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In January-February 2017, Government's Consolidated Fund registered a surplus of €30.6 million.

Government Finance Data: January-February 2017

Compared to the same period last year, recurrent revenue registered an increase of €75.6 million whereas total expenditure went up by €17.7 million. This resulted in a positive change in the Government's Consolidated Fund by €57.9 million.

In January-February 2017, recurrent revenue was recorded at €621.6 million, up from €546.0 million last year. The comparative increase of 13.8 per cent was primarily the result of higher Grants and Licenses, Taxes and Fines which increased by €32.8 million and €9.0 million respectively. Moreover, increases were also recorded for Customs and Excise Duties (€8.4 million), Value Added Tax (€7.5 million), Miscellaneous Receipts (€6.9 million) and Social Security (€5.5 million) among others. Conversely, decreases were recorded in Income Tax (€5.2 million).

Compared to January-February last year, total expenditure stood at €590.9 million up from €573.2 million due to added outlays on recurrent expenditure, interest payments and capital expenditure.

Recurrent expenditure stood at €521.3 million from €504.7 million last year. The contributors to this increase were Programmes and Initiatives and Personal Emoluments with a rise of €14.9 million and €4.1 million respectively. The main developments in the Programmes and Initiatives category involved higher EU Own Resources (€5.8 million), added outlays due to Health Concession Agreements (€5.7 million), EU Presidency 2017 (€3.3 million), Heads of Government Event (€2.2 million) and Child Care for all (€1.4 million). On the other hand, lower outlays for Medicines and Surgical Materials were recorded (€5.9 million). Decreases were registered in Operational and Maintenance Expenses (€1.7 million) and Contributions to Government Entities (€0.7 million).

The interest component of the public debt servicing costs stood at €36.8 million, up from €36.2 million last year.

Government's capital expenditure witnessed an increase of €0.5 million, and was recorded at €32.8 million (Table 1).

Table 4 and Table 5 present the Consolidated Fund year to date and monthly data respectively in ESA 2010 codes according to the EU Council Directive 85/2011 requirements.

At the end of February 2017, Central Government Debt stood at €5,670.4 million, up by €18.8 million over the corresponding month last year. This was the result of higher Malta Government Stocks and Euro coins issued in the name of the Treasury, which added €164.0 million and €4.1 million respectively. On the other hand, Treasury Bills and Domestic Loans with Commercial Banks went down by €70.5 million and €56.4 million respectively. Higher holdings by government funds in Malta Government Stocks resulted in a decrease in debt of €12.1 million. Moreover, Foreign Loans decreased by €10.4 million (Table 6) ■

Table 1. Revenue/Expenditure categories: Year to date

Description	Jan-Feb 2015	Jan-Feb 2016	Jan-Feb 2017	Jan-Feb 2017 / Jan-Feb 2016	
				Change	% change
€ 000					
(a) Total Recurrent Revenue	610,007	545,980	621,554	75,574	13.8
Customs and Excise Duties	25,603	41,815	50,207	8,393	
Licences, Taxes and Fines	45,074	53,780	62,795	9,014	
Income Tax	153,519	155,481	150,283	-5,198	
Value Added Tax	130,460	136,878	144,366	7,488	
Fees of Office	4,140	7,675	12,607	4,932	
Reimbursements	1,847	4,094	6,006	1,912	
Public Corporations	0	0	0	0	
Central Bank of Malta	20,000	20,000	20,000	0	
Rents	5,420	6,025	9,826	3,801	
Dividends on Investment	0	0	0	0	
Interest on loans made by Government	4	1	1	0	
Social Security	95,365	109,019	114,522	5,503	
Grants	124,236	9,318	42,160	32,842	
Miscellaneous Receipts	4,339	1,895	8,782	6,887	
(b) Total Expenditure	560,333	573,207	590,917	17,709	3.1
<i>Recurrent Expenditure</i>	461,020	504,668	521,289	16,621	3.3
Personal Emoluments	107,622	113,370	117,488	4,118	
Operational and Maintenance Expenses	30,029	35,300	33,621	-1,678	
Programmes and Initiatives	279,555	291,380	306,243	14,863	
Contributions to Government Entities	43,813	64,619	63,936	-682	
<i>Interest</i>	35,883	36,217	36,799	582	1.6
<i>Capital Expenditure</i>	63,430	32,322	32,829	507	1.6
(a-b) Consolidated Fund Surplus/Deficit	49,675	-27,227	30,638	57,865	212.5
(c) Financial Transactions					
<i>Revenue</i>					
Loans	0	0	182,870	182,870	
Repayment of Loans	0	11,984	0	-11,984	
Receipts from Sale of Shares	700	889	889	0	
Other extraordinary receipts	0	0	0	0	
<i>Expenditure</i>					
Contribution to Sinking Fund	0	0	0	0	
Equity Acquisition	0	12,484	0	-12,484	
Repayment of Loan	0	0	0	0	
Loans	0	0	0	0	

Note: Totals may not add up due to rounding.

