

# Existing Numerical Fiscal Rules 2014

Fields marked with \* are mandatory.

## Section 1: Developments in 2014

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1.1 Please choose from:

- The rule was REFORMED in 2014
- The rule remained UNCHANGED in 2014
- The rule was ABOLISHED in 2014

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1.2 Please indicate when the reform was adopted

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1.3 Please indicate the date the reform entered into force

\*

1.4 Please indicate the main reasons for the reform of the rule:

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1.5 Please describe in general the changes affecting the rule:

\*

1.6 Did the reform affect any of the areas below? (multiple replies possible)

- Coverage and target definition
- Statutory base of the rule
- Monitoring of compliance
- Enforcement of compliance
- None of the above

\*Please specify

\*1.2 Please indicate the main reasons for abolishing the rule:

\*1.3 Has the abolished rule been substituted by another rule or is it going to be in the future?

## SECTION 2: Coverage and target definition

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2.1 Are all sectors of the general government covered by the rule? (Please note that for the purpose of this questionnaire we refer to the following sectors of the general government - central government, regional/state government, local government and social security. The questionnaire takes into account that some Member States may not have all of the sectors - in particular regional/state governments.)

- No change
- Yes
- No

\*

2.2 Please indicate the sector(s) of general government covered by the rule (multiple replies possible):

- local government
- regional government (autonomous regions or federated states)
- central government
- social security
- other

Additional information:

\*

Please specify:

\*2.3 Please indicate the share of local government in general government expenditure (in percent): (in case of revenue rules, please indicate the share in terms of general government revenue)

\*2.4 Please indicate the share of regional/state government in general government expenditure (in percent): (in case of revenue rules, please indicate the share in terms of general government revenue)

\*2.5 Please indicate the share of central government in general government expenditure (in percent): (in case of revenue rules, please indicate the share in terms of general government revenue)

\*2.6 Please indicate the share of social security in general government expenditure (in percent): (in case of revenue rules, please indicate the share in terms of general government revenue)

\*2.7 Please indicate the accounting system in which the budgetary aggregate targeted by the rule is specified:

- NO CHANGE
- ESA 10' accounting
- cash/budgetary accounting
- other

\*2.8 Please indicate the definition of the budgetary aggregate targeted by the rule:

- NO CHANGE
- Structural balance
- Primary balance
- Primary balance except capital investment
- budget balance
- Nominal expenditure
- Real expenditure
- Growth of nominal expenditure
- Growth of real expenditure
- Allocation of expenditure to a specific purpose
- Nominal debt
- Real debt
- Growth of nominal debt
- Growth of real debt
- Debt to GDP ratio
- Debt as % of current revenue
- Decline of debt/debt to GDP ratio
- Debt service ratio
- Allocation of unexpected revenue
- Limits on direct tax rates
- Limits on indirect taxes
- Earmarking specific revenue
- Growth of revenue in relation to GDP growth
- Other

\*

Please specify:

\*2.9 Please indicate the unit of measurement of the budgetary aggregate targeted by the rule:

- NO CHANGE
- nominal terms
- real terms
- per cent
- % of GDP
- percentage points related to GDP growth
- percentage points related to a specific concept of economic growth (e.g. potential output)
- other

\*

percentage points related to a specific concept of economic growth (e.g. potential output), please specify:

\*

Please specify:

\*2.10 Are there any exclusions in the coverage of the above rule?

- NO CHANGE
- Yes
- No

Additional information

\*2.11 Please indicate the budgetary elements that are excluded from the coverage of the rule (multiple replies possible):

- Interest payments
- unemployment benefits
- Public investment
- Other

\*Please specify the relevant definition of public investment applied (e.g. gross or net investment, including only specific items, etc.):

\*

Please specify:

\*2.12 In case of revenue allocation rules, please indicate to what area is unexpected or specific revenue to be allocated to (multiple replies possible):

- deficit reduction
- debt reduction
- specific funds (e.g. pension funds)
- other

\*

Please specify:

\*2.13 Please indicate the estimated value of items covered by the rule as a percentage of local government expenditure (taking into account exclusions, if any) (in case of revenue rules, please indicate the estimated value as % of local government revenue)

\*2.14 Please indicate the estimated value of items covered by the rule as a percentage of regional/state government expenditure (taking into account exclusions, if any): (in case of revenue rules, please indicate the estimated value as % of regional/state government revenue)

\*2.15 Please indicate the estimated value of items covered by the rule as a percentage of central government expenditure (taking into account exclusions, if any): (in case of revenue rules, please indicate the estimated value as % of central government revenue)

\*2.16 Please indicate the estimated value of items covered by the rule as a percentage of social security expenditure (taking into account exclusions, if any): (in case of revenue rules, please indicate the estimated value as % of social security revenue)

\*2.17 Please indicate the estimated value of items covered by the rule as a percentage of general government expenditure (taking into account exclusions, if any): (in case of revenue rules, please indicate the estimated value as % of general government revenue)

\*2.18 According to its establishing act, does the rule provide for a margin of adjustment to the government in specifying the target of the rule?

- NO CHANGE
- Yes, the government has some freedom to adjust the target.
- No, the ceiling is definitely determined by the establishing act of the rule.

Additional information:

2.19 Please describe how the parameters of the rule can be adjusted by the government:

2.20 Please indicate the numerical value(s) of the ceiling implied by the rule (e.g., % of GDP for budget balance rules, amount of a nominal ceiling, allowed growth rate of expenditures, etc.).  $t$  refers to the ongoing budget year. Please leave blank if unchanged

For year  $t+1$ :

... year  $t+2$ :

... year  $t+3$ :

... year  $t+4$ :

... year  $t+5$ :

\*2.21 Please describe the characteristics of the escape clauses:

- NO CHANGE
- There are no pre-defined escape clauses
- Derogations are possible if budgetary problems arise in specific, sensitive areas (e.g., health care)
- Derogations are possible in case of specific situations (e.g., natural disasters, exceptional slowdown, etc.)
- Other.

Please specify:

\*2.22 To what extent are escape clauses specified in the establishing act/legal base of the rule?

- The establishing act lists all events or circumstances that allow for a derogation
- The circumstances triggering the derogation are not fully specified; there is some margin of discretion
- Natural disasters
- Exceptional economic slowdown
- Other

Additional information:

\*2.23 What institution has the task of ascertaining whether escape clauses should be triggered/extended/exited?

- The government
- The ministry of finance
- The parliament
- An independent fiscal institution
- Other

Additional information:

### Section 3: Statutory base of the rule

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\*3.1 Please, indicate which of the following best describes the statutory/legal base of the rule:

- NO CHANGE
- political agreement between governing partners
- commitment made by an authority (e.g., Minister of Finance, president of a regional government etc.)
- agreement between sectors of general government (e.g., Domestic Stability Pact)
- ordinary (i.e. other than constitutional/organic) law
- organic law
- constitutional law
- other

\*

Please specify:

\*3.2.1 What is the time frame covered by the agreement that introduces the rule?

- NO CHANGE
- multi-annual
- legislative period
- other

Additional information:

\*3.2.2 What is the time frame covered by the law that introduces the rule?

- NO CHANGE
- multi-annual
- other

\*

Please specify:

Additional information:

3.3 Please give a precise reference to the official document(s) that form the statutory base of the rule:

3.4 Please upload a pdf version of the above legal text(s) or official document(s) in original language and in English if available.

## SECTION 4: Monitoring of compliance

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\*4.1 Who is in charge of monitoring compliance to the rule (multiple replies possible)?

- NO CHANGE
- There is no formal monitoring of compliance with the rule
- Ministry of Finance
- Parliament
- Court of Auditors
- Governmental body other than the Ministry of Finance
- Independent fiscal institution
- Other

\*Governmental body other than the Ministry of Finance, please specify:

\*Independent fiscal institution, please specify:

\*Other, please specify:

Additional information:

\*4.2 Is there a real-time monitoring? ("real-time" is defined as quarterly or more frequent) -

- NO CHANGE
- Yes
- No

Additional information:

\*4.3 Is a monitoring report issued?

