

## **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 2006**

**Table 1: Reporting of government deficit/surplus and debt levels and provision of associated data.**

**Tables 2A to 2D: Provision of the data which explain the transition between the national definitions of government balance and the deficit/surplus (EDP B.9) of each government sub-sector.**

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

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

*Not applicable: M ; Not available: L*

<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	ESA 95 codes	Year				
Data are in millions of LVL		2002	2003	2004	2005	2006
Date: 09/10/2006		final	final	final	half-finalized	planned
<b>Net borrowing (-)/ net lending (+)</b>	EDP B.9					
General government	S.13	-130.7	-75.1	-69.8	11.7	-102.5
- Central government	S.1311	-94.7	-112.7	-140.3	-109.1	-206.8
- State government	S.1312	M	M	M	M	M
- Local government	S.1313	-51.8	-7.2	-6.1	1.7	4.9
- Social security funds	S.1314	15.8	44.8	76.6	119.1	99.4
<b>General government consolidated gross debt</b>						
<b>Level at nominal value outstanding at end of year</b>		775.4	922.8	1079.8	1084.5	1260.1
<i>By category:</i>						
Currency and deposits	AF.2	0	0	0	0	
Securities other than shares, exc. financial derivatives	AF.33	543.1	650.1	847.5	844.6	948
Short-term	AF.331	34.6	49.8	75.3	71.7	56.6
Long-term	AF.332	508.5	600.3	772.2	772.9	891.4
Loans	AF.4	232.3	272.7	232.3	239.9	312.1
Short-term	AF.41	3.5	55.9	2.7	3.6	2.1
Long-term	AF.42	228.8	216.8	229.6	236.3	310
<b>General government expenditure on:</b>						
<b>Gross fixed capital formation</b>	P.51	72.9	93.3	138.5	205.4	254.7
<b>Interest (consolidated)</b>	EDP D.41	42.5	44.1	53.8	51	59.3
<i>p.m.: Interest (consolidated)</i>	D.41 (uses)	42.5	44.1	53.8	51	59.3
<b>Gross domestic product at current market prices</b>	B.1*g	5758.3	6392.8	7421.4	8937.3	10849.8

