

The outstanding debt of the Public Administrations of the Basque Country fell from 15.0% on 31 December 2018 to 13.8% in 2019

In 2019, investments and capital transfers increased by 7.9%, reaching 1,728 million euros

On 31 December 2019, the outstanding debt of the Public Administrations of the Basque Country (made up of the Basque Government, the Provincial Councils and Municipal Administrations, together with their corresponding Autonomous Bodies and supra and infra-municipal Entities) reached 10,988.6 million euros, 13.8% of GDP (15.0% on 31 December 2018), according to data prepared by Eustat. The new liabilities acquired in 2019 increased to 1,131.9 million, while depreciations amounted to 1,706.1 million. It is worth pointing out that in the last financial year, total outstanding debt fell by 574 million euros, a drop of 1.2 percentage points.

The total outstanding debt of the Basque Government at the end of 2019 accounted for 78.7% of total outstanding debt, followed by Bizkaia (11.6%), Álava (5.3%) and lastly Gipuzkoa with the remaining 4.4%.

By institutions, both the Basque Government and the provincial administrations (Provincial Councils and Local Entities) registered positive non-financial budgetary balances, although they fell compared to 2018. Specifically, the Basque Government posted a positive balance of 394 million euros, a drop of 53 million euros on the 2018 figure. The three provinces maintained this trend with positive balances, but they were less favourable than those of the previous year.

Consolidated data of the Basque Administration (Thousands euros). 2019

	CONSOLIDATED TOTAL	BASQUE GOVERN.	ARABA/ÁLAVA	BIZKAIA	GIPUZKOA
CURRENT INCOME	17.744.597	10.726.108	2.873.548	9.011.850	5.731.250
CURRENT EXPENDITURE	15.267.188	9.543.995	2.685.321	8.303.512	5.332.519
BALANCE OF CURRENT TRANSACTIONS	2.477.409	1.182.113	188.227	708.338	398.731
CAPITAL INCOME	150.725	56.426	20.382	44.551	79.448
CAPITAL EXPENDITURE	1.728.199	844.607	135.809	457.364	340.500
NON-FINANCIAL BUDGETARY BALANCE	899.935	393.931	72.800	295.525	137.679
OUTSTANDING DEBT (Pending repayment 12-31-19)	10.988.616	8.644.816	587.502	1.271.697	484.602

Source: Eustat. Public Sector Budgetary Statistics

Looking in detail at the income and expenditure of the Public Administrations of the Basque Country, total spending reached 19,186 million euros in 2019, a 6.2% increase compared to the previous year. Income reached 19,022 million, falling 0.1% compared to 2018.

Focusing on **non-financial operations**, there were upturns in both income and expenditure: income rose by 2.5% compared to 2018 and expenditure increased by 4.3%. As a result, the non-financial budgetary balance stood at 900 million euros in 2019, compared to 1,164 million euros in 2018.

Consolidated liquidation of the Basque Administration (Thousands euros). 2018-2019

	2018	2019	Δ%
TOTAL INCOME	19.048.278	19.021.597	-0,1
Current transactions	17.196.087	17.744.597	3,2
-Tax revenue	15.706.658	16.167.602	2,9
Income tax	5.414.866	5.736.020	5,9
Corporate tax	1.540.652	1.355.146	-12,0
VAT	5.881.672	6.033.589	2,6
Special taxes	1.478.552	1.641.430	11,0
Municipal taxes	745.303	737.829	-1,0
Other taxes	645.613	663.588	2,8
-Other current income	1.489.429	1.576.995	5,9
Capital Transactions	256.323	150.725	-41,2
Total Non-financial Transactions	17.452.410	17.895.322	2,5
Financial transactions	1.595.868	1.126.274	-29,4
TOTAL EXPENDITURE	18.064.454	19.186.225	6,2
Current Transactions	14.686.794	15.267.188	4,0
Expenditure on Personnel	3.721.803	3.934.114	5,7
Current Transfers	5.165.700	5.291.677	2,4
Other Current Expenditure	5.799.290	6.041.396	4,2
Capital Investment and Transactions	1.601.848	1.728.199	7,9
Total Non-financial Transactions	16.288.642	16.995.387	4,3
Financial transactions	1.775.812	2.190.838	23,4
BALANCE OF CURRENT TRANSACTIONS	2.509.293	2.477.409	-1,3
NON-FINANCIAL BUDGETARY BALANCE	1.163.767	899.935	-22,7

Source: Eustat. Public Sector Budgetary Statistics

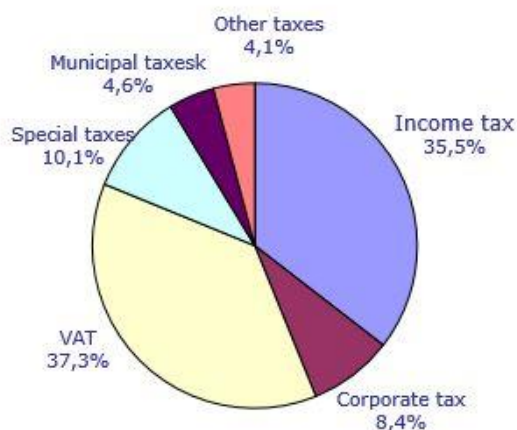
Opposite trends were observed in **financial operations**: while financial income fell by 29.4% to 1,126 million euros, financial expenditure rose to 2,191 million euros, a 23.4% increase.

The growth in **non-financial income** was the result of the positive trend in current income (3.2%), which accounted for 93.3% of total income. Income from capital operations, which carries little weight, registered a drop of 41.2%.

Tax revenues in 2019, which accounted for 85% of total income, practically all performed positively compared with the previous year, except for corporate and municipal taxes. As a whole, tax revenues grew by 2.9%.

VAT and Income Tax had the most weight within tax revenues and provided 37.3% and 35.5% of all such revenue, respectively. Both showed a positive performance of 5.9% in the case of Income Tax and 2.6% in the case of VAT. In third place in terms of relative significance were Special Taxes, up 11%, and, lastly, Other Taxes, with an increase of 2.8%, although its weight was much lower (4.1%). Downward trends were seen in Corporate Tax, which accounted for 8.4% of taxes and posted a 12% downturn in this financial year, and Municipal Taxes, which were also down, though to a lesser extent (-1%).

Distribution of Basque Administration tax revenue. 2019



Source: Eustat. Public Sector Budgetary Statistics

Other Current Income, which includes taxes, transfers and equity income, accounted for 8.9% of total income from current operations and registered a 5.9% increase.

Current expenditure registered an increase of 4%. This rise was caused primarily by staff expenditure, which represented 20.5% of total expenditure and was up by 5.7% in respect of 2018. Other Current Expenditure performed positively, accumulating 31.5% of total expenditure and increasing by 4.2%. Lastly, Current Transfers were up by 2.4%.

Expenditure on Investments and Capital Transfers, however, which represented 9% of the total, grew by 7.9% compared with 2018, i.e. by 126 million euros.

For further information:

Eustat - Euskal Estatistika Erakundea / Basque Statistics Institute
C/ Donostia-San Sebastián, 1 01010 Vitoria-Gasteiz
Press Service: servicioprensa@eustat.es Tel: 945 01 75 62