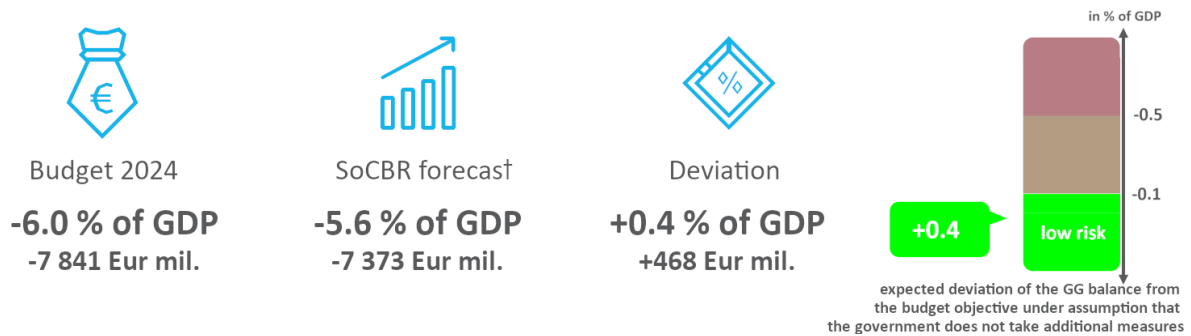


## The estimated deficit for 2024 increased to the level of EUR 7.4 billion mainly due to higher municipal expenditures



### Secretariat of the Council for Budget Responsibility (SoCBR) estimates the 2024 General Government Budget (GGB) deficit at 5.6 % of GDP

- SoCBR has increased the estimated level of GGB deficit in 2024. The negative difference compared to the July forecast amounts to EUR 199 million. Month-to-month increase of the GG deficit level is mainly caused by the fast growth of municipal expenditures in the second quarter of 2024.
- **According to the SoCBR, the deficit can reach the level of 5.6 % of GDP (EUR 7 373 million),** based on current information and under the assumption that the government does not take additional measures.
- **Positive deviation from the approved budget amounts to 0.4 % of GDP,** which means that the risk of the public deficit level rising above the government objective is low. However, contrary to the declared year-on-year decrease in the deficit level by 0.5 p.p. of GDP, **SoCBR estimates an increase in the GG deficit level relative to year 2023 by 0.7 p.p. of GDP,** the increase amounts to EUR 1.4 billion.
- Compared to the government's estimate published in a mid-August report on expected budget outcome, the level of the SoCBR deficit forecast is lower by 0.3 % of GDP.
- The estimated slower spending of state budget current expenditures represents the most significant positive impact on the GG balance compared to the budget. Based on developments observed in previous years, SoCBR does not expect an increase of expenditures to the budgeted levels.
- The negative risk compared to the current estimate concerns the revenue from the solidarity contribution. In case the Slovnaft company did not meet the criteria for paying the solidarity contribution in 2023, there exists a risk for a corresponding public revenue shortfall also in 2024. The shortfall in the budget revenue would amount to EUR 168 million (0.1 % of GDP).

Underlying data are published [in a data file available on the CBR website.](#)

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