

Technical note

Introduction

Government debt – “Maastricht (or EDP) debt” – is defined as the total consolidated¹ gross debt at face value at the end of the year in the following categories of government liabilities (as defined in the European System of Accounts, ESA 2010): currency and deposits (AF.2), debt securities (AF.3) and loans (AF.4). The European Union and euro area aggregates derived from this correspond to the sum of government debt of the EU countries consolidated with the intergovernmental lending to Ireland, Greece and Portugal and loans made by the European Financial Stability Facility.²

Loans, currency and deposits (LCD) is a significant component of Maastricht (or EDP) debt.³ The LCD dataset provides an additional breakdown of this component, thus going beyond what is usually available in government debt statistics.⁴

The LCD dataset integrates the fundings to the general government, in the form of loans and deposits, and the liabilities corresponding to coin issuances⁵ into a single presentational framework using various statistics, such as government finance statistics, monetary and financial statistics, financial accounts and balance of payment statistics. About half of the breakdowns are sourced from existing European System of Central Banks (ESCB) statistics or ESA 2010 transmission programme tables, while the rest is additional input provided by EU national central banks. The LCD dataset facilitates the link between the concepts of monetary statistics and macroeconomic aggregates on loans by including quantitative information on the loans from monetary financial institutions to governments.

¹ At the national level, data for the general government sector are consolidated between subsectors.

² The consolidation to obtain an EU/euro area aggregate may theoretically also include cross-holding of loans between the various subsectors of the general government of the different EU/euro area countries. These elements are either rare, difficult to trace statistically or of reduced magnitude.

³ Corresponding to around 16% of euro area GDP in 2022.

⁴ For more details, see the [ECB's annual government debt statistics](#). The LCD dataset may not be fully consistent with annual government finance statistics and other statistics owing to, for instance, different data cut-off dates or less frequent revisions; the development of security-by-security databases such as the [ESCB's Centralised Securities Database](#) allows users to access more granular information on the debt securities issued by governments.

⁵ In some euro area countries, the national central bank rather than the central government is the legal and sole issuer of coin. In such cases, no corresponding liabilities is recorded in the government account.

The LCD breakdown is available from 2015. The dataset is composed of two tables⁶: **Table A: Maastricht (or EDP) debt – loan, currency and deposit components (face value)**, and **Table B: Counterparties of general government loan, currency and deposit liabilities (nominal value)**. The valuation methods used in the two tables are different. In Table A, the valuation (face value) is the one used for Maastricht debt: the accrued interest is not recorded under the corresponding debt instrument, unless it is deemed capitalised.⁷ Conversely in Table B, the valuation (nominal value) used is prevailing in national accounts for currency and deposits (AF.2) and loans (AF.4): the liabilities include stocks of accrued interest, whether they are deemed capitalised or not. Yet, the figures show rather limited differences⁸, enabling cross-references between items from the two tables.

Table A: Maastricht (or EDP) debt – loan, currency and deposit components (face value)

Table A provides an overview of the LCD components in Maastricht debt at face value. The first part (**Total LCD in Maastricht debt**) details the LCD of each subsector of the general government. It includes stocks of loans and deposits consolidated within the subsectors of general government (but not consolidated between those subsectors), plus the consolidating elements between the subsectors for the general government as a whole.

The second part (**Loans to general government**) covers loans granted to the general government, categorised by original maturity (short-term loans vs long-term loans) and type of loan. This second breakdown isolates the loans granted to governments that need to be serviced (reimbursement of capital and payment of interest), which are usually granted by financial intermediaries, from the other cases such as rearranged or imputed loans⁹.

The third part (**Currency and deposits to general government**) includes (i) various kinds of treasury or saving certificates held by households and non-profit institutions serving households with the general government, (ii) deposits or cash pooling by resident financial and non-financial corporations into a central government account¹⁰, and (iii) all other remaining deposits held with the general government placed by non-resident entities from a national perspective.

⁶ The full tables are available in the annex.

⁷ For deposits (or assimilated instruments classified in AF.2), when interest accrued is available for withdrawal at any time by the creditor, the part of interest that can be cashable is deemed capitalised. For more details, see Chapter 8 of the [Manual on Government Deficit and Debt](#).

⁸ Around 0.2% of euro area GDP up to 2022.

