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Local Government Debt

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General information

INTRODUCTORY NOTE⁽¹⁾

This series of the Supplements to the Statistical Bulletin, published once a year, contains detailed information on local government debt. The data refer to the period 2003-08⁽²⁾ and statistics are also published for the first half of 2009. The composition of local government debt by instrument is provided for each Italian region, and both the composition by instrument and the distribution by level of government (regions and autonomous provinces, provinces, municipalities and other entities) are provided for each of the four macro-regions (the North-West, the North-East, the Centre and the South and Islands).

For the first time this edition also contains information on financial derivative transactions entered into by local government bodies (Table 33). The market value of the transactions and the number of entities involved are shown for each region. The figures are to be considered as providing an underestimate of the overall volume of business as they are prepared on the basis of Supervisory Statistical Reports and Central Credit Register data, which cover only contracts entered into with intermediaries operating in Italy. It has been estimated that the market share of intermediaries not operating in Italy, which are mainly used by large local government bodies, is about 60 per cent⁽³⁾. As noted hereinafter, negative market values for local government and corresponding positive market values for banks do not contribute to the former's debt. Note that observation threshold of the Central Credit Register (concerning the market value of the transactions) has been reduced from €75,000 to €30,000 as of January 2009; this change has resulted in the recording of a number of small operations not previously included. For this reason the figures for June 2009 are not comparable with those of previous periods, especially regarding the number of local government bodies.

Local government debt is calculated using the methodology established in European Council Regulation no. 3605/93 by summing the following categories of financial liabilities: currency and deposits, non-equity securities and loans⁽⁴⁾. It therefore does not include derivative financial instruments or liabilities stemming from the delay in payments related to supplies of goods and services. In the spring of 2008 Eurostat clarified that loans had to include advances (or "upfronts") received by general government bodies at the time of signing derivative contracts. To take into account such a clarification, with reference to those received by local government bodies, the Bank of Italy has conducted a survey of the main Italian banks and included the information in the statistics. The upfronts paid by the intermediaries were moreover very small.

At the end of 2008 local government debt amounted to €106.6 billion and accounted for 6.4 per cent of total general government debt, one of the parameters for the budgetary rules established at European level. The ratio of local government debt to GDP was 6.8 per cent (Figure 1). The ratio decreased slightly (by 0.3 percentage points compared with the previous year), after rising by 0.8 points in 2005 and 1 point in 2006 and remaining stable in 2007 (Figure 2)⁽⁵⁾. In relation to macro-regional GDP, local government debt was 5.8 per cent in the North-West, 4.6 per cent in the North-East, 8.5 per cent in the Centre and 8.7 per cent in the South and Islands (Figure 3)⁽⁶⁾. The movements in these debt ratios over the last four years are shown for each region in Figure 4.

Considering the breakdown of local government debt by macro-region, 42.6 per cent was contracted by bodies in the North of Italy (27.3 per cent in the North-West and 15.3 per cent in the North-East); 27 per cent by bodies in the Centre and 30.4 per cent in the South and Islands (Figure 5A). As for the distribution by type of body, 44.6 per cent of the debt was contracted by municipalities; 38.8 per cent by regions; 8.5 per cent by provinces and 8.1 per cent by other local government bodies, mainly those providing health services (Figure 5B).

With reference to the distribution by instrument, 30.8 per cent of local government debt consisted of loans from resident monetary financial institutions (MFIs), 33.8 per cent of loans from Cassa depositi e prestiti s.p.a., and 2.2 per cent of loans from non-resident intermediaries (Figure 5C). Bonds issued abroad accounted for 18.4 per cent of the total debt, those

issued in Italy for 9.9 per cent; other transactions, mainly securitizations qualifying as loans on the basis of the criteria established by Eurostat, accounted for 4.9 per cent.

The development of local government debt in the period 2003-08 by geographical area, type of local government body and financial instrument is shown in Figures 6A-C. With reference to the breakdown by instrument, it is worth noting the significant increase in loans and the contraction in other transactions in 2008 compared with the previous year.

In particular, the loan component of total local government debt rose from 63.1 per cent in 2007 to 66.8 per cent. The growth reflects the increase in the loans disbursed by Cassa Depositi e Prestiti s.p.a., which saw its share rise from 30.3 to 33.8 per cent. Between 2003 and 2008 the ratio of such loans to GDP rose from 1.5 to 2.3 per cent. The bulk of Cassa lending is to municipalities, the share going to regions is smaller, while the shares going to provinces and other entities are marginal.

The reduction in the other transactions component from 9 to 4.9 per cent of the total debt reflected the significant fall in liabilities associated with securitizations (from €9.5 billion to €4.7 billion), primarily as a consequence of the early termination of health sector securitizations following advances granted by the State to some Regions.

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- 1) Prepared by Alfredo Bardozzetti and Raffaella Giordano, with the assistance of Enrico Bonamici.
 - 2) The complete series from 1998 onwards is available in the historical tables section of the Bank of Italy's website: <http://bip.bancaditalia.it/4972unix/homebipentry.htm?dadove=corr&lang=eng>.
 - 3) See the statements by the Under Secretary to the Ministry for the Economy and Finance and the Director General of Consob on respectively 25 February 2009 and 18 March 2009 to the 6th Finance and Treasury Committee of the Italian Senate as part of its "Inquiry into the use of financial derivatives and securitizations in general government".
 - 4) The local government debt considered excludes liabilities held by other general government bodies.
 - 5) The ratio of debt to GDP was influenced by some reclassifications made by Istat in 2009. In particular, the companies in the Equitalia s.p.a. group were transferred from local to central government; the transfer of these companies liabilities between the two sectors reduced local government debt by €5.3 billion, €1.2 billion and €0.5 billion in respectively 2006, 2007 and 2008. The inclusion of Serit s.p.a., previously not included in general government, in local government caused an increase in this sector's debt of €0.6 billion in 2007 and €0.5 billion in 2008.
 - 6) The source for regional GDP is Istat, *Conti economici regionali*.

