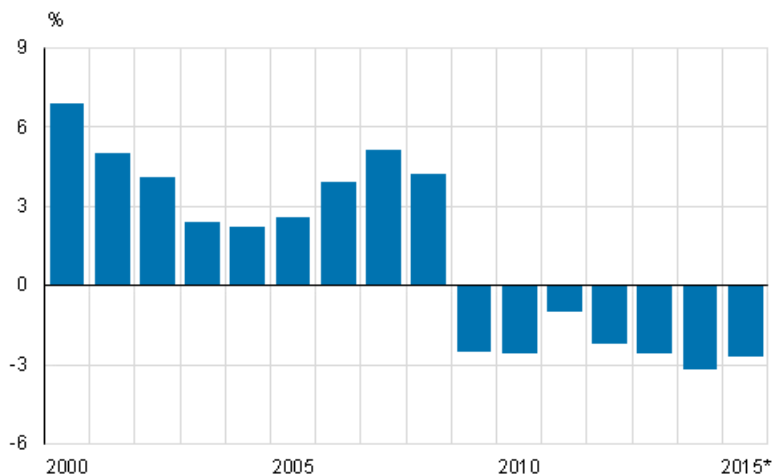


# General government deficit and debt 2015

## General government deficit 2.7 per cent and debt 63.1 per cent relative to GDP in 2015

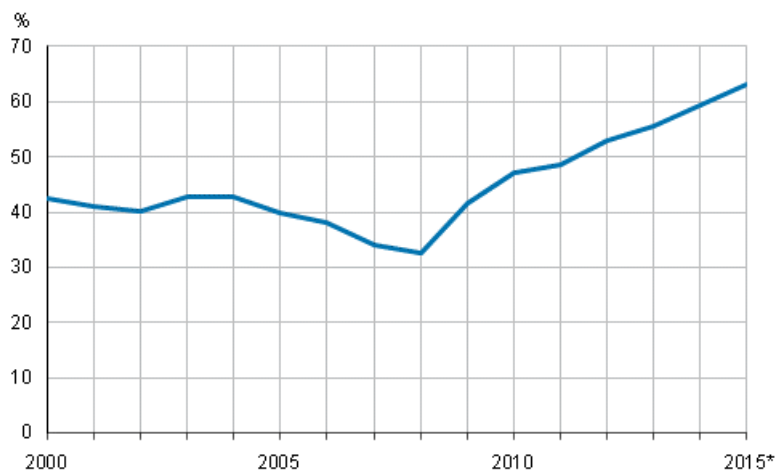
According to the preliminary data reported by Statistics Finland to Eurostat, general government deficit was 2.7 per cent relative to gross domestic product in 2015. Thus, the deficit was below the reference values of the European Union's Stability and Growth Pact, which is three per cent relative to gross domestic product. In contrast, general government EDP debt, or consolidated gross debt, now rose above the reference value of 60 per cent, and was 63.1 per cent relative to GDP in 2015.

### General government EDP deficit (-), ratio to GDP



In 2015, general government deficit, or net borrowing according to national accounts, was EUR 5.7 billion. Compared to 2014, the financial position of general government improved by EUR 850 million. From the year before, central government deficit decreased by EUR 1,372 million and local government deficit by EUR 187 million. Social security funds are divided into employment pension schemes and other social security funds. As in the previous years, the surplus of employment pension schemes decreased, now by EUR 541 million. Other social security funds showed a deficit for the second year in a row. Their financial position weakened by EUR 168 million from the year before and was EUR -823 million in 2015.

## General government EDP debt, ratio to GDP



Consolidated general government gross debt (EDP debt) amounted to EUR 130.7 billion at the end of 2015. The debt grew by EUR 9.0 billion in 2015. Central government accounted for EUR 7.2 billion of the growth in consolidated debt, local government for EUR 0.9 billion and social security funds for EUR 0.8 billion. The EDP debt describes general government's debt to the other sectors of the economy and to the rest of the world, and its development is influenced by changes in both the unconsolidated gross debt and the internal general government debt.

