

Country	Explanatory footnotes (mainly focussed on the COVID-19 related impact on the accounts)
<b>General comment</b>	Since the first quarter 2020, Member States have implemented COVID-19 containment measures. The policy measures with the largest impact on the government accounts in the second quarter of 2021 were related to taxes (tax exemptions, postponement of payment deadlines) and to expenditure measures to support employment and businesses. Country specific explanatory metadata is published below. Further harmonisation is expected as regards recording practices for the liquidity and expenditure measures introduced, as well as for the quarterly impact of accruals of deferred taxes. Revisions in the coming quarters are thus expected to be larger than usual. The data for the quarters of 2020 as well as the first quarter of 2021 were considerably revised by many Member States. All quarterly government finance statistics data for the first and second quarter of 2021 have been labelled as provisional, owing to the higher likelihood of significant revisions.
<b>Belgium</b>	The COVID-19 outbreak has influenced the quarterly government accounts for 2020. Apart from the influence of the economic downturn on government revenue and expenditure, the government took measures that influenced the recording of the government revenue and expenditure in the four quarters. As the health crisis persists at least through the first two quarters of the year 2021, the government budget continues to support the economy. The lengthening and extension of the temporary lay off schemes for employees and bridging rights for self employed workers further cushions income losses. Other discretionary measures, such as current transfers to companies forced to close or with substantially reduced turnover and subsidies to the health sector continue to weigh on the budget.
<b>Bulgaria</b>	<p>In response to the COVID-19 pandemic, on 13 March the Bulgarian government imposed a State of Emergency in the country, introducing a number of urgent measures and administrative restrictions. The measures were aimed for securing the necessary financial resources to fulfil the assigned functions and responsibilities of the state government bodies in the various systems most actively involved in measures to contain the spread of COVID-19 - healthcare, social, internal order and security.</p> <p>Following measures to limit COVID-19, ad hoc adjustments to taxes were made using the time-adjusted cash method for the quarters of 2020.</p> <p>The following measures were taken in the first quarter of 2021:</p> <ul style="list-style-type: none"> <li>- State subsidy for tour operators using air carriers with a valid operating license to operate charter flights to the Republic of Bulgaria for tourism.</li> <li>- Support through working capital for SMEs affected by temporary anti-epidemic measures under the Operational Program "Innovation and Competitiveness" "2014-2020 (OPIC), in order to provide a rapid and effective mechanism to support Bulgarian micro, small and medium enterprises affected by temporary anti-epidemic measures introduced in the country in order to maintain their activities through the implementation of a support scheme by the National Revenue Agency.</li> <li>- Support for enterprises registered under the Tourism Act as tour operators or travel agents to overcome the economic consequences of the COVID-19 pandemic.