EUROPEAN COMMISSION

PORTUGAL: PRIOR GUIDANCE TABLES

This document contains three tables. Table 1 provides the net nominal expenditure growth and the corresponding change in the structural primary balance ratio in case of a 4-year adjustment period. It also indicates the impact, if any, of the benchmark and safeguards described in Art. 7, 8 and 6(d) of Regulation (EU) 2024/1263 on top of the requirements based on the Debt Sustainability Analysis (DSA)-based criteria described in Art. 6(a) and (b) of the same Regulation ([1]). Table 2 provides the same information in case of a 7-year adjustment period. Finally, Table 3 summarises the main initial conditions and underlying assumptions.

Table 1: Reference trajectory for a plan without extension, Portugal

For a plan without extension (4 years) Portugal	Average 2025-2028	2025	2026	2027	2028
Net expenditure growth (%)	3.6	4.1	3.6	3.4	3.3
Structural primary balance (% of GDP)	2.4	2.3	2.4	2.4	2.5
Annual change in the structural primary balance (pp. of GDP) *of which*	0.08	0.08	0.08	0.08	0.08
DSA-based criteria	*0.08*	*0.08*	*0.08*	*0.08*	*0.08*
Impact of the benchmark and safeguards	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*

Note: The colour code for the annual change in SPB is as follows:

- Black normal: requirements complying with the DSA-based criteria;

- Red bold: the deficit benchmark as measured in terms of change in the structural primary balance is binding;

- Yellow background: the deficit benchmark as measured in terms of change in the structural balance is binding;

- Black bold: the debt sustainability safeguard is binding;

- Blue italics: the deficit resilience safeguard is binding.

([1]) By construction, the reference trajectory is in line with the no-backloading principle as described in Art. 6(c) of Regulation (EU) 2024/1263.

Table 2: Reference trajectory for a plan with extension, Portugal

For a plan with extension (7 years) Portugal	Average 2025-2028	Average 2025-2031	2025	2026	2027	2028	2029	2030	2031
Net expenditure growth (%)	3.7	3.5	4.2	3.7	3.5	3.4	3.2	3.2	3.1
Structural primary balance (% of GDP)	2.3	2.4	2.2	2.3	2.3	2.4	2.4	2.4	2.5
Annual change in the structural primary balance (pp. of GDP)	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04
of which									
DSA-based criteria	*0.04*	*0.04*	*0.04*	*0.04*	*0.04*	*0.04*	*0.04*	*0.04*	*0.04*
Impact of the benchmark and safeguards	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*

Note: The colour code for the annual change in SPB is as follows:
- Black normal: requirements complying with the DSA-based criteria;
- Red bold: the deficit benchmark as measured in terms of change in the structural primary balance is binding;
- Yellow background: the deficit benchmark as measured in terms of change in the structural balance is binding;
- Black bold: the debt sustainability safeguard is binding;
- Blue italics: the deficit resilience safeguard is binding.

Table 3: Main budgetary, macroeconomic and financial variables, Portugal

Budgetary variables: initial conditions	**2023**	**2024**
Government budget balance (% of GDP)	1.2	0.4
Government debt (% of GDP)	99.1	95.6
Net expenditure growth (%)	5.3	8.3
Structural primary balance (% of GDP)	3.1	2.2

Main assumptions for a plan without extension (4 years)	**Assumption**	**Period**
Change in the cost of ageing (pp. of GDP)	2.0	2028-2038
Stock-flow adjustment (% of GDP)	0.0	2025-2038 average
Real GDP growth (%)	1.0	2025-2038 average
Inflation (change in the GDP deflator, %)	2.4	2025-2038 average
Nominal implicit interest rate (%)	2.8	2025-2038 average

Main assumptions for a plan with extension (7 years)	**Assumption**	**Period**
Change in the cost of ageing (pp. of GDP)	1.9	2031-2041
Stock-flow adjustment (% of GDP)	0.0	2025-2041 average
Real GDP growth (%)	1.0	2025-2041 average
Inflation (change in the GDP deflator, %)	2.4	2025-2041 average
Nominal implicit interest rate (%)	2.9	2025-2041 average