

164/2018 - 23 October 2018

Second quarter of 2018 compared with first quarter of 2018

Government debt down to 86.3% of GDP in euro area

Down to 81.0% of GDP in EU28

At the end of the second quarter of 2018, the government debt to GDP ratio in the **euro area** (EA19) stood at 86.3%, compared with 86.9% at the end of the first quarter of 2018. In the **EU28**, the ratio decreased from 81.5% to 81.0%. Compared with the second quarter of 2017, the government debt to GDP ratio fell in both the **euro area** (from 89.2% to 86.3%) and the **EU28** (from 83.4% to 81.0%).

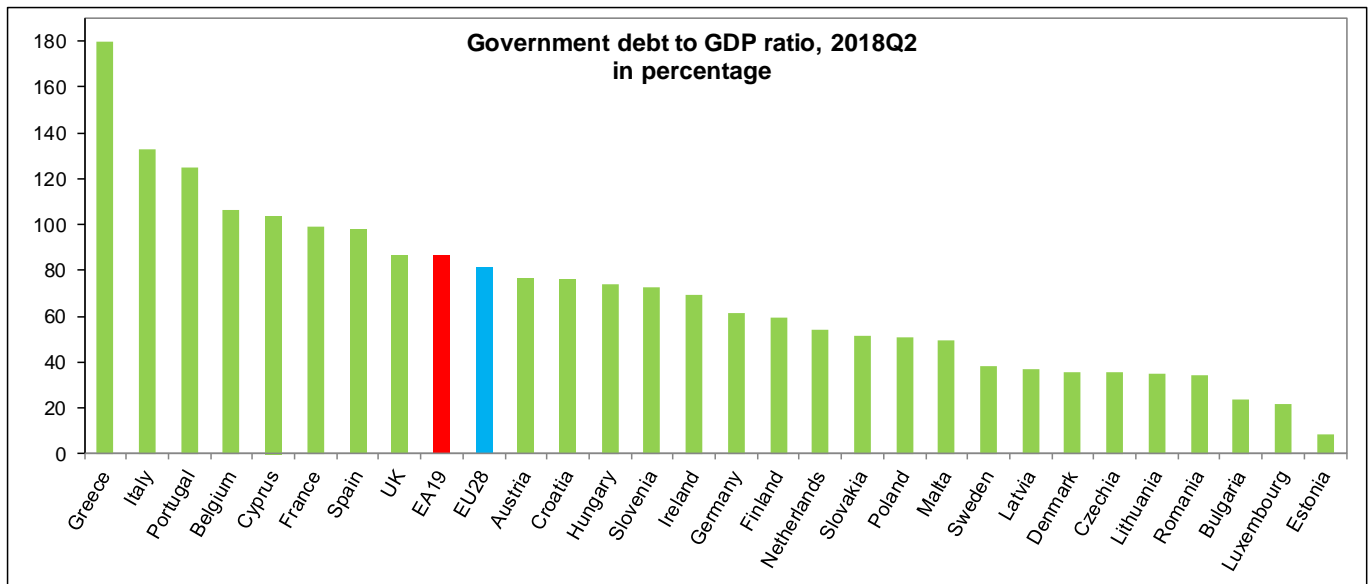
At the end of the second quarter of 2018, debt securities accounted for 81.1% of **euro area** and for 81.9% of **EU28** general government debt. Loans made up 15.9% and 14.0% respectively and currency and deposits represented 3.0% of **euro area** and 4.1% of **EU28** government debt. Due to the involvement of EU Member States' governments in financial assistance to certain Member States, quarterly data on intergovernmental lending (IGL) is also published. The share of IGL in GDP at the end of the second quarter of 2018 amounted to 2.0% in the **euro area** and to 1.5% in the **EU28**.

These data are released by **Eurostat, the statistical office of the European Union**.

