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REPORT FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT AND THE COUNCIL

Interim Progress Report on the implementation of Council Directive 2024/1265/EU of 29 April 2024 amending Council Directive 2011/85/EU on requirements for budgetary frameworks of the Member States

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Interim Progress Report on the implementation of Council Directive 2024/1265/EU of 29 April 2024 amending Council Directive 2011/85/EU on requirements for budgetary frameworks of the Member States

This Working Document accompanying the Commission Interim Progress Report provides detailed country *fiches* on existing national measures, envisaged steps or plans for the implementation of Council Directive 2024/1265/EU of 29 April 2024 amending Council Directive 2011/85/EU. In accordance with Article 2(5) of the Directive 2024/1265/EU, Member States have been asked to contribute to the preparation of the document by providing answers to a questionnaire distributed on 4 March 2025 to the Economic and Financial Committee (Alternates). The questionnaire focused on:

(i) amendments to the statistical, public accounting and transparency requirements, regarding new requirements for quarterly data reporting or accrual accounting systems and transparency on bodies or funds outside general government;
(ii) the requirements for independent fiscal institutions (IFIs), regarding independence safeguards and tasks for IFIs as well as a comply-or-explain principle for authorities relating to IFI assessments
(iii) amendments to the requirements for medium-term budgetary frameworks, regarding new elements of the frameworks (describing planned reforms and investments and the impact of policies on sustainable and inclusive growth) as well as some clarifications;
(iv) requirements introduced in relation to disaster- and climate-related fiscal risks, regarding new reporting requirements on macro-fiscal risks from climate change, related contingent liabilities and incurred fiscal costs
(v) clarification amendments, clarifying and updating some language and legal references.

Whenever possible, the layout of the country fiches follows the above structure. As Member States delivered their contributions in April 2025[1], the information contained in the country *fiches* reflects the state-of-play in national transposition efforts at the time. Unless explicitly stated otherwise, Article numbers in this Working Document refer to the amended Directive 2011/85/EU.

[1] 6 Member States have reported in May.

1 Implementation of the main provisions of the Directive in BELGIUM

The interministerial conference on Finance and the Budget decided on 25 March 2024 to establish an administrative inter-federal working group, tasked with identifying the adjustments needed to align Belgium's regulatory framework with the revised EU economic governance framework, and to develop proposals to adapt the regulatory framework accordingly. This working group brings together administrations and departments from the federal government as well as the governments of the Communities and the Regions and is coordinated by the Federal Public Service Policy and Support (FPS BOSA), with the final report to be delivered in May 2025.

The Belgian authorities note that work on transposing the Directive was delayed due to the timeline of the federal government formation following the 2024 elections.

The authorities emphasise that the legislative changes proposed are still preliminary - they may be subject to amendments and will require political review and approval. The authorities also note that proposed amendments to the Law of 16 May 2003 would require the Communities and the Regions to amend the decrees organising their respective budgets. While the information reported identifies the texts and articles that are likely to be amended, it does not include details on the proposed changes or a specific transposition timeline.

1. Statistics, accounting, transparency

The Belgian authorities report that they intend to amend the following national legislations in order to comply with the revised provisions of Article 3 of the Directive:

- Article 124/1 of the Law of 22 May 2003 on the organisation of the Federal budget and accounts ("Law of 22 May 2003").
- Article 16/10 of the Law of 16 May 2003 laying down the general provisions governing the budgets, control of subsidies and accounting of the communities and regions, as well as the organisation of the audit by the Court of Audit ("Law of 16 May 2003").
- The Cooperation Agreement of 13 December 2013 between the Federal Government, the Communities, the Regions and the Community Commissions regarding the transposition of Article 3(1) of the Treaty on Stability, Coordination and Governance in the Economic and Monetary Union may also be amended ("2013 Cooperation Agreement").

The Belgian authorities report that they intend to amend the following national legislations in order to comply with the revised provisions of Article 14(1) of the Directive:

- Article 124/3, 5e and Article 124/5 of the Law of 22 May 2003.
- Article 16/12, 5e and Article 16/14 of the Law of 16 May 2003.
- The Royal Decree of 23 May 2018 on the High Council of Finance.

2. Independent fiscal institutions

The Belgian authorities report that no changes are required in the national legislation to comply with amendments to Article 2 of the Directive.

The Belgian authorities report that they intend to amend the following national legislations in order to comply with the revised provisions of Article 8a of the Directive:

- The 2013 Cooperation Agreement.
- The Law of 21 December 1994 on social and various measures.

3. Medium-term budgetary frameworks

The Belgian authorities report that they intend to amend the following national legislations in order to comply with the revised provisions of Article 9 of the Directive:

- Article 16/12 of the Law of 16 May 2003.
- Article 124/3 of the Law of 22 May 2003.

The Belgian authorities highlight that no changes are required in the national legislation to comply with amendments to Article 10 and 11 of the Directive.

4. Reporting on disaster- and climate-related fiscal risks

The Belgian authorities report that they intend to amend the following national legislations in order to comply with the revised provisions of Article 9(2)(d) of the Directive:

- Article 124/3 of the Law of 22 May 2003.
- Article 16/12 of the Law of 16 May 2003.

The Belgian authorities report that they intend to amend the following national legislations in order to comply with the revised provisions of Article 14(3) of the Directive:

- Article 124/3, 5e and Article 124/5 of the Law of 22 May 2003.
- Article 16/12, 5e and Article 16/14 of the Law of 16 May 2003.

5. Clarification amendments

The Belgian authorities report that no changes are required in the national legislation to comply with Article 2 of the Directive.

The Belgian authorities report that they intend to amend the following national legislations in order to comply with the revised provisions of Article 3 of the Directive:

- Article 124/1 of the Law of 22 May 2003.
- Article 16/10 of the Law of 16 May 2003.
- The 2013 Cooperation Agreement may also be amended.

The Belgian authorities report that they intend to amend the following national legislations in order to comply with the revised provisions of Article 4 of the Directive:

- Article 124/2 and Article 124/5 of the Law of 22 May 2003.
- Article 16/9 and Article 16/11 of the Law of 16 May 2003.
- Article 108(g) of the Law of 21 December 1994 on social and various measures.

Modifications needed to comply with Article 5, Article 6 and Article 7 of the Directive will be set out in the revised 2013 Cooperation Agreement.

2 Implementation of the main provisions of the Directive in BULGARIA

The fiscal framework in Bulgaria is regulated by two legal acts: the Public Finance Act of 15 February 2013, as amended, and the Fiscal Council and Automatic Correction Mechanisms Act of 21 April 2015, as amended. Both these acts are planned to be revised to align them with changes to Directive 2011/85/EU. Two dedicated working groups have been set-up in relation to each of the two legal documents and they are planned to deliver the draft amending laws by end 2025. A Council of Ministers' Decision has already introduced several amendments to the second stage of the budget procedure for 2025 to extend the time horizon of the budget forecast for a period of four years and include the national medium-term fiscal structural plan for the period 2025-2028 among budget documents.

1. Statistics, accounting, transparency

The authorities report that existing provisions of the Public Finance Act cover relevant Directive 2011/85/EU provisions, and any further necessary alignment with Article 14(1) will be reflected in the planned amendments of the Public Finance Act.

Regarding Article 3(2), the authorities report that the Bulgarian National Statistical Institute publishes monthly and quarterly fiscal data, while quarterly data on the consolidated general government debt is published on the Ministry of Finance website. Regarding Article 14(1), the authorities report that the Bulgarian National Statistical Institute publishes the required data on units reclassified as part of the general government twice a year, while the fiscal impact on general government debt and deficit thereof is already included in the medium-term budgetary forecast document.

2. Independent fiscal institutions

The Fiscal Council and Automatic Correction Mechanisms Act regulates the set-up of the existing Bulgarian Fiscal Council, which covers some of the amended Directive 2011/85/EU provisions for independent fiscal institutions. Any further legal alignment with the relevant provisions of the amended Directive is planned to be discussed by the dedicated working group within the Ministry of Finance. No granular information on how Article 8 will be transposed is provided.

3. Medium-term budgetary frameworks

Regarding the medium-term budgetary framework (Article 9 of Directive 2011/85/EU), planned amendments to the Public Finance Act to align the medium-term budget forecast (which is the main medium-term budget document) with changes to the directive are being discussed and include:

- an extension of the planning horizon from three to four years;
- information on planned medium-term policies, including reforms and investments, with an impact on the general government, broken down by main revenue and expenditure items;
- how adjustments to the national budgetary targets are achieved in the medium term compared to projections under unchanged policies;
- an assessment of the ways in which the envisaged policies are likely to affect the medium- and long-term sustainability of public finances and sustainable and inclusive growth, considering their direct medium- and long-term impact on the general government;

Possible alignment with Articles 2, 10 and 11 of Directive 2011/85/EU will also be considered in the law amending the Public Finance Act.

4. Reporting on disaster- and climate-related fiscal risks

Discussions are under way regarding amendments to the Public Finance Act to transpose Articles 9(2)(d) and 14(3) of Directive 2011/85/EU, while recognising the difficulties related to uncertainties in methodology and standards.

5. Clarification amendments

It is reported that work to align the Public Finance Act with Articles 2, 3, 4, 5, 6 and 7 of the Directive is currently underway. Regarding national fiscal rules (Article 5 of Directive 2011/85/EU), the authorities highlight that a streamlining of the numerical national fiscal rules (expenditure, deficit and debt according to the national methodology - consolidated fiscal program, cash basis) is under consideration in the ongoing work on the Public Finance Act.

3 Implementation of the main provisions of the Directive in CZECHIA

Czechia's fiscal framework was established by the Act on Budgetary Responsibility Rules of 2017, amended on several occasions since then. The Czech authorities indicate their intention to revise the Act on Budgetary Responsibility Rules after the election for the Chamber of Deputies planned for the end of 2025 with the aim to transpose the amendments and clarifications of Directive 2011/85/EU and reflect the new EU economic governance framework. However, the information provided by the Czech authorities indicates that the process is in its early stages in April 2025 as the exact scope of changes and precise timeline of the transposition are yet to be determined.

1. Statistics, accounting, transparency

The Czech authorities report three different initiatives in relation to the Directive amendments of statistical and public accounting provisions: (i) the Public Finance Governing and Control Bill covering the general government sector except state enterprises and business corporations which should enter into force from 2027, (ii) a draft law for a new accounting system covering the general government sector except for business corporations, school legal entities and private law ones, which should take effect from 2027 and (iii) the Act on State Statistical Service on the publication of quarterly data on the general government deficit and debt (in force).

Regarding the Directive amendments to the transparency provision, the Czech authorities indicate that a draft law amending the Act on Budgetary Responsibility Rules includes provisions to publish the relevant information during the preparation of the State budget draft law. The draft law is planned for adoption in 2026 after the Chamber of Deputies elections.

The Czech authorities indicate that work is ongoing on draft documents for the transposition of the amendments to the statistical, public accounting and transparency requirements of the Directive. No details are provided on the state of play of the draft law and their application is planned as of 2026 or after.

2. Independent fiscal institutions

The Czech Fiscal Council and the Committee on Budgetary Forecasts have been established by the Act on Budgetary Responsibility Rules (the Act) adopted on 17 January 2017. The Czech authorities indicate that the Act covers the requirements for the nomination and appointment of the members of the independent fiscal institutions outlined in Article 8a(3) of the Directive, the independence safeguards set in Article 8a(4)(a)-(d) and the tasks included in Article 8a(5)(a)-(b) to independently produce, assess or endorse the annual and multiannual macroeconomic forecasts and to monitor compliance with country-specific numerical fiscal rules. Finally, the authorities indicate that the planned amendments to the Act aim to transpose the provisions of Article 8a(4)(e), Article 8a(5)(c)-(e) and partly Article 8a(6), with an application of the new provisions in 2026, after the elections for the Chamber of Deputies.

3. Medium-term budgetary frameworks

The features of the Czech budget strategy, which is the medium-term budgetary framework currently in force, have been established by the Act on Budgetary Responsibility Rues of 2017. The Czech authorities report on their plans to amend the Act to include provisions that the Ministry of Finance publishes the national medium-term fiscal structural plan and the annual progress report prepared in accordance with Regulation 2024/1263, together with projections

of the main macroeconomic aggregates and of the main expenditure and revenue items for the general government including at unchanged policies. According to the authorities, these amendments would enter into force in 2026 after the elections for the Chamber of Deputies.

The amendments of Article 10 of the Directive would be covered according to the authorities by the amendments to the Act planned to enter into force in 2026. The Czech authorities plan to replace the structural budget balance with the net expenditure path, also including the national escape clauses.

The authorities do not plan any additional changes to the national legal provisions to transpose Article 11 of the Directive as they report that the planned draft law and the direct application of Regulation 2024/1263 Article 15(2) and Article 15(6) would be compatible.

4. Reporting on disaster- and climate-related fiscal risks

The Czech authorities indicate their intention to amend the Act on Budgetary Responsibility Rules to include a requirement for the Ministry of Finance to publish, to the extent possible, relevant information on disaster and climate-related fiscal risks in the national medium-term fiscal structural plan and annual progress report and on disaster and climate-related contingent liabilities and on fiscal costs incurred due to disasters and climate-related shocks at least once per year. The authorities plan to amend the Act on Collection of Laws and International Treaties to transpose the Directive provision regarding distributional impacts. These changes are planned to take effect in 2026, but this depends on the results of the elections for the Chamber of Deputies.