Preliminary data on general government deficit and debt in 2015 was released for the first time on 16 March 2016 in the National Accounts and statistics on general government debt by quarter. The now published data are the same so no revisions occurred.

Eurostat will verify the deficit and debt figures reported by the Member States over the following weeks. In this process, changes may be made to the figures reported by Statistics Finland. In that case, the updated figures will be released on the pages of these statistics on 21 April, on the same day that Eurostat will publish the data.

## About the content and concepts of the statistics

General government surplus/deficit refers to net lending/borrowing according to the sector accounts of national accounts, which is the difference between the total revenue and expenditure. For instance, in the case of local government, the concept differs from the surplus/deficit of the accounting period according to the profit and loss accounts of municipalities and joint municipal authorities included in the sector. The key difference concerns investments, which are recorded in national accounts as expenditure as such.

In general government accounts, the European Financial Stability Facility EFSF is, based on Eurostat's decision, handled so that the EFSF's borrowing is recorded as part of the gross government debt of the countries that have provided guarantees. The loan received by the beneficiary country from EFSF is recorded as if it had been received from the countries in the euro area that have provided guarantees and these countries in turn owe the corresponding amount to EFSF. As a result, the EDP gross debt of the countries that provided guarantees grows but the net debt remains unchanged because the countries have a similar receivable from the beneficiary country. The gross government debt to be recorded for each country on the loans granted by the EFSF is calculated by dividing the loan granted to the beneficiary country by the contribution key (based on the share in the ECB's capital of each country participating in the support operations).

At the end of 2015, EUR 3,401 million were recorded in Finland's general government debt as debt based on loans granted by the EFSF and the corresponding amount at the end of 2014 was EUR 3,611 million. Corresponding treatment does not apply to the European Stability Mechanism (ESM).

Central government's EDP debt differs as a concept from the central government debt published by the State Treasury. Central government's EDP debt includes loans granted to beneficiary counties by the European Financial Stability Facility EFSF, received cash collaterals related to derivative contracts, the capital of the Nuclear Waste Management Fund, debts generated from investments in central government's PPP (public-private partnership) projects, and coins that are in circulation. In national accounts, central government is also a broader concept than the budget and financial economy, in addition to which it includes, for example, universities, Solidium, the Finnish Broadcasting Company and Senate Properties. When these differences are taken into consideration we reach the central government non-consolidated gross debt in accordance with the EDP concept (Appendix table 3), i.e. in 2015, the State Treasury's central government debt EUR 99.8 billion + conceptual differences of the debt EUR 11.2 billion + differences caused by the sector delimitation EUR 3.4 billion = central government non-consolidated gross debt EUR 114.4 billion. The valuation principle for both debt concepts is the nominal value, where the effect of currency swaps is taken into account.

A list of units belonging to general government (only in Finnish) can be found at [http://www.stat.fi/meta/luokitukset/\\_linkki/julkisyhteisot.html](http://www.stat.fi/meta/luokitukset/_linkki/julkisyhteisot.html). Decisions on major sector classification cases (only in Finnish) are available at [http://www.stat.fi/meta/luokitukset/\\_linkki/soveltamisp.html](http://www.stat.fi/meta/luokitukset/_linkki/soveltamisp.html)

# Contents

## Tables

### Appendix tables

Appendix table 1. General government EDP deficit 2006–2015.....	5
Appendix table 2. General government EDP debt 2006–2015.....	6
Appendix table 3. General government non-consolidated gross debt and EDP debt 2006–2015, billion EUR.....	6
Revisions in these statistics.....	7

