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By the end of April 2021, the Government's Consolidated Fund reported a deficit of €613.7 million.

Government Finance Data: January-April 2021

In the first four months of 2021, Recurrent Revenue amounted to €1,368.3 million, 17.2 per cent higher than the €1,167.6 million reported a year earlier. The largest increase was recorded under Income Tax (€122.2 million), followed by Social Security (€59.7 million), Value Added Tax (€48.2 million), Fees of Office (€14.7 million) and Reimbursements (€1.6 million). The rise in revenue was partially offset by decreases under Miscellaneous Receipts (€15.9 million), Grants (€12.2 million), Licences, Taxes and Fines (€6.4 million), Rents (€5.8 million), Customs and Excise Duties (€4.3 million) and Dividends on Investments (€1.2 million).

By the end of April 2021, total expenditure stood at €1,981.9 million, 11.7 per cent higher than the previous year.

During the reference period, Recurrent Expenditure totalled €1,751.9 million, a rise of €260.7 million in comparison to the €1,491.2 million reported by the end of April 2020. The main contributor to this increase was a €173.9 million rise reported under Programmes and Initiatives. Furthermore, increases were also witnessed under Personal Emoluments (€66.1 million), Operational and Maintenance Expenses (€16.0 million) and Contributions to Government Entities (€4.7 million). The largest development in the Programmes and Initiatives category is related to the Pandemic assistance scheme (€129.4 million), which includes the COVID-19 Business Assistance Programme. Other increases under Programmes and Initiatives were reported under Hospital concession agreements (€31.0 million), Social security benefits (€14.3 million), Church schools (€8.7 million) and St Vincent de Paul Residence service contract (€6.2 million).

The interest component of the public debt servicing costs totalled €59.7 million, a decrease of €2.1 million when compared to the previous year.

By the end of April 2021, Government's capital spending amounted to €170.4 million, €51.5 million lower than 2020. The drop largely resulted from the reclassification of the COVID-19 Business Assistance Programme (€50.0 million), which featured under Capital Expenditure between March and December 2020 but is now classified under Recurrent Expenditure.

The difference between total revenue and expenditure resulted in a deficit of €613.7 million being reported in the Government's Consolidated Fund at the end of April 2021. Compared to the same period in 2020, there was an increase in deficit of €6.5 million. This difference mirrors an increase in total expenditure, consisting of Recurrent Expenditure (€260.7 million), Interest (-€2.1 million) and Capital Expenditure (-€51.5 million), partially offset by a rise in recurrent revenue (€200.6 million) (Table 1). Changes in expenditure and revenue reflect developments related to COVID-19.

At the end of April 2021, Central Government debt stood at €7,357.8 million, a €1,421.5 million rise from 2020. Increases reported under Malta Government Stocks (€932.0 million) and Foreign Loans (€242.9 million) were the main contributors to the rise in debt. The latter increase in debt was a result of the €243.0 million EU loan from the temporary Support to mitigate Unemployment Risks in an Emergency (SURE) instrument. Higher debt was also reported under Treasury Bills (€157.8 million), the 62+ Malta Government Savings Bond (€90.5 million) and Euro coins issued in the name of the Treasury (€0.8 million). Finally, lower holdings by government funds in Malta Government Stocks resulted in a decrease in debt of €2.4 million (Table 3) ■

Statistics in this News Release should be interpreted in the context of the COVID-19 situation.

