THE CONSENT OF THE FISCAL COUNCIL

For submitting the text of the draft bill T/11209, corrected with the amendments, on the amendment of Act CCIV of 2012 on the 2013 central budget of Hungary for final voting

I

Antecedents, legal basis and publicity of preparing the consent

By its resolution No. 3/2013.05.16, on the basis of Paragraphs 23 and 24 of Act CXCIV of 2011 and in harmony with the stipulations of Indent (2) Article 44 of the Basic Law of Hungary, the Fiscal Council (hereinafter: the Council) delivered its opinion on the draft bill T/11209 regarding the amendment of Act CCIV of 2012 on the 2013 central budget of Hungary.

Regarding the authenticity and the feasibility of the amendment of the bill the Council does not have such fundamental objections that would have justified voicing their fundamental non-concurrence concerning the submitted document. In its opinion the Council emphasised that the planned changes are improving the balance of the central budget. At the same time the Council called the attention to the fact that the blockings at the central budget agencies and the concerned funds might produce a counter-effect regarding the planned financial management. The Speaker of the National Assembly forwarded the proposed amendments concerning bill No. T/1/11209 to the Chairman of the Fiscal Council, attached to his letter of OE-446/2013.

Hereunder the Council sums up and publishes its Resolution.

II

The Council's Resolution

At its meeting held on 10th June 2013 the Council univocally formulated the following opinion:

1. The Council ascertained that with regards to the authenticity and feasibility of the draft bill submitted under file no. T/11209 concerning the amendment of Act CCIV of 2012 on the 2013 central budget of Hungary and corrected with the recommended amendments, the Council has no fundamental objections that would justify the indication of fundamental non-concurrence, concerning the submitted document.

As regards the fulfilment of the debt rule the Council found that the amendments concerning the total amount of the central budget revenues, respectively the balance thereof, contribute to the improvement of the feasibility of the 2013 deficit target and the observance of the public debt rule. With regard to this, on the basis of Indent (1) Paragraph 26 of Act CXCIV of 2011 on the Economic Stability of Hungary, the Council hereby gives its prior consent to submit the text of the draft bill T/11209 corrected with the amendments, on the amendment of Act CCIV of 2012 on the 2013 central budget of Hungary for final voting

3. The Council hereby shall authorise the Chairman of the Council to inform the Speaker of the National Assembly about the present resolution without any delay.

III

Justification of the Council's Resolution

Following Government resolution 1259/2013 (V.13.) – submitted by the Minister of National Economy – the Government prepared an amendment of Act CCIV of 2012 on the 2013 Central Budget of Hungary that stipulated the obligation of putting aside a reserve worth of HUF 5 billion for appropriations belonging solely under the jurisdiction of the National Assembly, while in case of the Hungarian Financial Supervisory Authority, an obligation of paying the amount of HUF 1, 5 billion. Bill T/11209 prescribing the above stipulations has increased the total revenues of the central budget and, at the same time, cuts its deficit. (Additional blockings and other measures aiming at improving the central budget balance in the own jurisdiction of the Government, stipulated in the above mentioned Government resolution, further improve the security of meeting the targeted deficit.) The related amendments affect the operative part of the text but not the revenue and expenditure totals.

The amendment serves the realisation of the targeted deficit of the public finance foreseen for 2013. At the same time it has a positive effect also from the aspect of the public debt rule.

Budapest, 10th June 2013

Domokos László   Dr Kovács Árpád
Member of the Fiscal Council   Chairman of the Fiscal Council