- Yes
- No

\*4.3.1 Please specify how often this is done:

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4.3.1 Is there any output of the monitoring? Please specify.

\*4.4 Please indicate which of the following applies to the monitoring report (multiple replies possible):

- The government does not usually comment on the monitoring report
- The government is not obliged to comment on the monitoring report, but typically does so (e.g. by a public statement)
- The government is obliged to comment on the monitoring report (e.g. by a public statement)
- The monitoring report is presented in Parliament
- The monitoring report is available to the public

Additional information

## SECTION 5: Enforcement of compliance with the rule

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\*5.1 Please indicate which body is in charge of enforcing compliance with the rule in case of non-compliance (multiple replies possible):

- NO CHANGE
- There is no body in charge with enforcing compliance
- Ministry of Finance
- Parliament
- Court of Auditors
- Governmental body other than the Ministry of Finance
- Independent fiscal institution
- An independent body or review panel (other than the independent fiscal institution) specifically created to ensure enforcement of the rule
- Other

\*Governmental body other than the Ministry of Finance, please specify:

\*Independent fiscal institution, please specify:

\*An independent body or review panel (other than the independent fiscal Institution), please specify:

\*Other, please specify:

Additional information:

\*5.2 Does the annual budget document contain a reference to the numerical fiscal rule?

- NO CHANGE
- Yes, there is a chapter devoted to compliance with the rule and/or the specification of the implied target.
- Yes, there is cursory reference to the numerical fiscal rule and/or the implied target.
- No.

\*5.3 Are there pre-defined actions to be taken in case of risk of non-compliance with the targets implied by the rule? (by pre-defined actions we mean corrective measures, sanctions etc.)

- NO CHANGE
- Yes
- No

Additional information:

\*5.4 What describes best the actions taken in case or risk of non-compliance with the targets implied by the rule (multiple replies possible)?

- the government/the Ministry of Finance is obliged to prepare a proposal of corrective measures for the Parliament/the respective enforcement body
- the government/ministry of finance is obliged to publicly justify the non-compliance
- the government/the Ministry of Finance is obliged to take specific corrective actions
- there is an automatic correction mechanism (e.g., a cut in next year's resources upon non compliance);
- there is a possibility to impose sanctions
- there is an automatic sanction mechanism in case of non-compliance
- other

\*the government/the Ministry of Finance is obliged to take specific corrective actions, please specify:

\*there is an automatic correction mechanism (e.g., a cut in next year's resources upon non compliance), please describe the mechanism:

\*there is a possibility to impose sanctions, please describe the mechanism:

\*there is an automatic sanction mechanism in case of non-compliance, please describe the mechanism:

\*other, please specify:

## SECTION 6: Media visibility of the rule

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\*6.1 Which of the following describes best the degree of media and public awareness of the rule?

- No CHANGE
- The rule is closely monitored by the media; non-compliance is likely to trigger public debate
- There is high media coverage of the rule, but non-compliance is unlikely to invoke public debate
- No or modest interest of the media

\*6.2 Please describe the degree of media and public awareness of the reform rule:

- The reform of the rule was closely covered by the media; there was a public debate
- The reform of the rule was covered by the media but there was no public debate
- No or modest coverage by the media

## SECTION 7: Compliance with the rule in 2014

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\*7.1 Was the budget law adopted for the budgetary year 2014 compliant with the rule?

- Yes
- No

Additional information:

\*7.1b If the budget law was not compliant with the rule in 2014, please specify the main reason(s):

\*7.1c Was non-compliance of the budget law with the rule covered by the media?

- Non-compliance with the rule was closely covered by the media; there was a public debate
- Non-compliance with the rule was covered by the media but there was no public debate
- No or modest coverage by the media

Additional information:

\*7.2 Was the execution of the budget law 2014 compliant with the rule?

