GOBIERNO DE
EL SALVADOR

MINISTERIO
DE HACIENDA

FISCAL PLAN
2025 - 2027

Ministry of Finance

Contents

1 Recent macroeconomic context

The five-year period from 2019 to 2023 posed significant challenges for public finances, characterized by instability and macroeconomic imbalances stemming from the global economic slowdown. This downturn was initially triggered by the uncertainty surrounding the COVID-19 pandemic in 2020, followed by the economic and inflationary crisis of 2022, and subsequently exacerbated by the destabilization of the international financial system in 2023. Despite this challenging context, **El Salvador navigated the period by implementing strategies and public policies that established key foundations, including the Territorial Control Plan, aimed at fostering economic growth and enhancing the population's well-being.**

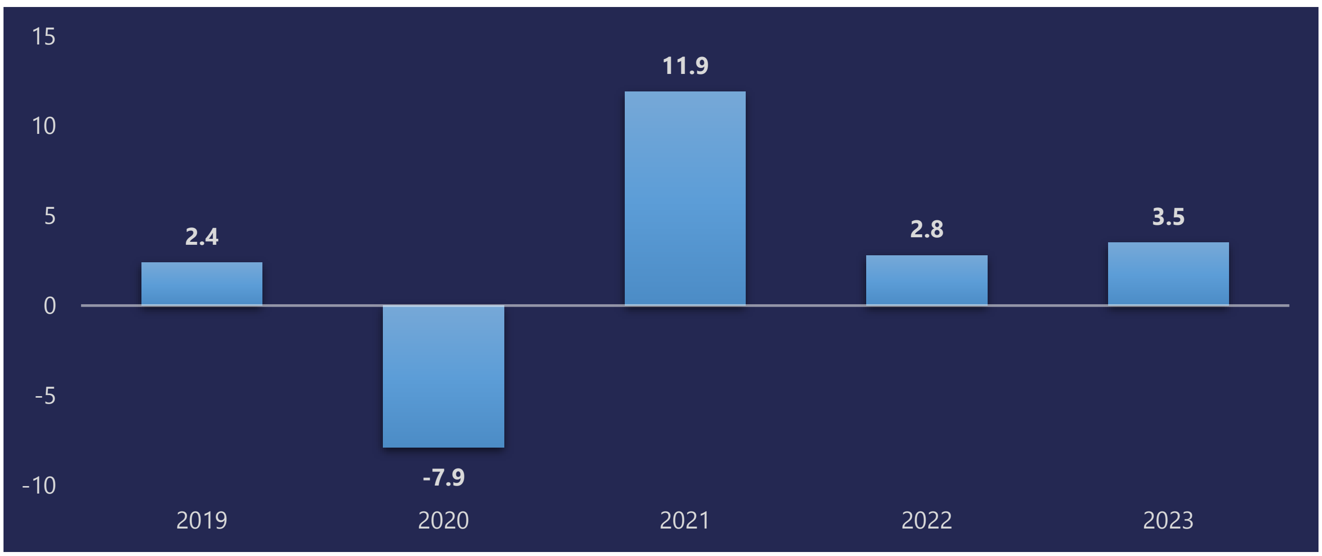
In 2019, GDP recorded an annual growth rate of 2.4%, a figure close to its historical potential growth. This indicates that economic sectors operated under stable and expected conditions, with no significant disruptions from factors that could directly influence their performance. This outlook shifted abruptly in 2020 for both the country and the global economy, as the COVID-19 pandemic became a defining turning point in economic cycles worldwide. In El Salvador, GDP contracted by 7.8%. The most affected sectors included tourism, transportation, warehousing, construction, and professional services.

El Salvador was among the first countries in the region to lift border restrictions, facilitated by swift vaccine procurement and an efficient vaccination rollout. As a result, by 2021, the recovery of most productive sectors occurred earlier than anticipated, driving economic growth to 11.9%. This strong rebound not only signaled the economy's recovery but also allowed GDP to surpass pre-pandemic levels.

In 2022, El Salvador's economy grew by 2.8%, marking the second consecutive year of above-average growth following the impact of the COVID-19 pandemic. This expansion was driven by rising employment and income levels, increased exports, and sustained growth in household consumption. This was thanks to the way in which the Salvadoran government responded with timely measures to mitigate inflationary pressures, particularly by containing the impact of rising international fuel and raw material prices on the domestic market brought upon by an adverse international environment, including geopolitical tensions between Russia and Ukraine, the global inflationary crisis, and the U.S. Federal Reserve's sustained interest rate hikes aimed at curbing inflation.

The government will continue implementing measures that will sustain economic growth in the short and medium term. Key drivers of GDP expansion include the government's economic plan, which has already progressed through three phases: 1) The elimination of tariffs on imports of essential food basket products, along with 70 other food items, for a period of 10 years. This measure, combined with the establishment of agro-markets, aims to stabilize domestic prices, thereby stimulating household consumption and supporting domestic economic activity; 2) The promotion of technology and the digitalization of services to enhance efficiency and competitiveness across key sectors; 3) The development of logistics infrastructure, including the enhancement of the Port of Acajutla and the reactivation of the Port of La Unión. This initiative is being implemented through a mixed-economy partnership between the Autonomous Port Executive Commission (CEPA) and the Turkish company YILPORT Holding Inc., which has committed an investment of US$1.615 billion in El Salvador. These measures, along with other initiatives aimed at modernizing government services, are designed to attract Foreign Direct Investment, foster technological innovation, and enhance fixed capital formation in the private sector. A key aspect of this strategy is the expected increase in private sector financing, driven by a reduction in public sector financing needs. This shift results from the implementation of a consistent fiscal policy focused on strengthening public finances over the medium and long term. The policy framework prioritizes sustained revenue growth, a reduction in current expenditures, and an expansion of public investment. Public investment, in particular, is expected to play a crucial role as a catalyst for economic growth by facilitating the development of strategic economic and social infrastructure.

Graph 1 2019-2023 Gross Domestic Product as a percentage of GDP.