5. Clarification amendments

The Czech authorities outline other changes aimed to address the clarifications brought to the provisions of Directive 2011/85 and beyond. For instance, the authorities intend to task the Committee on Budgetary Forecasts instead of the Ministry of Finance to perform the ex-post evaluation of macroeconomic and budgetary forecasts from 2026 onwards. Moreover, the Czech fiscal framework is planned to mirror the EU framework and thus be centred on the net expenditure path instead of the structural balance and planned changes aim to ensure consistency of the medium-term fiscal planning horizon with Regulation 2024/1263, that the annual budget is consistent with the fiscal rules in force and to clarify the definition of escape clauses.

4 Implementation of the main provisions of the Directive in DENMARK

The Danish Ministry of Economic Affairs reports that Denmark is currently examining to what extent further measures are needed to meet all requirements of the Council Directive 2024/1265/EU, especially in regards to the new IFI tasks. In the authorities' view, many requirements are already covered by the existing Danish legislation or practices.

1. Statistics, accounting, transparency

The Danish Ministry of Economic Affairs reports that Statistics Denmark will henceforth publish quarterly data on public debt for sub-sectors of general government in line with Article 3(2) of the Council Directive 2024/1265/EU Amending the Council Directive 2011/85/EU on Budgetary Frameworks. The Danish authorities estimate that Denmark has integrated, comprehensive and nationally harmonized accrual financial accounting systems in place.

As regards article 14(1), a multiannual overview is planned to be a part of the annual medium term projections (in August 2025).

2. Independent fiscal institutions

The Danish Ministry of Economic Affairs assesses that measures are already in place to meet overall requirements for independent fiscal institutions. The Danish Economic Councils (DEC) are established by an ordinary law, namely the DEC Act (Lov om det økonomiske råd). The Danish Ministry of Economic Affairs is currently examining to what extent further measures are needed to meet all requirements of the Council Directive 2024/1265/EU.

The DEC Act details the principles for the appointment of new members of the chairmanship on the DEC website, including in relation to independence and professional competence, in accordance with Article 8a(3). The chairmanship's responsibility for DEC reports is enshrined in law: the Chair chooses the topics of individual reports and proposes adjustments to economic policy. S/he is bound to working "objectively, neutrally, and entirely independently and must not represent or convey the views of any other stakeholders", but only the Director of the Secretariat of the DEC is formally prohibited from being a member of the Danish Parliament and must be independent of business enterprises, employers' and employees' organizations, as well as environmental organizations. It is specified at www.dors.dk that the secretariat serves only the chairmanship of the Economic Councils and has no duties related to any ministry or minister.

The funding of the secretariat is guaranteed by the Danish Finance Act Section 10.11.09. Regarding access to information, Section 31 of the Danish Public Administration Act, states that "to the extent that an administrative authority is entitled to disclose information, it must, upon request from another authority, share the information if it is relevant to the requesting authority's function". This principle applies to the DEC. Furthermore, the legislative comments to the 2011 amendment (LF 167 2011/1) state that "to carry out its work, the [DEC] secretariat will have access to the resources and data necessary to perform the task".

There is no explicit provision in the current legislation for the DEC to be subject to regular external evaluations by independent evaluators, but the structure of the DEC allows to gather biannual feedback on the chairman's activity. Moreover, the DEC was thoroughly reviewed by the European Fiscal Board in 2024. The Danish Ministry of Economic Affairs indicates that a future legal amendment could more explicitly mandate regular external evaluations if deemed necessary.

Regarding IFI tasks, the DEC currently prepares macroeconomic forecasts with which it assesses the government forecasts as stipulated by the DEC Act. Differences must be explained publicly by the Ministry of Finance but are maintained to reflect differing views on economic assessments and policy needs. Additionally, the DEC monitors compliance with country-specific numerical fiscal rules, assesses the consistency, coherence and effectiveness of the national budgetary framework and participates in Parliament hearings and discussions. However, these three practices are not enshrined in law. Finally, tasks related to Article 8a(5)(c) have not yet been implemented and there is no timeline for their implementation.

While the Ministry of Finance and the Ministry of Economic Affairs submit comments on the chairmanship's assessments which are publicly available on the DEC website along with the latter's opinion, the Ministry of Economic Affairs assesses that the legal requirement of the DEC act for the Comply or Explain principle (Section 3a) still is too narrow for the directive's requirements.

3. Medium-term budgetary frameworks

The Danish Ministry of Economic Affairs considers that measures are already in place regarding the MTBF requirements of the Directive 2024/1265/EU.

Governments' economic policies in general are outlined in medium-term plans, typically covering a time horizon of 5 to 9 years. In these medium-term plans, revenues and expenditures are projected based on the government's policies complying with the fiscal framework of the Budget Law.

4. Reporting on disaster- and climate-related fiscal risks

The Danish Ministry of Economic Affairs does not give indications on specific legal steps to transpose the amendments to Article 9(2)(d) and Article 14(3) of the Directive into national law.

Denmark considers the macro fiscal risks from climate mitigation, but this practice is not enshrined in law. Fiscal policy risks are continuously analysed in connection with the medium-term projections and medium-term plans. For example, the implications for revenue from energy taxes were analysed in the government's 2030 plan from November 2023. Additionally, the Danish Council on Climate Change is an independent body of experts that advises on how the transition to a low-carbon society can be done in a cost-effective manner. The Danish Ministry of Economic Affairs also reports that Danish risk assessments cover the negative and positive impact of many risks. In general, fiscal policy in Denmark is planned with a running room for manoeuvrability in case of negative shocks.

5. Clarification amendments

The Danish Ministry of Economic Affairs assesses that amendments to Articles 2, 3, 4, 5, 6 and 7 are already addressed by existing legislation.

5 Implementation of the main provisions of the Directive in GERMANY

Germany reports the state of play with regard to the transposition of the amended Directive, albeit not always article by article.

1. Statistics, accounting, transparency

As concerns Article 3(1), Germany considers that the legal basis for data collection for the determination of data to be transmitted in the EU budget procedure is the Finance and Personnel Statistics Act (FPStatG). It also reports that the European System of National Accounts (ESA, Regulation (EU) 549/2013) is referenced both in the legal text (e.g. in paragraphs 2, 3, 5, 9a, 12) and in the respective explanations of the last two amendments to the law.

As concerns Article 3(2), Germany considers that the data to be published according to the amendments are already partially released in Germany (Monthly Report of the Bundesbank, Statistical Section). It also reports that the future quarterly publication of deficit data by level has been initiated at the Federal Statistical Office and is planned to be implemented by the end of the year.

As concerns Article 14(1), Germany reports that the Federal Statistical Office identifies and classifies bodies and funds that do not form part of the regular budgets but are part of the general government based on section 2(3) of the FPStatG. It also reports that, since December 2013, a list of all governmental funds, institutions, and enterprises has been published based on the FPStatG. The Stability Council advises, in accordance with section 51(1) of the Budgetary Principles Act (Haushaltsgrundsätzegesetz, HGrG), twice a year on the overall and macroeconomic and fiscal conditions for the preparation of the budgetary and financial plans for the federal government, states and municipalities. To this end, according to section 52(1) of the HGrG, the federal government and the states, through their finance ministries, provide the Stability Council with the information it needs to fulfil its tasks. The published Stability Council decision documents include the impacts of the aforementioned governmental institutions and funds on the budget balances and the debt levels of the federal government, the states and municipalities.

2. Independent fiscal institutions

Germany reports that Section 8 of the Stability Council Act (StabRatG) sets the framework for the Independent Advisory Board of the Stability Council (the Advisory Board) and that its mandate is defined in Section 1 of its Rules of Procedure, which also enshrines its independence (in connection with section 2 of the Rules of Procedure). It also reports that the Advisory Board fulfils only part of the tasks for IFIs mentioned in Article 8a of the Directive. Germany mentions that the necessary changes to align the regulations with the reformed Stability and Growth Pact (SGP) are in preparation. As the government only recently came into office, it is not yet in a position to specify what changes are being considered.

Germany reports that the Joint Economic Forecast (JEF) is established as an independent institution via the Act and Regulation on the Preparation of the Federal Government's Macroeconomic Forecasts (EgVG and EgVV) and that, according to Sections 1 and 2 of the EgVV, JEF’s task is to endorse the federal government's macroeconomic forecast.

Regarding the comply-or-explain principle in Article 8a(6) of the Directive, Germany reports that the regulations establishing these two institutions also specify this principle (Section 2 of EgVV and Section 7(a)(6) of the Stability Council Rules of Procedure). Germany also reports

that the requirement for the Advisory Board to undergo regular external evaluations in accordance with Article 8a(4)(e) of the Directive is also considered to be addressed in these regulations. The corresponding external evaluations of the JEF research institutes are reported to be provided by the Leibniz Senate.

3. Medium-term budgetary frameworks

Germany reports that the requirements for the medium-term budgetary framework are set out in particular in section 9(4) of the Rules of Procedure of the Stability Council.

4. Reporting on disaster- and climate-related fiscal risks

Germany reports that, since July 2024, the Federal Climate Adaptation Act (KAnG), which regulates the corresponding reporting requirements, has been in force in Germany, referring in particular to Section 4 of this Act.

5. Clarification amendments

Germany considers that the clarifications do not require any legislative measures.

6 Implementation of the main provisions of the Directive in ESTONIA

Estonia's fiscal framework was established through the State Budget Act that has been in place since 2014 and amended on several occasions, most recently in 2024. The authorities indicate their intention to revise the State Budget Act before the end of 2025 in order to transpose the new and clarified requirements of Directive 2011/85/EU. However, the process is still at preparatory stages with the scope of changes yet to be determined.

1. Statistics, accounting, transparency

According to the assessment by the authorities, the State Budget Act already covers most of the new and clarified requirements. The autorities do not provide detailed information on specific requirements.

2. Independent fiscal institutions

Estonia's Fiscal Council is an advisory body that monitors Estonia's compliance with national fiscal rules, assesses the macroeconomic and budgetary forecasts underpinning the state budget, and engages in the public debate on budgetary and related matters. The Council was established in 2014.

According to information provided by the authorities, the legislative changes to ensure compliance with Articles 2 and 8a of the amended Directive 2011/85/EU are planned to be completed by the end of 2025. However, the scope of necessary changes is still being determined and no detailed information is therefore provided.

3. Medium-term budgetary frameworks

Estonia's fiscal planning has multi-annual orientation since 2014 and is centred on the State Budget Strategy document covering a four-year period. The authorities consider that the national medium-term budgetary framework needs to be redefined due to changes in Directive 2011/85/EU, which would lead to changes in the State Budget Act. As indicated above, the intention of the authorities is to revise the State Budget Act before the end of 2025. However, the scope of necessary changes is still being determined and no detailed information is therefore provided.

4. Reporting on disaster- and climate-related fiscal risks

As part of the forthcoming review of Estonia's State Budget Act, the authorities intend to introduce before the end of 2025 new requirements in relation to reporting on disaster- and climate-related fiscal risks. However, no detailed information is provided.

5. Clarification amendments

No specific information is provided regarding clarification amendments laid down in Articles 2, 3, 4, 5, 6 and 7 of Directive 2011/85/EU, given that identification of necessary changes is still ongoing.

7 Implementation of the main provisions of the Directive in IRELAND

The Ministry of Finance reported that a new Statutory Instrument (SI) is currently being progressed to address those amendments to the Directive 2011/85/EU which the Ministry of Finance assesses are not already in place in existing national legislation. This statutory instrument is a secondary piece of legislation signed by the Minister for Finance under the powers given to the Minister by the principal Act of the Oireachtas.

1. Statistics, accounting, transparency

The Ministry of Finance reports that legislation is currently being progressed to bring forward the amended changes to the statistical, public accounting and transparency requirements of the Directive (Articles 3 and 14(1) of Directive 2011/85/EU) through the introduction of the new SI into domestic legislation. The revised Directive includes requirements related to the reporting of annual fiscal data and updates the obligations of General Government bodies to publish information on bodies and funds which that do not form part of the regular budgets but are part of the general government. This includes sub-sectors of General Government (Article 14(1)).

2. Independent fiscal institutions

The Ministry of Finance assesses that the existing Fiscal Responsibility Act 2012 already covers several of the measures in relation to Articles 2 and 8a of Directive 2011/85/EU. Article 8 of the Fiscal Responsibility Act outlines all the relevant duties and functions of IFAC (as covered under Article 8a(4) of the revised Directive), from the independent assessments of official forecasts to their timely publications.

The Ministry of Finance also reports that the Act contains a detailed Schedule that outlines inter alia membership, remuneration, staffing, funding, appearances before parliamentary committees, premises and procedure and quorum for IFAC. The Ministry of Finance does not provide an assessment of the alignment of the provisions of this Schedule with the Directive.

The SI described above will include the requirement for IFAC to be subject to regular external evaluations by independent evaluators, to assess the consistency, coherence and effectiveness of the national budgetary framework and will include the comply and explain principle.

3. Medium-term budgetary frameworks

The Ministry of Finance reports that the SI will introduce provisions that promote transparency and clarification around the Medium-Term Budgetary Framework in line with Articles 2, 9 and 10 of the Directive. It will re-state the requirement to publish a regularly updated document containing all elements of the medium-term budgetary framework.

The Ministry of Finance will not introduce legislative changes in relation to Article 11 as it assesses that no provision of the current legislation under review limit the Government's ability to update the Medium-Term Budgetary Framework.

