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By the end of December 2022, the Government's Consolidated Fund reported a deficit of €900.3 million.

## Government Finance Data: January-December 2022

Between January and December 2022, Recurrent Revenue amounted to €5,845.2 million, 8.0 per cent higher than the €5,413.2 million reported a year earlier. The largest increase was recorded under Value Added Tax (€261.2 million), followed by Social Security (€106.0 million), Income Tax (€49.1 million), Grants (€25.0 million), Licences, Taxes and Fines (€14.9 million), Fees of Office (€10.9 million), Reimbursements (€5.7 million) and Interests on loans made by Government (€0.2 million). The rise in revenue was partially offset by decreases under Customs and Excise Duties (€15.7 million), Miscellaneous Receipts (€13.7 million), Central Bank of Malta (€10.9 million), Dividends on Investment (€0.4 million) and Rents (€0.4 million).

By the end of December 2022, total expenditure stood at €6,745.5 million, €99.8 million higher than the previous year.

During the reference year, Recurrent Expenditure totalled €5,832.5 million, an increase of €117.8 million compared to the €5,714.7 million reported in 2021. The main contributor to this increase was a €107.8 million rise reported under Contributions to Government Entities. Higher contributions were, among others, made towards Resource Support and Services Ltd (€66.2 million), Running expenses of the parliamentary services (€10.6 million), Malta Tourism Authority (€7.6 million) and University of Malta (€4.2 million). Furthermore, an increase was also witnessed under Personal Emoluments (€34.5 million). This rise in expenditure outweighed lower outlay reported under Operational and Maintenance Expenses (€18.1 million) and Programmes and Initiatives (€6.3 million). The main development in the Programmes and Initiatives category was a €260.3 million decrease exhibited under the Pandemic assistance schemes. On the other hand, additional outlays went towards Social security benefits (€81.1 million), Energy support measures (€53.4 million), Economic stimulus payments (€51.3 million), Covid 19 supplies (€40.4 million) and Carbon credits (€40.0 million).

The interest component of the public debt servicing costs totalled €173.6 million, a decrease of €10.7 million when compared to the previous year.

By the end of December 2022, Government's capital spending amounted to €739.3 million, €7.4 million lower than 2021. This decrease resulted from lower expenditure towards Road construction and improvements (€37.2 million), Property, plant and equipment (€10.8 million), Gozo Aquatic Centre (€8.0 million) and Wasteserv Malta Ltd (€6.2 million). The drop in capital outlay was partially offset by a €54.0 million increase witnessed under National airline restructuring assistance.

The difference between total revenue and expenditure resulted in a deficit of €900.3 million being reported in the Government's Consolidated Fund at the end of December 2022. Compared to the same period in 2021, there was a decrease in deficit of €332.2 million. This difference mirrors an increase in total Recurrent Revenue (€432.0 million), partly offset by a rise in total expenditure, which consists of Recurrent Expenditure (€117.8 million), Interest (-€10.7 million) and Capital Expenditure (-€7.4 million) (Table 1).

At the end of December 2022, Central Government debt stood at €8,829.9 million, an increase of €732.5 million from 2021. The increase reported under Malta Government Stocks (€669.4 million) was the main contributor to the rise in debt. Higher debt was also reported under Treasury Bills (€247.3 million) and Euro coins issued in the name of the Treasury (€5.3 million). This increase in debt was partially offset by a decrease in the 62+ Malta Government Savings Bond (€99.8 million), higher holdings by government funds in Malta Government Stocks (€89.6 million) and less Foreign Loans (€0.1 million) (Table 6) ■