Source: Central Reserve Bank

The Salvadoran economy grew by 3.5% in 2023, surpassing the growth projections of various international organizations. One of the key drivers of economic growth in 2023 was the Public Security Strategy implemented by the government through the Plan de Control Territorial [Territorial Control Plan]. The positive impact of the government's security plan has been evident in increased commercial dynamism, particularly in the real estate sector, the development of new and diverse productive activities, an improved business climate, and the expansion of the tourism industry, among others. According to data published by the Central Reserve Bank of El Salvador (BCR), the sectors that contributed most to economic activity included construction and the rising demand for construction-related services; the expansion of domestic and international tourism, driven in part by the Surf City strategy and the hosting of international surfing tournaments; commercial activities and investments associated with the XXIV Central American and Caribbean Games San Salvador 2023; and the economic impact of El Salvador serving as the host country for the Miss Universe 2023 International Beauty Pageant.

1.1.1 Consumer price expectations

Inflation, as measured by the variation in the Consumer Price Index (CPI), remained low and stable at approximately 0.0% in 2019 and 2020. However, following the pandemic, inflation surged due to the external factors outlined in Section 2, reaching 6.1% in 2021 and 7.3% in 2022. In contrast, inflation declined significantly in 2023, falling to 1.2%.

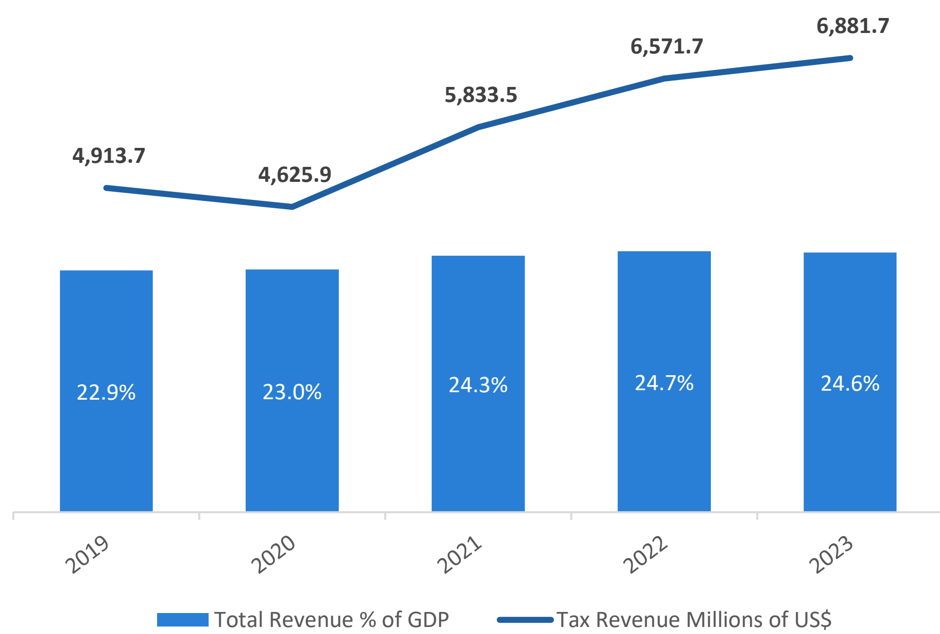
By the end of 2024, inflation had declined further to 0.3% year-on-year. This reduction was driven by government measures aimed at stabilizing domestic prices, as well as by the trends in the international prices of oil and oil byproducts.

2 Fiscal Performance of the Non-Financial Public Sector (NFPS), 2019-2023

2.1 Revenue

Total revenue increased from 22.9% of GDP in 2019 to 24.6% by the end of 2023, representing a 1.7 percentage point rise relative to GDP over the period.

Graph 2 Evolution of Tax Revenue in millions of US$ and Total Revenue as a Percentage of GDP. 2019-2023.



