

Enlargement countries - finance statistics

Statistics Explained

Data from May 2023.

Planned article update: May 2024.

" Three of the Western Balkan and Türkiye economies — Montenegro, North Macedonia and Albania— recorded government budget deficits every year between 2011 and 2022 or the most recent year for which data are available, as did the EU. "

" Between 2014 and 2022, each year the highest annual consumer price increases among the Western Balkan and Türkiye economies were recorded in Türkiye, with a maximum of 72.3 % in 2022. "

This article is part of an [online publication](#) and provides information on a range of financial statistics for the Western Balkans and Türkiye and compares this with the corresponding data for the [European Union \(EU\)](#) . Within this region, Bosnia and Herzegovina, Montenegro, North Macedonia, Albania, Serbia and Türkiye are candidate countries, while Kosovo* has the status of potential candidate. **Data for Georgia, Moldova and Ukraine, granted candidate status or European perspective by the European Council in June 2022, are not included in this article** ; Statistics Explained articles on the European Neighbourhood Policy-East countries are available [here](#) . The article provides information on price and finance statistics, covering [consumer price indices](#) ; [interest rates](#) ; foreign [exchange rates](#) ; the balance of payments, including [foreign direct investment \(FDI\)](#) ; and government finance: the general government [deficit / surplus](#) and [government debt](#) relative to [gross domestic product \(GDP\)](#) . * *This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence.*

Consumer prices

A [consumer price index](#) measures changes in the prices of a representative set of goods and services consumed by [households](#) . It is an important measure of [inflation](#) . In the European Union, the [harmonised index of consumer prices](#) provides a consumer price index that is directly comparable between countries.

Annual percentage changes in the harmonised index of consumer prices and in national consumer price indices are shown in Table 1 and in the graph in the highlights section above.

Harmonised indices of consumer prices, 2011-2022

(% change on previous year)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
EU	2.9	2.6	1.3	0.4	0.1	0.2	1.6	1.8	1.4	0.7	2.9	9.2
Bosnia and Herzegovina (*)	3.7	2.1	-0.1	-0.9	-1.0	-1.6	0.8	1.4	0.6	-1.1	2.0	14.0
Montenegro (*)	.	.	.	.	.	-0.1	2.7	2.6	0.5	-0.5	2.5	11.9
North Macedonia (*)	3.2	1.8	2.7	0.0	0.1	0.2	2.1	2.3	0.7	1.2	3.4	14.0
Albania (*)	.	.	.	.	.	.	3.2	1.8	1.7	2.2	2.3	6.6
Serbia (*)	11.2	7.4	7.7	2.3	1.5	1.3	3.3	2.0	1.9	1.8	4.0	11.7
Türkiye (*)	6.5	9.0	7.5	8.9	7.7	7.7	11.1	16.3	15.2	12.3	19.6	72.3
Kosovo* (*)	.	.	.	.	.	.	1.5	1.1	2.7	0.2	3.4	11.6

* This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo Declaration of Independence.

(.) not available.

(*) Data supplied by and under the responsibility of the national statistical authority. Consumer price indices.

(*) Definition differs.

Source: Eurostat (online data code: prc_hicp_aind) and Eurostat data collection

eurostat 

Table 1: Harmonised indices of consumer prices, 2011-2022 (% change on previous year) Source: Eurostat (prc_hicp_aind) and Eurostat data collection

Consumer prices in the majority of the Western Balkans and Türkiye, except Serbia, generally increased slightly more in the period 2011-2012/2013 than in the period 2014-2020. Consumer prices then rose in 2021 and increased considerably everywhere in 2022. This resurgence of inflation may be ascribed to the economic effects of the Covid-19 pandemic and the aftermaths of it. Price rises in Serbia during the period 2011-2013, and in Türkiye during the whole period 2011-2022, were higher than those recorded across the other economies in the region and in the EU.

In Türkiye, peak consumer price inflation occurred in 2022, at a very high 72.3 %, following a 2021 figure of 19.6 %, itself the second highest of the period 2011-2022. Prior to this, the highest point had been in 2018, when prices increased by 16.3 %. The lowest annual consumer price increase during the whole period 2011-2022 was recorded in 2011, at 6.5 %. Average annual inflation over 2011-2022, at 16.2 % was the highest among the Western Balkan and Türkiye economies (although its definition differs between these economies).

In Serbia, consumer price inflation was higher during the period 2011-2013 than subsequently, except in 2022. Serbia's inflation high point during the 2011-2021 period was in 2011 at 11.2 % and its low point in 2016 at 1.3 %. In 2021, consumer prices rose by 4.0 % and then by 11.7 % in 2022, the highest of the whole period. Average inflation 2011-2022 was 4.7 % a year, the second highest among the Western Balkans and Türkiye economies.

For the period 2017-2022, for which data are available, Kosovo had annual consumer price inflation averaging 3.4 %. In 2020, the lowest change in the consumer price level for the period was recorded at 0.2 %. Consumer prices rose by 3.4 % in 2021 and then by 11.6 % in 2022, the highest increase during the period.

Data on Albania's consumer price increases are available for 2017-2022. The annual average for this period is 3.0 %. Prior to 2022, the high point was 3.2 % in 2017 and the low point 1.7 % in 2019, representing a fairly narrow range. In 2021, consumer prices rose by 2.3 %, in line with previous years. This was followed in 2022 by consumer price inflation of 6.6 %, the highest of the period.

Consumer prices in Montenegro rose on average by 2.8 % a year between 2016 to 2022, the period for which data are available, . In 2020, consumer prices declined by -0.5 %. Prior to 2022, the largest rise in consumer prices occurred in 2017 at a still modest 2.7 %. In 2022, consumer prices rose by 11.9 %, by far the greatest rise in the period.

North Macedonia had an annual average increase in consumer prices of 2.6 % over 2011-2022. Prior to 2022, the high point occurred in 2021, at 3.4 % and zero change was recorded in 2014. In 2022, consumer prices rose by 14.0 %, the highest rise of the whole period.

Bosnia and Herzegovina had low and sometimes negative changes in consumer prices over the period 2011-2021. The largest annual consumer price increase prior to 2022, at 3.7 %, occurred in 2011. The consumer price level fell by -1.6 % in 2016. In 2022, consumer prices increased by 14.0 %, the highest rate during the whole period. Average price rises between 2011-2022 were 1.7 % annually. Although this consumer price index is not harmonised with the EU, the recorded average was lower than other economies in the Western Balkans and Türkiye region.

Increases in the all-items [harmonised index of consumer prices \(HICP\)](#) remained at low levels across the EU over the period 2011-2021, before rising by 9.2 % in 2022. The period low of 0.1 % occurred in 2015 and, prior to 2022, the next highest increase of 2.9 % was recorded in both the years 2011 and 2021. EU price changes shown cover all 27 Member States. These can be compared to a limited extent with the European Central Bank inflation targets for the [euro area](#), which comprised 19 Member States during 2015-2022. Since 2023, euro area membership covers 20 Member States. Prior to July 2021, the inflation target was below, but close to, 2 % a year. Currently, the ECB aims for a symmetric 2 % inflation target over the medium term¹.

