**Contingent liabilities of general government sector**

Comment to the tables:

**Outstanding amount of guarantees of general government sector**

The data regarding one-off guarantees include new instruments, i.e.:

* Guarantees under MFA Ukraine for 2022,
* Next Generation UE guarantees for 2021-2022,
* SURE guarantees (guaranteed under the ceiling of own resources, for 2020-2022),
* European instrument for temporary support to mitigate unemployment risks in an emergency (SURE) following the COVID-19 outbreak (guaranteed under the ceiling of own resources), for 2020-2022,
* EIB concerning loans to be made by the European Investment Bank in favour of investment projects in the African, Caribbean and Pacific States (ACP) and in the Overseas Countries and Territories (OCTs) (for 2020-2022),
* Guarantees for Latvia granted under the BoP for the years 2019-2022.

**Adjusted capital value of off-balance PPPs** concerns PPP projects as defined by ESA 2010, Manual on Government Deficit and Debt. Implementation of ESA 2010 and Guide to the statistical treatment of PPPs.

**Non-performing loans (government assets) -** the data presented for the years 2020-2022 have been revised in relation to the published in October 2023.

Footnotes to the table:

**M** - not applicable, there is no possibility of the phenomenon occurring..

**0** - should be reported if an event has not been yet observed.

**L** - not available, should be reported if the event is observed but the data are not available.

Valuation

Data in the tables regarding guarantees, PPP contracts and non-performing loans are presented in nominal values. For entities’ liabilities, data are shown in book values. The general government’s share in enterprise capital, the data is valued on market value or book value (when the market value is unavailable). If the company does not issue share (e.g. limited liability company, quasi-enterprise, state-owned enterprise, and other institutions that do not issue shares), the capital value is estimated using the value of own funds.

Methodological notes on the tables:

**Guarantees granted by the general government sector**

**One-off guarantee** is defined as individual, and guarantors are not able to make a reliable estimate of the risk of calls. One-off guarantees are linked to debt instruments (e.g. loans, bonds).

**Standardised guarantees** are guarantees that are issued in large numbers, usually for fairly small amounts, along identical lines. There are three parties involved in these arrangements- the borrower, the lender and the guarantor. Either the borrower or the lender may contract with the guarantor to repay the lender if the borrower defaults. It is not possible to estimate precisely the risk of each loan being in default but it is possible to estimate how many, out of a large number of such loans, will default. Examples are mortgage loan guarantees, student loan guarantees, etc.

**The data referring to guarantees do not include:**

Government guarantees issued within the guarantee mechanism under the Framework Agreement of the European Financial Stability Facility (EFSF).

Derivative-type guarantees, that is guarantees that meet the definition of a financial derivative.

Deposit insurance guarantees and comparable schemes.

Government guarantees issued on events which occurrence is very difficult to cover via commercial insurance (earth quakes, large scale flooding, nuclear accidents, certain art exhibitions, etc.).

The table covers all subsectors of the general government sector, except for the social security funds subsector.

Guarantees provided **only to units classified outside** general government are to be reported.

Stocks of guaranteed debt do not include stocks of debt already assumed by government, as recorded in ESA accounts.

The terminology of the table follows the ESA 2010.

**Adjusted capital value of off-balance PPPs**

Initial contractual capital value in the contract is progressively reduced over time by the amount of the "economic depreciation" which is calculated on the basis of estimates or actual data. The adjusted capital value reflects the current value of the asset at the time of reporting. The amount is deemed to reflect the GFCF and debt impact in case that government would have to take over the assets during the life of the contract.

**Non-performing loans (government assets)**

A loan is non-performing when payments of interest or principal are past due by 90 days or more, or interest payments equal to 90 days or more have been capitalized, refinanced, or delayed by agreement, or payments are less than 90 days overdue, but there are other good reasons (such as a debtor filing for bankruptcy) to doubt that payments will be made in full (ESA 2010, § 7.101).

**Corporate liabilities**

Liabilities are defined as the stock of liabilities reported in the corporate accounting of each company at the end of the year. The data includes public undertakings, which are classified in S.11, S.12, S.15 and S.2. In the case of indirect ownership, the controlling sub-sector is considered to be the sub-sector at the top of the control chain. The presented data do not include consolidated data within capital groups. The materiality threshold is 0.01% of GDP for each company.

**Share of general government in corporate capital**

General government assets are the value of shares and other equity that represent the property rights of government on corporation capital, entitling the holders to a share of the company's profit and the net worth of the enterprise in the event of its liquidation. The value presented in % of GDP reflects the amount of government participation (not the whole value of the corporation capital). The indicator covers both direct and indirect ownership of general government in enterprises classified in sector S.11, S.12 and S.2, The data includes each enterprise in which the value of the share of general government in absolute terms is higher than 0.01% of GDP.