Table 1. Revenue/Expenditure categories by period and description

Description	Jan-Dec 2020	Jan-Dec 2021	Jan-Dec 2022	Jan-Dec 2022 / Jan-Dec 2021	
				Change	% change
€ 000					
<b>(a) Total Recurrent Revenue</b>	<b>4,389,297</b>	<b>5,413,199</b>	<b>5,845,166</b>	<b>431,967</b>	<b>8.0</b>
Customs and Excise Duties	264,416	300,313	284,624	-15,688	
Licences, Taxes and Fines	310,326	336,676	351,595	14,920	
Income Tax	1,536,707	2,090,857	2,139,970	49,113	
Value Added Tax	767,657	970,197	1,231,382	261,185	
Fees of Office	116,316	101,104	112,000	10,896	
Reimbursements	33,989	46,077	51,775	5,699	
Central Bank of Malta	31,500	33,045	22,173	-10,872	
Rents	34,756	31,194	30,833	-361	
Dividends on Investment	26,060	49,932	49,529	-403	
Interest on loans made by Government	9	3	189	186	
Social Security	1,063,423	1,200,178	1,306,145	105,967	
Grants	110,665	170,488	195,526	25,038	
Miscellaneous Receipts	93,475	83,137	69,425	-13,711	
<b>(b) Total Expenditure</b>	<b>5,857,203</b>	<b>6,645,673</b>	<b>6,745,450</b>	<b>99,777</b>	<b>1.5</b>
<i>Recurrent Expenditure</i>	4,638,869	5,714,714	5,832,511	117,797	2.1
Personal Emoluments	981,303	1,092,659	1,127,170	34,511	
Operational and Maintenance Expenses	266,740	280,596	262,455	-18,141	
Programmes and Initiatives	2,770,166	3,653,589	3,647,265	-6,324	
Contributions to Government Entities	620,660	687,869	795,621	107,752	
<i>Interest</i>	181,205	184,262	173,609	-10,653	-5.8
<i>Capital Expenditure</i>	1,037,130	746,697	739,329	-7,367	-1.0
<b>(a-b) Consolidated Fund Surplus/Deficit</b>	<b>-1,467,906</b>	<b>-1,232,474</b>	<b>-900,284</b>	<b>332,190</b>	<b>-27.0</b>
<b>(c) Financial Transactions</b>					
<i>Revenue</i>					
Loans	1,549,791	1,854,107	1,044,656	-809,451	
Repayment of Loans	915	2,226	5,708	3,482	
Receipts from Sale of Shares	889	889	889	-5,000	
Other extraordinary receipts	0	0	0	0	
<i>Expenditure</i>					
Contribution to Sinking Fund	20,050	30,000	25,000	-5,000	
Equity Acquisition	36,980	34,500	28,044	-6,456	
Repayment of Loan	465,706	462,502	475,837	13,335	
Loans	0	5,272	0	-5,272	

Note: Totals may not add up due to rounding.

Table 2. Revenue/Expenditure categories by month and description

Description	December 2020	December 2021	December 2022	December 2022 / December 2021	
				Change	% change
				€ 000	
<b>(a) Total Recurrent Revenue</b>	<b>657,216</b>	<b>860,025</b>	<b>737,570</b>	<b>-122,455</b>	<b>-14.2</b>
Customs and Excise Duties	32,275	29,485	34,439	4,954	
Licences, Taxes and Fines	36,255	33,655	46,489	12,834	
Income Tax	267,716	451,658	310,215	-141,443	
Value Added Tax	43,281	46,215	71,378	25,163	
Fees of Office	15,407	12,403	31,127	18,725	
Reimbursements	2,704	15,932	14,159	-1,773	
Central Bank of Malta	6,500	0	0	0	
Rents	4,143	6,948	3,697	-3,251	
Dividends on Investment	4,150	9,236	18,325	9,089	
Interest on loans made by Government	0	1	169	168	
Social Security	221,553	215,110	180,039	-35,071	
Grants	20,054	50,773	23,814	-26,959	
Miscellaneous Receipts	3,179	-11,392	3,719	15,111	
<b>(b) Total Expenditure</b>	<b>791,108</b>	<b>984,896</b>	<b>982,326</b>	<b>-2,570</b>	<b>-0.3</b>
<i>Recurrent Expenditure</i>	554,108	831,954	814,973	-16,981	-2.0
Personal Emoluments	157,719	166,150	175,453	9,302	
Operational and Maintenance Expenses	13,162	34,229	27,429	-6,800	
Programmes and Initiatives	342,198	580,403	471,808	-108,595	
Contributions to Government Entities	41,030	51,172	140,283	89,111	
<i>Interest</i>	16,453	17,108	17,124	16	0.1
<i>Capital Expenditure</i>	220,547	135,834	150,229	14,396	10.6
<b>(a-b) Consolidated Fund Surplus/Deficit</b>	<b>-133,893</b>	<b>-124,871</b>	<b>-244,756</b>	<b>-119,885</b>	<b>96.0</b>
<b>(c) Financial Transactions</b>					
<i>Revenue</i>					
Loans	0	-2,532	0	2,532	
Repayment of Loans	247	634	3,168	2,534	
Receipts from Sale of Shares	0	0	0	0	
Other extraordinary receipts	0	0	0	0	
<i>Expenditure</i>					
Contribution to Sinking Fund	10,025	30,000	25,000	-5,000	
Equity Acquisition	10,000	30,000	20,000	-10,000	
Repayment of Loan	488	-4,269	560	4,829	
Loans	0	5,272	0	-5,272	

Note: Totals may not add up due to rounding.

