April 23, 2018

Annual balance in surplus; government indebtedness declined

Notification of government deficit and debt – 2017

Following the regular consultations between Eurostat and the Czech Statistical Office, the data on government balance and government debt as published [in the Press release on the 4 October 2018](https://www.czso.cz/csu/czso/ari/notification-of-government-deficit-and-debt-2015_) were confirmed. In 2017, the balance of the Czech government sector reached a surplus **CZK** **80.6 billion** which corresponds to **1.59 percent of GDP**. At the end of 2017, the government debt ratio stood at **34.60 percent of GDP**.

**Notification table of government deficit and debt, the Czech Republic, 2014-2017**

|  |  |  |
| --- | --- | --- |
|  | Unit | Year |
| 2014 | 2015 | 2016 | 2017 |
| Net borrowing/lending of general government  | CZK mill. | -90 561 | -27 929 | 34 642 | 80 621 |
| General government consolidated gross debt  | CZK mill. | 1 819 098 | 1 836 255 | 1 754 883 | 1 749 141 |
| Gross domestic product (GDP) | CZK mill. | 4 313 789 | 4 595 783 | 4 773 240 | 5 055 029 |
| Net borrowing/lending of general government as % of GDP | % | -2.10 | -0.61 | 0.73 | 1.59 |
| General government consolidated gross debt as % of GDP  | % | 42.17 | 39.96 | 36.77 | 34.60 |

At the same time, Eurostat raised no objections against the fiscal indicators compiled by the Czech Statistical Office.

Data for all EU member states will be published on the Eurostat web site on 23 April 2018 at 11:00 a.m.

*Notification of government deficit and debt is compiled for past four years and submitted to the European Commission by each Member State of the EU at the end of September and March each year under the terms of the Maastricht treaty, including a projection for the current year. Starting from September 2014, quantification of the aggregates is based on the methodology ESA 2010. Pursuant to the Maastricht Treaty, the reference value for fiscal indicators of deficit is set at the level of 3 percent of GDP and for debt at the level of 60 percent of GDP whereas GDP is valued at current market prices. The projection of government deficit and debt for the year 2015 is prepared by the Ministry of Finance of the Czech Republic.*

*Government surplus/deficit is represented by item B.9 “net borrowing (-) or net lending (+)” in national accounts. It refers to the ability of general government sector to finance other sectors (+) or the need of general government sector to be financed (-) by other economic sectors.*

*Government debt consists of liabilities of general government sector in form of currency and deposits, debt securities and loans. In case of foreign exchange debt instruments hedged against currency risk, value in CZK is obtained by means of contractual exchange rate.*

Notices:

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*This press release was not edited for language.*