



Quarterly Budget Performance Report

Q3 of FY 2020 (1441/1442 H)

وزارة المالية
Ministry of Finance



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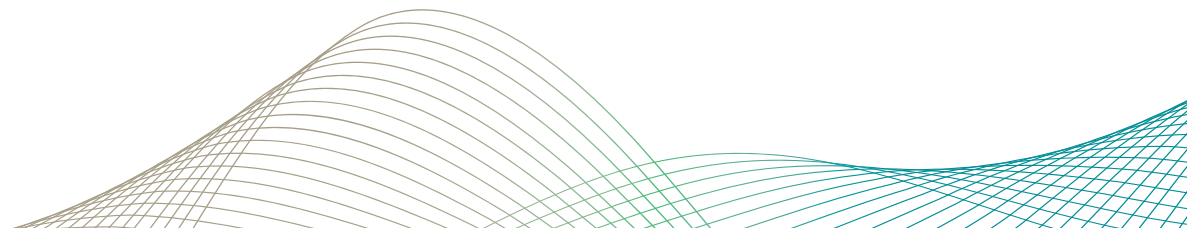
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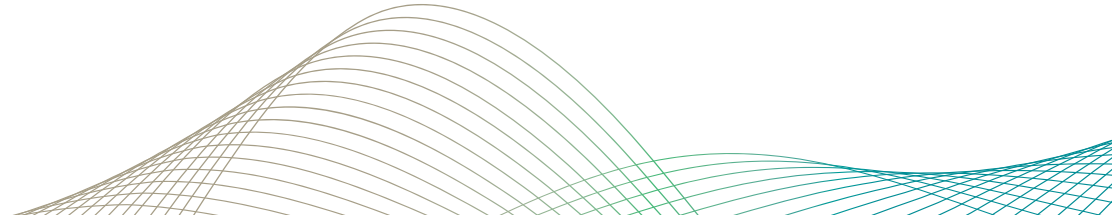
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01 Introduction



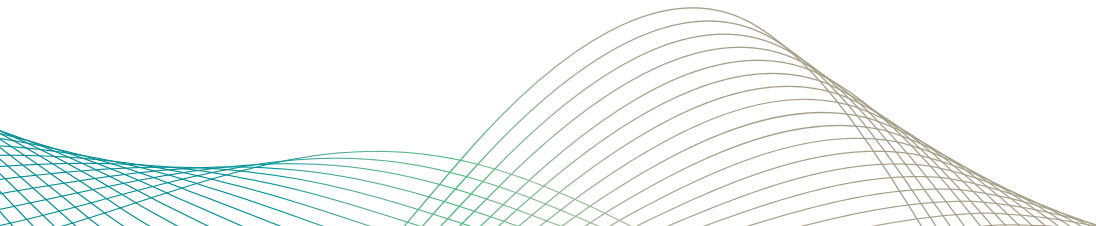


Introduction

This quarterly report is published by the Ministry of Finance (MoF) to provide detailed fiscal data covering performance during the specified quarter including revenues, expenditures, its funding sources and the change in public debt. Through the periodical publication of this report, budget deficit, MoF seeks to enhance transparency in accordance with financial disclosure standards.






It should be noted that fiscal accounts as presented in this report are based on cash basis of accounting and are classified according to the Government Finance Statistics Manual (GFSM 2014), published by the International Monetary Fund (IMF). A glossary section is provided at the end of this report.

02 The Government Budget



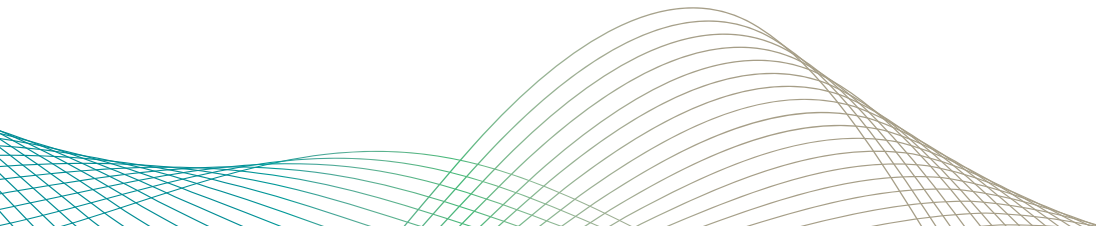
The Government Budget for FY 2020

(SAR Million)

| Items | FY 2019 Actual | FY 2020 Budget |
|---|-------------------|-------------------|
|  Oil Revenues | 594,424 | 513,000 |
|  Non-oil Revenues | 332,422 | 320,065 |
|  Total Revenues | 926,845 | 833,065 |
|  Total Expenditures | 1,059,445 | 1,020,000 |
|  (Deficit) | (132,599) | (186,935) |

