

Comparison of key figures in the 2018 Stability Programmes and European Commission spring 2018 forecast

The purpose of this document is to show the differences between some key indicators of the 2018 Stability Programmes (SP) of the Euro Area Member States and the spring 2018 forecast of the European Commission (EC). In accordance with Article 4 of Council Directive 2011/85/EU, the budgetary planning of the Member States "shall be based on the most likely macrofiscal scenario or on a more prudent scenario. (...). Significant differences between the chosen macrofiscal scenario and the (most recent) Commission's forecast shall be described with reasoning (...)."

The comparison of the Member States' and the EC forecasts for 2018 shows notably significant differences for: (1) the structural budget balance forecasts for **Belgium, Germany, Estonia, Spain, Italy, Lithuania** and **Slovenia**; (2) the debt forecasts for **Germany, Spain, Latvia, Malta** and the Netherlands; (3) the growth forecasts of **Latvia** and Luxembourg and (4) unemployment projections of **Lithuania** (see below table). Blue (respectively grey) cells indicate that the Member State is more (respectively less) optimistic than the EC.

2018	Budget Balance (%)			Structural budget balance (%)			Debt (%)			Growth (%)			Unemployment (%)		
	SP	EC	Δ	SP	EC	Δ	SP	EC	Δ	SP	EC	Δ	SP	EC	Δ
Belgium	-1.0	-1.1	0.1	-0.8	-1.4	0.6	101.2	101.5	-0.3	1.8	1.8	0.0	6.7	6.4	0.3
Germany	1.0	1.2	-0.2	0.5	1.2	-0.7	61.0	60.2	0.8	2.4	2.3	0.1	3.2	3.6	-0.4
Estonia	0.5	0.0	0.5	-0.1	-1.3	1.2	8.5	8.8	-0.3	4.0	3.7	0.3	5.8	6.0	-0.2
Ireland	-0.2	-0.2	0.0	-0.9	-0.6	-0.3	66.0	65.6	0.4	5.6	5.7	-0.1	5.8	5.4	0.4
Spain	-2.2	-2.6	0.4	-2.1	-3.3	1.2	97.0	97.6	-0.6	2.7	2.9	-0.2	15.5	15.3	0.2
France	-2.3	-2.3	0.0	-1.9	-2.1	0.2	96.4	96.4	0.0	2.0	2.0	0.0	n.a.	8.9	n.a.
Italy	-1.6	-1.7	0.1	-1.0	-1.7	0.7	130.8	130.7	0.1	1.5	1.5	0.0	10.7	10.8	-0.1
Cyprus	1.7	2.0	-0.3	0.4	0.8	-0.4	105.6	105.7	-0.1	3.8	3.6	0.2	9.5	9.0	0.5
Latvia	-0.9	-1.1	0.2	-1.4	-1.9	0.5	38.4	37.0	1.4	4.0	3.3	0.7	8.0	8.2	-0.2
Lithuania	0.6	0.5	0.1	0.3	-0.7	1.0	35.8	36.0	-0.2	3.6	3.1	0.5	5.5	6.8	-1.3
Luxembourg	1.4	0.9	0.5	1.2	0.8	0.4	22.7	22.6	0.1	4.6	3.7	0.9	5.5	5.3	0.2
Malta	1.1	1.1	0.0	0.6	0.6	0.0	45.8	47.1	-1.3	6.1	5.8	0.3	3.8	4.0	-0.2
Netherlands	0.7	0.7	0.0	0.0	-0.1	0.1	52.1	53.5	-1.4	3.2	3.0	0.2	3.9	3.8	0.1
Austria	-0.4	-0.5	0.1	-0.9	-0.8	-0.1	74.5	74.8	-0.3	3.2	2.8	0.4	5.2	5.2	0.0
Portugal	-0.7	-0.9	0.2	-0.6	-1.1	0.5	122.2	122.5	-0.3	2.3	2.3	0.0	7.6	7.7	-0.1
Slovenia	0.4	0.5	-0.1	-0.5	-1.1	0.6	69.3	69.3	0.0	5.1	4.7	0.4	5.3	5.6	-0.3
Slovakia	-0.8	-0.9	0.1	-1.0	-1.2	0.2	49.3	49.0	0.3	4.2	4.0	0.2	7.3	7.1	0.2
Finland	-0.6	-0.7	0.1	-0.5	-0.8	0.3	60.4	60.4	0.0	2.6	2.5	0.1	8.1	8.4	-0.3



Significant differences for **2019** figures appear notably as regards: (1) the nominal budget balance forecasts for **Belgium, Estonia, Spain, France, Italy** and **Luxembourg**; (2) the structural budget balance forecasts for **Spain, France, Italy, Latvia, Luxembourg** and **Portugal**; (3) the debt forecasts for **Belgium, Germany, Estonia, Spain, Italy, Malta, the Netherlands, Austria, Portugal** and **Finland**; (4) the growth forecast of **Luxembourg** and (5) the unemployment forecasts of **Cyprus, Lithuania, Slovenia** and **Finland** (see below table). Blue (respectively grey) cells indicate that the Member State is more (respectively less) optimistic than the EC.

