

التقرير الربعي لأداء الميزانية  
الربع الثاني ١٤٤٠ - ١٤٤١ هـ  
Budget Performance Report Q2 2019

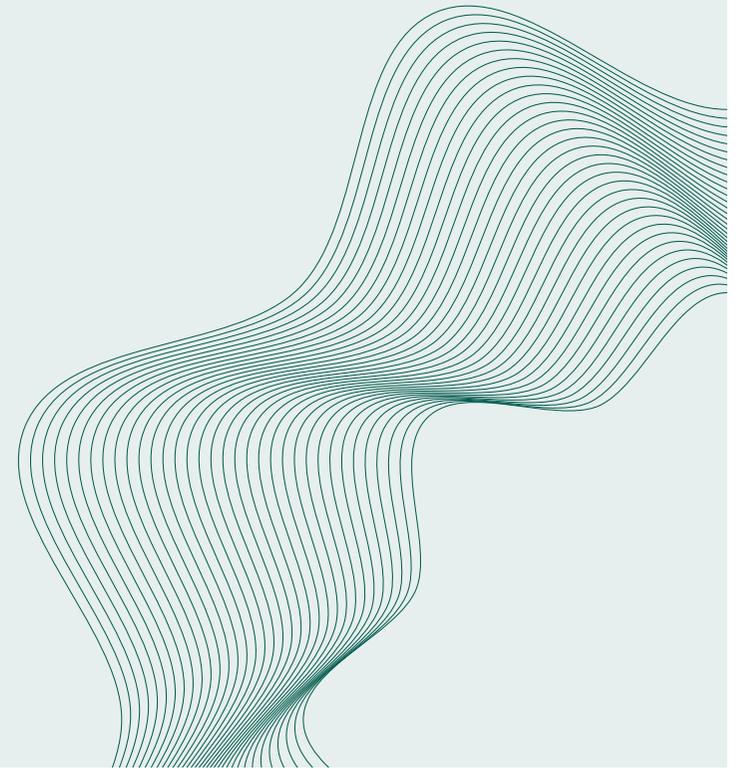


# Quarterly Budget Performance Report Q2 of Fiscal Year 2019 (1440 / 1441 H)

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# 01



## Introduction





# Introduction

This quarterly report is prepared by the Ministry of Finance. It shows revenues and expenditures during the quarter, in addition to the surplus (or deficit), its funding sources and the public debt. Through the publication of this report, the Ministry of Finance seeks to provide greater transparency on the performance of the budget, in accordance with global financial disclosure standards. In addition, it is worth noting that the Government budget accounting has been prepared on cash-basis .

The accounts in this report have been classified according to the Government Finance Statistics Manual (GFSM 2014), which is published by the International Monetary Fund (IMF). Furthermore, the report contains a glossary of the terms and used herein and the definition thereof.



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Budget Performance Report Q2 2019



**02**



## **The Government Budget**





# Budget

## The Government Budget for the Fiscal Year 2019

(SAR Million)

Items	Budget of Fiscal Year 2018	Actual for Fiscal Year 2018	Budget for Fiscal Year 2019
 Oil Revenues	492,000	611,239	661,875
 Non-oil Revenues	291,343	294,370	313,408
 <b>Total Revenues</b>	<b>783,343</b>	<b>905,609</b>	<b>975,283</b>
 <b>Total Expenditure</b>	<b>978,000</b>	<b>1,079,467</b>	<b>1,106,000</b>
 Surplus\ (Deficit)	(194,657)	(173,858)	(130,717)