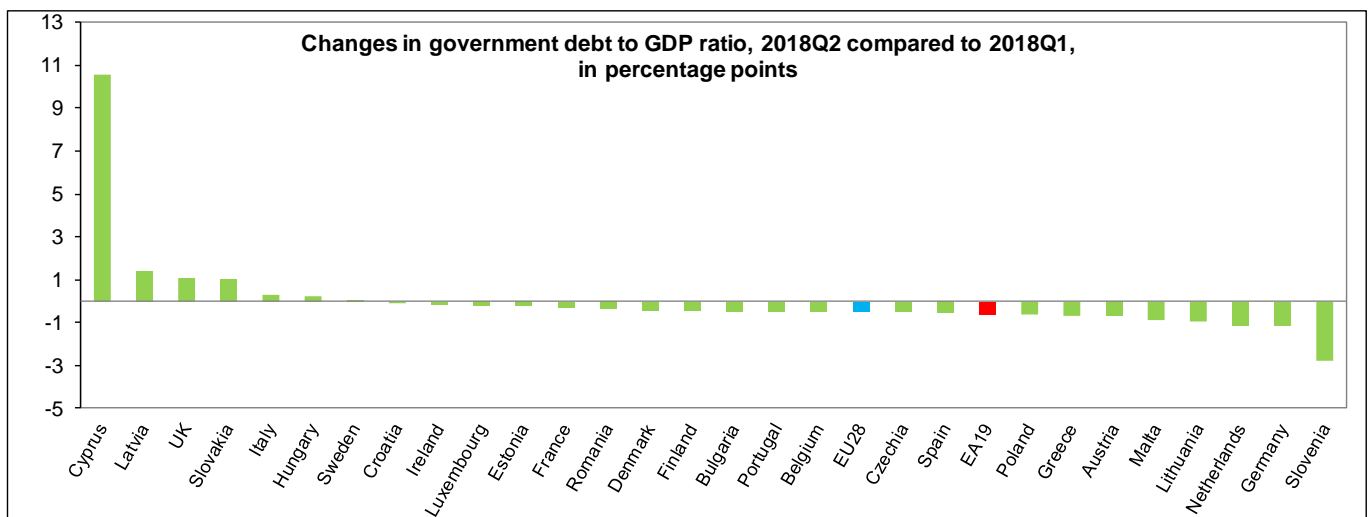
		2017Q2	2018Q1	2018Q2
EA19				
Government debt	(million euro)	9 806 393	9 820 706	9 842 005
	(% of GDP)	89.2	86.9	86.3
Of which: Currency and deposits	(million euro)	301 189	296 998	294 631
	(% of total debt)	3.1	3.0	3.0
Debt securities	(million euro)	7 877 363	7 946 765	7 985 356
	(% of total debt)	80.3	80.9	81.1
Loans	(million euro)	1 627 842	1 576 942	1 562 019
	(% of total debt)	16.6	16.1	15.9
Memo: Intergovernmental lending in the context of the financial crisis	(million euro)	231 704	232 747	231 371
	(% of GDP)	2.1	2.1	2.0
EU28				
Government debt	(million euro)	12 591 197	12 633 409	12 655 024
	(% of GDP)	83.4	81.5	81.0
Of which: Currency and deposits	(million euro)	509 507	517 188	517 376
	(% of total debt)	4.0	4.1	4.1
Debt securities	(million euro)	10 250 453	10 335 986	10 367 671
	(% of total debt)	81.4	81.8	81.9
Loans	(million euro)	1 831 238	1 780 234	1 769 977
	(% of total debt)	14.5	14.1	14.0
Memo: Intergovernmental lending in the context of the financial crisis	(million euro)	236 372	236 435	235 012
	(% of GDP)	1.6	1.5	1.5

