

## **Reporting of Government Deficits and Debt Levels**

in accordance with Council Regulation (EC) N° 3605/93 as amended,  
the Statements contained in the Council minutes of 22/11/1993,  
and the Code of Best Practice adopted by the Ecofin Council of 18/2/2003

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Set of reporting tables as endorsed by the CMFB on 26/6/2003.

### **- Reporting before 1 October 2008**

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*Yellow cells: compulsory detail; green cells: automatic compilation; blue cells: voluntary detail.*

*Not applicable: M ; Not available: L*

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| <b>Please mention data sources and whether the data supplied are publicly available.</b> |
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**Table 1: Reporting of government deficit/surplus and debt levels and provision of associated data**

| Member State: Latvia<br>Data are in millions of LVL<br>Date: 07/10/ 2008                                | ESA 95<br>codes    | Year          |               |               |               |                 |
|---|--------------------|---------------|---------------|---------------|---------------|-----------------|
|   |                    | 2004<br>final | 2005<br>final | 2006<br>final | 2007<br>final | 2008<br>planned |
| <b>Net borrowing (-)/ net lending (+)</b>   | EDP B.9            |               |               |               |               |                 |
| General government  | S.13               | -76.5         | -32.6         | -24.1         | 8.7           | -92.7           |
| - Central government  | S.1311             | -145          | -140.9        | -218.2        | -320.2        | -237.5          |
| - State government  | S.1312             | M             | M             | M             | M             | M               |
| - Local government  | S.1313             | -8.3          | -10           | -38           | -85.6         | -101.1          |
| - Social security funds   | S.1314             | 76.8          | 118.3         | 232.1         | 414.5         | 245.9           |
| <b>General government consolidated gross debt<br/>Level at nominal value outstanding at end of year</b> |                    | 1110.4        | 1122.1        | 1190.5        | 1331.3        | 1940.3          |
| <i>By category:</i>   |                    |               |               |               |               |                 |
| Currency and deposits   | AF.2               | 30.6          | 30.4          | 24.9          | 17.8          | 27.5            |
| Securities other than shares, exc. financial derivatives  | AF.33              | 847.5         | 844.6         | 840.4         | 805           | 1396.5          |
| Short-term  | AF.331             | 75.3          | 71.7          | 50.1          | 45.3          | 134.5           |
| Long-term   | AF.332             | 772.2         | 772.9         | 790.3         | 759.7         | 1262            |
| Loans   | AF.4               | 232.3         | 247.1         | 325.2         | 508.5         | 516.3           |
| Short-term  | AF.41              | 2.7           | 3.3           | 3.1           | 39.1          | 9.8             |
| Long-term   | AF.42              | 229.6         | 243.8         | 322.1         | 469.4         | 506.5           |
| <b>General government expenditure on:<br/>Gross fixed capital formation</b>                             | P.51               | 231           | 307.6         | 519.6         | 792.1         | 824.3           |
| <b>Interest (consolidated)</b>  | EDP D.41           | 54.5          | 51.7          | 55.3          | 67.6          | 64.5            |
| <i>p.m.: Interest (consolidated)</i>  | <i>D.41 (uses)</i> | 54.5          | 51.7          | 55.3          | 67.2          | 64.5            |
| <b>Gross domestic product at current market prices</b>  | B.1*g              | 7434.5        | 9059.1        | 11171.7       | 13957.4       | 16097.3         |

(1) Please indicate status of data: estimated, half-finalized, final.

**Table 2A: Provision of the data which explain the transition between the public accounts budget deficit and the central government deficit/surplus**