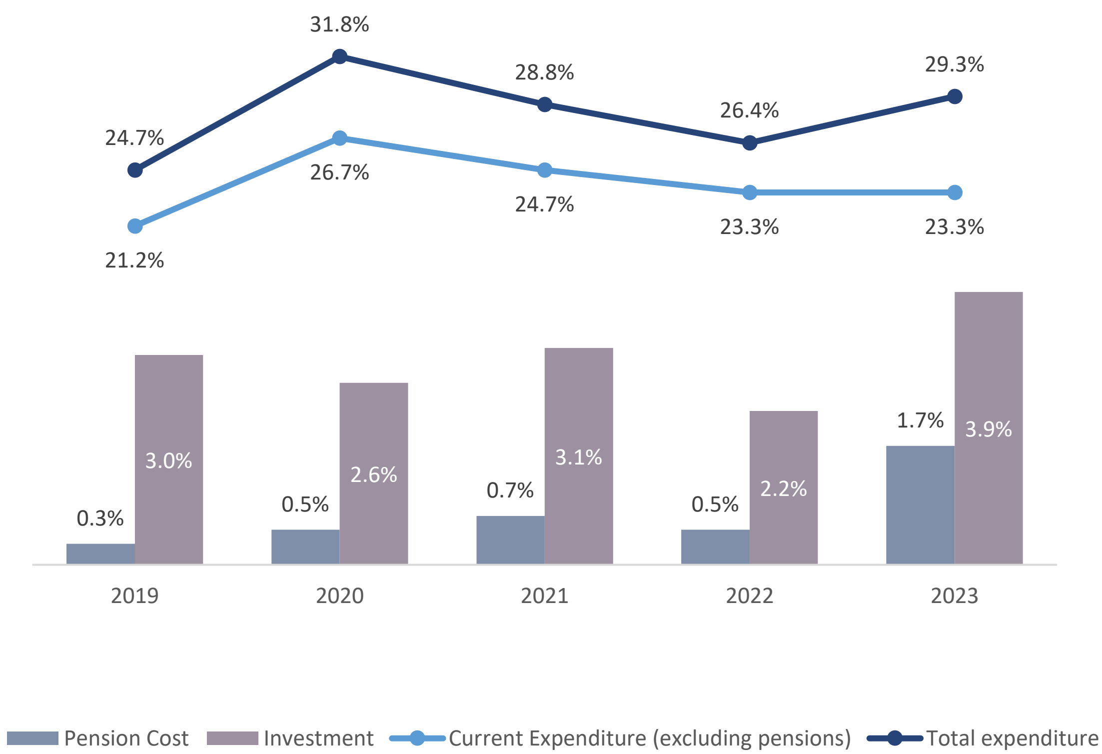
Source: Ministry of Finance

Tax revenue increased from 18.3% of GDP in 2019 to 20.2% in 2023, representing a cumulative rise of US$1.968 billion. Notably, El Salvador achieved the highest tax burden in the region without raising tax rates. Since 2021, tax revenue has experienced sustained growth, driven by the implementation of measures aimed at strengthening and modernizing tax administration while promoting a more equitable tax system. Key initiatives include the **Anti-Evasion Plan**, the **Anti-Smuggling Plan**, the introduction of **electronic invoicing**, and temporary laws facilitating voluntary compliance with outstanding tax and customs obligations, among others. Additionally, the increase in tax collection reflects overall economic growth, particularly in the expansion of formal economic activities.

2.2 Expenditure

Total Non-Financial Public Sector (NFPS) expenditure, including pension costs, amounted to 24.7% of GDP by the end of 2019. In 2020, spending increased to 31.8% of GDP, reflecting a 7.2 percentage point rise compared to the previous year. This increase was largely driven by the urgent response to the National State of Emergency declared on March 21, 2020, due to the COVID-19 pandemic. The heightened expenditure was directed towards implementing economic relief measures for the population, strengthening the healthcare system, and financing rehabilitation and reconstruction projects to address the damages and losses caused by tropical storms "Amanda" and "Cristobal". One notable factor is that the COVID-19 crisis resulted in an unavoidable GDP contraction, leading to a relative increase in public spending, which continued to rise due to the aforementioned factors.

Graph 3 Evolution of NFPS Current Expenditures, Public Investment and Pension Costs 2019-2023 - Percentage of GDP



Source: Ministry of Finance.

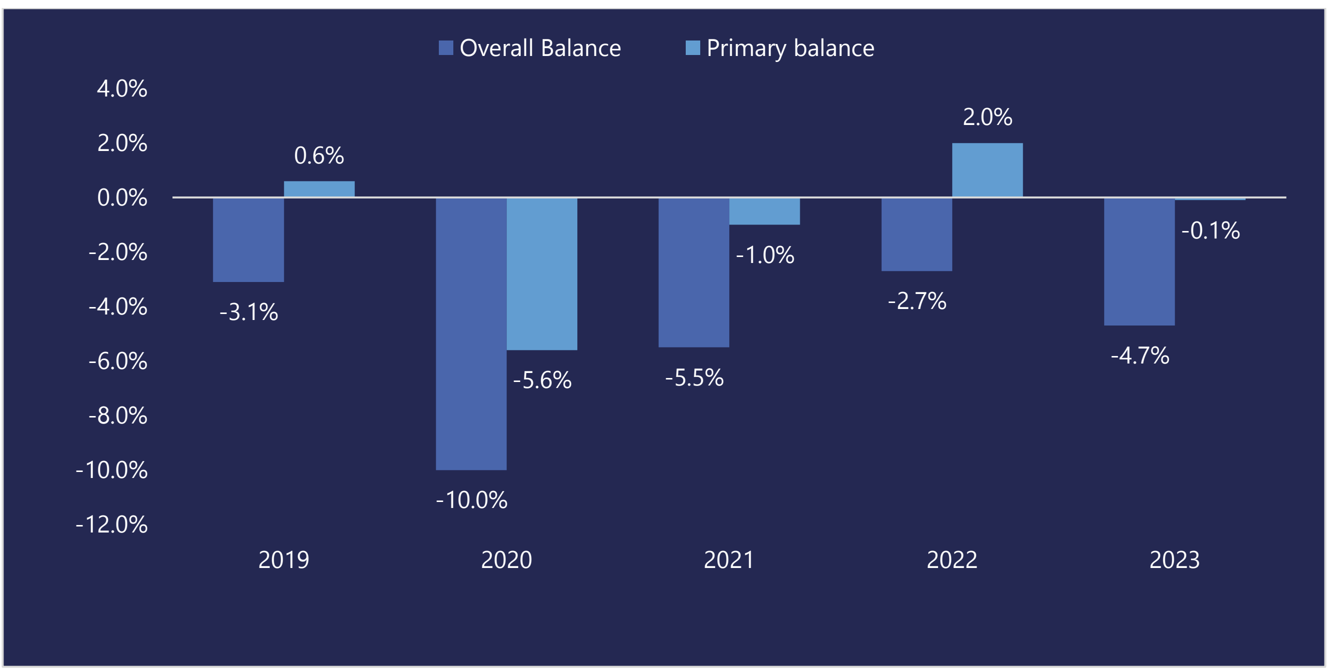
In 2021 and 2022, current expenditure as a percentage of GDP declined to 28.8% and 26.4%, respectively. During this period, public spending was primarily aimed at financing the government's key projects and initiatives in health and education. Notably, resources were allocated to programs under the Ministry of Education, Science, and Technology, facilitating the distribution of technological resources—such as tablets, computers, and internet access—to students in primary and secondary education, as well as to teachers in the public system. Additionally, funding was allocated to the Territorial Control Plan, a cornerstone policy aimed at fostering economic growth.

As of December 2023, total Non-Financial Public Sector (NFPS) expenditure reached 29.3% of GDP, marking a 2.8 percentage point increase compared to 2022. **This rise was primarily driven by higher public investment, which reached 3.9% of GDP—a record level for the country**—and increased pension costs, following the 2022 pension system reform that enhanced benefits for retirees. **It is important to highlight that current spending, excluding pensions, declined from 26.7% to 23.3% of GDP, reflecting a reduction in government consumption expenditures.**

2.3 Fiscal Outcomes

Between 2020 and 2022, the fiscal deficit declined from 10.1% to 2.7% of GDP, driven by sustained revenue growth and a gradual reduction in public spending. However, by 2023, the fiscal deficit rose to 4.7% (including pension costs), primarily due to a historic increase in public investment, which reached 3.9% of GDP and contributed to economic growth. Additionally, higher expenditures related to public safety improvements and the expansion of pension benefits following the 2022 pension reform also contributed to the deficit increase.