</li> </ul> <p>The following measures were taken in the second quarter of 2021:</p> <ul style="list-style-type: none"> <li>- Increase in the amount of the minimum pension.</li> <li>- Providing fast and effective support to SMEs for the implementation of activities directly aimed at overcoming the consequences of COVID-19 and support for the introduction of digital technologies that facilitate the work of SMEs in the conditions of COVID-19.</li> <li>- Provision of personal protective equipment (masks, gloves, etc.) for the needs of the state administration, as well as for disinfectants, disinfection of work premises, thermometers for remote measurement, etc.</li> <li>- Providing conditions for remote form of work in case of declared emergency epidemic situation.</li> <li>- Expenses for a seminar on the impact of Covid-19 on the activities of the organization.</li> <li>- One-time financial support for food products for pensioners with minimum pensions.</li> </ul>
<b>Czechia</b>	The main expenditure measures in the context of COVID-19 entered into force in 2020Q2. Expenditure transactions mainly impacted are D.39 (programme Antivirus to support employment and subsidy schemes for entrepreneurs) and D.99 (direct support for the self-employed and small entities). For tax deferral measures, ad-hoc accrual adjustments are made by comparing the time-adjusted cash data with underlying economic indicators. This does not entail an adjustment for amounts, which are expected to remain uncollectible.
<b>Denmark</b>	Expenditure measures to counter the economic impact of the COVID-19 pandemic are mainly recorded in subsidies on production (D.39p) and include the following larger schemes: temporary compensation scheme for the self-employed and freelancers, temporary compensation for fixed costs of businesses and temporary wage compensation scheme. The expenditure on these schemes is accrued to 2020Q1, 2020Q2, 2020Q3, 2020Q4, 2021Q1 and 2021Q2 using appropriate indicators. Deferrals of taxes expected to be paid are reflected in the tax revenue accrued. However, estimates for uncollectible amounts recorded in D.995 have not yet taken on board the effects of the COVID-19 pandemic.
<b>Germany</b>	In the area concerned (first estimate of the quarterly figures) missing data from the quarterly basic statistics are supplemented by estimates, taking into account all available data (in particular legal changes). Once the missing quarterly basic statistics become available, the results are revised step by step. After revisions, the results are largely based on quarterly basic statistics. Finally, the provisional results are squared with the later final annual results (alignment). For tax deferral measures implemented in the context of the COVID-19 pandemic, ad-hoc accrual adjustments were made in order to correctly estimate that accrual of tax revenue. The employment-support measure "Kurzarbeit" is reflected in D.62p and in D.39p. The assistance programmes "Soforthilfe" and "Überbrückungshilfe" are reflected in D.39p.
<b>Estonia</b>	2021Q2 revenue and expenditure increased compared to previous quarter. Compared to the previous time series this is seen as a normal event for this period. Expenditure stayed at the same level as a year before. There were no significant transactions made. COVID-19 measures are continued according to government's schedule and budget. No ad-hoc adjustments for the time adjusted cash data is necessary.
<b>Ireland</b>	Government supports continued throughout the reference quarter (2021Q2). The larger measures are the

