



MALTA: PRIOR GUIDANCE TABLES

This document contains three tables. Table 1 provides the net nominal expenditure growth and the corresponding change in the structural primary balance ratio in case of a 4-year adjustment period. It also indicates the impact, if any, of the benchmark and safeguards described in Art. 7, 8 and 6(d) of Regulation (EU) 2024/1263 on top of the requirements based on the Debt Sustainability Analysis (DSA)-based criteria described in Art. 6(a) and (b) of the same Regulation ⁽¹⁾. Table 2 provides the same information as Table 1 in case of a 7-year adjustment period. Finally, Table 3 summarises the main initial conditions and underlying assumptions.

Table 1: Reference trajectory for a plan without extension, Malta

For a plan without extension (4 years) Malta	Average 2025-2028	2025	2026	2027	2028
Net expenditure growth (%)	5.9	6.0	5.8	5.9	5.7
Structural primary balance (% of GDP)	-1.6	-2.4	-1.9	-1.4	-0.9
Annual change in the structural primary balance (pp. of GDP)	0.51	0.50	0.50	0.50	0.53
<i>of which</i>					
<i>DSA-based criteria</i>	<i>0.44</i>	<i>0.44</i>	<i>0.44</i>	<i>0.44</i>	<i>0.44</i>
<i>Impact of the benchmark and safeguards</i>	<i>0.07</i>	<i>0.06</i>	<i>0.06</i>	<i>0.06</i>	<i>0.09</i>

Note: The colour code for the annual change in SPB is as follows:
 - Black normal: requirements complying with the DSA-based criteria;
 - Red bold: the deficit benchmark as measured in terms of change in the structural primary balance is binding;
 - Yellow background: the deficit benchmark as measured in terms of change in the structural balance is binding;
 - Black bold: the debt sustainability safeguard is binding;
 - Blue italics: the deficit resilience safeguard is binding.

⁽¹⁾ By construction, the reference trajectory is in line with the no-backloading principle as described in Art. 6(c) of Regulation (EU) 2024/1263.

Table 2: Reference trajectory for a plan with extension, Malta

For a plan with extension (7 years) Malta	Average	Average	2025	2026	2027	2028	2029	2030	2031
	2025-2028	2025-2031							
Net expenditure growth (%)	5.9	6.0	6.0	5.8	5.9	5.7	6.4	6.3	6.1
Structural primary balance (% of GDP)	-1.6	-1.1	-2.4	-1.9	-1.4	-0.9	-0.6	-0.3	0.0
Annual change in the structural primary balance (pp. of GDP)	0.51	0.41	0.50	0.50	0.50	0.53	0.28	0.28	0.28
<i>of which</i>									
<i>DSA-based criteria</i>	0.28	0.28	0.28	0.28	0.28	0.28	0.28	0.28	0.28
<i>Impact of the benchmark and safeguards</i>	0.23	0.13	0.22	0.22	0.22	0.25	0.00	0.00	0.00

Note: The colour code for the annual change in SPB is as follows:

- Black normal: requirements complying with the DSA-based criteria;
- Red bold: the deficit benchmark as measured in terms of change in the structural primary balance is binding;
- Yellow background: the deficit benchmark as measured in terms of change in the structural balance is binding;
- Black bold: the debt sustainability safeguard is binding;
- Blue italics: the deficit resilience safeguard is binding.

Table 3: Main budgetary, macroeconomic and financial variables, Malta

Budgetary variables: initial conditions	2023	2024
Government budget balance (% of GDP)	-4.9	-4.3
Government debt (% of GDP)	50.4	52.0
Net expenditure growth (%)	9.3	5.5
Structural primary balance (% of GDP)	-3.8	-2.9

Main assumptions for a plan without extension (4 years)	Assumption	Period
Change in the cost of ageing (pp. of GDP)	-0.2	2028-2038
Stock-flow adjustment (% of GDP)	0.0	2025-2038 average
Real GDP growth (%)	4.1	2025-2038 average
Inflation (change in the GDP deflator, %)	2.5	2025-2038 average
Nominal implicit interest rate (%)	3.2	2025-2038 average

Main assumptions for a plan with extension (7 years)	Assumption	Period
Change in the cost of ageing (pp. of GDP)	0.2	2031-2041
Stock-flow adjustment (% of GDP)	0.0	2025-2041 average
Real GDP growth (%)	3.8	2025-2041 average
Inflation (change in the GDP deflator, %)	2.5	2025-2041 average
Nominal implicit interest rate (%)	3.3	2025-2041 average