Local Government Debt

Figure 1

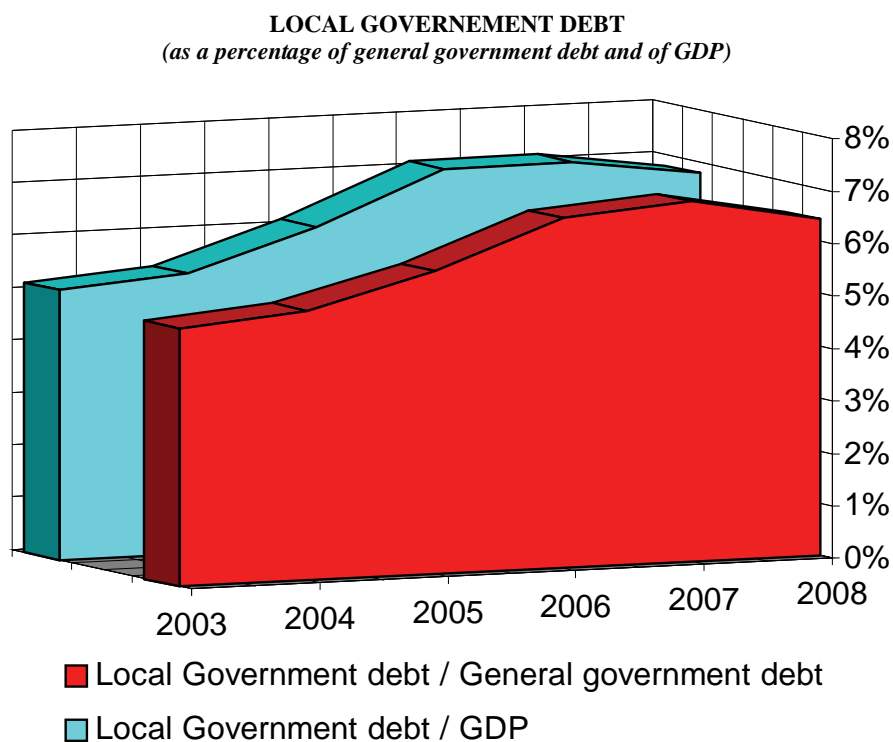
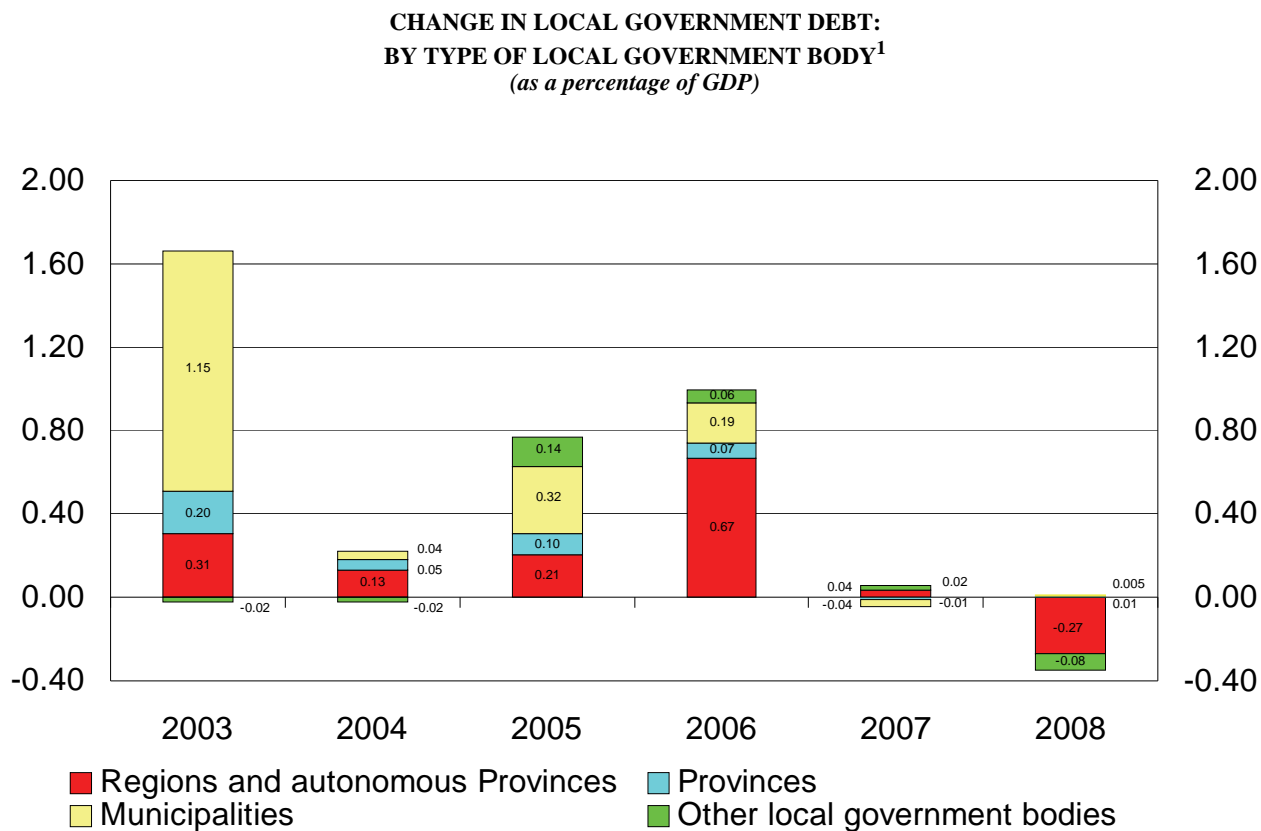


Figure 2



1. Most of the increase occurred in 2003 was due to accounting reasons and linked to the reclassification of Cassa depositi e prestiti S.p.A. outside general government.

Local Government Debt

Figure 3

LOCAL GOVERNMENT DEBT BY MACRO-REGION
(as a percentage of macro-regional GDP)

