



# Quarterly Budget Performance Report

## Q2 of FY 2020 (1441/1442 H)

وزارة المالية  
Ministry of Finance



# Contents

**01** Introduction

---

**02** The Government Budget for FY 2020

---

**03** Summary of H1 Performance

---

**04** Revenues

---

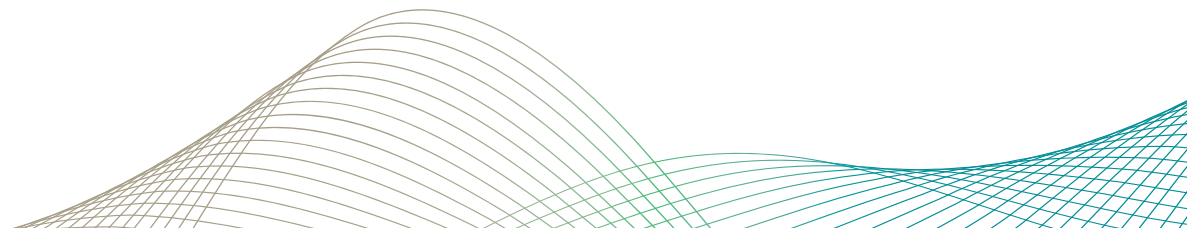
**05** Expenditures

---

**06** Deficit and Financing

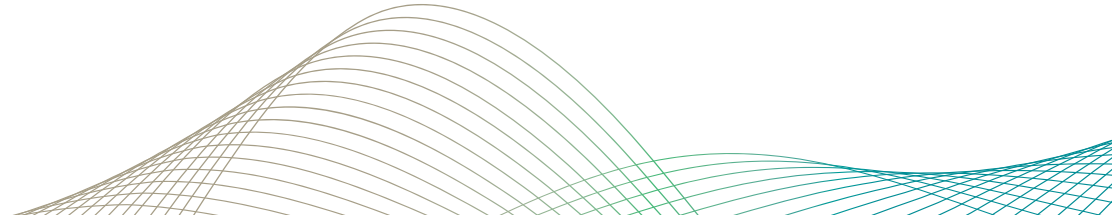
---

**07** Public Debt





# 01 Introduction



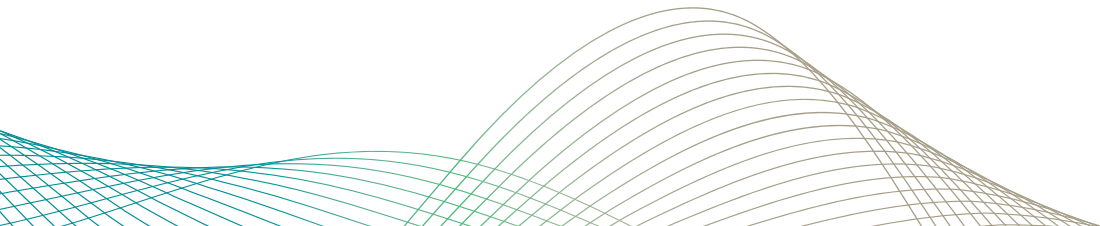


# Introduction

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

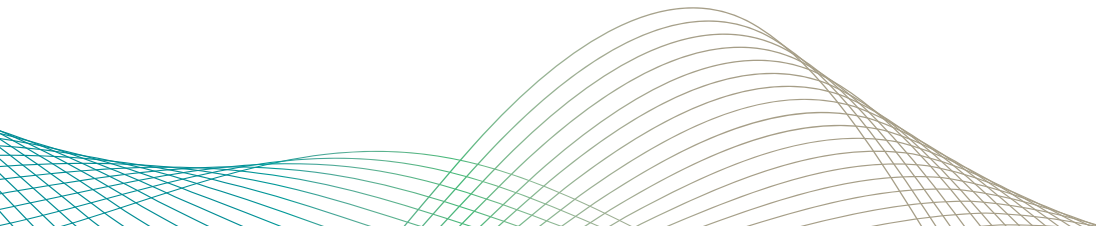


# The Government Budget for FY 2020

(SAR Million)

