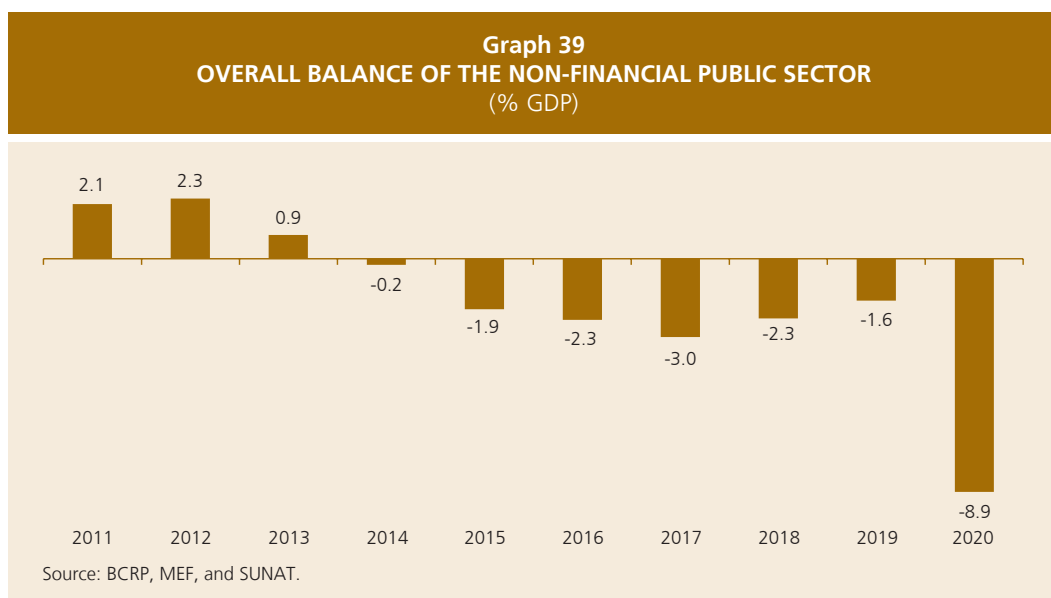


The **fiscal deficit** in 2020 was equivalent to 8.9 percent of GDP, 7.3 percentage points of GDP higher than in 2019, both due to transitory spending and revenue measures to mitigate the impact of COVID-19 as well as due to the negative effect of the lower level of economic activity on income. Other factors that also contributed to this higher deficit were the higher primary deficit of state-owned enterprises and the higher debt interest payments. Thus, the 2020 fiscal deficit is the highest deficit since 1990.



The **current revenues of the General Government** declined by 17.4 percent in real terms, from 19.7 to 17.9 percent of GDP, due to the lower level of economic activity and to the tax measures taken to relieve taxpayers' cash flow in the context of the pandemic. The 2020 current revenue to GDP ratio is the lowest since 2001.

The **non-financial expenditure of the General Government** increased by 12.8 percent in real terms, from 20.0 to 24.8 percent of GDP, due to higher current expenditures on subsidies to families,

higher spending in response to the COVID-19 crisis and spending associated with the reactivation scheme, as well as due to the continuation of the Government's policy of increasing salaries in the Education and Health sectors. Remunerations were raised in both sectors in the last quarter of 2019, and in March and November 2020 in the Education sector. In contrast, gross capital formation at all levels of government declined by 13.2 percent in real terms, from 4.0 to 3.8 percent of GDP. The 2020 ratio of non-financial expenditure-to-GDP is the highest in the BCRP's historical record of fiscal aggregates since 1970.

Table 43
OVERALL BALANCE OF THE NON-FINANCIAL PUBLIC SECTOR

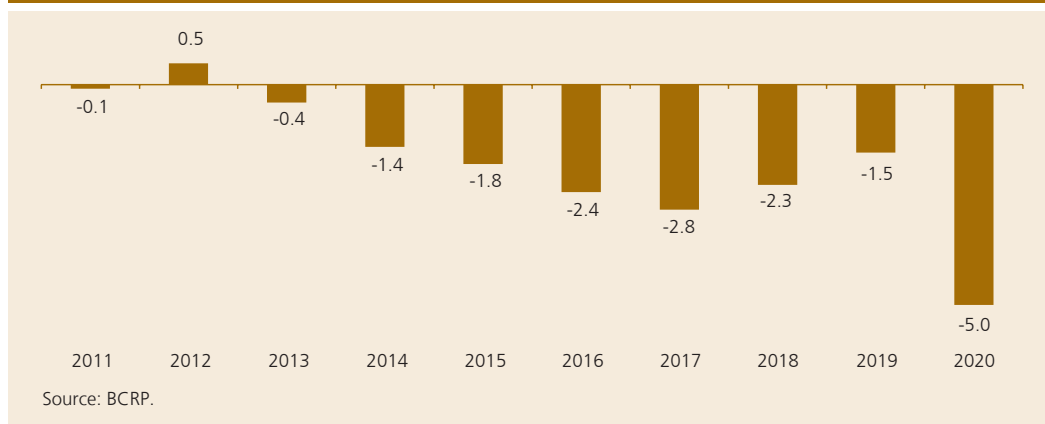
	Million soles			% GDP		
	2018	2019	2020	2018	2019	2020
1. Current revenues of the						
General Government	142,719	152,019	127,902	19.3	19.7	17.9
a. Tax revenue	107,358	113,769	95,523	14.5	14.8	13.4
b. Non-tax revenue	35,360	38,249	32,379	4.8	5.0	4.5
2. General Government						
non-financial expenditure	149,212	154,388	177,385	20.1	20.0	24.8
a. Current	113,073	119,366	145,148	15.3	15.5	20.3
b. Capital	36,140	35,023	32,237	4.9	4.5	4.5
- Gross capital formation	31,415	30,508	26,993	4.2	4.0	3.8
- Other	4,725	4,515	5,243	0.6	0.6	0.7
3. Other	-440	641	-2,771	-0.1	0.1	-0.4
4. Primary Balance (1-2+3)	-6,934	-1,728	-52,254	-0.9	-0.2	-7.3
5. Interests	10,013	10,662	11,496	1.4	1.4	1.6
a. External debt	3,499	3,404	3,365	0.5	0.4	0.5
b. Domestic debt	6,514	7,258	8,130	0.9	0.9	1.1
6. Overall Balance	-16,948	-12,391	-63,749	-2.3	-1.6	-8.9
7. Net financing	16,948	12,391	63,749	2.3	1.6	8.9
1. External	-598	4,679	34,349	-0.1	0.6	4.8
(Million US\$) (a-b+c)	-\$,169	\$1,399	\$9,773			
a. Disbursements	\$1,756	\$1,863	\$9,477	0.8	0.8	4.7
b. Amortization	\$1,265	\$1,358	\$,292	0.6	0.6	0.1
c. Other 1/	-\$,660	\$,893	\$,587	-0.3	0.4	0.3
2. Domestic	17,491	7,643	29,385	2.4	1.0	4.1
3. Privatization	54	69	15	0.0	0.0	0.0

1/ Includes exceptional financing and short-term financing.

Source: MEF, Banco de la Nación, BCRP, SUNAT, EsSalud, local governments, state enterprises, and public institutions.

The **structural economic balance** is an indicator that shows the effect of fiscal policy decisions on fiscal accounts, isolating the effects that factors beyond government control –i.e. the position in the business cycle of the economic balance of the non-financial public sector– may have on tax revenues. In 2020, this indicator showed a deficit of 5.0 percent of trend GDP, a deficit 3.5 percentage points higher than in 2019.

Graph 40
STRUCTURAL OVERALL BALANCE OF THE NON-FINANCIAL PUBLIC SECTOR
 (% trend GDP)



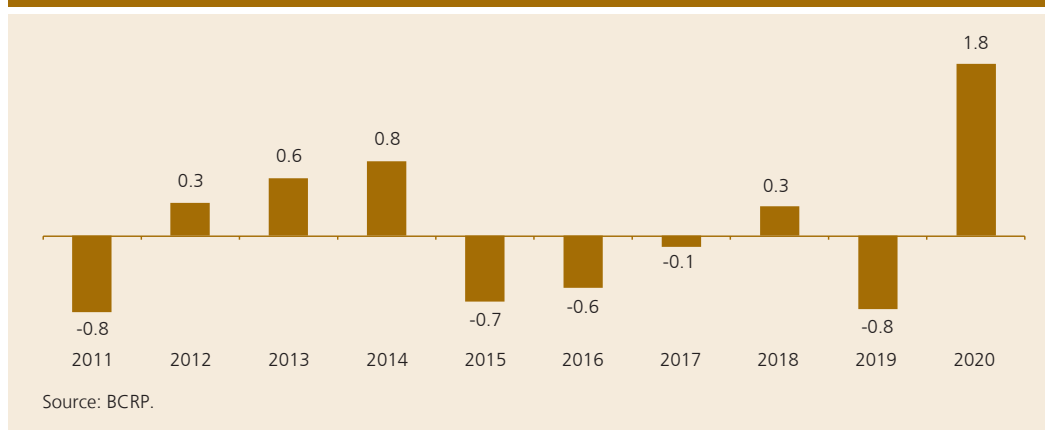
The **weighted fiscal impulse** is an alternative indicator through which the expansionary or contractionary stance of fiscal policy can be identified. This indicator measures the change in the structural primary balance, weighing changes in structural revenues, current expenditure and capital expenditure, with differentiated multipliers for each of these variables. According to this indicator, the fiscal stance in 2020 was expansionary and registered 1.8 percent of trend GDP, which together with the expansionary monetary stance, offset the negative COVID-19 shock in the year.

Table 44
WEIGHTED FISCAL IMPULSE
 (% trend GDP)

	2018	2019	2020
1. Structural overall balance	-2.3	-1.5	-5.0
2. Fiscal impulse	-0.5	-1.0	3.7
3. Weighted effects	0.8	0.3	-1.9
4. Weighted impulse (2+3)	0.3	-0.8	1.8

Source: BCRP.

Graph 41
WEIGHTED FISCAL IMPULSE
 (% trend GDP)



The **financial requirement** measures the resources needed by the non-financial public sector to cover the economic deficit and meet the amortization of the domestic and foreign debts. In 2020, this requirement amounted to S/ 66,511 million, a sum equivalent to 9.3 percent of GDP. Resources came mainly from external disbursements through placements of global bonds and loans from international organizations, as well as from the use of deposits, particularly deposits from the Fiscal Stabilization Fund.

The increase in financial requirements between 2019 and 2020, equivalent to 5.1 percentage points of GDP, is explained by the higher fiscal deficit in the context of the health emergency.

Table 45						
FINANCING OF THE NON-FINANCIAL PUBLIC SECTOR						
	Million S/			% GDP		
	2018	2019	2020	2018	2019	2020
1. Overall balance	-16,948	-12,391	-63,749	-2.3	-1.6	-8.9
2. Amortization	11,276	19,818	2,761	1.5	2.6	0.4
Redemption of recognition bonds	1,170	950	498	0.2	0.1	0.1
Domestic debt	5,884	14,344	1,240	0.8	1.9	0.2
External debt 1/	4,222	4,524	1,024	0.6	0.6	0.1
3. Financial requirements	28,224	32,209	66,511	3.8	4.2	9.3
External disbursements	5,896	6,207	33,362	0.8	0.8	4.7
Freely disposable funds	59	3,727	32,412	0.0	0.5	4.5
Investment projects	5,837	2,480	950	0.8	0.3	0.1
Domestic bonds 1/	19,734	30,497	2,892	2.7	4.0	0.4
Privatization	54	69	15	0.0	0.0	0.0
Other 2/	2,540	-4,564	30,241	0.3	-0.6	4.2

1/ Amounts include operations of managing of approved debt.
2 / Includes variation of deposits and floating, among other concepts.
Source: MEF, Banco de la Nación, BCRP, SUNAT, EsSalud, local governments, state enterprises, and public institutions.