Graph 4 Overall Balance of the NFPS, 2019-2023. Percentage of GDP



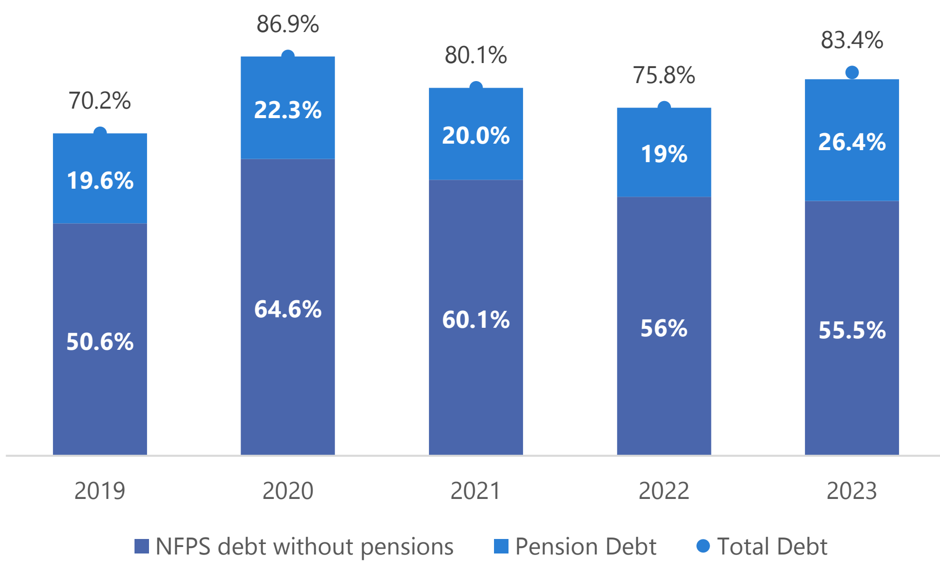
Source: Ministry of Finance

2.4 Evolution of Debt

Between 2020 and 2023, NFPS debt, excluding pension liabilities, declined from 64.6% to 55.5% of GDP. This reduction was primarily driven by higher economic growth, improvements in the primary balance—particularly in 2022—and other measures.

Meanwhile, pension debt has increased due to the greater issuance of Pension Obligation Certificates (COP) at higher yield rates than Pension Investment Certificates (CIP). This strategy has contributed to strengthening the Pension Fund and expanding benefits under the pension reform, including an increase in the minimum pension and an overall rise in pensions for the retired population.

Graph 5 Evolution of Public Debt, 2019- 2023- Percentage of GDP



Source: Ministry of Finance

3 Fiscal Strategy

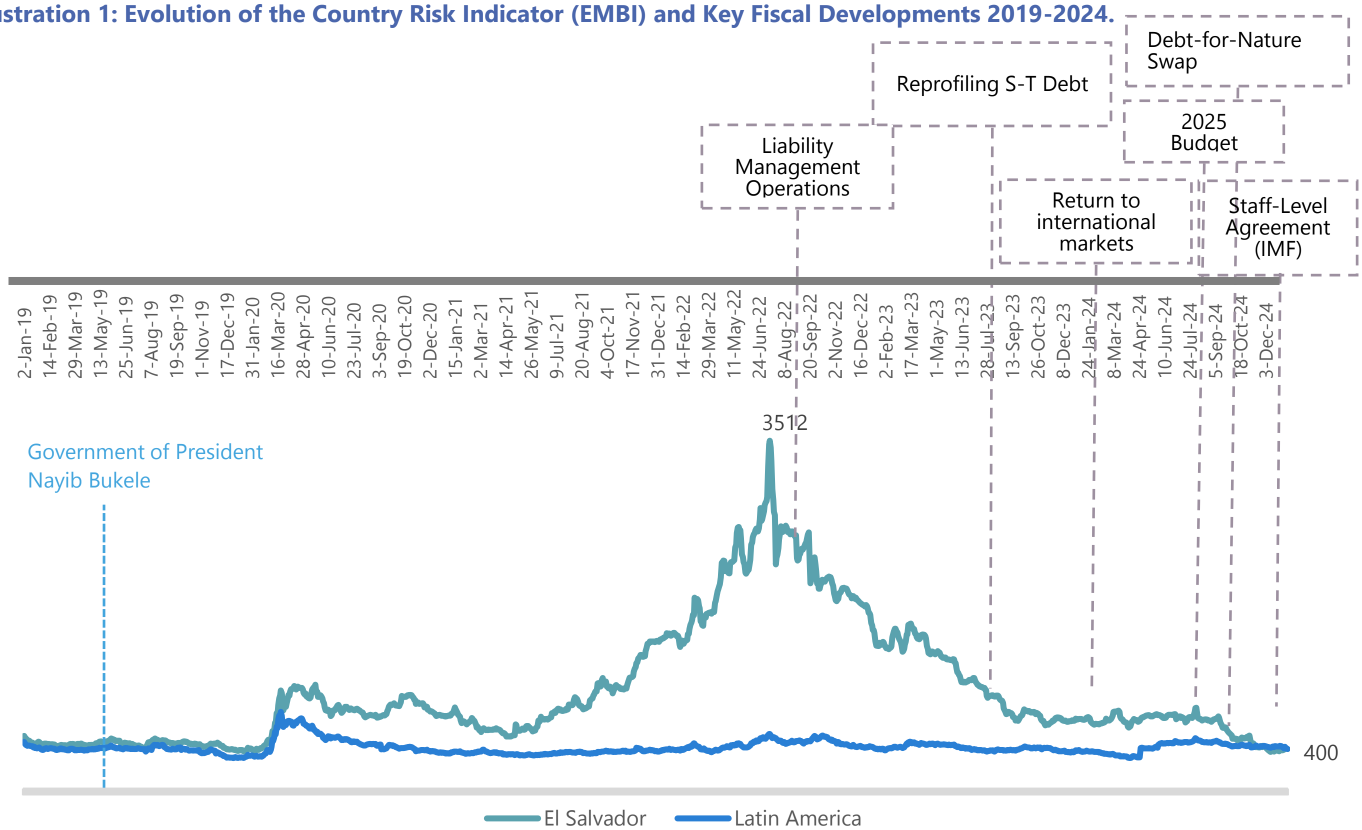
The strengthening of public finances has been driven by the post-pandemic economic recovery. The following paragraphs outline the key measures implemented by the Ministry of Finance as part of a fiscal consolidation process aligned with the economic growth plan, which has led to improved fiscal performance, an enhanced sovereign rating, and a more favorable economic outlook for the country.

