own consumption by 6%.

For urban households dominates the consumption of food, housing, transport, alcohol and tobacco, and clothing, while in rural areas dominated the consumption of food, housing, transport, clothing ,and alcohol and tobacco (Table A1).

Households whose head has higher education compared with those with secondary education, primary or less in almost all groups are part of the most budget share (Table A1).

Part of this report is the main source of household income and individual income (Chapter 3). According to the results of HBS 2014 important source of household income is wages from the private and public sector, then the revenues from own business and pensions, as well as remittances from Kosovo and abroad (Table 5).

As shown in Table 6, the Individual revenue sources, most of the revenues consist of regular employment wages that represent half of total revenues, while the other was the revenues from businesses. Also important role have the money sent from abroad (remittances) and pensions.

For individual income, it has been observed that people with higher education as the main source have regular employment, while those with primary education or less were oriented to agriculture, pensions, and support from abroad, own business and salaries. (Table 7)

According to the data of the living conditions (Chapter 4), households on average possess 3 rooms in use (Graph 17). Only 10 percent have their own central heating system, telephone connection possess almost a fifth of households and 67 percent have Internet connection and computer/PC 71 percent (Graph 18).

42 percent of households twice or more during the year have not been able to pay their fees on time, 56 percent of households had great difficulty coping with unexpected expenses in the amount of € 500 through own resources.

6 Annexes

6.1 Table A1: Household annual consumption in Kosovo 2012 – 2014 according to location and level of education of heads of household, € of overall consumption

| Year | Food | Alcohol and tobacco | Clothing | Housing | Furniture | Health | Transport | Communication | Recreation | Education | Hotel and restaurants | Other | Total € |
|---|-------|---------------------|----------|---------|-----------|--------|-----------|---------------|------------|-----------|-----------------------|-------|---------|
| Kosovo | | | | | | | | | | | | | |
| 2012 | 3 465 | 353 | 310 | 2 334 | 215 | 154 | 293 | 190 | 39 | 40 | 119 | 145 | 7 657 |
| 2013 | 3 394 | 307 | 310 | 2 279 | 253 | 169 | 312 | 202 | 35 | 38 | 148 | 179 | 7 625 |
| 2014 | 3 366 | 313 | 316 | 2 146 | 278 | 241 | 357 | 209 | 30 | 33 | 149 | 173 | 7 611 |
| Urban | | | | | | | | | | | | | |
| 2012 | 3 407 | 366 | 249 | 2 712 | 212 | 178 | 261 | 225 | 47 | 52 | 161 | 145 | 8 015 |
| 2013 | 3 248 | 316 | 281 | 2 792 | 239 | 168 | 297 | 246 | 47 | 32 | 229 | 155 | 8 050 |
| 2014 | 3 277 | 323 | 308 | 2 548 | 283 | 250 | 335 | 244 | 34 | 40 | 207 | 193 | 8 041 |
| Rural | | | | | | | | | | | | | |
| 2012 | 3 511 | 343 | 359 | 2 030 | 217 | 135 | 320 | 162 | 32 | 31 | 85 | 145 | 7 370 |
| 2013 | 3 506 | 300 | 332 | 1 884 | 264 | 169 | 323 | 168 | 26 | 42 | 85 | 198 | 7 297 |
| 2014 | 3 433 | 305 | 322 | 1 840 | 274 | 233 | 374 | 183 | 27 | 28 | 105 | 157 | 7 281 |
| Head of household by primary education or less | | | | | | | | | | | | | |
| 2012 | 3 320 | 371 | 295 | 2 085 | 191 | 140 | 225 | 150 | 30 | 24 | 60 | 115 | 7 005 |
| 2013 | 3 270 | 307 | 328 | 1 944 | 236 | 184 | 261 | 167 | 16 | 31 | 64 | 168 | 6 974 |
| 2014 | 3 177 | 336 | 283 | 1 801 | 245 | 252 | 269 | 161 | 19 | 18 | 70 | 137 | 6 768 |
| Head of household by secondary education | | | | | | | | | | | | | |
| 2012 | 3 422 | 339 | 296 | 2 316 | 209 | 161 | 318 | 197 | 39 | 45 | 114 | 152 | 7 608 |
| 2013 | 3 380 | 314 | 286 | 2 271 | 255 | 159 | 313 | 207 | 29 | 40 | 131 | 174 | 7 560 |
| 2014 | 3 358 | 300 | 295 | 2 167 | 285 | 233 | 370 | 219 | 27 | 37 | 151 | 176 | 7 618 |
| Head of household by higher education | | | | | | | | | | | | | |
| 2012 | 4 013 | 352 | 399 | 3 101 | 298 | 171 | 408 | 283 | 63 | 70 | 300 | 208 | 9 666 |
| 2013 | 3 760 | 288 | 330 | 3 179 | 295 | 157 | 441 | 280 | 104 | 47 | 414 | 222 | 9 515 |
| 2014 | 3 848 | 297 | 464 | 2 922 | 333 | 235 | 530 | 296 | 69 | 57 | 335 | 249 | 9 635 |