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

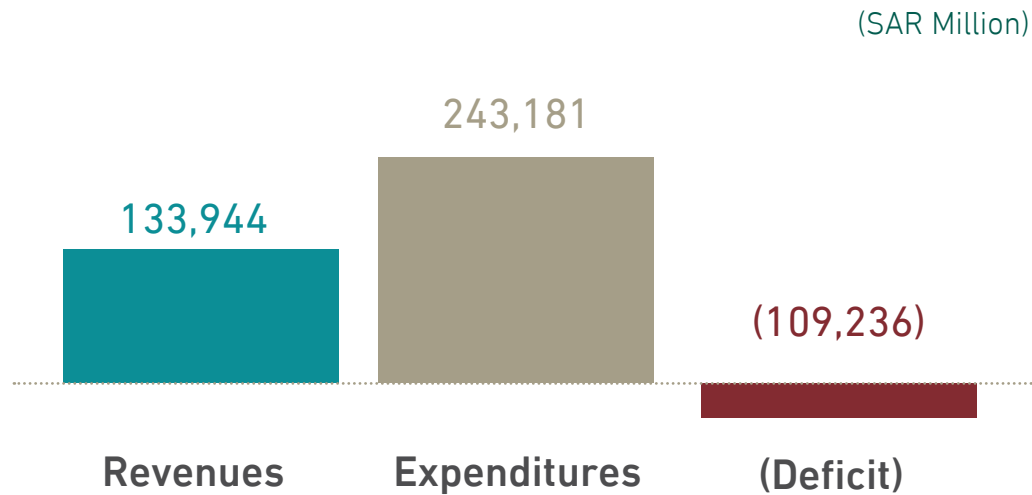
## 03 Summary of H1 Performance





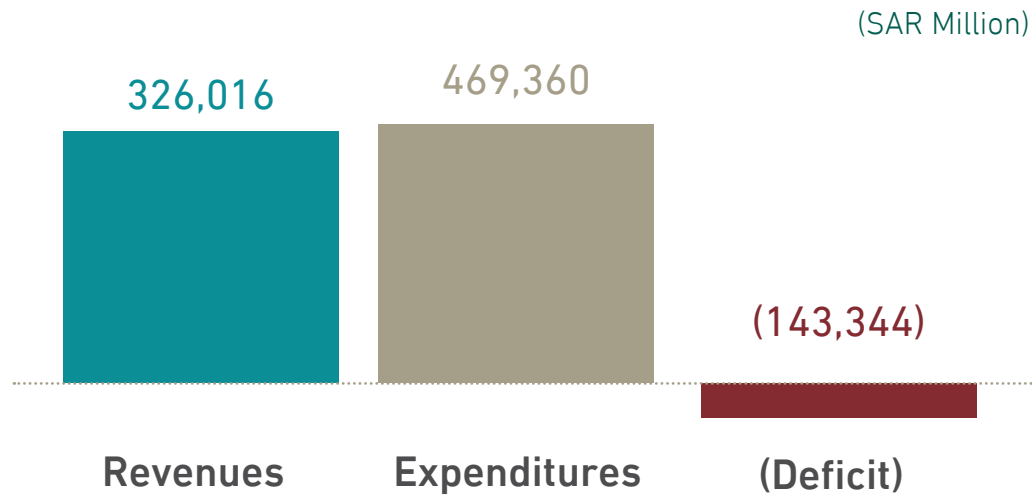
# Summary of Q2 Performance

Actual performance in Q2 of FY 2020



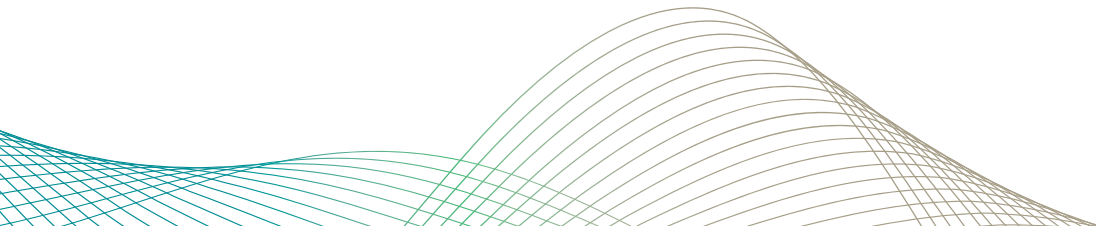
# Summary of H1 Performance

Actual performance in H1 of FY 2020












## 04 Revenues



# Revenues

Actual revenues in H1 of FY 2020

(SAR Million)

Revenues*	Q1	Q2	Total
 <b>Oil Revenues</b>	<b>128,771</b>	<b>95,718</b>	<b>224,489</b>
 Taxes on Income, Profit and Capital Gains (Of which: Foreign Corporate Income Tax)	3,569	1,645	5,214
 Taxes on Goods and Services (Of which: Excise Tax and VAT)	30,604	10,558	41,162
 Taxes on International Trade and Transactions (Customs)	4,021	3,796	7,817
 Other Taxes (Of which: Zakat)	2,060	3,362	5,422
 Other Revenues	23,047	18,866	41,913
 <b>Non-oil Revenues</b>	<b>63,301</b>	<b>38,227</b>	<b>101,527</b>
<b>Total</b>	<b>192,072</b>	<b>133,944</b>	<b>326,016</b>








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



# Revenues

Actual revenues in Q2 of FY 2019 Vs. Q2 of FY 2020

(SAR Million)