1. **Sustained increase in tax collection**. Between 2019 and 2023, tax revenue recorded a cumulative increase of US$1.968[1] billion without any increase in tax rates. This growth was driven by decisive measures to enhance tax control and administration processes, including the implementation of the Anti-Evasion and Anti-Smuggling Plan and the gradual rollout of electronic invoicing. These efforts have contributed to a sustained increase in tax collection over the past five years.
2. **Liability Management Strategy.** In August 2022, the Liability Management Strategy was approved through Legislative Decree No. 474. Under this law, the Republic conducted two sovereign bond repurchase operations in 2022 for SLV2023 and SLV2025. These transactions reduced the nominal debt of these bonds from US$1.600 billion to US$952 million, generating estimated savings of approximately US$289 million. In 2024, three additional sovereign bond repurchase operations were conducted in April, October, and November. These transactions have helped smooth the sovereign debt profile, significantly reducing refinancing risk in the early part of the maturity curve while generating savings in both principal and interest payments across the debt maturity curve.
3. **Reprofiling of Short-Term Debt**. In October 2023, the reprofiling of short-term debt (CETES and LETES) with private banks got underway, resulting in the conversion of approximately US$1 billion in one-year maturities into medium-term debt with tranches of 2, 3, 5, and 7 years. This restructuring also included an amortization plan for the 5- and 7-year bonds, contributing to improved debt sustainability and a more balanced maturity profile. This operation reduced banks' exposure to short-term sovereign instruments while alleviating cash flow pressures. This operation has been fully completed.
4. **Access to international capital markets**. In April 2024, the Republic successfully re-entered the capital markets. This operation was instrumental in reducing the country's short- and medium-term financing needs through the repurchase of sovereign bonds in the early part of the maturity curve, while also helping to narrow the 2024 budget gap.
5. **2025 Budget.** In September 2024, for the first time in decades, a draft budget was presented without a financing gap. The 2025 Budget Law, approved by the Legislative Assembly in December[2], is a balanced budget, with estimated current revenues fully covering current expenditures. The 2025 Budget also incorporates key measures to contain current public spending for the fiscal year, including constraints on the salaries/remunerations account, a reduction in the goods and services category based on efficiency criteria, and the prioritization of current transfers.

[1] See complete figures in Preliminary Public Financial Management Report as of December 2023. https://www.transparenciafiscal.gob.sv/downloads/pdf/700-DPEF-IF-2023-00150.pdf
[2] See 2025 Budget Law https://www.transparenciafiscal.gob.sv/ptf/es/PTF2-Gastos.html.

6. **Debt-for-Nature Swap.** In October 2024, El Salvador conducted its first-ever debt-for-nature swap, marking the largest global operation of its kind for the protection of a water basin. Through this operation, El Salvador repurchased US$1.031 billion in principal across seven outstanding bonds: 2027, 2029, 2034, 2035, 2035, 2041, 2050 and 2052, at market prices and on a fully voluntary basis. The capital savings, combined with unearned interest, resulted in approximately US$352 million in savings. These funds will be allocated to the Programa de Conservación y Restauración del Río Lempa [Program for the Conservation and Restoration of the Lempa River] over the next 20 years, reinforcing the country's commitment to the preservation of this vital basin.
7. **Program with the International Monetary Fund.** In December 2024, the Government of El Salvador reached a Staff-Level Agreement with the International Monetary Fund (IMF) to implement a US$1.4 billion Extended Fund Facility (EFF) program. This initiative aims to address balance of payments needs and support the government's economic reform agenda. The program seeks to enhance fiscal and external sustainability through the implementation of a pro-growth fiscal consolidation plan, along with measures to strengthen foreign reserves.

Illustration 1: Evolution of the Country Risk Indicator (EMBI) and Key Fiscal Developments 2019-2024.



Source: Ministry of Finance.

These actions have been reflected in the evolution of the country risk indicator. In July 2022, El Salvador's risk level peaked at 3,512 basis points, despite being an economy without armed conflicts or macroeconomic destabilization. However, through decisive measures, the government demonstrated to capital markets and investors its commitment to honoring obligations and improving fiscal performance. As a result, the country risk indicator has since declined to pre-pandemic levels, approaching the Latin American average, reflecting increased market confidence in the policies being implemented.

All these actions have been endorsed and acknowledged by credit rating agencies.

- **Standard and Poors**, On November 7, 2023, El Salvador's credit rating was upgraded from **CCC+ to B-** with a stable outlook, reflecting the fiscal benefits derived from the short-term debt reprofiling operation. Subsequently, on April 30, 2024, the country's debt rating was reaffirmed at B- with a stable outlook.
- On January 7, 2025, **Fitch** upgraded El Salvador's credit rating from **CCC+ to B-** with a stable outlook. The rating improvement reflects the country's reduced financing needs, the easing of financial constraints driven by regained market access, and the recently announced Extended Fund Facility (EFF) program with the IMF.
- In 2024, **Moody's** upgraded El Salvador's sovereign risk rating by three notches within the same year. On May 23, 2024, the issuer rating was raised **from Caa3 to Caa1** with a stable outlook, and on November 26, 2024, the long-term foreign currency issuer rating was further upgraded from **Caa1 to B3**, also with a stable outlook. These upgrades reflect the reduction in annual financing needs, the country's improved access to international financing and capital markets, and the enhanced investment and growth outlook.

