EUROPEAN COMMISSION



HUNGARY: 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, Hungary

| For a plan without extension (4 years) Hungary | Average 2025-2028 | 2025 | 2026 | 2027 | 2028 |
|---|-------------------|------|------|------|------|
| Net expenditure growth (%) | 4.4 | 4.8 | 4.5 | 4.3 | 4.1 |
| Structural primary balance (% of GDP) | 1.7 | 0.7 | 1.4 | 2.0 | 2.7 |
| Annual change in the structural primary balance (pp. of GDP) of which | 0.66 | 0.66 | 0.66 | 0.66 | 0.66 |
| DSA-based criteria | 0.66 | 0.66 | 0.66 | 0.66 | 0.66 |
| Impact of the benchmark and safeguards | 0.00 | 0.00 | 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.

⁽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, Hungary

| For a plan with extension (7 years) | Average | Average | | | | | | | |
|--|-----------|-----------|------|------|------|------|------|------|------|
| Hungary | 2025-2028 | 2025-2031 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 |
| Net expenditure growth (%) | 4.8 | 4.6 | 5.1 | 4.8 | 4.6 | 4.4 | 4.6 | 4.5 | 4.4 |
| Structural primary balance (% of GDP) | 1.3 | 2.0 | 0.5 | 1.0 | 1.5 | 2.0 | 2.5 | 2.9 | 3.3 |
| Annual change in the structural primary balance (pp. of GDP) of which | 0.50 | 0.47 | 0.50 | 0.50 | 0.50 | 0.51 | 0.42 | 0.42 | 0.42 |
| DSA-based criteria | 0.42 | 0.42 | 0.42 | 0.42 | 0.42 | 0.42 | 0.42 | 0.42 | 0.42 |
| Impact of the benchmark and safeguards | 0.08 | 0.05 | 0.08 | 0.08 | 0.08 | 0.09 | 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, Hungary

| Budgetary variables: initial conditions | 2023 | 2024 | |
|---|------------|-------------------|--|
| Government budget balance (% of GDP) | -6.7 | -5.4 | |
| Government debt (% of GDP) | 73.5 | 74.3 | |
| Net expenditure growth (%) | 8.2 | 3.6 | |
| Structural primary balance (% of GDP) | -1.3 | 0.0 | |
| Main assumptions for a plan without extension (4 years) | Assumption | Period | |
| Change in the cost of ageing (pp. of GDP) | 1.4 | 2028-2038 | |
| Stock-flow adjustment (% of GDP) | 0.0 | 2025-2038 average | |
| Real GDP growth (%) | 2.1 | 2025-2038 average | |
| Inflation (change in the GDP deflator, %) | 3.4 | 2025-2038 average | |
| Nominal implicit interest rate (%) | 6.3 | 2025-2038 average | |
| Main assumptions for a plan with extension (7 years) | Assumption | Period | |
| Change in the cost of ageing (pp. of GDP) | 2.0 | 2031-2041 | |
| Stock-flow adjustment (% of GDP) | 0.0 | 2025-2041 average | |
| Real GDP growth (%) | 2.0 | 2025-2041 average | |
| Inflation (change in the GDP deflator, %) | 3.3 | 2025-2041 average | |
| Nominal implicit interest rate (%) | 6.3 | 2025-2041 average | |