| Member State: Latvia  | Year          |               |               |               |               |  |
|---|---------------|---------------|---------------|---------------|---------------|--|
| Data are in millions of LVL   | 2004          | 2005          | 2006          | 2007          | 2008          |  |
| Date: 07/10/ 2008   | final         | final         | final         | final         | planned       |  |
| <b>Working balance in central government accounts</b>                                 | <b>-102.8</b> | <b>-100.3</b> | <b>-101.8</b> | <b>116.2</b>  | <b>8.4</b>    | Central government budget financial balance (cash-based, includes social security budget)  |
| <i>(public accounts, please specify whether this working balance is cash-based)</i>   |               |               |               |               |               |  |
| Financial transactions considered in the working balance                              | 0             | 30.1          | 4.6           | 6.4           |               |  |
| Loans, granted (+)  | 0             | 0             | 0             | 0             |               |  |
| Loans, repayments (-)   | 0             | 0             | 0             | 0             |               |  |
| Equities, acquisition (+)   | 0             | 30.1          | 4.6           | 6.4           |               | Capital injection (capital raised in profitable state owned enterprises) 2004-2006; contributions to capital of international organisations 2007   |
| Equities, sales (-)   | 0             | 0             | 0             | 0             |               |  |
| Other financial transactions (+/-)  | 0             | 0             | 0             | 0             |               |  |
| Detail 1  | 0             |               |               |               |               |  |
| Detail 2  | 0             |               |               |               |               |  |
| Difference between interest paid (+) and accrued (EDP D.41)(-)                        | -5            | 0.6           | -0.8          | -11.1         |               | Difference between interest paid (+) and accrued (-)   |
| Other accounts receivable (+)   | 62.7          | 40.6          | 113.1         | 70.4          |               |  |
| Detail 1  | 54            | 39.7          | 31.1          | 4.5           |               | Difference in cash and time adjusted cash (VAT, excise tax)  |
| Detail 2  | 8.7           | 0.9           | 82            | 65.9          |               | Year end-start difference in Claims  |
| Other accounts payable (-)  | -10.8         | -49.9         | -158          | -37.9         |               |  |
| Detail 1  | -10.8         | -49.9         | -158          | -37.9         |               | Year end - year start difference in Liabilities (from balance sheets on accrual basis)   |
| Detail 2  |               |               |               |               |               |  |
| Net borrowing (+) or net lending (-) of State entities not part of central government | 0             | 0             | 0             | 0             |               |  |
| Net borrowing (-) or net lending (+) of other central government bodies               | -1.7          | 1.7           | 8.2           | 8.3           |               |  |
| Detail 1  | -1.7          | 1.7           | 8.2           | 8.3           |               | Other government entities (balance of units re-allocated to central government sector)   |
| Detail 2  |               |               |               |               |               |  |
| Other adjustments (+/-) (please detail)   | -87.4         | -63.7         | -83.5         | -472.5        | -245.9        |  |
| Detail 1  | -51.1         | -91.1         | -181.8        | -379.6        | -245.9        | Financial balance of Social Security budget (eliminating SS funds impact on central government data)   |
| Detail 2  | -9.8          | -8.1          | 10            | 8.9           |               | Revenue from sale of real estate, less privatization expenditure   |
| Detail 3  | -27.6         | 35.2          | 52.5          | -96.4         |               | EU funds corrections (difference between budget expenditure on behalf of the EU (including payments to the beneficiaries outside GG) during the year (+), and total receipts from the EU budget during the year (-) on cash basis) |
| Detail 4  | -2.6          | -1.3          | -0.7          | -0.7          |               | Debt assumption: education reform loan from World Bank to local governments repaid by central government   |
| Detail 5  | 3.7           | 1.6           | 36.5          | -4.7          |               | Other adjustments, including former special budget (incorporated into central government basic budget starting from 2004) repayments to central government (2004, 2005 and 2006)   |
| <b>Net borrowing (-)/lending(+) (EDP B.9) of central government (S.1311)</b>          | <b>-145</b>   | <b>-140.9</b> | <b>-218.2</b> | <b>-320.2</b> | <b>-237.5</b> |  |

(ESA 95 accounts)

(1) Please indicate status of data: estimated, half-finalized, final.

Note: Member States are asked, according to established practice, to adapt tables 2A, B, C and D to their national specificity.

**Table 2B: Provision of the data which explain the transition between the working balances and the state government deficit/surplus**

| Member State: .....  | Year |      |      |      |         |  |
|--|------|------|------|------|---------|--|
| Data are in ...(millions of units of national currency)                    | 2004 | 2005 | 2006 | 2007 | 2008    |  |
| Date: ...../...../ 2008  | (1)  | (1)  | (1)  | (1)  | planned |  |
| <b>Working balance in state government accounts</b>                        |      |      |      |      |         |  |
| <i>(please specify whether this working balance is cash-based)</i>         |      |      |      |      |         |  |
| Financial transactions considered in the working balance                   |      |      |      |      |         |  |
| Loans (+/-)  |      |      |      |      |         |  |
| Equities (+/-)   |      |      |      |      |         |  |
| Other financial transactions (+/-)   |      |      |      |      |         |  |
| Detail 1   |      |      |      |      |         |  |
| Detail 2   |      |      |      |      |         |  |
| Non-financial transactions not considered in the working balance           |      |      |      |      |         |  |
| Detail 1   |      |      |      |      |         |  |
| Detail 2   |      |      |      |      |         |  |
| Difference between interest paid (+) and accrued (EDP D.41)(-)             |      |      |      |      |         |  |
| Other accounts receivable (+)  |      |      |      |      |         |  |
| Detail 1   |      |      |      |      |         |  |
| Detail 2   |      |      |      |      |         |  |
| Other accounts payable (-)   |      |      |      |      |         |  |
| Detail 1   |      |      |      |      |         |  |
| Detail 2   |      |      |      |      |         |  |
| Adjustment for subsector delimitation                                      |      |      |      |      |         |  |
| Detail 1   |      |      |      |      |         |  |
| Detail 2   |      |      |      |      |         |  |
| Other adjustments (+/-) <i>(please detail)</i>                             |      |      |      |      |         |  |
| Detail 1   |      |      |      |      |         |  |
| Detail 2   |      |      |      |      |         |  |
| Detail 3   |      |      |      |      |         |  |
| <b>Net borrowing (-)/lending(+) (EDP B.9) of state government (S.1312)</b> |      |      |      |      |         |  |
| <i>(ESA 95 accounts)</i>   |      |      |      |      |         |  |

(1) Please indicate status of data: estimated, half-finalized, final.