Interest rates

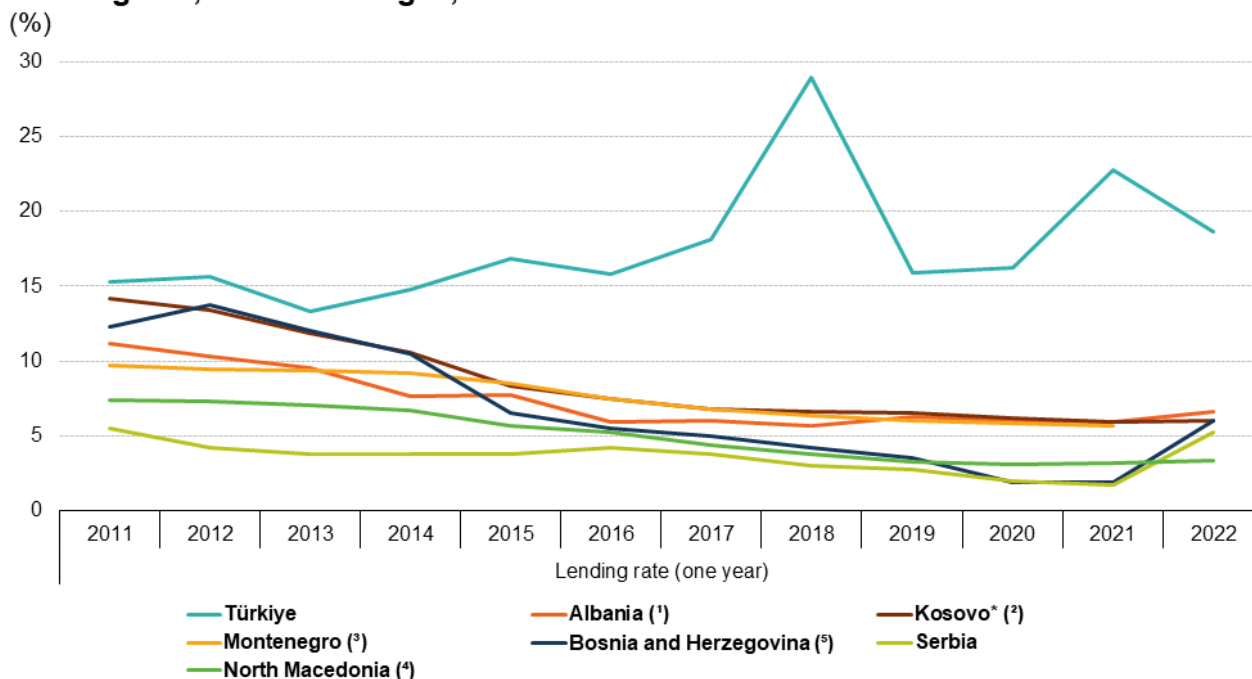
An interest rate is the cost of borrowing or the gain from lending, usually expressed as an annual average percentage amount. The central bank interest rate is the official rate at which the [European Central Bank](#) and national central banks lend money to commercial banks for very short periods. This rate is an instrument for influencing interest rates in the economy and [inflation](#). Interest and inflation rates are therefore closely linked. Countries can manage their interest rates either to target inflation or currency exchange rates (unless the exchange rate has been fixed against other currencies, which is the case for several of the Western Balkans).

The lending rate, illustrated in Figure 1, is the interest rate charged in the wholesale 'money market' for loans or transactions in liquid (easily marketable) financial securities of maximum one year's duration. This provides the ceiling on money market interest rates. In countries where the financial markets are less developed, the lending rate is the interest rate charged by central banks to commercial banks for short term funding against marketable financial securities. The lending rate is higher than both the deposit rate and the central bank interest rate. Bank loans to large low-risk companies are at an interest rate linked to but higher than the lending rate. Bank lending to clients that are perceived as greater risks normally entail still higher interest rates.

The deposit rate, as illustrated in Figure 2, is the annualised interest rate which the central bank pays on short-term deposits by banks or pays for short-term liquid financial instruments (bills). It is below the interest rate which banks can obtain on the money market and so forms the floor for money market interest rates. The deposit rate is closely related to the official bank rate.

¹. The ECB's Governing Council approves its [monetary policy strategy](#)

Lending rate, annual averages, 2011-2022



* This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo Declaration of Independence.

Note: Data supplied by and under the responsibility of the national statistical authority.

(¹) Rate applied to new 12-month loans.

(²) 2010-2014: includes disbursement fee charged by banks.

(³) Weighted average effective interest rate, outstanding amounts, annual. 2022 not available.

(⁴) End of year.

(⁵) Short-term lending rates (in national currency) to non-financial corporations.

Source: Eurostat data collection

eurostat

Figure 1: Lending rate, annual averages, 2011-2022 (%) Source: Eurostat data collection

The lending rate declined between 2011 and 2021 in most of the Western Balkans and Türkiye under the influence of the recovery from the 2008 global financial crisis, the subsequent reduction in inflation from 2013-2021 and continuing loose monetary policy within the EU. In 2022, lending rates increased in most economies of the region in response to rising inflation and as a consequence of tighter monetary policies in the region and the EU.

Türkiye was clearly an outlier over the period 2011-2022, with an average lending rate of 17.7 %. The maximum lending rate of 29.0 % occurred in 2018, long after lending rates elsewhere in the region had passed their peak; its 2013 minimum was 13.4 %. Its average, maximum and minimum rates were all the highest in the region. Türkiye's lending rate in 2022 was 18.7 %.

Kosovo's average lending rate over the period 2011-2022 was 8.7 %. Its highest rate was 14.1 % in 2011 and its lowest 6.0 % in both 2021 and 2022. The trend, as in most other economies in the Western Balkans and Türkiye, was for decreasing lending rates from 2011 to 2021.

Montenegro had average lending rates over the period 2011-2021 of 7.7 %. Data for 2022 are not available. Montenegro's maximum lending rate was 9.7 % in 2011 and its minimum was 5.7 % in 2021.

Albania's average rate over the whole 2011-2022 period was 7.4 %. Its maximum rate was 11.2 % in 2011, its minimum 5.7 % in 2018 and its most recent value 6.7 % in 2022.