(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 LVL (millions of units of national currency)	2002	2003	2004	2005	2006	
Date: 09/10/2006	final	final	final	half-finalized	planned	
<b>Working balance in central government accounts</b>	<b>-103.5</b>	<b>-105.7</b>	<b>-101.7</b>	<b>-100.9</b>	<b>-125.0</b>	<b>Central government budget financial balance (cash-based, includes donations and special budgets)</b>
<i>(public accounts, please specify whether this working balance is cash-based)</i>						
Financial transactions considered in the working balance	6.8	7.4	7.8	8.7	6.9	
Loans, granted (+)	6.8	7.4	7.8	8.7	6.9	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	0.0	0.0	0.0	0.0	
Equities, acquisition (+)	0.0	0.0	0.0	0.0	0.0	
Equities, sales (-)	0.0	0.0	0.0	0.0	0.0	
Other financial transactions (+/-)	0.0	0.0	0.0	0.0	0.0	
Detail 1						
Detail 2						
Difference between interest paid (+) and accrued (EDP D.41)(-)	-0.6	-1.8	-4.3	1.9	0.0	Difference between interest paid (+) and accrued (-)
Other accounts receivable (+)	28.6	44.2	42.8	77.1	0.0	
Detail 1	1.9	1.1	54.0	39.7		Difference in cash and time adjusted cash (VAT, excise tax)
Detail 2	26.7	43.1	-11.2	37.4		Year end-start difference in Claims
Other accounts payable (-)	-5.5	-28.7	-6.2	-43.8	0.0	
Detail 1	-5.5	-28.7	-6.2	-43.8	0.0	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	0.0	0.0	0.0	
Net borrowing (-) or net lending (+) of other central government bodies	2.1	2.4	-1.7	1.7	0.0	
Detail 1	2.1	2.4	-1.7	1.7	0.0	Other government entities (balance of units re-allocated to central government sector)
Detail 2						
Other adjustments (+/-) (please detail)	-22.6	-30.5	-77.0	-53.8	-88.7	
Detail 1	10.1			34.3		Capital injection (capital raised in profitable state owned enterprises)
Detail 2	-1.7	-18.3	-51.1	-91.1	-88.7	data)
Detail 3	-20.2	-9.2	-9.8	-8.1		Revenue from sale of real estate, less privatization expenditure
Detail 4		-3.8	-2.6	-1.3		Debt assumption: education reform loan from World Bank to local governments repaid by central government
Detail 5	-10.8	0.8	-27.6	35.2		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 6			19.3	-19.3		EU own resources advanced payments
Detail 7			-2.3	2.4		EU TOR payments corrections
Detail 8			-2.9	-5.9		Written-off bad debts
<b>Net borrowing (-)/lending(+) (EDP B.9) of central government (S.1311)</b>	<b>-94.7</b>	<b>-112.7</b>	<b>-140.3</b>	<b>-109.1</b>	<b>-206.8</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: LATVIA	Year					
Data are in LVL (millions of units of national currency)	2002	2003	2004	2005	2006	
Date: 09/10/2006	(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	Year					
Data are in millions of LVL	2002	2003	2004	2005	2006	
Date: 09/10/2006	final	final	final	half-finalized	planned	
<b>Working balance in local government accounts</b>	<b>-31.4</b>	<b>-15.9</b>	<b>1.7</b>	<b>-7.6</b>	<b>4.9</b>	<b>Local government budget financial balance (cash-based, includes donations and special budgets)</b>
<i>(please specify whether this working balance is cash-based)</i>						
Financial transactions considered in the working balance	0	0	0	0		
Loans (+/-)	0	0	0	0		
Equities (+/-)	0	0	0	0		
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	-1.4	-0.3	0.5		Difference between interest paid (+) and accrued (-)
Other accounts receivable (+)	-14	3.7	9.4	4.1		
Detail 1	2.3	5.2	6.6	6.6		Difference in cash and time adjusted cash (personal income tax)
Detail 2	-16.3	-1.5	2.8	-2.5		Year end-start difference in Claims
Other accounts payable (-)	-5.6	2	-20.4	3.9		
Detail 1	-5.6	2	-20.4	3.9		Year end - year start difference in Liabilities (from balance sheets on accrual basis)
Detail 2						
Adjustment for subsector delimitation	-0.8	0.6	0.9	-0.5		
Detail 1	-0.8	0.6	0.9	-0.5		Other government entities (balance of units re-allocated to central government sector)
Detail 2						
Other adjustments (+/-) <i>(please detail)</i>	0	3.8	2.6	1.3		
Detail 1	0	3.8	2.6	1.3		Education reform loan from World Bank to local governments repaid by central government
Detail 2						
Detail 3						
<b>Net borrowing (-)/lending(+) (EDP B.9) of local government (S.1313)</b>	<b>-51.8</b>	<b>-7.2</b>	<b>-6.1</b>	<b>1.7</b>	<b>4.9</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 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	2002	2003	2004	2005	2006	
Date: 09/10/2006	final	final	final	half-finalized	planned	
<b>Working balance in social security accounts</b>	<b>1.7</b>	<b>18.3</b>	<b>51.1</b>	<b>91.1</b>	<b>88.7</b>	<b>Social security budget financial balance (cash-based)</b>
<i>(please specify whether this working balance is cash-based)</i>						