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03



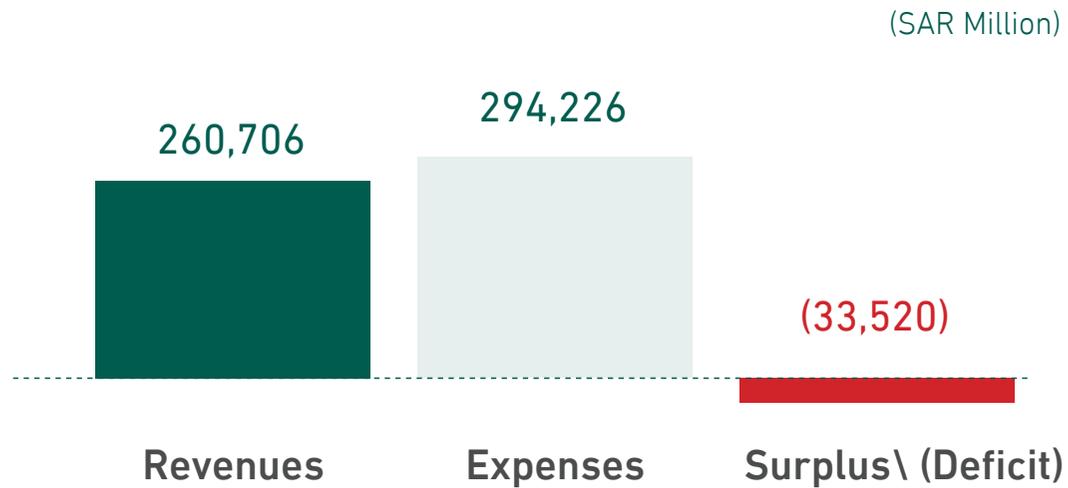
## Executive Summary





# Executive Summary

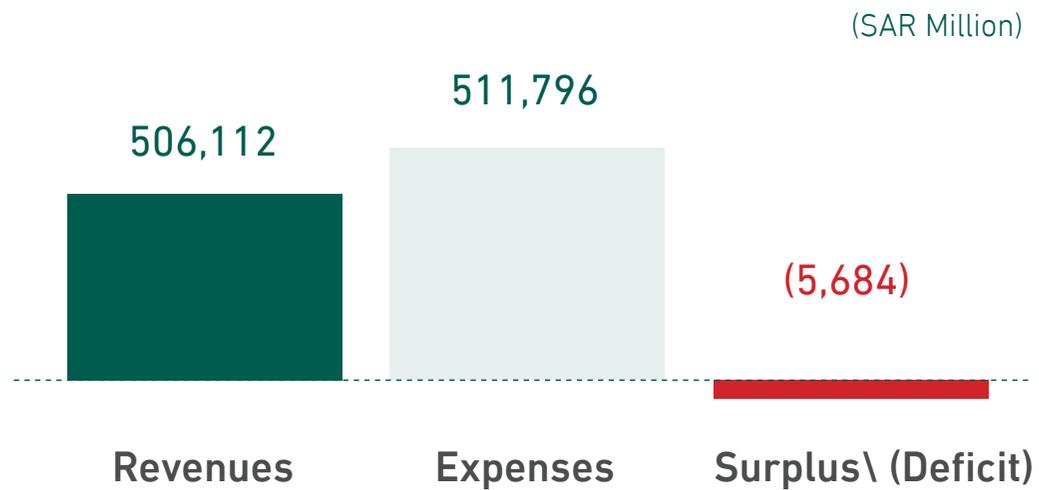
Actual Performance of Q2 2019





# Executive Summary

Actual Performance of H1 2019





# 04



## Revenues





# Revenues

Actual Revenues of Q2 2019

(SAR Million)

Revenues*	Q1	Q2	Total
 <b>Oil Revenues</b>	<b>169,087</b>	<b>174,910</b>	<b>343,997</b>
 Taxes on Income, Profit and Capital Gains (of which: Foreign Corporate Income Tax)	2,742	6,311	9,053
 Taxes on goods and Services (of which: Oil Product Fees, Excise Tax and VAT)	41,133	36,504	77,636
 Taxes on Trade and Transactions (Customs)	3,490	4,401	7,891
 Other Taxes (of which: Zakat)	7,071	14,676	21,748
 Other Revenues	21,883	23,904	45,787
 <b>Total Non-Oil Revenues</b>	<b>76,319</b>	<b>85,797</b>	<b>162,115</b>
<b>Total</b>	<b>245,406</b>	<b>260,706</b>	<b>506,112</b>

\* Definitions in the Annex at the end of the report





# Revenues

Actual Revenues of Q2 2019 vs Q2 2018

(SAR Million)