Finally, the last entry (**Coins issuance, as liability of government**) corresponds to the coins in circulation (euro or other national currencies), which are liabilities of the general government in the case where the government itself (i.e. mainly the Treasury) is issuing them. A bridge memorandum item calculates the difference between the liabilities at face value (Table A) and at nominal value (Table B).

Table B: Counterparties of general government loan, currency and deposit liabilities (nominal value)

Table B presents the counterpart sectors (creditors) to the general government LCD liabilities at nominal value. Most items are derived from the “who-to-whom” details of the financial accounts. These include **monetary financial institutions, other financial institutions, insurance corporations and pension funds, households and non-profit institutions serving households, non-financial corporations** and **rest of the world**.

Besides, the rest of the world counterpart is further detailed to shed light on specific lending facilities which have gained importance in the aftermath of the European sovereign debt crisis and more recently the coronavirus (COVID-19) crisis. It includes the bilateral loans between governments, loans from the European Stability Mechanism, the European Financial Stabilisation Mechanism, the European Financial Stability Facility, the EU budget (the temporary Support to mitigate Unemployment Risks in an Emergency programme and the Recovery and Resilience Facility in response to the COVID-19 pandemic), the International Monetary Fund and the European Investment Bank.

Other residual items may include financing (in loans) by non-resident banks to the general government; loan and deposit liabilities recorded on the balance sheet of non-market corporations or extra-budgetary entities (classified in the general government and not included in previous items); loans from other international development banks; excessive liquidity related to government accounts vis-à-vis the EU Commission and recorded as deposits for the Treasury; statistical discrepancies.

⁹ Mainly cashless transactions or pure national accounts recordings that cannot be traced in official public accounting or governmental balance sheets. For more details, see Section 1.2.4.5. of the [Manual on Government Deficit and Debt](#).

¹⁰ These financial and non-financial corporations are mainly (but not exclusively) from the public sector. The government as the main shareholder or as the legal authority may invite or oblige the respective entities to have deposits in the general government account. These deposits are used as a short-term financing for the State.

Annex – LCD Tables A and B

A. Maastricht (or EDP) debt – loan, currency and deposit components (face value)

	Item:	Relations:	SDMX Code (*):
Total loans, currency and deposits (LCD) in Maastricht debt	1	1=2+3+4+5-6 1=7+12+13	A.N.*.W0.S13.S1.C.L.LE.F2_F4.T._Z*_T.F.V.N.L
Granted to central government (not consolidated in general government)	2		A.N.*.W0.S1311.S1.C.L.LE.F2_F4.T._Z*_T.F.V.N.L
Granted to state government (not consolidated in general government)	3		A.N.*.W0.S1312.S1.C.L.LE.F2_F4.T._Z*_T.F.V.N.L
Granted to local government (not consolidated in general government)	4		A.N.*.W0.S1313.S1.C.L.LE.F2_F4.T._Z*_T.F.V.N.L
Granted to social security funds (not consolidated in general government)	5		A.N.*.W0.S1314.S1.C.L.LE.F2_F4.T._Z*_T.F.V.N.L
LCD consolidation between general government subsectors	6		A.N.*.W2.S13.S13.C.I.L.LE.F2_F4.T._Z*_T.F.V.N.L
Loans to general government	7	7=8+9 7=10+11	A.N.*.W0.S13.S1.C.L.LE.F4.T._Z*_T.F.V.N.L
By original maturity			
Short-term loans	8		A.N.*.W0.S13.S1.C.L.LE.F4.S._Z*_T.F.V.N.L
Long-term loans	9		A.N.*.W0.S13.S1.C.L.LE.F4.L._Z*_T.F.V.N.L
By origin of loans			
Loans to general government	10		A.N.*.W0.S13.S1.C.L.LE.F4.T._Z*_T.F.V.N.L_S
Other loans to general government (rearranged or imputed in national accounts)	11		A.N.*.W0.S13.S1.C.L.LE.F4.T._Z*_T.F.V.N.L_I
Deposits to general government	12		A.N.*.W0.S13.S1.C.L.LE.F2M.T._Z*_T.F.V.N.L
Coins issuance, as liability of government	13		A.N.*.W0.S1311.S121.C.L.LE.F29E.T._Z*_T.F.V.N.L
Difference between nominal and face value for LCD	14	14 = B.15(**) - A.1	A.N.*.W0.S13.S1.C.L.LE.F2_F4.T._Z*_T.X.V.N.L_N_F

Notes: (*) In 3rd position of the SDMX code: country code.