1. Revenues of the General Government

The **current revenues of the General Government** decreased by 17.4 percent in real terms and represented 17.9 percent of GDP in 2020, a ratio 1.8 percentage points lower than in 2019, due to the effect of the contraction of economic activity on revenue collection and the tax measures adopted to mitigate the effects of COVID-19. Among others, the latter include the new Deferral or Fractionation Regime for tax debts with SUNAT and the reduction or exemption of payments on account of income tax due to lower sales, given the context of the pandemic.

Lower current revenues mainly reflected the generalized drop in tax revenues –with the exception of non-domiciled income tax–, this drop being particularly noteworthy in revenue from the value added tax (VAT), the income tax, and the excise tax (ISC), as well as lower revenues from fines, tax amnesty and regularization, and tax withholdings (called *detracciones*), with SUNAT making use of its discretionary powers in the context of the pandemic. The reduction in non-tax revenues corresponded mainly to revenues from own resources, social contributions, royalties and oil and mining canon, and other revenues from the National Government.

Graph 42
CURRENT REVENUE OF GENERAL GOVERNMENT
(% GDP)

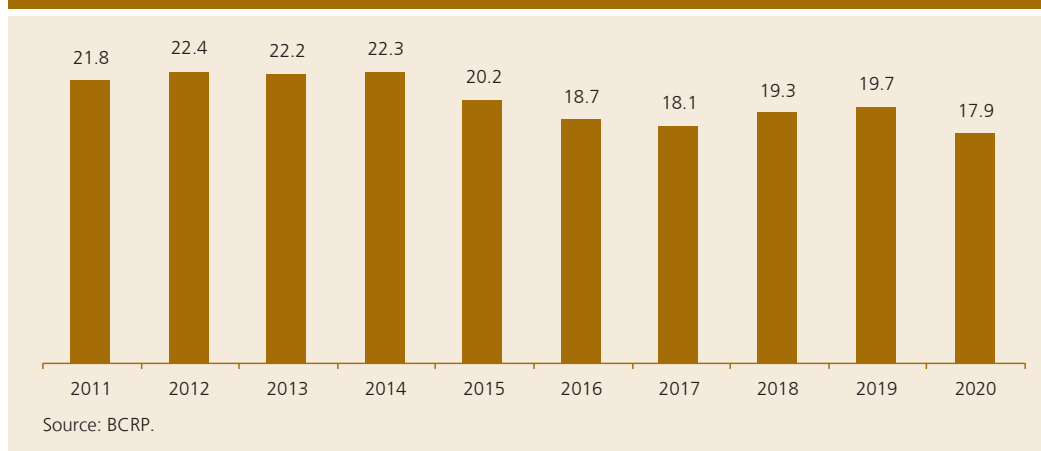


Table 46
GENERAL GOVERNMENT REVENUES

	Million S/			Real % change		% GDP		
	2018	2019	2020	2019	2020	2018	2019	2020
I. TAX REVENUE	107,358	113,769	95,523	3.7	-17.5	14.5	14.8	13.4
1. Income tax	41,598	44,015	38,167	3.5	-14.8	5.6	5.7	5.3
- Individuals	12,474	13,819	12,525	8.4	-11.0	1.7	1.8	1.8
- Legal entities	22,756	23,834	21,046	2.6	-13.3	3.1	3.1	2.9
- Tax regularization	6,368	6,363	4,596	-2.5	-29.0	0.9	0.8	0.6
2. Import duties	1,455	1,424	1,159	-4.1	-20.1	0.2	0.2	0.2
3. Value-added tax (VAT)	60,666	63,504	55,379	2.5	-14.4	8.2	8.2	7.7
- Domestic VAT	35,125	37,892	32,708	5.6	-15.2	4.7	4.9	4.6
- VAT on imports	25,541	25,613	22,671	-1.8	-13.1	3.4	3.3	3.2
4. Excise tax	6,860	8,216	6,920	17.3	-17.3	0.9	1.1	1.0
- Fuels	2,565	3,212	2,970	22.6	-9.2	0.3	0.4	0.4
- Other	4,295	5,005	3,951	14.1	-22.4	0.6	0.6	0.6
5. Other income tax	13,363	14,660	11,081	7.4	-25.8	1.8	1.9	1.5
- National government	10,522	11,572	8,623	7.7	-26.8	1.4	1.5	1.2
- Local government	2,841	3,088	2,458	6.4	-21.8	0.4	0.4	0.3
6. Tax returns	-16,583	-18,051	-17,182	6.6	-6.5	-2.2	-2.3	-2.4
II. NON-TAX REVENUES	35,360	38,249	32,379	5.9	-16.9	4.8	5.0	4.5
1. Contributions to Essalud and ONP	16,247	17,266	15,972	4.1	-9.2	2.2	2.2	2.2
2. Oil, gas and mining royalty	3,035	2,741	2,150	-11.6	-23.0	0.4	0.4	0.3
3. Oil Canon	2,090	1,687	1,137	-21.0	-33.8	0.3	0.2	0.2
4. Others	13,988	16,556	13,119	15.8	-22.2	1.9	2.1	1.8
III. TOTAL (I+II)	142,719	152,019	127,902	4.3	-17.4	19.3	19.7	17.9

1 / Includes own resources, transfers from public entities, interests, income from regulatory, supervisors and registry, among others.
Source: MEF, Banco de la Nación, BCRP, INEI, SUNAT, EsSalud, ONP, charity societies, regulatory agencies and registry offices.

Revenues from the **income tax** recorded a real contraction of 14.8 percent, as a result of which it went from representing 5.7 percent of GDP in 2019 to 5.3 percent in 2020. This result is explained by

lower revenues from income of domiciled legal entities, mainly from those included in the general or third category regime, from tax regularization and, to a lesser extent, from income of individuals. This contraction was in part offset by the increase in revenues from non-domiciled legal entities due to the extraordinary revenues derived from the sale of assets of an electric company.

Table 47
INCOME TAX BY CATEGORY
(Million soles)

	2018	2019	2020	Real % change	
				2019	2020
First category	580	624	503	5.3	-20.9
Second category	1,772	2,412	1,842	33.2	-25.0
Third category	17,268	17,679	13,804	0.3	-23.3
Fourth category	960	1,023	1,002	4.3	-3.8
Fifth category	9,162	9,760	9,178	4.3	-7.6
Non-domiciled	3,560	4,135	5,583	13.7	32.6
Regularization	6,368	6,363	4,596	-2.5	-29.0
<i>Individuals</i>	1,125	926	733	-19.7	-22.4
<i>Legal entities</i>	5,244	5,438	3,863	1.2	-30.2
Other 1/	1,928	2,019	1,659	2.5	-19.4
<i>Of which: regime for micro and small businesses (MYPE)</i>	1,334	1,409	1,168	3.5	-18.6
Total	41,598	44,015	38,167	3.5	-14.8

1 / Includes the Special Regime (RER), MYPE Tax Regime and other income.
Source: SUNAT.

The drop in **individuals' payments on account** is explained by the lower collection of fifth category income (-7.6 percent), due to the loss of jobs and income of dependent workers as a result of the pandemic. The reduction in second-category income (-25.0 percent) mainly reflects a higher basis of comparison in 2019 of extraordinary income from dividend distributions (up 33.2 percent in 2019), while the decline in fourth category income (-3.8 percent) was not so sharp due to the increase registered in Administrative Service Contracts (CAS).

The decrease in **domiciled legal entities' payments on account** (-22.9 percent) was associated mainly to the general or third category regime (-23.3 percent) and, to a lesser extent, to other regimes (-19.4 percent). The contraction was generalized at the sector level, with the decline in the sectors of other services, financial services, manufacturing, mining, commerce, and construction standing out.

The increase in **income from non-domiciled legal entities** (32.6 percent) mainly reflects the recording of extraordinary income from the sale of assets of an electric company (S/ 2.4 billion).

Revenues from **income tax regularization** were lower (-29.0 percent) due to higher extraordinary revenues from audit actions in 2019 (S/ 786 million in 2019 compared to S/ 175 million in 2020).

Table 48
THIRD CATEGORY INCOME TAX BY SECTORS 1/:
PAYMENTS ON ACCOUNT
(Million S/)

	2018	2019	2020	Real % change	
				2019	2020
Commerce	3,058	3,020	2,637	-3.3	-14.3
Financial services	2,184	2,778	2,166	24.6	-23.3
Other services 2/	2,562	2,813	2,080	7.5	-27.3
Manufacturing	2,504	2,264	1,706	-11.4	-26.0
Mining	2,585	2,036	1,573	-22.9	-24.1
Electricity and water	1,247	1,498	1,296	17.6	-15.0
Transport	1,042	1,185	984	11.3	-18.4
Construction	987	1,079	734	7.0	-33.1
Hydrocarbons	1,022	898	577	-13.9	-36.9
Fishing	40	89	35	121.1	-61.7
Agriculture and livestock	37	19	17	-49.6	-10.7
Total	17,268	17,679	13,804	0.3	-23.3

1 / Sectoral classification according to the declaration of the company. However, taxpayers can make more than one economic activity.
2/ Includes activities in real estate, business, leasing, telecommunications, financial intermediation, health, social services, tourism and hotels, electric generation, and water services.
Source: SUNAT.

Revenues from the **value added tax (VAT)** contracted by 14.4 percent in real terms in 2020, and therefore represented 7.7 percent of GDP, 0.5 percentage points less than in 2019. This negative evolution was mainly due to the lower revenue from the domestic VAT (-15.2 percent) and also due to the decline in the VAT on imports (-13.1 percent).

Lower revenues from the **domestic VAT** during the year was mainly associated with lower economic activity, although the declining trend gradually subdued since June, in line with the recovery of the economy and the reversal of the tax deferral measures, with year-on-year growth being observed in December. Moreover, revenues from the domestic VAT showed a decline in all sectors, with the exception of the sectors of agriculture and livestock and financial services. On the other hand, the contraction in the sectors of other services, transportation, construction and hydrocarbons was noteworthy.

Revenues from **import VAT** decreased due to lower imports, particularly lower imports of fuels, raw materials for industry, transportation equipment and consumer durables. However, a less pronounced negative rate was observed since June, with revenues from this tax showing a positive year-on-year growth in December.

Table 49
DOMESTIC VAT BY SECTORS 1/
(Million S/)

	2018	2019	2020	Real % change	
				2019	2020
Other services 2/	10,643	11,655	9,602	7.2	-19.1
Commerce	6,879	7,558	7,178	7.6	-6.8
Manufacturing	4,870	5,181	4,793	4.1	-9.2
Financial intermediation	2,176	2,462	2,644	10.9	5.4
Transport	2,922	3,233	2,305	8.3	-29.9
Construction	2,486	2,807	1,983	10.6	-30.6
Electricity and water	1,752	1,985	1,940	10.9	-4.0
Mining	1,368	1,125	831	-19.6	-27.5
Hydrocarbons	1,291	1,228	736	-6.7	-41.2
Agriculture and livestock	616	516	602	-18.0	14.5
Fishing	122	143	93	14.8	-35.9
Total	35,125	37,893	32,708	5.6	-15.2

1 / Sectoral classification according to the declaration of the company. However, taxpayers can make more than one economic activity.
2/ Includes activities in real estate, business, leasing, telecommunications, financial intermediation, health, social services, tourism and hotels, electric generation, and water services.
Source: SUNAT.

Revenues from the **excise tax** fell by 17.3 percent in real terms and came to represent 1.0 percent of GDP in 2020, 0.1 percent less than in 2019. The drop was associated with lower revenues from the excise tax on fuels (9.2 percent), as well as with lower revenues on the rest of products taxed by this tax (22.4 percent).

Revenues from **import duties** fell by 20.1 percent in real terms and represented 0.2 percent of GDP, a percentage similar to that observed in 2019. Factors contributing to this result included lower imports, the reduction of tariffs on imports of medical products to address COVID-19, and the lower effective tariff on imports as a result of trade agreements signed by Peru in previous years.

Other tax revenues registered a 25.8 percent drop in real terms and represented 1.5 percent of GDP, 0.4 percentage points less than in 2019. This result is mainly explained by lower revenues from fines, amnesty and regularization, and transfer of tax withholdings (*detracciones*). In addition, the statistical effect of comparing the higher extraordinary revenues from tax audits in 2019 (S/ 1.0 billion) with respect to 2020 (S/ 340 million), and the new Tax Debt Deferral or Fractionation Regime also had an impact on these tax revenues.

