

Table 1a. Macroeconomic prospects

	ESA Code	2008	2008	2009	2010	2011	2012	2013
		Level	rate of change	rate of change	rate of change	rate of change	rate of change	rate of change
1. Real GDP	B1*g	15,270	3.6	-1.7	0.5	1.5	3.0	3.2
2. Nominal GDP	B1*g	17,249	8.6	-1.7	2.2	3.5	5.1	5.4
Components of real GDP								
3. Private consumption expenditure	P.3	10,794	8.4	-3.0	0.5	3.5	4.5	4.6
4. Government consumption expenditure	P.3	2,775	6.2	5.8	1.0	1.2	1.2	1.2
5. Gross fixed capital formation	P.51	3,529	8.6	-12.0	-9.0	-3.3	3.5	4.2
6. Changes in inventories and net acquisition of valuables (% of GDP)	P.52 + P.53	117.0	0.8	-3.3	0.4	0.5	0.5	0.5
7. Exports of goods and services	P.6	6,998	-2.1	-11.8	1.2	3.9	4.3	4.8
8. Imports of goods and services	P.7	8,943	8.0	-19.8	5.0	4.6	5.6	6.0
Contributions to real GDP growth								
9. Final domestic demand		17,098	8.1	-3.4	-1.2	1.9	3.7	3.9
10. Changes in inventories and net acquisition of valuables	P.52 + P.53	107.0	1.0	-4.5	3.6	0.2	0.3	0.4
11. External balance of goods and services	B.11	-1,945	-5.5	6.2	-1.9	-0.7	-1.0	-1.1

Table 1b. Price developments

	ESA Code	2008	2008	2009	2010	2011	2012	2013
		Level	rate of change	rate of change	rate of change	rate of change	rate of change	rate of change
1. GDP deflator		113.0	4.8	0.0	1.7	2.0	2.1	2.1
2. Private consumption deflator		111.0	4.8	0.3	3.0	2.3	2.3	2.3
3. HICP¹		109.0	4.4	0.2	2.7	2.0	2.0	2.0
4. Public consumption deflator		111.4	5.3	2.9	2.5	2.3	2.3	2.3
5. Investment deflator		114.0	5.8	-1.8	-0.1	0.3	0.5	0.5
5a. Gross Fixed Capital Formation		114.1	5.9	-2.2	0.2	0.3	0.5	0.5
6. Export price deflator (goods and services)		110.3	3.5	-2.0	1.8	1.8	1.8	1.8
7. Import price deflator (goods and services)		108.5	4.4	-1.7	3.5	1.8	1.8	1.8

¹ Optional for stability programmes.

Table 1c. Labour market developments

	ESA Code	2008	2008	2009	2010	2011	2012	2013
		Level	rate of change	rate of change	rate of change	rate of change	rate of change	rate of change
1. Employment, persons¹		379,1	2.8	-0.7	0.0	0.5	1.5	1.5
2. Employment, hours worked ²		732,1	2.4	-1.6	0.0	0.5	1.5	1.5
3. Unemployment rate (%)³		14,5	3.7	5.3	6.5	6.5	6.0	5.5
4. Labour productivity, persons⁴			0.8	-1.1	0.5	0.9	1.5	1.7
5. Labour productivity, hours worked ⁵			1.2	-0.1	0.5	0.9	1.5	1.7
6. Compensation of employees	D.1	7569,1	9.9	4.9	4.4	4.0	4.6	4.8
7. Compensation per employee		19,966	6.9	5.6	4.3	3.5	3.1	3.3

¹Persons with occupation, domestic concept national accounts definition.

²National accounts definition.

³Harmonised definition, Eurostat; levels.

⁴Real GDP per person employed.

⁵Real GDP per hour worked.

Table 1d. Sectoral balances

% of GDP	ESA Code	2008	2009	2010	2011	2012	2013
1. Net lending/borrowing vis-à-vis the rest of the world	B.9	-17.7	-8.5	-11.5	-12.2	-12.6	-12.9
<i>of which :</i>							
- Balance on goods and services		-11.7	-6.2	-8.5	-9.0	-9.7	-10.4
- Balance of primary incomes and transfers		-5.9	-2.3	-2.9	-3.1	-2.9	-2.5
- Capital account							
2. Net lending/borrowing of the private sector	B.9	-18.6	-2.4	-5.5	-7.7	-9.2	-10.4
3. Net lending/borrowing of general government	EDP B.9	0.9	-6.1	-6.0	-4.5	-3.4	-2.5
4. Statistical discrepancy							