Note: Member States are asked, according to established practice, to adapt tables 2A, B, C and D to their national specificity.

**Table 2C: Provision of the data which explain the transition between the working balances and the local government deficit/surplus**

| Member State: Latvia<br>Data are in millions of LVL<br>Date: 07/10/ 2008        | Year          |               |               |               |                 | 2008<br>planned |   |
|---|---------------|---------------|---------------|---------------|-----------------|-----------------|---|
|   | 2004<br>final | 2005<br>final | 2006<br>final | 2007<br>final | 2008<br>planned |                 |   |
| <b>Working balance in local government accounts</b>                             | <b>-8.5</b>   | <b>-17.7</b>  | <b>-6</b>     | <b>-25.1</b>  |                 | 0               | Local government budget financial balance (cash-based, includes special budgets and grants and donations) |
| <i>(please specify whether this working balance is cash-based)</i>              |               |               |               |               |                 |                 |   |
| Financial transactions considered in the working balance                        | 0.5           | 0.5           | 1.9           | 2.2           |                 |                 |   |
| Loans (+/-)   | 0             | 0             | 0             | 0             |                 |                 |   |
| Equities (+/-)  | 0.5           | 0.5           | 1.9           | 2.9           |                 |                 | Capital injection (capital raised in profitable state owned enterprises)                                  |
| Other financial transactions (+/-)  | 0             | 0             | 0             | -0.7          |                 |                 | Other financial transactions  |
| Detail 1  |               |               |               |               |                 |                 |   |
| Detail 2  |               |               |               |               |                 |                 |   |
| Adjustment for non-financial transactions not considered in the working balance | 0             | -12.1         | -34.5         | -75.8         |                 | -101.1          |   |
| Detail 1  | 0             | -12.1         | -34.5         | -56.1         |                 | -101.1          | Correction of the South Bridge costs  |
| Detail 2  |               |               |               | -19.7         |                 |                 | Capital transfers   |
| Difference between interest paid (+) and accrued (EDP D.41)(-)                  | -0.1          | -0.2          | -1            | -1            |                 |                 | Difference between interest paid (+) and accrued (-)  |
| Other accounts receivable (+)   | 6.5           | 4.4           | 41.6          | 35.3          |                 |                 |   |
| Detail 1  | 6.6           | 6.6           | 16            | 16.2          |                 |                 | Difference in cash and time adjusted cash (personal income tax)   |
| Detail 2  | -0.1          | -2.2          | 25.6          | 19.1          |                 |                 | Year end-start difference in Claims   |
| Other accounts payable (-)  | -20.4         | 4.2           | -64.2         | -48.5         |                 |                 |   |
| Detail 1  | -20.4         | 4.2           | -64.2         | -48.5         |                 |                 | Year end - year start difference in Liabilities (from balance sheets on accrual basis)                    |
| Detail 2  |               |               |               |               |                 |                 |   |
| Adjustment for subsector delimitation   | 0.9           | -0.5          | 2.5           | 3.6           |                 |                 |   |
| Detail 1  | 0.9           | -0.5          | 2.5           | 3.6           |                 |                 | Other government entities (balance of units re-allocated to central government sector)                    |
| Detail 2  |               |               |               |               |                 |                 |   |
| Other adjustments (+/-) (please detail)   | 12.8          | 11.4          | 21.7          | 23.7          |                 |                 |   |
| Detail 1  | 2.6           | 1.3           | 0.7           | 0.7           |                 |                 | Education reform loan from World Bank to local governments repaid by central government                   |
| Detail 2  | 8.9           | 8.9           | 19.6          | 22.5          |                 |                 | Revenue from privatization (except shares and other equity)   |
| Detail 3  | 1.3           | 1.2           | 1.4           | 0.5           |                 |                 | Other adjustments   |
| <b>Net borrowing (-)/lending(+) (EDP B.9) of local government (S.1313)</b>      | <b>-8.3</b>   | <b>-10</b>    | <b>-38</b>    | <b>-85.6</b>  |                 | <b>-101.1</b>   |   |

(ESA 95 accounts)

(1) Please indicate status of data: estimated, half-finalized, final.

Note: Member States are asked, according to established practice, to adapt tables 2A, B, C and D to their national specificity.