# Appendix tables

**Appendix table 1. General government EDP deficit 2006–2015<sup>1)</sup>**

	Million EUR				Ratio to GDP, %			
	Central government	Local government	Social security funds	Total	Central government	Local government	Social security funds	Total
2006	-312	-565	7 663	6 786	-0.2	-0.3	4.4	3.9
2007	1 736	-332	8 173	9 577	0.9	-0.2	4.4	5.1
2008	997	-750	7 851	8 098	0.5	-0.4	4.1	4.2
2009	-8 256	-1 130	4 809	-4 577	-4.6	-0.6	2.7	-2.5
2010	-9 951	-407	5 475	-4 883	-5.3	-0.2	2.9	-2.6
2011	-6 402	-1 057	5 403	-2 056	-3.3	-0.5	2.7	-1.0
2012	-7 401	-2 134	5 173	-4 362	-3.7	-1.1	2.6	-2.2
2013	-7 579	-1 467	3 731	-5 315	-3.7	-0.7	1.8	-2.6
2014*	-7 710	-1 572	2 736	-6 546	-3.8	-0.8	1.3	-3.2
2015*	-6 338	-1 385	2 027	-5 696	-3.1	-0.7	1.0	-2.7

1) A negative value shows deficit, a positive value surplus.

**Appendix table 2. General government EDP debt 2006–2015**

	Million EUR				Ratio to GDP, %			
	Central government	Local government	Social security funds	Total	Central government	Local government	Social security funds	Total
2006	57 934	7 959	1	65 894	33.6	4.6	0.0	38.2
2007	55 058	8 366	1	63 425	29.5	4.5	0.0	34.0
2008	54 550	8 703	1	63 254	28.2	4.5	0.0	32.7
2009	65 510	9 970	2	75 482	36.2	5.5	0.0	41.7
2010	77 573	10 586	1	88 160	41.5	5.7	0.0	47.1
2011	84 061	11 428	1	95 490	42.7	5.8	0.0	48.5
2012	92 779	13 007	2	105 788	46.4	6.5	0.0	52.9
2013	97 885	14 911	1	112 797	48.1	7.3	0.0	55.5
2014*	104 680	16 846	257	121 783	51.0	8.2	0.1	59.3
2015*	111 924	17 756	1 066	130 746	54.0	8.6	0.5	63.1

**Appendix table 3. General government non-consolidated gross debt and EDP debt 2006–2015, billion EUR**

	2006	2007	2008	2009	2010	2011	2012	2013	2014*	2015*
A. General government non-consolidated gross debt:	70.4	68.3	68.2	80.1	92.6	101.9	111.4	118.4	126.4	134.2
- Central government	61.1	58.6	57.9	68.5	80.5	89.1	97.0	102.0	108.4	114.4
- Local government	9.3	9.7	10.3	11.6	12.1	12.8	14.5	16.4	17.8	18.6
- Social security funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.3	1.1
B. General government internal debt	4.6	4.9	5.0	4.6	4.4	6.4	5.7	5.6	4.6	3.4
A-B. General government consolidated EDP-debt:	65.9	63.4	63.3	75.5	88.2	95.5	105.8	112.8	121.8	130.7
- Central government	57.9	55.1	54.6	65.5	77.6	84.1	92.8	97.9	104.7	111.9
- Local government	8.0	8.4	8.7	10.0	10.6	11.4	13.0	14.9	16.8	17.8
- Social security funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.3	1.1

# Revisions in these statistics

## Revision of general government EDP-deficit and debt 2011–2014, million EUR

	Statistical year	Latest release	1. release <sup>1)</sup>	Revision, latest minus first
Deficit	2011	-2 056	-1 999	-57
	2012	-4 362	-4 186	-176
	2013	-5 315	-4 868	-447
	2014	-6 546	-6 970	424
Debt	2011	95 490	95 490	0
	2012	105 788	105 541	247
	2013	112 797	112 664	133
	2014	121 783	121 050	733

1) The years 2011 to 2013: 30 September 2014, when data according to ESA 2010 were published in the statistics. The year 2014: deficit: National accounts 2 March 2015. The year 2014: debt: General government debt by quarter 2 March 2015.

## Inquiries

Niina Suutarinen           029 551 2307  
Jukka Hytönen            029 551 3484  
Director in charge:  
Ville Vertanen

[financial.accounts@stat.fi](mailto:financial.accounts@stat.fi)  
[www.stat.fi](http://www.stat.fi)

Source: General government deficit and debt. Statistics Finland