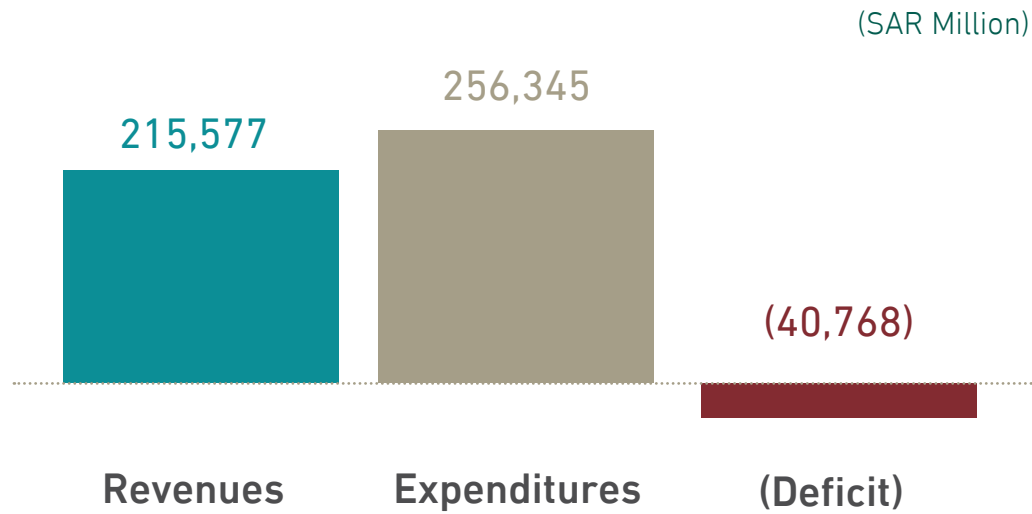


03 Summary of Q3 Performance



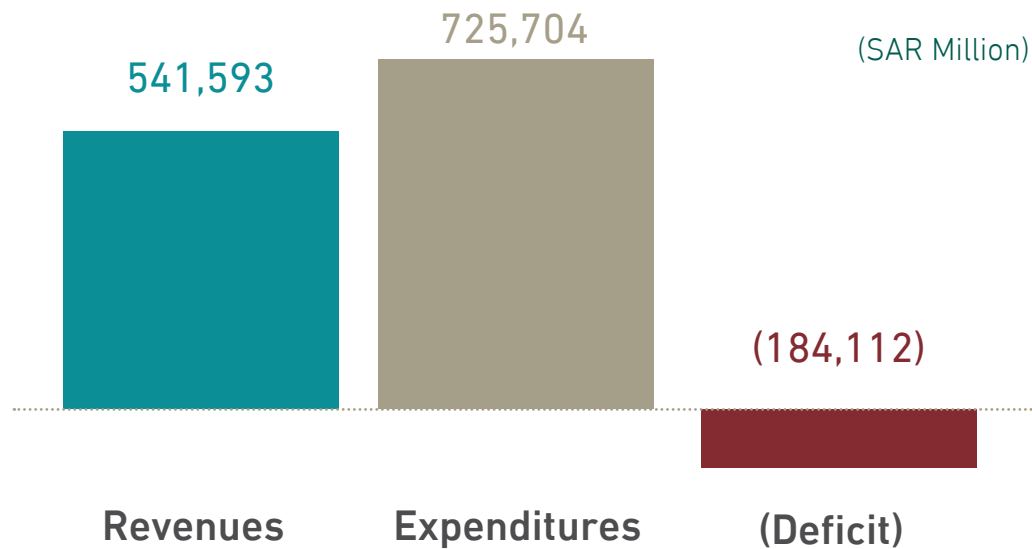
Summary of Q3 Performance

Actual performance in Q3 of FY 2020



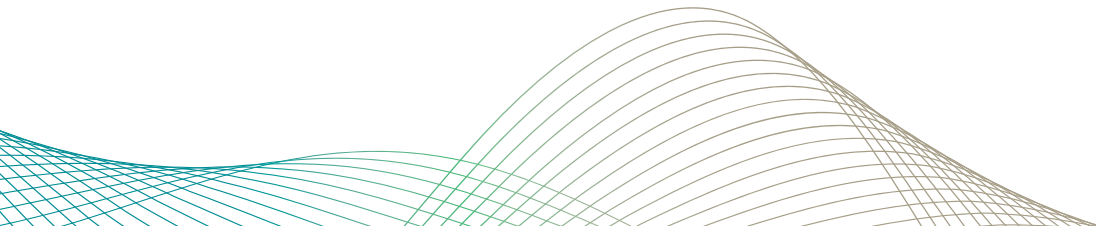
Summary of Q3 Performance

Actual performance until Q3 of FY 2020












04 Revenues



Revenues

Actual revenues until Q3 of FY 2020

(SAR Million)