Tax refunds decreased by 6.5 percent in real terms and represented 2.4 percent of GDP, 0.1 percentage point more than in 2019. The lower level of refunds is mainly explained by lower refunds for exports, and to a lesser extent, by drawback, partially offset by higher refunds for overpayments or undue payments and anticipated recovery of VAT. However, an improvement was observed in the amount of monthly refunds as from September.

Non-tax revenues fell by 16.9 percent in real terms, from 5.0 percent of GDP in 2019 to 4.5 percent in 2020. This result is mainly explained by the fall in revenues from own resources, affected by the lower level of economic activity; social contributions, due to the evolution of the labor market; canon and oil royalties, due to lower hydrocarbon production; mining royalties, due to lower metal mining extraction; and other revenues, as well as due to lower interests on Public Treasury deposits. This was in part offset by higher transfers from Fondo Nacional de Financiamiento de la Actividad Empresarial del Estado – FONAFE (S/ 1.9 billion in 2020 compared to S/ 500 million in 2019).

2. General Government Expenditure

In 2020 the **non-financial expenditure of the General Government** rose 12.8 percent in real terms and was equivalent to 24.8 percent as a percentage of GDP, a ratio 4.8 percentage points higher than that recorded in 2019. Higher current expenditure on transfers to vulnerable households stood out in 2020, along with disbursements for health actions in response to COVID-19, such as hiring health personnel and buying medical supplies and equipment. Also relevant were economic reactivation-related costs, which included, for example, the maintenance of neighborhood roads by local governments as part of the Arranca Perú program, as well as the continuation of the policy of salary increases in the Education and Health sectors. Moreover, gross capital formation decreased by 13.2 percent in real terms at all levels of government, from 4.0 to 3.8 percent of GDP between 2019 and 2020.

The increase in non-financial spending accelerated during the last quarter of the year, due to higher current expenditures to address COVID-19 and positive growth figures for public investment.

General Government current expenditures increased by 19.4 percent in real terms, from 15.5 of GDP in 2019 to 20.3 percent in 2020, this increase being observed in all levels of government and in all spending components, particularly in transfers.

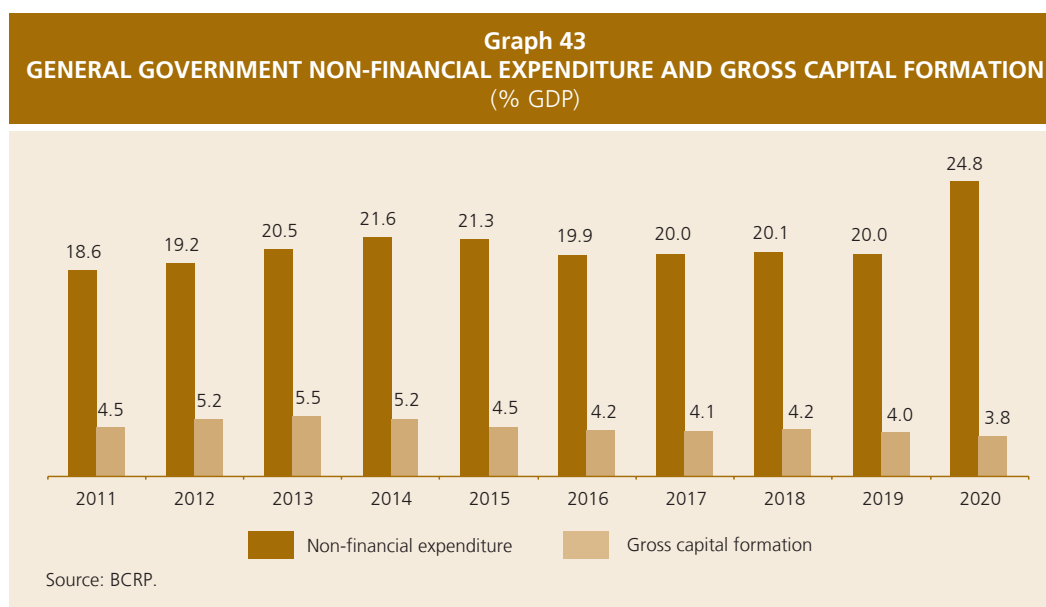
The **wages and salaries** component increased by 6.0 percent in real terms and by 1.0 percentage point of output, from 6.4 to 7.4 percent of GDP, mainly in the National Government and regional governments. This is mainly explained by the pay improvement policy in the Education and Health sectors, as well as by higher expenditure to face COVID-19, the bonuses and complementary services granted to Health personnel, and the reactivation bonus given to public sector workers in December.

Spending on **goods and services** rose by 8.4 percent in real terms, from 5.9 to 7.0 percent of GDP between 2019 and 2020. This rise was observed in all levels of government, especially in local governments and, to a lesser extent, in the national and regional governments. The acquisition of medical supplies stands out in terms of goods purchased, while CAS contracts and contracts of professional and technical services to address the health emergency stand out in terms of services, as well as spending on the maintenance of neighborhood roads and immediate intervention activities managed by local governments within the framework of the Arranca Perú program.

Transfers, which were mainly from the National Government, increased by 65.7 percent in real terms and rose from 3.2 to 5.9 percent of GDP. The main transfers included subsidies to vulnerable households (S/ 12.9 billion), transfers to executing nuclei (S/ 977 million), electricity bonus (S/ 788 million), payroll subsidy (S/ 487 million), food assistance, and vulnerability reduction and response to disaster emergencies, among others.

General Government **gross capital formation** decreased by 13.2 percent in real terms in 2020, mainly due to the suspension of public works during the strict quarantine period and to initial difficulties in restoring the execution of public works. As a result, General Government investment declined from 4.0 to 3.8 percent of GDP between 2019 and 2020, this decline being mainly explained by lower investment by the National Government and local governments. Investment registered a recovery in the fourth quarter (showing a real growth rate of 22.9 percent compared to the same period of 2019), mainly due to the execution of projects under the Reconstruction, Arranca Peru and COVID-19 response schemes, as well as due to the resumption of major projects as from June, after adequating sanitary protocols.

Capital transfers increased from 0.6 to 0.7 percent of GDP between 2019 and 2020, with the FAE MYPE Business Support Fund (S/ 300 million) and FAE Tourism (S/ 200 million) explaining mostly this increase.



National Government

The **National Government's non-financial expenditure** was equivalent to 16.0 percent of GDP, a ratio 3.4 percentage points of GDP higher than in 2019, mainly due to higher current expenditure on transfers and salaries, offset in part by the fall in gross capital formation.

Spending on **wages and salaries** increased by 4.4 percent in real terms, from 3.7 to 4.2 percent of GDP between 2019 and 2020, mostly due to the pay increase policy in the Education and Health sectors, as well as in the Judiciary, in addition to higher payments for bonuses and complementary services to address the health emergency.

Spending on **goods and services** decreased by 1.8 percent in real terms, and yet went from representing 4.1 in 2019 to representing 4.4 percent of GDP in 2020 due to the lower level of nominal GDP. Higher spending in response to the health emergency, especially expenditure on medical supplies (S/ 1,320 million), CAS contracts (S/ 665 million), and professional and technical services (S/ 443 million), was offset mainly by lower spending on road maintenance and road conservation services, maintenance and repair services, travel, procurement of fuels, lubricants and fuels, and cleaning, security and surveillance services.

Expenditure for **current transfers** increased 78.0 percent in real terms, from representing 2.7 percent of GDP in 2019 to representing 5.3 percent of GDP in 2020. Higher transfers for monetary subsidies to households in urban and rural areas by the Ministry of Labor and the Ministry of Development and Social Inclusion stood out in 2020, together with transfers for vulnerability reduction and response to disaster emergencies, transfers to executing units, transfers for electricity bonus, food assistance, scholarships and educational credit, as well as transfers for temporary support to reinforce child development, among other programs.

Table 50
GENERAL GOVERNMENT NON-FINANCIAL EXPENDITURE 1/

	Million S/			Real % change		% GDP		
	2018	2019	2020	2019	2020	2018	2019	2020
I. CURRENT EXPENDITURE	113,073	119,366	145,148	3.4	19.4	15.3	15.5	20.3
Wages and salaries	46,167	49,151	53,046	4.2	6.0	6.2	6.4	7.4
National government	26,929	28,150	29,924	2.4	4.4	3.6	3.7	4.2
Regional governments	16,877	18,580	20,597	7.8	8.8	2.3	2.4	2.9
Local governments	2,361	2,421	2,525	0.4	2.4	0.3	0.3	0.4
Goods and services	42,256	45,305	50,039	5.0	8.4	5.7	5.9	7.0
National government	28,531	31,508	31,521	8.1	-1.8	3.9	4.1	4.4
Regional governments	5,208	5,186	6,562	-2.5	24.2	0.7	0.7	0.9
Local governments	8,517	8,610	11,956	-1.1	36.2	1.1	1.1	1.7
Transfers	24,649	24,911	42,064	-1.1	65.7	3.3	3.2	5.9
National government	20,912	20,864	37,862	-2.3	78.0	2.8	2.7	5.3
Regional governments	2,845	3,089	3,244	6.3	3.1	0.4	0.4	0.5
Local governments	892	957	958	4.8	-1.7	0.1	0.1	0.1
II. CAPITAL EXPENDITURE	36,140	35,023	32,237	-5.1	-9.7	4.9	4.5	4.5
Gross Capital Formation	31,415	30,508	26,993	-4.9	-13.2	4.2	4.0	3.8
National government	11,334	11,685	9,739	1.0	-18.2	1.5	1.5	1.4
Regional governments	6,243	6,209	5,971	-2.6	-5.6	0.8	0.8	0.8
Local governments	13,838	12,613	11,284	-10.7	-12.3	1.9	1.6	1.6
Other capital expenditure	4,725	4,515	5,243	-6.4	14.1	0.6	0.6	0.7
National government	3,509	4,678	5,177	30.8	8.7	0.5	0.6	0.7
Regional governments	139	146	144	3.0	-2.9	0.0	0.0	0.0
Local governments	1,076	-309	-78	-128.2	-75.1	0.1	0.0	0.0
III. NON FINANCIAL EXPENDITURE (I + II)	149,212	154,388	177,385	1.3	12.8	20.1	20.0	24.8
National government	91,216	96,886	114,222	4.0	15.7	12.3	12.6	16.0
Regional governments	31,312	33,211	36,518	3.8	7.9	4.2	4.3	5.1
Local governments	26,685	24,292	26,645	-10.9	7.6	3.6	3.2	3.7

1/ Net of commissions and intergovernmental transfers.
Source: MEF, BCRP, and INEI.

Gross capital formation fell by 18.2 percent in real terms, bringing it down from 1.5 to 1.4 percent of GDP between 2019 and 2020, due to the suspension of project execution during the quarantine, as well as due to the statistical effect resulting from the comparison of results with those of the year in which the sports infrastructure projects for the Pan American and Parapan American Games Lima 2019 were completed. During 2020, there was a lower execution of projects and activities by the Ministry of Transportation and Communications and, to a lesser extent, by the Ministry of Energy and Mines, the Ministry of Justice and Human Rights, by universities, and by the Ministry of Housing, Construction and Sanitation in the fields of road infrastructure and communications, education, rural electrification, drinking water and sewerage, and wastewater treatment, among other areas.

On the other hand, within the framework of response actions to COVID-19, higher project execution was observed in the Ministry of Education (e.g. the acquisition of tablets for a total of S/ 276 million), the Ministry of Health (medical equipment), and the Presidency of the Council of Ministers.

Moreover, the execution of projects under the Reconstruction program, including those carried out within the framework of the Government to Government Agreement with the United Kingdom and other agencies showed a significant dynamism, with the following projects standing out: the reconstruction of sections 1, 2 and 3 of Autopista del Sol, which had been affected by the 2017 El Niño Costero, as well as the reconstruction of roads Dv. Huancabamba - Dv. Canchaque in Piura and Pallasca - Santiago de Chuco in Ancash - La Libertad; Chulucanas Support Hospital, and several flood protection projects (Chico and Mangente rivers in Ica, La Leche in Lambayeque, Zarumilla in Tumbes, and Motupe in Lambayeque). In addition, the execution of important projects, such as Line 2 of the Lima and Callao Metro, was resumed.