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	Employment Wage Subsidy Scheme which is recorded in D.39 and the Pandemic Unemployment Payment D.62. Estimates are accrued in tax revenue in respect of the deferral of taxes. As yet there are no estimates of uncollectible amounts in D.995. Measures are being extended and amended as time goes on and this may give rise to revisions to previously reported data as more information becomes available.
Greece	The Government Finance Data for the quarters of 2020 and 1st-2nd quarter 2021 for Greece are provisional and reflect the impact on Government Finance Statistics of the COVID-19 pandemic mainly from mid-March 2020 onwards, when restriction measures were put into place. The data are expected to be revised when updated source data for government finance statistics will become available related to the government measures in this context. It is noted that for the compilation of the provisional estimates, the same sources as well as the same estimation methods have been used as in the previous quarters. Moreover, ad-hoc adjustments to the time-adjusted cash method for the accrual recording were made as a consequence of the obligation for tax and social contributions payments being deferred. Such adjustments consisted of recording as revenue in 2020 quarters an estimation of the amounts deferred and expected to be collected in the coming years. Regarding the different types of expenditure measures, different pieces of legislation were ratified after the end of 2020Q1 and the cash payments corresponding to these expenditure measures are being made in the period that follows 2020Q1. Provisional estimations were made for repayable advances that are expected not to be repaid and hence are recorded as a capital transfer instead of a loan.
Spain	Regarding the deferrals of tax payment deadlines due to COVID, ad-hoc adjustments to the TAC method were made where appropriate. These estimates took into account the amounts that are expected to remain unpaid. The actual data about expenditure measures relating to COVID-19 were accrued (mainly ERTE social benefits - D.62p - and exemptions and discounts on social contributions - gross recording D.39p and D.61), and included in the expenditure in 2020. In next transmissions, some data updates are possible (data for year T are final in September T+2), with limited impact on the net lending / net borrowing.
France	Following deferrals of tax and social contributions payment deadlines, ad-hoc adjustments in addition to the time-adjustment cash method were made where relevant to record due contributions and taxes. The main expenditure measures (partial activity benefits, "solidarity fund", exceptional solidarity benefits) relating to COVID-19 were accrued to 2020 and 2021 quarters wherever relevant. For further details, please see an explanatory note outlining the COVID-19-related measures and their treatment in quarterly government accounts ( <a href="https://insee.fr/fr/statistiques/documentation/compte_m_RDT420.pdf">https://insee.fr/fr/statistiques/documentation/compte_m_RDT420.pdf</a> ).
Croatia	In the context of COVID-19, ad-hoc adjustments of the tax and social contributions accrual methods were made due to the installments payments which have been enabled for deferred obligations in 2020. Installment payments have been deducted from 2021Q2 revenue.
Italy	In quarterly government finance statistics, since 2020Q1, data include estimations based on additional information for COVID-19 effects because non-available in the standard data sources. Hence, data rely on: <ul style="list-style-type: none"> <li>- standard data sources;</li> <li>- specific information on payable COVID-19 tax credits and outright grants supplied by the MoF;</li> <li>- the accounts of the special commissioner for the covid emergency;</li> <li>- and, on the estimation of standardized guarantees made on the basis of information coming from the MoF.</li> </ul> On the revenue side, all the quarters exploit technical information on COVID-19 related measures supplied by MoF on deferral of taxes and social contributions. The COVID-19 effects and the related estimation also affect the difference between cash and accrual for taxes and social contributions and impact other accounts, receivable reported as part of the quarterly financial accounts.
Cyprus	Main expenditure measures in the context of the COVID-19 pandemic (small business support scheme, subsidization scheme of small enterprises and self-employed and special absence leave) are reflected in other subsidies on production.
Latvia	Tax deferral measures were applied starting from the second quarter of 2020. Ad-hoc adjustments in order to accrue deferred taxes and social contributions were made. EUR 147.0 million were spent on COVID-19 related expenditure measures in the second quarter of 2020, EUR 445.6 million were spent on COVID-19 related spending measures in the third quarter of 2020, EUR 313.7 million were spent on COVID-19 related spending measures in the fourth quarter of 2020 and 577.7 million spent on COVID-19 related expenditure measures in the first quarter of 2021, EUR 746.9 million were spent on COVID-19 related expenditure measures in the second quarter of 2021.
Lithuania	In the context of COVID-19, adjustments for deferred taxes and social contributions were made. In 2020Q1 deferred taxes for an amount of EUR 100.2 million were accrued, in 2020Q2 deferred taxes for an amount of EUR 148.9 million were accrued, in 2020Q3 deferred taxes for an amount of EUR 67,4 million were accrued, in 2020Q4 deferred taxes for an amount of EUR 67.3 million were accrued, during the same period 35.0 million of previously deferred taxes were paid, in 2020Q2 deferred social contributions for an amount of EUR 121 million were accrued. In 2021Q1 deferred taxes for an amount of EUR 68.2 million were accrued, during the same period 46.8 million of previously deferred taxes were paid, In 2021Q2 deferred taxes for an amount of EUR 49.4 million were accrued, during the same period 11.98 million of previously deferred taxes were paid.
Luxembourg	For personal income tax, corporation tax and municipal trade tax, the amounts recorded are adjusted for tax deferral measures on the basis of information provided by the competent tax administration. For the compilation of the 2020 and 2021 quarters, only limited data sources enabling an accrual estimate are available and integrated in the accounts. Expenditure measures such as the furlough scheme "chômage partiel Covid-19" (D.62p) are reflected in the accounts. Quarterly F.8 is provisional for all subsectors and consequently causes statistical discrepancy. This discrepancy seems not related to Covid-19 policy measures.
Hungary	Policy measures undertaken in the context of mitigating the economic impact of COVID-19 had influenced