Table 2. Revenue/Expenditure categories: Monthly

Description	February 2015	February 2016	February 2017	February 2017 / February 2016	
				Change	% change
				€ 000	
(a) Total Recurrent Revenue	333,572	336,583	360,389	23,806	7.1
Customs and Excise Duties	14,319	20,108	22,386	2,278	
Licences, Taxes and Fines	22,600	29,337	33,958	4,621	
Income Tax	84,387	81,889	70,379	-11,510	
Value Added Tax	87,040	108,846	110,971	2,126	
Fees of Office	2,828	6,573	6,462	-111	
Reimbursements	1,192	3,025	3,848	823	
Public Corporations	0	0	0	0	
Central Bank of Malta	10,000	10,000	10,000	0	
Rents	2,402	3,668	6,605	2,937	
Dividends on Investment	0	0	0	0	
Interest on loans made by Government	4	1	1	0	
Social Security	59,011	64,782	70,376	5,593	
Grants	48,709	6,813	17,566	10,753	
Miscellaneous Receipts	1,081	1,542	7,838	6,296	
(b) Total Expenditure	295,989	314,983	313,889	-1,094	-0.3
<i>Recurrent Expenditure</i>	240,916	284,643	271,807	-12,837	-4.5
Personal Emoluments	53,954	56,672	59,083	2,411	
Operational and Maintenance Expenses	15,659	18,269	14,225	-4,045	
Programmes and Initiatives	154,977	162,769	160,644	-2,125	
Contributions to Government Entities	16,326	46,933	37,855	-9,078	
<i>Interest</i>	21,676	21,052	19,262	-1,790	-8.5
<i>Capital Expenditure</i>	33,397	9,288	22,820	13,532	145.7
(a-b) Consolidated Fund Surplus/Deficit	37,583	21,600	46,500	24,900	115.3
(c) Financial Transactions					
<i>Revenue</i>					
Loans	0	0	182,870	182,870	
Repayment of Loans	0	11,984	0	-11,984	
Receipts from Sale of Shares	700	889	0	-889	
Other extraordinary receipts	0	0	0	0	
<i>Expenditure</i>					
Contribution to Sinking Fund	0	0	0	0	
Equity Acquisition	0	11,984	0	-11,984	
Repayment of Loan	0	0	0	0	
Loans	0	0	0	0	

Note: Totals may not add up due to rounding.

Table 3. Government Expenditure by COFOG category

COFOG	Personal Emoluments			Operational and Maintenance Expenses			Programmes and Initiatives			Contributions to Government Entities		
	Jan-Feb 2015	Jan-Feb 2016	Jan-Feb 2017	Jan-Feb 2015	Jan-Feb 2016	Jan-Feb 2017	Jan-Feb 2015	Jan-Feb 2016	Jan-Feb 2017	Jan-Feb 2015	Jan-Feb 2016	Jan-Feb 2017
	€ 000											
General public services	9,685	10,513	11,476	4,139	3,680	4,934	39,457	34,156	44,237	991	1,176	1,436
Defence	5,635	5,882	5,985	989	882	405	20	71	156	0	0	5
Public order and safety	12,846	13,140	13,425	2,062	1,309	1,696	1,550	736	689	1,207	1,371	1,779
Economic affairs	10,741	10,534	11,044	2,487	2,287	1,658	10,118	13,134	13,399	8,142	21,489	18,305
Environment protection	160	112	-1	17	23	73	1,846	3,364	3,398	57	4,781	4,790
Housing and community amenities	419	398	142	119	103	21	6	0	1,158	78	1,130	1,195
Health	31,379	33,710	35,625	10,369	13,397	12,063	29,356	31,882	30,427	7,440	10,621	10,371
Recreation, culture and religion	1,203	1,142	1,045	252	188	179	2,265	662	1,660	2,095	3,068	1,988
Education	28,570	30,562	31,398	6,140	7,676	6,993	26,222	18,402	19,772	18,995	14,288	16,443
Social protection	6,984	7,377	7,348	3,455	5,754	5,598	168,715	188,973	191,346	4,807	6,694	7,624
Total	107,622	113,370	117,488	30,029	35,300	33,621	279,555	291,380	306,243	43,813	64,619	63,936
COFOG	Interest Expenditure			Capital Expenditure			Total expenditure					
	Jan-Feb 2015	Jan-Feb 2016	Jan-Feb 2017	Jan-Feb 2015	Jan-Feb 2016	Jan-Feb 2017	Jan-Feb 2015	Jan-Feb 2016	Jan-Feb 2017	Jan-Feb 2015	Jan-Feb 2016	Jan-Feb 2017
	€ 000											
General public services	35,883	36,217	36,799	5,808	4,197	1,781	95,964	89,940	100,663			
Defence	0	0	0	10,206	0	3,144	16,850	6,835	9,694			
Public order and safety	0	0	0	2,486	915	1,690	20,152	17,472	19,278			
Economic affairs	0	0	0	21,081	17,554	12,734	52,569	64,998	57,140			
Environment protection	0	0	0	5,849	111	2,148	7,929	8,390	10,409			
Housing and community amenities	0	0	0	4,970	4,173	1,001	5,592	5,804	3,518			
Health	0	0	0	4,415	1,319	1,634	82,959	90,929	90,121			
Recreation, culture and religion	0	0	0	1,254	1,482	3,122	7,070	6,541	7,994			
Education	0	0	0	5,869	1,023	5,180	85,796	71,951	79,787			
Social protection	0	0	0	1,491	1,548	395	185,452	210,347	212,312			
Total	35,883	36,217	36,799	63,430	32,322	32,829	560,333	573,207	590,917			