Revenues*	Q2 2018	Q2 2019	Change %
 <b>Oil Revenues</b>	<b>184,165</b>	<b>174,910</b>	<b>-5%</b>
 Taxes on Income, Profit and Capital Gains (of which: Foreign Corporate Income Tax)	6,648	6,311	-5%
 Taxes on goods and Services (of which: Oil Product Fees, Excise Tax and VAT)	29,744	36,504	23%
 Taxes on Trade and Transactions (Customs)	3,413	4,401	29%
 Other Taxes (of which: ZAKAT)	11,969	14,676	23%
 Other Revenues	37,650	23,904	-37%
 <b>Total Non-Oil Revenues</b>	<b>89,423</b>	<b>85,797</b>	<b>-4%</b>
<b>Total</b>	<b>273,588</b>	<b>260,706</b>	<b>-5%</b>

\* Definitions in the Annex at the end of the report





# Revenues

Actual Revenues of H1 2019 vs H1 2018

(SAR Million)

Revenues*	H1 2018	H1 2019	Change %
 <b>Oil Revenues</b>	<b>298,112</b>	<b>343,997</b>	<b>15%</b>
 Taxes on Income, Profit and Capital Gains (of which: Foreign Corporate Income Tax)	9,119	9,053	-1%
 Taxes on goods and Services (of which: Oil Product Fees, Excise Tax and VAT)	52,397	77,636	48%
 Taxes on Trade and Transactions (Customs)	7,199	7,891	10%
 Other Taxes (of which: ZAKAT)	15,130	21,748	44%
 Other Revenues	57,895	45,787	-21%
 <b>Total Non-Oil Revenues</b>	<b>141,739</b>	<b>162,115</b>	<b>14%</b>
<b>Total</b>	<b>439,851</b>	<b>506,112</b>	<b>15%</b>

\* Definitions in the Annex at the end of the report





# 05



## Expenditure





# Expenditure

Actual Expenditure of Q2 2019

(SAR Million)

Expenditure*	Q1	Q2	Total
 Compensation of Employees	121,806	130,403	252,210
 Use of Goods and Services	15,442	36,318	51,761
 Financing Expenses	4,354	5,353	9,707
 Subsidies	10,310	7,224	17,534
 Grants	30	599	629
 Social Benefits	17,221	28,222	45,444
 Other Expenses	19,239	25,036	44,275
 Non-Financial Assets (Capital)	29,167	61,069	90,237
<b>Total</b>	<b>217,570</b>	<b>294,226</b>	<b>511,796</b>

\* Definitions in the Annex at the end of the report





# Expenditure

Actual Expenditure of Q2 2019 vs Q2 2018

(SAR Million)

Expenditure*	Q2 2018	Q2 2019	Change %
 Compensation of Employees	130,830	130,403	0%
 Use of Goods and Services	43,341	36,318	-16%
 Financing Expenses	1,524	5,353	>100%
 Subsidies	4,231	7,224	71%
 Grants	1,625	599	-63%
 Social Benefits	25,392	28,222	11%
 Other Expenses	25,926	25,036	-3%
 Non-Financial Assets (Capital)	48,080	61,069	27%
<b>Total</b>	<b>280,950</b>	<b>294,226</b>	<b>5%</b>

\* Definitions in the Annex at the end of the report





# Expenditure

Actual Expenditure of H1 2019 vs H1 2018

(SAR Million)

Expenditure*	H1 2018	H1 2019	Change %
 Compensation of Employees	243,752	252,210	3%
 Use of Goods and Services	53,581	51,761	-3%
 Financing Expenses	5,669	9,707	71%
 Subsidies	7,224	17,534	>100%
 Grants	1,655	629	-62%
 Social Benefits	44,174	45,444	3%
 Other Expenses	51,447	44,275	-14%
 Non-Financial Assets (Capital)	74,039	90,237	22%
<b>Total</b>	<b>481,542</b>	<b>511,796</b>	<b>6%</b>

\* Definitions in the Annex at the end of the report





# Expenditure

Approved Budget per Sector and Actual Expenses During  
H1 2019 vs H1 2018

(SAR Million)

