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## GERMANY'S PUBLIC DEBT COULD FALL BELOW EU CEILING THIS YEAR - SCHOLZ

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BERLIN (Reuters) - Germany's public sector debt could fall below the European Union's debt ceiling before the end of the year, Finance Minister Olaf Scholz said on Sunday, after figures this week showed a booming economy was generating a record surplus.

Speaking at the annual open day at which Berlin's ministries open their doors to the public, Scholz said that Germany's debt levels could fall below 60 percent of economic output earlier than the originally planned target of 2019.

The plummeting debt levels are helped by the robust health of Europe's largest economy, which grew 0.5 percent in the second quarter, driving the public sector surplus for the first half of the year to a record 48.1 billion euros (43.13 billion pounds).

That towering surplus has drawn increasingly urgent calls from lobbyists and other governments for Germany to invest more, prompting even the ultra-cautious Scholz to concede that the shower of cash offered "further possibilities".

But on Sunday, Scholz reaffirmed Germany's commitment to meeting the so-called Maastricht criteria, the public debt element of which has been breached by most participants since the 2008 financial crisis, implying that Germany's debt could fall even further.

"In 1990 debt was about 40 percent of social product," he said, referring to the time immediately before West Germany took on the ageing industries and weak currency of formerly Communist East Germany, seeking to overturn 40 years of relative decline with one of the biggest investment programmes in history.

The EU's Maastricht Treaty requires member states to run a deficit of no more than 3 percent of gross domestic product each year. The 60 percent public debt threshold has been violated by many member states for years, with Germany last keeping under the threshold 17 years ago.

(Reporting by Markus Wacket; Writing by Thomas Escritt; Editing by David Goodman)