Table 4. Consolidated Fund data in ESA 2010 codes: Year to date

Description	ESA CODE	Jan-Feb 2015	Jan-Feb 2016	Jan-Feb 2017	Jan-Feb 2017 / Jan-Feb 2016	
					Change	% change
					€ 000	
1. Total Revenue		603,335	535,913	601,451	65,538	
Market Output	P11	5,033	10,747	20,851		
Taxes on Production and Imports	D2	191,806	220,911	243,272		
Property income receivable	D4	22,452	22,948	21,371		
Current taxes on income, wealth, etc	D5	163,883	165,903	161,100		
Social Contributions	D61	93,351	103,832	109,171		
Current transfers receivable	D7	1,022	1,009	5,488		
Capital transfers receivable	D9	125,789	10,563	40,199		
2. Total Expenditure		553,661	563,140	570,813	7,674	
Intermediate Consumption	P2	70,649	80,070	74,019		
Gross Capital Formation	P5g+NP	26,031	20,328	18,414		
Compensation of Employees	D1	128,043	135,051	139,646		
Property income payable	D4	38,192	38,296	33,086		
Subsidies	D3	17,015	10,393	9,684		
Social Benefits and social transfers in kind	D62+D632	150,869	163,102	159,478		
Current transfers payable	D7	112,151	115,901	135,761		
Capital transfers payable	D9	10,711	0	726		
(1-2) Consolidated Fund Surplus/Deficit		49,675	-27,227	30,638	57,865	212.5

Table 5. Consolidated Fund data in ESA 2010 codes: Monthly

Description	ESA CODE	February 2015	February 2016	February 2017	February 2017 / February 2016	
					Change	% change
					€ 000	
1. Total Revenue		321,131	318,506	334,110	15,604	
Market Output	P11	1,469	7,687	12,423		
Taxes on Production and Imports	D2	119,963	153,230	160,572		
Property income receivable	D4	11,874	12,195	10,677		
Current taxes on income, wealth, etc	D5	89,914	86,538	75,947		
Social Contributions	D61	48,393	50,736	55,278		
Current transfers receivable	D7	678	381	4,997		
Capital transfers receivable	D9	48,840	7,739	14,217		
2. Total Expenditure		283,548	296,906	287,610	-9,296	
Intermediate Consumption	P2	39,997	44,937	40,975		
Gross Capital Formation	P5g+NP	15,964	4,369	10,986		
Compensation of Employees	D1	63,661	67,319	69,268		
Property income payable	D4	22,197	21,269	13,639		
Subsidies	D3	11,818	4,965	4,620		
Social Benefits and social transfers in kind	D62+D632	74,311	84,183	82,762		
Current transfers payable	D7	51,675	69,865	64,713		
Capital transfers payable	D9	3,924	0	648		
(1-2) Consolidated Fund Surplus/Deficit		37,583	21,600	46,500	24,900	115.3

Table 6. Central Government debt

Description	February 2015	February 2016	February 2017	February 2017 / February 2016	
				Change	% change
	€ 000				
Total Central Government Debt	5,199,325	5,651,626	5,670,419	18,794	0.3
<i>of which:</i>					
Treasury Bills	210,440	339,650	269,200	-70,450	
Malta Government Stocks	4,899,575	5,225,322	5,389,324	164,002	
Foreign Loans	40,406	29,773	19,372	-10,402	
Domestic Loans with Commercial Banks	56,379	56,379	0	-56,379	
MGSF investments in Government Debt	-67,579	-67,680	-79,754	-12,074	
Euro Coins issued in the name of the Treasury	60,104	68,182	72,278	4,096	

Note: Totals may not add up due to rounding.