6.1 Table A2: Household annual consumption in Kosovo 2012 – 2014, according to 5 main groups of consumption, location and education of heads of household, in %

| Year | Food | Alcohol and tobacco | Clothing | Housing | Furniture | Health | Transport | Communication | Recreation | Education | Hotel and restaurants | Other | 5-main groups ¹ % |
|---|------|---------------------|----------|---------|-----------|--------|-----------|---------------|------------|-----------|-----------------------|-------|------------------------------|
| Kosovo | | | | | | | | | | | | | |
| 2012 | 45 | 5 | 4 | 30 | 3 | 2 | 4 | 2 | 1 | 1 | 1 | 2 | 88% |
| 2013 | 45 | 4 | 4 | 30 | 3 | 2 | 4 | 2 | 1 | 1 | 2 | 2 | 87% |
| 2014 | 44 | 4 | 4 | 28 | 4 | 3 | 5 | 3 | 0 | 1 | 2 | 2 | 85% |
| Urban | | | | | | | | | | | | | |
| 2012 | 42 | 4 | 3 | 34 | 3 | 2 | 3 | 3 | 1 | 1 | 2 | 2 | 86% |
| 2013 | 40 | 4 | 3 | 35 | 3 | 2 | 4 | 3 | 1 | 0 | 3 | 2 | 86% |
| 2014 | 41 | 4 | 4 | 32 | 4 | 3 | 4 | 3 | 0 | 0 | 3 | 2 | 85% |
| Rural | | | | | | | | | | | | | |
| 2012 | 48 | 5 | 5 | 28 | 3 | 2 | 4 | 2 | 0 | 0 | 1 | 2 | 90% |
| 2013 | 48 | 4 | 5 | 26 | 4 | 3 | 4 | 2 | 0 | 1 | 1 | 3 | 87% |
| 2014 | 47 | 4 | 5 | 25 | 4 | 3 | 5 | 3 | 0 | 1 | 1 | 2 | 86% |
| Head of household by primary education or less | | | | | | | | | | | | | |
| 2012 | 47 | 5 | 4 | 30 | 3 | 2 | 3 | 2 | 1 | 0 | 1 | 2 | 89% |
| 2013 | 47 | 5 | 5 | 28 | 3 | 3 | 4 | 3 | 0 | 0 | 1 | 2 | 89% |
| 2014 | 47 | 5 | 4 | 27 | 4 | 4 | 4 | 2 | 0 | 0 | 1 | 2 | 87% |
| Head of household by secondary education | | | | | | | | | | | | | |
| 2012 | 45 | 4 | 4 | 30 | 3 | 2 | 4 | 3 | 1 | 1 | 1 | 2 | 87% |
| 2013 | 45 | 4 | 4 | 30 | 3 | 2 | 4 | 3 | 0 | 1 | 2 | 2 | 87% |
| 2014 | 44 | 4 | 4 | 29 | 4 | 3 | 5 | 3 | 0 | 0 | 2 | 2 | 86% |
| Head of household by higher education | | | | | | | | | | | | | |
| 2012 | 41 | 4 | 4 | 32 | 3 | 2 | 4 | 3 | 1 | 1 | 3 | 2 | 85% |
| 2013 | 40 | 3 | 4 | 35 | 3 | 2 | 5 | 3 | 1 | 1 | 4 | 2 | 87% |
| 2014 | 40 | 3 | 5 | 30 | 3 | 2 | 6 | 3 | 1 | 1 | 3 | 3 | 84% |

¹ Here are five main groups of consumption (food, housing, transport, clothing and footwear, alcohol and tobacco).

