

## Note on stock of liabilities of trade credits and advances (April 2016)

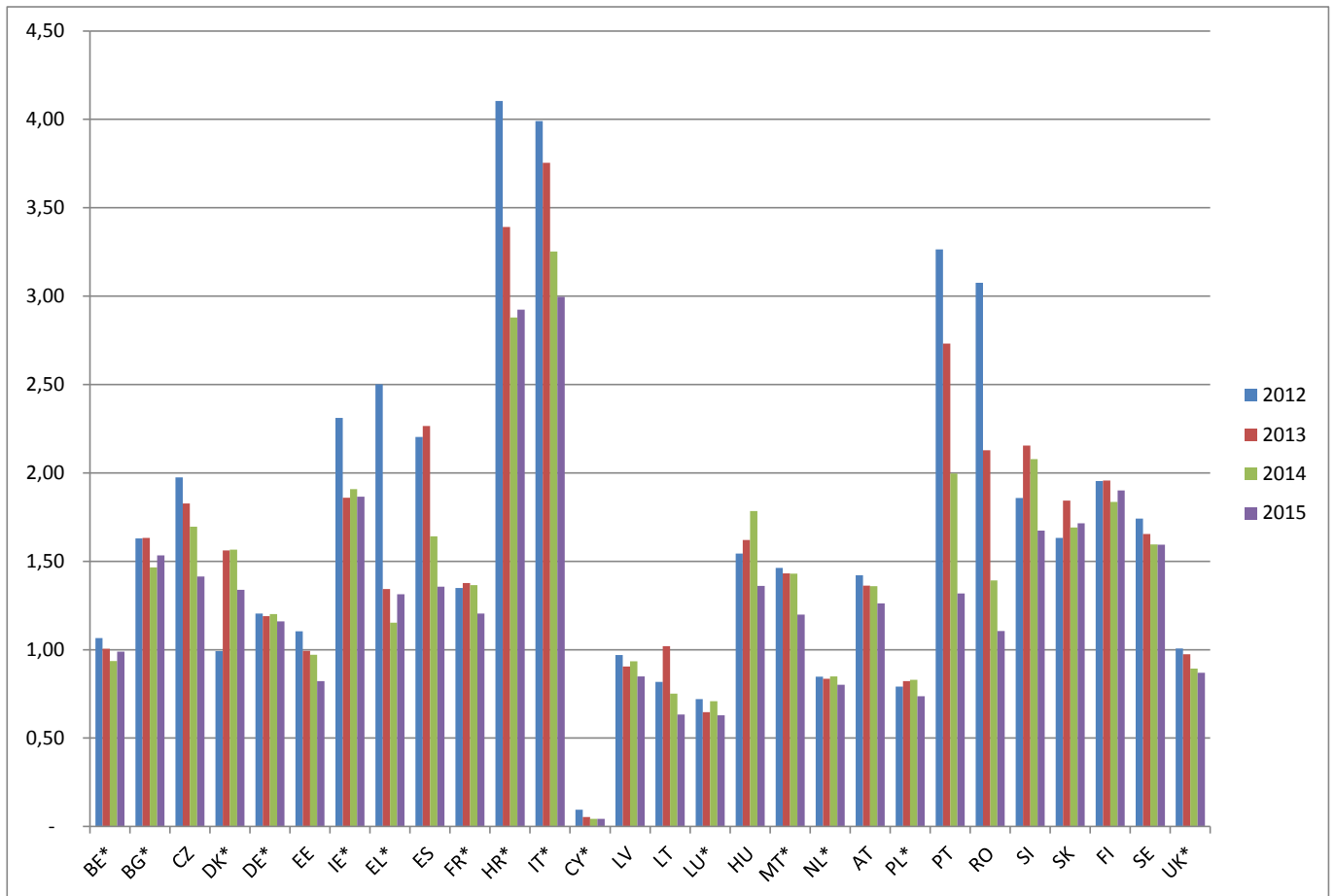
Alongside deficit and debt data, Eurostat publishes a note on the stock of liabilities of trade credits and advances (AF.81L). The data are reported by Member States, according to the Council minutes of 22/11/1993, twice a year (end March and end September), together with the reporting of government deficit and debt data.

