



25th UN/INTOSAI Symposium

Budget transparency – also in times of Covid-19



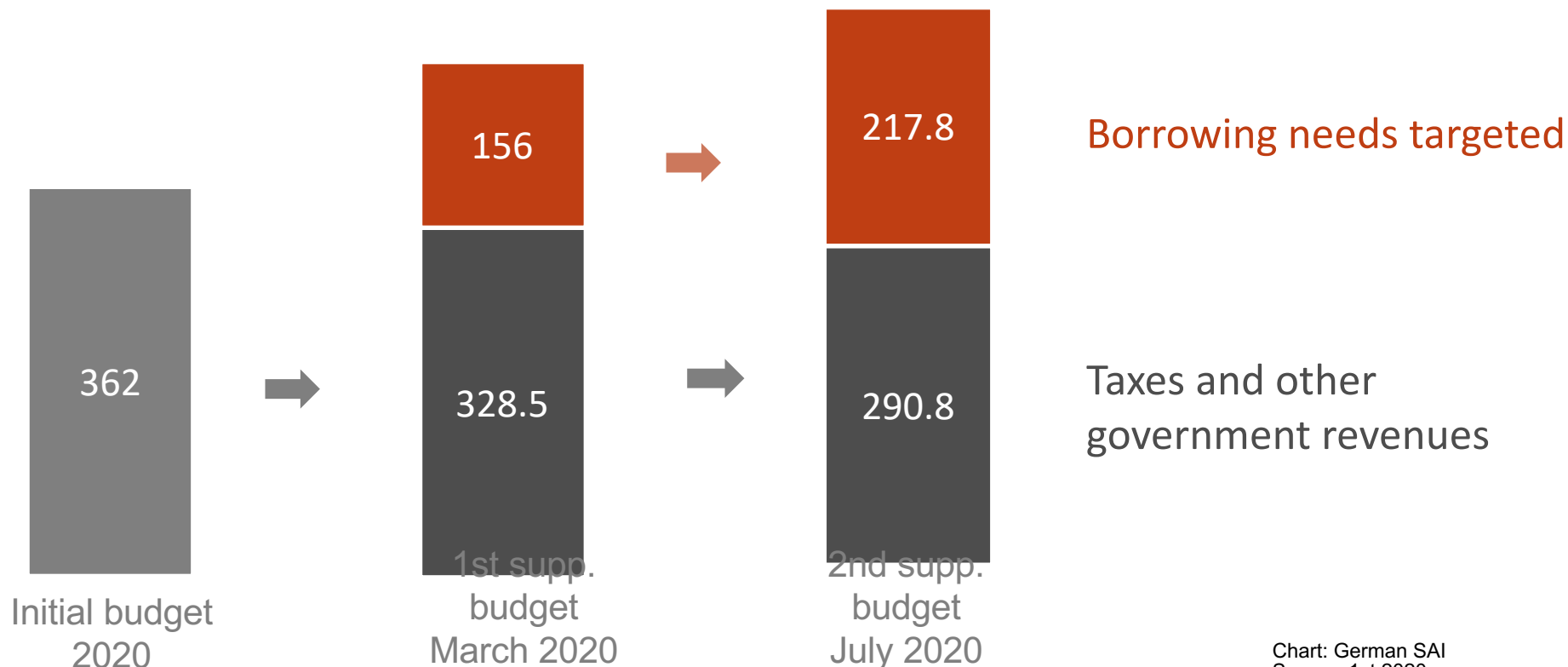
Case example 1: 1st and 2nd supplementary budget 2020

Transparency of COVID-19 impact on public finances (1/2)



Net borrowing for the first time since 2014

1st and 2nd supplementary budgets increased budget from €362 billion to **€508.5** billion





Case example 2: 2021 budget and key figures up to 2025

Transparency of COVID-19 impact on public finances (2/2)



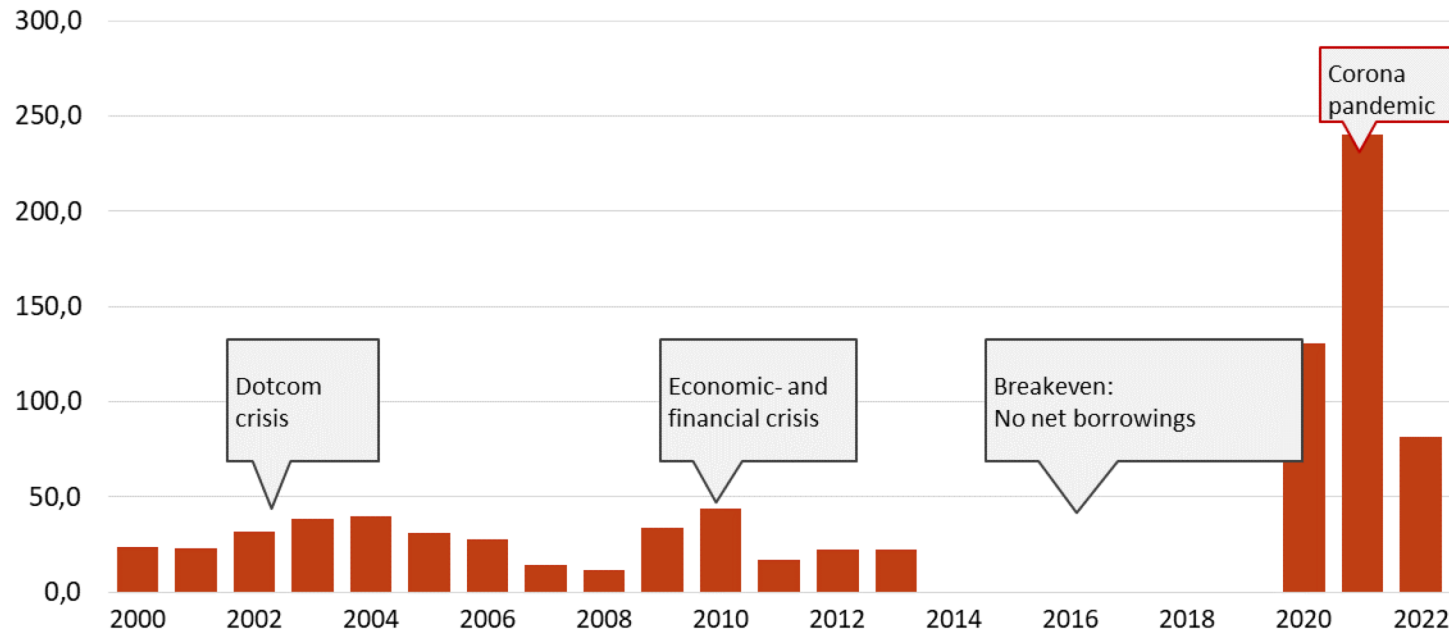
Make facts and risks transparent

- Federal budget is in a historically bad condition (pandemic-related crisis is more severe than financial and economic crisis in 2008/2009).
- Budget sustainability is at risk in the mid- and long-term.
- Decline in interest burden and increase in tax revenues as in 2012-2019 are unlikely to happen again.
- Structural problems in key areas such as infrastructure, climate protection, education, digitisation, defence, European and international challenges.



2021: Pandemic fallout more severe than expected

In 2020-2022, net borrowings probably amount to **€452.2 billion**
in € billion





Case example 3: Recovery Fund

Transparency of liability risks and wrong incentives



Making facts and risks transparent

- Recovery Fund at risk of becoming a permanent facility
- Member states share liability for European Union debt
- European fiscal rules are undermined
- Efficient and effective use of funds at risk



Conclusions