Table 2. General government budgetary prospects

	ESA Code	Year	Year	Year	Year	Year	Year	Year
		2008	2008	2009	2010	2011	2012	2013
	Level		% of	% of	% of	% of	% of	% of
			GDP	GDP	GDP	GDP	GDP	GDP
Net lending (EDP B.9) by sub-sector								
1. General government	S.13	157.6	0.9	-6.1	-6.0	-4.5	-3.4	-2.5
2. Central government	S.1311	-447.3	-2.6	-8.8	-8.6	-6.8	-5.4	-4.2
3. State government	S.1312	M	M	M	M	M	M	M
4. Local government	S.1313	-8.6	0.0	-0.1	0.0	0.0	0.0	0.0
5. Social security funds	S.1314	613.5	3.6	2.7	2.7	2.4	2.0	1.7
General government (S13)								
6. Total revenue	TR	7,503.3	43.5	40.3	41.6	42.8	43.6	44.2
7. Total expenditure	TE ¹	7,345.7	42.6	46.4	47.6	47.2	47.0	46.7
8. Net lending/borrowing	EDP B.9	157.6	0.9	-6.1	-6.0	-4.5	-3.4	-2.5
9. Interest expenditure	EDP D.41	484.2	2.8	2.5	2.3	2.4	2.5	2.6
10. Primary balance²		641.8	3.7	-3.6	-3.7	-2.1	-1.0	0.1
11. One-off and other temporary measures³		0.0	0.0	0.0	0.1	0.1	0.1	0.0
Selected components of revenue								
12. Total taxes (12=12a+12b+12c)		5,395.8	31.3	26.2	27.1	28.2	28.9	29.4
12a. Taxes on production and imports	D.2	3,168.9	18.4	15.0	15.5	16.1	16.6	16.7
12b. Current taxes on income, wealth, etc	D.5	2,220.3	12.9	11.2	11.6	12.1	12.4	12.7
12c. Capital taxes	D.91	6.6	0.0	0.0	0.0	0.0	0.0	0.0
13. Social contributions	D.61	1,332.5	7.7	9.3	9.6	9.7	9.8	9.9
14. Property income	D.4	131.0	0.8	0.9	0.9	0.4	0.4	0.4
15. Other⁴		644.0	3.7	3.9	3.9	4.4	4.4	4.5
16=6. Total revenue	TR	7,503.3	43.5	40.3	41.6	42.8	43.6	44.2
p.m.: Tax burden (D.2+D.5+D.61+D.91-D.995)⁵		6,721.7	39.0	35.4	36.8	37.9	38.8	39.3
Selected components of expenditure								
17. Compensation of employees + intermediate consumption	D.1+P.2	3,336.6	19.3	21.2	21.4	21.5	21.1	20.8
17a. Compensation of employees	D.1	2,426.9	14.1	15.6	15.8	15.9	15.8	15.7
17b. Intermediate consumption	P.2	909.7	5.3	5.6	5.6	5.6	5.4	5.2
18. Social payments (18=18a+18b)		2,079.3	12.1	13.8	14.4	14.9	14.9	14.9
18a. Social transfers in kind supplied via market producers	D.6311, D.63121, D.63131	21.4	0.1	0.2	0.2	0.2	0.2	0.2
18b. Social transfers other than in kind	D.62	2,057.9	11.9	13.6	14.2	14.7	14.8	14.7
19=9. Interest expenditure	EDP D.41	484.2	2.8	2.5	2.3	2.4	2.5	2.6
20. Subsidies	D.3	70.0	0.4	0.1	0.4	0.4	0.4	0.4
21. Gross fixed capital formation	P.51	508.9	3.0	4.1	4.1	4.1	4.0	4.0
22. Other⁶		866.7	5.0	4.7	5.0	4.1	4.1	4.0
23=7. Total expenditure	TE ¹	7,345.7	42.6	46.4	47.6	47.2	47.0	46.7
p.m.: Government consumption (nominal)	P.3	3,015.8	17.5	19.1	19.4	19.4	19.1	18.8

¹Adjusted for the net flow of swap-related flows, so that TR-TE=EDP B.9.²The primary balance is calculated as (EDP B.9, item 8) plus (EDP D.41, item 9).³A plus sign means deficit-reducing one-off measures.⁴P.11+P.12+P.131+D.39+D.7+D.9 (other than D.91).⁵Including those collected by the EU and including an adjustment for uncollected taxes and social contributions (D.995), if appropriate.⁶D.29+D.4 (other than D.41)+ D.5+D.7+D.9+P.52+P.53+K.2+D.8.