4. Reporting on disaster- and climate-related fiscal risks

The Ministry of Finance reported that the new SI will include a subsection specifically aimed at addressing the disaster and climate-related risks associated with Articles 9(2)(d) and 14(3). This section outlines the responsibility around contingent liabilities from climate change, and the fiscal costs incurred due to disasters and climate-related shocks. It specifies requirements

around both the reporting of the fiscal indicators such as the macrofiscal risks from climate change and its environmental and distributional impacts. It is important to note that the proposed text will include the words “to the extent possible” indicating the reality that a framework to assess such risk is progressing but has not been finalised yet.

5. Clarification amendments

The Ministry of Finance reports that the new SI will address the clarification amendments laid down in Articles 2, 3, 4, 5 and 6 of Directive 2011/85/EU.

It assesses that the Medium-Term Budgetary Framework, along with current legislation (Fiscal Responsibility Act 2012 and The Ministers and Secretaries (Amendment) Act 2013), already provides requirements to monitor the consistency of Annual Budget legislation (as covered under Article 7 of the Directive).

8 Implementation of the main provisions of the Directive in GREECE

Greece is transposing the amending Directive 2024/1265/EU via an amendment of Law 4270/2014, under preparation and to be adopted by July 2025.

1. Statistics, accounting, transparency

Regarding transposing Article 3(1) of the Directive relating to public accounting systems, the authorities consider no transposition measure to be necessary.

Regarding transposing Article 3(2) of the Directive relating to public availability of fiscal data, the authorities report that the amendment of Law 4270/2014 will assign to the Hellenic Statistical Authority the responsibility for the timely publication of quarterly deficit and debt data for each sub-sector of the general government.

Regarding transposing Article 14(1) of the Directive relating to publishing information on bodies and funds that do not form part of the regular budgets in the context of budgetary processes, the authorities plan to slightly amend Law 4270/2014, specifically Article 44 on the national medium-budgetary framework (MTBF) and Article 53 on the annual budget to align wording with the text of the Directive.

2. Independent fiscal institutions

Regarding transposing Articles 8a(1) of the Directive relating to the legal establishment of independent fiscal institutions (IFIs), 8a(3) relating to the nomination and appointment of members to IFIs, and 8a(4)(a) relating to IFIs not taking instructions the authorities consider no transposition measure to be necessary.

Regarding transposing Article 8a(4)(b) of the Directive relating to IFIs public communication, the authorities consider the legal framework currently in force to partially account for the provision. While authorities remark that there are no restrictions to HFISC's freedom to communicate its work or its views through any means, they are planning to further strengthen HFISC’s capacity to communicate publicly about their assessments and opinions in a timely manner. The planned amendments include provisions on an explicit mandate for the timely public communication of all actions that HFISC undertakes in the context of its responsibilities and the establishment of a new department - under the HFISC President - which will be responsible, inter alia, for the communication of HFISC work at the national and international level.

Regarding transposing Article 8a(4)(c) of the Directive relating to the resourcing of IFIs, the authorities consider no transposition measure to be necessary as regards adequate, stable financing, as they consider the legal framework currently in force to already account for the provision. As regards human resource needs, transposition measures are foreseen. On financing, Article 13 of Law 4270/2014 states that the budget of the HFISC is prepared by the HFISC based on the estimated operational cost and only requires that the budget is aligned with standard budgetary principles like annual duration, unity and universality. No other restriction is imposed, and the Ministry of Finance is not authorised to amend the draft budget prepared by the HFISC or to ask the HFISC for an amended draft: Article 54 of Law 4270/2014, as amended by article 34(9) of Law 4484/2017, explicitly exempts the HFISC from the Ministry of Finance's authorisation to enter into a dialogue with independent authorities in cases where the draft budget submitted by these authorities is not aligned with the targets of the medium-term budgetary framework or with the instructions that have been provided by the Ministry of Finance. The authorities argue that this implies that the draft budget submitted by the HFISC

must be accepted, even if it is not in line with the medium-term targets. On human resources, the authorities report that the amendment of Law 4270/2017 will include an increase in the HFISC's staff positions compared to what the current legislation foresees, with draft legislation providing for a ceiling increase to 26 staff. The ceiling in force provides for 20 staff, with 13 staff employed as of 18 June 2025. In addition, the new legislation introduces the possibility for HFISC to cover part of its special scientific staff positions through three-year contracts that can be renewed once. The legislation clarifies that this possibility will exist until the HFISC has covered all its staff positions through permanent staff or staff with open-ended contracts.

Regarding transposing Article 8a(4)(d) of the Directive relating to IFIs' access to information, the authorities are planning to strengthen existing provisions through the amendment of Law 4270/2014. New provisions will include references to the fact that the provision of information must be timely and will streamline the process of information sharing by explicitly providing access to the HFISC to a number of administrative databases, including to the Financial Management Information System for the general government, to the Management Information System of the revenue administration, to the IT system of the single Pension Fund and to the IT system of the Ministry of Labour in which employers submit information on recruitments, dismissals and other information related to wage labour. Finally, the new provisions are going to expand the authorisation for memoranda of understanding that the HFISC can enter into, beyond the Ministry of Finance, to include additional entities like the revenue administration, the Public Debt Management Agency, the Hellenic Statistical Authority, the Bank of Greece, as well as the single Pension Fund.

Regarding transposing Article 8a(4)(e) of the Directive relating to external evaluations, the authorities are planning to strengthen existing provisions through the amendment of Law 4270/2014. Independent evaluations foreseen by Article 12(2) will continue to be required on a regular basis (every five years) and to be conducted by independent reviewers.

Regarding transposing Article 8a(5)(a) of the Directive relating to tasks of the IFIs, the authorities are planning to strengthen existing provisions through the amendment of Law 4270/2014. It will be clarified that the endorsement of macroeconomic forecasts by the HFISC will apply to all budgetary planning documents (annual and multi-annual), namely to the national MTBF, to medium-term fiscal structural plans, to the Draft Budgetary Plan, to the draft Budget submitted to Parliament in late November, as well as to the preliminary draft Budget that is submitted to Parliament in early October of each year.

Regarding transposing Article 8a(5)(b) of the Directive relating to tasks of the IFIs, the authorities consider no transposition measure to be necessary.

Regarding transposing Article 8a(5)(c) of the Directive relating to tasks of the IFIs, the authorities report that the amendment of Law 4270/2014 will assign to the HFISC the responsibility of undertaking tasks in accordance with Articles 11, 15(3) and 23 of Regulation 2024/1263/EU and Article 3(5) of Council Regulation (EC) 1467/97.

Regarding transposing Article 8a(5)(d) of the Directive relating to tasks of the IFIs, the authorities report that the amendment of Law 4270/2014 will assign to the HFISC the responsibility of performing assessments of the consistency, coherence and effectiveness of the national budgetary framework and of publishing its results.

Regarding transposing Article 8a(5)(e) of the Directive relating to tasks of the IFIs, the authorities are planning to strengthen existing provisions through the amendment of Law 4270/2014. The scope of the participation of the HFISC's President to Parliamentary discussions will be broadened by deleting a reference in Article 2(6) limiting the scope to the

context of HFISC publications. Additionally, a new provision will explicitly define the participation in Parliamentary hearings and discussions as a responsibility of the HFISC.

Regarding transposing Article 8a(6) of the Directive relating to the comply-or-explain principle, the authorities report that the amendment of Law 4270/2014 will require the Ministry of Finance to either accept the assessments and opinions of the HFISC and take action to comply with them, or present within two months public explanations of its position.

Regarding transposing Article 4(6) of the Directive relating to ex post evaluation of forecasts, the authorities are planning to strengthen existing provisions through the amendment of Law 4270/2014, including Article 2(5). The amendment will explicitly include the *ex post* evaluation of macroeconomic and budgetary forecasts for both annual and multiannual fiscal planning under the responsibilities of the HFISC. The HFISC will be responsible for publishing the results of these evaluations, which should be duly taken into account in the context of future macroeconomic and fiscal projections. The new legislation will also oblige the Ministry fo Finance to take measures if the *ex post* evaluation of macroeconomic forecasts reveals significant bias.

3. Medium-term budgetary frameworks

Regarding transposing Article 9(2)(a) of the Directive relating to national budgetary objectives over the medium term, the authorities report that the amendment of Law 4270/2014 will ensure objectives' consistency by introducing the net expenditure path that is set by the Council as a national numerical fiscal rule, as well as by introducing the provision that this net expenditure path will be binding for both the national MTBF and for annual budgets. The upcoming legislation will also maintain national budgetary objectives over the medium-term (Article 43 of Law 4270/2014, as amended by Article 119 of Law 4964/2022).

Regarding transposing Article 9(2)(c) of the Directive relating to describing medium-term policies, the authorities report that the amendment of Law 4270/2014 will specify that envisaged reforms and investments that have an impact on general government finances and on sustainable and inclusive growth are included among the medium-term policies for which estimates of budgetary impact must be provided in the context of the national MTBF. The provision will apply not only to new policy interventions, but also to already enacted policies, for which updated estimates of their budgetary impact will have to be provided.

Regarding transposing Article 10 of the Directive relating to the consistency of annual budget legislation with the national budgetary objectives, the authorities report that, with respect to national budgetary objectives over the medium-term other than the net expenditure path, the upcoming legislation will include provisions that specify the need for the provision of explanations in cases where annual budgets depart from these objectives.

The authorities do not consider the amended Article 11 of the Directive to include any new substantial requirement that would have to be transposed into national legislation.

4. Reporting on disaster- and climate-related fiscal risks

Regarding transposing Article 9(2)(d) of the Directive relating to assessing envisaged policies according to their likely impact on medium-term and long-term sustainability of the public finances and sustainable and inclusive growth, the authorities report that the amendment of Law 4270/2014 will specify that the documentation submitted as part of the national MTBF should include, inter alia, an assessment of the impact of envisaged policies on medium-term and long-term fiscal sustainability, as well as on sustainable and inclusive growth and on the

distribution of income. In addition, the provision will clarify that this assessment should take into account, to the extent possible, macroeconomic and fiscal risks as a result of climate change and its environmental impact, including information on the methodology and assumptions used. Finally, the new provisions will include the assignment of a new responsibility to the Hellenic Fiscal Council, which will analyse the macroeconomic and fiscal developments that affect economic growth in relation to risks and implications of climate change.

Regarding transposing Article 14(3) of the Directive relating to publishing relevant information on contingent liabilities, the authorities report that the amendment of Law 4270/2014 will explicitly add the impact of climate change and natural disasters to the list of main sources of risk for the budgetary projections that have to be assessed and information on which has to be reported in the budget documentation. Such sources of risk also include standard forms of contingent liabilities. The new provision will specify that the budget report should describe the methodology used for assessing the impact of climate change and natural disasters, as well as that information on fiscal costs incurred due to natural disasters should be taken into account.

5. Clarification amendments

Regarding transposing the amended Article 2 of the Directive relating to definitions, the authorities do not consider Article 2(1)(a) and 2(1)(c) to necessitate any changes to the domestic legal framework and plan to address Articles 2(1)(e) and 2(1)(h) with the planned amendment of Law 4270/2014.

Regarding transposing the amended Article 4(1) of the Directive relating to macroeconomic and budgetary forecasts, the authorities consider no transposition measure to be necessary.

Regarding transposing Article 5(b) of the Directive relating to establishing numerical fiscal rules promoting the adoption of a medium-term fiscal planning horizon, the authorities report that the amendment of Law 4270/2014 will introduce compliance with the net expenditure path set by the Council as a national fiscal rule.

Regarding transposing Article 6(2) of the Directive relating to escape clauses to numerical fiscal rules, the authorities report that the amendment of Law 4270/2014 will establish escape clauses that will mirror the general escape clause and the national escape clause of Regulation 2024/1263/EU.

Regarding transposing Article 7 of the Directive on the consistency of annual budget legislation with numerical fiscal rules, the authorities are planning to strengthen existing provisions through the amendment of Law 4270/2014. Article 34, setting out principles for fiscal planning, will be amended to reflect the changes in national fiscal rules as a result of Regulation 2024/1263/EU, while it will also explicitly state that the general principles apply both to multiannual and to annual budgetary planning.

9 Implementation of the main provisions of the Directive in SPAIN

The General Secretariat of the Treasury and International Financing of the Spanish Ministry of Economy, Trade and Business informed on the implementation of the Council Directive Amending the Council Directive on Budgetary Frameworks. For most parts, Spain considers that it already fulfils the provisions of the amended Directive.

1. Statistics, accounting, transparency

Spain considers that there is no need to change the current Spanish national legislation as it already addresses the relevant provisions of the amended Directive. Specifically, Article 125(2) of Budgetary Law 47/2003 vests the General Comptroller (IGAE) with the authority to compile the national accounts of the General Government sector, stipulating that this task must be executed in accordance with the European System of Accounts. Spain also reports that it already publishes quarterly data on debt and deficit for all subsectors separately, including social security funds, as set out by Regulation (EC) No 549/2013.

