

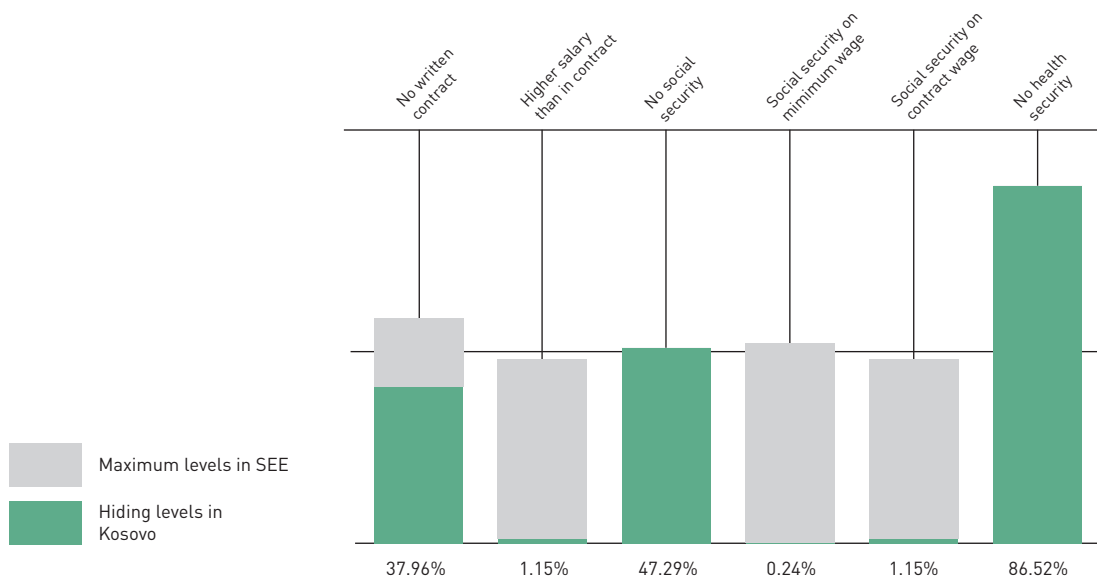
# HIDDEN ECONOMY FACT SHEET: KOSOVO

Data as of: June 2016.

SOURCE: SELDI, HIDDEN ECONOMY AND GOOD GOVERNANCE IN SOUTHEAST EUROPE: REGIONAL ASSESSMENT REPORT 2016.

## KEY HIDDEN ECONOMY INDICATORS

Hidden economy is driven by the extremely low efficiency of institutions, despite the lowest tax rates in Southeast Europe. It is reinforced by high youth unemployment and a high share of remittances in GDP.



## WAGE PREMIUM IN THE FORMAL ECONOMY OVER THE HIDDEN ECONOMY

High levels of hiding contracts, and withholding social and health security payments and income tax indicate a non-functioning state. Hidden employment earns 9% more than formal employment.