Table 1. Revenue/Expenditure categories by period and description

Description	Jan-Apr 2019	Jan-Apr 2020	Jan-Apr 2021	Jan-Apr 2021 / Jan-Apr 2020	
				Change	% change
	€ 000				
(a) Total Recurrent Revenue	1,387,711	1,167,601	1,368,250	200,649	17.2
Customs and Excise Duties	98,057	74,062	69,763	-4,299	
Licences, Taxes and Fines	129,845	104,468	98,092	-6,376	
Income Tax	454,446	345,406	467,629	122,222	
Value Added Tax	267,127	235,195	283,414	48,218	
Fees of Office	23,095	13,918	28,601	14,683	
Reimbursements	13,601	8,395	9,982	1,587	
Central Bank of Malta	15,000	15,000	15,000	0	
Rents	12,761	12,749	6,924	-5,826	
Dividends on Investment	3,200	7,410	6,250	-1,160	
Interest on loans made by Government	18	1	0	0	
Social Security	298,833	276,790	336,492	59,702	
Grants	57,074	33,555	21,326	-12,228	
Miscellaneous Receipts	14,655	40,652	24,778	-15,874	
(b) Total Expenditure	1,531,697	1,774,748	1,981,926	207,178	11.7
<i>Recurrent Expenditure</i>	1,321,131	1,491,197	1,751,905	260,708	17.5
Personal Emoluments	295,051	299,720	365,790	66,070	
Operational and Maintenance Expenses	73,700	67,981	83,990	16,009	
Programmes and Initiatives	797,485	917,689	1,091,616	173,927	
Contributions to Government Entities	154,895	205,807	210,510	4,703	
<i>Interest</i>	66,161	61,725	59,663	-2,062	-3.3
<i>Capital Expenditure</i>	144,405	221,826	170,358	-51,468	-23.2
(a-b) Consolidated Fund Surplus/Deficit	-143,986	-607,147	-613,676	-6,529	1.1
(c) Financial Transactions					
<i>Revenue</i>					
Loans	179,713	400,000	423,000	23,000	
Repayment of Loans	0	0	0	0	
Receipts from Sale of Shares	889	889	889	0	
Other extraordinary receipts	0	0	0	0	
<i>Expenditure</i>					
Contribution to Sinking Fund	10,000	0	0	0	
Equity Acquisition	308	26,980	0	-26,980	
Repayment of Loan	41,352	159,543	1,049	-158,493	
Loans	0	0	0	0	

Note: Totals may not add up due to rounding.

Table 2. Revenue/Expenditure categories by month and description

Description	April 2019	April 2020	April 2021	April 2021 / April 2020	
				Change	% change
				€ 000	
(a) Total Recurrent Revenue	373,176	241,991	455,024	213,033	88.0
Customs and Excise Duties	21,785	12,137	14,888	2,751	
Licences, Taxes and Fines	35,677	17,513	35,564	18,051	
Income Tax	189,044	104,384	185,033	80,650	
Value Added Tax	27,124	3,662	32,555	28,893	
Fees of Office	6,969	2,843	7,869	5,026	
Reimbursements	2,615	344	846	502	
Central Bank of Malta	0	0	0	0	
Rents	3,014	2,547	3,754	1,207	
Dividends on Investment	0	3,750	5,250	1,500	
Interest on loans made by Government	0	0	0	0	
Social Security	78,357	61,144	139,654	78,510	
Grants	6,070	8,171	15,866	7,695	
Miscellaneous Receipts	2,520	25,497	13,744	-11,753	
(b) Total Expenditure	382,947	537,410	502,945	-34,465	-6.4
<i>Recurrent Expenditure</i>	328,072	455,925	439,824	-16,101	-3.5
Personal Emoluments	72,141	74,455	84,281	9,827	
Operational and Maintenance Expenses	17,681	20,859	12,377	-8,482	
Programmes and Initiatives	198,154	297,777	283,973	-13,804	
Contributions to Government Entities	40,096	62,835	59,193	-3,642	
<i>Interest</i>	16,462	16,811	15,292	-1,518	-9.0
<i>Capital Expenditure</i>	38,412	64,674	47,828	-16,845	-26.0
(a-b) Consolidated Fund Surplus/Deficit	-9,771	-295,419	-47,921	247,498	-83.8
(c) Financial Transactions					
<i>Revenue</i>					
Loans	0	300,000	0	-300,000	
Repayment of Loans	0	0	0	0	
Receipts from Sale of Shares	0	0	0	0	
Other extraordinary receipts	0	0	0	0	
<i>Expenditure</i>					
Contribution to Sinking Fund	10,000	0	0	0	
Equity Acquisition	0	13,020	0	-13,020	
Repayment of Loan	157	158,777	0	-158,777	
Loans	0	0	0	0	

Note: Totals may not add up due to rounding.