For both years, the comparison shows that Member States are overwhelmingly more optimistic than the EC.

2019	Budget Balance (%)			Structural budget balance (%)			Debt (%)			Growth (%)			Unemployment (%)		
	SP	EC	Δ	SP	EC	Δ	SP	EC	Δ	SP	EC	Δ	SP	EC	Δ
Belgium	-0.7	-1.3	0.6	-0.6	-1.7	1.1	99.4	100.2	-0.8	1.7	1.7	0.0	6.5	6.0	0.5
Germany	1.25	1.4	-0.15	0.75	1.0	-0.25	58.25	56.3	1.95	1.9	2.1	-0.2	3.0	3.5	-0.5
Estonia	-0.2	0.3	0.6	-0.7	-0.9	0.2	7.7	8.4	-0.7	3.2	2.8	0.4	6.2	6.3	-0.1
Ireland	-0.1	-0.2	0.1	-0.4	-0.4	0.0	63.5	63.2	0.3	4.0	4.1	-0.1	5.3	4.9	0.4
Spain	-1.3	-1.9	0.6	-1.9	-3.2	1.3	95.2	95.9	-0.7	2.4	2.4	0.0	13.8	13.8	0.0
France	-2.4	-2.8	0.6	-1.6	-3.1	1.5	96.2	96.0	0.2	1.9	1.8	0.1	n.a.	8.3	n.a.
Italy	-0.8	-1.7	0.9	-0.4	-2.0	1.1	128.0	129.7	-1.7	1.4	1.2	0.2	10.2	10.6	-0.4
Cyprus	1.7	2.2	-0.5	0.2	0.5	-0.3	100.0	99.5	0.5	3.6	3.3	0.3	8.0	7.1	0.9
Latvia	-0.9	-1.2	0.3	-1.3	-1.9	1.1	37.4	37.3	0.1	3.4	3.3	0.2	7.7	7.6	0.1
Lithuania	0.6	0.3	0.3	-0.2	-0.6	0.4	38.1	38.2	-0.1	2.8	2.7	0.1	6.1	6.7	-0.6
Luxembourg	1.6	0.7	0.9	1.0	0.3	0.7	22.1	22.5	-0.4	4.6	3.5	1.1	5.3	5.2	0.1
Malta	0.9	1.3	-0.4	0.7	1.1	-0.4	42.5	43.4	-0.9	5.3	5.1	0.2	3.9	4.0	-0.1
Netherlands	0.9	0.9	0.0	-0.4	-0.3	-0.1	48.4	50.1	-1.7	2.7	2.6	0.1	3.5	3.5	0.0
Austria	0.0	-0.2	0.2	-0.5	-0.6	0.1	70.9	71.7	-0.8	2.2	2.1	0.1	5.0	5.0	0.0
Portugal	-0.2	-0.6	0.4	-0.4	-1.1	0.7	118.4	119.5	-1.1	2.3	2.0	0.3	7.2	6.8	0.4
Slovenia	0.2	0.4	-0.2	-1.0	-1.5	0.5	65.2	65.1	0.1	3.8	3.6	0.2	4.6	5.4	-0.8
Slovakia	-0.3	-0.3	0.0	-0.7	-0.8	0.1	46.5	46.6	-0.1	4.5	4.2	0.3	6.7	6.3	0.4
Finland	-0.2	-0.2	0.0	-0.6	-0.9	0.3	58.9	59.6	-0.7	2.2	2.3	-0.1	7.5	8.3	-0.8

Sources: The [SP](#) as submitted by the Member States in April/May 2018 and the spring 2018 [EC forecast](#) (statistical annex tables 1, 24, 36, 41 and 42) of 3 May 2018.

Notes: The approach used in the EC forecast (see [Box I.4 of the forecast document](#)): (1) For 2018, the national budgets and other measures known in sufficient detail by the cut-off date of the forecast are taken into consideration; (2) for 2019, the 'no-policy-change' assumption implies the extrapolation of revenue and expenditure trends and the inclusion of measures that are known in sufficient detail. The [Code of Conduct of the SGP](#) requires that Member States apply a similar approach in the SP: "Each Member State should (...) define a scenario at unchanged policies and make public the involved assumptions, methodologies and relevant parameters". As indicated above, [Directive 2011/85/EU](#), requires that they use the most likely macrofiscal scenario or a more prudent scenario. As programme country, Greece did not (have to) submit a SP.

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