| Revenues* | Q1 | Q2 | Q3 | Total |
|---|----------------|----------------|----------------|----------------|
|  Oil Revenues | 128,771 | 95,718 | 92,582 | 317,070 |
|  Taxes on Income, Profit and Capital Gains (Of which: Foreign Corporate Income Tax) | 3,569 | 1,645 | 7,230 | 12,444 |
|  Taxes on Goods and Services (Of which: Excise Tax and VAT) | 30,604 | 10,558 | 51,572 | 92,734 |
|  Taxes on International Trade and Transactions (Customs) | 4,021 | 3,796 | 4,548 | 12,365 |
|  Other Taxes (Of which: Zakat) | 2,060 | 3,362 | 12,017 | 17,439 |
|  Other Revenues | 23,047 | 18,866 | 47,627 | 89,541 |
|  Non-oil Revenues | 63,301 | 38,227 | 122,995 | 224,522 |
| Total | 192,072 | 133,944 | 215,577 | 541,593 |








* Definitions are provided in the Annex at the end of the report



Revenues

Actual revenues in Q3 of FY 2019 Vs. Q3 of FY 2020

(SAR Million)

| Revenues* | Q3 2019 | Q3 2020 | Change % |
|---|----------------|----------------|-------------|
|  Oil Revenues | 131,843 | 92,582 | -30% |
|  Taxes on Income, Profit and Capital Gains (Of which: Foreign Corporate Income Tax) | 4,822 | 7,230 | 50% |
|  Taxes on Goods and Services (Of which: Excise Tax and VAT) | 37,596 | 51,572 | 37% |
|  Taxes on International Trade and Transactions (Customs) | 4,342 | 4,548 | 5% |
|  Other Taxes (Of which: Zakat) | 3,130 | 12,017 | 284% |
|  Other Revenues | 25,475 | 47,627 | 87% |
|  Non-oil Revenues | 75,366 | 122,995 | 63% |
| Total | 207,208 | 215,577 | 4% |








* Definitions are provided in the Annex at the end of the report



Revenues

Actual revenues until Q3 of FY 2019 Vs. Q3 of FY 2020

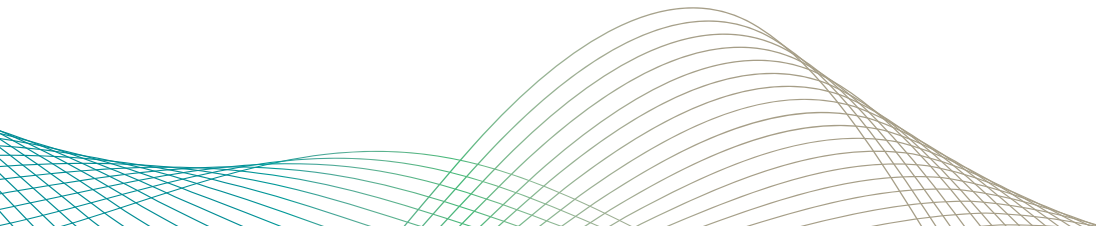
(SAR Million)

| Revenues* | Until Q3 2019 | Until Q3 2020 | Change % |
|---|------------------|------------------|-------------|
|  Oil Revenues | 475,840 | 317,070 | -33% |
|  Taxes on Income, Profit and Capital Gains (Of which: Foreign Corporate Income Tax) | 13,875 | 12,444 | -10% |
|  Taxes on Goods and Services (Of which: Excise Tax and VAT) | 115,232 | 92,734 | -20% |
|  Taxes on International Trade and Transactions (Customs) | 12,234 | 12,365 | 1% |
|  Other Taxes (Of which: Zakat) | 24,878 | 17,439 | -30% |
|  Other Revenues | 71,262 | 89,541 | 26% |
|  Non-oil Revenues | 237,481 | 224,522 | -5% |
| Total | 713,320 | 541,593 | -24% |