During the 2025–2027 period, the Ministry of Finance's Fiscal Strategy will focus on further strengthening public finances and stimulating economic growth through robust measures aimed at achieving positive primary balances. These efforts are designed to place Non-Financial Public Sector debt on a clear and sustainable downward trajectory, targeting a reduction to 80% of GDP by 2029, including pension-related liabilities.

This fiscal consolidation process will include measures to enhance revenue mobilization by improving tax collection efficiency and broadening the tax base. On the expenditure side, the strategy aims to contain public spending by reducing government consumption in areas such as salaries/remunerations, goods, and services, while prioritizing current transfers to the public sector. These measures will be implemented without affecting strategic sectors such as education, health, public safety, and public investment.

The consolidation period is expected to last three years, during which a fiscal adjustment of approximately 3.5% of GDP will be implemented. In 2025, it is projected that 0.2% of the planned fiscal adjustment will come from revenue-enhancing measures, while the remaining 1.3% will be achieved through spending containment efforts, resulting in a total adjustment of 1.5% of GDP. These measures are already contained in the 2025 Budget Law. In the following years, preliminary estimates indicate that revenue and expenditure measures will each contribute 1% of GDP annually to the fiscal adjustment. It is important to highlight that the fiscal plan will be reviewed in conjunction with the Medium-Term Fiscal Framework, allowing for adjustments to these proportions based on economic conditions and the timing of implementation.

3.1 Revenue strategy.

To enhance tax collection, the government will continue implementing gradual measures to strengthen tax revenue. The plan to increase tax revenue is structured around three main objectives: improving collection performance, enhancing tax efficiency, and broadening the tax base. To achieve these objectives, the plan emphasizes the efficient use of auditing tools to reduce tax evasion, the expansion of the tax base, and the integration of the digital economy into the tax system, among other measures.

In 2024, the implementation of **electronic invoicing** has been intensified. This technological tool benefits both the tax administration and businesses by promoting formalization, reducing costs, and enabling the use of all types of tax documents in electronic format. To facilitate the implementation of this tool, the Tax Code was amended, and the Electronic Tax Document (DTE) Compliance Regulations were established. Additionally, the Centro Integral de Soporte de Facturación Electrónica [Comprehensive Electronic Invoicing Support Center] was created, along with a specialized website where all related services are fully accessible online, streamlining processes for users.

Throughout 2024, efforts to expand the adoption of electronic invoicing in El Salvador were intensified. By December 2024, a total of 14,462 taxpayers had been integrated into the system. Although the overall adoption rate stands at 13.02%, the 14,462 taxpayers account for 89.15% of annual VAT-reported sales and cover 74.65% of the total annual tax documents issued. As of December 2024, a total of 562,480,091 valid Electronic Tax Documents (DTEs) had been received, demonstrating the system's stability and the use of state-of-the-art technology.

Table 1: Electronic Invoicing

Category	Quantity	Incorporated as of December 2024	%
Large	≥ 967	≥ 942	97.41%
Medium	≥ 2,854	≥ 2,765	96.88%
Other	≥ 107,217	≥ 10,755	10.03%
Total	≥ 111,038	≥ 14,462	13.02%

Source: Ministry of Finance.

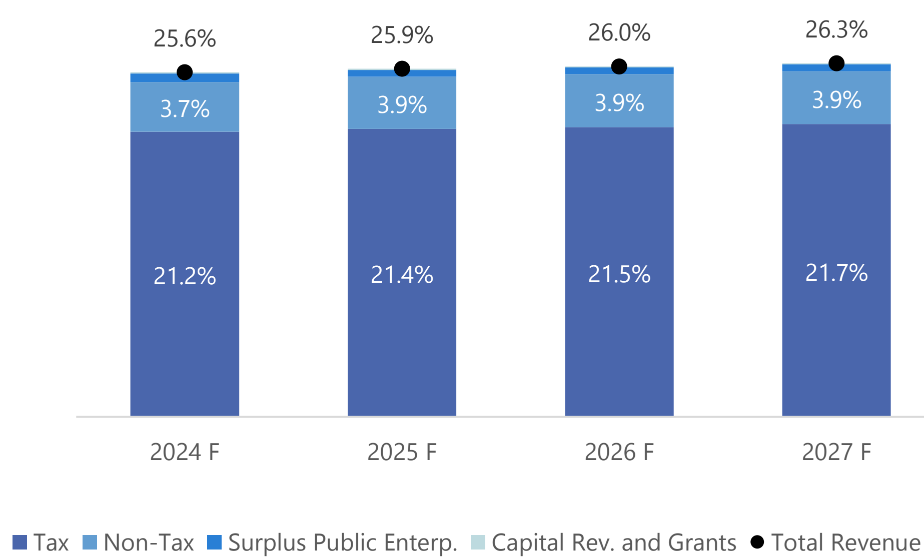
By 2025, the integration of large taxpayers, the remaining State institutions, major medium-sized taxpayers, and independent professionals into the electronic invoicing system is expected to be completed. Additionally, with the launch of the mobile invoicing app, more taxpayers are expected to join voluntarily, particularly those issuing tax documents amounting to less than US$100 per month.

In addition to the expansion of electronic invoicing in 2025, further tax modernization measures will be implemented to enhance tax administration and compliance. Together, these measures are expected to generate an additional revenue yield of 0.2% of GDP in 2025.

In 2026 and 2027, additional measures aimed at strengthening tax administration, reducing tax expenditures, and broadening the tax base will be assessed. Combined with the expected annual gains from electronic invoicing, these actions are projected to increase NFPS revenues from 25.6% of GDP in 2024 to 26.3% in 2027. This path reflects the government's capacity to sustain the revenue levels achieved since 2021, which surpassed pre-pandemic levels.

During this period, tax revenue is projected to increase by 0.5% of GDP as a result of the measures outlined above. Meanwhile, other revenue sources are expected to remain stable as a percentage of GDP, with non-tax revenue anticipated to rise by 0.2% of GDP. Consequently, the combined increase in tax and non-tax revenues is estimated to reach a cumulative 0.7% of GDP over the forecast period.

Graph 6 Total NFPS revenues as a percentage of GDP.



