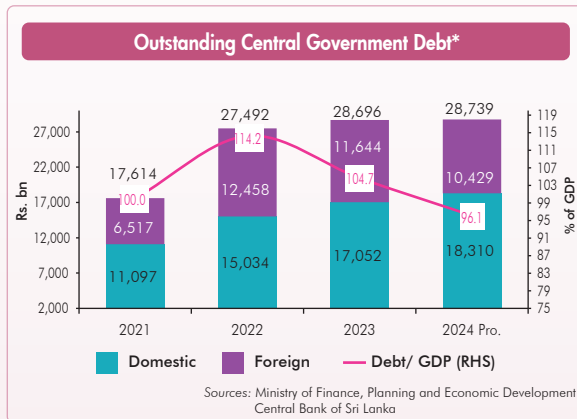
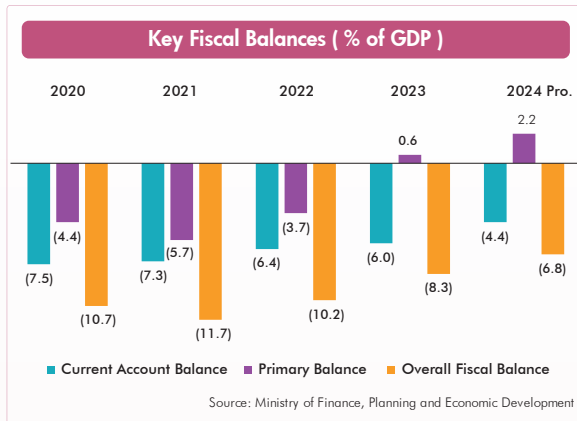
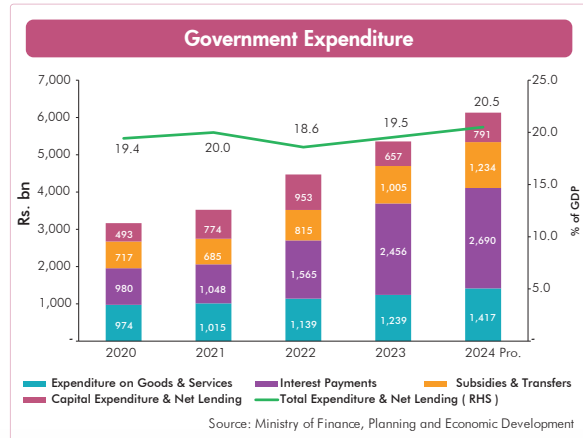
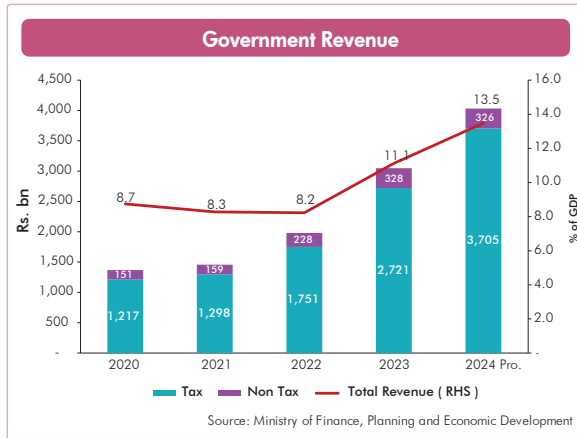


Featured Charts 1.8 Government Revenue, Expenditure and Key Fiscal Balances



* Refer footnotes of Table 1.21 of Annual Economic Review 2024

Fiscal sector imbalances that persisted for decades, including chronic budget deficits, reached a tipping point in 2022. The crisis was driven by persistent fiscal slippages, policy missteps, and the economic fallout from the COVID-19 pandemic. In response, the Government implemented consolidation efforts under the IMF-EFF programme since mid-2022, with a focus on revenue-based fiscal adjustments. These efforts have led to a significant turnaround, marked by strong revenue growth, controlled expenditures, and notable improvements in key fiscal balances.

By 2024, the fiscal sector achieved a positive primary balance for the second consecutive year.

Sustaining this momentum without policy reversals is critical, as any unexpected deviations from the envisaged fiscal consolidation and debt reduction efforts could undermine the hard-earned macroeconomic stability.