**Table 2D: Provision of the data which explain the transition between the working balances and the social security deficit/surplus**

| Member State: Latvia  | Year        |              |              |              |              |  |
|---|-------------|--------------|--------------|--------------|--------------|--|
| Data are in millions of LVL   | 2004        | 2005         | 2006         | 2007         | 2008         |  |
| Date: 07/10/ 2008   | final       | final        | final        | final        | planned      |  |
| <b>Working balance in social security accounts</b>                              | <b>51.1</b> | <b>91.1</b>  | <b>181.8</b> | <b>379.6</b> | <b>245.9</b> | Social security budget financial balance (cash-based)                                  |
| <i>(please specify whether this working balance is cash-based)</i>              |             |              |              |              |              |  |
| Financial transactions considered in the working balance                        | 23.6        | 21.9         | 10.4         | 0            |              |  |
| Loans (+/-)   | 23.7        | 22           | 10.5         | 0            |              | Social security budget repayments to central government budget                         |
| Equities (+/-)  | -0.1        | -0.1         | -0.1         | 0            |              | Equities sale (state-owned shares of enterprises sold by State Social Security Agency) |
| Other financial transactions (+/-)  | 0           | 0            | 0            | 0            |              |  |
| Detail 1  |             |              |              |              |              |  |
| Detail 2  |             |              |              |              |              |  |
| Adjustment for non-financial transactions not considered in the working balance | 0           | 0            | 0            | 0            |              |  |
| Detail 1  |             |              |              |              |              |  |
| Detail 2  |             |              |              |              |              |  |
| Difference between interest paid (+) and accrued (EDP D.41)(-)                  | 0.6         | 0.4          | 2            | 15.7         |              | Difference between interest paid (+) and accrued (-)                                   |
| Other accounts receivable (+)   | 1.8         | 4.7          | 37.5         | 19.4         |              |  |
| Detail 1  | 6.3         | 9.2          | 20.6         | 21.3         |              | Difference in cash and time adjusted cash (social contributions)                       |
| Detail 2  | -4.5        | -4.5         | 16.9         | -1.9         |              | Year end-start difference in Claims  |
| Other accounts payable (-)  | -0.3        | 0.2          | 0.4          | -0.2         |              |  |
| Detail 1  | -0.3        | 0.2          | 0.4          | -0.2         |              | Year end - year start difference in Liabilities (from balance sheets on accrual basis) |
| Detail 2  |             |              |              |              |              |  |
| Adjustment for subsector delimitation   | 0           | 0            | 0            | 0            |              |  |
| Detail 1  |             |              |              |              |              |  |
| Detail 2  |             |              |              |              |              |  |
| Other adjustments (+/-) (please detail)   | 0           | 0            | 0            | 0            |              |  |
| Detail 1  |             |              |              |              |              |  |
| Detail 2  |             |              |              |              |              |  |
| Detail 3  |             |              |              |              |              |  |
| <b>Net borrowing (-)/lending(+) (EDP B.9) of social security (S.1314)</b>       | <b>76.8</b> | <b>118.3</b> | <b>232.1</b> | <b>414.5</b> | <b>245.9</b> |  |
| <i>(ESA 95 accounts)</i>  |             |              |              |              |              |  |

(1) Please indicate status of data: estimated, half-finalized, final.

Note: Member States are asked, according to established practice, to adapt tables 2A, B, C and D to their national specificity.

**Table 3A: Provision of the data which explain the contributions of the deficit/surplus and the other relevant factors to the variation in the debt level (general government)**

| Member State: Latvia   | Year         |              |               |               |
|--|--------------|--------------|---------------|---------------|
|  | 2004         | 2005         | 2006          | 2007          |
| Data are in millions of LVL  | final        | final        | final         | final         |
| Date: 07/10/ 2008  |              |              |               |               |
| <b>Net borrowing(+)/lending(-)(EDP B.9) of general government (S.13)*</b>              | <b>76.5</b>  | <b>32.6</b>  | <b>24.1</b>   | <b>-8.7</b>   |
| <b>Net acquisition (+) of financial assets <sup>(3)</sup></b>                          | <b>111.2</b> | <b>-24.3</b> | <b>300.4</b>  | <b>276.8</b>  |
| Currency and deposits (F.2)  | 73.6         | -88.1        | 158.6         | 168           |
| Securities other than shares (F.3)   | -46.6        | -5           | -0.3          | 0             |
| Loans (F.4)  | -8.3         | -1.6         | -22.8         | 7.1           |
| Increase (+)   | 0.2          | 5.7          | 12.7          | 15.7          |
| Reduction (-)  | -8.5         | -7.3         | -35.5         | -8.6          |
| Shares and other equity (F.5)  | 11.2         | 34.3         | -55.5         | 19.4          |
| Increase (+)   | 15.1         | 37.5         | 19.2          | 25.7          |
| Reduction (-)  | -3.9         | -3.2         | -74.7         | -6.3          |
| Other financial assets (F.1, F.6 and F.7)  | 81.3         | 36.1         | 220.4         | 82.3          |
| <b>Adjustments <sup>(3)</sup></b>  | <b>-25.3</b> | <b>-6.5</b>  | <b>-278.5</b> | <b>-162.5</b> |
| Net incurrence (-) of liabilities in financial derivatives (F.34)                      | 0            | 0            | 0             | 0.3           |
| Net incurrence (-) of other liabilities (F.5, F.6 and F.7)                             | -58.6        | -13.7        | -284.1        | -160.2        |
| Issurances above(-)/below(+) nominal value   | 3.2          | 1.8          | 3.7           | 2.1           |
| Difference between interest (EDP D.41) accrued(-) and paid <sup>(4)</sup> (+)          | -0.7         | -0.4         | -0.8          | -1.7          |
| Redemptions of debt above(+)/below(-) nominal value                                    | 0            | 0            | 0             | 0             |
| Appreciation(+)/depreciation(-) <sup>(5)</sup> of foreign-currency debt <sup>(6)</sup> | 23.1         | 5.7          | -3.6          | -2.8          |
| Changes in sector classification (K.12.1) <sup>(6)</sup> (+/-)                         | 7.6          | 0            | 0             | 0             |
| Other volume changes in financial liabilities (K.7, K.8, K.10) <sup>(6)</sup> (-)      | 0.1          | 0.1          | 6.3           | -0.2          |
| <b>Statistical discrepancies</b>   | <b>14.1</b>  | <b>9.9</b>   | <b>22.4</b>   | <b>35.2</b>   |
| Difference between capital and financial accounts (B.9-B.9f)                           | 14.1         | 9.9          | 22.4          | 35.2          |
| Other statistical discrepancies (+/-)  | 0            | 0            | 0             | 0             |
| <b>Change in general government (S.13) consolidated gross debt <sup>(2)</sup></b>      | <b>176.5</b> | <b>11.7</b>  | <b>68.4</b>   | <b>140.8</b>  |