Table 3. Central Government debt by month and description

Description	April 2019	April 2020	April 2021	April 2021 / April 2020	
				Change	% change
Total Central Government Debt	5,502,972	5,936,363	7,357,840	1,421,476	23.9
<i>of which:</i>					
Treasury Bills	341,800	662,000	819,750	157,750	
Malta Government Stocks	4,891,999	5,011,085	5,943,084	931,999	
62+ Malta Government Savings Bond	291,693	288,634	379,096	90,462	
Foreign Loans	1,026	903	243,779	242,877	
Sinking funds investments in Government Debt	-108,153	-115,453	-117,853	-2,400	
Euro coins issued in the name of the Treasury	84,607	89,196	89,984	788	

Note: Totals may not add up due to rounding.

Chart 1. Consolidated Fund Surplus/Deficit: January to April by year

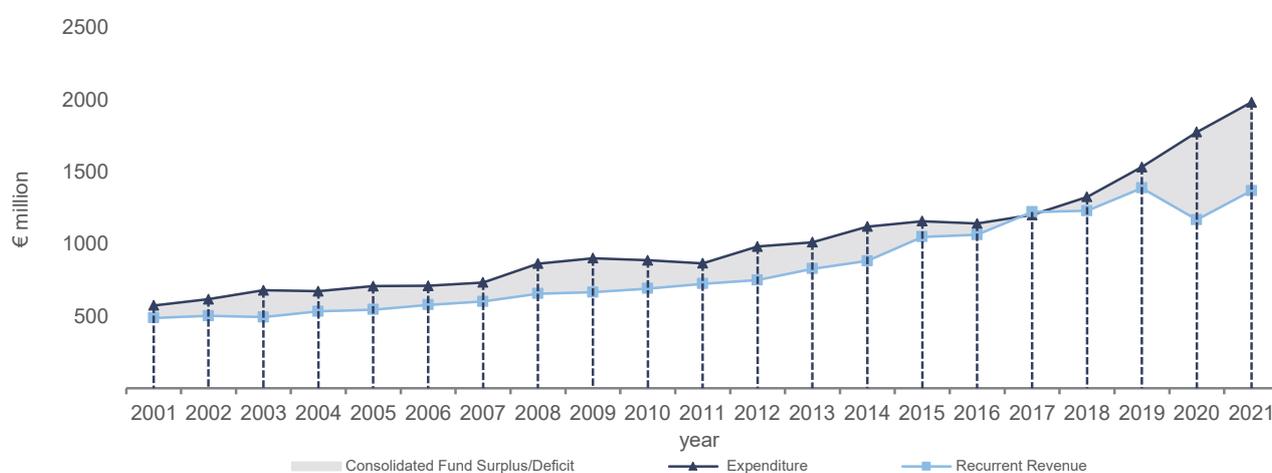
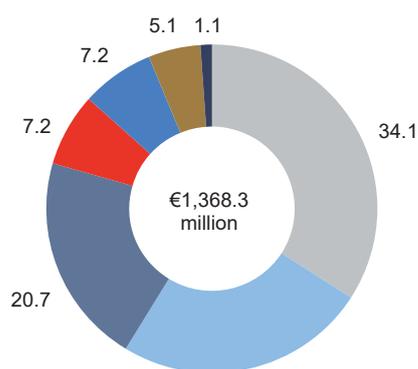
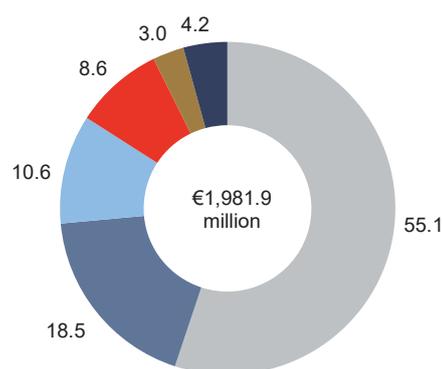