* Definitions are provided in the Annex at the end of the report



05 Expenditures













Expenditures

Actual expenditures until Q3 of FY 2020

(SAR Million)

| Expenditures* | Q1 | Q2 | Q3 | Total |
|--|----------------|----------------|----------------|----------------|
|  Compensation of Employees | 124,530 | 124,738 | 120,266 | 369,534 |
|  Use of Goods and Services | 26,941 | 35,000 | 45,950 | 107,891 |
|  Financing Expenses | 4,646 | 6,777 | 5,430 | 16,853 |
|  Subsidies | 3,481 | 9,859 | 8,189 | 21,529 |
|  Grants | 160 | 2,208 | 477 | 2,845 |
|  Social Benefits | 12,975 | 14,661 | 21,164 | 48,800 |
|  Other Expenses | 25,302 | 20,679 | 22,430 | 68,412 |
|  Non-Financial Assets (CAPEX) | 28,144 | 29,259 | 32,439 | 89,842 |
| Total | 226,179 | 243,181 | 256,345 | 725,704 |









*Definitions are provided in the Annex at the end of the report



Expenditures

Actual expenditures in Q3 of FY 2019 Vs. Q3 of FY 2020

(SAR Million)

| Expenditures* | Q3 2019 | Q3 2020 | Change % |
|--|----------------|----------------|-------------|
|  Compensation of Employees | 121,276 | 120,266 | -1% |
|  Use of Goods and Services | 40,543 | 45,950 | 13% |
|  Financing Expenses | 5,879 | 5,430 | -8% |
|  Subsidies | 2,602 | 8,189 | 215% |
|  Grants | 274 | 477 | 74% |
|  Social Benefits | 16,756 | 21,164 | 26% |
|  Other Expenses | 20,632 | 22,430 | 9% |
|  Non-Financial Assets (CAPEX) | 31,415 | 32,439 | 3% |
| Total | 239,376 | 256,345 | 7% |









*Definitions are provided in the Annex at the end of the report



Expenditures

Actual expenditures until Q3 of FY 2019 Vs. Q3 of FY 2020

(SAR Million)










| Expenditures* | Until Q3 2019 | Until Q3 2020 | Change % |
|--|------------------|------------------|-------------|
|  Compensation of Employees | 373,486 | 369,534 | -1% |
|  Use of Goods and Services | 92,304 | 107,891 | 17% |
|  Financing Expenses | 15,586 | 16,853 | 8% |
|  Subsidies | 20,136 | 21,529 | 7% |
|  Grants | 903 | 2,845 | 215% |
|  Social Benefits | 62,200 | 48,800 | -22% |
|  Other Expenses | 64,907 | 68,412 | 5% |
|  Non-Financial Assets (CAPEX) | 121,651 | 89,842 | -26% |
| Total | 751,173 | 725,704 | -3% |

*Definitions are provided in the Annex at the end of the report

Expenditures

Actual expenditure until Q3 of FY 2020 Vs. Q3 of FY 2019

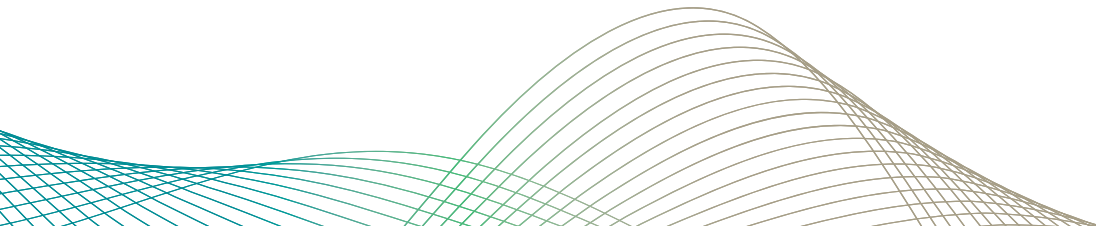
(SAR Million)

| Sector | Budget 2020 | Until Q3 2020 | As % of total budget | Until Q3 2019 | Change % |
|--|------------------|----------------|----------------------|----------------|------------|
|  Public Administration | 28,018 | 24,888 | 89% | 20,612 | 21% |
|  Military | 181,923 | 136,850 | 75% | 149,751 | -9% |
|  Security and Regional Administration | 102,348 | 80,840 | 79% | 77,963 | 4% |
|  Municipal Services | 53,560 | 33,535 | 63% | 32,734 | 2% |
|  Education | 193,168 | 148,956 | 77% | 144,190 | 3% |
|  Health & Social Development* | 166,980 | 124,370 | 74% | 143,903 | -14% |
|  Economic Resources | 97,645 | 37,262 | 38% | 60,532 | -38% |
|  Infrastructure and Transportation | 55,705 | 38,391 | 69% | 37,675 | 2% |
|  General Items | 140,652 | 100,612 | 72% | 83,813 | 20% |
| Total | 1,020,000 | 725,704 | 71% | 751,173 | -3% |

*It's noteworthy that the actual spending on health services increased by 16% until Q3 of FY 2020 compared to the same period of last year.