Table 3. Government Expenditure by COFOG category by period and description

COFOG	Personal emoluments			Operational and Maintenance Expenses			Programmes and Initiatives			Contributions to Government Entities		
	Jan-Dec 2020	Jan-Dec 2021	Jan-Dec 2022	Jan-Dec 2020	Jan-Dec 2021	Jan-Dec 2022	Jan-Dec 2020	Jan-Dec 2021	Jan-Dec 2022	Jan-Dec 2020	Jan-Dec 2021	Jan-Dec 2022
	€ 000											
General public services	108,307	141,449	144,725	82,677	64,054	58,003	245,180	533,579	557,302	49,868	135,483	217,762
Defence	42,241	56,841	55,325	8,094	9,697	10,398	782	595	710	490	0	0
Public order and safety	96,002	95,481	96,831	11,401	11,216	12,184	10,734	15,670	13,806	47,300	49,803	44,899
Economic affairs	63,368	58,106	60,459	29,996	39,697	14,072	222,791	742,132	549,847	171,599	199,052	205,430
Environment protection	9,264	6,133	5,719	239	1,137	759	66,308	42,243	51,704	28,905	15,570	15,503
Housing and community amenities	1,693	0	0	627	0	0	8,994	18,056	27,300	8,561	0	9,500
Health	322,848	361,109	374,431	68,643	88,802	90,909	311,569	344,399	331,955	73,788	79,628	85,528
Recreation, culture and religion	7,107	8,152	8,807	2,498	1,616	2,172	18,430	14,917	16,069	36,114	33,635	35,077
Education	269,148	292,773	306,386	16,858	21,474	19,641	210,001	209,920	234,497	142,030	139,066	153,943
Social protection	61,326	72,615	74,487	45,707	42,904	54,317	1,675,379	1,732,077	1,864,074	62,005	35,632	27,978
<b>Total</b>	<b>981,303</b>	<b>1,092,659</b>	<b>1,127,170</b>	<b>266,740</b>	<b>280,596</b>	<b>262,455</b>	<b>2,770,166</b>	<b>3,653,589</b>	<b>3,647,265</b>	<b>620,660</b>	<b>687,869</b>	<b>795,621</b>
COFOG	Interest Expenditure			Capital Expenditure			Total Expenditure					
	Jan-Dec 2020	Jan-Dec 2021	Jan-Dec 2022	Jan-Dec 2020	Jan-Dec 2021	Jan-Dec 2022	Jan-Dec 2020	Jan-Dec 2021	Jan-Dec 2022	Jan-Dec 2020	Jan-Dec 2021	Jan-Dec 2022
	€ 000											
General public services	181,205	184,262	173,609	97,520	339,263	332,219	<b>764,755</b>	<b>1,398,090</b>	<b>1,483,620</b>			
Defence	0	0	0	11,685	6,860	8,400	<b>63,292</b>	<b>73,993</b>	<b>74,834</b>			
Public order and safety	0	0	0	30,354	44,895	35,820	<b>195,791</b>	<b>217,064</b>	<b>203,540</b>			
Economic affairs	0	0	0	706,687	183,205	205,630	<b>1,194,441</b>	<b>1,222,193</b>	<b>1,035,439</b>			
Environment protection	0	0	0	53,800	32,682	24,153	<b>158,516</b>	<b>97,765</b>	<b>97,838</b>			
Housing and community amenities	0	0	0	1,788	1,539	3,179	<b>21,663</b>	<b>19,595</b>	<b>39,979</b>			
Health	0	0	0	44,848	49,851	33,580	<b>821,696</b>	<b>923,790</b>	<b>916,404</b>			
Recreation, culture and religion	0	0	0	38,038	16,038	23,112	<b>102,186</b>	<b>74,358</b>	<b>85,236</b>			
Education	0	0	0	38,119	59,516	63,832	<b>676,156</b>	<b>722,749</b>	<b>778,299</b>			
Social protection	0	0	0	14,291	12,848	9,404	<b>1,858,708</b>	<b>1,896,076</b>	<b>2,030,260</b>			
<b>Total</b>	<b>181,205</b>	<b>184,262</b>	<b>173,609</b>	<b>1,037,130</b>	<b>746,697</b>	<b>739,329</b>	<b>5,857,203</b>	<b>6,645,673</b>	<b>6,745,450</b>			