In 14th position of the SDMX code: unit of measure (XDC for domestic currency, XDC_R_B1GQ for percentage of nominal GDP).

(**) When appropriate this item might include methodological adjustments.

B. Counterparties of general government loans, currency and deposits as liabilities (nominal value)

	Item:	Relations:	SDMX Code (***):
Total loans, currency and deposits (LCD) as liabilities of general government	15	15=16+22+23+24+25	A.N.*.W0.S13.S1.C.L.LE.F2_F4.T._Z.*_T.S.V.N.L
Monetary financial institutions	16	16=17+20+21	A.N.*.W2.S13.S12K.C.L.LE.F2_F4.T._Z.*_T.S.V.N.L
Loans	17	17=18+19	A.N.*.W2.S13.S12K.C.L.LE.F4.T._Z.*_T.S.V.N.L
Short-term loans	18		A.N.*.W2.S13.S12K.C.L.LE.F4.S._Z.*_T.S.V.N.L
Long-term loans	19		A.N.*.W2.S13.S12K.C.L.LE.F4.L._Z.*_T.S.V.N.L
Deposits (excluding coins)	20		A.N.*.W0.S13.S1.C.L.LE.F2M.T._Z.*_T.S.V.N.L
Coins issuance, as liability of government	21		A.N.*.W0.S1311.S121.C.L.LE.F29E.T._Z.*_T.F.V.N.L
Other financial institutions and insurance corporations and pension funds	22		A.N.*.W2.S13.S12M.N.L.LE.F2_F4.T._Z.*_T.S.V.N.L
Households and non-profit institutions serving households	23		A.N.*.W2.S13.S1M.N.L.LE.F2_F4.T._Z.*_T.S.V.N.L
Non-financial corporations	24		A.N.*.W2.S13.S11.N.L.LE.F2_F4.T._Z.*_T.S.V.N.L
Rest of the world including EU budget	25	25=26+27+28+29+32+33+34	A.N.*.W1.S13.S1.N.L.LE.F2_F4.T._Z.*_T.S.V.N.L
Bilateral loans from governments to general government	26		A.N.*.W1.S13.S13.N.L.LE.F4.T._Z.*_T.S.V.N.L
EU stability mechanisms (*)	27		A.N.*.4Y.S13.S13.N.L.LE.F4.T._Z.*_T.S.V.N.L_XLSM
European Financial Stability Facility guarantors, as debt for euro area countries	28		A.N.*.4W.S13.S13.N.L.LE.F4.T._Z.*_T.F.V.N.L_EFSF
Loans or deposits from the EU budget (**)	29	29=30+31	A.N.*.4D.S13.S13.N.L.LE.F2_F4.T._Z.*_T.S.V.N.L_XLSM
of which: temporary Support to mitigate Unemployment Risks in an Emergency programme	30		A.N.*.4D.S13.S13.N.L.LE.F4S.T._Z.*_T.S.V.N.L_XLSM
Recovery and Resilience Facility	31		A.N.*.4D.S13.S13.N.L.LE.F4P.T._Z.*_T.S.V.N.L_XLSM
International Monetary Fund loans to general government	32		A.N.*.1C.S13.S1.N.L.LE.F4.T._Z.*_T.S.V.N.L
European Investment Bank loans to general government	33		A.N.*.4C.S13.S1.N.L.LE.F4.T._Z.*_T.S.V.N.L
Others (residual items and methodological adjustments)	34		A.N.*.W0.S13.S1.N.L.LE.F4.T._Z.*_T.S.V.N.L_X

Notes : (*) European Stability Mechanism (ESM), European Financial Stabilisation Mechanism (EFSM), European Financial Stability Facility (EFSF).

(**) This item excludes European Financial Stabilisation Mechanism loans to general government including EU balance of payment financial assistance, which are reported under item 27.

(***) In 3rd position of the SDMX code: country code.

In 14th position of the SDMX code: unit of measure (XDC for domestic currency, XDC_R_B1GQ for percentage of nominal GDP).