Sector	Budget	Actual spending H1 2019	Expenses as % of Total Budget	Actual spending H1 2018	change % *
 Public Administration	27,542	13,469	49%	15,244	-12%
 Military	190,978	103,925	54%	113,365	-8%
 Security and Regional Administration	102,827	50,550	49%	47,840	6%
 Municipal Services	62,238	20,486	33%	16,810	22%
 Education	192,622	94,507	49%	99,643	-5%
 Health and Social Development	172,041	98,195	57%	86,638	13%
 Economic Resources	131,340	43,689	33%	15,966	>100%
 Infrastructure and Transportation	70,243	26,057	37%	11,687	>100%
 General Items	156,169	60,918	39%	74,348	-18%
<b>Total</b>	<b>1,106,000</b>	<b>511,796</b>	<b>46%</b>	<b>481,542</b>	<b>6%</b>

\* % change compared to the same period in previous year





# 06



## Deficit and Financing





# Deficit and Financing

Fiscal Balance and Financing Sources of H1 2019

(SAR Million)

Items	Q1 2019	Q2 2019	Total
Surplus/(Deficit)	27,836	(33,520)	(5,684)
<b>Financing</b>			
From Current Account	0	0	0
From Reserves Account	0	0	0
From Internal Borrowing	16,466	0	16,466
From External Borrowing	9,000	0	9,000
<b>* Total Financing</b>	<b>25,466</b>	<b>0</b>	<b>25,466</b>

\* Total financing is used to finance the deficit in the coming periods.





**07**



**Public Debt**





# Public Debt

Public Debt of H1 2019

(SAR Million)

Debt	Items	Domestic Debt	External Debt
	<b>Beginning of Period Balance</b>		<b>559,980</b>
		304,980	255,000
	Issuances or Borrowings	39,749	28,125
	Repayment of Principal Debt	5	0
	Amortization of Government Bonds	0	0
	<b>End of Period Balance</b>	<b>344,724</b>	<b>283,125</b>
		<b>627,849</b>	