6.2 Methodology in brief

Sampling, data collection and processing

| | |
|--|---|
| PERIOD | January – December 2014 |
| SAMPLE DESIGN | 2400 households in 300 enumeration areas; 200 households per month. Two-stage stratified sample, with the Census 2011 as the frame for the first stage. Sample is stratified by region, and urban –rural, 14 strata. |
| SAMPLE SUCCESSFULLY INTERVIEWED | 1978 households of the basic sample plus 397 substitute households. |
| RESPONSE RATE | 82 % of the basic sample |
| INTERVIEWING SCHEDULE | In each enumeration area, 4 households participate during the first half of a month and 4 during the second half. Each household is required to record food expenditure during the first week and during the second week. The second week may in fact cover 8 or 9 days. The household is visited three times - before the interviewing period, after one week, and at the end of the period. |
| WEIGHTS | The weights have been adjusted where an enumeration area had responses from less than 8 households |
| REFERENCE PERIOD | For food products, the reference period is two weeks (one half month). Purchases, gifts as well as own productions of food are covered. For semi durables, the purchases and gifts during the last three months are recorded, for durables the last 12 months. Before 2012, the reference period for food products was one month. |
| OTHER INFORMATION | In the HBS Questionnaire we have incorporated some questions from the SILC-module: Affordability and questions about health expenditures (in public and private health institutions and those within and outside the state). |

Calculations

The expenditure is organized in 12 categories defined by COICOP, the international Classification of Individual Consumption by Purpose. Some details of this classification are given below. (The full details can be found on the internet at: <http://unstats.un.org/UNSD/cr/registry/regcst.asp?Cl=5&Lg=1>)

| COICOP-CONSUMPTION CATEGORY | Some details about items in each category |
|--|---|
| 1 FOOD | Bread ,Meat Oil, Fruit, Vegetable, Milk, Cheese, Eggs, Non-alcoholic beverages, Coffee, Tea, Sugar Products , Food received as gifts, Own consumption etc. |
| 2 ALCOHOLIC BEVERAGES AND TOBACCO | Alcoholic beverages (Spirits and liqueurs, Wine, Beer) Tobacco (Cigarettes, Cigars, Other tobacco) |
| 3 CLOTHING | Clothing for men and women, Footwear for men and women, accessories, repair etc. |
| 4 HOUSING | Rent and Imputed Rent, Material for maintenance and repair, Service for maintenance, Water supply, Electricity, Firewood and Other fuels, Cutlery, Glasses, Kitchen utensils, Small electronic accessories, Major tools for house and garden etc. |
| 5 FURNITURE | Curtains, Pillowcases, Quilt, Blankets, Bed linen, Other (bags ,tablecloths, towels, flags, sunshades) Beds, Sofas, couches, Chairs, Dressers, Tables, Pictures and other art objects, Carpets, woolen or rush, Tephison, Other carpets and floor covering (not bathroom) , Repair of such articles, Freezers and fridge-freezers, Electric Appliances, Washing-machines, Electric vacuum cleaners, steam-cleaning and carpet shampooing machines, Repair of household appliances (charges and material) etc. |
| 6 HEALTH | Medicaments, Pharmaceutical appliances, Therapeutic equipment, Out of patient public and private services, Public and private Dental services, Medical analysis and X-ray in public and private institutions, Public and private Hospital services, Accommodation, food and ambulance transport in Kosovo, Health services abroad, Accommodation, food, ambulance transport abroad, Traditional medicine, Other medical services etc. |
| 7 TRANSPORT | Fuel, Gas, Oil for motors, Spare parts and accessories, Maintenance and repair, Purchasing old and new cars, Garage and parking, Taxi and similar, Air tickets, Bus tickets, and Combined tickets etc. |
| 8 COMMUNICATION | Postal services, Cell-phone services/calls, Other phone/fax services, Internet etc. |
| 9 RECREATION | Toys, games, hobbies, Sport equipment, Gardens, plants, flowers, Pets and related products, Veterinary and other services for pets, Cinemas, theatres, concerts, Museums, zoo, etc., PC-Computer, Books, Newspapers, periodicals, Stationery, drawing materials, Printed matter Games of chance(Lottery), Other Services etc. |
| 10 EDUCATION | Computer training, Language training, Pre-primary and primary education (1-5), Low secondary education (class 6-9), High secondary education (class 10-13), Tertiary education, Education not defined by level |
| 11 HOTEL AND RESTAURANTS | Buffets, Holiday Package etc. |
| 12 MISCELLANEOUS GOODS | Hairdressers, Electrical appliances for personal care, Insurance, Homes for retired and disabled, Judicial and administrative services, etc. |

For a given household i , the annual expenditure T_i is calculated as follows:

$$T_i = (\text{sum of all food expenditure}) * 2 * 12 + (\text{sum of all expenditure on semi durables}) * 4 + (\text{sum of expenditure on durable goods}).$$

Then, each T_i is multiplied by its weight w_i . The weight equals the number of households that are represented by the specific household included in the sample. All households in an enumeration area have the same weight. The sum $\sum w_i T_i$ is therefore an estimate of the total annual expenditure in the area or category covered by the summation. Since $\sum w_i$ is the total estimated number of households (in the same area or category), $\sum w_i T_i / \sum w_i$ is the average expenditure per household. In order to obtain the average annual expenditure per capita, $\sum w_i T_i / \sum w_i$ is divided by the average number of members per household.