- Yes
- No

\*7.3 Please, if possible, give a quantitative assessment of compliance with the rule in 2014 by budgetary outcomes, consistent with the entries in section 2 on the target definition, unit of measurement, and numerical value of the target: (e.g., in case of a rule prescribing that the cyclically-adjusted general government balance is not higher than 1.5% of GDP, please specify the cyclically-adjusted general government balance achieved; in case of a rule prescribing that the growth rate of nominal expenditure does not exceed 1%, please specify the growth rate of nominal expenditure achieved etc. )

7.4 If the execution of the budget was not compliant with the rule in 2014, please specify the main reason(s) (multiple replies possible):

- deviation between forecasted GDP and its realization
- unexpected revenue shortfalls due to adverse macro-economic developments
- unexpected revenue shortfalls due to legislative changes
- unexpected mandatory spending obligations (e.g., new or amended legislation)
- unexpected urgent need for discretionary spending (e.g., disaster relief or war)
- unexpected interest increase on existing debt
- other

\*deviation between forecasted GDP and its realization, please specify:

\*unexpected revenue shortfalls due to adverse macro-economic developments, please specify:

\*unexpected revenue shortfalls due to legislative changes, please specify:

\*unexpected mandatory spending obligations (e.g., new or amended legislation), please specify:

\*unexpected urgent need for discretionary spending (e.g., disaster relief or war), please specify:

\*unexpected interest increase on existing debt, please specify:

\*other, please specify:

\*7.5 Please indicate the perceived nature of the constraint defined by the rule in 2014:

- Compliance with the rule could be achieved easily.
- Compliance with the rule could be achieved with difficulty.

\*7.6 Was non-compliance of the budget execution with the rule well covered by the media?

- Non-compliance with the rule was closely covered by the media; there was a public debate
- Non-compliance with the rule was covered by the media but there was no public debate
- No or modest coverage by the media

\*7.7 Did non-compliance in 2014 have any impact on the 2015 budget preparation? (Please describe potential correction mechanisms, sanctions or corrective measures affecting 2014 budget preparation and any other relevant issues)

- Yes
- No

7.8 Was compliance of budget execution with the rule well covered by the media?

- Compliance with the rule was closely covered by the media; there was a public debate
- Compliance with the rule was covered by the media but there was no public debate
- No or modest coverage by the media

## SECTION 8: Long-term impact of the rule

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\*8.1 Please indicate the effect of the rule on public debt of the sector(s) of general government to which it applies: so far, the rule has contributed to...

- decreasing the growth of public debt as % of GDP
- stabilizing public debt as % of GDP
- reducing public debt as % of GDP
- the rule had no significant effect on public debt as % of GDP
- other

\*  
Please specify:



\*8.2 Please indicate the effect of the rule on the budget balance: so far, the rule has contributed to... (multiple replies possible):

- constraining the budget deficit of the sector(s) concerned
- reaching the medium-term objective (MTO) for general government
- fostering compliance of general government with the Maastricht deficit criterion
- the rule had no significant effect on the budget deficit of the sector(s) of general government concerned
- other

\*  
Please specify:

\*8.3 Please indicate the effect of the rule on expenditure of the sector(s) of general government to which it applies: so far, the rule has contributed to... (multiple replies possible):

- reducing expenditure
- changing the composition of expenditure
- constraining investment
- the rule had no significant effect on expenditure of the sector(s) of general government concerned
- other

\*  
Please specify:

\*8.4 Please indicate the effect of the rule on revenues of the sector(s) of general government to which it applies: so far, the rule has contributed to... (multiple replies possible):

- increasing public revenues
- decreasing public revenues
- affecting the composition of revenues
- the rule had no significant effect on revenues of the sector(s) of general government concerned
- other

\*  
Please specify:

## SECTION 9: End of the questionnaire

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\*9.1 Contact details of the respondent: Name, firstname, position, department, institution, adress, email, phone number.

9.2 Remarks/ feedback concerning the questionnaire:

## Meta Information

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Creation date

Last update date

\* Identifier of the questionnaire (please do not change this field):