**\*Please note that the sign convention for net borrowing / net lending is different from tables 1 and 2.**

(1) Please indicate the status of the data: estimated, half-finalized, final.

(3) Consolidated within general government.

(5) Due to exchange-rate movements and to swap activity.

(2) A positive entry in this row means that nominal debt increases, a negative entry that nominal debt decreases.

(4) Including capital uplift

(6) AF.2, AF.33 and AF.4. At face value.

**Table 3B: Provision of the data which explain the contributions of the deficit/surplus and the other relevant factors to the variation in the government debt level and the consolidation of debt (central government)**

| Member State: Latvia<br>Data are in millions of LVL<br>Date: 07/10/ 2008               | Year          |               |               |               |
|--|---------------|---------------|---------------|---------------|
|  | 2004<br>final | 2005<br>final | 2006<br>final | 2007<br>final |
| <b>Net borrowing(+)/lending(-)(EDP B.9) of central government (S.1311)*</b>            | <b>145</b>    | <b>140.9</b>  | <b>218.2</b>  | <b>320.2</b>  |
| <b>Net acquisition (+) of financial assets <sup>(3)</sup></b>                          | <b>77.9</b>   | <b>-40.5</b>  | <b>188.1</b>  | <b>232.7</b>  |
| Currency and deposits (F.2)  | 62.3          | -94.3         | 65.4          | 109.4         |
| Securities other than shares (F.3)   | -46.6         | -1.2          | -0.6          | 0             |
| Loans (F.4)  | -12.8         | 1.7           | 41.4          | 80.4          |
| Increase (+)   | 5.7           | 41            | 85.6          | 132.8         |
| Reduction (-)  | -18.5         | -39.3         | -44.2         | -52.4         |
| Shares and other equity (F.5)  | 0.6           | 31.3          | -69.9         | 3.5           |
| Increase (+)   | 3.6           | 34.4          | 4.6           | 6.8           |
| Reduction (-)  | -3            | -3.1          | -74.5         | -3.3          |
| Other financial assets (F.1, F.6 and F.7)  | 74.4          | 22            | 151.8         | 39.4          |
| <b>Adjustments <sup>(5)</sup></b>  | <b>-6.4</b>   | <b>-7.3</b>   | <b>-205.3</b> | <b>-125.7</b> |
| Net incurrence (-) of liabilities in financial derivatives (F.34)                      | 0             | 0             | 0             | 0.3           |
| Net incurrence (-) of other liabilities (F.5, F.6 and F.7)                             | -36.9         | -14.1         | -208.8        | -120          |
| Issuances above(-)/below(+) nominal value  | 3.2           | 1.8           | 3.7           | 2.1           |
| Difference between interest (EDP D.41) accrued(-) and paid <sup>(4)</sup> (+)          | -0.7          | -0.4          | -0.8          | -1.7          |
| Redemptions of debt above(+)/below(-) nominal value                                    | 0             | 0             | 0             | 0             |
| Appreciation(+)/depreciation(-) <sup>(5)</sup> of foreign-currency debt <sup>(6)</sup> | 19.8          | 5.7           | -3.6          | -2.8          |
| Changes in sector classification (K.12.1) <sup>(6)</sup> (+/-)                         | 7.6           | 0             | 0             | 0             |
| Other volume changes in financial liabilities (K.7, K.8, K.10) <sup>(6)</sup> (-)      | 0.6           | -0.3          | 4.2           | -3.6          |
| <b>Statistical discrepancies</b>   | <b>-3.3</b>   | <b>-17.5</b>  | <b>19.4</b>   | <b>34.1</b>   |
| Difference between capital and financial accounts (B.9-B.9f)                           | -3.3          | -17.5         | 19.4          | 34.1          |
| Other statistical discrepancies (+/-)  | 0             | 0             | 0             | 0             |
| <b>Change in central government (S.1311) consolidated gross debt <sup>(2)</sup></b>    | <b>213.2</b>  | <b>75.6</b>   | <b>220.4</b>  | <b>461.3</b>  |
| <b>Central government contribution to general government debt (a=b-c)</b>              | <b>974</b>    | <b>1048.2</b> | <b>1221.4</b> | <b>1610.5</b> |
| Central government gross debt (level) (b) <sup>(3)</sup>                               | 1105.5        | 1181.1        | 1401.5        | 1862.8        |
| Central government holdings of other subsectors debt (level) (c) <sup>(3)</sup>        | 131.5         | 132.9         | 180.1         | 252.3         |