Table 4. Consolidated Fund data in ESA 2010 codes by period and description

Description	ESA code	Jan-Dec 2020	Jan-Dec 2021	Jan-Dec 2022	Jan-Dec 2022 / Jan-Dec 2021	
					Change	% change
					€ 000	
<b>1. Total Revenue</b>		<b>4,041,274</b>	<b>4,996,198</b>	<b>5,454,094</b>	<b>457,896</b>	
Market Output	P11	149,397	170,344	132,101		
Taxes on Production and Imports	D2	1,285,226	1,554,735	1,816,772		
Property income receivable	D4	63,290	69,690	58,031		
Current taxes on income, wealth, etc	D5	1,598,263	2,151,846	2,201,171		
Social Contributions	D61	811,360	846,819	1,010,602		
Current transfers receivable	D7	6,060	8,251	51,822		
Capital transfers receivable	D9	127,678	194,513	183,595		
<b>2. Total Expenditure</b>		<b>5,509,180</b>	<b>6,228,673</b>	<b>6,354,378</b>	<b>125,706</b>	
Intermediate Consumption	P2	932,928	1,018,214	925,117		
Gross Capital Formation	P5g+NP	233,953	422,203	294,656		
Compensation of Employees	D1	1,161,691	1,147,965	1,292,656		
Property income payable	D4	131,031	159,706	160,858		
Subsidies	D3	485,634	477,113	616,529		
Social Benefits and social transfers in kind	D62+D632	1,271,403	1,357,834	1,509,174		
Current transfers payable	D7	1,189,932	1,499,085	1,384,920		
Capital transfers payable	D9	102,609	146,552	170,467		
<b>(1-2) Consolidated Fund Surplus/Deficit</b>		<b>-1,467,906</b>	<b>-1,232,474</b>	<b>-900,284</b>	<b>332,190</b>	<b>-27.0</b>

Table 5. Consolidated Fund data in ESA 2010 codes by month and description

Description	ESA code	December 2020	December 2021	December 2022	December 2022 / December 2021	
					Change	% change
					€ 000	
<b>1. Total Revenue</b>		<b>570,087</b>	<b>784,604</b>	<b>639,424</b>	<b>-145,180</b>	
Market Output	P11	21,603	8,540	19,306		
Taxes on Production and Imports	D2	107,822	105,708	143,605		
Property income receivable	D4	10,359	9,418	11,213		
Current taxes on income, wealth, etc	D5	272,609	456,236	320,962		
Social Contributions	D61	137,236	150,088	114,250		
Current transfers receivable	D7	878	2,017	22,209		
Capital transfers receivable	D9	19,580	52,596	7,880		
<b>2. Total Expenditure</b>		<b>703,980</b>	<b>909,475</b>	<b>884,179</b>	<b>-25,295</b>	
Intermediate Consumption	P2	130,164	134,172	117,834		
Gross Capital Formation	P5g+NP	44,898	57,617	29,991		
Compensation of Employees	D1	175,609	174,346	191,357		
Property income payable	D4	16,888	18,546	15,966		
Subsidies	D3	95,357	90,691	116,530		
Social Benefits and social transfers in kind	D62+D632	127,618	114,056	157,889		
Current transfers payable	D7	83,935	296,952	234,225		
Capital transfers payable	D9	29,511	23,095	20,387		
<b>(1-2) Consolidated Fund Surplus/Deficit</b>		<b>-133,893</b>	<b>-124,871</b>	<b>-244,756</b>	<b>-119,885</b>	<b>96.0</b>

Table 6. Central Government debt by month and description

Description	December 2020	December 2021	December 2022	December 2022 / December 2021	
				Change	% change
€ 000					
<b>Total Central Government Debt</b>	<b>6,765,235</b>	<b>8,097,434</b>	<b>8,829,944</b>	<b>732,510</b>	<b>9.0</b>
<i>of which:</i>					
Treasury Bills	644,000	599,420	846,695	247,275	
Malta Government Stocks	5,642,872	6,637,826	7,307,227	669,401	
62+ Malta Government Savings Bond	380,507	474,942	375,170	-99,772	
Foreign Loans	120,839	420,718	420,591	-127	
MGSF investments in Government Debt	-113,353	-128,974	-218,554	-89,580	
Euro coins issued in the name of the Treasury	90,371	93,502	98,815	5,313	

Note: Totals may not add up due to rounding.