Chart 1. January-February Consolidated Fund Surplus/Deficit

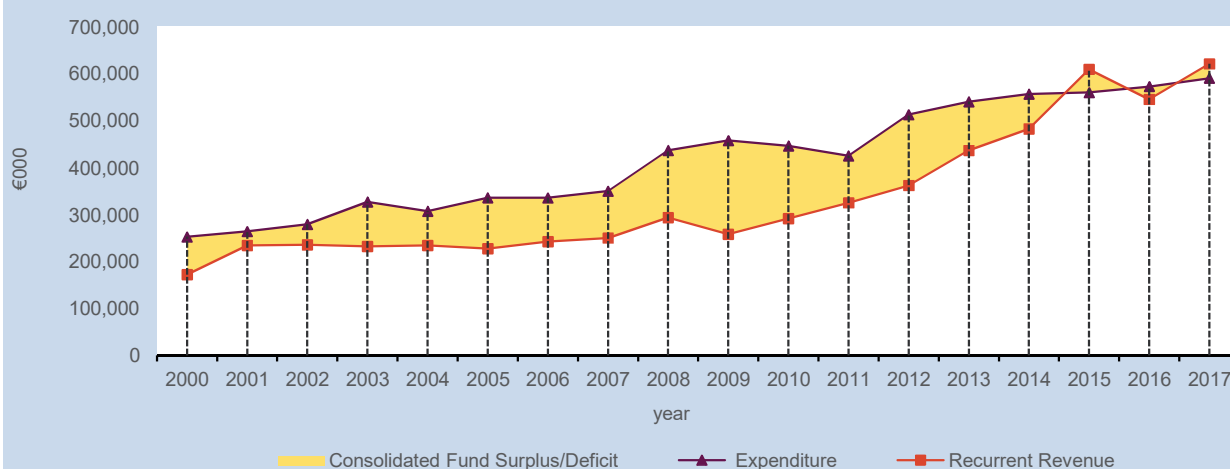
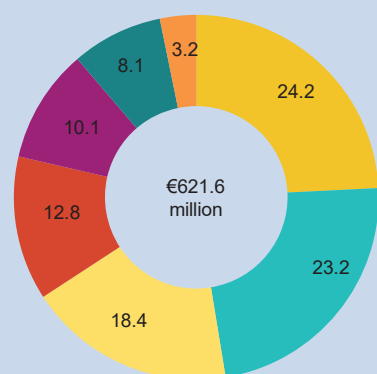
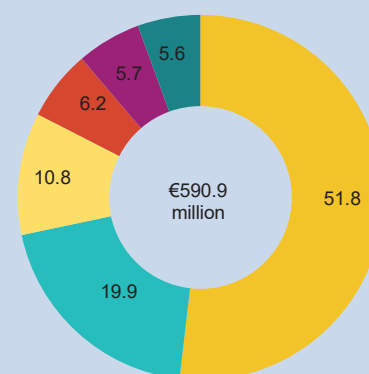


Chart 2. Recurrent Revenue by main category (%): January-February 2017



- Income Tax
- Value Added Tax
- Social Security
- Others
- Licences, Taxes and Fines
- Customs and Excise Duties
- Central Bank of Malta

Chart 3. Expenditure by main category (%): January-February 2017



- Programmes and Initiatives
- Personal Emoluments
- Contributions to Government Entities
- Interest
- Operational and Maintenance Expenses
- Capital Expenditure

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 2017 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. Data on Government Expenditure by the Classification of Functions of Government (COFOG) classifies government expenditure data by the purpose for which the funds are used. COFOG data in Table 3 refers to the total expenditure of the Consolidated Fund and is not fully consistent with the General Government sector expenditure by function and in ESA 2010 methodology, that is compiled by NSO on an annual basis with a delay of one year. The functions are in line with the COFOG classifications as published in the Government Finance Statistics Manual 2001 (ISBN 1-58906-).
8. More information relating to this news release may be accessed at:
Statistical Concepts: <http://nso.gov.mt/metadata/concepts.aspx>
Statistical Database: <http://nso.gov.mt/statdb/start>
9. Kindly indicate source when quoting from this release.
10. The advanced news release calendar may be accessed at www.nso.gov.mt