Government debt at the end of the second quarter 2018 by Member State

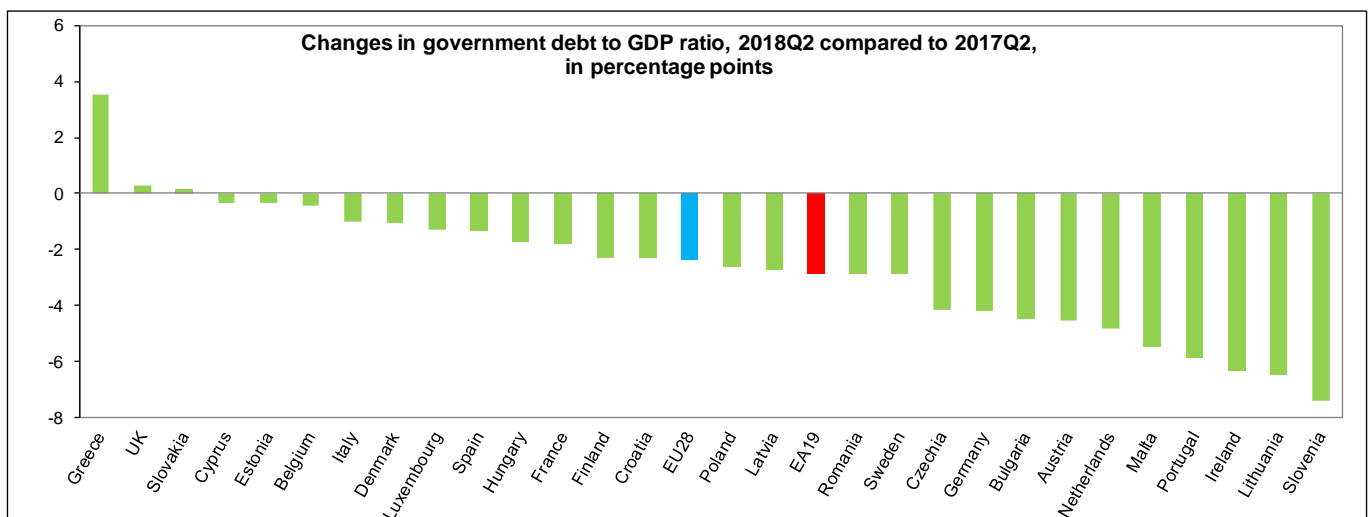
The highest ratios of government debt to GDP at the end of the second quarter of 2018 were recorded in **Greece** (179.7%), **Italy** (133.1%) and **Portugal** (124.9%), and the lowest in **Estonia** (8.3%), **Luxembourg** (22.0%) and **Bulgaria** (23.8%).



Compared with the first quarter of 2018, six Member States registered an increase in their debt to GDP ratio at the end of the second quarter of 2018, twenty-one a decrease and the ratio remained stable in **Sweden**. The highest increases in the ratio were recorded in **Cyprus** (+10.6 percentage points – pp), **Latvia** (+1.4 pp), the **United Kingdom** (+1.1 pp) and **Slovakia** (+1.0 pp). The largest decreases were recorded in **Slovenia** (-2.8 pp), **Germany** (-1.2 pp), the **Netherlands** (-1.1 pp) and **Lithuania** (-1.0 pp).



Compared with the second quarter of 2017, three Member States registered an increase in their debt to GDP ratio at the end of the second quarter of 2018, and twenty-five a decrease. An increase in the ratio was recorded in **Greece** (+3.5 pp), the **United Kingdom** (+0.3 pp) and **Slovakia** (+0.1 pp), while the largest decreases were recorded in **Slovenia** (-7.4 pp), **Lithuania** (-6.5 pp), **Ireland** (-6.4 pp), **Portugal** (-5.9 pp) and **Malta** (-5.5 pp).



Geographical Information

The **euro area** (EA19) consists of Belgium, Germany, Estonia, Ireland, Greece, Spain, France, Italy, Cyprus, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Austria, Portugal, Slovenia, Slovakia and Finland.

The **EU28** includes Belgium, Bulgaria, Czechia, Denmark, Germany, Estonia, Ireland, Greece, Spain, France, Croatia, Italy, Cyprus, Latvia, Lithuania, Luxembourg, Hungary, Malta, the Netherlands, Austria, Poland, Portugal, Romania, Slovenia, Slovakia, Finland, Sweden and the United Kingdom.

