

Notification of general government deficit and debt according to the excessive deficit procedure

Years 2011-2014

In this release, Istat provides government deficit and debt data based on figures reported in the second **2015 notification** by Italy to the EC¹ for the years 2011-2014, for the application of the excessive deficit procedure (EDP). This notification is based on the ESA 2010 system of national accounts. No reservations have been expressed by Eurostat on the data reported by Italy that are the same already disseminated on the 23rd of September: ("[Conti economici nazionali](#)", "[Annual national accounts](#)").

Istat also provides information on the underlying government sector accounts, as well as on the contribution of deficit/surplus and other relevant factors to the variation in the debt level (stock-flow adjustment).

According to the Protocol on the excessive deficit procedure annexed to the EC Treaty, government deficit (surplus) means the net borrowing (net lending) of the whole general government sector (central government, state government, local government and social security funds). It is calculated according to national accounts concepts (European System of Accounts, ESA 2010). Government debt is the consolidated gross debt of the whole general government sector outstanding at the end of the year (at nominal value). For further references see the "Manual on government deficit and debt – Implementation of ESA 2010", 2014 edition:

<http://ec.europa.eu/eurostat/documents/3859598/5937189/KS-GQ-14-010-EN.PDF/>

In 2014, the government deficit to GDP ratio increased from 2.9% in 2013 to 3.0% in 2014. The primary surplus as a percentage of GDP decreased from 1.9% in 2013 to 1.6% in 2014.

The government debt to GDP ratio was 132.3% at the end of 2014, up by 3.5 percentage points with respect to the end of 2013. Data concerning the general government debt are compiled by and released by the Bank of Italy².

TABLE 1. MAIN AGGREGATES OF GOVERNMENT FINANCE STATISTICS

Years 2011-2014(a), data in millions of euro and in percentage of GDP

| | 2011 (b) | 2012 (c) | 2013 (c) | 2014 (c) |
|--|------------------|------------------|------------------|------------------|
| Net borrowing (-) | -56,54 | -48,102 | -47,307 | -49,038 |
| <i>as a percentage of GDP</i> | -3.5 | -3.0 | -2.9 | -3.0 |
| General government consolidated gross debt (d) | 1,907,479 | 1,989,421 | 2,069,692 | 2,135,902 |
| <i>as a percentage of GDP</i> | 116.4 | 123.2 | 128.8 | 132.3 |
| Interest expenditure | 76,416 | 84,086 | 77,879 | 75,043 |
| <i>as a percentage of GDP</i> | 4.7 | 5.2 | 4.8 | 4.6 |
| Net borrowing net of interest | 19,462 | 35,984 | 30,572 | 26,005 |
| <i>as a percentage of GDP</i> | 1.2 | 2.2 | 1.9 | 1.6 |
| GDP (e) | 1,638,857 | 1,614,672 | 1,606,895 | 1,613,859 |

Source: General government consolidated gross debt Banca d'Italia

a) Possible differences in the sums are due to rounding off.

b) Final data.

c) Half-finalized data.

d) Final data for the years 2011-2014.

e) Final data for the years 2011-2012.

¹ Notification Tables concerning all EU Countries can be found on the Eurostat web page <http://ec.europa.eu/eurostat/web/government-finance-statistics/excessive-deficit-procedure/edp-notification-tables>

² See "Supplemento mensile al Bollettino statistico – Finanza Pubblica, fabbisogno e debito, 14 ottobre 2015 n.53".

FIGURE 1. NET BORROWING, NET BORROWING NET OF INTEREST AND INTEREST EXPENDITURE ON GDP.
 Years 2011-2014,
 percentage values



(a) Please note that here the sign convention of the net borrowing is positive.

For more details please refer to the Italian version

Contact person:

Marinella Cosco

National Accounts Directorate

ISTAT – Italian National Institute of Statistics

Via Depretis, 74/B – 00184 Rome, Italy

phone +39 06 4673.3189

email cosco@istat.it