Source: Calculations by the Ministry of Finance of El Salvador. Forecast Figures, 2024-2027.

3.2 Expenditure strategy

Regarding public spending, the government will allocate state resources efficiently, prioritizing social projects and public investment. In this regard, the 2025 Budget Law[3] includes specific measures aimed at achieving this objective. To contain the wage bill, the following key actions have been outlined:

- The suspension of salary increases and salary adjustments for government officials and public employees under the Salary Law or Contract regimes, regardless of the source of financing (General Fund, Own Resources, and Special Activities Funds (FAE's)), and irrespective of the powers granted to them by their respective establishing laws.
- The creation of new positions under the Salary Law and Contract regimes, regardless of the source of financing, is prohibited across all entities of the three branches of government and municipalities, including autonomous and decentralized official institutions.
- For the current fiscal year, the wage indexation mechanism for the Health Sector will be applied only to public officials and employees earning a monthly salary of less than US$1,500. Additionally, any salary adjustments under this wage indexation mechanism may not exceed the established maximum threshold.
- All vacancies arising during the current fiscal year, regardless of the payment system or source of financing, may only be filled with prior authorization from the Ministry of Finance.
- The granting of new economic and social benefits to employees, as well as any increases to existing benefits—including those established in Laws of Creation or Collective Contracts—is suspended. This measure applies to all Central Government institutions, Decentralized Non-Enterprise Entities, Autonomous Public Enterprises, including the Salvadoran Social Security Institute and the Comisión Ejecutiva Hidroeléctrica del Rio Lempa [Hydroelectric Executive Commission of the Lempa River].

In 2025, this policy is expected to achieve a consolidated reduction of 1.2% of GDP, with the containment of the remunerations/salaries item accounting for 0.6% of the reduction. Regarding Goods and Services. The reduction is estimated at approximately 0.4% of GDP through improved spending efficiency, digitalization of activities, optimized energy use, and restrictions on non-essential procurement and purchases. Lastly, savings of approximately 0.2% of GDP are projected in current transfers.

For 2026 and 2027, the same measures outlined above will be maintained, while additional actions will be assessed to ensure the achievement of the proposed fiscal objectives.

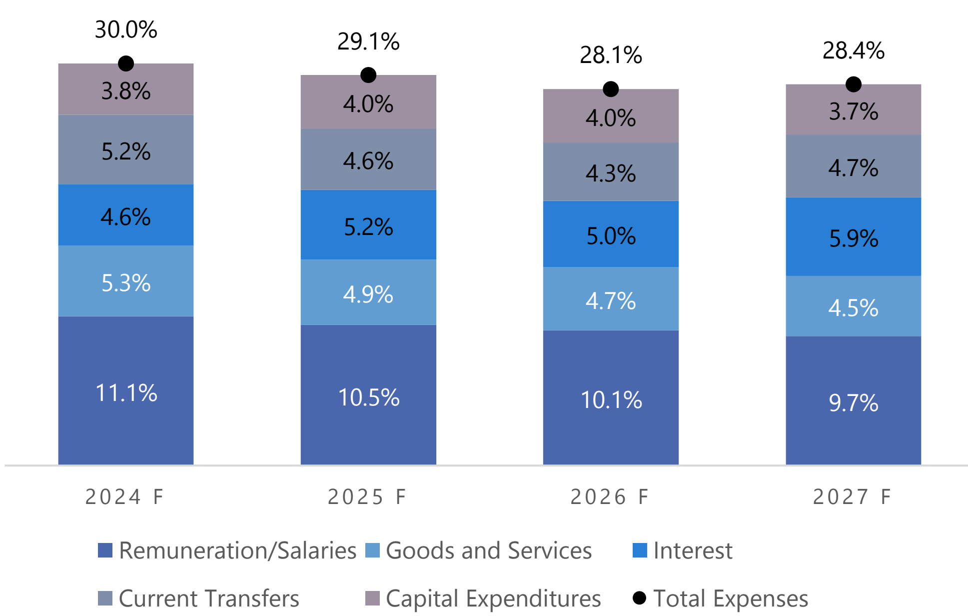
[3] See articles in the 2025 Budget Law, https://www.transparenciafiscal.gob.sv/downloads/pdf/PreLey2025ART149.pdf

Together, the fiscal spending measures are expected to generate net savings of 1.6% of GDP between 2024 and 2027. Of this total, 1.4% of GDP in savings will result from wage bill containment.

Furthermore, the expenditure policy program proposed for the period 2025–2027 ensures the fulfillment of pension commitments, with pension supplement payments averaging 1.7% of GDP. In this regard, medium-term studies and analyses will be conducted to strengthen the Pension System and enhance its long-term sustainability. Likewise, capital spending will remain unaffected, staying at approximately 3.9% of GDP, with the gross investment component maintained above 3% of GDP. This level of investment is essential to sustaining productivity gains and economic growth.

NFPS expenditures, including pensions (Graph 7), are projected to decline from 30.0% of GDP in 2024 to 28.4% of GDP in 2027, representing a net reduction of 1.6% of GDP. Between 2025 and 2027, expenditure adjustments will include a reduction in salary spending (1.4% of GDP), an adjustment in spending on goods and services (0.8% of GDP), an increase in interest payments (1.3% of GDP), the prioritization of transfers (0.5% of GDP), and a slight decrease in capital spending (0.1% of GDP).

