### 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 (<sup>1</sup>). 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)<br>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.

<sup>(1)</sup> 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)<br>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 |  |