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	2021Q2 government data mostly by increasing expenditure (P.2, D.3, D.7 and D.9). However effected industries were reduced from May 2021.
Malta	<p>The general government data reflect the impact of the COVID-19 pandemic and the subsequent government measures to mitigate it. Following deferrals of tax payment deadlines, ad-hoc adjustments in-addition to the time-adjustment cash method were made where relevant. They took into account amounts that are expected to remain unpaid. These estimates are subject to revisions in the following publications. The main expenditure measures, wage supplement and voucher scheme, were accrued in the form of subsidies.</p> <p>Following changes in one of main data source, the National Statistics Office experienced issues concerning the statistical discrepancy between the non-financial and financial accounts. High quarterly discrepancies were registered in 2020Q1, Q2 and Q4, though on annual basis these discrepancies have almost outweighed each other. Further examination is necessary and this will lead to revisions in the financial accounts and a reduced discrepancy.</p> <p>The quarterly financial accounts from 1999Q1 to 2003Q4 were compiled for the first time in September 2020. The data sources covering this period were lacking and thus the data had to be estimated using the financial annual stocks data. For AF3L and AF4L data from the Government's Comparative Return has been used, while the OEF has been estimated accordingly. The data is to be considered as provisional and revisions are possible in following quarterly publications.</p>
Netherlands	For taxes and social contributions, ad-hoc adjustments were added to the normal tax accrual methods used in order to correctly impact the accounts in view of several tax deferral schemes. These estimates took into account that some amounts are expected to remain unpaid. The main expenditure measures in the context of the COVID-19 pandemic were accrued (included in expenditure, mainly D.39p) in the quarters of 2020 and 2021Q1/Q2 wherever appropriate. Detailed information by measures (in Dutch language) can be found on the CBS website.
Austria	In Austria, severe measures to contain the spread of Covid-19 have been in place since mid March 2020, thereby affecting all quarters since 2020Q1. In the non-financial accounts, we see a strong increase in D.39p (furlough schemes, subsidies ...). To ensure accrual accounting, relevant amounts of Covid-19 policy measures were already recorded in 2020Q1, even if the payment takes place from 2020Q2 onwards. Since final data are not available for the Covid-19 measures, estimations have been applied, which will be adjusted to the latest level of knowledge in every publication.
Poland	The significant increase of taxes on income (D.51r) in the 1 <sup>st</sup> quarter of 2021 is mainly due to the low base. All quarters of 2020 have been corrected due to information concerning personal tax income deferrals introduced in the context of COVID-19. Exemptions from the obligation to pay unpaid social security contributions (D.39p, also reflected in D.61r), health insurance contributions and other social contributions, payment of standstill benefit, benefits for co-financing the remuneration of employees due to economic downtime or reduced working time following COVID-19, loans to cover the running costs of micro-enterprises and subsidies to small, medium and large entities were the main expenditure measures in the context of COVID-19 in terms of impact on the accounts of first and second quarter of 2021.
Portugal	<p>In view of the deferrals of VAT and social contributions permitted in the context of the COVID-19 policy measures, changes to the usual cash adjustment procedure were needed.</p> <p>These estimates are based on amounts approved for deferral, adjusted for uncollectible amounts based on the actual payments of the previous closed measure.</p> <p>Regarding the simplified lay-off regime (D.39p), the lack of detailed data sources does not allow for a full accrual recording of expenditure.</p>
Romania	Following the speeding up of VAT-reimbursement as part of the Covid-19 measures accepted by government, ad-hoc adjustments to the time-adjustment cash method were made where relevant of quarters of 2020. Adjustments to the methods were made for tax deferrals as well as uncollectible amounts. The main expenditure measures were accrued to the 2020Q1, 2020Q2, 2020Q3, 2020Q4, 2021Q1 and 2021Q2. This relates mainly to the temporary lay-off scheme (technical unemployment benefits) recorded as subsidy on production (D.39p) and social benefits (D.62).
Slovenia	Following deferrals of tax payment deadlines and payments in instalments resulted from COVID-19 measures accepted by government, ad-hoc adjustments to the time-adjustment cash method were made where relevant. Estimates on amounts that will not be collected are taken into account. The main expenditure measures were accrued wherever relevant. These expenditures relate mainly to: temporary lay-offs, social security contributions for temporary lay-offs, pension insurance contributions for employees, social security contributions for self-employed, religious servants, partners and farmers, monthly basic income for self-employed who lost revenues, partial covering of fixed costs and covering of crisis supplement, solidarity allowances for pensioners and other vulnerable groups of persons, acquisition of protective medical gear, remuneration of employees (i.e. allowance for danger and special burdens during an epidemic), and expenditure related to tourist vouchers.
Slovakia	Calculations of accruals (TAC) for D.5r, D.214, and D.211 remained unchanged. Tax deferral measures were in place, no adjustments for accrual were done in this respect for 2021Q2. All data for 2021Q2 were available and compiled using the usual methodology.
Finland	In the second quarter of 2021, consolidated total general government revenue grew by EUR 3.4 billion from the corresponding quarter of the previous year. Consolidated total expenditure did not grow much from the corresponding quarter of the previous year. The difference between revenue and expenditure, that is, the financial position of general government improved by EUR 3.4 billion from the respective quarter of the year before. Compared to the first quarter of 2021, seasonally adjusted revenue grew more than seasonally adjusted expenditure, that is, the financial position of general government improved in the second quarter of 2021 compared to the previous quarter. In the second quarter of 2021, the general government surplus (net lending) stood at EUR 0.5 billion. The missing data in the statistics have been estimated based mainly on changes in legislation. As the data base expanded, forecasts were replaced with new data. After the