Table 51
GROSS CAPITAL FORMATION OF THE GENERAL GOVERNMENT
(Million S/)

	2019	2020	% chg.
National government	11,685	9,739	-16.7
Reconstruction	475	1,183	148.9
Pan American Games	859	68	-92.1
COVID-19	0	616	n.a.
Peru starts	0	12	n.a.
Rest	10,351	7,860	-24.1
Regional governments	6,209	5,971	-3.8
Reconstruction	442	675	52.7
COVID-19	0	208	n.a.
Peru starts	0	40	n.a.
Rest	5,767	5,048	-12.5
Gobierno Locales	12,613	11,284	-10.5
Reconstruction	1,660	1,558	-6.1
COVID-19	0	15	n.a.
Peru starts	0	658	n.a.
Rest	10,953	9,053	-17.3
TOTAL	30,508	26,993	-11.5
Reconstruction	2,577	3,416	32.5
Pan American Games	859	68	-92.1
COVID-19	0	839	n.a.
Peru starts	0	710	n.a.
Rest	27,072	21,961	-18.9

Source: MEF.
Elaboration: BCRP.

Table 52
MAIN INVESTMENT PROJECTS OF THE NATIONAL GOVERNMENT: 2020
(Million S/)

PROJECTS	Amount
TRANSPORT 1/	3,662
Line 2 of the Lima and Callao Metro	275
Huánuco - Conococha Highway, Huánuco	201
Broadband, Lima	135
Carrretera Pallasca - Santiago de Chuco, Ancash - La Libertad	120
Highway Oyón - Ambo, Huánuco - Lima - Pasco	118
Highway Dv. Huancabamba - Dv. Canchaque, Piura	113
Longitudinal Highway of the Sierra Norte, Cajamarca	99
Highway del Sol: Section 2 (Río Olmos - La Niña), Piura - Lambayeque	99
Highway del Sol: Section 1 (La Leche River - Morrope), Piura - Lambayeque	88
Bellavista - El Estrecho Highway, Loreto	66
Departmental Road Network Moquegua - Arequipa	58
Highway Casma - Tingo María, Ancash	54
Highway del Sol: Section 3 (Río Cascajal - Río Piura), Piura - Lambayeque	53
Replacement of 13 bridges in the Sullana - Sechura Road Corridors	50
Rest	2,135
EDUCATION	1,698
Acquisition of tablets	276
Installed capacity for preparedness and response to emergencies and disasters	166
Educational institutions with conditions for the fulfillment of regulated teaching hours	60
Rest	1,195
AGRICULTURE AND LIVESTOCK	1,033
Technical files, pre-investment studies and Other studies for Reconstruction projects	78
Eradication of the fruit fly in Piura, Tumbes, Cusco and Other	72
Sustainable territorial development, VRAEM	55
Protection against floods in Zarumilla, Tumbes	53
Water waste in, 10 basins, Lima	52
Rest	722
SANITATION	815
Drinking water and sewerage in Chorrillos, Lima	128
Sullana and Bellavista sewage treatment, Piura	95
Drinking water and sewerage in Huarochirí, Lima	80
Drinking water and sewerage in San Juan de Lurigancho, Lima	56
Rest	456
HEALTH	529
Zacarías Correa Regional Hospital, Huancavelica	71
Espinar Hospital, Cusco	29
Acquisition of medical equipment in nine health establishments, Lima	25
Acquisition of medical equipment in eighteen health establishments, Lima	20
National Institute of Neoplastic Diseases, Lima	16
Expansion of health services in Challhuahuacho, Apurímac	15
Improvement of medical support services in Comas, Lima	13
Sergio Enrique Bernales National Hospital, Lima	11
Hospital Dos de Mayo, Lima	10
Rest	319
PANAMERICAN GAMES	68
OTHERS	1,932
TOTAL	9,739

1 / Payments for works carried out in previous years under the concession scheme, payments for expropriations and land releases and works progress. Advances for work and rolling stock are included on the basis of a schedule approximate progress of work.

Source: MEF.

The National Government's **other capital expenditure** increased by 8.7 percent in real terms in 2020, from 0.6 to 0.7 percent of GDP, reflecting mainly transfers to FAE MYPE and FAE Turismo.

Regional Governments

The **non-financial expenditure of regional governments** was equivalent to 5.1 percent of GDP, 0.8 percentage points of GDP more than in 2019, due to the higher level of current expenditure mainly due to higher spending on wages and salaries, and, to a lesser extent, higher spending on goods and services and transfers. Capital expenditure remained at 0.8 percent of GDP.

Spending on **wages and salaries** rose by 8.8 percent in real terms, from 2.4 to 2.9 percent of GDP between 2019 and 2020, mainly due to the salary increases carried out in the Education and Health sectors in the last quarter of 2019 for both education and health personnel, and in March and November 2020 in the Education sector.

Spending on **goods and services** rose by 24.2 percent in real terms, from 0.7 to 0.9 percent of GDP between 2019 and 2020, mainly as a result of the acquisition of medical supplies and the CAS services hired in response to the COVID-19 crisis. Spending for **current transfers** increased by 3.1 percent in real terms, from 0.4 to 0.5 percent of GDP between 2019 and 2020, mainly as a result of court rulings in favor of payments to pensioners.

Gross capital formation decreased by 5.6 percent in real terms, remaining constant as a ratio of GDP. In 2020, spending fell in 14 departments, namely in Ucayali, Madre de Dios and San Martín in the East; in Pasco, Lima, Huanuco and Huancavelica in the Central zone; and in Arequipa, Apurímac and Cusco in the South. On the other hand, investment grew in Piura and, to a lesser extent, in Amazonas, Tacna, Callao and Loreto.

Public investment associated with the Reconstruction program amounted to S/ 675 million, with the following projects standing out: Ruta Departamental PI-101 in Piura; section Los Ejidos-Puente Cáceres of the Piura River; Ruta Departamental PI-110 in Ayabaca-Piura. Other projects worth highlighting included COVID-19 related projects such as the acquisition of medical equipment for a total of S/ 208 million (ICU beds, mechanical ventilators, vital function monitors, oxygen generators, and ambulances, among others).

The execution of other projects declined, including Majes-Siguas Stage II, the Neshuya-Curimaná Highway in Ucayali, the Bambamarca-Piñón highway in Cajamarca, the Uchumayo Bypass in Arequipa, and the Hipólito Unanue Hospital in Tacna, among other projects. Greater progress was observed in the execution of departmental roads in Amazonas; Manuel Núñez Regional Hospital in Puno; Cantuta Bridge in El Tambo in Junín, and the construction of the headquarters of Tacna's Regional Government. It is worth mentioning that regional governments' investment has recovered since August.

Table 53
INVESTMENT OF REGIONAL GOVERNMENTS
 (Million S/)

	2019	2020	Change	
			Flow	%
La Libertad	154	182	28	18
Lambayeque	145	124	-21	-15
Piura	455	639	185	41
Tumbes	56	65	9	15
Cajamarca	173	146	-27	-15
TOTAL NORTH	983	1,156	173	18
Áncash	235	209	-26	-11
Callao	34	76	42	125
Huancavelica	198	162	-36	-18
Huánuco	283	249	-35	-12
Ica	126	96	-29	-23
Junín	229	257	29	13
Lima	331	260	-71	-22
Pasco	242	156	-86	-36
TOTAL CENTER	1,677	1,465	-212	-13
Apurímac	268	224	-44	-16
Arequipa	475	415	-60	-13
Ayacucho	284	302	18	6
Cusco	413	376	-36	-9
Moquegua	137	153	16	12
Puno	264	297	33	12
Tacna	189	239	49	26
TOTAL SOUTH	2,030	2,005	-25	-1
Amazonas	205	289	84	41
Loreto	339	381	42	12
Madre De Dios	169	117	-52	-31
San Martín	304	265	-40	-13
Ucayali	502	292	-210	-42
TOTAL EASTERN	1,519	1,344	-175	-12
TOTAL	6,209	5,971	-239	-3.8

Source: MEF and BCRP.

Local Governments

Local governments' non-financial expenditures in 2020 represented 3.7 percent of GDP, a ratio 0.5 percentage points of GDP higher than in 2019. This increase –from 1.6 to 2.2 percent of GDP– is



explained by the higher level of current spending, mainly on goods and services, and also on wages and salaries. On the other hand, capital spending remained at 1.6 percent of GDP.

Spending on **wages and salaries** to municipal workers and administrative personnel rose by 2.4 percent in real terms, while purchases of **goods and services** increased by 36.2 percent in real terms, from 1.1 to 1.7 percent of GDP, reflecting higher expenditure on maintenance, conditioning and repair services, as well as on training and improvement services; data processing and computer services; office materials and supplies; acquisition of spare parts and accessories for motorized units, and CAS services, while **transfers** decreased by 1.7 percent in real terms due to lower municipal transfers to towns and villages.

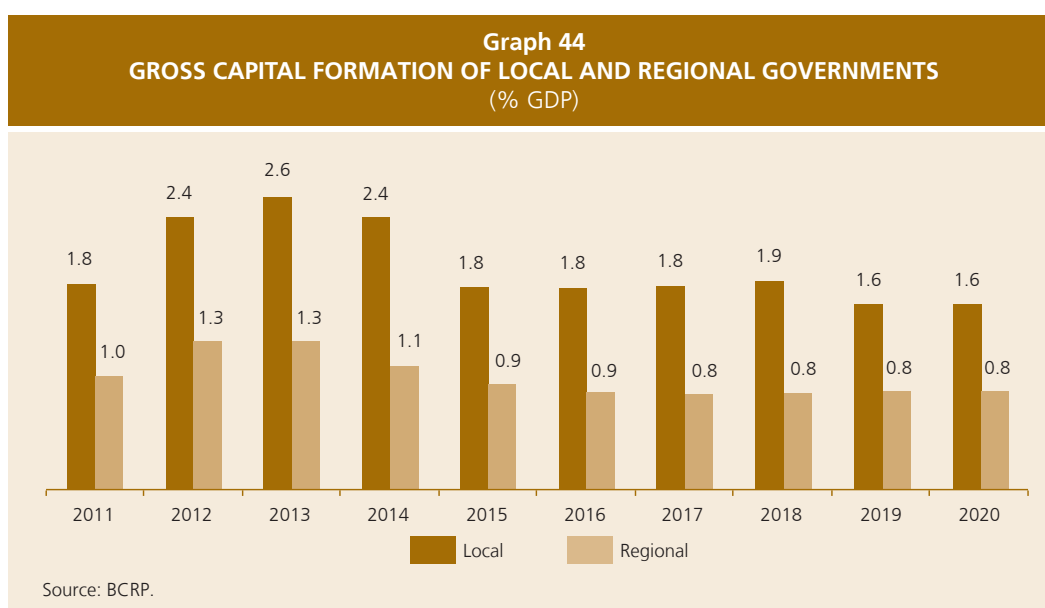
Gross capital formation declined by 12.3 percent in real terms, but remained unchanged as a percentage of GDP, although it recovered in the fourth quarter of 2020 compared to the same period in 2019. In 2020, investment declined in 19 departments, particularly in the Central, South and North zones, and to a lesser extent in the East zone. By departments, the largest drops were observed in Lima, Junín, Huánuco and Ica in the Central zone; in Cusco, Apurímac and Ayacucho in the South zone; in La Libertad and Piura in the North zone; and in Ucayali in the East zone.