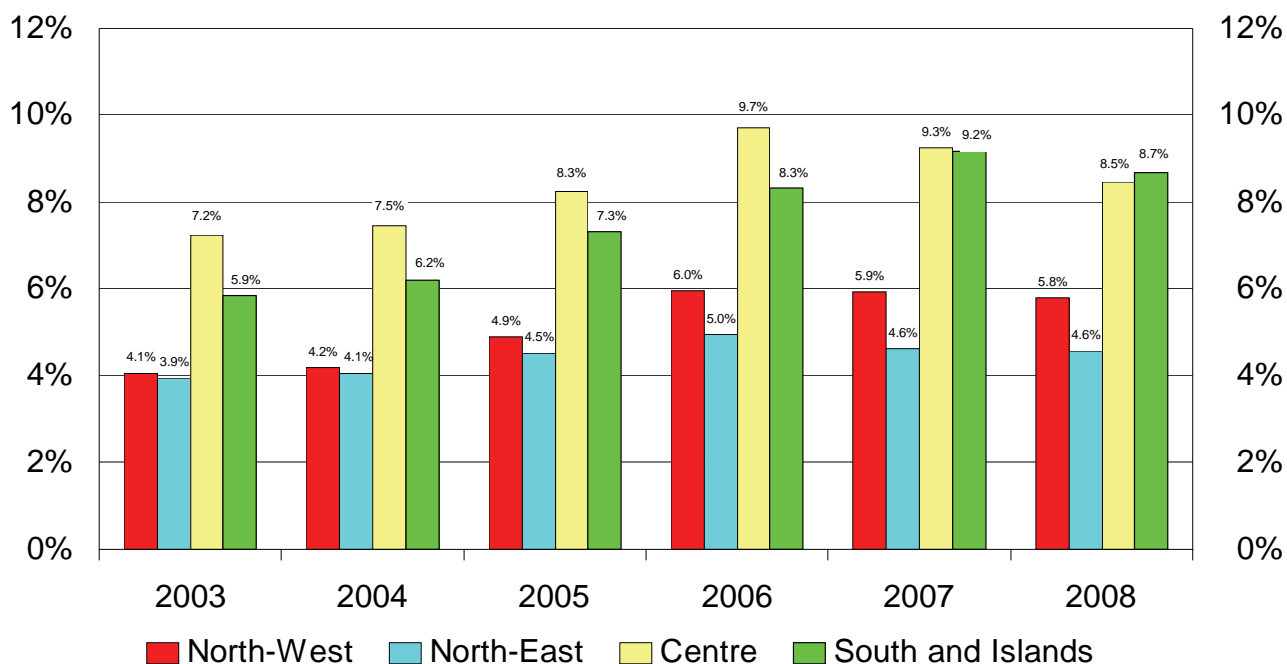
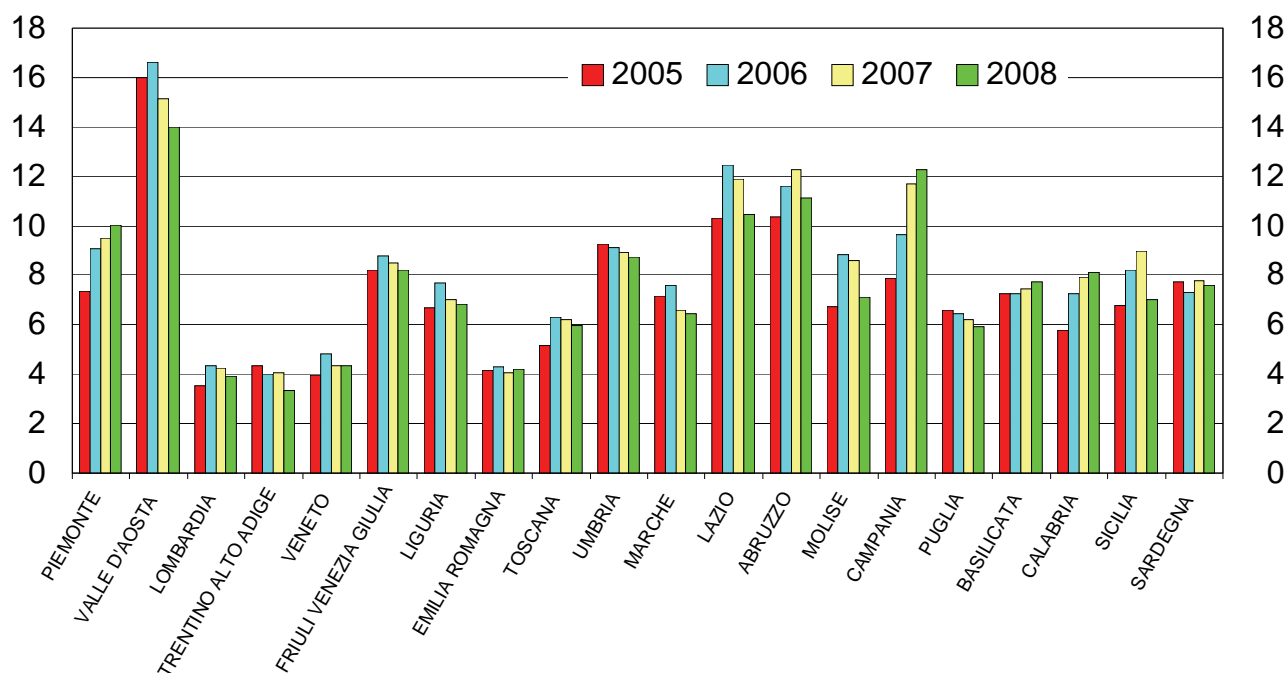


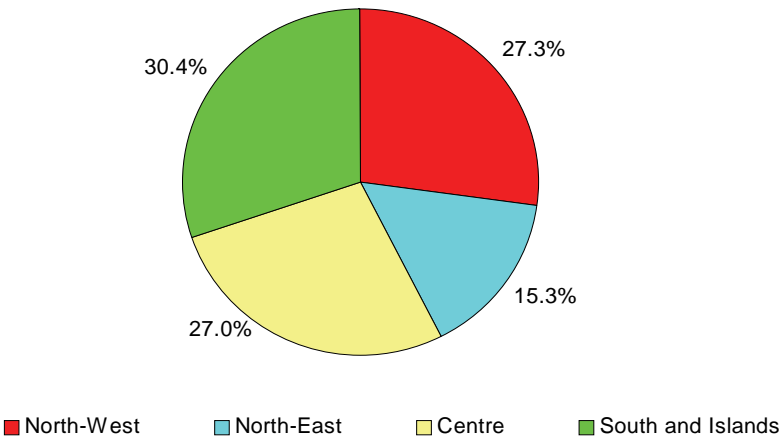
Figure 4

LOCAL GOVERNMENT DEBT BY REGION
(as a percentage of macro-regional GDP)