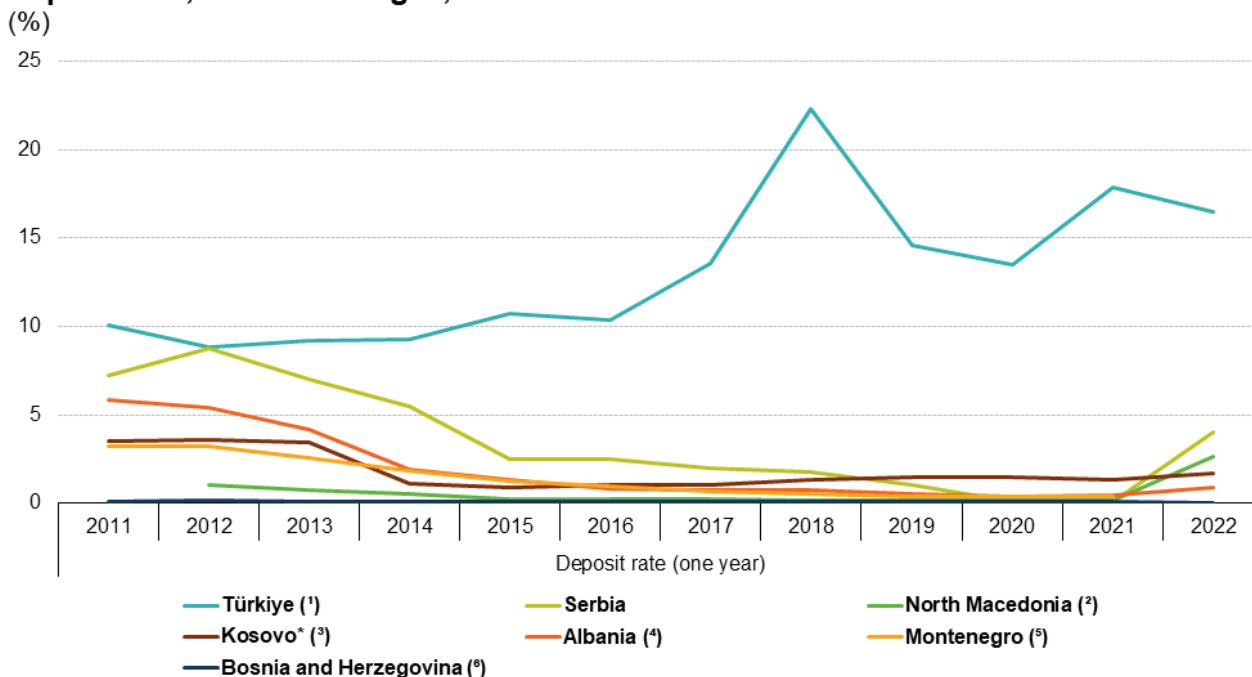
Serbia's average lending rate over 2011-2022 was 6.9 %. Its maximum was 13.8 % in 2012 and its minimum 1.9 % in both 2020 and 2021. In 2022, its lending rate increased to 6.0 %.

Bosnia and Herzegovina's average lending rate over the period 2011-2022 was 5.0 %, its maximum 7.4 % in 2011, and its minimum 3.1 % in 2020. In 2022, lending rates increased moderately to 3.4 %.

North Macedonia had an average lending rate over 2011-2022 of 3.6 %. Its maximum lending rate was 5.5 % in

2011; its minimum was 1.8 % in 2021. 2022 saw lending rates increase again to 5.3 %.

Deposit rate, annual averages, 2011-2022



* This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo Declaration of Independence.

Note: Data supplied by and under the responsibility of the national statistical authority.

(¹) 2011-2021: Average of monthly data. Overnight deposit facility. 2022: as of November 2022.

(²) End of the year. 2011: not available

(³) 2011-2014: includes disbursement fee charged by banks.

(⁴) Rate for newly accepted deposits on 12-month maturity.

(⁵) Weighted average effective interest rate, outstanding amounts, annual.

(⁶) Demand deposit rates in national currency of households (weighted average). 2018: as of December 2018.

Source: Eurostat data collection

eurostat

Figure 2: Deposit rate, annual averages, 2011-2022 (%) Source: Eurostat data collection

A decline in the deposit rate in most of the Western Balkans and Türkiye can be observed for the period 2011-2021 that is similar to the decline in the lending rate. Deposit rates fell below 1 % in Montenegro from 2016; in North Macedonia from 2013 (but rose above in 2022); in Albania from 2016; in Serbia from 2020. In Bosnia and Herzegovina, they were below 1 % throughout the whole period. In Kosovo, the deposit rate was below 1 % only in 2015. Türkiye is again an outlier: its minimum deposit rate was recorded in 2012 at 8.8 % and its maximum in 2018 at 22.3 %.

In 2022, as with lending rates, the deposit rate increased in several economies of the Western Balkan and Türkiye economies. This was particularly marked in Serbia, where the deposit rate moved from 0.1 % in 2021 to 4.0 % in 2022; and in North Macedonia, where the increase was from 0.2 % to 2.7 %. In Türkiye, the deposit rate declined from 17.9 % to 16.5 %.

Between 2011 and 2021, the difference between deposit and lending rates narrowed throughout the region, except in Albania. The most significant declines occurred in Kosovo, Bosnia and Herzegovina, Türkiye and Serbia. In Serbia, the difference between deposit and lending rates was negative from 2011 to 2014.

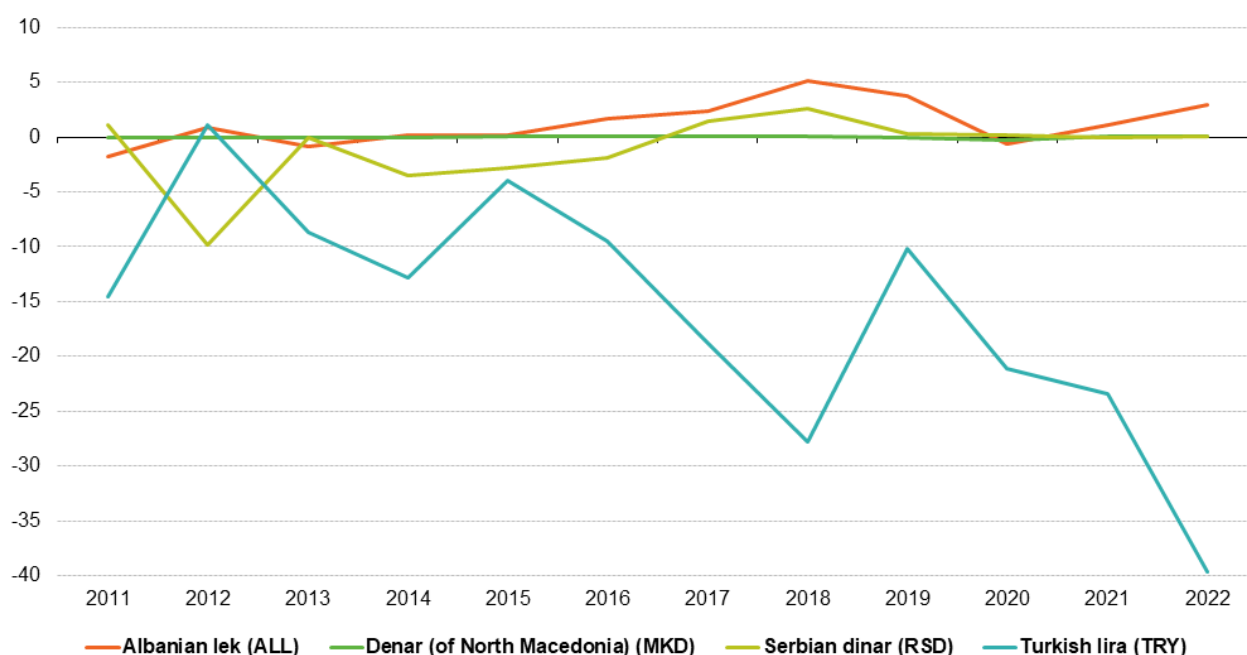
As shown in the footnotes of Figure 2, comparisons are difficult among deposit rates in the Western Balkans and Türkiye. Nevertheless, the deposit rate in Türkiye in 2022, at 16.5 %, was 3.4 **percentage points (pp)** above its average for the 2011-2022 period, which was 13.1 %, and was higher than elsewhere in the region. In Bosnia and Herzegovina, the deposit rate in 2022 was 0.04 %. Excluding Türkiye, the maximum deposit rate in 2022 was in Serbia, at 4.0 %.