Table 54
INVESTMENT OF LOCAL GOVERNMENTS
(Million S/)

	2019	2020	Change	
			Flow	%
La Libertad	987	825	-161	-16
Lambayeque	214	234	20	9
Piura	971	932	-40	-4
Tumbes	77	99	22	28
Cajamarca	748	739	-9	-1
TOTAL NORTH	2,998	2,829	-168	-6
Áncash	774	773	-1	0
Callao	96	72	-24	-25
Huancavelica	345	313	-32	-9
Huánuco	391	345	-45	-12
Ica	245	200	-45	-18
Junín	471	403	-68	-14
Lima	1,659	1,224	-435	-26
Pasco	160	148	-12	-8
TOTAL CENTER	4,142	3,479	-663	-16
Apurímac	456	385	-72	-16
Arequipa	671	715	44	7
Ayacucho	681	639	-43	-6
Cusco	1,598	1,259	-338	-21
Moquegua	197	160	-37	-19
Puno	528	497	-30	-6
Tacna	146	191	45	31
TOTAL SOUTH	4,277	3,845	-432	-10
Amazonas	232	209	-22	-10
Loreto	288	318	30	11
Madre De Dios	39	53	13	33
San Martín	406	394	-12	-3
Ucayali	232	157	-75	-32
TOTAL EASTERN	1,197	1,131	-66	-6
TOTAL	12,613	11,284	-1,329	-10.5

Source: MEF and BCRP.

By groups of projects, a decline was observed in the execution of projects carried out under the Reconstruction program, the road works for the Pan American Games and the rest of the projects. The only group of projects that showed a greater rate of execution was the projects under the Arranca Perú program, which consist mainly of optimization, marginal expansion, rehabilitation and replacement projects (IOARR) of relatively smaller size. On the other hand, the execution of projects with a Modified Institutional Budget greater than S/ 30 million increased, with the sewage treatment project of Nauta-Iquitos, the potable water and sewerage project in San Martín and Baños del Inca in Cajamarca, and the Mercado Mayorista of Lima project standing out.



3. State-Owned Enterprises

The **economic deficit –on a cash basis– of state-owned enterprises** amounted to S/ 3,971 million in 2020, an amount equivalent to 0.6 percent of GDP, higher than the deficit recorded in 2019 (S/ 1,773 million). This result is explained by the higher deficit of the other companies under the scope of Fondo Nacional de Financiamiento de la Actividad Empresarial del Estado (FONAFE) –the National Fund for Financing State Business Activity–, which comprise regional electricity companies and PetroPerú mainly. By components, this deficit is explained by the effect of higher transfers of FONAFE’s profits to the Public Treasury and by the contraction of sales revenues, which were higher than the fall in spending on goods and services and in gross capital formation.

Table 55
OVERALL BALANCE ON CASH BASIS OF STATE ENTERPRISES

	Million S/			% GDP		
	2018	2019	2020	2018	2019	2020
Petroperú	-3,083	-1,876	-2,012	-0.4	-0.2	-0.3
Electroperú	168	-184	248	0.0	0.0	0.0
Regional Electricity Companies	624	579	-34	0.1	0.1	0.0
Sedapal	77	36	46	0.0	0.0	0.0
Other	-198	-328	-2,220	0.0	0.0	-0.3
TOTAL	-2,412	-1,773	-3,971	-0.3	-0.2	-0.6

Source: State enterprises and FONAFE.



PetroPerú recorded a deficit of S/ 2,012 million, S/ 136 million higher than in 2019. This result is explained by the drop in sales revenues (-S/ 6.1 billion) as a result of both a lower volume of domestic sales (-21.5 percent) –due to the decline in economic activity– and lower sale prices (-10.5 percent) given the drop of oil prices in the international market, as well as due to lower tax refunds.

This was in part offset by lower expenditure for goods and services (-S/ 5.8 billion), taxes (-S/ 272 million), and capital expenditure (-S/ 731 million), mainly in gross capital formation (-S/ 606 million). The reduction in expenditure on goods and services (-12.3 percent) is explained by the lower volume of purchases of crude oil, diesel B5-S50, and biodiesel B100 and by the lower purchase prices (-25.1 percent) of domestic and imported crude oil, and low-sulfur diesel 2, mainly.

On the other hand, the reduction in gross capital formation was associated mostly with the modernization of the Talara refinery. At the end of 2020, the implementation of this project registered an overall physical progress of 92.9 percent, with the process units being implemented by Técnicas Reunidas showing a progress of 95.9 percent, and the auxiliary units being implemented by Cobra consortium showing a progress of 81.9 percent. The new refinery is expected to start operations in the fourth quarter of 2021.

ElectroPerú showed a surplus of S/ 248 million, which contrasts with the deficit of S/ 184 million recorded in 2019. This balance is explained by lower transfers of profits to Fondo Consolidado de Reservas (FCR) and FONAFE given that the profits corresponding to 2018 (S/ 361 million in April) was transferred in 2019 and part of the 2019 profit was brought forward (S/ 198 million in October) in the same year, while the balance of the latter (S/ 197 million in May) was transferred in 2020. In addition, higher sales income (S/ 190 million) was obtained due to higher collections from sales to the regulated market, which was partially offset by higher expenses for purchases of energy, power, and toll services (S/ 123 million).

Contrasting with the surplus of S/ 579 million they showed in 2019, the regional electricity companies recorded a joint deficit of S/ 34 million. This result is mainly due to the lower revenues from sales (-S/ 590 million), particularly from the sales of distribution companies, which fractioned collections and faced a greater delay in the payments of their customers. This was partially covered by a fraction of the electricity bonus granted by the government.

In addition, there were also lower “other current revenues” (-S/ 123 million) for items such as complementary revenues, penalties and cut-off and reconnection services, transfers from the Energy Social Inclusion Fund (FISE), and collection of late payments and commercial interest, together with higher expenses for goods and services (S/ 74 million) and “other expenses” (S/ 64 million). This was relatively offset by lower capital expenditure (-S/ 210 million), particularly in gross capital formation (-S/ 172 million), due to the lower execution of investment projects and non-project capital expenditure.

Sedapal's surplus of S/ 46 million was S/ 10 million higher than in 2019. This result is explained, on the one hand, by a decrease in gross capital formation (-S/ 239 million), due to the lower execution of expansion and coverage improvement projects for water and sewerage services as a result of quarantine and problems with technical files, and, on the other hand, by an increase in capital revenues (S/ 84 million) due to transfers from the Lima and Callao Urban Transportation Authority (ATU) for the release of land and for solving the obstacles required to make the execution of Metro Line 2 feasible. Moreover, there were also lower payments of taxes on own account (S/ 64 million) and debt interests (S/ 20 million).

Revenues decreased by S/ 269 million, due to the delay and fractioning of collections for potable water and sewerage services corresponding to the quarantine period, while expenditures for goods

and services increased by S/ 99 million, mainly due to the supply of potable water by means of cisterns to the population that does not have access to potable water and sewerage facilities.

The other State-owned companies² showed a deficit of S/ 2,220 million, S/ 1,892 million higher than the deficit for 2019. This result is explained by the higher deficit recorded by the rest of FONAFE's companies (S/ 1,758 million), due to the effect of the higher transfer of profits to the Public Treasury (S/ 1,400 million). In March, the government established by means of Emergency Decree N° 029-2020 that FONAFE make an exceptional transfer of S/ 1,500 million. In 2019 FONAFE transferred S/ 250 million in March and May, while in 2020 it transferred S/ 1.9 billion: S/ 400 million in February and S/ 1,500 million in December.

Moreover, revenues fell both in terms of sales (-S/ 499 million) and in "other revenues" (-S/ 159 million), with the fall in interest income (-S/ 66 million) and related services (e.g. the revenues of Corporación Peruana de Aeropuertos y Aviación Comercial -Corpac- for airport services fell S/ 96 million) being noteworthy. This fall in revenues was partially offset by the reduction in expenses for goods and services (S/ 113 million), taxes (S/ 126 million), and gross capital formation (S/ 68 million), mainly.

Municipal companies and decentralized agencies registered a joint economic deficit of S/ 99 million, which contrasts with the surplus of S/ 34 million observed in 2019. Revenues from sales decreased by S/ 484 million, while expenditures for purchases of goods and services decreased by S/ 160 million and gross capital formation decreased by S/ 133 million. On the other hand, revenues from capital transfers from the Ministry of Housing, Construction and Sanitation and the Technical Agency for the Administration of Sanitation Services (OTASS) to finance works of the municipal water and sewerage companies totaled S/ 103 million, S/ 32 million more than in 2019.

4. Non-Financial Public Sector Debt

At the end of 2020 the debt of the non-financial public sector totaled S/ 249.2 billion. This debt amount, equivalent to 34.8 percent of GDP, represents an increase of 8.0 percentage points of GDP from the debt ratio recorded at the end of 2019 and is explained mainly by higher long-term external debt resulting from the placement of global bonds and the disbursement of contingent credits from international organizations and, to a lesser extent, from issuances of sovereign bonds.

4.1 External Debt

The external debt of the non-financial public sector, which amounted to S/ 107 billion at the end of 2020, represents 15 percent of GDP, this ratio being 6.5 percentage points of GDP higher than that recorded at the end of 2019.

Global bonds in US dollars for a total of US\$ 7 billion were issued during the year: bonds amounting to US\$ 3 billion were launched in April (US\$ 2 billion of a bond maturing in 2031 and US\$ 1 billion of a bond maturing in 2026 were offered), and bonds amounting to US\$ 4 billion were placed in December (US\$ 2 billion of a bond maturing in 2060, US\$ 1 billion of a bond maturing in 2032, and US\$ 1 billion of a bond maturing in 2121). The bond issuance in December was authorized by Emergency Decree No. 051-2020 of April, which established extraordinary measures to finance the higher expenses derived from the health emergency.

Contingent loans for a total of US\$ 2,134 million were also obtained from international organizations, the World Bank (US\$ 1,834 million) and the Inter-American Development Bank (US\$ 300 million), authorized by Emergency Decree No. 051-2020.

² This category includes FONAFE and companies under FONAFE such as Activos Mineros, Corpac, Serpost, and SIMA, among others, as well as municipal companies and decentralized public agencies.

The depreciation of the PEN between December 2019 and 2020 has also contributed to increase the external debt denominated in soles.

4.2 Domestic Debt

At the end of December 2020, the domestic debt of the non-financial public sector amounted to S/ 142.2 billion, which represents 19.9 percent of GDP, a ratio 1.6 percentage points of GDP higher than that recorded at the end of 2019.

This increase is explained by placements of S/ 2.8 billion of sovereign bonds, partially offset by the amortization of Recognition Bonds (S/ 418 million), Capitalization Bonds with BCRP (S/ 394 million), and long-term loans (S/ 521 million), which includes obligations recognized for workers' contributions to the National Housing Fund (S/ 285 million) and repayments of General Government loans with commercial banks (S/ 121 million) and Banco de la Nación (S/ 115 million).

Table 56						
DEBT BALANCE OF THE NON-FINANCIAL PUBLIC SECTOR 1/						
	Million S/			% GDP		
	2018	2019	2020	2018	2019	2020
PUBLIC DEBT (I + II)	190,789	206,301	249,197	25.8	26.8	34.8
I. EXTERNAL PUBLIC DEBT	65,505	65,659	106,995	8.8	8.5	15.0
Loans	19,260	20,527	31,088	2.6	2.7	4.3
International organizations	11,525	12,702	22,144	1.6	1.6	3.1
Paris Club	3,550	3,726	4,271	0.5	0.5	0.6
Suppliers	16	5	0	0.0	0.0	0.0
International banks	4,168	4,094	4,673	0.6	0.5	0.7
Bonds	46,246	45,132	75,907	6.2	5.9	10.6
Global bonds	39,506	38,512	68,667	5.3	5.0	9.6
Non financial public enterprise bonds	6,740	6,620	7,240	0.9	0.9	1.0
II. DOMESTIC PUBLIC DEBT	125,284	140,643	142,202	16.9	18.3	19.9
1. LONG TERM 2/	112,209	128,251	129,725	15.1	16.6	18.1
Bank loans	3,902	1,701	1,180	0.5	0.2	0.2
Public Treasury bonds	108,307	126,550	128,545	14.6	16.4	18.0
Capitalization BCRP	645	394	0	0.1	0.1	0.0
Public debt swap with Banco de la Nación	543	295	295	0.1	0.0	0.0
Sovereign bonds	102,009	121,612	124,419	13.8	15.8	17.4
Recognition bonds	5,109	4,249	3,831	0.7	0.6	0.5
2. SHORT TERM	13,075	12,391	12,476	1.8	1.6	1.7
Memo:						
Liabilities of Private-Public Partnerships 3/	3,278	2,768	2,490	0.4	0.4	0.3
FEPCs	270	-106	-548	0.0	0.0	-0.1
External debt from COFIDE and Mivivienda Fund	11,927	8,993	10,544	1.6	1.2	1.5
Bond holdings	141,515	160,123	193,086	19.1	20.8	27.0
Residents	61,789	66,300	65,912	8.3	8.6	9.2
Non-residents	79,726	93,823	127,174	10.8	12.2	17.8
Sovereign bonds	102,009	121,612	124,419	13.8	15.8	17.4
Residents	57,229	62,946	60,430	7.7	8.2	8.4
Non-residents	44,780	58,666	63,989	6.0	7.6	8.9
Global bonds	39,506	38,512	68,667	5.3	5.0	9.6
Residents	4,560	3,354	5,482	0.6	0.4	0.8
Non-residents	34,946	35,157	63,185	4.7	4.6	8.8

1/ Includes national government debt, subnational governments (regional and local) and non-financial public companies.