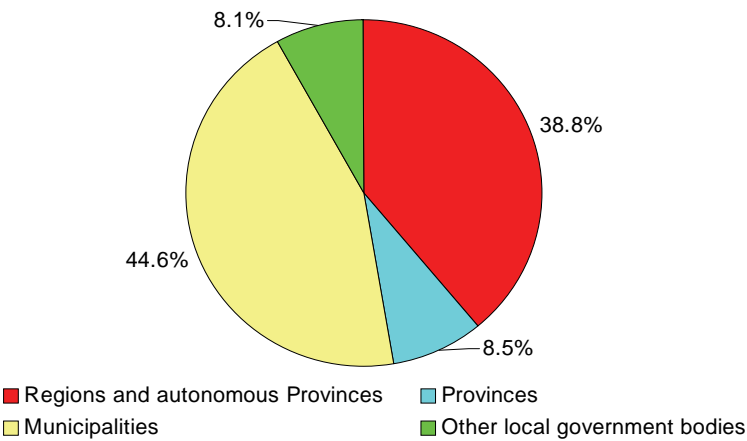


LOCAL GOVERNMENT DEBT IN 2008

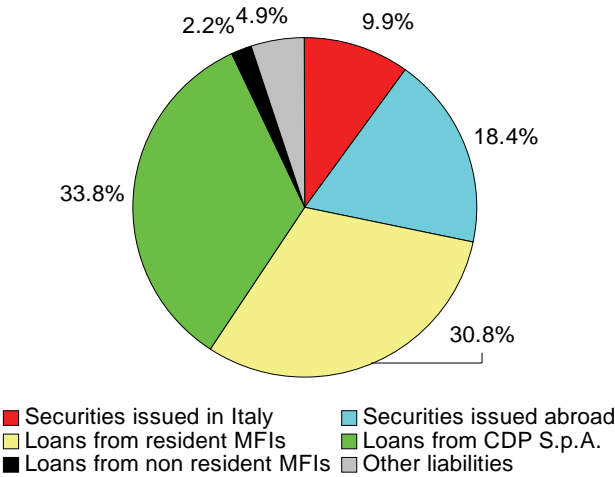
A) BY MACRO-REGION



B) BY TYPE OF LOCAL GOVERNMENT BODY

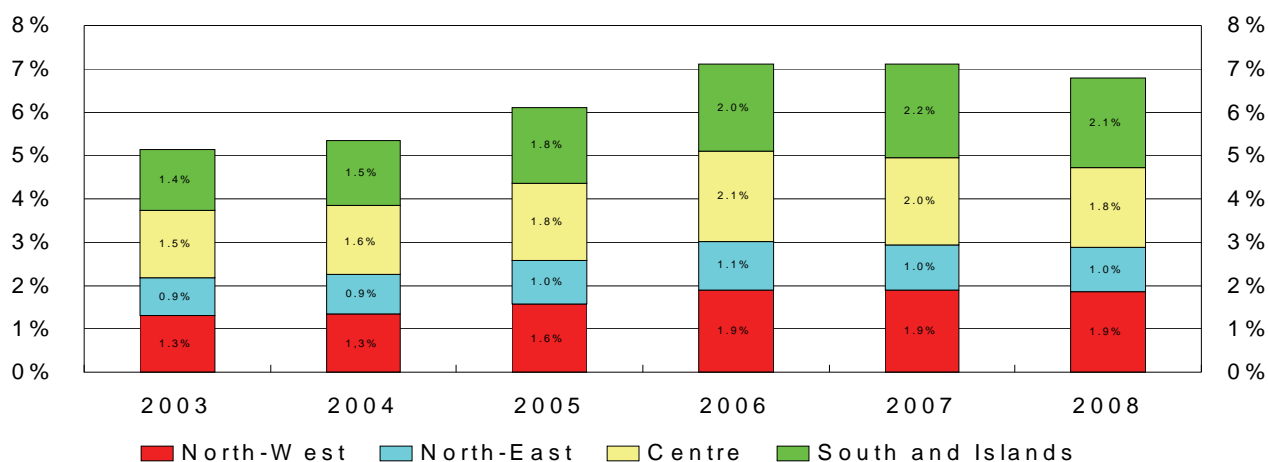


C) BY INSTRUMENT

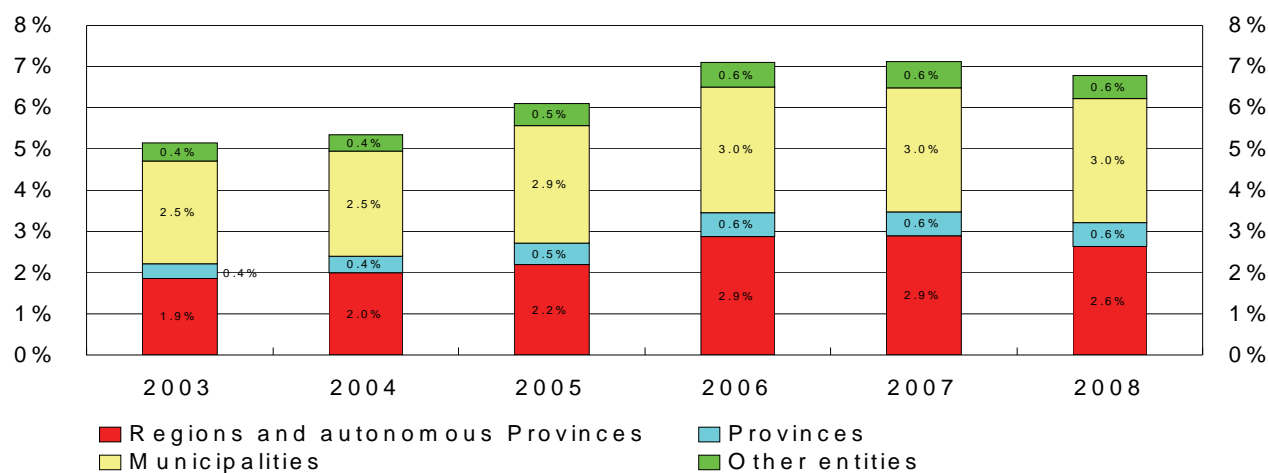


LOCAL GOVERNMENT DEBT IN 2003-2008
(as a percentage of GDP)

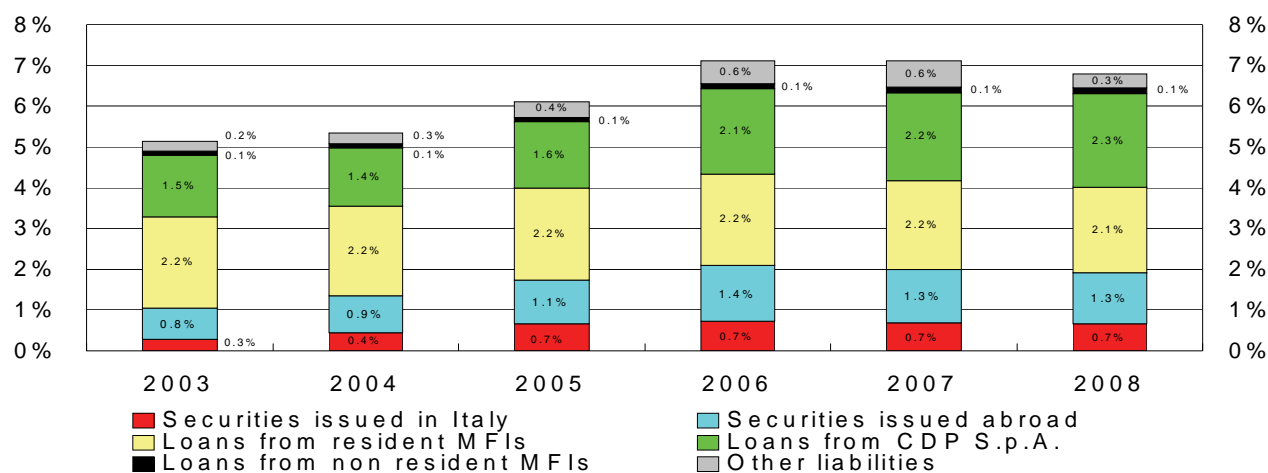
A) BY MACRO-REGION



B) BY TYPE OF LOCAL GOVERNMENT BODY



C) BY INSTRUMENT



Local Government Debt at 30 June 2009

Table 1

By type of local government body

(millions of euros)

	Regions	Provinces	Municipalities	Other local government bodies	Total
North-West	10,192	3,047	14,768	1,988	29,995
North-East	4,114	1,869	8,374	1,814	16,171
Centre	11,467	1,963	13,702	2,534	29,666
South and Islands	16,924	2,217	11,397	2,864	33,402
Total	42,697	9,096	48,242	9,200	109,235