2. Independent fiscal institutions

Spain considers that existing national legislation on independent fiscal institutions already covers all the amendments introduced in the Directive according to the following:

- Article 8a(1) is said to be covered by Organic Law 6/2013 on the establishment of the Independent Authority for Fiscal Responsibility (AIReF).
- Article 8a(3) is said to be covered by Articles 24.1 and 24.2 of the Organic Law and was further reinforced via Royal Decree 215/2014 approving the Organic Statute of AIReF.
- Article 8a(4)(a) is said to be covered by Article 7.1 of the Organic Law.
- Article 8a(4)(b) is said to be covered by Article 5.4 of the Organic Law and Articles 4.4 and 9 of the above-mentioned Royal Decree.
- Article 8a(4)(c) is said to be covered by Articles 7.1 and 11.2 of the Organic Law. Spain refers to sufficient economic and human resources to perform its duties, including through adequate and stable funding.
- Article 8a(4)(d) is said to be covered by Article 4.2 of the Organic Law, which stipulates that economic-financial information concerning the public administrations shall be made available to AIReF. Spain also refers to Ministerial Order HAP/1287/2015, which details the information that the Ministry of Finance will make permanently available to AIReF, including data from the Central Administration, Social Security, Autonomous Communities, and Local Corporations, setting the rules for how AIReF gets the financial information it needs to perform its tasks.
- Regarding Article 8a(4)(e) Spain does not report any legal provision requiring AIReF to undergo regular external evaluations by independent evaluators but refers instead to such evaluations taking place in practice.
- Article 8a(5)(a) is said to be covered by the above-mentioned Article 14.1 of the Organic Law.
- Article 8a(5)(b) is said to be covered by Article 17 of the above-mentioned Organic Law and by Article 17 of Organic Law 2/2012.
- Article 8a(5)(c) is said to be covered by Article 14.1 and 14.2 of the above-mentioned Organic Law.

- Article 8a(5)(d) is said to be covered by Article 14.3 of the above-mentioned Organic Law.
- Article 8a(5)(e) is said to be covered by Article 24.8 of the Organic Law and by Article 25(b) of the above-mentioned Royal Decree.
- Regarding Article 8a(6) on the comply-or-explain rule, Spain considers it to be covered by Article 11.1 (b) of Royal Decree 215/2014.

3. Medium-term budgetary frameworks

Spain considers that existing national legislation already incorporates the clarifications included in the amendment of article 9 of the Directive and that, therefore, it is not necessary to introduce major legal changes except for those needed to include climate-related risks.

Regarding Article 9.2(a) Spain refers to Article 15 and 29.2(a) of the Organic Law 2/2012 which establishes the procedure for setting the medium-term fiscal objectives and that the medium-term budgetary plan will cover at least three years and will include relevant macroeconomic and fiscal variables.

Regarding Article 9.2(c) Spain refers to Article 29.2 (b) and (d). It also refers to four cross-cutting reports accompanying the General State Budget that the Spanish government publishes. These cross-cutting reports of the Budget highlight the contribution of spending programmes to specific areas or objectives of public interest, in whose achievement several budgetary policies typically participate: i) Gender Impact Report; ii) Alignment Report of the General State Budget with the Sustainable Development Goals of the 2030 Agenda; iii) Alignment Report of the General State Budget with the Ecological Transition; and iv) Impact Report on Childhood, Adolescence, and Family.

As regards Article 10, Spain considers it to be covered by Article 29.1 and 29.4 of Organic Law 2/2012.

4. Reporting on disaster- and climate-related fiscal risks

As regards Article 9.2(d) Spain reports that it is currently assessing how best to transpose this article of the Directive into national legislation.

As regards Article 14.3 Spain refers to Articles 14.5(k) and 15.3(e) of Order HAP/2105/2012 implementing the information supply obligations stipulated in the Organic Law 2/2012. Spain also refers to the fact that IGAE reports on the fiscal cost of disasters and climate change.

5. Clarification amendments

As regards Article 4.1 on the realism of the annual and multiannual macroeconomic and fiscal forecasts, Spain considers that there is no need to change existing legislation as Royal Decree 337/2018 of May 25 on the requirements applicable to macroeconomic and budgetary forecasts already includes several articles and recitals that address the amendments to Article 4.1.

As regards Article 4.6 on independent ex-post evaluations of forecasts, Spain refers to Article 8 in Royal Decree 337/2018, where it is stated that the Ministry of Economy and the State Secretary for Budget of the Ministry of Finance at least once a year shall conduct an ex post evaluation of the forecasts of the main macroeconomic and budgetary variables, analysing possible deviations of the forecast from the actual outturn. Spain also considers that the General Comptroller (IGAE), an entity that is formally attached to the State Secretary for Budget but

enjoys full functional autonomy, is fully competent to undertake the ex-post evaluation referred to in Article 4.6 of the Directive. However, Spain does not refer to any legal provision where this evaluation task is officially conferred to IGAE. It remains thus unclear how the independent ex-post evaluation of the macroeconomic forecast is ensured.

As regards Article 5(b) of the Directive, Spain reports that its provisions are already covered by Organic Law 2/2012, particularly via Articles 15 and 29.2. These articles ensure that annual and medium-term fiscal and debt targets are aligned with EU recommendations on multiannual budgetary objectives. Legal provisions in both articles ensure that fiscal stability and public debt targets are set both annually and over the medium-term horizon.

As regards Article 6.1 of the Directive, Spain reports that its provisions are already covered by current legislation (in particular Article 17 of Organic Law 2/2012), according to which the Spanish Independent Fiscal Institution and IGAE have to publish reports on the compliance with the fiscal rules, including through issuing, if needed, recommendations for the Government.

As regards Article 6.2 of the Directive, Spain reports full alignment of current national legislation, which already specifies a limited number of circumstances under which the national escape clause can be activated.

As regards Article 7 of the Directive, Spain reports that the amendment of its provisions does not necessitate any changes in Spanish legislation.

As regards Article 14.1, Spain considers that the provisions are covered by existing legislation, namely Organic Law 2/2012, Ministerial Order 2015 and Royal Decree 337/2018.

10 Implementation of the main provisions of the Directive in FRANCE

The main elements of the French national fiscal framework are established by the Organic Law on Public Finance Laws of 1 August 2001 (the organic law). At the time of the reporting, the authorities identify national legislation covering most of the amended directive provisions. The authorities also indicate that some legal changes would be needed to ensure the full transposition of the provisions but the process and timeline envisaged for the legislative changes have not been communicated.

1. Statistics, accounting, transparency

The authorities indicate that the national statistical office (INSEE) has been using ESA2010 since 2014 and that according to the organic law, accrual accounting is the public accounting system. Moreover, they explain that the reference to national budgetary objectives over the medium-term is set in the Constitution and the organic law. The authorities do not indicate any need to take specific measures to implement the clarification amendments laid down in Article 14(1) of the directive and provide references to existing legislation.

With respect to the amended provisions of Article 3(2), the authorities provide links to various datasets considered to fulfil these requirements and point out that the organic law sets a requirement to annex to the draft multiannual programming law a report indicating the annual deficit and debt at aggregate and sectoral level.

2. Independent fiscal institutions

France's Haut Conseil des Finances Publiques (HCFP) was established by the organic law. The authorities report that HCFP's mandate is to monitor the government's compliance with fiscal rules, endorse the macroeconomic forecasts that underpin the budget and assess the existence or termination of circumstances underpinning the activation of escape clauses, among other responsibilities.

According to the authorities, the procedure to appoint the members of the HCFP is transparent and based on relevant experience and competence and the HCFP does not take instructions from budgetary authorities or from any other public or private body. According to the organic law, the HCFP prepares opinions on a defined list of budgetary laws and makes them public. The HCFP cannot issue opinions on other subjects than those defined in law. The access to the relevant information is set in the same law.

Regarding resources of the HCFP, the authorities report that the president of the independent body, also president of the national audit office, decides upon and manages the financial resources that the independent body needs in order to accomplish its tasks.

The authorities indicate that there is currently no legal provision for regular external evaluations of the HCFP performed by independent evaluators. Until the organic law is amended to refer to the annual progress report (APR) instead of the stability programme, the French authorities commit to refer to the HCFP to endorse the macroeconomic forecasts of the APR (Article 8a(5)(a)). Moreover, the authorities have pledged to refer to the HCFP to ensure that the national medium-term fiscal structural plan and the APR are compliant with the preventive and corrective arm regulations (Article 8a(5)(c)). These commitments are set in the Action plan for Public Finances.

Legislative changes to ensure compliance with the remaining requirements in Article 8a of the amended Directive 2011/85/EU are planned without a clear timeline, notably regarding the IFI task to assess the consistency, coherence and effectiveness of the national budgetary

framework, and the IFI tasks ensuing from the preventive and corrective arm regulations. In the authorities' view, the provision for the IFI to participate in regular hearings and discussions at the national Parliament upon request would not need to be transposed in national legislation.

3. Medium-term budgetary frameworks

The authorities consider that the current provisions of the organic law cover the relevant requirements of the amended directive. The authorities also refer to the production of the national medium-term fiscal structural plan and of the annual progress report, which include references to reforms and investments. The authorities make reference to the ministerial letter of 17 June 2021 for the analysis of the impact of the envisaged reforms on long-term fiscal sustainability. No reference is provided for the impact of the envisaged policies on sustainable and inclusive growth.

In the authorities' view, the organic law covers the provisions of Article 10, namely to ensure consistency of the annual budget with the national budgetary objectives over the medium term and to duly explain any departures of the annual budget from the MTBF in force.

4. Reporting on disaster- and climate-related fiscal risks

The authorities do not elaborate on their intentions to ensure the transposition of the new climate-related provisions of the amended directive while the legal references and explanations provided explain the process to produce the multiannual revenue and expenditure projections.

5. Clarification amendments

Overall, the authorities consider that the provisions laid down in Articles 2, 3, 4, 5, 6 and 7 of Directive 2011/85/EU are already covered in the organic law or by practices.

11 Implementation of the main provisions of the Directive in CROATIA

The Croatian authorities report that discussions are ongoing regarding the transposition of Council Directive 2024/1265/EU. According to preliminary estimates, most amendments are expected to impact the Budget Act and the Fiscal Responsibility Act. No information is provided on the nature of the proposed changes or a specific timeline for transposition.

12 Implementation of the main provisions of the Directive in ITALY

The Italian authorities report that a parliamentary enquiry into the reform of the economic and financial programming and budgetary procedures in the context of the revised EU economic governance framework was concluded in October 2024. In line with national practice for similar reforms, an in-depth analysis involving the Parliament with the technical support from the Ministry of the Economy and Finance (MEF), as well as inputs from independent institutions is currently underway to assess the impact of the revised EU economic governance framework on national legislations, particularly national Law No. 243/2012 and Law No. 196/2009. While the information reported identifies the texts to be amended, it does not detail the transposition process.

1. Statistics, accounting, transparency

The Italian authorities indicate that the national legislation, in particular Article 19 of Legislative Decree No. 118/2011 and Article 38-bis of Law No. 196/2009, is already aligned with the amendments to Article 3(1) of the Directive.

Regarding amended Article 3(2) of the Directive, the Italian authorities report that the requirement to ensure timely and regular public availability of fiscal data for all sub-sectors of general government as set out under Regulation (EU) 549/2013 should not require significant adjustments to the national legislation.

The authorities report that Article 31-bis of national Law No. 196/2009 already provides for a specific annex to the draft budget law detailing the State's off-budget operations and requires public administrations to publish relevant information for which they are responsible. Evaluations are ongoing to assess whether amendments to the current national provisions are needed to comply with the amendments to Article 14(1) of the Directive.

2. Independent fiscal institutions

The Italian authorities highlight that Article 16 of Law No. 243/2012, establishing the Parliamentary Budget Office (UPB), already complies with the definition of independent fiscal institutions under revised Article 2(2)(h) of the Directive.

Regarding Article 8a of the Directive, the authorities report that the current national legislation – notably Chapter VII of Law No. 243/2012 and Article 10-ter of Law No. 196/2009 – is broadly aligned with the revised EU economic governance framework on the role, functions and characteristics of the UPB. In particular, the authorities note that the current national primary legislation and administrative practices are consistent with the expanded tasks set out in Regulation 2024/1263/EU and Regulation 2024/1264/EU, referenced under Article 8a(5)(c) of the Directive. The Italian authorities report that the process of transposing into national primary legislation the requirement for independent fiscal institutions to be subject to regular external evaluations by independent evaluators, as stipulated in Article 8a(4)(e), is currently underway.

The authorities also report that appropriate amendments and additions to the Memorandum of Understanding (MoU) between the MEF and the UPB are expected, without providing a timeline for debate and adoption. The current version of the MoU outlines, inter alia, the institutional steps for the endorsement of macroeconomic forecasts in the planning documents that will need to be updated to reflect the provisions of the revised EU economic governance framework and changes in the national programming cycle and related tools.

3. Medium-term budgetary frameworks

The Italian authorities highlight that the provisions in Chapter I of Law No. 243/2012 and Titles I and III of Law No. 196/2009 are compliant with amended Article 2 of the Directive.

The following legislative changes are planned in order to comply with the requirements on medium-term budgetary frameworks under the revised Articles 9 and 10 of the Directive:

- The requirement for national medium-term budgetary objectives to align with Regulation 2024/1263/EU, as set out under revised Article 9(2)(a) of the Directive, will be addressed through the reform of Title III of Law No. 196/2009.
- The amendment to Article 9(2)(c) of the Directive will be implemented through revisions to Title III of Law No. 196/2009.
- The requirement under revised Article 10 of the Directive to adequately explain any deviation from national medium-term budgetary targets will be transposed into national legislation as part of the reform of the rules under Chapter III of Law 243/2012 and under Title III of Law 196/2009.