Exchange rates

One currency is exchanged for another at the foreign exchange rate. Montenegro and Kosovo have unilaterally adopted the euro as their de facto currency. Bosnia and Herzegovina has fixed its currency to the euro, so that there has been no change in the exchange rate over the period 2011-2022. Annual average changes in the exchange rates against the euro for those Western Balkan and Türkiye economies that have floating currencies, namely Albania, North Macedonia, Serbia and Türkiye, are shown in Figure 3. An appreciation of the currency against the euro during a year is shown as a positive percentage figure; a depreciation as a negative figure.

Euro exchange rates, annual averages, 2011-2022

(% change on previous year)



Note: Montenegro, Bosnia and Herzegovina and Kosovo* have no changes as they either have unilaterally adopted the euro as a de facto domestic currency or their currency has been fixed to the euro.

* This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo Declaration of Independence.

Source: Eurostat (online data code: ert_bil_eur_a)

eurostat 

Figure 3: Euro exchange rates, annual averages, 2011-2022 (% change on previous year) Source: Eurostat (ert_bil_eur_a)

Over the whole period 2011-2022, the Albanian lek appreciated against the euro by 15.8 %. In 2011, it depreciated by -1.8 %. It appreciated throughout the period 2016-2019, notably by 5.1 % in 2018.

Although there is no official North Macedonia exchange rate target, its currency, the denar, maintained a near-stable exchange rate with the euro over the period 2011 to 2022, resulting in an overall depreciation against the euro of only -0.2 %.

The Serbian dinar depreciated against the euro by -12.3 % over the period 2011-2022. Most of this change occurred in 2012, when the dinar fell by -9.9 %. Smaller depreciations continued in 2014-2016, of which the most significant was -3.6 % in 2014. This period was followed by a modest appreciation over 2017-2018. Serbia's exchange rate has since been largely stable against the euro.

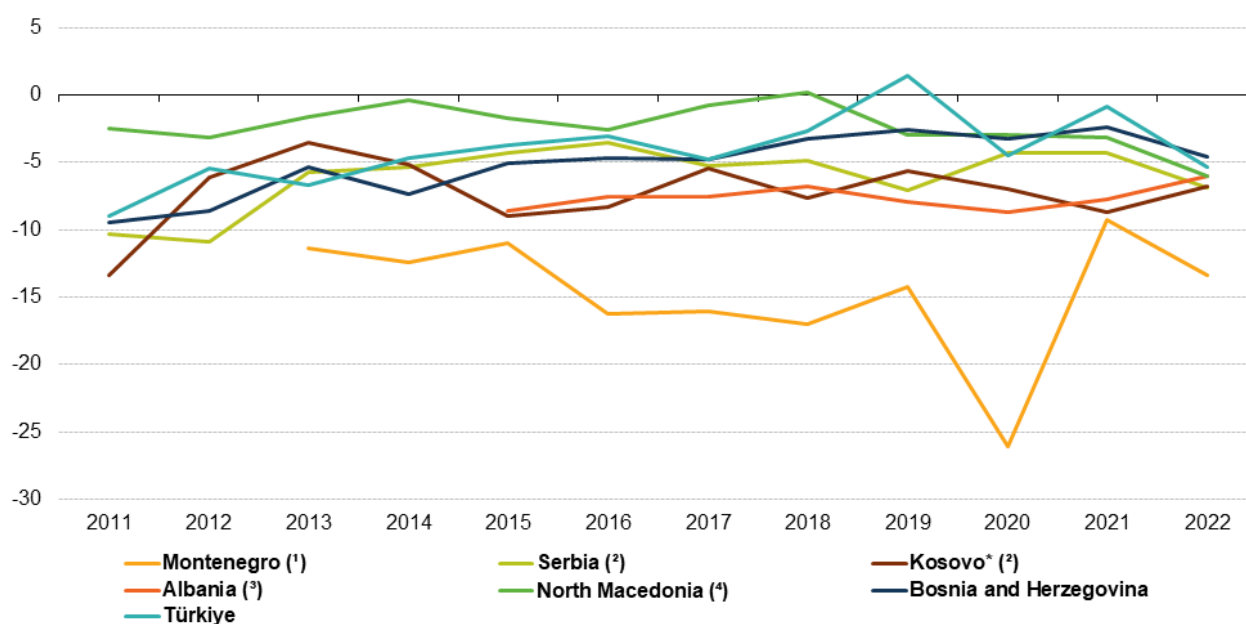
Total depreciation of the Turkish lira against the euro over the period 2011-2022 was -88.5 %. Except in 2012, the lira has depreciated against the euro in every year of the period, most notably by -39.6 % in 2022.

Balance of payments

The current account of the **balance of payments** represents an economy's transactions with the rest of the world concerning merchandise, services, income and other current transfers. It is normal for countries that are very fast growing to run negative balances, which represent borrowing from the rest of the world. Developed countries often run surpluses, which represent building up assets in the rest of the world. A balance of payments deficit that is large compared with the country's nominal GDP growth can lead to financial difficulties. Data for the Western Balkans and Türkiye are illustrated in Figure 4.

Net balance of payments current account, 2011-2022

(% of GDP)



* This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo Declaration of Independence.

(¹) 2011-2012: not available. 2022: provisional.

(²) 2022: provisional.

(³) 2011-2014: not available. 2021: provisional. 2022: estimate.

(⁴) 2021: provisional. 2022: estimate.

Source: Eurostat (online data code: bop_c6_a and nama_10_gdp)

eurostat

Figure 4: Net balance of payments current account, 2011-2022 (% of GDP) Source: Eurostat (bop_c6_a) and (nama_10_gdp)

Data for Montenegro are available for 2013-2022. The average payments deficit over this period was -14.7 % of GDP, the largest among the Western Balkans and Türkiye. In 2013, the payments deficit was -11.4 % of GDP. Since then, there was an almost continual deterioration in the payments deficit up to 2020, when the deficit was -26.1 % of GDP. The 2021 figure was an improved balance of payments deficit equal to -9.2 % of GDP. In common with many other Western Balkan and Türkiye economies, the payments balance deteriorated again in 2022, when it was -13.3 % of GDP (provisional data).

Balance of payments data for Albania are available for 2015-2022. The average over this period was a deficit of -7.6 % of GDP, with the deficits in this period all within a relatively narrow range. The largest balance of payments deficit occurred in 2020, at -8.7 % of GDP; and the smallest in 2022 at an estimated -6.0 %.