Graph 7. Total NFPS Expenses - percentage of GDP

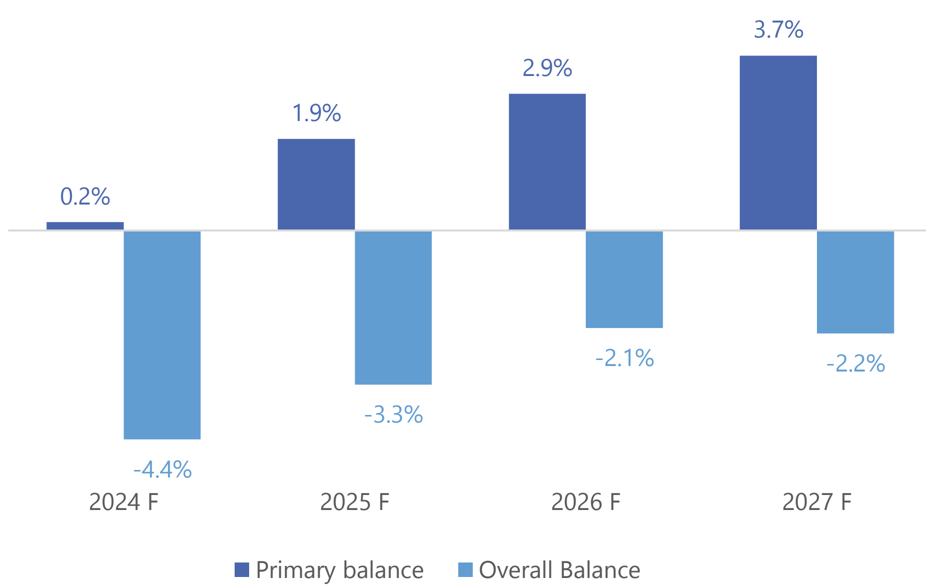


Source: Calculations by the Ministry of Finance of El Salvador. Forecast Figures, 2024-2027.

4 2024-2027 NFPS Fiscal Results

With the fiscal strategy outlined in the preceding sections, the NFPS's total and primary balance is moving towards a fiscal consolidation process, driven by planned revenue increases and expenditure containment measures over the next three years. On one hand, the primary balance, excluding pension debt, is projected to improve from a surplus of 0.2% of GDP in 2024 to a surplus of 3.7% of GDP in 2027. Meanwhile, the total fiscal deficit is projected to decline from 4.4% of GDP in 2024 to 2.2% of GDP in 2027. For the 2024–2027 period, the total fiscal balance is projected to increase by 2.2% of GDP, while the primary balance is expected to increase by 3.5% of GDP.

Graph 8. NFPS Primary and Overall Balance as percentage of GDP.

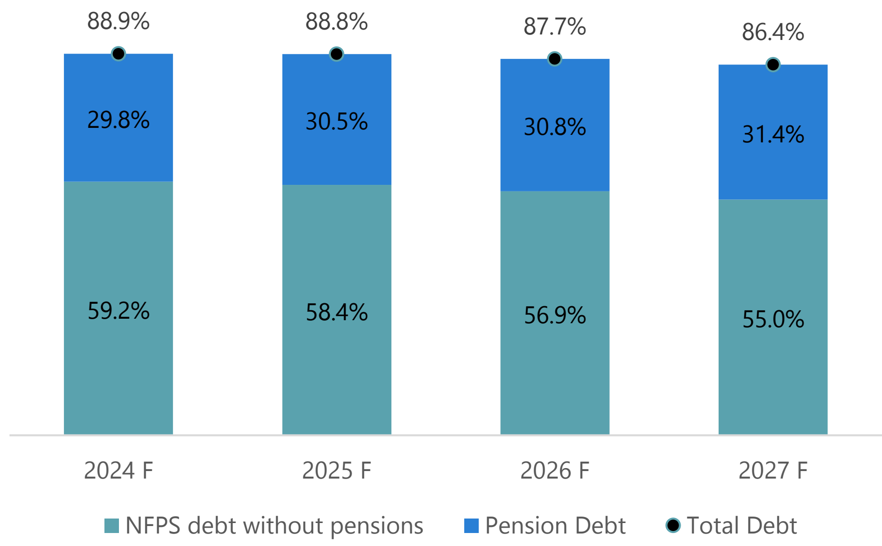


Source: Calculations by the Ministry of Finance of El Salvador. Forecast Figures, 2024-2027.

With the government's fiscal strategy for the 2024–2027 period—focused on a sustained increase in revenue collection and an efficient allocation of expenditures that significantly improve overall and primary balance indicators—NFPS debt is expected to follow a gradual downward trend (Graph 9).

The NFPS's total gross debt is projected to reach 88.9% of GDP by the end of 2024. Through the planned fiscal consolidation process, this indicator is expected to decline to 86.4% of GDP by 2027. A reduction of 2.5%, primarily driven by a **4.2% of GDP decrease in non-pension debt**, which results from the expected economic growth process and the liability management strategy implemented since 2022. However, this decline is partially offset by a 1.6% of GDP increase in pension debt, attributed to the issuance of Pension Obligation Certificates (COP) in 2022 and 2023 to cover pension obligations, including debt repayment.

Graph 9. NFPS Gross Debt as a percentage of GDP



Source: Calculations by the Ministry of Finance of El Salvador. Forecast Figures, 2024-2027.

5 ANNEX: Medium-Term Fiscal Projections

Concept	2024	2025	2026	2027
Percentages of GDP				
Total Revenue	25.6%	25.9%	26.0%	26.3%
Tax revenue	21.2%	21.4%	21.5%	21.7%
Non-tax revenue	3.7%	3.9%	3.9%	3.9%
Total expenditure	30.0%	29.1%	28.1%	28.4%
Current expenditure	26.2%	25.2%	24.1%	24.7%
Salaries/Remunerations	11.1%	10.5%	10.1%	9.7%
Goods and Services	5.3%	4.9%	4.7%	4.5%
Interest on Debt	4.6%	5.2%	5.0%	5.9%
Of which, pension interest	*0.3%*	*0.5%*	*0.6%*	*1.6%*
Current Transfers	5.2%	4.6%	4.3%	4.7%
Of which, for pension payments	*1.7%*	*1.6%*	*1.5%*	*1.8%*
Capital Expenditures	3.8%	4.0%	4.0%	3.7%
Investment	3.4%	3.4%	3.4%	3.2%
Primary balance	**0.2%**	**1.9%**	**2.9%**	**3.7%**
Overall deficit	**-4.4%**	**-3.3%**	**-2.1%**	**-2.2%**
Pension Debt	**29.8%**	**30.5%**	**30.8%**	**31.4%**
Gross NFPS Debt including Pension Debt	**88.9%**	**88.8%**	**87.7%**	**86.4%**

Source: Ministry of Finance. Preliminary Figures.