The data are collected and already published in Table 4 "Provision of other data in accordance with the statements contained in the Council minutes 22/11/1993" of the deficit and debt notification, on Eurostat's website:

<http://ec.europa.eu/eurostat/web/government-finance-statistics/excessive-deficit-procedure/edp-notification-tables>

Trade credits and advances payable are unpaid (usually short-term) liabilities of government resulting from transactions in goods and services. While the expenditure relating to trade credits is included in ESA government expenditure in line with the accrual principle (and thus impacts the deficit/surplus), the stock of trade credits and advances payable are not included in government (EDP) debt<sup>1</sup>.

**Graph 1: Stock of trade credits and advances payable in 2012-2015 (% of GDP)**



\* See the country footnote

The figures below should normally cover all trade credits and advances of general government. However, complete coverage of all government sub-sectors as well as inside the sub-sectors is currently achieved for less than half of the Member States. For the other Member States, data are flagged as provisional, subject to revisions in future notifications. For details, see country footnotes below.

<sup>1</sup> According to the Protocol on the excessive deficit procedure annexed to the Treaty on the functioning of the EU, government debt is the consolidated gross debt of the whole general government sector outstanding at the end of the year (at nominal value). According to Regulation 479/2009, as amended, it includes the following categories: currency and deposits (AF.2), debt securities (AF.3) and loans (AF.4).

**Table 1: Stock of liabilities of trade credits and advances by Member State**

|                | Stock of trade credits and advances payable |         |         |         |          |      |      |      |
|----------------|---|---------|---------|---------|----------|------|------|------|
|                | Millions of national currency               |         |         |         | % of GDP |      |      |      |
|                | 2012  | 2013    | 2014    | 2015    | 2012     | 2013 | 2014 | 2015 |
| Belgium        | 4 129                                       | 3 945   | 3 750   | 4 055   | 1,1      | 1,0  | 0,9  | 1,0  |
| Bulgaria       | 1 329                                       | 1 338   | 1 226   | 1 324   | 1,6      | 1,6  | 1,5  | 1,5  |
| Czech Republic | 79 784                                      | 74 507  | 72 240  | 63 265  | 2,0      | 1,8  | 1,7  | 1,4  |
| Denmark        | 18 687                                      | 29 728  | 30 427  | 26 577  | 1,0      | 1,6  | 1,6  | 1,3  |
| Germany        | 33 182                                      | 33 539  | 35 022  | 35 104  | 1,2      | 1,2  | 1,2  | 1,2  |
| Estonia        | 199   | 189     | 194     | 168     | 1,1      | 1,0  | 1,0  | 0,8  |
| Ireland        | 4 042                                       | 3 338   | 3 607   | 4 005   | 2,3      | 1,9  | 1,9  | 1,9  |
| Greece         | 4 784                                       | 2 424   | 2 048   | 2 311   | 2,5      | 1,3  | 1,2  | 1,3  |
| Spain          | 22 974                                      | 23 363  | 17 085  | 14 660  | 2,2      | 2,3  | 1,6  | 1,4  |
| France         | 28 156                                      | 29 129  | 29 215  | 26 375  | 1,3      | 1,4  | 1,4  | 1,2  |
| Croatia        | 13 560                                      | 11 175  | 9 456   | 9 773   | 4,1      | 3,4  | 2,9  | 2,9  |
| Italy          | 64 385                                      | 60 227  | 52 430  | 49 033  | 4,0      | 3,8  | 3,3  | 3,0  |
| Cyprus         | 19  | 10      | 8       | 8       | 0,1      | 0,1  | 0,0  | 0,0  |
| Latvia         | 212   | 206     | 220     | 207     | 1,0      | 0,9  | 0,9  | 0,8  |
| Lithuania      | 273   | 357     | 274     | 236     | 0,8      | 1,0  | 0,8  | 0,6  |
| Luxembourg     | 314   | 301     | 346     | 328     | 0,7      | 0,6  | 0,7  | 0,6  |
| Hungary        | 441 854                                     | 487 259 | 574 093 | 458 586 | 1,5      | 1,6  | 1,8  | 1,4  |
| Malta          | 106   | 110     | 116     | 105     | 1,5      | 1,4  | 1,4  | 1,2  |
| Netherlands    | 5 464                                       | 5 436   | 5 623   | 5 437   | 0,8      | 0,8  | 0,8  | 0,8  |
| Austria        | 4 508                                       | 4 399   | 4 474   | 4 255   | 1,4      | 1,4  | 1,4  | 1,3  |
| Poland         | 12 886                                      | 13 629  | 14 257  | 13 181  | 0,8      | 0,8  | 0,8  | 0,7  |
| Portugal       | 5 496                                       | 4 650   | 3 465   | 2 363   | 3,3      | 2,7  | 2,0  | 1,3  |
| Romania        | 18 309                                      | 13 563  | 9 295   | 7 878   | 3,1      | 2,1  | 1,4  | 1,1  |
| Slovenia       | 669   | 774     | 775     | 645     | 1,9      | 2,2  | 2,1  | 1,7  |
| Slovakia       | 1 182                                       | 1 361   | 1 278   | 1 339   | 1,6      | 1,8  | 1,7  | 1,7  |
| Finland        | 3 903                                       | 3 980   | 3 769   | 3 940   | 2,0      | 2,0  | 1,8  | 1,9  |
| Sweden         | 64 154                                      | 62 355  | 62 519  | 66 229  | 1,7      | 1,7  | 1,6  | 1,6  |
| United Kingdom | 16 754                                      | 16 892  | 16 236  | 16 219  | 1,0      | 1,0  | 0,9  | 0,9  |