The Italian authorities state that no changes in the national legislation are necessary to comply with revised Article 11 of the Directive.

4. Reporting on disaster- and climate-related fiscal risks

The Italian authorities note that several analytical projects have been launched at national level to assess contingent liabilities associated with catastrophic risks, which will inform the development of appropriate methods for disseminating information but give no indication on the legal transposition of the amendments to Article 9(2)(d) and Article 14(3) of the Directive. Additionally, several regulatory measures have recently been adopted or are under discussion to strengthen administrative and financial preparedness in managing natural disasters and extreme events. These include specific provisions for post-disaster reconstruction, dedicated funds to distinguish between emergency response and recovery phases and the extension of insurance obligations, which took effect in March 2025 for larger firms, related to certain types of catastrophic events.

5. Clarification amendments

The Italian authorities note that the national legislation is already compliant with amendments laid down in Articles 2, 3(3), 4(1), 4(6), 5(a), 6(1)(b) and 7 of the Directive. The extension of the medium-term fiscal planning horizon under Article 5(b) of the Directive will require amendments to national Law No. 196/2009. Amendments to Article 6(2) introducing a reference to Regulation 2024/1263/EU in relation to escape clauses, will require adjustments of national Law No. 243/2012 - in particular Article 6 - which will be addressed in the context of the reform of the rules governing national instruments and the programming cycle.

13 Implementation of the main provisions of the Directive in CYPRUS

Cyprus plans to update its Fiscal Responsibility and Budgetary Framework Law [No.20(I)/2014] to ensure implementation of Council Directive 2024/1265/EU. The authorities did not share a timeline for these amendments.

1. Statistics, accounting, transparency

Regarding transposing Article 3(1) of the Directive relating to public accounting systems, the authorities plan to ensure continued alignment with the European System of National and Regional Accounts in force.

Regarding transposing Articles 3(2) of the Directive relating to public availability of fiscal data and 14(1) relating to publishing information on bodies and funds that do not form part of the regular budgets in the context of budgetary processes, the authorities consider that the national legislation in force ensures compliance.

2. Independent fiscal institutions

Regarding transposing Articles 2(1)(h) of the Directive relating to the definition of independent fiscal institutions (IFIs), 8a(1) of the Directive relating to the legal establishment of IFIs, Article 8a(3) relating to the nomination and appointment of members to IFIs, 8a(4)(a) relating to IFIs not taking instructions, 8a(4)(b) relating to IFIs' public communication, 8a(4)(d) relating to IFIs' access to information, and 8a(5)(a) and 8a(5)(b) of the Directive relating to tasks of the IFIs, the authorities consider that the national legislation in force (i.e. PART III of law No.20(I)/2014) ensures compliance.

Also with a view to enable the Cypriot Fiscal Council, the FCC, to communicate (Article 8a(4)(b)), the legal framework foresees a minimum number of staff of three for the FCC (Article 26(1) of law No.20(I)/2014). The authorities consider this also relevant for the transposition of Article 8a(4)(c), which is further strengthened by a new law, published in the Official Gazette on 4 April 2025, that releases any staff positions that were previously frozen by other legislation. As regards the FCC's budget provision, the authorities report that the Ministry of Finance expresses openness to reflect on strengthening the existing standard procedure of requesting funds.

The authorities point out that provisions relating to Article 8a(4)(d), i.e. Articles 30(1) and 30(3) of law No.20(I)/2014, are very strict, requiring any entity to provide any necessary information to the Fiscal Council. Any inefficiencies in this procedure are to be reported.

Regarding transposing Articles 8a(5)(c) and 8a(5)(d) of the Directive relating to tasks of the IFIs, the authorities indicate that they plan to assess and, if necessary, strengthen existing legal requirements. Assessing the consistency, coherence and effectiveness of the national budgetary framework is already codified as an IFI task (Article 19 of law No.20(I)/2014).

Regarding transposing Article 8a(6) of the Directive relating to the comply-or-explain principle, the authorities indicate that they plan to assess and, if necessary, strengthen existing legal requirements. The current national law foresees that, in the event the FCC disagrees with the macroeconomic forecasts of the Government, reconciliation discussions take place and in case of continued disagreement, the Government has to publicly announce its position, justifying the lack of support (Articles 30(1) and 30(3) of law No.20(I)/2014).

The authorities consider it necessary to amend the national legal framework to transpose Article 8a(4)(e) of the Directive relating to external evaluations.

3. Medium-term budgetary frameworks

The authorities plan to align the national law with Article 2(1)(e) of the Directive relating to definitions by aligning a range of provisions.

The authorities consider it necessary to amend the national legal framework to transpose Articles 9(2)(a) of the Directive relating to national budgetary objectives over the medium term and 9(2)(c) relating to describing medium-term policies.

Regarding transposing Articles 10 of the Directive relating to the consistency of annual budget legislation with the national budgetary objectives and 11 relating to updating medium-term budgetary plans to reflect new policy priorities, the authorities consider that the national legislation in force ensures compliance (Articles 48, 51 and 54 of law No.20(I)/2014).

4. Reporting on disaster- and climate-related fiscal risks

Regarding transposing Article 9(2)(d) of the Directive as regards disaster- and climate-related fiscal risks, the authorities plan to assess whether an amendment of the national legal framework is necessary.

Regarding transposing Article 14(3) of the Directive relating to publishing relevant information on contingent liabilities, the authorities plan not to strengthen existing legal requirements but to clarify existing provisions with guidance on the reporting preparation and presentation. The Cypriot framework for the management of financial risks foresees reporting on any fiscal risk identified, including disaster- and climate-related fiscal risks (Article 58 of law No.20(I)/2014).

5. Clarification amendments

The authorities consider it necessary to amend the national legal framework to transpose Articles 2 of the Directive relating to definitions, 5(a) and (b) relating to establishing numerical fiscal rules, and 6(2) relating to escape clauses to numerical fiscal rules, requiring amendments to Articles 41, 42 and 43 of law No.20(I)/2014.

Regarding transposing Article 3 of the Directive relating to public accounting systems and the public availability of fiscal data, the authorities consider it necessary to align the existing legal framework while pointing out that many of the requirements of the amended Directive are already reflected in the national legislation in force.

Regarding transposing Articles 4(1) and 4(6) of the Directive relating to macroeconomic and budgetary forecasts, and 7 on the consistency of annual budget legislation with numerical fiscal rules, the authorities consider that the national legislation in force ensures compliance.

On Article 4(6), they point out that the mandate of the FCC is enshrined in Article 18(1) of law No.20(I)/2014, and that it has the power to provide an a priori and a posteriori public evaluation of the public fiscal policy according to Article 19(c).

14 Implementation of the main provisions of the Directive in LATVIA

The cornerstone of Latvia's national fiscal framework is the Fiscal Discipline Law that was adopted in 2013 and amended in 2024. As of April 2025, the authorities were examining the need to amend the Fiscal Discipline Law as well as other legal acts to transpose the amending Directive 2024/1265/EU and preparing legislative changes to ensure compliance with article 2 and 8a of the amended Directive. The legislative changes are expected to be completed by the end of 2025 and will concern the Fiscal Discipline Law as well as other regulations.

1. Statistics, accounting, transparency

The authorities are examining whether any specific measures would be needed to implement the clarification amendments laid down in Articles 3(1) and 14(1) of Directive 2011/85/EU.

With respect to the amended provisions in Article 3(2), the authorities point out that Latvia's public sector accounting maturity, which measures the degree of compliance with the International Public Sector Accounting Standards (IPSAS), is assessed as high.

Furthermore, the authorities are working on more extensive publication of fiscal data, including in response to Eurostat's recommendations.

2. Independent fiscal institutions

Latvia's Fiscal Discipline Council (FDC) was established by the Fiscal Discipline Law and began operating on 1 January 2014. FDC's mandate is to monitor the government's compliance with fiscal rules, endorse the macroeconomic forecasts that underpin the budget, assess the adequacy of the fiscal security reserve and assess the sustainability of national fiscal policy, among other responsibilities.

According to information provided by the authorities, legislative changes to ensure compliance with Article 2 and 8a of the amended Directive 2011/85/EU are planned to be completed by the end of 2025 and will concern the Fiscal Discipline Law as well as other regulations.

The authorities point out that in practice the FDC already supports functioning of the renewed European fiscal framework, having provided an opinion on Latvia's Medium Term Fiscal Structural Plan, as well as on the first Annual Progress Report in 2025, which are publicly available on the webpages of the FDC and Ministry of Finance. Similarly, the FDC attended in April 2025 a discussion at the European Affairs Committee of Latvia's Parliament (the Saeima) and was invited to the Cabinet of Ministers to discuss Progress Report 2025.

Regarding resources of the FDC, the authorities inform that the budgetary framework in Latvia was set for three years, and this provides stability of resources. No specific information is provided with respect to remaining requirements in Article 8a.

3. Medium-term budgetary frameworks

The authorities consider that current provisions of the Fiscal Discipline Law already comprehensively cover the relevant requirements in the amended directive. Should any gaps in national legislation be identified during the implementation process, the authorities will apply necessary changes. No specific information is provided with respect to individual amended and clarified requirements of Directive 2011/85/EU.

4. Reporting on disaster- and climate-related fiscal risks

The authorities do not elaborate on their intentions to amend the existing national laws in order to transpose the new requirements concerning reporting on disaster- and climate-related fiscal risk.

Also as regards compiling and publishing such information, the authorities do not have tools yat allowing them to make an assessment of the direct medium- and long-term impact on general government finances of macrofiscal risks from climate change and its environmental and distributional impacts. At the same time, they are researching publicly available analytical tools and databases that would be suitable for Latvia's public financial management system with a view to setting up such monitoring and reporting systems. In parallel, the authorities are working on a green budgeting tagging methodology. In their assessment, the green budgeting methodology, once completed, could be useful in formulating rules for the reporting on climate-related contingent liabilities.

5. Clarification amendments

The authorities are examining whether any specific measures would be needed to implement the clarification amendments laid down in Articles 2, 3, 4, 5, 6 and 7 of Directive 2011/85/EU. Overall, the authorities consider that these provisions are already well covered in the Fiscal Discipline Law, the Law on Budget and Financial Management and in relevant national regulations, but do not provide detailed information.

15 Implementation of the main provisions of the Directive in LITHUANIA

Lithuania's fiscal framework was established in 2014 through the Constitutional Law on the Implementation of the Fiscal Treaty and the National Audit Law. As of April 2025, the fiscal framework is undergoing a comprehensive review with the aim to align national numerical and procedural fiscal rules with the EGR, including transposing the amending Directive 2024/1265/EU into national law, and to simplify the national fiscal rules. According to the authorities, this comprehensive review will involve changes to the abovementioned laws as well as to the Seimas (national Parliament's) Statute and possibly to other legal acts. The deadline for the finalisation of the review process is set for 31 December 2025.

1. Statistics, accounting, transparency

The authorities do not provide specific information on possible changes to the national laws and regulations due to new and clarified requirements in the areas of statistics, accounting, and transparency.

2. Independent fiscal institutions

Since 1 January 2015, Lithuania's National Audit Office acts as an Independent Fiscal Institution (NAO FI), monitoring compliance with the fiscal discipline rules and preparing opinions and reports. One of the tasks of NAO FI concerns assessment and approval of macroeconomic forecasts.

According to the authorities, the comprehensive review of Lithuania's fiscal framework mentioned above will strengthen the role of NAO FI through transposing requirements in Articles 2 and 8a of the amended Directive, including by implementing the "comply or explain" principle. No specific information is provided with respect to remaining requirements in Article 8(a).

3. Medium-term budgetary frameworks

As part of the comprehensive review of Lithuania's fiscal framework, the authorities intend to enhance budget orientation towards a multi-year perspective. Part of the move towards mid-term budgeting has already materialised by adopting in 2024 a revised Law on the Budget Structure, which entered into force in 2025, and through the approval of the first three-year budget for 2025-2027. No specific information is provided with respect to specific new and clarified requirements in Directive 2011/85/EU.

4. Reporting on disaster- and climate-related fiscal risks

As part of the comprehensive review of Lithuania's fiscal framework, the authorities are also addressing new requirements on reporting disaster and climate related fiscal risks. However, no information is provided on possible legal amendments to transpose the new requirements.

5. Clarification amendments

No specific information is provided regarding clarification amendments laid down in Articles 2, 3, 4, 5, 6 and 7 of Directive 2011/85/EU.

16 Implementation of the main provisions of the Directive in LUXEMBOURG

In their reply, the authorities of Luxembourg provide references to existing legal provisions and to a memorandum of understanding, indicating that they ensure the transposition of certain provisions of the amended Directive. The authorities also indicate that reflection and consultations with relevant stakeholders are ongoing or planned, in order to determine how the national legislation would need to be amended to ensure full transposition of the amendments to the Directive on national budgetary frameworks.

1. Statistics, accounting, transparency

The authorities report that the transposition of the provisions of Articles 3(1) and 14(1) is ensured by Law of 12 July 2014 on coordination and fiscal governance and respectively by the accounting law on the budget, accounting and State treasury. For the full transposition of Article 3(2), consultations are taking place with the national statistics office regarding the publication of quarterly deficit data by subsectors.

2. Independent fiscal institutions

When providing information on existing provisions and arrangements for independent fiscal institutions, the authorities refer to the Law of 12 July 2014 on coordination and fiscal governance and to the memorandum of understanding (MoU) between the Ministry of Finance and the National Council for Public Finances.