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	completion of the annual data, temporal disaggregation methods are used to achieve consistency between annual and quarterly data. After this quarterly data determine seasonal variation. For tax deferral measures taken in the context of the COVID-19 pandemic temporary accrual adjustments were made to properly estimate that accrual of tax revenue. In seasonally adjusted figures, outliers in COVID-transactions are assumed to be transitory changes.
Sweden	The impact from Covid-19 was relatively small in 2020Q1, but increased in 2020Q2 both in terms of lower revenues due to lower taxes and in a simultaneous and substantial increase in expenditure, mainly related to subsidies on production. The main part of the increase in subsidies was related to furlough schemes and government support for short-term layoffs. At the same time, reduced employers' social security contributions had a significant impact on taxes. In 2020Q3, the government support to corporations and households decreased compared to 2020Q2, but central government support to local government was instead high. During 2020Q4, due to a second wave of an increased spread of the virus, several already existing government aid programs were extended and some new programs were introduced. However, government support for short-term layoffs was not as high as during 2020Q2. Instead, several minor aid programmes increased and significant, additional amounts were paid from central government to municipalities and regions. As a result of a continued spread of the Covid-19 virus during 2021Q1, several government support schemes were extended. Additionally, central government support to municipalities and regions was high during the first quarter. In the following quarter 2021Q2 government support continued. Mainly Covid related grants to local government. But also reorientation support and central government sick pay responsibility was high during the quarter.
Iceland	Among the various fiscal measures to contain the economic impact of the COVID-19 pandemic, Revenue loss grants, Relief grants and a one-off payment for child benefits have the largest impact on government expenditure of 2021Q2.
Norway	Since economic shutdown, confinement, and subsequent government measures stemming from the pandemic began to yield economic effects only toward the close of the first quarter of 2020, the impact is limited on 2020Q1 figures. From 2020Q2 onwards the following economic measures have a significant impact on the figures: (1) Reduced financial liability for employers with laid off employees and increased government compensation to temporarily laid off employees, recorded as social benefits. (2) Temporary reduction of employers' contributions to the National Insurance Scheme, recorded as subsidies on production. (3) Payments of compensation from the central government to enterprises affected by slower turnover, recorded as other current transfers. (4) New guarantee schemes directed at airlines and other businesses. Projected losses are recorded as capital transfers. (5) Tax credits directed at petroleum companies in order to stimulate investments in the industry, recorded as investment grants. In addition, deferrals of taxes expected to be paid are reflected in the tax revenue accrued.
Switzerland	Among the various policy measures undertaken in the context of mitigating the economic impact of COVID-19, the short-time allowances and the compensation for loss of earnings for self-employed (D.62) impacted most the data reported in 2020Q2 - 2021Q2. Impacts on revenue due to interest free deferrals of social contributions and extended payment periods for taxes were off-set by other factors.