**\*Please note that the sign convention for net borrowing / net lending is different from tables 1 and 2.**

(1) Please indicate the status of the data: estimated, half-finalized, final.

(3) Consolidated within central government.

(5) Due to exchange-rate movements and to swap activity.

(2) A positive entry in this row means that nominal debt increases, a negative entry that nominal debt decreases.

(4) Including capital uplift

(6) AF.2, AF.33 and AF.4. At face value.



**Table 3C: Provision of the data which explain the contributions of the deficit/surplus and the other relevant factors to the variation in the debt level and the consolidation of debt (state government)**

| Member State: .....  | Year        |             |             |             |
|--|-------------|-------------|-------------|-------------|
|  | 2004<br>(1) | 2005<br>(1) | 2006<br>(1) | 2007<br>(1) |
| Data are in ...(millions of units of national currency)                                |             |             |             |             |
| Date: ...../...../ 2008  |             |             |             |             |
| <b>Net borrowing(+)/lending(-)(EDP B.9) of state government (S.1312)*</b>              |             |             |             |             |
| <b>Net acquisition (+) of financial assets <sup>(3)</sup></b>                          | 0           | 0           | 0           | 0           |
| Currency and deposits (F.2)  |             |             |             |             |
| Securities other than shares (F.3)   |             |             |             |             |
| Loans (F.4)  |             |             |             |             |
| Increase (+)   |             |             |             |             |
| Reduction (-)  |             |             |             |             |
| Shares and other equity (F.5)  |             |             |             |             |
| Increase (+)   |             |             |             |             |
| Reduction (-)  |             |             |             |             |
| Other financial assets (F.1, F.6 and F.7)  |             |             |             |             |
| <b>Adjustments <sup>(9)</sup></b>  | 0           | 0           | 0           | 0           |
| Net incurrence (-) of liabilities in financial derivatives (F.34)                      |             |             |             |             |
| Net incurrence (-) of other liabilities (F.5, F.6 and F.7)                             |             |             |             |             |
| Issuances above(-)/below(+) nominal value  |             |             |             |             |
| Difference between interest (EDP D.41) accrued(-) and paid <sup>(4)</sup> (+)          |             |             |             |             |
| Redemptions of debt above(+)/below(-) nominal value                                    |             |             |             |             |
| Appreciation(+)/depreciation(-) <sup>(5)</sup> of foreign-currency debt <sup>(6)</sup> |             |             |             |             |
| Changes in sector classification (K.12.1) <sup>(6)</sup> (+/-)                         |             |             |             |             |
| Other volume changes in financial liabilities (K.7, K.8, K.10) <sup>(6)</sup> (-)      |             |             |             |             |
| <b>Statistical discrepancies</b>   |             |             |             |             |
| Difference between capital and financial accounts (B.9-B.9f)                           |             |             |             |             |
| Other statistical discrepancies (+/-)  |             |             |             |             |
| <b>Change in state government (S.1312) consolidated gross debt <sup>(2)</sup></b>      |             |             |             |             |
| <b>State government contribution to general government debt (a=b-c)</b>                |             |             |             |             |
| State government gross debt (level) (b) <sup>(3)</sup>                                 |             |             |             |             |
| State government holdings of other subsectors debt (level) (c) <sup>(6)</sup>          |             |             |             |             |

**\*Please note that the sign convention for net borrowing / net lending is different from tables 1 and 2.**

- (1) Please indicate the status of the data: estimated, half-finalized, final.  
(3) Consolidated within state government.  
(5) Due to exchange-rate movements and to swap activity.

- (2) A positive entry in this row means that nominal debt increases, a negative entry that nominal debt decreases.  
(4) Including capital uplift  
(6) AF.2, AF.33 and AF.4. At face value.

