

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

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

- Reporting before 1 April 2006

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

Member State: LATVIA Data are in millions of LVL Date: 18/04/2006	ESA 95 codes	Year				
		2002 final	2003 final	2004 final	2005 half-finalized	2006 planned
Net borrowing (-)/ net lending (+)	EDP B.9					
General government	S.13	-130.698	-75.102	-69.880	15.155	-141.507
- Central government	S.1311	-94.741	-112.701	-140.337	-103.217	-213.756
- State government	S.1312					
- Local government	S.1313	-51.765	-7.211	-6.101	-0.342	-16.478
- Social security funds	S.1314	15.808	44.810	76.558	118.714	88.727
General government consolidated gross debt Level at nominal value outstanding at end of year		775.425	922.794	1079.752	1063.92	1211.5
<i>By category:</i>						
Currency and deposits	AF.2					
Securities other than shares, exc. financial derivatives	AF.33	543.134	650.035	847.505	844.635	947.4
Short-term	AF.331	34.648	49.784	75.339	71.692	98.7
Long-term	AF.332	508.486	600.251	772.166	772.943	848.7
Loans	AF.4	232.291	272.759	232.247	219.285	264.1
Short-term	AF.41	3.492	55.923	2.707	2.942	2.6
Long-term	AF.42	228.799	216.836	229.54	216.343	261.5
General government expenditure on: Gross fixed capital formation	P.51	72.948	93.268	138.453	187.089	
Interest (consolidated)	EDP D.41	42.514	44.075	53.774	54.757	
<i>p.m.: Interest (consolidated)</i>	D.41 (uses)	42.514	44.075	53.774	54.757	
Gross domestic product at current market prices	B.1*g	5758.325	6392.778	7413.555	8903.785	10301.188

(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 Data are in millions of LVL Date: 18/04/2006	Year					Specifications and sources
	2002 final	2003 final	2004 final	2005 half-finalized	2006 planned	
Working balance in central government accounts	-103.515	-105.669	-101.740	-97.605	-213.756	Central government budget financial balance (cash-based, includes donations and Spec.budget)
<i>(public accounts, please specify whether this working balance is cash-based)</i>						
Financial transactions considered in the working balance						
Loans, granted (+)	6.822	7.419	7.837	8.706		Central government special budget repayments to central government basic budget (2002 and 2003). Former special budget (incorporated into central government basic budget starting from 2004) repayments to central government (2004 and 2005)
Loans, repayments (-)	0	0	0			
Equities, acquisition (+)	0	0	0			
Equities, sales (-)	0	0	0			
Other financial transactions (+/-)	0	0	0			
Difference between interest paid (+) and accrued (EDP D.41)(-)	-0.605	-1.752	-4.297	1.040		Difference between interest paid (+) and accrued (-)
Other accounts receivable (+)	28.639	44.203	42.823	39.677		Difference in cash and time adjusted cash (VAT, excise tax) and year end-start difference in Claims (accrual) ¹
Other accounts payable (-)	-5.529	-28.726	-6.178	L		Year end - year start difference in Liabilities (from balance sheets on accrual basis)
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	2.131	2.415	-1.717	1.805		Other government entities (balance of units re-allocated to central government sector)
Other adjustments (+/-) <i>(please detail)</i>	10.131			20.000		Capital injection (capital raised in profitable state owned Mortgage and Land Bank)
	-1.711	-18.345	-51.145	-91.133		Financial balance of Social Security budget (eliminating SS funds impact on central government data)
	-20.258	-9.218	-9.824	-6.649		Revenue from sale of real estate, less privatization expenditure
		-3.794	-2.617	-1.326		Debt assumption: education reform loan from World Bank to local governments repaid by central government
	-10.846	0.766	-27.571	44.107		EU funds corrections ²
			19.307	-19.307		EU own resources advanced payments
			-2.277	2.397		EU TOR payments corrections
			-2.938	-4.929		Written-off bad debts
Net borrowing (-)/lending(+) (EDP B.9) of central government (S.131)	-94.741	-112.701	-140.337	-103.217	-213.756	

(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.

1) The values of Accounts Receivable for each year consist of the following.

Year 2002: Difference between cash and time adjusted cash (VAT, excise tax) 1,879 and year end-start difference in Claims 26,760;

Year 2003: Difference between cash and time adjusted cash (VAT, excise tax) 1,106 and year end-start difference in Claims 43,097;

Year 2004: Difference between cash and time adjusted cash (VAT, excise tax) 53,994 and year end-start difference in Claims -11,171.