Table 3. General government expenditure by function

% of GDP	COFOG Code	Year 2007	Year 2012
1. General public services	1	10.1	10.0
2. Defence	2	1.8	1.7
3. Public order and safety	3	2.1	2.1
4. Economic affairs	4	4.2	4.3
5. Environmental protection	5	0.3	0.5
6. Housing and community amenities	6	2.4	3.4
7. Health	7	2.9	3.3
8. Recreation, culture and religion	8	1.3	1.4
9. Education	9	7.3	8.4
10. Social protection	10	9.8	11.9
11. Total expenditure (=item 7=23 in Table 2)	TE	42.2	47.0

Table 4. General government debt developments

% of GDP	ESA Code	Year 2008	Year 2009	Year 2010	Year 2011	Year 2012	Year 2013
1. Gross debt¹		48.4	56.2	61.0	63.2	63.1	62.3
2. Change in gross debt ratio		-9.9	7.8	4.7	2.3	-0.2	-0.8
Contributions to changes in gross debt							
3. Primary balance²		3.7	-3.6	-3.7	-2.1	-1.0	0.1
4. Interest expenditure³	EDP D.41	2.8	2.5	2.3	2.4	2.5	2.6
5. Stock-flow adjustment		-4.4	0.9	0.0	-0.1	-0.5	-0.1
<i>of which:</i>							
- Differences between cash and accruals ⁴		0.2	0.2	0.0	0.0	0.0	0.0
- Net accumulation of financial assets ⁵		-4.6	0.7	0.0	-0.1	-0.5	-0.1
<i>of which:</i>							
- privatisation proceeds		0.3	-	-	-	-	-
- Valuation effects and other ⁶		0.0	0.0	0.0	0.0	0.0	0.0
p.m.: Implicit interest rate on debt⁷		5.2	5.1	4.2	4.0	4.1	4.4
Other relevant variables							
6. Liquid financial assets⁸		2.2	2.9	2.8	2.7	2.2	2.1
7. Net financial debt (7=1-6)		46.2	53.3	58.1	60.6	60.9	60.2

¹As defined in Regulation 3605/93 (not an ESA concept).

²Cf. item 10 in Table 2.

³Cf. item 9 in Table 2.

⁴The differences concerning interest expenditure, other expenditure and revenue could be distinguished when relevant.

⁵Liquid assets, assets on third countries, government controlled enterprises and the difference between quoted and non-quoted assets could be distinguished when relevant.

⁶Changes due to exchange rate movements, and operation in secondary market could be distinguished when relevant.

⁷Proxied by interest expenditure divided by the debt level of the previous year.

⁸AF1, AF2, AF3 (consolidated at market value), AF5 (if quoted in stock exchange; including mutual fund shares).

Table 5. Cyclical developments

% of GDP	ESA Code	Year 2008	Year 2009	Year 2010	Year 2011	Year 2012	Year 2013
1. Real GDP growth (%)		3.6	-1.7	0.5	1.5	3.0	3.2
2. Net lending of general government	EDP B.9	0.9	-6.1	-6.0	-4.5	-3.4	-2.5
3. Interest expenditure	EDP D.41	2.8	2.5	2.3	2.4	2.5	2.6
4. One-off and other temporary measures¹		0.0	0.0	0.1	0.1	0.1	0.0
5. Potential GDP growth (%)		3.7	2.0	2.75	2.75	2.75	2.75
contributions:							
- labour		2.0	0.7	0.7	0.8	0.8	0.8
- capital		1.0	0.6	1.5	1.5	1.5	1.5
- total factor productivity		0.7	0.7	0.7	0.7	0.7	0.7
6. Output gap		-0.1	-5.3	-6.7	-7.8	-7.5	-7.0
7. Cyclical budgetary component		0.0	-2.1	-2.6	-3.0	-2.9	-2.7
8. Cyclically-adjusted balance (2 - 7)		0.9	-4.0	-3.4	-1.5	-0.5	0.2
9. Cyclically-adjusted primary balance (8 + 3)		3.7	-1.5	-1.1	0.9	2.0	2.8
10. Structural balance (8 - 4)		0.9	-4.0	-3.5	-1.5	-0.6	0.2

¹ A plus sign means deficit-reducing one-off measures.