According to the first assessment by the Ministry of Finance, all the provisions of Article 8a with two exceptions are transposed. The memorandum of understanding covers the access to information, the capacity to communicate publicly and the comply-or-explain principle, while the Law of 12 July 2014 ensures the transposition of the other IFI provisions. The provision that the independent fiscal institutions are subject to regular external evaluations by an independent evaluator and the provision for the independent fiscal institution to participate upon invitation in regular hearings and discussions at the national Parliament are not transposed and the authorities do not give any indication on their plans in this respect. The authorities report that they will assess the need to make changes to the national legislation to ensure that the national IFI can perform the tasks set in the preventive and corrective arm regulations.

3. Medium-term budgetary frameworks

The authorities report that discussions are ongoing on possible amendments to the national fiscal framework in relation to the provisions for the medium-term budgetary framework. The legal references provided reflect the first assessment of the Ministry of Finance of the existing national legislation with respect to the amendments to the Directive. In particular, the authorities indicate that the provisions of Article 9(2)(a) are fulfilled by provisions of the national budget law (Law of 8 June 1999 as amended). The national budget law already includes references to macrofiscal risks, but not to reforms and investments. The authorities are analysing whether the transposition of Article 10 would require any changes in the national legislation under possible amendments to the national fiscal framework in relation to the provisions for the medium-term budgetary framework.

4. Reporting on disaster- and climate-related fiscal risks

The authorities indicate that there are no specific references to reporting on disaster and climate-related fiscal risks in the national legislation in force, but that discussions are ongoing at national level, without any information on the timeline.

5. Clarification amendments

The authorities outline existing acts that are considered to ensure the transposition of the clarification amendments brought to the provisions of Directive 2011/85/EU and beyond. These acts include the Law of 12 July 2014 on coordination and fiscal governance that ensures the use of ESA2010 and establishes the escape clauses that apply to the country-specific numerical fiscal rules. The national budget law of 8 June 1999 (as amended) transposes Article 4(1) on the realism of annual and multiannual macroeconomic forecasts and explanations of deviations from the Commission's forecasts. Reflection is ongoing to ensure the consistency of national fiscal rules with the new preventive arm Regulation 2024/1263/EU and of the annual budget legislation with the country-specific numerical rules in force.

17 Implementation of the main provisions of the Directive in HUNGARY

The Hungarian authorities report that discussions are ongoing regarding the tasks and potential legislative changes to be undertaken to comply with the amendments to the Directive. Following expert consultation, a timeline will be established and proposals for changes in the national legislation will be shared where relevant. No information is provided on the legislative texts likely to be amended, the nature of the proposed changes, or a specific timeline for transposition.

18 Implementation of the main provisions of the Directive in MALTA

The Fiscal Responsibility Act of 8 August 2014 (FRA) sets requirements for the national fiscal framework in Malta. The Maltese authorities report specific amendments to the FRA that are being considered to ensure compliance with the amended Directive. However, no information is provided on the timeline for the adoption of these amendments.

1. Statistics, accounting, transparency

The Maltese authorities report that the FRA already addresses requirements on statistics, accounting and transparency of the amended Directive.

Regarding Article 3(2) of the Directive, the authorities refer to Article 39(4) of the FRA which requires that all general government units and extra-budgetary units maintain a proper system of accounts and provide timely data to the Ministry responsible for finance. Article 39(5) further obliges the Ministry to compile general government data in accordance with statistical requirements. General government data includes the central government, the extra budgetary units which are classified as forming part of this sector, as well as the local councils.

Regarding Article 14(1) of the Directive, the authorities refer to Article 3(a) of the FRA which obliges the government to disclose at the time of the budget presentation any significant changes in the accounting standards, policies and practices affecting or likely to affect the computation of the prescribed fiscal indicators. Article 3(a) of the FRA also requires publication of data on all claims and commitments made by the general government with potential budgetary implications.

2. Independent fiscal institutions

Articles 13(3)(a) and Articles 42 to 61 of the FRA already establishes the Fiscal Council as an independent institution with a monitoring role, including the assessment and endorsement of macroeconomic and fiscal forecasts.

Regarding Articles 2 and 8a(4)(e) of the Directive, the Maltese authorities report that national legal provision are considered to ensure that the Fiscal Council is subject to regular external evaluations by external evaluators. The Government is also considering how such evaluations should be financed in order not to disrupt the normal working of the independent fiscal institutions.

3. Medium-term budgetary frameworks

The Maltese authorities report plans to replace the current Medium-Term Fiscal Strategy with a Medium-Term Fiscal Structural Plan (MTFSP). This plan will be submitted at the start of each legislature and updated every four years and will be the main national instrument ensuring medium-term fiscal discipline and coordination. The MTFSP is reported to meet the requirements under Articles 9 to 11 of the Directive.

The proposed MTFSP will:

- Set out the fiscal trajectory, investment and reform commitments;
- Be based on macroeconomic and fiscal forecasts, with reference to debt sustainability and climate risks;
- Define expenditure ceilings consistent with the net expenditure path; and
- Serve as the central reference document for multi-annual fiscal planning.

4. Reporting on disaster- and climate-related fiscal risks

The Maltese authorities report to be considering explicit provisions for the inclusion of disaster- and climate-related fiscal risks within the MTFSP. The authorities are considering introducing provisions in the proposed FRA amendments is contemplating an assessment of such risks, aligned with Articles 9(2)(d) and 14(3) of the Directive.

5. Clarification amendments

The Maltese authorities report changes under consideration aim to modernise and simplify the FRA in line with the clarified provisions of the Directive and the reformed EU economic governance framework. Changes under consideration include:

• Updating definitions in Article 2 of the FRA to align with Regulation (EU) 2024/1263, including terms such as “net expenditure path”, “technical guidance”, and “reference trajectory”;

• Replacing the structural balance and MTO rules with a single operational fiscal rule based on the net expenditure path (revised Article 8 of the FRA);

• Removing references to obsolete rules, such as the 1/20th debt reduction rule (Article 9) and medium-term budgetary objectives (Articles 10 and 11); and

• Linking automatic correction mechanisms to procedures under Regulation (EU) 2024/1264 (as foreseen in revised Article 11).

19 Implementation of the main provisions of the Directive in THE NETHERLANDS

In The Netherlands, the Ministry of Finance and the Ministry of the Interior and Kingdom Relations have brought forward an explanatory memorandum and legislative proposal to amend the Dutch Sustainable Public Finances Act to transpose the amending Directive 2024/1265/EU. Following its approval by the Council of Ministers (*Ministerraad*) on 14 March 2025, and the positive advice of the Council of State (*Raad van State*), the proposal will be treated in Parliament (no concrete timeline provided).

1. Statistics, accounting, transparency

Regarding transposing Article 3(1) of the Directive relating to public accounting systems, the Dutch authorities plan to ensure continued alignment with the European System of National and Regional Accounts in force.

Regarding transposing Articles 3(2) of the Directive relating to public availability of fiscal data and 14(1) relating to publishing information on bodies and funds that do not form part of the regular budgets in the context of budgetary processes, the Dutch authorities do not indicate a need for implementing measures.

2. Independent fiscal institutions

Regarding transposing Article 8a(1) of the Directive relating to the legal establishment of independent fiscal institutions (IFIs), the Dutch authorities plan to introduce a new provision in the Sustainable Public Finances Act, Article 2a(1), designating the Central Planning Bureau (CPB) and the Advisory Division as independent fiscal institutions for the tasks arising from the Directive.

Regarding transposing Article 8a(3) of the Directive relating to the nomination and appointment of members to IFIs, the Dutch authorities do not see a need for implementing measures.

Regarding transposing Article 8a(4)(a) of the Directive relating to IFIs not taking instructions, the Dutch authorities plan, in relation to the tasks of IFIs described in Article 8a(5) of the Directive, to amend the Sustainable Public Finances Act to clarify independence of the CPB from the Minister of Economic Affairs, as the CPB is part of the Ministry of Economic Affairs. The Dutch authorities further explain that Article 4 of the Protocol for the Policy Assessment Agencies states that a minister or state secretary cannot give instructions to the CPB regarding the research methods or the contents of its reports. The Advisory Division, as part of the Council of State, is independently legally anchored under the Constitution.

Regarding transposing Article 8a(4)(b) of the Directive relating to IFIs' public communication, the Dutch authorities do not consider there to be a need for implementing measures. They further clarify that they consider independent fiscal institutions to not be required to take instructions regarding the tasks arising from the Directive, including on communication.

Regarding transposing Article 8a(4)(c) of the Directive relating to the resourcing of IFIs, the Dutch authorities do not consider there to be a need for implementing measures. The CPB budget is part of the Ministry of Economic Affairs' budget, with no more than 20% of the CPB's budget coming from external assignments. The budget for the Advisory Division, for which the Minister of the Interior and Kingdom Relations is politically responsible, while the Council of State administers its budget/budget section, is governed by Article 4.4(4) of the Government Accounts Act 2016, which ensures respect for the Advisory Division's constitutional position. The Dutch authorities did not indicate whether they plan any implementing measures addressing the IFIs' human resourcing needs.

Regarding transposing Article 8a(4)(d) of the Directive relating to IFIs' access to information, the Dutch authorities plan to amend the Sustainable Public Finances Act to include a new Article 2b(4) which obliges the Minister of Finance to provide IFIs with adequate and timely access to the information required for the tasks arising from the amended Directive. They also point to work agreements between the Ministry of Finance and the Advisory Division which have been established to ensure a smooth and timely process. These agreements cover deadlines for the submission of budget documents (both in spring and August), essential variables that must be included, political and administrative consultations, processes and publication arrangements. As the Dutch authorities point out, some practices of advanced information sharing are customary rather than legally anchored.

Regarding transposing Article 8a(4)(e) of the Directive relating to external evaluations, the Dutch authorities do not consider there to be a need for implementing measures. External evaluations of the CPB are conducted regularly (every three to five years) by an independent advisory board (CPC) with budget by the CPB, according to Article 5 of the Protocol for the Policy Assessment Agencies. For this purpose, it commissions external evaluators. The Dutch authorities note that the Advisory Division will commission an independent third party to evaluate the tasks it performs as an IFI but do not clarify whether such evaluations will be legally anchored.

Regarding transposing Article 8a(5) of the Directive relating to tasks of the IFIs, the Dutch authorities plan to introduce new Articles 2a(1) and 2b(1)(a)-(f) to the Sustainable Public Finances Act. They explain that for flexibility, the task distribution between the two IFIs is outlined in the explanatory memorandum rather than the legislative proposal. Regarding transposing Article 8a(5)(c), from 1 May 2032, IFIs can be requested to provide an opinion on the macroeconomic forecast and macroeconomic assumptions underlying the net expenditure path. Regarding transposing Article 8a(5)(d), the Dutch authorities intend to determine and codify the exact implementation of this task at a later stage, taking customary practice as a starting point. Regarding transposing Article 8a(5)(e), the Dutch authorities plan to legally anchor the practice of IFIs providing technical briefings on request to members of the Senate and House of Representatives regarding reports issued within the framework of independent fiscal oversight, but they do not outline how the task of participation in regular hearings and debates in the national parliament more generally is legally anchored.

Regarding transposing Article 8a(6) of the Directive relating to the comply-or-explain principle, the Dutch authorities plan to introduce a new Article 2b(2) to the Sustainable Public Finances Act to anchor for IFIs in general the practice of the Advisory Council issuing an assessment at least twice a year, to which the government has to respond.

Regarding transposing Article 4(6) of the Directive relating to ex post evaluation of forecasts, the Dutch authorities explain that the CPB's forecasts are evaluated by the Central Planning Commission (CPC), an independent body that is functionally autonomous from the CPB, though they do not explain the legal basis for such evaluations.

3. Medium-term budgetary frameworks

Regarding transposing Article 9(2)(a) of the Directive relating to national budgetary objectives over the medium term, the Dutch authorities do not consider there to be a need for implementing measures.

Regarding transposing Article 9(2)(c) of the Directive relating to describing medium-term policies, the Dutch authorities explain that the proposed Article 2c of the Sustainable Public Finances Act establishes that the Minister of Finance is responsible for ensuring compliance

with this Article. They point to the European budgetary documents as containing analysis of policy measures – specifically reforms and investments – and their contribution to the sustainability of public finances, as well as how they contribute to economic growth, but without drawing a link to legal anchoring.

Regarding transposing Article 10 of the Directive relating to the consistency of annual budget legislation with the national budgetary objectives, the Dutch authorities consider their framework aligned.

Regarding transposing Article 11 of the Directive, the Dutch authorities affirm that a new cabinet always has the option to revise the budgetary frameworks upon taking office.

4. Reporting on disaster- and climate-related fiscal risks

Regarding transposing Articles 9(2)(d) of the Directive relating to assessing envisaged policies according to their likely impact on the sustainability of the public finances and sustainable and inclusive growth and 14(3) relating to publishing relevant information on disaster and climate-related contingent liabilities and fiscal costs, the Dutch authorities plan to introduce a new Article 2c to the Sustainable Public Finances Act assigning a duty to comply with these Articles to the Minister of Finance. They also point to Article 2(11) (Article 2(5) in the amended Act), which establishes that the Minister of Finance bases medium- and long-term budgetary policy on independent studies regarding the sustainability of public sector finances.

