April 22, 2021

Balance of government units ended up with a deficit

Notification of government deficit and debt – 2020

**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 April 1, 2021 were validated. It was confirmed that at the end of 2020, the balance of the Czech government sector ended up with a deficit in the amount of CZK 348.0 billion; expressed as a percentage of GDP, the deficit corresponds to 6.2% of GDP. The government gross debt amounted to 38.1 percent of GDP.**

Eurostat raised no reservations towards the data on the government deficit and debt in the Czech Republic.

Notification table of government deficit and debt, the Czech Republic, 2017–2020

|  |  |  |
| --- | --- | --- |
|  | Unit | Year |
| 2017 | 2018 | 2019 | 2020 |
| Net borrowing/lending of general government  | CZK mil. | 76 733 | 49 388 | 17 859 | -347 951 |
| General government consolidated gross debt  | CZK mil. | 1 749 677 | 1 734 602 | 1 739 932 | 2 153 032 |
| Gross domestic product (GDP), current prices | CZK mil. | 5 110 743 | 5 409 665 | 5 748 805 | 5 652 401 |
| Net borrowing/lending of general government as % of GDP | % | 1.5 | 0.9 | 0.3 | -6.2 |
| General government consolidated gross debt as % of GDP  | % | 34.2 | 32.1 | 30.3 | 38.1 |

Data for all EU Member States will be published on the Eurostat´s website on April 22, 2021 at 11:00.

*Notes:*

*Notification of government deficit and debt is compiled always for the past four years and submitted to the European Commission by each Member State of the European Union always at the end of March and September each year, including a projection for the current year. The projection for the current year is compiled and published by the Ministry of Finance of the Czech Republic. Quantification of fiscal indicators is based on the ESA 2010 methodology. Pursuant to the Maastricht criteria, the government deficit must not exceed 3% of the GDP and the level of the accumulated government debt must not exceed 60% of the GDP.*

*Government surplus/deficit is represented by the item B.9 “net borrowing (−) or net lending (+)” in the system of national accounts. The indicator refers to the ability of the general government sector in the given year to finance other sectors of the economy (+) or the need of the general government sector to be financed (−) by other sectors.*

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

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| *Next News Release will be published on:* | *October 1, 2021* |

*This press release was not edited for language.*