23 October 2023

Deficit of the general government for 2022 reached 3.2% of the GDP

Notification of government deficit and debt – 2022

**Based on regular consultations, Eurostat validated the data on the general government sector balance and the general government debt as published in the News Release on 2 October 2023. It was confirmed that the balance of the Czech general government sector ended up with the deficit in the amount of 3.2% of the GDP. The general government gross debt amounted to 44.2% of the GDP in the end of 2022.**

*“Based on regular consultations, Eurostat validated the deficit of the Czech general government sector for the year 2022 in the amount of CZK 217.9 billion and the general government debt amounting to 44.2% of the GDP,”* Helena Houžvičková, Director of the Government and Financial Accounts Department of the Czech Statistical Office (CZSO), stated.

Notification table of government deficit and debt, the Czech Republic, 2019–2022

|  |  |  |
| --- | --- | --- |
|  | Unit | Year |
| 2019 | 2020 | 2021 | 2022 |
| Net borrowing/lending of general government  | CZK mil. | 16 709 | -329 216 | -310 628 | -217 932 |
| General government consolidated gross debt  | CZK mil. | 1 740 263 | 2 149 822 | 2 566 731 | 2 997 615 |
| Net borrowing/lending of general government as % of the GDP | % | 0.3 | -5.8 | -5.1 | -3.2 |
| General government consolidated gross debt as % of the GDP  | % | 30.0 | 37.7 | 42.0 | 44.2 |

Based on a recommendation of Eurostat, in the Notification tables of the government deficit and debt, the way transactions regarding the Recovery and Resilience Facility is captured was changed. The change had no impact on the general government deficit and debt.

Data for all EU Member States will be published on the Eurostat´s website on 23 October 2023 at 11:00 a.m.

*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 to finance other sectors of the economy (+) or the need of the general government sector to be financed (−) by other sectors in the given year.*

*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, the value in CZK is obtained by means of a contractual exchange rate.*

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| *Next News Release will be published on:* | *2 April 2024* |