**Table 3D: Provision of the data which explain the contributions of the deficit/surplus and the other relevant factors to the variation in the debt level and the consolidation of debt (local government)**

| Member State: Latvia<br>Data are in millions of LVL<br>Date: 07/10/ 2008               | Year          |               |               |               |
|--|---------------|---------------|---------------|---------------|
|  | 2004<br>final | 2005<br>final | 2006<br>final | 2007<br>final |
| <b>Net borrowing(+)/lending(-)(EDP B.9) of local government (S.1313)*</b>              | <b>8.3</b>    | <b>10</b>     | <b>38</b>     | <b>85.6</b>   |
| <b>Net acquisition (+) of financial assets <sup>(3)</sup></b>                          | <b>18.4</b>   | <b>15</b>     | <b>138.9</b>  | <b>137</b>    |
| Currency and deposits (F.2)  | 11.2          | 8.7           | 97.4          | 84.6          |
| Securities other than shares (F.3)   | 0             | -3.8          | 0.3           | 0             |
| Loans (F.4)  | -9.6          | -1.6          | -15.9         | -0.1          |
| Increase (+)   | 0.2           | 2.6           | 2.8           | 3.1           |
| Reduction (-)  | -9.8          | -4.2          | -18.7         | -3.2          |
| Shares and other equity (F.5)  | 10.7          | 3             | 14.6          | 16.8          |
| Increase (+)   | 11.6          | 3.1           | 14.8          | 19.2          |
| Reduction (-)  | -0.9          | -0.1          | -0.2          | -2.4          |
| Other financial assets (F.1, F.6 and F.7)  | 6.1           | 8.7           | 42.5          | 35.7          |
| <b>Adjustments <sup>(4)</sup></b>  | <b>-21.4</b>  | <b>-0.2</b>   | <b>-86</b>    | <b>-65</b>    |
| Net incurrence (-) of liabilities in financial derivatives (F.34)                      | 0             | 0             | 0             | 0             |
| Net incurrence (-) of other liabilities (F.5, F.6 and F.7)                             | -23.1         | 1             | -87.4         | -68.4         |
| Issuances above(-)/below(+) nominal value  | 0             | 0             | 0             | 0             |
| Difference between interest (EDP D.41) accrued(-) and paid <sup>(4)</sup> (+)          | 0             | 0             | 0             | 0             |
| Redemptions of debt above(+)/below(-) nominal value                                    | 0             | 0             | 0             | 0             |
| Appreciation(+)/depreciation(-) <sup>(5)</sup> of foreign-currency debt <sup>(6)</sup> | 3.3           | 0             | 0             | 0             |
| Changes in sector classification (K.12.1) <sup>(6)</sup> (+/-)                         | 0             | 0             | 0             | 0             |
| Other volume changes in financial liabilities (K.7, K.8, K.10) <sup>(6)</sup> (-)      | -1.6          | -1.2          | 1.4           | 3.4           |
| <b>Statistical discrepancies</b>   | <b>19.4</b>   | <b>25.3</b>   | <b>0.9</b>    | <b>0.4</b>    |
| Difference between capital and financial accounts (B.9-B.9f)                           | 19.4          | 25.3          | 0.9           | 0.4           |
| Other statistical discrepancies (+/-)  | 0             | 0             | 0             | 0             |
| <b>Change in local government (S.1313) consolidated gross debt <sup>(2)</sup></b>      | <b>24.7</b>   | <b>50.1</b>   | <b>91.8</b>   | <b>158</b>    |
| <b>Local government contribution to general government debt (a=b-c)</b>                | <b>176.7</b>  | <b>224.3</b>  | <b>311.8</b>  | <b>443.8</b>  |
| Local government gross debt (level) (b) <sup>a</sup>                                   | 180.7         | 230.8         | 322.6         | 480.6         |
| Local government holdings of other subsectors debt (level) (c) <sup>a</sup>            | 4             | 6.5           | 10.8          | 36.8          |

**\*Please note that the sign convention for net borrowing / net lending is different from tables 1 and 2.**

(1) Please indicate the status of the data: estimated, half-finalized, final.

(3) Consolidated within local government.

(5) Due to exchange-rate movements and to swap activity.

(2) A positive entry in this row means that nominal debt increases, a negative entry that nominal debt decreases.

(4) Including capital uplift

(6) AF.2, AF.33 and AF.4. At face value.

**Table 3E: Provision of the data which explain the contributions of the deficit/surplus and the other relevant factors to the variation in the debt level and the consolidation of debt (social security funds)**