Table 2

By instrument

(millions of euros)

	Securities issued in Italy	Securities issued abroad	Loans from resident MFIs and CDP S.p.A.	Loans from non resident MFIs	Other liabilities	Total
Piedmont	1,435	2,215	9,984	..	67	13,700
Valle d'Aosta .....	..	395	169	..	3	566
Lombardy	1,355	2,384	8,855	78	114	12,786
Trentino Alto Adige	58	14	1,040	..	5	1,118
Veneto	1,024	1,396	3,897	..	38	6,354
Friuli-Venezia Giulia	77	1,368	1,451	..	15	2,911
Liguria	676	638	1,595	16	19	2,944
Emilia-Romagna	1,372	47	3,988	350	31	5,788
Tuscany	1,006	438	4,738	133	38	6,352
Umbria	220	719	938	..	11	1,888
Marche	229	415	1,919	79	15	2,656
Lazio	316	3,194	13,047	813	1,400	18,770
Abruzzo	419	1,023	1,276	..	693	3,412
Molise	7	233	217	..	2	460
Campania	623	2,157	6,846	259	2,422	12,306
Puglia	661	619	3,092	85	26	4,483
Basilicata	130	27	638	81	5	881
Calabria	309	..	2,573	..	16	2,898
Sicily	332	930	4,743	383	67	6,456
Sardinia	106	927	1,397	65	13	2,507
Total	10,354	19,139	72,401	2,342	4,998	109,235

Local Government Debt

Table 3
TALE0340

By type of local government: Italy (millions of euros)

	Regions	Provinces	Municipalities	Other local government bodies	Total
	S934238Y	S130005Y	S187979Y	S057288Y	S118869Y
2003	24,869	4,790	33,318	5,670	68,647
2004	27,738	5,685	35,286	5,630	74,339
2005	31,429	7,282	40,834	7,793	87,338
2006	42,583	8,660	45,299	9,017	105,559
2007	44,841	8,828	46,569	9,722	109,961
2008	41,346	9,061	47,543	8,687	106,637

Table 4
TALE0350

By instrument: Italy (millions of euros)

	Securities issued in Italy	Securities issued abroad	Loans from resident MFIs and CDP S.p.A.	Loans from non resident MFIs	Other liabilities	Total
	S937378Y	S334913Y	S345300Y	S356180Y	S362774Y	S118869Y
2003	3,846	10,189	49,979	1,376	3,257	68,647
2004	6,066	12,824	50,487	1,342	3,620	74,339
2005	9,537	15,374	55,503	1,332	5,592	87,338
2006	10,827	20,390	64,259	1,852	8,231	105,559
2007	10,651	20,052	67,111	2,265	9,881	109,961
2008	10,554	19,658	68,920	2,297	5,208	106,637

Local Government Debt

Table 5
TALE0100

By type of local government: North-West
(millions of euros)

	Regions	Provinces	Municipalities	Other local government bodies	Total
	S650524Y	S196306Y	S202769Y	S983181Y	S988310Y
2003	3,996	1,744	10,471	1,229	17,440
2004	4,587	1,707	10,916	1,417	18,628
2005	5,321	2,288	12,777	2,017	22,404
2006	9,301	2,791	13,957	2,134	28,183
2007	9,033	2,928	14,443	2,791	29,195
2008	9,474	2,971	14,710	1,942	29,097

Table 6
TALE0110

By type of local government: North-East
(millions of euros)

	Regions	Provinces	Municipalities	Other local government bodies	Total
	S998634Y	S208347Y	S213901Y	S024800Y	S038222Y
2003	3,324	1,067	6,293	1,109	11,792
2004	3,770	1,319	6,439	1,127	12,655
2005	4,149	1,620	7,225	1,475	14,469
2006	4,871	1,725	8,248	1,730	16,574
2007	4,767	1,775	8,073	1,592	16,207
2008	4,356	1,875	8,250	1,856	16,336

Local Government Debt

Table 7
TALE0120

By type of local government: Centre

(millions of euros)

	Regions	Provinces	Municipalities	Other local government bodies	Total
	S043607Y	S218539Y	S223763Y	S067924Y	S148235Y
2003	6,936	953	10,393	2,287	20,568
2004	8,402	1,353	10,802	1,839	22,396
2005	9,260	1,566	12,100	2,481	25,407
2006	13,420	2,007	12,993	2,666	31,087
2007	12,996	1,921	13,489	2,524	30,931
2008	10,981	1,959	13,626	2,273	28,839

Table 8
TALE0130

By type of local government: South and Islands

(millions di euros)

	Regions	Provinces	Municipalities	Other local government bodies	Total
	S213718Y	S229766Y	S237693Y	S303320Y	S391764Y
2003	10,614	1,026	6,161	1,046	18,847
2004	10,979	1,305	7,129	1,246	20,660
2005	12,699	1,808	8,732	1,820	25,059
2006	14,991	2,137	10,100	2,488	29,715
2007	18,045	2,204	10,564	2,815	33,628
2008	16,535	2,257	10,957	2,617	32,366

Local Government Debt

Table 9
TALE0360

By instrument: North West (millions of euros)

	Securities issued in Italy	Securities issued abroad	Loans from resident MFIs and CDP S.p.A.	Loans from non resident MFIs	Other liabilities	Total
	S142250Y	S327296Y	S356958Y	S480255Y	S895605Y	S988310Y
2003	1,575	1,754	13,685	174	253	17,440
2004	2,433	1,895	13,942	124	234	18,628
2005	3,290	3,562	15,223	117	212	22,404
2006	3,645	5,689	18,483	110	257	28,183
2007	3,597	5,544	19,749	103	202	29,195
2008	3,538	5,748	19,504	96	210	29,097

Table 10
TALE0370

By instrument: North East (millions of euros)

	Securities issued in Italy	Securities issued abroad	Loans from resident MFIs and CDP S.p.A.	Loans from non resident MFIs	Other liabilities	Total
	S938057Y	S079255Y	S199244Y	S215655Y	S240714Y	S038222Y
2003	1,181	902	9,425	125	159	11,792
2004	1,560	1,493	9,268	135	199	12,655
2005	2,326	1,965	9,776	190	213	14,469
2006	2,471	2,996	10,655	241	211	16,574
2007	2,474	3,030	10,293	269	141	16,207
2008	2,561	2,900	10,476	302	96	16,336

Local Government Debt

Table 11
TALE0380

By instrument: Centre (millions of euros)

	Securities issued in Italy	Securities issued abroad	Loans from resident MFIs and CDP S.p.A.	Loans from non resident MFIs	Other liabilities	Total
	S254372Y	S267276Y	S290661Y	S306264Y	S368111Y	S148235Y
2003	667	3,611	14,195	337	1,758	20,568
2004	851	4,431	14,462	448	2,203	22,396
2005	1,559	4,675	15,687	412	3,074	25,407
2006	1,891	4,988	18,406	621	5,182	31,087
2007	1,856	5,097	18,341	960	4,677	30,931
2008	1,815	4,896	19,572	1,009	1,546	28,839