Year 2005: Difference between cash and time adjusted cash (VAT, excise tax) 39,677.

2) 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.

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 Data are in millions of LVL Date: 18/04/2006	Year				Specifications and sources
	2002 final	2003 final	2004 final	2005 half-finalized	
Net borrowing(+)/lending(-)(EDP B.9) of general government (S.13)*	130.698	75.102	69.88	-15.155	
Net acquisition (+) of financial assets ⁽³⁾	-63.831	87.894	103.133	-41.311	
Currency and deposits (F.2)	-44.232	22.023	73.611	-85.061	
Securities other than shares (F.3)	0	25.602	-46.649	-3.800	
Loans (F.4)	5.291	1.999	-11.225	9.161	
Increase (+)	34.326	39.761	32.084	9.407	
Reduction (-)	-29.035	-37.762	-43.309	-0.246	
Shares and other equity (F.5)	-30.804	-26.106	6.640	21.627	
Increase (+)	10.499	9.221	9.801	24.906	
Reduction (-)	-41.303	-35.327	-3.159	-3.279	
Other financial assets (F.1, F.6 and F.7)	5.914	64.376	80.756	16.762	
Adjustments ⁽³⁾	-26.119	-11.535	-24.079	41.726	
Net incurrence (-) of liabilities in financial derivatives (F.34)					
Net incurrence (-) of other liabilities (F.5, F.6 and F.7)	-31.361	-28.381	-43.342	35.267	
Issuances above(-)/below(+) nominal value	-0.414	-2.880	-0.216	-0.194	
Difference between interest (EDP D.41) accrued(-) and paid ⁽⁴⁾ (+)	-12.157	-6.019	-4.27	0.986	
Redemptions of debt above(+)/below(-) nominal value					
Appreciation(+)/depreciation(-) ⁽⁵⁾ of foreign-currency debt ⁽⁶⁾	17.813	25.745	23.749	5.667	
Changes in sector classification (K.12.1) ⁽⁶⁾ (+/-)					
Other volume changes in financial liabilities (K.7, K.8, K.10) ⁽⁶⁾ (-)					
Statistical discrepancies	4.547	-4.092	8.024	-1.092	
Difference between financial and capital accounts (B.9f-B.9)*					
Other statistical discrepancies (+/-)					
Change in general government (S.13) consolidated gross debt ⁽²⁾	45.295	147.369	156.958	-15.832	

***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 Data are in millions of LVL Date: 18/04/2006	Year				Specifications and sources
	2002 final	2003 final	2004 final	2005 half-finalized	
Net borrowing (+)/lending (-)(EDP B.9) of central government (S.1311)	94.741	112.701	140.337	103.217	
Net acquisition (+) of financial assets ⁽³⁾	-60.279	21.809	75.38	-57.073	
Currency and deposits (F.2)	-32.792	-6.015	62.317	-88.846	
Securities other than shares (F.3)	0	25.602	-46.649	0	
Loans (F.4)	-6.072	-24.785	-15.735	10.893	
Increase (+)	22.235	12.977	17.804	27.21	
Reduction (-)	-28.307	-37.762	-33.539	-16.317	
Shares and other equity (F.5)	-31.096	-28.579	4.524	18.114	
Increase (+)	10.207	6.47	7.242	20.624	
Reduction (-)	-41.303	-35.049	-2.718	-2.51	
Other financial assets (F.1, F.6 and F.7)	9.681	55.586	70.923	2.766	
Adjustments ⁽³⁾	-20.868	-17.85	-4.678	43.987	
Net incurrence (-) of liabilities in financial derivatives (F.34)					
Net incurrence (-) of other liabilities (F.5, F.6 and F.7)	-25.212	-33.46	-21.539	37.685	
Issuances above(-)/below(+) nominal value	-0.414	-2.88	-0.216	-0.194	
Difference between interest (EDP D.41) accrued(-) and paid ⁽⁴⁾ (+)	-12.157	-5.194	-4.055	0.796	
Redemptions of debt above(+)/below(-) nominal value					
Appreciation(+)/depreciation(-) ⁽⁵⁾ of foreign-currency debt ⁽⁶⁾	16.915	23.684	21.132	5.7	
Changes in sector classification (K.12.1) ⁽⁶⁾ (+/-)					
Other volume changes in financial liabilities (K.7, K.8, K.10) ⁽⁶⁾ (-)					
Statistical discrepancies	33.992	-6.566	-17.333	-21.242	
Difference between financial and capital accounts (B.9f-B.9)*					
Other statistical discrepancies (+/-)					
Change in central government (S.1311) consolidated gross debt ⁽²⁾	47.586	110.094	193.706	68.889	
Central government contribution to general government debt (a=b-c)	611.13	733.094	943.477	1010.916	
Central government gross debt (level) (b) ⁽³⁾	771.12	881.214	1074.92	1143.809	
Central government holdings of other subsectors debt (level) (c) ⁽⁶⁾	159.99	148.12	131.443	132.893	
*Please note that the sign convention for net borrowing / net lending is different from tables 1 and 2.					
<p>(1) Please indicate the status of the data: estimated, half-finalized, final.</p> <p>(2) A positive entry in this row means that nominal debt increases, a negative entry that nominal debt decreases.</p> <p>(3) Consolidated within central government.</p> <p>(4) Including capital uplift</p> <p>(5) Due to exchange-rate movements and to swap activity.</p> <p>(6) AF.2, AF.33 and AF.4. At face value.</p>					

