

## **Changes in the dissemination of general government statistics from December 2012 (*Boletín Estadístico*, chapters 11 to 14)**

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The growing complexity of financial interconnections across the general government subsectors means certain **changes** must be made **to make the dissemination of the general government debt statistics compiled by the Banco de España more transparent**. The new form of presentation, which conforms to that applied in the notifications habitually released by the European Commission in connection with the Excessive Debt Protocol (EDP) and to Eurostat's dissemination of EU Member States' debt, **affects the debt of the subsectors, but not the general government sector total**.

What is now offered is a **more detailed breakdown of the various components that link total general government liabilities to debt according to the EDP**, and **new information on the liabilities of each general government subsector that feature as financial assets of another subsector**. To date, such relationships between the financial assets and liabilities of the different general government units were not explicit.

Furthermore, the way in which the **consolidation of financial assets and liabilities to obtain public debt according to the EDP** is presented has been changed. The relative simplicity of financial relationships between general government units had hitherto led EDP debt to be calculated by deducting from the debtor subsector that portion of its issued debt held by other general government units. The advantage of this procedure was that the sum of the EDP debt stocks of each of the subsectors making up general government was equal to the figure for the total stock for the sector. However, following the creation in Spain of different funds to implement various financial operations, including most notably the FFPP (Fund for the Financing of Payments to Suppliers) and the FLA (Regional Government Liquidity Fund), cross-connections among the various general government agents intervening in these operations have increased. For a readier interpretation of these relationships, as from the release of the data disseminated in December 2012 (the latest figures in which refer to September 2012) it has been decided to consolidate the EDP debt issued by each subsector solely on the basis of the holdings of that debt within the same subsector (e.g. consolidated in the debt of the regional government subsector will be the liabilities of one regional government to another, but not the liabilities of a regional government to central government). The full consolidation of EDP debt will only be for general government as a whole which, as mentioned above, is not affected by these changes.

Finally, the regional government and local government debt includes the amounts lent by the FFPP since June 2012. That has entailed a reduction, from that date and for the same amount, in the other accounts payable by both these tiers of government, this item forming part of total liabilities under the Financial Accounts but not under EDP debt. Conversely, the EDP debt figures now being disseminated do not include any amount from the FLA since, as at 30 September, no

contribution from this Fund to the regional governments had yet been recorded. These contributions will be recorded in the regional governments' debt as and when they are effectively made.