Table 6. Divergence from previous update

	ESA Code	Year 2008	Year 2009	Year 2010	Year 2011	Year 2012	Year 2013
Real GDP growth (%)							
Previous update		3.8	2.1	2.4	3.0	3.2	n/a
Current update		3.6	-1.7	0.5	1.5	3.0	3.2
Difference		-0.2	-3.8	-1.9	-1.5	-0.2	
General government net lending (% of GDP)	EDP B.9						
Previous update		1.0	-0.8	-1.4	-1.9	-2.2	n/a
Current update		0.9	-6.1	-6.0	-4.5	-3.4	-2.5
Difference		-0.1	-5.3	-4.6	-2.6	-1.2	
General government gross debt (% of GDP)							
Previous update		49.3	46.8	45.4	44.2	44.2	n/a
Current update		48.4	56.2	61.0	63.2	63.1	62.3
Difference		-1.0	9.4	15.6	19.0	18.9	

Table 7. Long-term sustainability of public finances

% of GDP	2008	2020	2030	2040	2050	2060
Total expenditure	42.6	47.7	52.6	56.0	61.8	68.1
Of which: age-related expenditures	18.7	19.8	22.1	23.8	26.6	29.1
Pension expenditure	6.6	9.4	11.3	13.0	15.6	17.7
Social security pension	4.6	7.0	8.9	10.6	13.2	15.3
Old-age and early pensions	3.3	5.1	6.6	8.0	10.4	12.2
Other pensions (disability, survivors)	1.3	1.9	2.3	2.6	2.9	3.1
Occupational pensions (if in general government)	2.0	2.4	2.4	2.4	2.4	2.4
Health care ¹	3.0	3.0	3.2	3.3	3.5	3.7
Long-term care (<i>this was earlier included in the health care</i>)	0.006	0.006	0.007	0.008	0.010	0.011
Education expenditure	7.8	6.0	6.2	6.0	5.9	6.2
Other age-related expenditures	1.3	1.4	1.4	1.5	1.5	1.5
Interest expenditure	2.8	3.6	5.3	7.5	10.3	14.5
Total revenue	43.5	44.9	45.9	46.9	46.8	46.8
Of which: property income	1.3	0.7	0.7	0.7	0.7	0.7
<i>Of which</i> : from pensions contributions (or social contributions if appropriate)	5.5	7.7	8.9	10.2	10.1	10.1
Pension reserve fund assets	35.2	45.1	48.4	50.9	42.5	10.1
<i>Of which</i> : consolidated public pension fund assets (assets other than government liabilities)	0.4	-	-	-	-	-
Assumptions						
Labour productivity growth	1.2	2.7	2.0	1.8	1.7	1.7
Real GDP growth	3.6	3.9	2.6	2.3	1.8	1.8
Participation rate males (aged 20-64)	81.4	84.2	83.4	83.0	83.0	82.9
Participation rates females (aged 20-64)	65.8	74.4	75.2	75.1	75.2	75.2
Total participation rates (aged 20-64)	73.5	79.3	79.3	79.1	79.2	79.1
Unemployment rate	3.7	3.4	3.4	3.4	3.4	3.4
Population aged 65+ over total population	12.4	15.0	17.9	20.0	23.2	26.2

¹ Ageing Working Group calculations

Table 8. Basic assumptions

	2008	2009	2010	2011	2012	2013
Short-term interest rate¹ (annual average)	4.5	1.25	1.0	1.5	2.0	2.5
Long-term interest rate (annual average)		4.0	4.1	4.4	4.5	4.5
USD/€ exchange rate (annual average) (euro area and ERM II countries)	1.47	1.39	1.48	1.48	1.48	1.48
Nominal effective exchange rate	3.6	0.8	1.0	0.0	0.0	0.0
World excluding EU, GDP growth	3.3	-0.25	4.25	5.0	5.0	5.0
EU GDP growth	0.8	-4.1	0.7	1.6	2.3	2.4
Growth of relevant foreign markets [UK]	0.5	-4.8	0.9	1.9	2.9	2.9
World import volumes, excluding EU	4.6	-12.6	4.6	5.0		
Oil prices (Brent, USD/barrel)	98.5	61.3	76.5	80.5	80.5	80.5