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: LATVIA Data are in millions of LVL Date: 18/04/2006	Year				Specifications and sources
	2002 (1)	2003 (1)	2004 (1)	2005 (1)	
Net borrowing (+)/lending (-)(EDP B.9) of state government (S.1312)*					
Net acquisition (+) of financial assets ⁽³⁾					
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)					
Adjustments ⁽³⁾					
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 ⁽⁴⁾ (+)					
Redemptions of debt above(+)/below(-) nominal value					
Appreciation(+)/depreciation(-) ⁽⁶⁾ of foreign-currency debt ⁽⁶⁾					
Changes in sector classification (K.12.1) ⁽⁶⁾ (+/-)					
Other volume changes in financial liabilities (K.7, K.8, K.10) ⁽⁶⁾ (-)					
Statistical discrepancies					
Difference between financial and capital accounts (B.9f-B.9)*					
Other statistical discrepancies (+/-)					
Change in state government (S.1312) consolidated gross debt ⁽²⁾					
State government contribution to general government debt (a-b-c)					
State government gross debt (level) (b) ⁽³⁾					
State government holdings of other subsectors debt (level) (c) ⁽⁶⁾					
*Please note that the sign convention for net borrowing / net lending is different from tables 1 and 2.					
<p>(1) Please indicate the status of the data: estimated, half-finalized, final.</p> <p>(2) A positive entry in this row means that nominal debt increases, a negative entry that nominal debt decreases.</p> <p>(3) Consolidated within state government.</p> <p>(4) Including capital uplift</p> <p>(5) Due to exchange-rate movements and to swap activity.</p> <p>(6) AF.2, AF.33 and AF.4. At face value.</p>					

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 Data are in millions of LVL Date: 18/04/2006	Year				Specifications and sources
	2002 final	2003 final	2004 final	2005 half-finalized	
Net borrowing (+)/lending (-)(EDP B.9) of local government (S.1313)*	51.765	7.211	6.101	0.342	
Net acquisition (+) of financial assets ⁽³⁾	-0.527	41.242	13.062	9.827	
Currency and deposits (F.2)	-9.858	29.86	11.247	5.543	
Securities other than shares (F.3)	0	0	0	-3.8	
Loans (F.4)	23.726	5.204	-9.575	0.019	
Increase (+)	24.454	5.204	0.195	0.023	
Reduction (-)	-0.728	0	-9.77	-0.004	
Shares and other equity (F.5)	0.292	2.751	2.266	0	
Increase (+)	0.292	2.751	2.559		
Reduction (-)	0	0	-0.293		
Other financial assets (F.1, F.6 and F.7)	-14.687	3.427	9.124	8.065	
Adjustments ⁽³⁾	-8.534	2.142	-20.269	1.927	
Net incurrence (-) of liabilities in financial derivatives (F.34)					
Net incurrence (-) of other liabilities (F.5, F.6 and F.7)	-7.801	3.146	-23.06	-2.99	
Issuances above(-)/below(+) nominal value					
Difference between interest (EDP D.41) accrued(-) and paid ⁽⁴⁾ (+)	0	-1.724	-0.304	0.228	
Redemptions of debt above(+)/below(-) nominal value					
Appreciation(+)/depreciation(-) ⁽⁵⁾ of foreign-currency debt ⁽⁶⁾	-0.733	0.72	3.095	4.689	
Changes in sector classification (K.12.1) ⁽⁶⁾ (+/-)					
Other volume changes in financial liabilities (K.7, K.8, K.10) ⁽⁶⁾ (-)					
Statistical discrepancies	-30.766	13.789	25.735	16.343	
Difference between financial and capital accounts (B.9f-B.9)*					
Other statistical discrepancies (+/-)					
Change in local government (S.1313) consolidated gross debt ⁽²⁾	11.938	64.384	24.629	28.439	
Local government contribution to general government debt (a=b-c)	89.402	151.964	176.64	203.321	
Local government gross debt (level) (b) ⁽³⁾	91.586	155.97	180.599	209.038	
Local government holdings of other subsectors debt (level) (c) ⁽³⁾	2.184	4.006	3.959	5.717	

