



REPUBLIC OF CYPRUS



STATISTICAL SERVICE
1444 NICOSIA

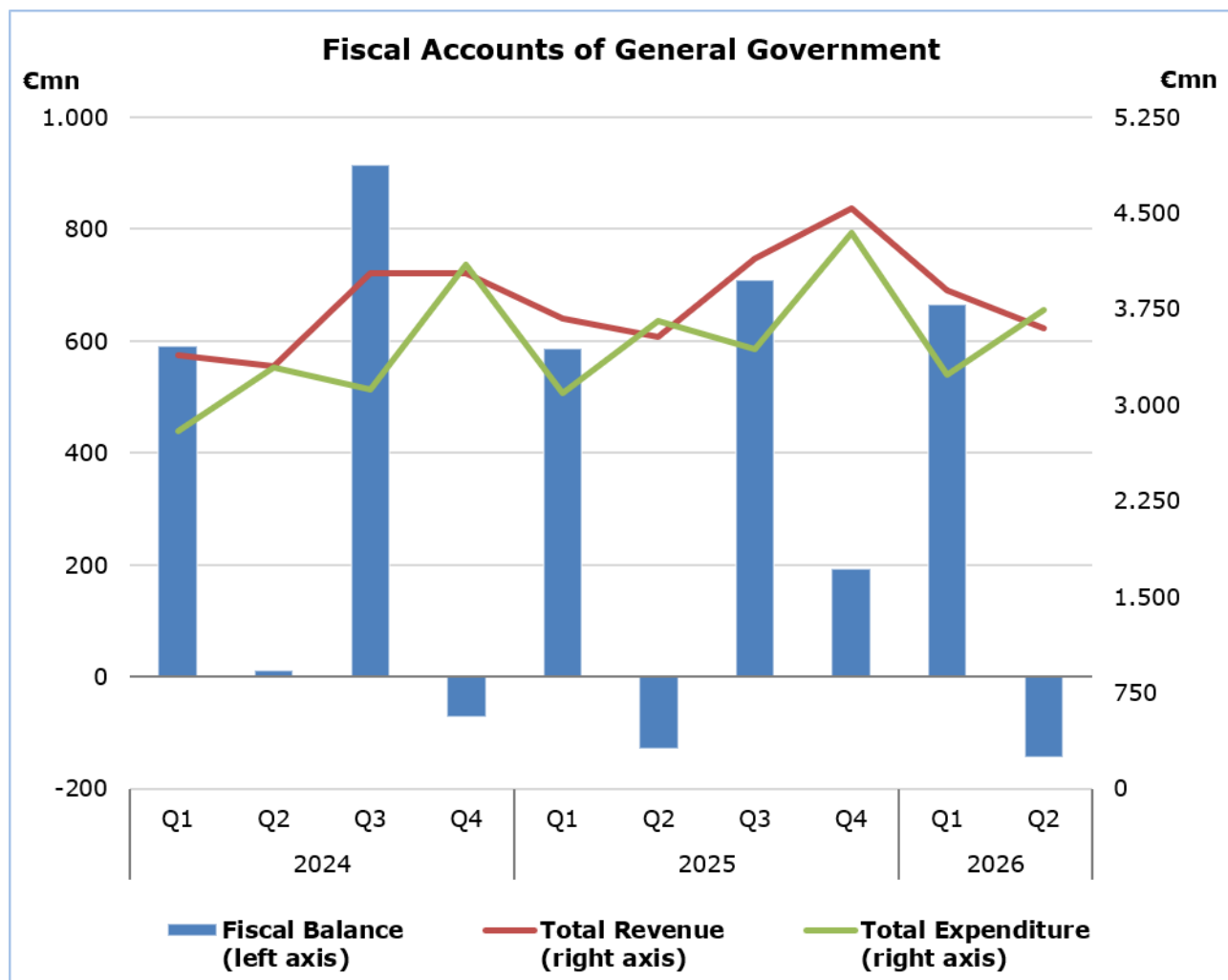
26 October, 2026

PRESS RELEASE

QUARTERLY FISCAL ACCOUNTS OF GENERAL GOVERNMENT: 2nd QUARTER 2026

Deficit €142,7 mn

The preliminary General Government fiscal results, which are prepared by the Statistical Service of Cyprus (CYSTAT) indicate a deficit of €142,7 mn for the period of April-June 2026, as compared to a deficit of €127,9 mn that was recorded during the period of April-June 2025.



Revenue

During the period of April-June 2026, total revenue increased by €69,1 mn (+2,0%) and amounted to €3.601,0 mn, compared to €3.531,9 mn in the corresponding period of 2025.

In detail, social contributions increased by €81,1 mn (+6,9%) and amounted to €1.258,5 mn, compared to €1.177,4 mn in the second quarter of 2025. Taxes on production and imports increased by €94,8 mn (+8,3%) and amounted to €1.242,3 mn, compared to €1.147,5 mn in the corresponding quarter of 2025, of which net VAT revenue increased by €140,5 mn (+19,0%) and amounted to €879,4 mn, compared to €738,9 mn in the corresponding quarter of 2025.