Financial transactions considered in the working balance	0.2	18.5	23.6	21.9	10.7	
Loans (+/-)	0.2	19	23.7	22	10.7	Social security budget repayments to central government budget
Equities (+/-)	0	-0.5	-0.1	-0.1		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)(-)	L	0.2	0.6	0.4		Difference between interest paid (+) and accrued (-), the data is available starting of year 2003.
Other accounts receivable (+)	13.7	7.5	1.9	5.2		
Detail 1	5.3	4.7	6.3	9.2		Difference in cash and time adjusted cash (social contributions)
Detail 2	8.4	2.8	-4.4	-4		Year end-start difference in Claims
Other accounts payable (-)	0.2	0.3	-0.6	0.5		
Detail 1	0.2	0.3	-0.6	0.5		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>15.8</b>	<b>44.8</b>	<b>76.6</b>	<b>119.1</b>	<b>99.4</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 Data are in millions of LVL Date: 09/10/2006	Year			
	2002 final	2003 final	2004 final	2005 half-finalized
<b>Net borrowing(+)/lending(-)(EDP B.9) of general government (S.13)*</b>	<b>130.7</b>	<b>75.1</b>	<b>69.8</b>	<b>-11.7</b>
<b>Net acquisition (+) of financial assets <sup>(3)</sup></b>	<b>-63.8</b>	<b>87.9</b>	<b>105.2</b>	<b>14.2</b>
Currency and deposits (F.2)	-44.2	22	73.6	-88.1
Securities other than shares (F.3)	0	25.6	-46.6	-3.8
Loans (F.4)	5.3	2	-8.3	6.1
Increase (+)	34.3	39.8	0.2	13.4
Reduction (-)	-29	-37.8	-8.5	-7.3
Shares and other equity (F.5)	-30.8	-26.1	6.6	40.4
Increase (+)	10.5	9.2	9.8	43.6
Reduction (-)	-41.3	-35.3	-3.2	-3.3
Other financial assets (F.1, F.6 and F.7)	5.9	64.4	79.9	59.6
<b>Adjustments <sup>(3)</sup></b>	<b>-26</b>	<b>-14.7</b>	<b>-18</b>	<b>-5.9</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)	-31.4	-28.4	-45.2	-12.9
Issuances above(-)/below(+) nominal value	-0.4	-2.9	-0.2	-0.2
Difference between interest (EDP D.41) accrued(-) and paid <sup>(4)</sup> (+)	-12.2	-6	-3.8	1.9
Redemptions of debt above(+)/below(-) nominal value	0	0	0	0
Appreciation(+)/depreciation(-) <sup>(5)</sup> of foreign-currency debt <sup>(6)</sup>	17.8	25.7	23.7	5.7
Changes in sector classification (K.12.1) <sup>(6)</sup> (+/-)	0	0	7.6	0
Other volume changes in financial liabilities (K.7, K.8, K.10) <sup>(6)</sup> (-)	0.2	-3.1	-0.1	-0.4
<b>Statistical discrepancies</b>	<b>4.4</b>	<b>-0.9</b>	<b>0</b>	<b>8.1</b>
Difference between capital and financial accounts (B.9-B.9f)	4.4	-0.9	0	8.1
Other statistical discrepancies (+/-)	0	0	0	0
<b>Change in general government (S.13) consolidated gross debt <sup>(2)</sup></b>	<b>45.3</b>	<b>147.4</b>	<b>157</b>	<b>4.7</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 Data are in millions of LVL Date: 09/10/2006	Year			
	2002 final	2003 final	2004 final	2005 half-finalized
<b>Net borrowing(+)/lending(-)(EDP B.9) of general government (S.13)*</b>	<b>94.7</b>	<b>112.7</b>	<b>140.3</b>	<b>109.1</b>
<b>Net acquisition (+) of financial assets <sup>(3)</sup></b>	<b>-60.3</b>	<b>21.9</b>	<b>80.3</b>	<b>-8.6</b>
Currency and deposits (F.2)	-32.8	-6	62.3	-94.3
Securities other than shares (F.3)	0	25.6	-46.6	0
Loans (F.4)	-6.1	-24.8	-12.8	9.4
Increase (+)	22.2	13	5.7	48.7
Reduction (-)	-28.3	-37.8	-18.5	-39.3
Shares and other equity (F.5)	-31.1	-28.5	4.5	31.2
Increase (+)	10.2	6.5	7.2	34.3
Reduction (-)	-41.3	-35	-2.7	-3.1
Other financial assets (F.1, F.6 and F.7)	9.7	55.6	72.9	45.1
<b>Adjustments <sup>(3)</sup></b>	<b>-20.9</b>	<b>-17.9</b>	<b>-0.5</b>	<b>-5.7</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)	-25.2	-33.5	-24.9	-11.9
Issuances above(-)/below(+) nominal value	-0.4	-2.9	-0.2	-0.2
Difference between interest (EDP D.41) accrued(-) and paid <sup>(4)</sup> (+)	-12.2	-5.2	-4.1	1
Redemptions of debt above(+)/below(-) nominal value	0	0	0	0
Appreciation(+)/depreciation(-) <sup>(5)</sup> of foreign-currency debt <sup>(6)</sup>	16.9	23.7	21.1	5.7
Changes in sector classification (K.12.1) <sup>(6)</sup> (+/-)	0	0	7.6	0
Other volume changes in financial liabilities (K.7, K.8, K.10) <sup>(6)</sup> (-)	0	0	0	-0.3
<b>Statistical discrepancies</b>	<b>34.1</b>	<b>-6.6</b>	<b>-26.4</b>	<b>-11.3</b>
Difference between capital and financial accounts (B.9-B.9f)	34.1	-6.6	-26.4	-11.3
Other statistical discrepancies (+/-)	0	0	0	0
<b>Change in central government (S.1311) consolidated gross debt <sup>(2)</sup></b>	<b>47.6</b>	<b>110.1</b>	<b>193.7</b>	<b>83.5</b>
<b>Central government contribution to general government debt (a=b-c)</b>	<b>611.1</b>	<b>733.1</b>	<b>943.4</b>	<b>1025.5</b>
Central government gross debt (level) (b) <sup>(3)</sup>	771.1	881.2	1074.9	1158.4
Central government holdings of other subsectors debt (level) (c) <sup>(3)</sup>	160	148.1	131.5	132.9