2/ Includes recognized debt with FONAVI, Law 29625.

3/ Projected. Nominal value of CRPAOs issued between May 2006 and March 2012, net of amortizations made.

Source: MEF, BCRP, Banco de la Nación, Ministry of Transport and Communications, ONP, COFIDE, Petroperú and FMV.

4.3 Net Debt

The net debt of the non-financial public sector –defined as the difference between financial liabilities or total public debt and financial assets (total deposits in the financial system and other financial assets)– increased from S/ 100,3 thousand million in 2019 to S/ 160,1 thousand million in 2020, representing 22.4 percent of GDP at the end of the 2020. This result is explained both by the increase in gross debt by 8.0 percentage points of GDP, as well as by the reduction of financial assets by 1.3 percentage points of GDP mainly as a result of the use of deposits.

Table 57
NET DEBT OF THE NON-FINANCIAL PUBLIC SECTOR

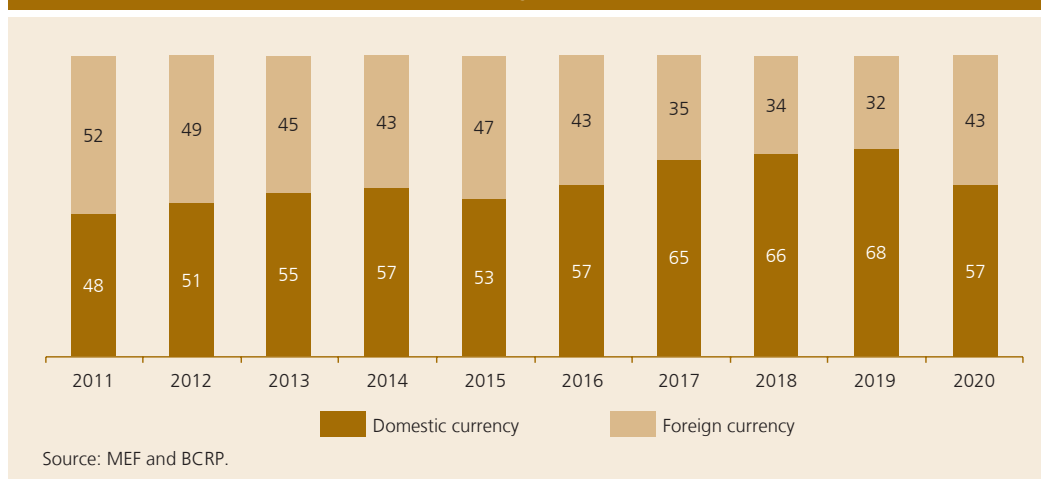
Year (December)	Million S/			% GDP		
	Assets	Liabilities	Debt net	Assets	Liabilities	Debt net
2011	65,824	101,737	35,914	14.0	21.6	7.6
2012	81,130	101,225	20,094	16.0	19.9	4.0
2013	90,041	105,087	15,046	16.5	19.2	2.8
2014	96,994	114,432	17,438	16.9	19.9	3.0
2015	109,033	142,241	33,208	17.9	23.4	5.5
2016	111,649	156,663	45,014	17.0	23.9	6.9
2017	107,407	173,976	66,569	15.4	24.9	9.5
2018	107,185	190,789	83,604	14.5	25.8	11.3
2019	106,019	206,301	100,282	13.8	26.8	13.0
2020	89,121	249,197	160,076	12.5	34.8	22.4

Source: MEF, BCRP, Banco de la Nación, Petroperú, ONP, EsSalud, ElectroPerú and FONAFE.

4.4 Debt by Currencies

The ratio of debt in foreign currency increased from 32 to 43 percent of total debt due to the issuance of global bonds and the disbursement of loans from international organizations, in addition to the effect of the depreciation of the sol.

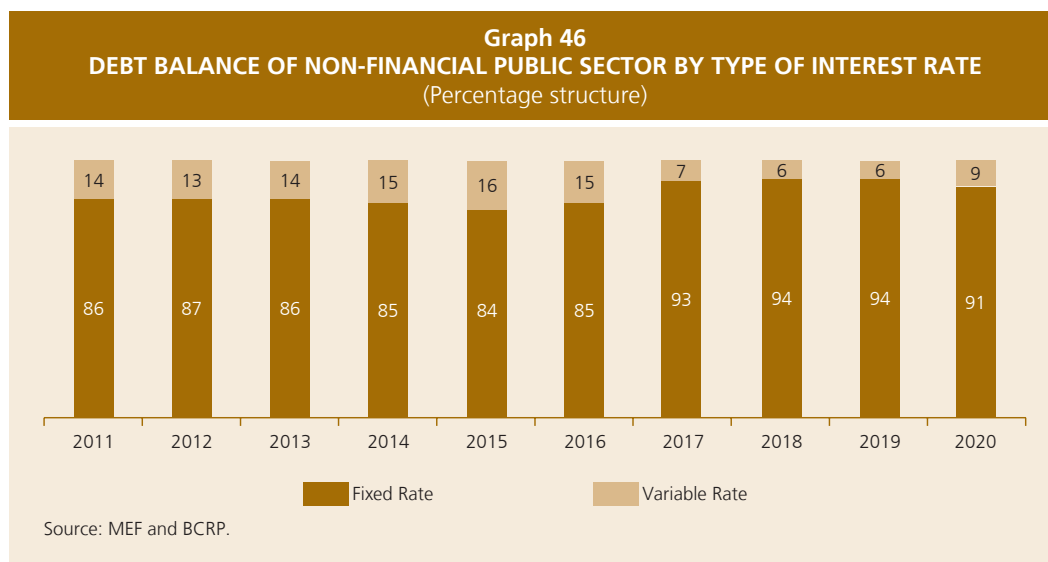
Graph 45
NON-FINANCIAL PUBLIC DEBT BALANCE BY CURRENCY
(Percentage structure)





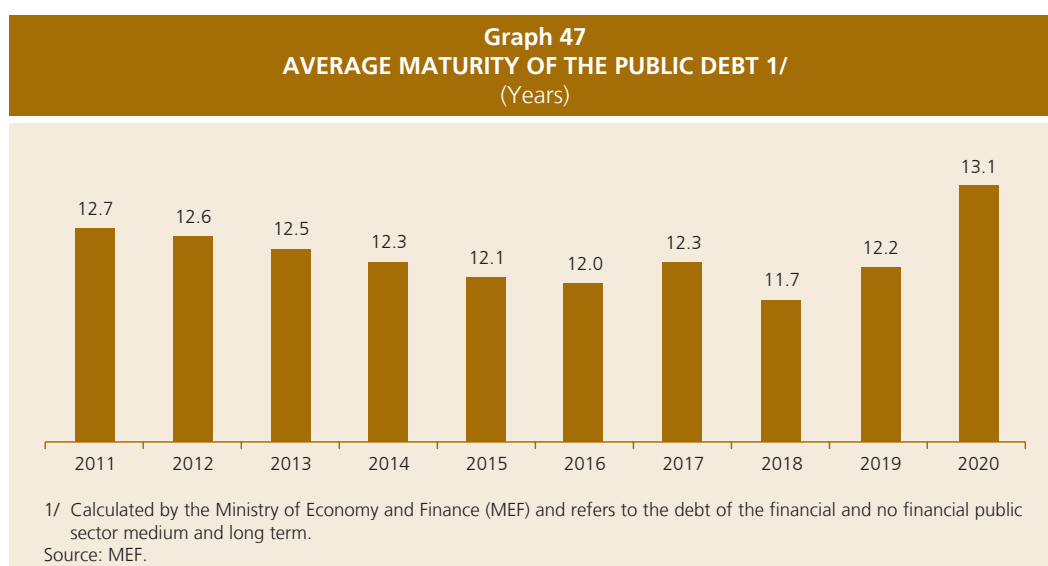
4.5 Debt by Type of Interest Rates

At the end of 2020, the non-financial public sector fixed-rate debt represented 91 percent of the total debt, a lower ratio than in 2019 (94 percent). It is worth pointing out that the ratio of fixed-rate debt has increased by 5.2 percentage points over the last ten years.



4.6 Average Life of the Debt

At the end of 2020, the average life of the medium- and long-term total public debt was 13.1 years, higher than at the end of 2019 (12.2 years). The average life of the domestic public debt was 11.6 years (1 year shorter than in 2019), while the average life of the external public debt was 14.7 years (3.2 years longer than in 2019).



Box 2
TAX MEASURES AGAINST COVID-19 IN 2020

A series of extraordinary and temporary measures have been enacted to mitigate the effects of COVID-19 on economic agents' income since the state of health emergency started.

The tax measures adopted have revolved around four points: (i) the extension of the deadlines for tax obligations, (ii) increasing the availability of resources, (iii) deferral or fractionation of tax debts with SUNAT, and (iv) administrative facilities for the payment of obligations.

The first measures determined the automatic refund of income tax overpayments for individuals (fourth and fifth categories). In addition, SUNAT established a procedure for the early release of March tax withholdings (or *detracciones*) and made use of its discretionary power in order not to determine or sanction tax and customs violations incurred during the state of emergency. Additionally, it postponed the regularization of income tax for 2019 and the payment of tax obligations for February, extending the postponement to the tax payments corresponding to the months between March and August.

The postponed monthly obligations included payments on account of income tax, the VAT, the excise tax, as well as the cash disbursement or installments of the Temporary Tax on Net Assets (ITAN). A new schedule extended the deadline for the payment of obligations for Principal Taxpayers (PRICOS) for up to 3 months and for up to 4 months for non-PRICOS. This benefit was available for taxpayers with income below 5,000 tax payment units, while the regular payment schedule was maintained for the rest of taxpayers.

SUMMARY OF TAX MEASURES 2020 - NATIONAL EMERGENCY

MEASURES		Corresponding to period:	Extension:		
			Taxpayer type 1 /:		
			PRICOS	No PRICOS	
Extension of deadlines	Annual Return and Regularization of Income Tax (IR).	2019	3 months	4 months	
	New term final - Backlog of physical or electronic books and records. - Sending of the informative statements and communications of the System of Electronic Issuance. - Presentation of the Annual Declaration of Operations with Third Parties.	2019	45 days	4 months	
			3 months		
				45 days	
	Monthly declaration of obligations (IR, IGV, ISC and ITAN).	February	3 months	4 months	
		March and April	2 months	3 months	
		May and June	1 month	2 months	
		July and August	-	1 month	
	Declaration of the Electronic Payroll (PLAME).	February and march	1 month	2 months	
	Expiration of the fractionation payments.	March to June	Until July		
Maximum delay periods for the Sales and Income Registry and the Registry of Electronic Shopping.	January to June	Between 1 to 4 months	Between 2 to 6 months		
	July and August	-	1 month		
Annual payment of the right of validity of mines and / or penalty.	2020	Until September (3 months)			
Availability of resources	Automatic refund of payments in excess of income tax (4th and 5th category)	2019	-		
	Emergency procedure for the early release of withdrawals	March	-		
	Suspension or modification of payments on account of income tax of the 3rd category	April to July	-		
	Loss carry-over (up to 5 years) for the 3rd category income tax calculation	2020	1 year		
	Special Depreciation Regime for taxpayers of the General Regime with higher depreciation rates to encourage asset acquisition and renewal fixed of companies (tourism sector).	2020, 2021 and 2022	-		
Payment of tax debt	Discretionary power not to determine or sanction tax offenses. 2/	March 16 to June 30	-		
	New Default Interest Rates (TIM) in force in MN and ME.	From April 2020	-		
	New Deferral and / or Fractionation Regime (RAF). 3/	Debt to date	-		
Administrative facilities	Facilities to obtain the RUC and the SOL Code online.	-	-		
	Declaration and payment through the virtual platform Sunat Online operations	-	-		
	Creation of SUNAT Virtual Party Table	-	-		
	Electronic payment of taxes with valued documents	-	-		

1 / Taxpayers with net income less than 5,000 UIT in 2019.