Chart 2. Recurrent Revenue by main category (%): January to April 2021



- Income Tax 34.1
- Social Security 24.6
- Value Added Tax 20.7
- Licences, Taxes and Fines 7.2
- Others 7.2
- Customs and Excise Duties 5.1
- Central Bank of Malta 1.1

Chart 3. Expenditure by main category (%): January to April 2021



- Programmes and Initiatives 55.1
- Personal Emoluments 18.5
- Contributions to Government Entities 10.6
- Capital Expenditure 8.6
- Interest 3.0
- Operational and Maintenance Expenses 4.2

Methodological Notes

1. Data in this news release is compiled in order to provide users with regular up-to-date information on the Consolidated Fund of Government. Data are sourced as follows:
 - i. Revenue and Expenditure, and Public Debt Servicing → The Consolidated Fund, the transactions of which are consolidated at the Treasury.
 - ii. Central Government Debt (excluding EBUs and Local Councils) → Central Bank of Malta and the Treasury.

All allocations provided from the Consolidated Fund are either authorised by Parliament under an Appropriation Act, or are permanently appropriated by Parliament under other relevant legislation. On the other hand, the Treasury Clearance Fund contains all those Funds and Accounts the expenses in respect of which are initially defrayable out of public funds and are eventually repayable from the Consolidated Fund or other sources.

2. In this release Revenue and Expenditure categories are recorded in accordance with their presentation in the 2021 Financial Estimates.
3. This news release follows the guidelines set out in the European System of Accounts (ESA 2010) Manual on Government Deficit and Debt. Therefore, the difference between the recurrent revenue and expenditure as listed in Table 1 is essentially the cash-based position as far as the Central Government's Consolidated Fund is concerned. In this respect, financial transactions, such as proceeds from loans, proceeds from sale of financial assets, and revenue from other accounts of Government are not taken into consideration. Likewise, direct loan repayments, contributions to sinking funds, acquisition of equity, as well as transfers into other accounts of Government, are excluded from the total expenditure.
4. The debt position includes the actual debt which is held by Government. On the other hand, any investments made by Government in its own funds are excluded from the total debt. As from December 2007, the Euro coins issued in the name of the Treasury are considered as a currency liability pertaining to the Central Government.
5. The revenue and expenditure figures are based on actual cash transactions, and are therefore not normally subject to revision. Although revisions to debt data are uncommon, it is prudent to consider debt figures for the three months preceding the reference period as provisional. Any revisions to the data are carried out at the first opportunity and published accordingly in the subsequent news release.
6. The Enhanced Economic Governance package adopted by the European Parliament and Council in November 2011 included requirements on the collection and dissemination of fiscal data, through the Council Directive 2011/85/EU. The requirements in the government finance statistics domain included a methodological reconciliation table (showing the transition between monthly data used for national policy purposes and ESA-quarterly data used to produce national accounts and EU fiscal surveillance).
 - a. The Reconciliation Table may be accessed at:
http://nso.gov.mt/en/nso/Sources_and_Methods/Unit_A2/Public_Finance/Pages/Council-Directive-852011.aspx
 - b. Refer to the ESA 2010 Glossary at:
https://nso.gov.mt/en/nso/Sources_and_Methods/Unit_A2/Public_Finance/Documents/ESA10_Glossary.pdf
 - c. Refer to the other Government Finance Statistics data requirements at:
https://nso.gov.mt/en/Services/Council_Directive/Pages/Council-Directive-85_2011.aspx
7. In this news release, the NSO could not update the tables: Government Expenditure by COFOG category and Consolidated Fund data in ESA 2010 codes. The NSO will resume the publication of these tables at the earliest.
8. More information relating to this news release may be accessed at:
Statistical Concepts: <https://metadata.nso.gov.mt/concepts.aspx>
Statistical Database: <https://statdb.nso.gov.mt/start>
9. Any quotations from this news release are to be cited and/or referenced.
10. A detailed news release calendar is available on:
https://nso.gov.mt/en/News_Releases/Release_Calendar/Pages/News-Release-Calendar.aspx