## Other metadata

**IRELAND:** In 2014 the sector classification of the Social Insurance Fund (SIF) was reviewed as part of ESA2010 implementation. As it did not meet the institutional unit criteria it was reclassified from S.1314 to S.1311. Subsequently, as only one other Member State did not present S.1314, Ireland was requested by Eurostat in the 2019 Excessive Deficit Procedure Dialogue Visit to reflect on reporting the SIF in S.1314 in order to harmonise practices with other Member States.

The CSO is in agreement with Eurostat that presenting the S.1314 sub-sector would facilitate harmonisation and comparability with other Member States. With the September 2021 EDP transmission, and corresponding quarterly GFS reporting, Ireland has implemented the subsector with a time series beginning in Q1 2017. This change has no impact on the aggregate data rather S.1311 is reduced by the amounts now shown in S.1314.

**GREECE:** D.9PAY for 2013Q2 is mainly due to amounts transferred by Hellenic Financial Stability Fund (HFSF, classified in S.13), in particular to NBG, Eurobank and Alpha Bank for recapitalisation purposes as well as amounts for the resolution of First Business Bank.

D.9PAY for 2012Q3 is mainly due to amounts transferred by Hellenic Financial Stability Fund (HFSF, classified in S.13), in particular its transfer to Piraeus Bank (classified in S.12) to cover the funding gap between the assets and liabilities of Agricultural Bank of Greece that were transferred to Piraeus Bank. D.9PAY is due to amounts transferred by HFSF to S.12, in particular for the resolution case of New Post Bank as well as for the share capital increase of New Post Bank.

Since October 2015, Eurostat had not published ESA table 27 for Greece. Following the progress in alignment of the data and strong commitment by the Bank of Greece to eliminate all remaining differences, in July 2019 Eurostat has resumed publication of the quarterly financial accounts of general government of Greece. The remaining differences are under investigation and are expected to be resolved with the next transmission rounds.

**FRANCE:** In 2019Q1, non-seasonally adjusted data on taxes on income (D.51REC) decreases strongly due to a change in seasonality. For this reason, the evolution of the seasonally adjusted data differs significantly. Such changes in seasonality are technically complicated to model, hence the seasonally and seasonally and calendar adjusted data for 2019Q1 should be interpreted with caution. The changes in seasonality are primarily due to a new system in the collection of personal income tax (introduction of advance payments and retention at source) and the early repayment of a tax credit in January, introduced in 2019.

**CROATIA:** For the years 1995-2001, there are differences in the recording practice of specific transactions due to missing data. This refers for example to time-adjustment of taxes and social contributions which are cash based.

**CYPRUS:** The net lending / net borrowing for the third quarter of 2018 includes the 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. The negative revision on public deficit in 2019 and 2020Q1 is due to a methodological adjustment relating to the activities of KEDIPES (Cyprus Asset Management Company). Specifically, the debt to asset swaps resulting from loan settlements are currently recorded as acquisitions of non-financial assets (fixed assets and land) increasing government expenditure. Any future sale of these fixed assets will have a positive impact on net lending / net borrowing

**LATVIA:** For the period 1995-2006, D.91REC is included in P.11\_P.12.

**MALTA:** Following changes in one of main data source, the National Statistics Office experienced issues concerning the statistical discrepancy between the non-financial and financial accounts. High quarterly discrepancies were registered in 2020Q1, Q2 and Q4, though on annual basis these discrepancies have almost outweighed each other. Further examination is necessary and this will lead to revisions in the financial accounts and a reduced discrepancy.

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**NETHERLANDS:** In April 2021, Statistics Netherlands revised data on performance-related student loans, in deviation from the regular revision policy of the national accounts. These revisions impact the complete time series 1999-2020 presented in ESA table 25. For the non-financial accounts of the State, this implies revisions to: D.99REC, D.41REC, D.623PAY and D.9PAY.

**SLOVAKIA:** There is a break in time series related to the recording of payment of health insurance companies to health care providers classified in S.13. The transaction is treated as another current transfer within the general government sector and is consolidated. For years prior to 2017, the transaction will be subject to revision in next benchmark revision.