Kosovo had an average balance of payments deficit over 2011-2022 of -7.2 % of GDP. A high payments deficit was recorded in 2011, at -13.4 %, the largest over the period. During the rest of the period, the payments deficits fluctuated, the largest being -9.0 % in 2015 and the smallest -3.5 % in 2013. The 2022 payments deficit was -6.8 %

of GDP, provisional data.

In Serbia, the average balance of payments current account deficit over 2011-2022 was -6.1 % of GDP. In 2011 and 2012, the payments deficits were -10.3 % and -10.9 % of GDP, respectively. Since then, the payments deficits diminished markedly, the largest being recorded in 2019, at -7.1 %; and the smallest in 2016 at -3.6 % of GDP. The 2022 provisional observation was a deficit of -6.9 % of GDP, an increase over the previous year.

Bosnia and Herzegovina had an average current account payments deficit of -5.1 % of GDP over the period 2011 to 2022. The deficit has diminished over most of this period: the largest payments deficit was in 2011, at -9.5 % of GDP, while the smallest was in 2021, at -2.4 %. The payments deficit increased again to -4.6 % of GDP in 2022, in common with several other economies in the region.

In Türkiye, the average balance of payments deficit over the period 2011-2022 was -4.1 % of GDP. Other than in 2011, when the payments deficit was -9.0 % of GDP, and 2019, when there was a payments surplus of 1.4 %, the payments deficits ranged between -6.7 % in 2013 and -0.9 % in 2021.

The average balance of payments deficit for North Macedonia over 2011 to 2022 was -2.3 % of GDP, the smallest among the Western Balkan and Türkiye economies. Before 2021, when the deficit was -3.1 %, its deficit exceeded -3 % of GDP on only one occasion, in 2012, at -3.2 %. In 2018, North Macedonia recorded a small payments surplus of 0.2 % of GDP. In 2022, the deficit was estimated at -6.0 %, the largest of the period and an increase from the previous year.

Foreign direct investment

Foreign direct investment (FDI) represents a lasting interest in an enterprise operating in another economy and implies the existence of a long-term relationship between the direct investor and the recipient enterprise. It forms a part of the financial account of the balance of payments. Inflows represent investment in the economy; outflows represent investment by the economy in the rest of the world. Negative values represent disinvestment, which occurs when previous investments are withdrawn from the foreign enterprises; or funds flow back from the foreign company to the parent; or reinvested earnings are negative. Countries that attract considerable inward investment are often themselves investors in other countries.

Table 2 shows outward and inward inflows of foreign direct investment as a percentage of GDP for the Western Balkans and Türkiye for the period 2011-2022. Each of the economies for which data are available had a higher level of FDI inflows than outflows in every year of the period covered. Since investment can be delivered in discrete 'lumps', it is not uncommon for a year of particularly high FDI to be followed by a low year.

Foreign direct investment (FDI) flows, 2011-2022

(% of GDP)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Outward FDI												
Bosnia and Herzegovina (*)	0.0	0.3	0.5	0.1	0.6	0.0	0.5	0.1	0.1	0.3	0.3	:
Montenegro (†)	0.4	0.7	0.4	0.6	0.3	-4.2	0.2	2.0	1.4	-0.1	0.2	0.9
North Macedonia (‡)	0.0	-0.3	0.3	0.1	0.2	0.2	0.0	0.1	0.3	0.4	0.7	:
Albania (*)	0.2	0.2	0.3	0.3	0.3	0.5	0.2	0.5	0.8	0.6	0.4	0.7
Serbia (†)	0.6	0.8	0.7	0.7	0.9	0.6	0.3	0.7	0.6	0.2	0.4	0.2
Türkiye (‡)	0.3	0.5	0.4	0.8	0.6	0.4	0.3	0.5	0.4	0.5	0.8	0.5
Kosovo*	0.1	0.3	0.6	0.5	0.7	0.7	0.7	0.7	0.9	0.9	1.3	:
Inward FDI												
Bosnia and Herzegovina (*)	2.5	2.3	1.7	2.9	2.3	1.8	2.8	2.9	2.2	2.2	2.6	:
Montenegro (†)	12.3	15.2	10.0	10.8	17.2	5.2	11.5	8.9	7.5	11.1	11.9	14.4
North Macedonia (‡)	4.6	1.5	3.1	2.4	2.4	3.5	1.8	5.7	3.5	1.9	4.0	:
Albania (*)	6.8	6.9	9.9	8.4	8.3	9.3	8.8	8.5	8.4	7.3	6.9	5.4
Serbia (†)	10.0	3.0	4.2	4.2	5.9	5.8	6.5	8.1	8.3	6.5	7.3	7.3
Türkiye (‡)	1.9	1.6	1.4	1.4	2.2	1.6	1.3	1.6	1.3	1.1	1.6	1.3
Kosovo*	8.4	4.8	5.5	2.8	5.4	3.6	4.0	4.1	3.6	5.1	5.3	:

(:) not available.

* This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo Declaration of Independence.

Note: Data supplied by and under the responsibility of the national statistical authority.

(†) 2010-2015: Based on IMF balance of payments manual, sixth edition. 2016-2020: Based on IMF balance of payments manual, Asset - Liability Approach.

(‡) 2022: provisional.

(‡) 2021: provisional.

(‡) 2021: provisional. 2022: estimates, January-September.

(*) Average of year exchange rate used to convert to euros. Based on BPM5.

Source: Eurostat (online data code: nama_10_gdp) and Eurostat data collection

eurostat 

Table 2: Foreign direct investment (FDI) flows, 2011-2022 (% of GDP) Source: Eurostat (nama_10_gdp) and Eurostat data collection

Montenegro had an average annual inward foreign direct investment of 11.3 % of GDP over the period 2011-2022, the largest among the Western Balkans and Türkiye. Over this period, the highest value was 17.2 %, in 2015 and the lowest 5.2 % in the following year. In 2022, provisional data, inward FDI was equivalent to 14.4 % of GDP.

The next largest attractor of foreign direct investment as a percentage of GDP was Albania, with an average annual inward FDI over 2011 to 2021 of 8.1 % of GDP. (2022 data only covers 9 months.) The greatest value was 9.9 % in 2013 and the lowest full year value was the 2011 figure of 6.8 % of GDP.

Serbia had an annual average foreign direct investment inflow of 6.4 % over 2011-2022. The period saw a peak of inward FDI in 2011 at 10.0 % of GDP. The following year was a low point for FDI, at 3.0 % of GDP. In 2022, FDI was 7.3 % of GDP, provisional data.

Kosovo's inward foreign direct investment over 2011 to 2021, the most recent year for which data are available, averaged 4.8 % of GDP. The high point occurred in 2011, at 8.4 % of GDP. The lowest year recorded in the period was 2014, when inward FDI was 2.8 % of GDP. In 2021, FDI was 5.3 % of GDP.

North Macedonia had inward foreign direct investment that averaged 3.1 % of GDP over 2011-2021, the most recent year for which data are available. The high point of FDI of 5.7 % of GDP occurred in 2018 and the low point of 1.5 % in 2012. In 2021, inward FDI was 4.0 % of GDP, provisional data.