06 Deficit and Financing



Deficit and Financing

Budget financing until Q3 of FY 2020

(SAR Million)

| Item | Q1 | Q2 | Q3 | Total |
|-----------------------------------|-----------------|------------------|-----------------|------------------|
| (Deficit) | (34,107) | (109,236) | (40,768) | (184,112) |
| Financing Sources | | | | |
| Current Account | 9,000 | 0 | 0 | 9,000 |
| Government Reserves | 0 | 48,668 | 1,332 | 50,000 |
| Financing from Domestic Borrowing | 11,194 | 29,924 | 41,990 | 83,108* |
| Financing from External Borrowing | 18,494 | 26,064 | 0 | 44,558 |
| Total Financing | 38,688 | 104,656 | 43,322 | 186,666** |

* A remaining amount of debt issuances worth SAR 45 bn (including issuances discounts and premiums) will be used to fulfill the financing needs for the rest of the fiscal year.

**Over Financing in Q3 will be used to fulfill the financing needs for the rest of the fiscal year.



07 Public Debt



Public Debt

Public debt until Q3 of FY 2020

(SAR Million)

| Public Debt | Public Debt | Domestic | External |
|----------------------------------|------------------------------------|----------------|----------------|
| | Beginning of Period Balance | | 677,925 |
| Issuances or Borrowings | | 372,764 | 305,161 |
| Principal Repayment | | 162,188 | 45,000 |
| Amortization of Government Bonds | | 37,360 | 0 |
| | | 0 | 0 |
| End of Period Balance | | 497,592 | 350,161 |
| | | 847,753 | |

Appendix on the Definition of Revenues and Expenses as Outlined in IMF (GFSM 2014)

| Item | Definition |
|--|--|
| Taxes on Income, Profits, and capital Gains | Consists of taxes assessed on the actual or presumed incomes of institutional units. |
| Taxes on Goods and Services | taxes on the production, activities (Excise Tax and VAT) |
| Taxes on International Trade and Transactions (Customs) | Taxes that are payable when goods or services cross the national or customs frontiers of the economic territory, provided from nonresidents to residents. These fees might be imposed for revenue collection or protection purposes and may be determined on a certain criteria or by value. |
| Other Taxes | Other taxes paid by businesses only (corporate Zakat) and unidentified taxes. |
| Other Revenues | Revenues from other public government unites (including Saudi Arabian Monetary Agency) and sales performed by other entities (income from advertising and fees from port services), administrative fees, fines, penalties and confiscations. |
| Compensation of Employees | Social benefits is the remuneration, in cash or in kind payable in return for work performed by an employee including social security contributions that are payable by the government unit on on behalf of its employees –excluding any compensation for employees related to the formation of capital for personal accounts. |
| Use of Goods and Services | Total value of goods and services purchased by the general government sector to be used in production or for resale, minus the net change in inventories of those goods and services. |
| Financing Expenses | The amount that the government shall pay to the creditor against the principal of the outstanding debt such as treasury bonds, Sukuk, loans and receivables. |
| Subsidies | Current transfers paid by government units to projects either in return of their production activates or on the basis of quantities or values of the goods or services they produce, sell, or import, including transfers to public companies. |
| Grants | Non-mandatory transfers in cash or goods payable to other government units or international organizations. |
| Social Benefits | Current transfers receivable by households intended to provide for the needs that arise from events such as sickness, unemployment, retirement, housing or family conditions. They could be in cash or in kind. |
| Other Expenses | All expenses not classified elsewhere including, expenditure on property other than interest, taxes, fines, sanctions imposed by government, current transfers to non-profit institutions, capital transfers other than capital grants, and non-life insurance premiums and claims. |
| Non-Financial Assets (CAPEX) | All economic assets other than financial assets, which implicitly do not represent claims on other units. Most non-financial assets provide benefits either through their use in the production of goods and services or in the form of property income. |

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