Table 12
TALE0390

By instrument: South and Islands (millions of euros)

	Securities issued in Italy	Securities issued abroad	Loans from resident MFIs and CDP S.p.A.	Loans from non resident MFIs	Other liabilities	Total
	S464206Y	S850021Y	S955576Y	S961359Y	S973236Y	S391764Y
2003	423	3,922	12,674	740	1,087	18,847
2004	1,221	5,005	12,814	635	984	20,660
2005	2,362	5,173	14,818	614	2,093	25,059
2006	2,820	6,717	16,715	881	2,581	29,715
2007	2,725	6,382	18,728	932	4,862	33,628
2008	2,639	6,114	19,367	890	3,355	32,366

Local Government Debt

Table 13

TALE0140

By instrument: Piedmont

(millions of euros)

	Securities issued in Italy	Securities issued abroad	Loans from resident MFIs and CDP S.p.A.	Loans from non resident MFIs	Other Liabilities	Total
	S253447Y	S077066Y	S916549Y	S956095Y	S786042Y	S607098Y
2003	934	43	4,507	..	44	5,527
2004	1,310	41	4,814	..	43	6,208
2005	1,617	38	6,841	..	50	8,546
2006	1,562	1,893	7,422	..	63	10,940
2007	1,508	1,878	8,425	..	47	11,858
2008	1,461	2,224	8,956	..	64	12,705

Table 14

TALE0150

By instrument: Valle d'Aosta

(millions of euros)

	Securities issued in Italy	Securities issued abroad	Loans from resident MFIs and CDP S.p.A.	Loans from non resident MFIs	Other Liabilities	Total
	S646247Y	S878239Y	S935597Y	S944561Y	S957841Y	S991981Y
2003	495	194	..	3	692
2004	466	188	..	3	657
2005	439	183	..	3	626
2006	485	184	..	3	673
2007	454	179	..	2	635
2008	424	172	..	3	599

Table 15

TALE0160

By instrument: Lombardia

(millions of euros)

	Securities issued in Italy	Securities issued abroad	Loans from resident MFIs and CDP S.p.A.	Loans from non resident MFIs	Other Liabilities	Total
	S996140Y	S020483Y	S034495Y	S041616Y	S054774Y	S076821Y
2003	348	1,094	7,170	110	178	8,901
2004	739	971	7,260	104	162	9,236
2005	1,100	2,682	6,564	98	137	10,581
2006	1,434	2,613	9,122	91	166	13,426
2007	1,417	2,539	9,500	86	134	13,675
2008	1,381	2,446	8,766	80	123	12,797

Local Government Debt

Table 16
TALE0170

By instrument: Trentino Alto Adige

(millions of euros)

	Securities issued in Italy	Securities issued abroad	Loans from resident MFIs and CDP S.p.A.	Loans from non resident MFIs	Other liabilities	Total
	S088257Y	S106172Y	S114943Y	S126554Y	S155260Y	S174673Y
2003 .....	..	22	880	..	6	909
2004 .....	..	21	1,017	..	6	1,044
2005	54	20	1,203	..	7	1,284
2006	50	18	1,172	..	7	1,247
2007	63	17	1,239	..	5	1,323
2008	58	15	1,030	..	6	1,109

Table 17
TALE0180

By instrument: Veneto

(millions of euros)

	Securities issued in Italy	Securities issued abroad	Loans from resident MFIs and CDP S.p.A.	Loans from non resident MFIs	Other liabilities	Total
	S216163Y	S224275Y	S233749Y	S243347Y	S282897Y	S293921Y
2003	609	283	3,550	..	86	4,528
2004	828	570	3,410	..	79	4,887
2005	1,032	645	3,559	..	95	5,331
2006	1,056	1,463	4,109	..	93	6,721
2007	1,043	1,432	3,775	..	43	6,293
2008	1,050	1,411	3,894	..	42	6,396

Table 18
TALE0190

By instrument: Friuli-Venezia Giulia

(millions of euros)

	Securities issued in Italy	Securities issued abroad	Loans from resident MFIs and CDP S.p.A.	Loans from non resident MFIs	Other liabilities	Total
	S314919Y	S347091Y	S369442Y	S390787Y	S402597Y	S411720Y
2003	15	548	1,272	..	18	1,853
2004	36	841	1,176	..	69	2,123
2005	97	1,242	1,258	..	69	2,666
2006	91	1,460	1,367	..	70	2,989
2007	86	1,530	1,351	..	65	3,031
2008	80	1,425	1,436	..	16	2,957

Local Government Debt

Table 19

TALE0200

By instrument: Liguria

(millions of euros)

	Securities issued in Italy	Securities issued abroad	Loans from resident MFIs and CDP S.p.A.	Loans from non resident MFIs	Other liabilities	Total
	S420629Y	S435413Y	S459775Y	S475794Y	S496378Y	S505392Y
2003.....	293	122	1,814	64	27	2,320
2004.....	384	417	1,681	20	26	2,527
2005.....	573	402	1,634	19	23	2,651
2006.....	649	698	1,755	18	25	3,144
2007.....	671	673	1,646	17	19	3,027
2008.....	696	654	1,609	16	20	2,995

Table 20

TALE0210

By instrument: Emilia-Romagna

(millions of euros)

	Securities issued in Italy	Securities issued abroad	Loans from resident MFIs and CDP S.p.A.	Loans from non resident MFIs	Other liabilities	Total
	S516943Y	S527781Y	S535338Y	S543815Y	S551812Y	S560172Y
2003.....	557	48	3,723	125	49	4,502
2004.....	696	61	3,665	135	45	4,602
2005.....	1,143	58	3,755	190	41	5,187
2006.....	1,274	55	4,006	241	41	5,617
2007.....	1,283	52	3,928	269	28	5,560
2008.....	1,373	49	4,116	302	33	5,873

Table 21

TALE0220

By instrument: Tuscany

(millions of euros)

	Securities issued in Italy	Securities issued abroad	Loans from resident MFIs and CDP S.p.A.	Loans from non resident MFIs	Other liabilities	Total
	S586964Y	S595271Y	S603905Y	S616868Y	S628159Y	S653225Y
2003.....	453	521	3,210	199	83	4,465
2004.....	539	487	3,245	191	75	4,536
2005.....	852	455	3,573	17	63	4,960
2006.....	1,089	432	4,673	48	60	6,303
2007.....	1,054	493	4,756	87	42	6,433
2008.....	1,032	456	4,678	114	41	6,321

Local Government Debt

Table 22
TALE0230

By instrument: Umbria

(millions of euros)