***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 Data are in millions of LVL Date: 18/04/2006	Year				Specifications and sources
	2002 final	2003 final	2004 final	2005 half-finalized	
Net borrowing(+)/lending(-)(EDP B.9) of social security funds (S.1314)	-15.808	-44.81	-76.558	-118.714	
Net acquisition (+) of financial assets ⁽³⁾	17.385	25.748	55.566	97.295	
Currency and deposits (F.2)	3.740	18.613	53.921	88.619	
Loans (F.4)	0	0	0	0	
Increase (+)	0	0	0	0	
Reduction (-)	0	0	0	0	
Shares and other equity (F.5)	0	-0.278	-0.148	3.513	
Increase (+)	0	0	0	4.282	
Reduction (-)	0	-0.278	-0.148	-0.769	
Other financial assets (F.1, F.6 and F.7)	13.645	7.413	1.793	5.163	
Adjustments ⁽³⁾	-1.419	1.27	0.429	0.538	
Net incurrence (-) of liabilities in financial derivatives (F.34)					
Net incurrence (-) of other liabilities (F.5, F.6 and F.7)	0	0.913	-0.293	0.169	
Issuances above(-)/below(+) nominal value					
Difference between interest (EDP D.41) accrued(-) and paid ⁽⁴⁾ (+)	-1.073	-0.131	0.555	0.369	
Redemptions of debt above(+)/below(-) nominal value					
Appreciation(+)/depreciation(-) ⁽⁵⁾ of foreign-currency debt ⁽⁶⁾	-0.346	0.488	0.167	0	
Changes in sector classification (K.12.1) ⁽⁶⁾ (+/-)					
Other volume changes in financial liabilities (K.7, K.8, K.10) ⁽⁶⁾ (-)					
Statistical discrepancies	1.322	-0.752	-2.997	-0.452	
Difference between financial and capital accounts (B.9f-B.9)*					
Other statistical discrepancies (+/-)					
Change in social security (S.1314) consolidated gross debt ⁽²⁾	1.480	-18.544	-23.560	-21.333	
Social security contribution to general government debt (a=b-c)	74.893	37.736	-40.365	-150.317	
Social security gross debt (level) (b) ⁽³⁾	86.777	68.233	44.673	23.34	
Social security holdings of other subsectors debt (level) (c) ⁽⁶⁾	11.884	30.497	85.038	173.657	
*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.			(2) A positive entry in this row means that nominal debt increases, a negative entry that nominal debt decreases.		
(3) Consolidated within social security.			(4) Including capital uplift		
(5) Due to exchange-rate movements and to swap activity.			(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 Number	Member State: LATVIA Data are in millions of LVL Date:18/04/2006	Year				
		2002 final	2003 final	2004 final	2005 half-finalized	2006 forecast
2	Trade credits and advances (AF.71 L)	51.457	45.024	68.156	L	
3	Amount outstanding in the government debt from the financing of public undertakings					
	<i>Data:</i>					
	<i>Institutional characteristics:</i>				
4	In case of substantial differences between the face value and the present value of government debt, please provide information on i) the extent of these differences:				
	ii) the reasons for these differences:				
10	Gross National Income at current market prices (B.5*g)(2)	5775.132	6377.729	7255.496	8780.211	10222.842

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

(2) Data to be provided in particular when GNI is substantially greater than GDP.