5. Clarification amendments

Regarding transposing the amended Article 2 of the Directive, the Dutch authorities consider their framework compliant.

Regarding transposing the amended Article 4(1) of the Directive relating to macroeconomic and budgetary forecasts, the Dutch authorities consider their framework, which requires adopting CPB forecasts unaltered for budgetary purposes, compliant (new Article 2a(3) replacing Article 2(10) and Article 2(2)(c) of the Sustainable Public Finances Act).

Regarding transposing Article 5(b) of the Directive, the authorities state that the Sustainable Public Finances Act legally anchors trend-based budgetary policy while considering the Treaty Values.

The Dutch authorities do not elaborate whether and how Article 7 of the Directive is transposed. However, they mention, as regards numerical fiscal rules, Article 2(2) of the Sustainable Public Finances Act, through which the cabinet must make clear agreements for the entire cabinet term about the maximum amount that may be spent in a single year (the expenditure framework) and the extent to which taxes and premiums may be adjusted each year for policy reasons (the revenue framework). A set of budgetary rules has been established (Appendix 1 of the 2025 Budget Memorandum for the budgetary rules of the Schoof cabinet).

Article 6(2) of the Directive relating to escape clauses to numerical fiscal rules does not apply, as no escape clauses are foreseen.

20 Implementation of the main provisions of the Directive in AUSTRIA

Austria explains that the transposition timeline is affected by the new government having come into office only on 3 March 2025. Therefore, the specific amendments are still under discussion and have yet to be finalized, but Austria reports its intention to initiate all necessary implementation processes in due time to meet the deadline.

1. Statistics, accounting, transparency

Austria reports that it has already implemented significant parts of the statistical and transparency requirements through the Gebarungsstatistik-Verordnung 2014 (GebStat-VO 2014) and the Bundesstatistikgesetz 2000, which enable the collection and publication of deficit and debt data. Austria is discussing an amendment to the GebStat-VO 2014 and/or the Bundeshaushaltsgesetz 2013 (BHG 2013). Article 14(1) requirements are said to be met through existing reporting practices in the Strategy Report and public accounting frameworks.

2. Independent fiscal institutions

Austria considers that the independence of the Fiscal Council is currently ensured under the Fiskalrat- und Produktivitätsratgesetz 2021 (FPRG 2021) in alignment with the Directive. It reports that a legislative amendment to the FPRG 2021 is being discussed, without, however, specifying what amendments are being considered, as negotiations are still ongoing. The second Austrian IFI, the Austrian Institute for Economic Research (WIFO), is not explicitly mentioned. Similarly, due to the still ongoing negotiations, Austria does not report on how the performance of all the compulsory tasks (existing and new) of the independent fiscal institutions is to be ensured.

3. Medium-term budgetary frameworks

Austria considers that the core elements of the medium-term budgetary framework are already covered by paragraphs 13 and 14 of the BHG 2013, the Österreichischer Stabilitätspakt 2012 and the Schuldenbremsenverordnung. Austria reports that adaptations to ensure full compliance with the amended Directive are under discussion, without, however, specifying what amendments are being considered, as negotiations are still ongoing.

4. Reporting on disaster- and climate-related fiscal risks

Austria reports that it is being discussed to introduce a new legal provision in the BHG 2013 and the ÖStP 2012 to explicitly address the fiscal sustainability impacts of climate and distributional effects as required by Article 9(2)(d). Furthermore, to implement Article 14(3), new legal obligations are under discussion to ensure the publication of climate-related contingent liabilities in the BHG 2013 and the amended ÖStP 2012.

5. Clarification amendments

Austria considers that ESA 2010 definitions and sector assignment are already covered in national law through the GebStat-VO 2014, BHG 2013, ÖStP 2012 and Voranschlags- und Rechnungsabschlussverordnung 2015 (VRV 2015). For Article 6(2), the ÖStP 2012 and Schuldenbremsenverordnung are said to already regulate escape clauses. Article 7 is said to be met in practice through paragraphs 2 and 13 of the BHG 2013 and Article 15(2) of ÖStP 2012, while explicit linkages to fiscal rules are reported to be under discussion for forthcoming amendments.

21 Implementation of the main provisions of the Directive in POLAND

The EU policy coordination division of the Ministry of Finance informed on the implementation process of Directive 2024/1265/EU. Legislative change is chiefly linked to the adoption of the new Fiscal Council Act establishing a first Fiscal Council in Poland in January 2025 which will start its functions in January 2026.

1. Statistics, accounting, transparency

The Ministry of Finance reports that Poland has a public sector accounting system in place which comprehensively and consistently covers all subsectors of the general government and which gathers information necessary to generate data for ESA purposes. The accounting system is subject to internal controls and independent audits as transposed in the Act on accounting. All public sector entities are required to apply the provisions of the act on accounting.

The Ministry does not provide information on the transposition of the amendment to Article 14(1).

2. Independent fiscal institutions

The Fiscal Council Act, published on 13 January 2025, establishes the Fiscal Council which will enter into force on 1 January 2026.

Council members will be selected based on professional expertise in public finances, macroeconomics, and budgetary management. They will have to hold at least a Masters degree and have 10+ years of experience in two of the three following fields: public finances, macroeconomy or finance management. Additionally, Chair candidates will need at least a Ph.D. in social sciences in the field of economics and finance or legal sciences. Appointments will be organised through public calls, and selection reports made public. Candidates will then appear at public hearings before a competent Sejm Committee and final appointments are made by the Sejm with Senate consent (Articles 10–11). The first Director will be appointed by the Minister of Finance. Their appointment procedure was published according to Article 24 of the new Act.

Council member are prohibited from being affiliated to a political party (at present and in the last four years) and owning excessive shares in companies (Article 16). The Act (Article 7) also requires that all documents produced by the Council be published, especially those stemming from the Council's mandate. Operational resources are ensured by the Council having been established as a budget unit (Article 22 and 25 of the Act) and access to information by the Council’s right to request data relevant to its tasks from units and bodies of the general government. If these fail to present the data, the Council can publish this fact or notify the supervisory institution (Article 6). Finally, every 3 years, an external evaluation will be performed by either an independent body with expertise in public finance, macroeconomy or finance management of public finance units, or by another IFI or organisation with a unit dedicated to IFIs (Article 28).

The Ministry of Finance reports that the mandate of the Council laid out in Article 4 is consistent with Article 8a of the Council Directive 2024/1265/EUand subject to the comply or explain mechanism, whereby it has two months to explain deviation from the Fiscal Council’s opinion. The Fiscal Council will assess the Ministry of Finance forecast by explaining differences with the Commission forecast. It plays a role in the stabilizing expenditure rule

(SER) where it can advise setting the correction value in the SER differently than planned by Article 112a of the Public Finance Act. This opinion, delivered on the Minister's request, must focus on long-term sustainability and macroeconomic impact. Beyond the Directive, the Council also advises on activating national escape clauses and gives opinions on draft government documents, their impact on sustainability of public finances and the macroeconomic situation at the request of the Ministry of Finance.

3. Medium-term budgetary frameworks

Following amendments introduced by Directive 2024/1265/EU, the Fiscal Council Act introduced multiannual macroeconomic assumptions to the preparation of the draft budget act (Article 35 (10(a-b)). The medium-term fiscal-structural plan (MTP) is the main Polish document for medium term budgetary objectives, containing the net expenditure path and target levels of deficit and debt (Article 35(2) of the Fiscal Council Act), which are fully aligned with country-specific numerical fiscal rules (as supervised by the Fiscal Council). The Ministry of Finance does not report the level of detail of the plan, nor the inclusion of its medium term impact.

4. Reporting on disaster- and climate-related fiscal risks

The Ministry of Finance did not report on the disaster- and climate-related fiscal risks requirements of Directive 2024/1265/EU.

5. Clarification amendments

Articles 2-7 are reported as fully transposed by the Polish Ministry of Finance.

22 Implementation of the main provisions of the Directive in PORTUGAL

The Portuguese authorities report that they intend to transpose the amendments to the Directive into national law notably through amendments to the national Budgetary Framework Law and to the Statutes of the Public Finance Council (CFP). While the information reported identifies the texts to be amended, it does not include details on the proposed changes or a specific transposition timeline.

1. Statistics, accounting, transparency

The Portuguese authorities report that the collection of accrual accounting data and information needed to generate accrual-based statistics in a comprehensive and coherent manner across all general government sub-sectors is underway. The authorities further note that the current public accounting systems cover all sub-sectors of general government and contain the information needed to generate accrual data, complying with the provisions of amended Article 3(1) of the Directive. The compilation of public accounting data is monitored by an internal control system and the Court of Auditors, which have online access to datasets.

The Portuguese authorities also report that the timely and regular public availability of fiscal data for all sub-sectors of general government as set out by Regulation 549/2013/EU, required under Article 3(2) of the Directive, is already ensured.

Regarding Article 14(1) of the Directive, the authorities indicate that the budgetary process includes all the bodies and funds that form part of the general government, as established under Article 2 of the national Budgetary Framework Law. Exceptions concern the bodies and funds that have ceased activity, which are published in the State Budget Report.

2. Independent fiscal institutions

The Portuguese authorities report that the CFP was established by Law No. 22/2011, following the 5th amendment to the previous Budgetary Framework Law (Law No. 91/2011). Article 7 of the national Budgetary Framework Law in force (No. 151/2015, as amended) sets out the mandate of the CFP and states that the composition, powers, organisation and functioning of the CFP and the status of its members are defined by law. The CFP Statutes were approved by Law No. 54/2011, as amended by Law No. 82-B/2014.

The Portuguese authorities report that amendments to the CFP Statutes are planned to comply with the requirements under Article 8a(4)(e) of the Directive, which provides that independent fiscal institutions shall be subject to regular external evaluations by independent evaluators. The information reported does not address other paragraphs of Article 8a of the Directive.

3. Medium-term budgetary frameworks

The Portuguese authorities report that they plan to amend the national Budgetary Framework Law in order to incorporate references to "national budgetary objectives over the medium term" as set out under the provisions of revised Article 2(e), Article 9(2)(a) and Article 9(2)(c) of the Directive, and to integrate the requirement to "duly explain any departure" of the annual budget from the national budgetary objectives over the medium-term, as set out under amended Article 10 of the Directive.

4. Reporting on disaster- and climate-related fiscal risks

The Portuguese authorities report that amendments to the national Budgetary Framework Law are planned to incorporate the legal provisions and set out the rules to be followed for the reporting under amended Article 9(2)(d) and Article 14(3) of the Directive, with regards to considering the macro fiscal risks from climate change and its environmental and distributional impacts in the sustainability assessment of public finances, and publishing information on disaster- and climate-related contingent liabilities and on the fiscal costs incurred due to disasters and climate-related shocks. The authorities do not indicate a timeline for these amendments.

5. Clarification amendments

The Portuguese authorities report that the Budgetary Framework Law will be amended to present the legal provisions related to the clarification amendments laid down in Articles 2, 3, 4, 5, 6 and 7 of the Directive.

23 Implementation of the main provisions of the Directive in ROMANIA

The Romanian authorities report that amendments to the Fiscal-Budgetary Responsibility Law no. 69/2010, as amended by Law no. 377/2013 and republished, are currently being prepared to ensure transposition of the Directive. No information is provided on the legislative texts likely to be amended, the nature of the proposed changes, or a specific timeline for transposition.

24 Implementation of the main provisions of the Directive in SLOVENIA

Slovenia is transposing the amending Directive 2024/1265 mainly via two legal acts: the new Fiscal Rules Act, which entered into force on 9 April 2025, and an amendment of the Public Finance Act, which entered into force on 14 June 2025.

1. Statistics, accounting, transparency

The Slovenian authorities report that changes to Article 2 of the Directive as regards the use of the European system of national and regional accounts in the European Union (ESA) are transposed with Article 2 of the Fiscal Rules Act and Article 9p of the amended Public Finance Act.

The Slovenian authorities report that Article 3 of the Directive relating to public accounting systems and public availability of fiscal data has been transposed (Article 9t(1), introduced through the recent amendment, and Article 89 of the Public Finance Act).

The Slovenian authorities report that Article 14(1) of the Directive relating to publishing information on bodies and funds that do not form part of the regular budgets in the context of budgetary processes is transposed with the amended Public Finance Act, Article 9t(2).

2. Independent fiscal institutions

The Slovenian authorities report that Article 8a of the Directive relating to independent fiscal institutions is transposed with the Fiscal Rules Act as regards the functioning of the Slovenian Fiscal Council (Articles 7 to 10) and Article 9r of the amended Public Finance Act.

3. Medium-term budgetary frameworks

The Slovenian authorities report that Article 9 of the Directive relating to the medium-term budgetary framework is transposed with Article 5(1) of the Fiscal Rule Act and Article 9s of the amended Public Finance Act.

The Slovenian authorities report that Article 10 of the Directive (relating to the consistency of annual budget legislation with the national budgetary objectives) is transposed with Article 13(3) of the amended Public Finance Act.

The Slovenian authorities consider Article 11 of the Directive relating to updating medium-term budgetary plans to reflect new policy priorities transposed with Article 11(6) of the Fiscal Rule Act.

4. Reporting on disaster- and climate-related fiscal risks

The Slovenian authorities report that Article 9(2)(d) of the Directive (relating to assessing envisaged policies according to their likely impact on medium-term and long-term sustainability of the public finances and sustainable and inclusive growth) is partially transposed with Article 9s(6) of the amended Public Finance Act. Moreover, they plan to include more specifications into the amendment of the national Regulation on Development Planning Documents and Procedures for the Preparation of the State Budget Proposal that will be prepared in 2025.