Bosnia and Herzegovina's inward foreign direct investment averaged 2.4 % of GDP over 2011-2021, the most recent year for which data are available. The highest points of inward FDI, at 2.9 % of GDP, were recorded in both 2014 and 2018, while the low point of 1.7 % was recorded in 2013. In 2021, inward FDI stood at 2.6 % of GDP.

Türkiye had a lower level of inward foreign direct investment than in other economies in the region, at an average of 1.5 % of GDP over 2011-2022. One major reason is its larger size, which provides greater opportunities for domestic investment with a lasting interest. The highest level of inward FDI as a percentage of GDP was 2.2 % in 2015 and the lowest 1.1 % in 2020. The 2022 value of inward FDI was 1.3 % of GDP, provisional data.

Outward foreign direct accounts for a very small percentage of GDP everywhere in the Western Balkans and

Türkiye. Worth noting is Kosovo's average outward FDI flow of 0.7 % of GDP over 2011-2021, the highest in the region. Montenegro had a very large negative outward investment in 2016 of -4.2 % of GDP, representing a repatriation of investment funds. Türkiye's average outward FDI over 2011-2022 represented 0.5 % of its GDP.

Government deficit and debt

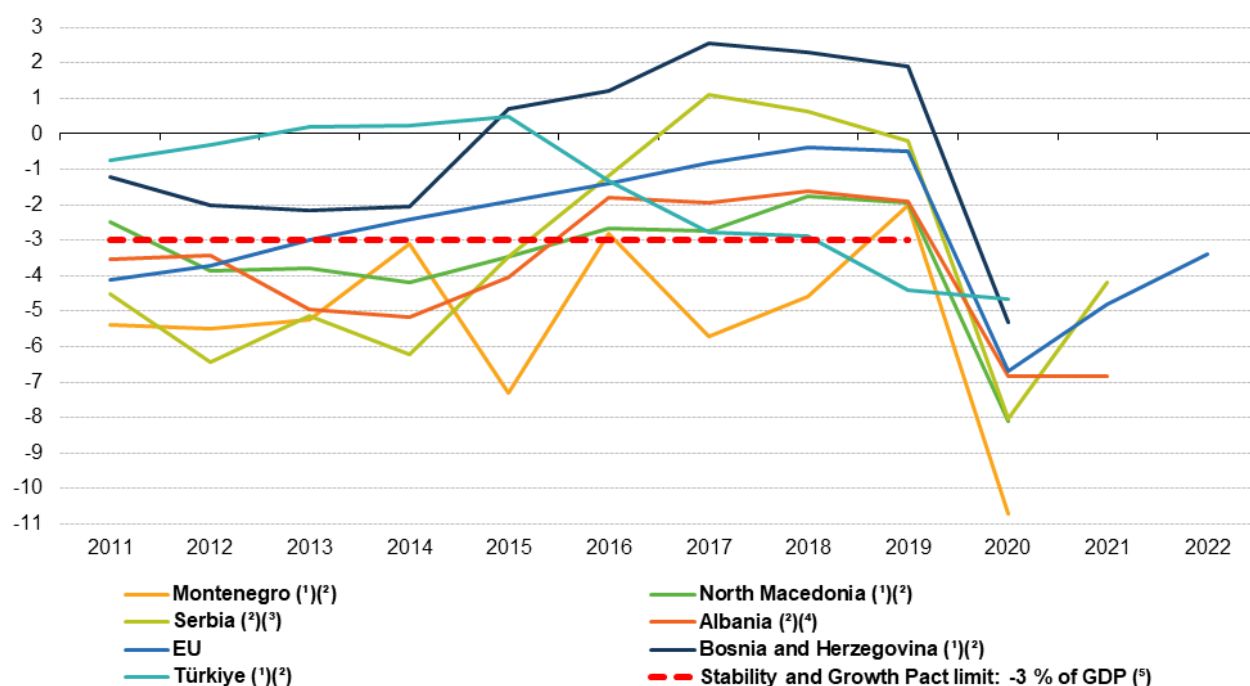
The [general government deficit or surplus](#) measures the difference between government expenditure and receipts, relative to the size of the economy and presented as a percentage of GDP. If the deficit is greater in magnitude than the economy's nominal GDP growth rate, then the country's [government debt](#), the stock of past deficits and surpluses, increases relative to the size of the economy. A large debt burden may mean that a major proportion of government receipts are allocated to interest payments. Many governments attempt to run a small deficit or a surplus in good economic periods, while allowing larger deficits in times of recession. The deficit data are illustrated in Figure 5, except for Kosovo for which data are not available, and that for debt in Figure 6. The two figures should be read together.

The [European system of national and regional accounts \(ESA\)](#) provides the methodology for national accounts and government finance statistics in the EU. Under the terms of the excessive deficit procedure (EDP), EU Member States are required to provide the [European Commission](#) with their government deficit and debt statistics before 1 April and 1 October of each year. From October 2014 onwards, candidate countries were asked to report EDP-related data to Eurostat with the same frequency as EU Member States. This reporting was extended to potential candidates as from October 2018.

The trajectory of government deficits in the Western Balkans and Türkiye over the period 2011 to 2022, or the most recent year for which data are available, can be divided into two periods. During the period 2011-2019, following the 2007-2008 global financial and economic crisis, governments in the Western Balkans and Türkiye attempted to control their public deficits with varying degrees of success. By 2019, all the reporting economies in the region except Türkiye had surpluses or smaller deficits than in 2011. In the years from 2020, the Covid-19 pandemic had a negative impact on most government deficits and debt.

General government deficit/surplus, 2011-2022

(% of GDP)



Note: the government deficit data of the Western Balkans and Türkiye are published on an 'as is' basis and without any assurance as regards their quality and adherence to ESA rules. Kosovo*: not available.

* This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo Declaration of Independence.

Data are ranked based on 2020.

(¹) 2021: not available.

(²) 2022: not available

(³) 2018-2019, 2021: estimates.

(⁴) 2020: forecast.

(⁵) Suspended 2020-2023.