2 / Measure was extended only to those regions with targeted quarantine.

3 / In September, the deadline for submitting requests for foster care to the new RAF was extended until December 2020.

Source: SUNAT.



SCHEDULE OF MONTHLY TAX OBLIGATIONS

In charge of:	% collection	Payment month:					
		Jun.	Jul.	Aug.	Sep.	Oct.	Nov.
NO PRICOS	27.1						
< 2,300	17.5		Feb.-Mar.				
2,300 - 5,000	5.3		Mar.	Apr.-May	Jun.-Jul.	Aug.-Sep.	Oct.
> 5,000	4.3	May.	Jun.	Jul.	Aug.	Sep.	Oct.
PRICOS	72.9						
< 2,300	5.5	Feb.-Mar.					
2,300 - 5,000	1.7	Mar.	Apr.-May	Jun.-Jul.	Aug.	Sep.	Oct.
> 5,000	65.7	May.	Jun.	Jul.			

Note: The monthly obligations include the due dates for the declaration and cash payment of the Temporary Tax on Net Assets.
Source: RS 096-2020 / SUNAT and RS 099-2020 / SUNAT.

On the other hand, the change of the coefficients for the calculation of payments on account of third category income tax was allowed. Businesses were able to reduce or suspend the payment of installments between April and July, if their net income had decreased in comparison to the same month of 2019. Furthermore, as from 2021, the loss carry forward period was extended to five years and higher depreciation rates were defined to encourage the acquisition and renewal of fixed assets of companies. A special depreciation regime was also established on an exceptional and temporary basis for taxpayers of the general or third category regime.

SUSPENSION OR MODIFICATION OF PAYMENTS ON ACCOUNT OF INCOME TAX

Monthly net income (compared to the same month of 2019)	Payment on account of IR 3rd category
Decreased > 30%	Suspended
Decreased to 30%	Apply factor 0.5846
Not decreased	Not suspended or reduced

Source: Legislative Decree No. 1471.

In addition to the reduction of obligations, tax debt payment facilities were established and the moratorium interest rate (TIM) was reduced as from April. The deadline for payment of the installments corresponding to March to June was also extended. Subsequently, a new Fractioning or Deferral Regime (RAF) that allows deferring and fractioning tax debt for up to three years, with a reduced interest rate (40 percent of the current MIR), was created for individuals and legal entities in May. The deadline for submitting applications was extended until December 31, 2020.

NEW REGIME OF POSTPONEMENT AND / OR FRACTIONATION (RAF)

Aimed at:	Persons and enterprises
Items debt:	<ul style="list-style-type: none"> - Balances of deferrals and / or subdivisions of debt - Interest, updates and capitalized interest - ITAN - Payments on account of the IR (January to March 2020) - Tax and customs debt pending on the application date
Terms:	Only postponement: 6 months Only fractionation: 36 months Up to 6 months of deferral and 30 months of fractionation
Rate:	40% Current Default Interest Rate (TIM = 1%)
Presentation of guarantees:	Only for excess debt > 120 UIT (\$ / 516 thousand)

Source: Legislative Decree No. 1487.

Finally, SUNAT established a series of administrative facilities that not only made it possible to obtain the RUC and Clave Sol through the Internet, but also to declare taxes and make tax payments using the virtual platform "SUNAT Operaciones en línea" as well as to speed up the processing of procedures and requests through SUNAT's Virtual Desk. In addition, the final deadline for filing physical or electronic books and records, informative declarations of the Electronic Issuance System and Annual Declaration of Operations with Third Parties corresponding to 2019 was postponed for up to four months. Likewise, the deadline for filing the Electronic Payroll, the Sales and Income Record, and the Electronic Purchases Record corresponding to the first months of 2020 was also extended.

Box 3

UNCONDITIONAL CASH TRANSFERS TO HOUSEHOLDS IN THE CONTEXT OF THE COVID-19 HEALTH EMERGENCY IN COUNTRIES IN THE AMERICAS

In the context of the current health crisis, it is relevant to contrast the measures of unconditional cash transfers provided to households in Chile, Colombia, Brazil, Argentina, Guatemala, Mexico City, the United States, and Peru. The comparison shows that the countries studied have focused their measures on the most vulnerable population in the context of the pandemic, but with different levels of coverage. Two approaches have been used for the identification of beneficiaries: the use of household records (including information on taxes or residential consumption of energy) or a self-selection process (families applying to the program). High diversity is observed in the amount of the subsidies delivered. In most cases, except for Peru and the United States, the design of interventions considered several cash transfers to beneficiary families as subsidy, which could have allowed for flexibility to adjust the policies.

The COVID-19 crisis occurred when the countries of the region reported heterogeneous fiscal deficits and public debt levels, some of which were substantially high and above 70 percent of GDP.

FISCAL INDICATORS, 2019 (% GDP)			
	Fiscal Déficit 1/	Public Debt	Pandemic transfers to households
Argentina 2/	-4.5	90.2	0.8
Brazil	-5.9	87.7	3.5
Chile	-2.7	28.2	2.2
Colombia	-2.5	52.3	0.8
USA	-5.7	108.2	2.1
Guatemala	-2.3	26.6	1.0
Mexico 3/	-2.3	53.3	0.0
Peru	-1.6	26.8	2.0

1/ General Government loans / credit.
2/ Does not include the death benefit.
3/ For transfers to households, only Mexico City is considered.
Source: WEO and own calculations.

The unconditional cash transfer programs adopted in the framework of the health emergency by COVID-19 in Chile, Colombia, Brazil, Argentina, Guatemala, Mexico City, the United States, and Peru³ are described in this box. The specific transfer programs are detailed in Table 1.

By April 2020, all the countries and subnational governments in the region had already announced at least one family-support program as a rapid response to the economic effects of the pandemic.

When analyzing response measures as of June 2020, Gentilini et al (2020) found that 131 of 195 countries with social protection interventions had adopted conditional or unconditional cash transfers, but only five countries had established universal transfers (targeted transfers were applied in the rest, as reflected in the sample of all the countries compared in this note).⁴

The most effective country in implementing the program was the United States, which began payments within the first week of passing the stimulus law. One of the main reasons explaining this is

3 The data refers to Mexico City and not to Mexico as a whole, because there is no transfer program at the federal level. Moreover, Mexico City has a high level of autonomy as a federal district.

4 Gentilini et al (2020) Social Protection and Jobs Responses to COVID-19: A Real-Time Review of Country Measures.

that tax payment information was used to select beneficiaries in the U.S. and that its tax institution knew the addresses and the bank account numbers of those who qualified for the program.

In contrast, in the rest of cases, the organization and implementation of the programs took several weeks. In the other countries of the region, because of the large numbers of informal and independent workers, it was necessary to verify the eligibility of beneficiaries. This is partly the reason why several countries decided to allow families to apply for benefits, as it will be discussed below.

TABLE 1: UNCONDITIONAL MONETARY TRANSFERS BY COUNTRY

COUNTRY	SUBSIDY	DESCRIPTION	TOTAL COST
Chile	Emergency Bonus COVID-19	One-time transfer of US\$ 68 to vulnerable households and beneficiaries of certain social protection programs.	US\$ 5.5 billions (2.2% of GDP)
	Emergency Family Income	Up to six payments to vulnerable households with informal incomes or with older adults or people with disabilities (on average, more than US\$ 100 per capita per payment).	
	Middle Class Bonus	One-time transfer of up to \$ 682 to middle-income workers with a 30 percent drop in income or more.	
	COVID Christmas bonus	One-time transfer of US\$ 34 per person for households recipients of the sixth payment of the Emergency Family Income (US\$ 75 for homes in Quarantine communes in the last week of November).	
Colombia	Subsidies for regrowth (IFE COVID and COVID Bonus)	2 transfers of up to US\$ 135 per person for households in Quarantine (Phase 1), up to US\$ 55 for homes in Transition (Phase 2), and up to US\$ 34 for homes in Preparation or Opening (Phases 3 and 4).	US\$ 2.3 billions (0.8% of GDP)
	Solidarity Income	Fifteen payments of US\$ 45 to households living in poverty or vulnerability (nine in 2020).	
Brazil	Extraordinary Payment for Families in Action and Youth in Action	An additional extraordinary transfer to beneficiaries of both social programs of conditional transfers (US\$ 41 for Families, and US\$ 101 for Youth).	US\$ 66 billions (3.5% of GDP)
	Emergency aid	Five payments of US\$ 112 followed by up to four payments of US\$ 56 for low-income informal, self-employed or unemployed workers (maximum two per household).	
Argentina	Family Income of Emergency	Three payments of US\$ 114 to households with unemployed, workers informal workers, independent workers, domestic workers, or beneficiaries of certain social protection subsidies.	US\$ 2.1 billions (0.8% of GDP) (Without the subsidy by death)
	Containment allowance family	One-time transfer of US\$ 171 for households with the deceased by COVID-19 (for burial / cremation expenses).	
Peru	Universal Family Bonus 1 / and Universal Bonus	Two payments of US\$ 210 to households living in poverty, with independent workers, beneficiaries of Juntos, Pension 65 or Contigo, or without any formal dependent worker or worker high income.	US\$ 4.1 billions (2.0% of GDP)
	Complementary Bonus by Targeted Quarantine	1 payment of US\$ 165 to households in quarantined regions in poverty, with self-employed workers, beneficiaries of Juntos, Pension 65 or Contigo, or without any formal dependent worker or any high-income worker.	
Guatemala	Family Bonus	2 payments of US \$ 129 and 1 payment of US \$ 32 for households with electricity consumption below 200 kWh.	US\$ 773 millions (1.0% of GDP)
Mexico City	Support for working and unemployed people	2 payments of US \$ 74 for non-salaried and temporary workers, 2 payments of US\$ 74 for those who lost formal jobs, and 1 payment of US\$ 148 for independent, non-salaried, household or temporary employment.	US\$ 7.5 million (0.004% of Mexico's GDP)
USA	Economic Impact Payments	1 payment of US\$ 1,200 in 2020 and 1 payment of US\$ 600 in early 2021 for individuals with incomes of up to US\$ 99 thousand per year.	US\$ 447 billion (2.1% of GDP)

1/ Includes the following bonds: I stay at home, independent bond and rural bond.

Note: Own elaboration. The exchange rates for conversion to dollars correspond to February 3, 2021. The percentages over GDP should be seen as rough calculations.

The task was particularly more complicated in Peru and Guatemala, where household registries were outdated. For this reason, the decision in Peru was to develop a new household registry, whereas Guatemala preferred to approach vulnerable households based on a criterion of energy consumption.

Targeting and Coverage

In general terms, household support policies during the pandemic show that countries identified four groups of families for the design of their interventions according to the level of social protection they had prior to the crisis:

- 1) Poor families who did not receive economic support from the government.
- 2) Non-poor families with informal income: the selected countries have a significant proportion of the population that works in the informal sector and is not affiliated to social programs or to the formal social protection network.
- 3) Beneficiaries of non-contributory social protection: families who have been receiving some type of economic support from the government due to their socioeconomic vulnerability (without any type of monetary compensation).
- 4) Beneficiaries of contributory social protection: formal workers whose contributions or employment situation guaranteed them the right to certain benefits in case of contingencies (e.g. unemployment insurance).