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

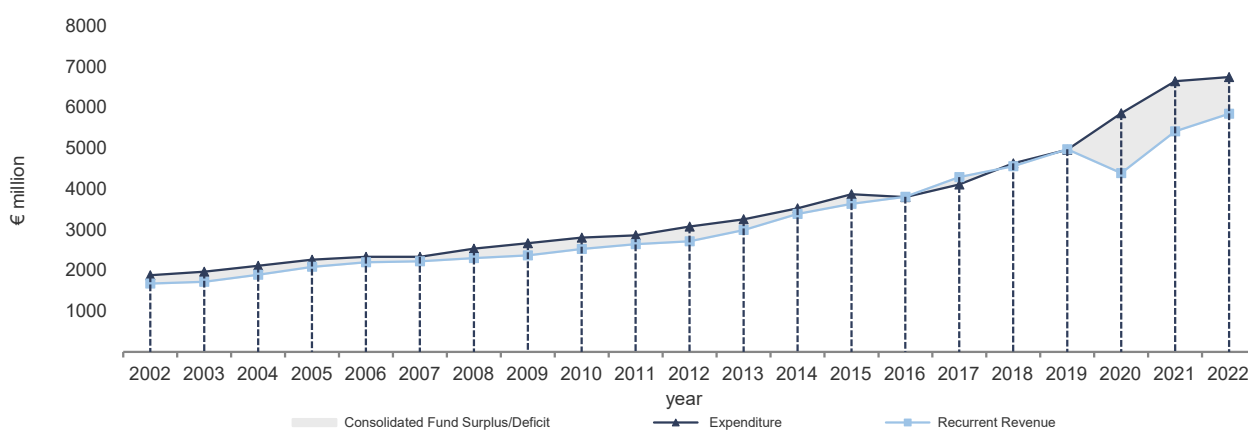


Chart 2. Recurrent Revenue by main category (%): January to December 2022

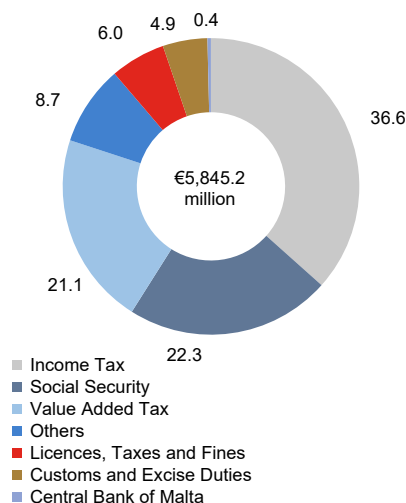
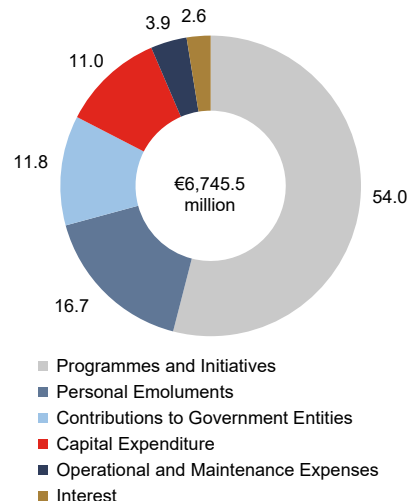


Chart 3. Expenditure by main category (%): January to December 2022



## 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 2022 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. Data in this release are subject to revision. 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:  
[https://nso.gov.mt/en/nso/Sources\\_and\\_Methods/Unit\\_A2/Public\\_Finance/Pages/Council-Directive-852011.aspx](https://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](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](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 1-58906-061-X).
8. Tables 4 and 5 present the Consolidated Fund year to date and monthly data in ESA 2010 codes according to the EU Council Directive 85/2011 requirements.
9. More information relating to this news release may be accessed at:  
Statistical Concepts: <https://metadata.nso.gov.mt>  
Statistical Database: <https://statdb.nso.gov.mt/start>
10. Any quotations from this news release are to be cited and/or referenced.
11. Statistics in this news release should be interpreted in the context of the COVID-19 situation.
12. A detailed news release calendar is available on:  
[https://nso.gov.mt/en/News\\_Releases/Release\\_Calendar/Pages/News-Release-Calendar.aspx](https://nso.gov.mt/en/News_Releases/Release_Calendar/Pages/News-Release-Calendar.aspx)