The Slovenian authorities indicate that Article 14(3) of the Directive relating to publishing relevant information on contingent liabilities is transposed with Article 9t(2) of the amended Public Finance Act.

5. Clarification amendments

Regarding transposing the amended Article 2 of the Directive relating to definitions, the Slovenian authorities indicate that no transposition beyond enshrining the use of the ESA is planned.

The Slovenian authorities indicate that amendments to Article 4 of the Directive relating to fiscal planning and forecasts are transposed with Article 7(2)(5) of the Fiscal Rule Act and Articles 9r, 9s and 9š of the amended Public Finance Act.

Regarding transposing Article 5(b) of the Directive relating to establishing numerical fiscal rules promoting the adoption of a medium-term fiscal planning horizon, the Slovenian authorities more generally point to Article 5 having been transposed with Articles 3(1), 5(1) and 5(3) of the Fiscal Rule Act.

Regarding transposing Article 6(2) of the Directive relating to escape clauses to numerical fiscal rules, the Slovenian authorities more generally point to Article 6 having been transposed with Articles 2, 3, 7(1), 11(1) to 11(4) and12(1) of the Fiscal Rule Act.

Slovenian authorities report that Article 7 of the Directive on the consistency of annual budget legislation with numerical fiscal rules is transposed with Article 13(3) of the amended Public Finance Act.

25 Implementation of the main provisions of the Directive in SLOVAKIA

Slovakia's fiscal framework was established by the Act on the general government budget rules and amending certain other acts of 23 September 2004 (523/2004), by the Constitutional Law on Budgetary Responsibility of 8 December 2011 (493/2011) and by Act 583/2004 on budgetary rules of local government. The Slovak authorities indicate that Act 523/2004 has been amended in 2024 in reaction to the new EU economic governance framework. In their reply, the Slovak authorities provide references to existing legal provisions and practices and indicate their intention to amend by the third quarter of 2025 the manual for the rules of budgetary frameworks to address the gaps that they have identified.

1. Statistics, accounting, transparency

The Slovak authorities report four different legal and non-legal acts covering the provisions for statistics and public accounting: (i) Act 523/2004 in force, (ii) Act 540/2001 in force, (iii) the measure of the Slovak Ministry of Finance No. 017353/2017-352 on the submission of accounting information and data in force and (iv) informs that the Ministry of Finance publishes data according to the special SDDS standard or in the SDDS Plus standard on its website.

In the Slovak's authorities' interpretation, the amendments to the Directive transparency provision are covered by existing acts and practices, namely the Constitutional Act 493/2011, Act 523/2004 and the publication and update of relevant information on public administration entities on the website of the Slovak Statistical Office.

The Slovak authorities indicate that existing acts, measures and practices cover the changes to the Directive provisions for statistics, public accounting and transparency.

2. Independent fiscal institutions

The Slovak authorities provide a list of existing acts and practices aimed to demonstrate the transposition of the Directive provisions for independent fiscal institutions: the Constitution of the Slovak Republic, the Act on the general government budget rules and amending certain other acts of 23 September 2004 (523/2004), the Constitutional Law on Budgetary Responsibility of 8 December 2011 (493/2011), the Act 583/2004 on budgetary rules of local government and various acts on the registration of residence of citizens, higher education, employment services, old-age and supplementary pension savings, social services, etc. The authorites also make reference to the Statute of the Council for Budgetary Responsibility and provide internet links to the published assessments, opinions and macroeconomic and budgetary forecasts of the Council.

The Slovak authorities indicate that changes to the manual for the rules for budgetary frameworks MF/012286/2020-421-part I, point 1, letter c) are under preparation with an approval date planned for the third quarter of 2025.

3. Medium-term budgetary frameworks

The Slovak authorities make reference to two existing acts aimed to show how the transposition of the Directive provisions for medium-term budgetary frameworks is ensured: the Act on the General Government Budget Rules and amending certain other acts of 23 September 2004 (523/2004) and the Constitutional Law on Budgetary Responsibility of 8 December 2011 (493/2011).

The Slovak authorities indicate that the changes to the manual for the rules for budgetary frameworks MF/012286/2020-421-part II, point 1 first sentence and letters b) and c) and to part II point 2 are under preparation with an approval date planned for the third quarter of 2025.

4. Reporting on disaster- and climate-related fiscal risks

The Slovak authorities refer to two existing acts and a measure aimed to show how the transposition of the new Directive provisions set in Article 9(2)(d) and Article 14(3) is ensured: the Act on the general government budget rules and amending certain other acts of 23 September 2004 (523/2004) and the Constitutional Law on Budgetary Responsibility of 8 December 2011 (493/2011). The measure of the Ministry of Finance of the Slovak Republic no. 25755/2007-31 (Table 10) establishes the details of individual financial statements for budegtary organisations, territorial units, State funds, municipalities, etc.

The Slovak authorities indicate that the changes to the manual for the rules for budgetary frameworks MF/012286/2020-421-part II, point 1 point (c) are under preparation with an approval date planned for the third quarter of 2025.

5. Clarification amendments

The Slovak authorities outline existing acts that are considered to ensure the transposition of the clarification amendments brought to the provisions of Directive 2011/85 and beyond. The list of acts includes the Act on the general government budget rules and amending certain other acts of 23 September 2004 (523/2004), the Constitutional Law on Budgetary Responsibility of 8 December 2011 (493/2011), Act 540/2001, Act 583/2004, Act 345/2024, the measure of the Slovak Ministry of Finance No. 017353/2017-352 on the submission of accounting information and data are published by the Ministry of Finance according to the special SDDS or SDDS Plus standard on its website. In addition to these acts, the Slovak authorities provide links to the statutes of the Council for Budget Responsibility, of the Committee for Tax Forecasts and of the Committee for Macroeconomic Forecasts and links to the macroeconomic and tax forecasts and their assessemnts as published on the website of the Ministry fo Finance.

The authorities also signal that the changes to the manual for the rules for budgetary frameworks MF/012286/2020-421-part I, point 1 letters a) and (c) are under preparation with an approval date planned for the third quarter of 2025.

26 Implementation of the main provisions of the Directive in FINLAND

The Finnish Ministry of Finance reported on the ongoing reforms to the Finnish fiscal framework ahead of the transposition deadline on 31 December 2025.

Two key new acts are currently being prepared in Finland, namely a new Fiscal Policy Act and a new Act on the Economic Policy Council. These imply a change to the main National Fiscal Rule, and a change in the institution responsible for the Independent Fiscal Institution tasks required by European legislation.

1. Statistics, accounting, transparency

The Ministry reports that Statistics Finland is the main body in charge of statistics in Finland. It is regulated by the General Statistics Act (280/2004), Finnish statistics are collected in line with European regulation and integrated, comprehensive and nationally harmonised accrual accounting systems are in place for the public sector.

2. Independent fiscal institutions

The Ministry of Finance proposes to turn the Finnish Economic Policy Council (FEPC) into the official Finnish IFI responsible for EU tasks going forward. NAOF is the current IFI for Finland, but would be replaced by the FEPC. The FEPC will henceforth be responsible for all IFI tasks mandated by the Directive. NAOF's only task regarding EU legislation will henceforth be the ex-post evaluation of the macroeconomic forecast.

Finland reports that the Economics Department of the Ministry of Finance produces the independent macroeconomic forecast for Finland as regulated by the Fiscal Policy Act (section 2a (6.2.2015/79)). Lessons from NAOF's ex post evaluation of the macroeconomic and budgetary forecasts are systematically integrated into the Economics department forecast process.

The new Act on the Economic Policy Council is currently under development. The FEPC is affiliated to the VATT Institute of Economic Research and composed of a Chair and four other members which must present a high level of scientific expertise in economics. They are appointed by the Government on a proposal by the Ministry of Finance based on proposals from the economics units of Finnish universities. Their access to information is guaranteed by the Act on the Openness of Government activities (621/1999) and the Administrative Act (434/2003) and will be reinforced by a planned Memorandum of Understanding. The FEPC's resources and external evaluations have not yet been discussed.

Finally, the Ministry of Finance reports that the new Fiscal policy Act will include a Comply or Explain mechanism in the context of the correction mechanism of the new national fiscal rule. How the comply-or-explain principle is to be applied to the other tasks will be specified later.

3. Medium-term budgetary frameworks

The Ministry of Finance reports that the MTBF requirements will be transposed through the new Fiscal Policy Act and amendments to the Government Decree on General Government Fiscal Plan (120/2014). A new government will be required to prepare a medium-term fiscal-structural plan for its term, as well as a General Government Fiscal Plan setting the target of the national fiscal rule.

4. Reporting on disaster- and climate-related fiscal risks

The Ministry of Finance reports that the disaster- and climate-related fiscal risks requirements of the Council Directive 2024/1265/EU will be included in the Government Decree on General Government Fiscal Plan which will be amended as needed.

5. Clarification amendments

The Ministry of Finance considers that Articles 2-4 are already fully covered. The requirements of Articles 5 and 7 of the Council Directive 2024/1265/EU will be taken into account in the formulation of the new Fiscal Policy Act. The Ministry of Finance did not report on Article 6 as Finland does not plan to have an escape clause for their newNational Fiscal Rule.

27 Implementation of the main provisions of the Directive in SWEDEN

Sweden reports that, every eight years, a Parliamentary Committee reviews the Swedish national fiscal framework. As part of the latest review, which took place in 2024, the Committee assessed the need for changes due to the requirements of the amended Directive. The Committee submitted its report in November 2024 and Sweden reports that its assessments and proposals are reflected in the reporting below. Sweden also reports that the follow-up from the Committee's proposals is currently ongoing in the Government Offices, with the necessary changes planned to be implemented in the second half of 2025 in three types of legal acts: i) laws decided on by parliament, ii) a decree with instructions for authorities decided by government and iii) a Framework Letter decided by parliament. The latter is a code of conduct that is passed through parliament and is only amended after an investigation by a Parliamentary Committee as described above. Sweden considers that the status of the Framework Letter is a legal document.

1. Statistics, accounting, transparency

Sweden considers that the main provisions are already in place. Sweden's accounting of public finances is reported to be subject to ESA2010 and supplementary national regulation is therefore said not to be necessary. In particular, Article 3(1) is covered by Statistics Sweden implementing ESA2010 in 2014. The fiscal data referred to in Article 3(2) is said to be reported in the annual Budget Bills, leaving open the reporting on a quarterly basis. Regarding Article 14(1), it is said to be covered by Chapter 10 of the Budget Act and the information to be reported in the Budget Bills.

2. Independent fiscal institutions

Sweden reports that planned measures mainly consist of amending government decrees regarding instructions to the Fiscal Policy Council (FPC) and that any changes to the instructions to the FPC connected to the national fiscal policy framework are tied to the Parliament through the Framework Letter. Sweden reports the planned amendments for Article 8a(1), (4)(a) and (d) and (5)(a)-(e). Sweden also reports that amendments will be made to transpose Article 8a(4)(c), without specifying which provision in the legal base will be amended.

Sweden reports that the following provisions are already covered by existing legal acts:

- Article 8a(3) by paragraph 11 of the decree with instructions for the FPC.
- Article 8a(4)(b) by paragraph 9 of the decree with instructions for the FPC.
- Article 8a(4)(e) by the Framework Letter. Sweden reports that an inquiry should be appointed by the 31 December 2025 at the latest.

Regarding Article 8a(4)(c), Sweden considers that the FPC is deemed capable of performing its new tasks resulting from the changes in the Directive within its existing budget.

Sweden does not report any plans regarding the transposition of Article 8a(6).

3. Medium-term budgetary frameworks

Sweden considers that the necessary provisions are already in place according to the following:

- Article 2(1)(e) by Chapter 2 and Chapter 10(6) of the Budget Act.
- Article 9(2)(a) by Chapter 2 of the Budget Act and by the Framework Letter.

- Article 9(2)(b) by Chapter 9 of the Budget Act.
- Article 9(2)(c) in the Budget Bills.
- Article 9(2)(d) by Chapter 10(4) of the Budget Act and paragraphs 4-5 of the Climate Act. Article 10 by Chapter 2(1)(a) of the Budget Act.

4. Reporting on disaster- and climate-related fiscal risks

Sweden considers that the necessary provisions are already in place according to the following:

- Article 9(2)(d) by Chapter 10(4) of the Budget Act and paragraphs 4-5 of the Climate Act.
- Article 14(3) by paragraph 26(f) of the decree with instructions for the National Debt Office.

5. Clarification amendments

Sweden reports that planned measures consist of amendments to the Budget Act according to the following:

- Article 2 by amendments to Chapter 2(1), Chapter 9(3), and Chapter 10(6) of the Budget Act, with the view to adapt these provisions to the concepts in ESA 2010.
- Article 4(1) by amendments to Chapter 9(3) (a new section) of the Budget Act.
- Article 4(6) by amendments to Chapter 9(5) of the Budget Act to clarify that the evaluation is to be carried out by an independent body. The FPC is reported to already perform this task according to Paragraph 7 of the decree with instructions for the FPC.

Sweden reports that the following provisions are already covered by existing legal acts:

- Regarding Article 6(2), Sweden reports that there are no exemption clauses in the Swedish national fiscal policy framework.
- Article 7 by Chapter 2 of the Budget Act.