Methods and definitions

Quarterly data on government debt are collected from the Member States according to European System of Accounts (ESA 2010), see Annex B, ESA 2010 transmission programme, and refer to the Maastricht debt definition.

The **general government debt** is defined as the consolidated gross debt of the whole of the general government sector outstanding at the end of the quarter (at face value). General government debt consists of liabilities of general government in the following financial instruments: currency and deposits (AF.2); debt securities (AF.3) and loans (AF.4), as defined in ESA 2010.

The **debt to GDP ratio** is calculated for each quarter using the sum of quarterly GDP for the four last quarters. Quarterly data on GDP are the most recent transmitted by the EU Member States. While quarterly debt figures are consistent with annual debt figures at coinciding publications, differences between quarterly and annual GDP figures occur. In this publication, this occurs for Belgium, Greece, Poland, Romania and Slovakia.

For the purpose of proper consolidation of general government debt and to provide users with information, Eurostat publishes data on **government loans (IGL) to other EU governments** and these loans have been deducted from euro area and EU debt. The concepts and definitions are based on ESA 2010 and on the rules relating to the statistics for the Excessive Deficit Procedure (EDP). The data covered is stock of loans related to claims on other EU Member States. The valuation basis is the stock of loans at nominal value outstanding at end of each quarter. From the first quarter of 2011 onwards, the intergovernmental lending figures relate mainly to lending to Greece, Ireland and Portugal and include loans made by the European Financial Stability Facility.

For stock data such as general government debt, end of period exchange rates are used in the compilation of the EU aggregates. For flow data, such as GDP, average exchange rates are used. The EU28 aggregate, denominated in euro, can fluctuate as a result of exchange rate movements between the euro and other EU currencies.

Country note Cyprus:

The net lending / net borrowing for the second quarter of 2018 does not include any impact from the restructuring of the Cyprus Cooperative Bank Ltd (CCB) - sale of the good parts of CCB and the subsequent integration of the remaining public financial defeasance structure into general government accounts. An impact on general government gross debt amounting to € 2 350 million (not under discussion) was included in the second quarter of 2018. The time of recording within 2018 of operations with additional impact on the debt and likely impact on the deficit are still being investigated by the Cypriot Statistical Authorities and Eurostat, given the complexity of the operation and the resulting need for detailed information.

For more information

Quarterly data on government debt by Member State

Eurostat decision regarding EFSE

Further data are available in the integrated publication on quarterly government finance statistics

ESA 2010: Regulation (EU) No 549/2013 on the European system of national and regional accounts

Eurostat €-indicators release calendar

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General government gross debt by Member State