On the contrary, capital transfers decreased by €31,1 mn (-26,2%) and amounted to €87,6 mn, compared to €118,7 mn in the corresponding quarter of 2025. Revenue from taxes on income and wealth decreased by €7,7 mn (-1,3%) and amounted to €600,9 mn, compared to €608,6 mn in the corresponding quarter of 2025. Other current transfers decreased by €32,2 mn to €108,5 mn, from €140,8 mn in the second quarter of 2025. Revenue from the sale of goods and services decreased by €12,2 mn (-4,8%) to €242,5 mn, from €254,7 mn in the corresponding quarter of 2025. Property income receivable decreased by €23,6 mn (-28,0%) to €60,7 mn from €84,3 mn in the corresponding quarter of 2025.

Expenditure

During the period of April-June 2026, total expenditure increased by €84,0 mn (+2,3%) and amounted to €3.743,7 mn, from €3.659,8 mn in the corresponding period of 2025.

Specifically, social transfers increased by €77,2 mn (+5,3%) and amounted to €1.540,9 mn, compared to €1.463,7 mn in the second quarter of 2025. Compensation of employees (including imputed social contributions and pensions of civil servants) increased by €39,0 mn (+4,0%) and amounted to €1.004,9 mn, compared to €965,9 mn in the corresponding quarter of 2025. Intermediate consumption increased by €72,9 mn (+20,2%) and amounted to €434,6 mn, compared to €361,7 mn in the corresponding quarter of 2025. Property income payable increased by €12,0 mn (+6,9%) and amounted to €184,9 mn, compared to €172,9 mn in the corresponding quarter of 2025.

On the contrary, the capital account decreased by €99,4 mn (-24,2%) and amounted to €310,9 mn (€261,3 mn capital formation and €49,6 mn capital transfers), compared to €410,3 mn (€263,4 mn capital formation and €146,9 mn capital transfers) in the corresponding quarter of 2025. Subsidies decreased by €9,1 mn (-28,1%) to €23,3 mn, from €32,4 mn in the second quarter of 2025. Other current expenditure decreased by €8,6 mn (-3,4%) and amounted to €244,2 mn, compared to €252,9 mn in the corresponding quarter of 2025.

Table 1

Macroeconomic Aggregates of General Government	Euro (million)		Change	
	Fiscal Results		Difference	(%)
	Q2 2025	Q2 2026	Q2 2026/25	Q2 2026/25
Total Revenue	3.531,9	3.601,0	69,1	2,0
Taxes on Production and Imports	1.147,5	1.242,3	94,8	8,3
<i>of which VAT (net of refunds)</i>	738,9	879,4	140,5	19,0
Current Taxes on Income and Wealth, etc	608,6	600,9	-7,7	-1,3
Social Contributions	1.177,4	1.258,5	81,1	6,9
Other Current Resources	479,7	411,7	-68,0	-14,2
Property income receivable	84,3	60,7	-23,6	-28,0
Current transfers	140,8	108,5	-32,2	-22,9
Sales	254,7	242,5	-12,2	-4,8
Capital Transfers Received	118,7	87,6	-31,1	-26,2
Total Expenditure	3.659,8	3.743,7	84,0	2,3
Total Current Expenditure	3.249,5	3.432,8	183,4	5,6
Intermediate consumption	361,7	434,6	72,9	20,2
Compensation of employees	965,9	1.004,9	39,0	4,0
Social transfers	1.463,7	1.540,9	77,2	5,3
Property income payable	172,9	184,9	12,0	6,9
Subsidies	32,4	23,3	-9,1	-28,1
Other current expenditure	252,9	244,2	-8,6	-3,4
Total Capital Expenditure	410,3	310,9	-99,4	-24,2
Gross capital formation	263,4	261,3	-2,1	-0,8
Other capital expenditure	146,9	49,6	-97,3	-66,2
Net Lending (+)/Net Borrowing (-)	-127,9	-142,7	-14,8	
% of GDP	-0,3%	-0,4%		

The Net Lending/Net Borrowing of the General Government for the second quarter of 2026 and 2025 respectively, which is presented above and analysed as follows:

Table 2

Net Lending (+)/Net Borrowing (-) by Subsector of the General Government	Q2 2025 (€ mn)	Q2 2026 (€ mn)
Central Government	-441,3	-462,6
Local Government	-0,2	3,9
Social Security Funds	313,6	316,0
General Government	-127,9	-142,7

METHODOLOGICAL INFORMATION

Data Coverage and Methodology

Information is provided for the whole sequence of accounts for the General Government sector. The revenue and expenditure are analyzed by category and these are classified between current and capital, respectively.

The categories of revenue and expenditure for General Government cover all the subsectors of the General Government based on the European System of Accounts 2010 (ESA 2010).

Source of Data

The data is collected from:

- Financial Information Management Automation System (FIMAS) for Central Government, Extra Budgetary Funds and Social Security Funds,
- Budget execution of Municipalities and Communities,
- Budget execution of Semi-Government Organizations.

For the completion of the estimates, any methodological adjustments or corrections based on the European System of Accounts 2010 (ESA 2010) are taken into account.

For more information:

CYSTAT Portal, subtheme [Public Finance](#)

[CYSTAT-DB](#) (Online Database)

[Predefined Tables](#) (Excel)

[Methodological Information](#)

Contact

Christodoulou Antigoni: Tel: +35722602179, Email: achristodoulou@cystat.mof.gov.cy