

**Embargo:**

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## 2021 GOVERNMENT FINANCIAL STATEMENT

### CONSOLIDATED FISCAL BALANCE POSTS A 30.4 TRILLION WON DEFICIT IN 2021

#### Fiscal balance

The consolidated fiscal balance posted a deficit of 30.4 trillion won (1.5 percent of GDP), 40.8 trillion won less than the previous year. Despite a record high fiscal expansion in 2021, the fiscal deficit narrowed due to increases in tax revenue and investment returns of the National Pension Fund. The social security fund<sup>1</sup> balance recorded 60.1 trillion won, 19.3 trillion won higher than a year ago while the consolidated fiscal balance, excluding the social security fund balance, registered a deficit of 90.5 trillion won (4.4 percent of GDP), down 21.5 trillion from the previous year.

#### Assets and liabilities

An increase in national assets (up 352.8 trillion won) was much higher compared to the national debt (up 214.7 trillion won), making net assets soar by 138.1 trillion won, the highest increase to date. This was mainly caused by increases in current assets and investments (up 214.6 trillion won) and tangible and intangible assets (up 136.7 trillion won). Liabilities rose by 214.7 trillion won to 2,196.4 trillion won due to increases in the issuance of national and public bonds and estimated liabilities.

#### Government debt

The central government debt was 939.1 trillion won in 2021 (45.6 percent of GDP), 120 trillion won higher than a year ago. Government debt grew due to the two supplementary budgets to support those who have suffered from the Covid-19 impact and to facilitate economic recovery.

#### 2021 Government Financial Statement

		(trillion won)				
		2020 (a)	2021		Change	
			Supplementary budget (b)	Settlement (c)	c-a (%)	c-b (%)
Revenues and Expenditures <sup>1</sup>	- Total revenues (A)	478.8	514.6	570.5	91.7(19.2)	55.9(10.9)
	- Total expenditures (B)	549.9	604.9	600.9	51.0(9.3)	-4.0(-0.7)

1) General and special accounts + funds – internal transactions – accommodating transactions

<sup>1</sup> National Pension Fund; Private School Teachers' Pension Fund; Industrial Accident Compensation Insurance Fund; Employment Insurance Fund

*(trillion won)*

		2020 (a)	2021		Change	
			Supplementary budget (b)	Settlement (c)	c-a (%)	c-b (%)
Fiscal balance	- Consolidated fiscal balance (A-B) (% to GDP)	-71.2 (-3.7)	-90.3 (-4.4)	-30.4 (-1.5)	40.8 (2.2%p)	59.9 (2.9%p)
	- Social security funds balance (C)	40.8	36.2	60.1	19.3	23.9
	- Consolidated fiscal balance excluding social security funds balance (A-B-C) (% to GDP)	-112.0 (-5.8)	-126.6 (-6.2)	-90.5 (-4.4)	21.5 (1.4%p)	36.1 (1.8%p)

*(trillion won)*

		2020 (a)	2021 (b)	Change (b-a) (%)
Assets and Liabilities	Assets (D)	2,487.1	2,839.9	352.8 (14.2)
	Liabilities (E)	1,981.7	2,196.4	214.7 (10.8)
	Net assets (D-E)	505.4	643.5	138.1 (27.3)
	Central government debt (% to GDP)	819.2 (42.4)	939.1 (45.6)	120.0 (3.2%p)