Revenues*	Q2 2019	Q2 2020	Change %
 <b>Oil Revenues</b>	<b>174,910</b>	<b>95,718</b>	<b>-45%</b>
 Taxes on Income, Profit and Capital Gains (Of which: Foreign Corporate Income Tax)	6,311	1,645	-74%
 Taxes on Goods and Services (Of which: Excise Tax and VAT)	36,504	10,558	-71%
 Taxes on International Trade and Transactions (Customs)	4,401	3,796	-14%
 Other Taxes (Of which: Zakat)	14,676	3,362	-77%
 Other Revenues	23,904	18,866	-21%
 <b>Non-oil Revenues</b>	<b>85,797</b>	<b>38,227</b>	<b>-55%</b>
<b>Total</b>	<b>260,706</b>	<b>133,944</b>	<b>-49%</b>








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



# Revenues

Actual revenues in H1 of FY 2019 Vs. H1 of FY 2020

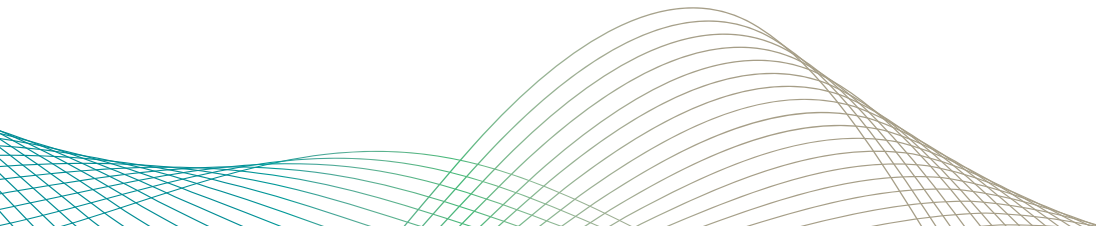
(SAR Million)

Revenues*	H1 2019	H1 2020	Change %
 <b>Oil Revenues</b>	<b>343,997</b>	<b>224,489</b>	<b>-35%</b>
 Taxes on Income, Profit and Capital Gains (Of which: Foreign Corporate Income Tax)	9,053	5,214	-42%
 Taxes on Goods and Services (Of which: Excise Tax and VAT)	77,636	41,162	-47%
 Taxes on International Trade and Transactions (Customs)	7,891	7,817	-1%
 Other Taxes (Of which: Zakat)	21,748	5,422	-75%
 Other Revenues	45,787	41,913	-8%
 <b>Non-oil Revenues</b>	<b>162,115</b>	<b>101,527</b>	<b>-37%</b>
<b>Total</b>	<b>506,112</b>	<b>326,016</b>	<b>-36%</b>

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



## 05 Expenditures













# Expenditures

Actual expenditures in H1 of FY 2020

(SAR Million)

Expenditures*	Q1	Q2	Total
 Compensation of Employees	124,530	124,738	249,267
 Use of Goods and Services	26,941	35,000	61,941
 Financing Expenses	4,646	6,777	11,423
 Subsidies	3,481	9,859	13,340
 Grants	160	2,208	2,368
 Social Benefits	12,975	14,661	27,636
 Other Expenses	25,302	20,679	45,982
 Non-Financial Assets (CAPEX)	28,144	29,259	57,403
<b>Total</b>	<b>226,179</b>	<b>243,181</b>	<b>469,360</b>

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













# Expenditures

Actual expenditures in Q2 of FY 2019 Vs. Q2 of FY 2020

(SAR Million)









Expenditures*	Q2 2019	Q2 2020	Change %
 Compensation of Employees	130,403	124,738	-4%
 Use of Goods and Services	36,318	35,000	-4%
 Financing Expenses	5,353	6,777	27%
 Subsidies	7,224	9,859	36%
 Grants	599	2,208	268%
 Social Benefits	28,222	14,661	-48%
 Other Expenses	25,036	20,679	-17%
 Non-Financial Assets (CAPEX)	61,069	29,259	-52%
<b>Total</b>	<b>294,226</b>	<b>243,181</b>	<b>-17%</b>

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

# Expenditures

Actual expenditures in H1 of FY 2019 Vs. H1 of FY 2020

(SAR Million)










Expenditures*	H1 2019	H1 2020	Change %
 Compensation of Employees	252,210	249,267	-1%
 Use of Goods and Services	51,761	61,941	20%
 Financing Expenses	9,707	11,423	18%
 Subsidies	17,534	13,340	-24%
 Grants	629	2,368	276%
 Social Benefits	45,444	27,636	-39%
 Other Expenses	44,275	45,982	4%
 Non-Financial Assets (CAPEX)	90,237	57,403	-36%
<b>Total</b>	<b>511,796</b>	<b>469,360</b>	<b>-8%</b>