**Country footnotes:**

**Belgium:** Data include trade credits of the main entities of the central and state government sub-sectors, trade credits of the social security funds and trade credits of some extra-budgetary units classified in the general government sector. Further progress is expected in terms of coverage and full implementation of the Eurostat decision of 31 July 2012 on the reclassification as government debt of some specific operations related to factoring and restructuring.

**Bulgaria:** Data include trade credits and advances of the public corporations classified inside the general government sector and advance payments made to budget units. Short-term trade credits of budgetary units cannot be identified separately in the Chart of Accounts and thus, in accordance with the public accounting guidelines, these are reported as accounts payable in public accounts and do not appear in EDP Table 4. On the other hand, the Bulgarian National Bank developed a reporting system for trade credits subject to factoring (showing separately factoring operations with and without recourse). This system has been used for the implementation of the Eurostat decision relating to factoring and restructuring.

**Denmark:** Data include all general government sub-sectors. The increase in the amount of trade credits since the last publication is due to the inclusion of trade credits for local government level.

**Germany:** Data are provisional as coverage is partly uncertain.

**Ireland:** For most government units, detailed source data on trade credits are available and used. In a minority of cases, data on stocks of trade credits and advances payable for some government units are estimated.

**Greece:** Data include trade credits of the central government (only Budgetary Central Government and public hospitals) and the local government sub-sectors.

**France:** Data contain estimated amounts related to the implementation of the Eurostat decision of 31 July 2012 on the reclassification as government debt of some specific operations related to factoring and restructuring.

**Croatia:** Data on stocks of trade credits and advances payable for some public corporations classified inside the general government sector (HRT, HZI, ARZ, HAC and HAKOM) are estimated.

**Italy:** Data on stock of trade credits and advances payable are provisional.

**Cyprus:** Data only include the central government sub-sector.

**Luxembourg:** Data on trade credits are provisional as there are uncertainties regarding the full coverage of some entities.

**Malta:** Data on trade credits for Budgetary Central Government are estimated.

**Netherlands:** Data on trade credits and advances payable are estimated on the basis of a time lag in payments.

**Poland:** Consolidated stocks of trade credits and advances include liabilities relating to the delivery of goods and services as well as prepayments on the delivery, excluding restructured liabilities and liabilities assumed by financial institutions.

**United Kingdom:** Data coverage includes both the central government and local government sub-sectors. While central government data sources include the main central government units, local government estimates are based on a sample of local authorities.