

Office of the Czech Fiscal Council**CZECH FISCAL COUNCIL****OPINION**

of the Czech Fiscal Council

Number 3/2025

of 24th April 2025

on the determination of the expenditure frameworks of the state budget and state funds for the years 2026 to 2028

Czech Fiscal Council**I. expresses a favourable opinion**

pursuant to the Section 12(5) of Act No.23/2017 Coll., on the Rules of Budgetary Responsibility, as amended (hereinafter referred to as "the Act") to determine the expenditure frameworks of the state budget and state funds for the years 2026 to 2028.

The derivation of the expenditure frameworks of the state budget and state funds was carried out in accordance with the approved methodology and the maximum allowable structural deficits correspond to the values specified in the Act.

II. points out

that mainly due to the adjustment resulting from the planned provision of repayable loan for the construction of nuclear units, the expenditure framework for 2026 implies a significantly more unfavourable maximum cash balance of the state budget and state funds (CZK -255.6 billion) than the accrual balance (CZK -219.2 billion). These funds should therefore be ringfenced in the draft state budget for 2026 to ensure that the additional fiscal space obtained cannot be used to finance other spending activities. The CFC points out that the expenditure framework includes the provision of repayable loan in a situation where the construction is not yet contracted, and it is not clear when exactly (and if) it will be contracted.

FYI

Ing. Zbyněk Stanjura
Minister of Finance of the Czech Republic