		General government gross debt								Components of government debt, in % of GDP			IGL (assets)
		Millions of national currency			% of GDP			Difference in pp of GDP, 2018 Q2 compared with:		Currency and deposits	Debt Securities	Loans	% of GDP
		2017 Q2	2018 Q1	2018 Q2	2017 Q2	2018 Q1	2018 Q2	2017 Q2	2018 Q1	2018 Q2	2018 Q2	2018 Q2	2018 Q2
EA19	euro	9 806 393	9 820 706	9 842 005	89.2	86.9	86.3	-2.9	-0.6	2.6	70.0	13.7	2.0
EU28	euro	12 591 197	12 633 409	12 655 024	83.4	81.5	81.0	-2.4	-0.5	3.3	66.4	11.3	1.5
Belgium	euro	459 491	469 920	470 933	106.8	106.8	106.3	-0.4	-0.5	0.3	87.1	18.9	1.9
Bulgaria	BGN	27 547	24 891	24 815	28.3	24.3	23.8	-4.5	-0.5	-	17.4	6.4	0.0
Czechia	CZK	1 923 566	1 832 346	1 828 823	39.5	35.8	35.3	-4.2	-0.5	0.2	31.5	3.6	0.0
Denmark	DKK	779 380	776 134	770 048	36.8	36.2	35.8	-1.0	-0.4	0.9	26.9	7.9	0.0
Germany	euro	2 111 075	2 069 912	2 052 296	65.7	62.7	61.5	-4.2	-1.2	0.4	45.6	15.5	2.0
Estonia	euro	1 958	2 046	2 033	8.6	8.5	8.3	-0.4	-0.2	0.2	1.1	7.0	1.9
Ireland	euro	211 274	210 200	214 945	75.5	69.3	69.1	-6.4	-0.2	6.9	46.0	16.1	0.1
Greece	euro	309 091	322 568	323 378	176.1	180.3	179.7	3.5	-0.7	3.3	31.6	144.7	0.0
Spain	euro	1 135 138	1 160 736	1 163 885	99.4	98.7	98.1	-1.3	-0.5	0.4	83.9	13.9	2.5
France	euro	2 274 036	2 294 645	2 299 842	100.9	99.4	99.1	-1.8	-0.3	1.8	85.4	12.0	2.2
Croatia	HRK	280 183	280 864	284 079	78.4	76.1	76.1	-2.3	-0.1	0.0	52.7	23.4	0.0
Italy	euro	2 290 358	2 302 766	2 323 643	134.2	132.9	133.1	-1.0	0.3	10.1	112.9	10.2	2.5
Cyprus	euro	19 855	18 531	20 932	104.4	93.4	104.0	-0.3	10.6	0.7	44.7	58.7	1.7
Latvia	euro	10 278	9 765	10 386	39.7	35.5	36.9	-2.7	1.4	1.1	28.0	7.8	0.0
Lithuania	euro	16 765	15 377	15 219	41.5	36.0	35.0	-6.5	-1.0	0.8	29.0	5.2	0.0
Luxembourg	euro	12 641	12 474	12 551	23.3	22.2	22.0	-1.3	-0.2	0.5	14.5	7.0	1.1
Hungary	HUF	27 693 029	28 773 173	29 535 434	75.5	73.6	73.8	-1.7	0.2	0.4	64.8	8.6	0.0
Malta	euro	5 862	5 719	5 735	55.1	50.5	49.6	-5.5	-0.9	2.4	44.4	2.8	1.9
Netherlands	euro	424 720	411 482	407 894	58.8	55.1	54.0	-4.8	-1.1	0.2	43.2	10.6	1.9
Austria	euro	294 168	289 079	289 429	81.0	77.2	76.5	-4.5	-0.7	0.4	64.0	12.1	2.1
Poland	PLN	1 018 979	1 031 392	1 032 005	53.3	51.3	50.7	-2.6	-0.6	0.3	40.2	10.2	0.0
Portugal	euro	249 099	246 014	246 767	130.8	125.4	124.9	-5.9	-0.5	13.0	74.5	37.4	0.6
Romania	RON	296 306	301 762	305 853	37.0	34.5	34.1	-2.9	-0.4	0.8	27.5	5.9	0.0
Slovenia	euro	33 290	32 996	32 308	80.2	75.5	72.8	-7.4	-2.8	0.4	63.9	8.5	2.6
Slovakia	euro	42 780	43 749	45 360	51.7	50.8	51.8	0.1	1.0	0.2	44.7	6.9	2.1
Finland	euro	136 173	135 436	135 807	61.8	60.0	59.5	-2.3	-0.4	0.3	47.0	12.2	1.9
Sweden	SEK	1 842 160	1 766 083	1 789 729	41.0	38.1	38.2	-2.9	0.0	1.7	25.9	10.6	0.0
United Kingdom	GBP	1 734 431	1 763 835	1 798 305	86.4	85.6	86.7	0.3	1.1	8.9	75.6	2.1	0.2
Norway	NOK	1 150 055	1 208 767	1 202 235	35.7	36.4	35.4	-0.4	-1.0	-	16.0	19.4	0.0

- not applicable/ zero

The source dataset can be found [here](#).