The programs of unconditional cash transfers have mainly targeted the first three groups: poor families, informal workers and beneficiaries of government social programs. However, Chile, Argentina, Mexico City and the United States have also extended these programs to formal dependent workers.

In Chile, the *Bono Clase Media* was part of a broader policy aimed to support the middle class. In Argentina, the aim was to benefit low-income formal workers (identified by their tax obligations). In Mexico City, the assistance also included formal workers who had lost their jobs, while in the United States, support was given to all individuals regardless of their type of employment, but based on an annual income ceiling determined.

In Brazil and Peru, the transfers also apply to formal self-employed workers, given that this group does not have the full social safety net of a formal dependent worker in these countries.

Two available mechanisms were used to identify beneficiaries within these groups: (i) the preparation of rolls based on household information, and (ii) the self-selection of beneficiaries.

The former consists of compiling a list of beneficiaries based on the data available to the government, which allows taking actions more quickly (no processing of applications is required), but requires an extensive and efficient information infrastructure. This was successfully achieved in the United States, for example, thanks to the extensive tax information on the country's workers.

On the other hand, the self-selection of beneficiaries refers to the process whereby those individuals who consider that they meet the program's requirements apply for the program benefits through established

procedures. This mechanism provides flexibility in identifying families affected by the crisis, but makes the delivery process slower, and may leave out families who need the subsidy and do not know how to access it.

Therefore, the strategy for countries that do not have a perfect information network is to include a group of automatic beneficiaries (identified through the household registry), and to incorporate the possibility for other families to apply. This has been the approach followed by Chile, Brazil, Argentina and Peru⁵.

However, the degree of combination of these approaches varies between countries. For example, in Brazil and Argentina, the automatic beneficiaries are basically the recipients of social programs. The bulk of beneficiaries in Peru, on the other hand, were established by means of a broad census, and the incorporation of applicants was carried out done through a temporary enrollment platform.

There is wide variety in the levels of coverage achieved. Peru has the most extensive coverage, serving 68 percent of its population, followed by Chile, where the sum of the beneficiaries of the three cash-transfers represents a priori a little more than two thirds of the population. However, given the overlap existing between the three transfers, effective coverage is much lower. On the other hand, cash-transfers in the rest of the countries have been more targeted and cover less than half of the population.

It goes without saying that a more focused coverage scheme is less costly or that it potentially allows the most vulnerable families to be served with larger amounts, whereas a more extensive coverage scheme increases the social viability of the transfers by leaving fewer people excluded and does not require so many targeting efforts that could hinder the process.

Payment Design

Of the sample of countries studied, only Chile, Peru, and the United States did not consider, from the initial design of their policies, providing a sequence of cash transfers. However, Chile later implemented a multi-payment program (the Emergency Family Income), which proved to be flexible in adjusting payments and coverage.

Chile went from giving families a first COVID-19 emergency cash-transfer, which involved a single payment (the Emergency Family Income), to designing a monthly subsidy to households. The amounts, requirements and level of coverage were modified in the process, and the months of payment were eventually extended due to the economic situation and the related political demands.

In Peru, on the other hand, once the delivery of the first four transfers was completed (with a single *bono* per family), the government decided to create a new cash-transfer called *Bono Universal* which is, in essence, a second cash-transfer of the first four deliveries. This approach has ended up being slow. This second payment was announced in July 2020, approved on August 20, and only started to be paid on October 10, 2020.

⁵ In Colombia, it is not possible to apply for the subsidy (everything is determined by the corresponding competent authority).

TABLE 2: COMPARISON OF UNCONDITIONAL MONETARY TRANSFERS IN CHILE AND PERU

Name of Subsidy	Beneficiaries	Subsidy amount in each delivery	Subsidy unit	No. of beneficiaries	Total cost	Periodicity	Targeting
COVID-19 Emergency Bonus	<ul style="list-style-type: none"> Persons responsible for the Single Family Subsidy (SUP). In this case, a family burden payment is given Families of the Securities and Opportunities Subsystem that do not receive SJF. In this case, a subsidy is given per household Households of the 60% most vulnerable, according to the Social Registry of Households (RSH); without formal income from work or pension, and without benefits such as Assignment Family. In this case, an allowance is given per household. <p>* In case the person belongs to more than one group, the bonuses do not add up.</p>	CLP 50 thousand (US\$ 68 or 1.2 basic food baskets)	Transfer to household or household member (depending on classification)	1.6 million households (out of a total of 5.7 million households)	US\$ 170 million (0.1% of GDP of 2019)	1 single payment	Based on performance data social and RSH. I don't know apply to the program.
COVID-19 Emergency Family Income (IFE)	<ul style="list-style-type: none"> There are 3 groups of beneficiaries: Group 1: Households that all members of legal age have no formal income. Group 2: Households with members of legal age with mainly informal income, and where their formal income does not exceed the contribution they would receive if they were in Group 1. Group 3: Households where at least 1 of its members: (i) is 65 years of age or older and receives the Basic Old Age Solidarity Pension (PBVA); (ii) is a beneficiary of the Basic-Solidarity Pension for Disability; or (iii) is a beneficiary of the Solidarity Pension Contribution (provided that the total pension is less than what they would receive in the PBVA). <p>All households must have a Social Registry of Households to receive benefits.</p>	<ul style="list-style-type: none"> Up to six monthly payments, reducing the amount of the contribution to 80% the fourth month. Group 1: From the second contribution, they receive CLP 100 thousand (US \$ 136 or 2.3 basic food baskets) per person per month up to households with four members. From the fifth member, the amount per person decreases. Group 2: Monthly allowance to match their formal income with the amount they would receive if they were in Group 1. Group 3: CLP 100 thousand (US \$ 136 or 2.3 basic food baskets) for people with the mentioned characteristics. Group 1 will receive a fifth and sixth contribution of CLP 70 and 55 thousand (US\$ 96 and 75). 	Transfer home adjusting for number of members	About 8.3 million people (out of a total of 18.7 million)	About US \$ 4.5 billion (1.6% of GDP)	4 monthly payment between June and September	Database Social Registry Households (for most of the households the benefit is automatic). I know how homes can apply in a special platform of the IFE.
Chile Middle Class Bonus	<ul style="list-style-type: none"> Formal dependent workers and individual entrepreneurs who have had a monthly income greater than CLP (Chilean peso) 400 thousand (US \$ 546) and less than CLP 2 million (US \$ 2,730) during 2019 and who register a monthly income drop of 30% or more when requesting the benefit. Formal dependent workers must also: (i) be covered by unemployment insurance, (ii) have agreed to reduce their working hours or pay with their employer, or (iii) currently unemployed. 	<ul style="list-style-type: none"> CLP 500 thousand (US\$ 682 or 11.7 basic food baskets) For workers with monthly income between CLP 1.5 and 2 million, the amounts are decreasing. ** If the worker received the Emergency Family Income, the amount of this subsidy is deducted from the payment of the Middle Class Bonus. 	Transfer to the individual	1 million people (out of a total of 18.7 million people)	US\$ 500 million (0.2% of GDP)	1 single payment	The potentials beneficiaries request the subsidy through Tax Service Interns and the system perform a verification of the subsidy amount that corresponds.
COVID-19 Christmas Bonus	Families that received the sixth payment of Emergency Family Income	<ul style="list-style-type: none"> Up to CLP 25 thousand for each member of the household (US\$ 34). * The amount rises to CLP 55 thousand (US\$ 75) per person if the family lives in a commune that was in Quarantine during the last week of November 2020 (November 24 to 30). ** The bonus could only be collected until December 31 	Transfer home adjusting for number of members	Around 3.4 million households (8.3 million people)	US\$ 300 million (0.1% of GDP)	1 single payment	According to the standard of Family Income of emergency. Not you can apply to bond.
Regrowth subsidies	<ul style="list-style-type: none"> IFE COVID Quarantine: Families of communes that have been in Quarantine for more than 2 weeks (Phase 1 of the health situation, the most extreme). IFE COVID Transition: Families of communes that have been in Transition for at least 14 days (Phase 2 of the health situation). COVID Preparation and Opening Bonus: Families of communes that have spent at least 14 days in Preparation or Opening (Phase 3 and 4, respectively). <p>In all three cases, families must have at least one member who received the sixth payment from the IFE, or have a single family subsidy or user of the Security and Opportunities System as long as the household reports income below the IFE threshold and is within the 60% most vulnerable.</p> <p>** COVID IFE are understood as a seventh payment of the original IFE, but focused.</p>	<ul style="list-style-type: none"> Up to CLP 100,000 (US\$ 136) per person in the household for communes in quarantine from 28 days to more, and up to CLP 80,000 (US\$ 109) per person for quarantines between 14 and 27 days. Up to CLP 40 thousand per person in the household (US \$ 55). Up to CLP 25 thousand per person in the household (US \$ 34). There are two payments for households, but in each one the situation of the commune is previously evaluated the month before applying. The first payment was made in January and considers the period November 27- December 31 to evaluate the phase of the commune. The second payment will be made in February and considers the period 28 of December - January 31 to evaluate the phase of the commune. * In all three cases, the amount decreases from families of 5 to more, and there is a ceiling for households of 10 people to more. 	Transfer home adjusting for number of members	<ul style="list-style-type: none"> 1) 378 508 households, equivalent to 908 thousand people 2) 2 437 545 people homes equivalent to 5.5 million people. 3) 453 628 households equivalent to 1.4 million people. 	US\$ 470 million (0.2% of GDP)	2 payments	Homes that quality should request your payment through a platform Government.
Universal Family Bonus (includes the "stay at home" bonus and Universal Independent Bonus)	<ul style="list-style-type: none"> Households living in poverty according to SISFOH in urban areas of sanitary emergency (2.7 million from the "1 stay at home" Bonus) and in rural areas (980 thousand from the Rural Bonus) Households with at least 1 independent worker and no formal dependent worker in a vulnerable situation (780 thousand households from the Independent Bonus) Households that are beneficiaries of social programs: JUNTOS, "Pension 65" or "Contigo" (in the Universal Family Bonus a transfer is contemplated for 743 thousand households of these characteristics) Households without a formal dependent worker or with a worker with a monthly income above 5/3 000 (US \$ 827). <p>The "Universal Bond" is in practice a second payment of the previous bonds (in theory it includes more households, but with the same characteristics).</p>	<ul style="list-style-type: none"> PEN 760 (US\$ 210, or the equivalent of 4.2 basic food baskets) PEN 600 (US\$ 165, or the equivalent of 3.3 basic food baskets) 	Transfer to home	<ul style="list-style-type: none"> 8.5 million households (68% of homes in Peru) * Register National Household identifies 12.5 million homes. 	PEN 12.8 billion (US\$ 3.5 billion or 1.7% of the GDP of 2019)	2 payments	According to the Registry National Households A first was enabled inquiry line for serve families not considered, and then it was established the Independent Bonus received temporary in may the 5/760 in two payments of \$ 7380.
Targeted Quarantine Bonus	<ul style="list-style-type: none"> Households in poverty according to SISFOH in urban areas of sanitary emergency (2.7 million from the "1 stay at home" Bonus) and in rural areas (980 thousand from the Rural Bonus). Households with at least 1 independent worker and no formal dependent worker in a vulnerable situation (780 thousand households from the Independent Bonus) Households that are beneficiaries of social programs: JUNTOS, "Pension 65" or "Contigo" (in the Universal Family Bonus a transfer is contemplated for 743 thousand households of these characteristics). Households without a formal dependent worker or with a worker with a monthly income above 5/3 000 (US \$ 827). <p>Homes must be at an extreme health alert level between January 31 and February 14.</p>	<ul style="list-style-type: none"> PEN 2.5 billion (US\$ 662 million or 0.3% of GDP of 2019) 	Transfer to home	4.2 million homes (34% of households in Peru)	US\$ 662 million (0.3% of GDP of 2019)	1 single payment	According to the Registry National Households. I don't know about this bonus postulates.

Note: The calculations are made with the exchange rates of February 3, 2021. For the calculations, the GDP of Chile is US\$ 282 billion (data from the World Bank), and that of Peru, to PEN 770 billion (BCRP data) in 2019.