Sums and averages of precisely the same type are also calculated for each **COICOP** category separately.

Data accuracy

The sampled households are used to calculate estimates of the expenditure (etc.) for all households. If the sample is big enough, and selected in a scientific way, the uncertainty of the estimates will generally be small. The uncertainty is often expressed by a confidence interval. The true value for the entire population is then expected to be somewhere between the lower and the upper confidence limit, with a high probability (here 95 %).

The confidence intervals for some of the main variables in HBS are the following:

| Variabel | Estimate | Lower confidence limit | Upper confidence limit |
|---|----------|------------------------|------------------------|
| Total consumption, million € | 2 471 | 2 392 | 2 550 |
| Total consumption of food products, million € | 1 092 | 1 055 | 1 130 |
| Total consumption of food products, million € | 7 611 | 7 394 | 7 827 |
| Annual consumption per urban household, € | 8 041 | 7 713 | 8 369 |
| Annual consumption per rural household, € | 7 281 | 6 994 | 7 569 |
| Annual food consumption per household, € | 3 366 | 3 264 | 3 467 |
| Food share, Kosovo, % | 44,2 | 43,4 | 45,0 |
| Food share, urban, % | 40,7 | 39,5 | 42,0 |
| Food share, rural, % | 47,2 | 46,1 | 48,2 |

In general, estimates on the national level can be expected to have confidence limits of about 2-3 % (of the estimate) below and above the estimated value. Estimates for urban or rural areas can be expected to have limits of about 3-4 % below and above the estimated value.

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Kosovo Agency of Statistics

short description

Kosovo Agency of Statistics is a professional institution which deals with collection, processing and publication of official statistical data. As such acts since 1948 and has passed through several historical stages, structured according to state regulation of those times.

On 2 August 1999, the Agency has resumed his professional work (after nine years of interruption of all statistical series detrimental to the interest of Kosovo), as an independent institution under the Ministry of Public Administration. Since 12.12.2011 the Agency operates in the frames of the Prime Minister's Office. Office is funded by the Kosovo Consolidated Budget, but also by donors for specific projects and for technical professional support.

Kosovo Agency of Statistics acts according to the Law No. 04/L-036 which entered into force on 12.12.2011. Strategic development plan 2009-2013 is the middle term implementation for the development of statistical system in correlation with the European Union statistics (EUROSTAT).

Kosovo Agency of Statistics has this organizational structure: production departments; (Department of Economic statistics and National Accounts, Department of Agriculture and Environment statistics and Department of Social statistics. **Support Departments;** Department of Methodology and Information Technology, Department of Policy Planning, Coordination and Communication, Department of Census and survey and Department of Administration. **Within the Agency we also established. Regional Offices;** Gjakove, Gjilan, Mitrovica, Peja, Prizren, Pristina and Ferizaj

In ASK are employed in total 139 workers, of them 104 (74,8 %) at the headquarters of the Agency, while in the Regional Offices, 35 (25,2%), with qualifying structure, 70,5% with university education to 29,5% with secondary education.

We have professional and technical cooperation with all Ministries of the Government of Kosovo, especially with the Ministry of Economy and Finance, Central Bank of Kosovo, with international institutions, EUROSTAT, International Monetary Fund, World Bank, Sweden's SIDA, DFID, UNFPA, UNDP, UNICEF, and with the statistical institutions of the countries in the region.

Kosovo Agency of Statistics almost completely covers the territory of Kosovo, based on the statistical structure of the enumeration areas as the basic unit and sole in the country from which it gets first hand information. All surveys conducted in the field use the extension of the samples in these enumeration areas but also a statistical methodology according to international recommendations. During the collection of statistical data and reports from reporting entities are involved professionals, technicians, administrators, servants of the country offices, field enumerators from regional offices, etc.

We have successfully implemented the project of Population Census, Households and Dwellings in 2011, Census that was not carried out since 1981. Results obtained from the Census will have an important role in compiling the development policies.

The mission of the Agency; to meet the needs of users with qualitative statistical data, objective, in time and space so that users have reliable base to conduct regular analysis in the interest of planning and project development at the municipal and country level. To support government institutions, scientific institutes, research academies, businesses in order to provide proper information for decision-makers and other users in Kosovo. Ongoing is preparation for the Census of Agriculture in Kosovo.

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