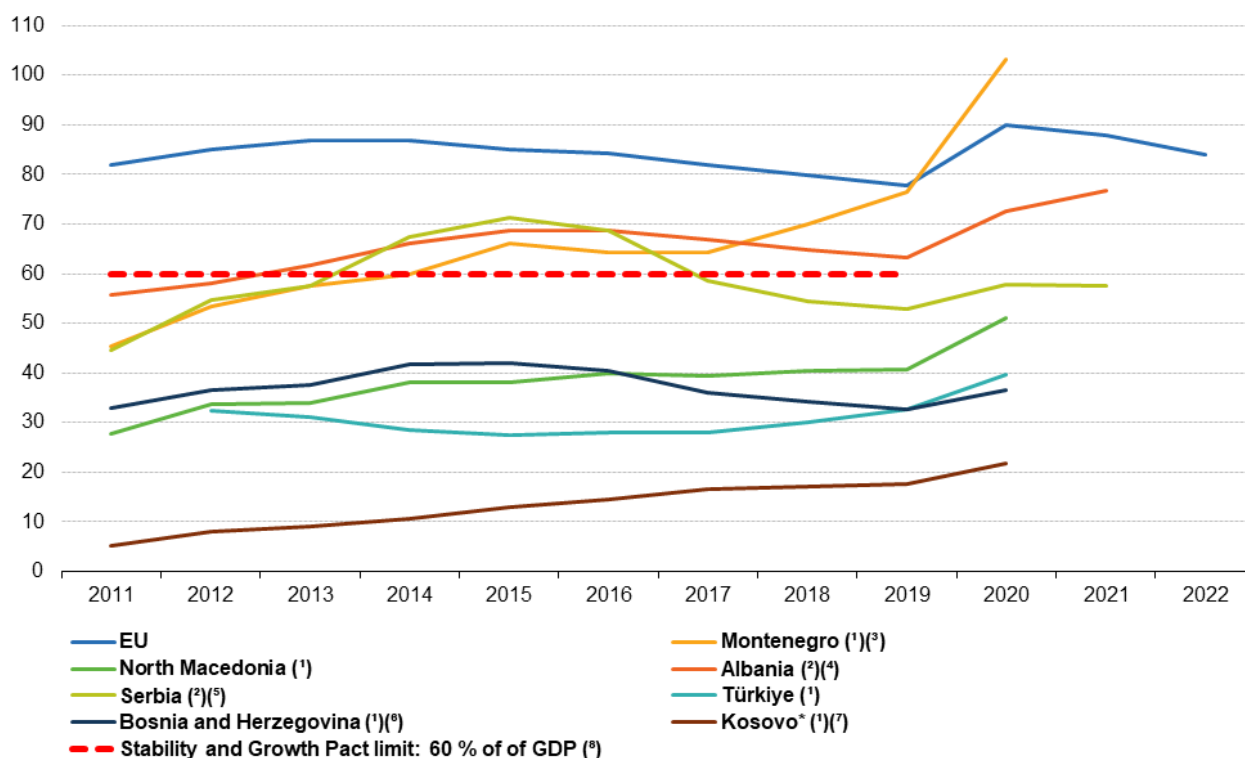
Source: Eurostat (online data code: gov_10dd_edpt1) and Eurostat data collection

eurostat 

Figure 5: General government deficit/surplus, 2011-2022 (% of GDP) Source: Eurostat (gov_10dd_edpt1) and Eurostat data collection

General government consolidated gross debt, 2011-2022

(% of GDP)



Note: the government debt data of the Western Balkans and Türkiye are published on an 'as is' basis and without any assurance as regards their quality and adherence to ESA rules.

* This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo Declaration of Independence.

Data are ranked based on 2020.

(1) 2021-2022: not available.

(2) 2022: not available.

(3) 2018: estimate.

(4) 2021: forecast.

(5) 2018-2019, 2021: estimates.

(6) End of year.

(7) 2011-2018: estimates.

(8) Suspended 2020-2023.

Source: Eurostat (online data code: gov_10dd_edpt1) and Eurostat data collection

eurostat

Figure 6: General government consolidated gross debt, 2011-2022 (% of GDP) Source: Eurostat (gov_10dd_edpt1) and Eurostat data collection

Bosnia and Herzegovina was successful in controlling their government deficits in the sub-period 2011 to 2019. The government surplus in Bosnia and Herzegovina averaged 0.1 % of GDP during this period. The largest deficit during this sub-period occurred in 2013, at -2.2 % of GDP. In 2017, the government surplus reached 2.6 % of GDP. The trend over 2011-2019 led to a marginal improvement in the debt ratio of 0.1 percentage points, the best outcome among the Western Balkans and Türkiye. In 2020, the government deficit increased to -5.3 % of GDP. The debt level in that year was 36.6 % of GDP. Data are not available for 2021 or 2022.

Türkiye limited its average deficit to -1.3 % of GDP over the sub-period 2011 to 2019, including minor surpluses in the years 2013-2015. In 2019 the deficit widened to -4.4 % of GDP. The ratio of debt to GDP went from 32.4 % of GDP in 2012 (the first year for which data are available) to 27.4 % in 2015, before increasing to 32.7 % of GDP in 2019. The 2020 government deficit widened marginally to -4.7 % of GDP, while the debt ratio to GDP was 39.8 %. The 2020 deficit outcome made Türkiye an exception among these economies, with by far the lowest decline in government deficit that year. Data are not available for subsequent years.

Serbia's average government deficit was -2.8 % of GDP over 2011-2019. This period included a maximum deficit of -6.4 % of GDP in 2012 and a surplus of 1.1 % of GDP in 2017. The debt ratio in 2019 was 52.9 % of GDP, an increase of 8.2 pp of GDP from 2011. In 2020, the government deficit widened again to -8.0 % of GDP, followed by a further deficit of -4.2 % of GDP in 2021. In that year, the debt ratio was 57.5 % of GDP.

Kosovo data are available only for government debt to 2020 and not for its annual deficit or surplus. Over 2011-2019, Kosovo's debt ratio increased by a total of 12.2 percentage points, so that the 2019 debt ratio was 17.5 % of GDP. In 2020, the debt ratio was 21.8 % of GDP, the lowest among the Western Balkans and Türkiye.

North Macedonia's average deficit was similar to Serbia over the period 2011-2019, at an average of -3.0 % of GDP. The minimum deficit occurred in 2018, at -1.8 % and the maximum in 2014, at -4.2 %. Over 2011-2019, debt increased by 13.0 percentage points of GDP to arrive at a 2019 debt level of 40.7 % of GDP. In 2020, the deficit widened to -8.1 % and the government debt level increased to 51.2 % of GDP. Data are not available for 2021 and 2022.

Albania's government deficit averaged -3.2 % of GDP over the period 2011-2019, reaching its lowest point in 2014 at -5.2 % and its minimum deficit at -1.6 % in 2018. The government debt level deteriorated by 7.6 percentage points to a 2019 ratio of 63.3 %. The deficit in 2020 was -6.8 % of GDP. The debt ratio in 2020 was 72.7 % of GDP. In 2021, the deficit was again -6.8 % and the debt ratio was forecast at 76.7 % of GDP.

Montenegro had the greatest difficulty among the Western Balkans and Türkiye in restraining its government deficit during 2011-2019. In this period, the deficit averaged -4.6 % of GDP. It reached its greatest magnitude for this period at -7.3 % of GDP in 2015. In 2019, it was at its minimum of -2.0 %. Over 2011-2019, the debt ratio deteriorated by 31.1 percentage points to 76.5 % of GDP. In 2020, the deficit was -10.7 % of GDP and the debt ratio increased to 103.1 % of GDP, by far the highest among the Western Balkans and Türkiye. Data are not available for subsequent years.

The EU general government deficit was an average of -2.0 % of GDP over 2011-2019. During this period, its largest deficit was equal to -4.1 % of GDP in 2011 and its smallest -0.4 % in 2018. During this time, the debt ratio improved by 4.1 pp to 77.7 % of GDP. The Covid-19 pandemic resulted in 2020 in the EU's largest magnitude deficit since 2011, at -6.7 % of GDP. This was followed by further deficits in both 2021 and in 2022, at -4.8 % and -3.4 %, respectively. In parallel, the debt ratio deteriorated to 84.0 % of GDP in 2022.