	Securities issued in Italy	Securities issued abroad	Loans from resident MFIs and CDP S.p.A.	Loans from non resident MFIs	Other liabilities	Total
	S685597Y	S702926Y	S711844Y	S722197Y	S735034Y	S741716Y
2003	70	657	975	..	23	1,725
2004	95	623	946	..	21	1,685
2005	207	607	982	..	18	1,813
2006	236	572	1,055	..	16	1,880
2007	231	771	909	..	12	1,923
2008	224	738	929	..	12	1,903

Table 23
TALE0240

By instrument: Marche

(millions of euros)

	Securities issued in Italy	Securities issued abroad	Loans from resident MFIs and CDP S.p.A.	Loans from non resident MFIs	Other liabilities	Total
	S750419Y	S759919Y	S855532Y	S872531Y	S952882Y	S006314Y
2003	87	590	1,563	..	27	2,267
2004	102	554	1,621	100	25	2,403
2005	230	536	1,784	95	23	2,667
2006	230	513	2,121	90	23	2,976
2007	231	473	1,894	86	15	2,699
2008	235	435	1,916	81	16	2,682

Table 24
TALE0250

By instrument: Lazio

(millions of euros)

	Securities issued in Italy	Securities issued abroad	Loans from resident MFIs and CDP S.p.A.	Loans from non resident MFIs	Other liabilities	Total
	S061530Y	S021396Y	S539722Y	S627609Y	S482274Y	S516598Y
2003	57	1,843	8,446	139	1,626	12,110
2004	115	2,767	8,649	158	2,082	13,771
2005	270	3,077	9,348	300	2,971	15,966
2006	336	3,471	10,557	483	5,082	19,929
2007	339	3,359	10,781	788	4,608	19,876
2008	324	3,267	12,049	815	1,478	17,933

Local Government Debt

Table 25
TALE0260

By instrument: Abruzzo

(millions of euros)

	Securities issued in Italy	Securities issued abroad	Loans from resident MFIs and CDP S.p.A.	Loans from non resident MFIs	Other liabilities	Total
	S355690Y	S382874Y	S962749Y	S983514Y	S445183Y	S934472Y
2003	125	662	835	..	16	1,637
2004	237	878	877	..	16	2,008
2005	472	863	1,012	..	354	2,701
2006	463	959	1,067	..	684	3,174
2007	446	1,067	1,012	..	968	3,493
2008	429	1,040	1,052	..	728	3,248

Table 26
TALE0270

By instrument: Molise

(millions of euros)

	Securities issued in Italy	Securities issued abroad	Loans from resident MFIs and CDP S.p.A.	Loans from non resident MFIs	Other liabilities	Total
	S152406Y	S157520Y	S174163Y	S189983Y	S200724Y	S219429Y
2003	6	100	267	..	4	377
2004	11	96	272	..	3	383
2005	10	173	198	..	3	384
2006	9	252	272	..	4	537
2007	9	244	294	..	3	549
2008	8	236	216	..	3	462

Table 27
TALE0280

By instrument: Campania

(millions of euros)

	Securities issued in Italy	Securities issued abroad	Loans from resident MFIs and CDP S.p.A.	Loans from non resident MFIs	Other liabilities	Total
	S227564Y	S239035Y	S264408Y	S272047Y	S278831Y	S286473Y
2003	77	70	4,534	..	57	4,738
2004	270	449	4,739	..	55	5,513
2005	579	424	5,062	98	1,067	7,230
2006	669	2,238	4,903	93	1,260	9,162
2007	651	2,142	5,428	276	2,951	11,448
2008	632	2,181	6,439	262	2,498	12,012

Local Government Debt

Table 28
TALE0290

By instrument: Puglia

(millions of euros)

	Securities issued in Italy	Securities issued abroad	Loans from resident MFIs and CDP S.p.A.	Loans from non resident MFIs	Other liabilities	Total
	S293162Y	S305474Y	S314211Y	S326815Y	S343527Y	S352775Y
2003	18	585	2,539	89	29	3,260
2004	400	815	2,264	95	28	3,602
2005	658	773	2,707	94	28	4,259
2006	719	728	2,826	95	30	4,397
2007	696	683	2,816	91	22	4,309
2008	675	641	2,818	87	26	4,246

Table 29
TALE0300

By instrument: Basilicata

(millions of euros)

	Securities issued in Italy	Securities issued abroad	Loans from resident MFIs and CDP S.p.A.	Loans from non resident MFIs	Other liabilities	Total
	S368330Y	S379653Y	S401467Y	S419603Y	S448990Y	S459048Y
2003	15	..	486	26	6	532
2004	51	25	492	37	5	610
2005	145	23	512	46	5	731
2006	145	22	547	54	5	773
2007	139	20	586	75	4	823
2008	133	28	618	83	5	867

Table 30
TALE0310

By instrument: Calabria

(millions of euros)

	Securities issued in Italy	Securities issued abroad	Loans from resident MFIs and CDP S.p.A.	Loans from non resident MFIs	Other liabilities	Total
	S467440Y	S476622Y	S493353Y	S502050Y	S510770Y	S344551Y
2003	64	..	1,434	..	25	1,523
2004	96	..	1,416	..	23	1,535
2005	251	..	1,551	..	20	1,822
2006	336	..	2,045	..	20	2,401
2007	327	..	2,335	..	15	2,676
2008	316	..	2,435	..	16	2,767

Local Government Debt

Table 31

TALE0320

By instrument: Sicily

(millions of euros)

	Securities issued in Italy	Securities issued abroad	Loans from resident MFIs and CDP S.p.A.	Loans from non resident MFIs	Other liabilities	Total
	S524020Y	S531276Y	S548172Y	S561960Y	S580940Y	S479676Y
2003.....	59	2,309	1,721	524	937	5,551
2004.....	108	2,092	1,854	410	839	5,303
2005.....	125	1,822	2,660	290	600	5,496
2006.....	357	1,493	3,917	560	563	6,891
2007.....	348	1,273	4,792	416	887	7,716
2008.....	339	1,052	4,334	391	67	6,182

Table 32

TALE0330

By instrument: Sardinia

(millions of euros)

	Securities issued in Italy	Securities issued abroad	Loans from resident MFIs and CDP S.p.A.	Loans from non resident MFIs	Other liabilities	Total
	S592957Y	S601715Y	S612938Y	S621989Y	S630300Y	S492239Y
2003.....	59	196	858	100	14	1,228
2004.....	47	650	900	93	15	1,705
2005.....	121	1,095	1,116	87	16	2,435
2006.....	122	1,025	1,137	80	16	2,380
2007.....	110	953	1,465	74	12	2,613
2008.....	108	937	1,456	67	14	2,581

Local authorities' transactions in financial derivatives with banks operating in Italy (1)*(millions of euros and units)*