**\*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) Consolidated within central government.  
(3) Due to exchange-rate movements and to swap activity.

- (4) A positive entry in this row means that nominal debt increases, a negative entry that nominal debt decreases.  
(5) 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: LATVIA Data are in millions of LVL Date: 09/10/2006	Year			
	2002 (1)	2003 (1)	2004 (1)	2005 (1)
<b>Net borrowing(+)/lending(-)(EDP B.9) of general government (S.13)*</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 Data are in millions of LVL Date: 09/10/2006	Year			
	2002 final	2003 final	2004 final	2005 half-finalized
<b>Net borrowing(+)/lending(-)(EDP B.9) of general government (S.13)*</b>	<b>51.8</b>	<b>7.2</b>	<b>6.1</b>	<b>-1.7</b>
<b>Net acquisition (+) of financial assets <sup>(3)</sup></b>	<b>-0.5</b>	<b>41.3</b>	<b>10.2</b>	<b>19.3</b>
Currency and deposits (F.2)	-9.9	29.9	11.2	8.7
Securities other than shares (F.3)	0	0	0	-3.8
Loans (F.4)	23.8	5.2	-9.6	-1.6
Increase (+)	24.5	5.2	0.2	2.6
Reduction (-)	-0.7	0	-9.8	-4.2
Shares and other equity (F.5)	0.3	2.8	2.3	5.6
Increase (+)	0.3	2.8	2.6	5.7
Reduction (-)	0	0	-0.3	-0.1
Other financial assets (F.1, F.6 and F.7)	-14.7	3.4	6.3	10.4
<b>Adjustments <sup>(3)</sup></b>	<b>-8.3</b>	<b>2.1</b>	<b>-15.7</b>	<b>0.5</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)	-7.8	3.1	-21.2	-2.2
Issuances above(-)/below(+) nominal value	0	0	0	0
Difference between interest (EDP D.41) accrued(-) and paid <sup>(4)</sup> (+)	0	-1.7	-0.1	0.5
Redemptions of debt above(+)/below(-) nominal value	0	0	0	0
Appreciation(+)/depreciation(-) <sup>(5)</sup> of foreign-currency debt <sup>(6)</sup>	-0.7	0.7	3.1	1
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> (-)	0.2	0	2.5	1.2
<b>Statistical discrepancies</b>	<b>-31.1</b>	<b>13.8</b>	<b>24.1</b>	<b>17.1</b>
Difference between capital and financial accounts (B.9-B.9f)	-31.1	13.8	24.1	17.1
Other statistical discrepancies (+/-)	0	0	0	0
<b>Change in local government (S.1313) consolidated gross debt <sup>(2)</sup></b>	<b>11.9</b>	<b>64.4</b>	<b>24.7</b>	<b>35.2</b>
<b>Local government contribution to general government debt (a=b-c)</b>	<b>89.4</b>	<b>152</b>	<b>176.7</b>	<b>209.4</b>
Local government gross debt (level) (b) <sup>(3)</sup>	91.6	156	180.7	215.9
Local government holdings of other subsectors debt (level) (c) <sup>(3)</sup>	2.2	4	4	6.5

**\*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 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: 09/10/2006	Year			
	2002 final	2003 final	2004 final	2005 half-finalized
<b>Net borrowing(+)/lending(-)(EDP B.9) of general government (S.13)*</b>	<b>-15.8</b>	<b>-44.8</b>	<b>-76.6</b>	<b>-119.1</b>
<b>Net acquisition (+) of financial assets <sup>(3)</sup></b>	<b>17.3</b>	<b>25.7</b>	<b>55.6</b>	<b>97.3</b>
Currency and deposits (F.2)	3.7	18.6	53.9	88.6
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	-0.3	-0.1	3.5
Increase (+)	0	0	0	3.6
Reduction (-)	0	-0.3	-0.1	-0.1
Other financial assets (F.1, F.6 and F.7)	13.6	7.4	1.8	5.2
<b>Adjustments <sup>(3)</sup></b>	<b>-1.4</b>	<b>1.3</b>	<b>0.5</b>	<b>0.6</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	0.9	-0.3	0.2
Issuances above(-)/below(+) nominal value	0	0	0	0
Difference between interest (EDP D.41) accrued(-) and paid <sup>(4)</sup> (+)	-1.1	-0.1	0.6	0.4
Redemptions of debt above(+)/below(-) nominal value	0	0	0	0
Appreciation(+)/depreciation(-) <sup>(5)</sup> of foreign-currency debt <sup>(6)</sup>	-0.3	0.5	0.2	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>1.4</b>	<b>-0.8</b>	<b>-3</b>	<b>-0.2</b>
Difference between capital and financial accounts (B.9-B.9f)	1.4	-0.8	-3	-0.2
Other statistical discrepancies (+/-)	0	0	0	0
<b>Change in social security (S.1314) consolidated gross debt <sup>(2)</sup></b>	<b>1.5</b>	<b>-18.6</b>	<b>-23.5</b>	<b>-21.4</b>
<b>Social security contribution to general government debt (a=b-c)</b>	<b>74.9</b>	<b>37.7</b>	<b>-40.3</b>	<b>-150.4</b>
Social security gross debt (level) (b) <sup>(3)</sup>	86.8	68.2	44.7	23.3
Social security holdings of other subsectors debt (level) (c) <sup>(3)</sup>	11.9	30.5	85	173.7

**\*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.