Source data for tables and graphs

- [Enlargement countries — price and finance statistics: tables and figures](#)

Data sources

The Western Balkans and Türkiye are not at the same level of development and are progressing towards an efficient and modern statistical system at different speeds. In a number of areas, Western Balkans and Türkiye are in a position to provide harmonised data in accordance with the EU acquis with respect to methodology, classifications and procedures for data collection and the principles of official statistics as laid down in the [European statistics Code of Practice](#). In these cases, the Western Balkan and Türkiye authorities concerned report their data to Eurostat following the same procedures and under the same quality criteria as the EU Member States and the EFTA countries. Data from the Western Balkans and Türkiye that meet these quality requirements are published along with data for EU Member States and EFTA countries.

In addition, the Western Balkans and Türkiye provide data for a wide range of indicators for which they do not yet fully adhere to the quality requirements specified in the EU acquis and the methodology, classifications and procedures for data collection specified in the relevant Regulations, Directives and other legal documents. These data are collected on an annual basis through a questionnaire sent by Eurostat to the Western Balkans and Türkiye. A network of contacts has been established for updating these questionnaires, generally within the national statistical offices, but potentially including representatives of other data-producing organisations (for example, central banks or government ministries). This annual exercise also provides an opportunity to provide methodological recommendations to the enlargement countries.

The [European system of national and regional accounts \(ESA\)](#) provides the methodology for national accounts in the EU. Data for the EU and the Western Balkans and Türkiye were compiled under [ESA 2010](#), which is consistent with worldwide guidelines for national accounts, namely, the [United Nations' system of national accounts](#) (the 2008 SNA).

The HICP data are calculated by the national statistical institutes and reported to the corresponding production unit in Eurostat. Data are available for the EU and the European Economic Area (EEA), as well as for North Macedonia, Serbia and Türkiye.

Tables in this article use the following notation:

Value <i>in italics</i>	data value is forecasted, provisional or estimated and is therefore likely to change;
:	not available.

Context

Statistics on prices and finance illustrate the macroeconomic environment, in particular inflation and government and external payments deficits or surpluses, and so provide the framework for government policy decisions. Foreign direct investment statistics provide a measure of the attractiveness of a country as an investment destination. The global financial and economic crisis resulted in serious challenges being posed to many European governments. The main concerns were linked to the ability of national administrations to be able to service their debt repayments, take the necessary action to ensure that their public spending was brought under control, while at the same time trying to promote economic growth.

Within the EU, multilateral economic surveillance was introduced through the [stability and growth pact](#) , which provides for the coordination of fiscal policies. Economic and financial statistics have become one of the cornerstones of governance at a global and European level, for example, to analyse national economies during the global financial and economic crisis or to put in place EU initiatives such as the [European semester](#) , designed to promote discussions concerning economic and budgetary priorities, or the [macroeconomic imbalance procedures \(MIP\)](#) .

Information concerning the current statistical legislation on Harmonised Indices of Consumer Prices (HICP), Balance of Payments (BoP), government finance and EDP statistics can be found here:

- [Harmonised Indices of Consumer Prices \(HICP\)](#)
- [Balance of Payments \(BoP\)](#)
- [Government finance statistics and EDP statistics](#)

While basic principles and institutional frameworks for producing statistics are already in place, the Western Balkans and Türkiye are expected to increase progressively the volume and quality of their data and to transmit these data to Eurostat in the context of the EU enlargement process. EU standards in the field of statistics require the existence of a statistical infrastructure based on principles such as professional independence, impartiality, relevance, confidentiality of individual data and easy access to official statistics; they cover methodology, classifications and standards for production.

Eurostat has the responsibility to ensure that statistical production of the Western Balkans and Türkiye complies with the EU [acquis](#) in the field of statistics. To do so, Eurostat supports the national statistical offices and other producers of official statistics through a range of initiatives, such as pilot surveys, training courses, traineeships, study visits, workshops and seminars, and participation in meetings within the [European Statistical System \(ESS\)](#) . The ultimate goal is the provision of harmonised, high-quality data that conforms to European and international standards.

Additional information on statistical cooperation with the Western Balkans and Türkiye is provided [here](#) .

Other articles

- [All articles on non-EU countries](#)
- [Statistical cooperation](#) — online publication
- [Enlargement countries — statistical overview](#) — online publication
- [Inflation in the euro area](#)
- [Exchange rates and interest rates](#)
- [Government finance statistics](#)
- [All articles on Government finance statistics](#)

Publications

- **Statistical books/pocketbooks**

[Key figures on enlargement countries](#) — 2019 edition

[Key figures on enlargement countries](#) — 2017 edition

[Key figures on the enlargement countries](#) — 2014 edition

- **Factsheets**

[Basic figures on the candidate countries and potential candidates — Factsheets](#) — 2023 edition

[Basic figures on Western Balkans and Türkiye — Factsheets](#) — 2022 edition

[Basic figures on enlargement countries — Factsheets](#) — 2021 edition

- **Leaflets**

[Basic figures on enlargement countries](#) — 2019 edition

[Basic figures on enlargement countries](#) — 2018 edition

[Basic figures on enlargement countries](#) — 2016 edition

Database

- [Government statistics \(gov\)](#) , see:

Government finance statistics (EDP and ESA2010) (gov_gfs10)

Government deficit and debt (gov_10dd)

- [Harmonised index of consumer prices \(HICP\) \(prc_hicp\)](#) , see:

HICP (2015 = 100) - annual data (average index and rate of change) (prc_hicp_aind)

- [Balance of payments - international transactions \(bop\)](#) , see:

European Union direct investments (bop_fdi)

- [Balance of payments - international transactions \(BPM6\) \(bop_6\)](#) , see:

Balance of payments by country - annual data (BPM6) (bop_c6_a)

- [Exchange rates \(ert\)](#) , see:

Bilateral exchange rates (ert_bil)

Euro/ECU exchange rates (ert_bil_eur)

Dedicated section

- [Enlargement countries](#)
- [Government finance statistics](#)
- [Harmonised Index of Consumer Prices \(HICP\)](#)
- [Balance of payments](#)
- [Foreign direct investments \(FDI\)](#)
- [Exchange and interest rates](#)

Methodology

- [Harmonised index of consumer prices \(HICP\)](#) (ESMS metadata file — `prc_hicp`)
- [Balance of payments - International transactions](#) (ESMS metadata file — `bop`)
- [European Union direct investments \(BPM6\)](#) (ESMS metadata file — `bop_fdi6`)
- [Government deficit and debt](#) (ESMS metadata file — `gov_10dd`)
- [Euro/ECU exchange rates](#) (ESMS metadata file — `ert_bil_eur`)

External links

- [European Commission — European Neighbourhood Policy and Enlargement Negotiations](#)
- [European Commission — Economic and Financial Affairs](#)
- [European Commission — Priorities](#)
- [European Commission — Stability and growth pact](#)
- [IMF: sixth edition of the balance of payments manual](#)

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