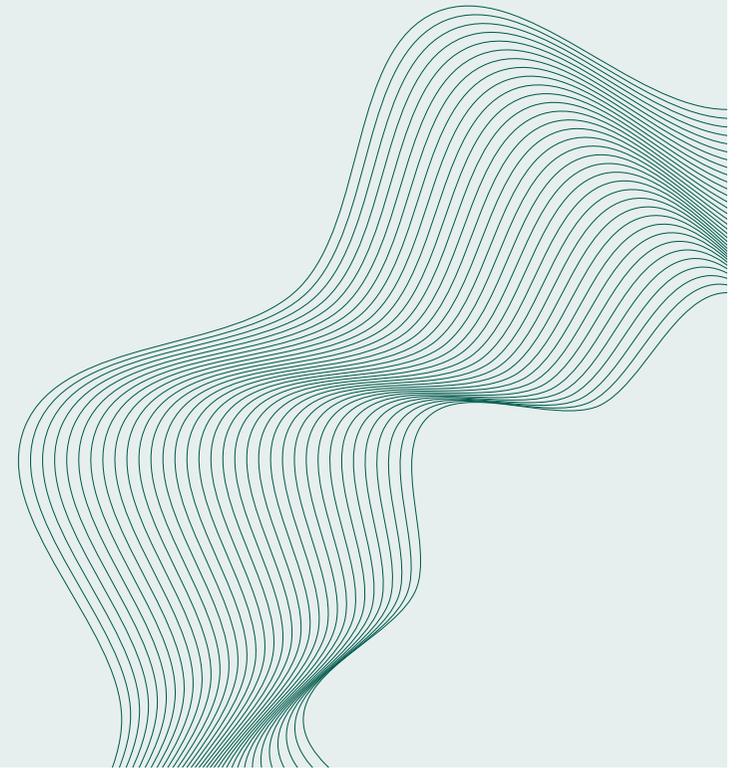


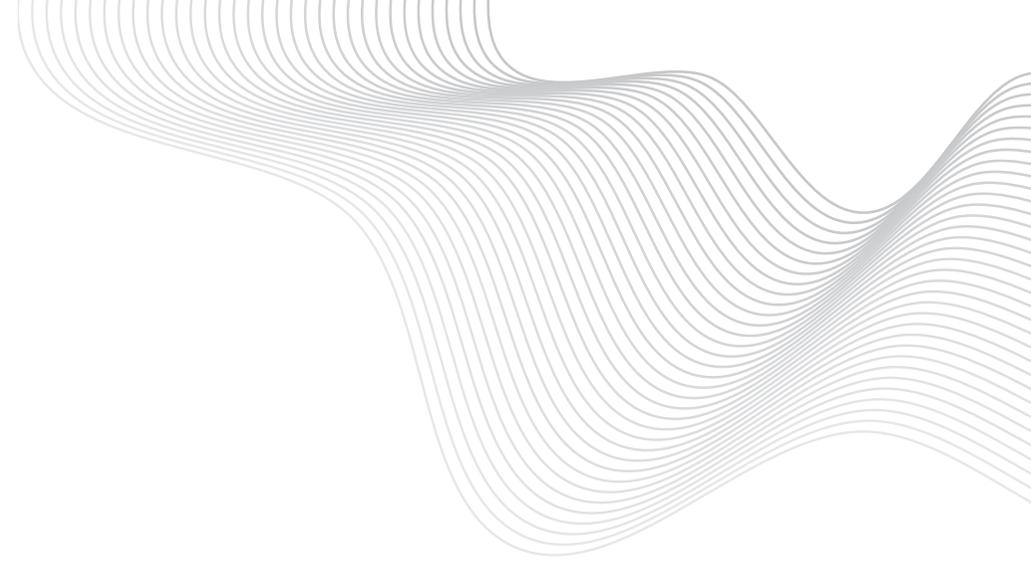
## Appendix on the Definition of Revenues and Expenses as Outlined in IMF (GFSM 2014)

Item	Definitions
<b>Taxes on Income, Profits, and Capital Gains</b>	Consists of taxes assessed on the actual or presumed incomes of institutional units.
<b>Taxes on Goods and Services</b>	Commodity or activities taxes, VAT, excises tax (tobacco) and oil product fees.
<b>Taxes on Trade and Transactions (Customs)</b>	Taxes that are payable when goods cross the national or customs frontiers of the economic territory, or when transactions in services exchange between residents and non-residents.
<b>Other Taxes</b>	Other taxes paid by businesses only (Corporate Zakat) and unclassified taxes
<b>Other Revenues</b>	Revenues from other public government units (including Saudi Arabian Monetary Agency and Public Investment Fund) and sales performed by other entities (income from advertising and fees from port services), administrative fees, fines, penalties and confiscations.
<b>Compensation of Employees</b>	Social benefits payable in cash to employees in addition to wages/salaries, which includes social insurance contributions, which is paid by a government unit on behalf of its employees – excluding any compensation for employees related to the formation of capital for personal accounts.
<b>Goods and Services</b>	Total value of goods and services purchased by the general government sector for use in the production process or purchasing for resale, minus the net change in inventories of those goods and services.
<b>Financing Expenses</b>	The amount that the government must pay to the creditor against the principal of the outstanding debt such as treasury bonds, Sukuk, government instruments, loans and accounts receivable.
<b>Subsidies</b>	Current transfers paid by government units to projects either in return of their activities or on the basis of quantities or values of the goods or services being sold, produced or imported. This includes transfers to public companies.
<b>Grants</b>	Non-mandatory transfers in cash or goods paid to other units of the general government or to international organizations.
<b>Social Benefits</b>	On-going transfers to families to meet the needs arising from events such as sickness, unemployment, retirement, housing or family conditions. They could be in cash or goods. Also, it contains the Citizen Account transfers.
<b>Other Expenses</b>	All expenses not classified elsewhere (expenditure on property other than interest - taxes - fines - government-imposed sanctions - current transfers to non-profit institutions - capital transfers other than capital grants - non-life insurance premiums and claims)
<b>Non-Financial Assets (Capital)</b>	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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