	Negative market value (2)					Number of local authorities (3)				
	Dec. 05	Dec. 06	Dec. 07	Dec. 08	Jun. 09	Dec. 05	Dec. 06	Dec. 07	Dec. 08	Jun. 09
Piedmont	96	170	115	180	141	10	19	20	17	16
Valle d'Aosta .....	..	..	..	..	..	..	..	..	..	..
Lombardy	110	67	90	95	98	42	59	66	44	53
Trentino Alto Adige	1	3	5	..	..	1	7	8	3	2
Veneto	16	19	35	67	59	29	48	52	44	45
Friuli-Venezia Giulia	2	5	10	5	8	7	17	21	17	15
Liguria	8	5	5	9	12	7	12	11	10	13
Emilia-Romagna	50	26	25	65	54	28	37	41	31	27
Tuscany	16	30	43	48	52	31	58	62	41	42
Umbria	14	19	36	26	24	11	25	30	19	25
Marche	14	12	18	13	14	23	29	28	27	31
Lazio	17	33	72	129	137	26	35	43	35	36
Abruzzo	11	16	29	32	14	12	22	22	20	19
Molise	15	7	2	19	11	2	3	4	1	2
Campania	147	207	201	207	216	37	56	66	43	52
Puglia	39	47	59	19	16	26	52	56	43	48
Basilicata	2	4	5	9	10	6	10	12	7	8
Calabria	6	25	63	55	34	15	33	44	29	33
Sicily	32	37	76	74	82	27	51	65	31	39
Sardinia	3	7	14	8	8	9	15	18	12	13
Total	600	737	902	1,061	990	349	588	669	474	519
<i>as a % of LA debt</i>	<i>0.7</i>	<i>0.7</i>	<i>0.8</i>	<i>1.0</i>	<i>0.9</i>					
<i>of which:</i>										
Regions	156	264	116	360	292	7	10	11	13	13
<i>as a % of the debt.....</i>	<i>0.5</i>	<i>0.6</i>	<i>0.3</i>	<i>0.9</i>	<i>0.7</i>					
Provinces.....	92	63	96	119	110	25	29	31	32	28
<i>as a % of the debt.....</i>	<i>1.3</i>	<i>0.7</i>	<i>1.1</i>	<i>1.3</i>	<i>1.2</i>					
Municipalities and unions of municipalities	343	408	686	570	572	310	540	619	415	464
<i>as a % of the debt.....</i>	<i>0.8</i>	<i>0.9</i>	<i>1.5</i>	<i>1.2</i>	<i>1.2</i>					
Other local authorities.....	9	2	4	13	16	7	9	8	14	14
<i>as a % of the deb.....</i>	<i>0.1</i>	<i>0.0</i>	<i>0.0</i>	<i>0.1</i>	<i>0.2</i>					
<i>Memorandum items:</i>										
positive market value (4).....	248	140	120	89	148					
notional value	29,057	33,041	31,520	26,053	24,114					

Source: Bank of Italy, Supervisory reports and Central Credit Register.

(1) Banks operating in Italy is to be taken as meaning banks authorized in Italy and the Italian branches of foreign banks. - (2) Negative market value for the local authority and positive for the bank, it is not included in the calculation of the local authority's debt. Market value is to be taken as meaning the intrinsic value, which is the potential gain for the intermediary if the contract were closed at the time of the observation; from December 2008 onwards, following a change in the structure of Supervisory reports, reference has been made to *fair value*. For the breakdown by region, use was made of weights deriving from reports to the Central Credit Register. From January 2005 onwards the Central Credit Register has observed, on a monthly basis, the exposures in financial derivatives of intermediaries operating in Italy above the observation threshold (reduced from €75,000 to €30,000 as of January 2009), or, in other words, the claims on clients (intrinsic value positive for the bank). - (3) Number of local authorities that are parties to derivative contracts having a negative market value greater than the observation threshold (see footnote 3). - (4) Positive market value for the local authority and negative for the bank. Market value is to be taken as meaning the intrinsic value, which is the potential loss for the intermediary if the contract were closed at the time of the observation; from December 2008 onwards, following a change in the structure of supervisory reports, reference has been made to *fair value*.

GENERAL INFORMATION

- I - Unless indicated otherwise, figures have been computed by the Bank of Italy.
- II - Symbols and Conventions:
- the phenomenon in question does not occur;
 - the phenomenon occurs but its value is not known;
 - .. the value is known but is nil or less than half the final digit shown.
- Figures in parentheses in roman type () are provisional, those in parentheses in italics () are estimated.
- III - The tables are identified both by a number and by an alphanumeric code that defines the content of the table in the database in the electronic archive in which information to be released to the public is held. A similar code identifies the different aggregates shown in each table.
- IV - The methodological notes in the last part of the Supplement are identified by electronic codes that refer to the tables and, within each table, to the individual aggregates. Notes that refer to a single observation are also identified by the date of that observation.

SUPPLEMENTS TO THE STATISTICAL BULLETIN

Money and Banking (monthly)

The Financial Market (monthly)

The Public Finances, borrowing requirement and debt (monthly)

Balance of Payments and International Investment Position (monthly)

Financial Accounts (quarterly)

Payment System (half yearly)

Public Finance Statistics in the European Union (annual)

Local Government Debt (annual)

Household Wealth in Italy (annual)

Sample Surveys (irregular)

Methodological Notes (irregular)

All the supplements are available on the Bank of Italy's site (www.bancaditalia.it).

Requests for clarifications concerning data contained in this publication can be sent by e-mail to statistiche@bancaditalia.it

METHODOLOGICAL APPENDIX

GENERAL INDICATIONS

This publication contains the annual series on local government debt and the situation at 30 June 2009. For the four macro-regions the figures are shown by instrument (securities, loans from monetary financial institutions and Cassa depositi e prestiti S.p.A., other liabilities), and for the different types of local government bodies (regions and autonomous provinces, provinces, municipalities and other local government bodies) and for each region are analyzed by instrument.

Local government debt is consolidated between the other subsectors of general government; in other words it excludes liabilities that are assets of other general government bodies. Regional bonds (BORs), provincial bonds (BOPs) and municipal bonds (BOCs) are valued at their face value at issue; the information is obtained from the applications made to the Bank of Italy for the assignment of an ISIN code. The data on loans disbursed by resident MFIs are obtained from Supervisory reports; the data on loans disbursed by Cassa depositi e prestiti S.p.A. are provided directly by the company. Loans from non resident MFIs consist mainly of those disbursed by the European Investment Bank. Loans are allocated to local government only if the final borrower, i.e. the body required to repay the loan, belongs to that subsector. Accordingly, loans disbursed to local government that are to be repaid by the state are excluded. The other liabilities mainly include securitizations that qualify as loans on the basis of the criteria established by Eurostat and financial leasing transactions carried out with other financial institutions (OFIs). If a securitization involves a pool of assets belonging to several local government bodies, the debt is divided among them on the basis of each body's share of the claims securitized. The securitizations of receivables from health-sector bodies are included at the level of individual regions. Foreign currency liabilities are changed at the exchange rate obtaining at the end of the reference period; the amounts shown take account of the effects of swaps entered into by issuers.