| Member State: Latvia   | Year          |               |               |               |
|--|---------------|---------------|---------------|---------------|
|  | 2004<br>final | 2005<br>final | 2006<br>final | 2007<br>final |
| Data are in millions of LVL  |               |               |               |               |
| Date: 07/10/ 2008  |               |               |               |               |
| <b>Net borrowing(+)/lending(-)(EDP B.9) of social security funds (S.1314)*</b>         | <b>-76.8</b>  | <b>-118.3</b> | <b>-232.1</b> | <b>-414.5</b> |
| <b>Net acquisition (+) of financial assets <sup>(3)</sup></b>                          | <b>55.6</b>   | <b>93.3</b>   | <b>219.4</b>  | <b>403.4</b>  |
| Currency and deposits (F.2)  | 53.9          | 88.6          | 181.9         | 368.9         |
| Securities other than shares (F.3)   | 0             | 0             | 0             | 0             |
| Loans (F.4)  | 0             | 0             | 0             | 0             |
| Increase (+)   | 0             | 0             | 0             | 0             |
| Reduction (-)  | 0             | 0             | 0             | 0             |
| Shares and other equity (F.5)  | -0.1          | 0             | 0             | -0.6          |
| Increase (+)   | 0             | 0             | 0             | 0             |
| Reduction (-)  | -0.1          | 0             | 0             | -0.6          |
| Other financial assets (F.1, F.6 and F.7)  | 1.8           | 4.7           | 37.5          | 35.1          |
| <b>Adjustments <sup>(3)</sup></b>  | <b>0.3</b>    | <b>0.5</b>    | <b>0.6</b>    | <b>-0.2</b>   |
| Net incurrence (-) of liabilities in financial derivatives (F.34)                      | 0             | 0             | 0             | 0             |
| Net incurrence (-) of other liabilities (F.5, F.6 and F.7)                             | 0.3           | 0.5           | 0.6           | -0.2          |
| Issuances above(-)/below(+) nominal value  | 0             | 0             | 0             | 0             |
| Difference between interest (EDP D.41) accrued(-) and paid <sup>(4)</sup> (+)          | 0             | 0             | 0             | 0             |
| Redemptions of debt above(+)/below(-) nominal value                                    | 0             | 0             | 0             | 0             |
| Appreciation(+)/depreciation(-) <sup>(5)</sup> of foreign-currency debt <sup>(6)</sup> | 0             | 0             | 0             | 0             |
| Changes in sector classification (K.12.1) <sup>(6)</sup> (+/-)                         | 0             | 0             | 0             | 0             |
| Other volume changes in financial liabilities (K.7, K.8, K.10) <sup>(6)</sup> (-)      | 0             | 0             | 0             | 0             |
| <b>Statistical discrepancies</b>   | <b>-2.6</b>   | <b>3.1</b>    | <b>1.7</b>    | <b>-0.1</b>   |
| Difference between capital and financial accounts (B.9-B.9f)                           | -2.6          | 3.1           | 1.7           | -0.1          |
| Other statistical discrepancies (+/-)  | 0             | 0             | 0             | 0             |
| <b>Change in social security (S.1314) consolidated gross debt <sup>(2)</sup></b>       | <b>-23.5</b>  | <b>-21.4</b>  | <b>-10.4</b>  | <b>-11.4</b>  |
| <b>Social security contribution to general government debt (a=b-c)</b>                 | <b>-40.3</b>  | <b>-150.4</b> | <b>-342.7</b> | <b>-723</b>   |
| Social security gross debt (level) (b) <sup>(3)</sup>                                  | 44.7          | 23.3          | 12.9          | 1.5           |
| Social security holdings of other subsectors debt (level) (c) <sup>(3)</sup>           | 85            | 173.7         | 355.6         | 724.5         |

**\*Please note that the sign convention for net borrowing / net lending is different from tables 1 and 2.**

(1) Please indicate the status of the data: estimated, half-finalized, final.

(3) Consolidated within social security.

(5) Due to exchange-rate movements and to swap activity.

(2) A positive entry in this row means that nominal debt increases, a negative entry that nominal debt decreases.

(4) Including capital uplift

(6) AF.2, AF.33 and AF.4. At face value.

**Table 4: Provision of other data in accordance with the statements contained in the Council minutes of 22/11/1993.**

| Statement<br>Number | Member State: Latvia<br>Data are in millions of LVL<br>Date: 07/10/ 2008   | Year          |               |               |               |                  |
|---------------------|--|---------------|---------------|---------------|---------------|------------------|
|                     |  | 2004<br>final | 2005<br>final | 2006<br>final | 2007<br>final | 2008<br>forecast |
| 2                   | <b>Trade credits and advances (AF.71 L)</b>  | 68.2          | 78.1          | 175.3         | 239.5         |                  |
| 3                   | <b>Amount outstanding in the government debt from the financing of public undertakings</b>   |               |               |               |               |                  |
|                     | <i>Data:</i>   | 0             | 0             | 0             | 0             |                  |
|                     | <i>Institutional characteristics:</i>  |               |               |               |               |                  |
| 4                   | <b>In case of substantial differences between the face value and the present value of government debt, please provide information on</b> |               |               |               |               |                  |
|                     | i) the extent of these differences:  |               |               |               |               |                  |
|                     | ii) the reasons for these differences:   |               |               |               |               |                  |
| 10                  | <b>Gross National Income at current market prices (B.5*g)(2)</b>   | 7274.4        | 8944.6        | 10841.8       | 13435.6       | 15532.8          |

(1) Please indicate status of data: estimated, half-finalized, final.  
(2) Data to be provided in particular when GNI is substantially greater than GDP.