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

# Expenditures

Expenditures in H1 of FY 2020 Vs. H1 of FY 2019

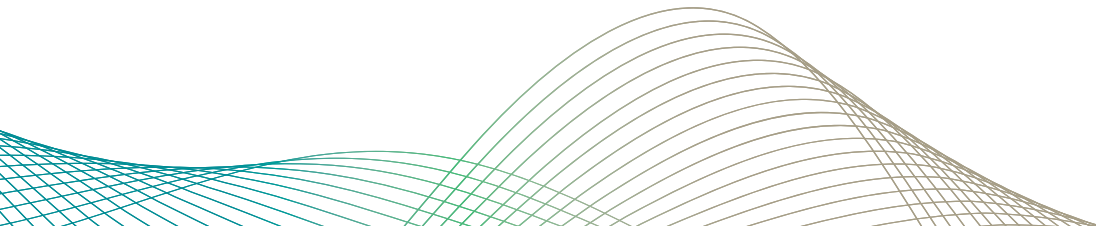
(SAR Million)

Sector	Budget 2020	H1 2020	As % of total budget	H1 2019	Change %
 Public Administration	28,018	14,814	53%	13,469	10%
 Military	181,923	95,635	53%	103,925	-8%
 Security and Regional Administration	102,348	50,005	49%	50,550	-1%
 Municipal Services	53,560	18,904	35%	20,486	-8%
 Education	193,168	95,937	50%	94,507	2%
 Health & Social Development*	166,980	76,383	46%	98,195	-22%
 Economic Resources	97,645	24,877	25%	43,689	-43%
 Infrastructure and Transportation	55,705	27,309	49%	26,057	5%
 General Items	140,652	65,494	47%	60,918	8%
<b>Total</b>	<b>1,020,000</b>	<b>469,360</b>	<b>46%</b>	<b>511,796</b>	<b>-8%</b>

\*It's noteworthy that the actual spending on health services increased by 24%, during the first half of FY 2020, compared to the same period last year.



## 06 Deficit and Financing



# Deficit and Financing

Budget financing in H1 of FY 2020

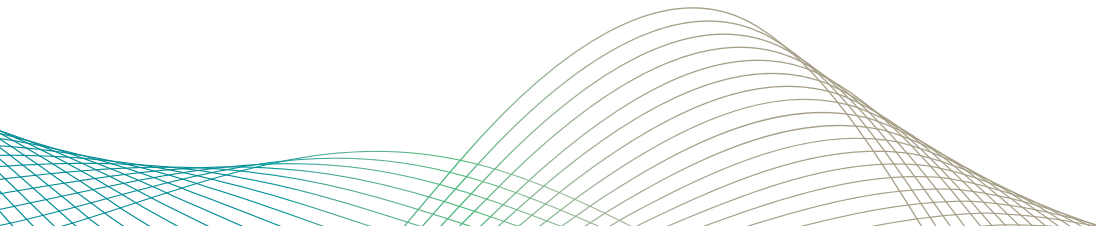
(SAR Million)

Item	Q1	Q2	Total
<b>(Deficit)</b>	<b>(34,107)</b>	<b>(109,236)</b>	<b>(143,344)</b>
<b>Financing Sources</b>			
Current Account	9,000	0	9,000
Government Reserves	0	48,668	48,668
Financing from Domestic Borrowing	11,194	29,924	41,118
Financing from External Borrowing	18,494	26,064	44,558
<b>Total Financing</b>	<b>38,688</b>	<b>104,656</b>	<b>143,344</b>

Debt financing takes into consideration issuances discounts and premiums.



## 07 Public Debt





# Public Debt

Public debt in H1 of FY 2020

(SAR Million)

Public Debt	Public Debt	Domestic	External
	<b>Beginning of Period Balance</b>	<b>677,925</b>	
Issuances or Borrowings	372,764	305,161	
Principal Repayment	96,941	45,000	
Amortization of Government Bonds	0	0	
<b>End of Period Balance</b>	469,705	350,161	
	<b>819,866</b>		

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

Item	Definition
<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>	taxes on the production, activities (Excise Tax and VAT)
<b>Taxes on International Trade and Transactions (Customs)</b>	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.
<b>Other Taxes</b>	Other taxes paid by businesses only (corporate Zakat) and unidentified taxes.
<b>Other Revenues</b>	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.
<b>Compensation of Employees</b>	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.
<b>Use of Goods and Services</b>	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.
<b>Financing Expenses</b>	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.
<b>Subsidies</b>	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.
<b>Grants</b>	Non-mandatory transfers in cash or goods payable to other government units or international organizations.
<b>Social Benefits</b>	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.
<b>Other Expenses</b>	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.
<b>Non-Financial Assets (CAPEX)</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.



وزارة المالية  
Ministry of Finance

