

Rome, 3 October 2017

THE CHAIRMAN

Dear Minister,

Law 243/2012 requires that the Parliamentary Budget Office (PBO) perform analyses, checks and assessments of the macroeconomic forecasts, following an annual schedule that also incorporates the performance of the functions assigned to it in a manner consistent with European Union legislation. Regulation (EU) 473/2013 requires that the macroeconomic forecasts used in preparing the Stability Programme be endorsed by an independent national institution.

The Memorandum of Understanding between the PBO and the Ministry for the Economy and Finance (MEF) of 15 September 2014 governs the process of endorsing macroeconomic forecasts.

Taking due consideration of the uncertainty inherent in macroeconomic forecasts, the PBO assessed the plausibility of the policy macroeconomic scenario on the basis of a range of acceptable values for the macroeconomic aggregates to be endorsed.

The Board of the PBO hereby endorses the 2017-2018 policy macroeconomic forecasts published in the Update of the 2017 Economic and Financial Document, while underscoring the presence of a significant risk of a downwards revision of the forecast for real GDP growth for 2018. As regards the policy forecasts for the subsequent years, i.e. 2019-2020 (which did not undergo the endorsement process), the PBO emphasises the prevalence of negative risk factors in the MEF scenario for 2020, which have a substantial impact on developments in real variables.

Sincerely,

Giuseppe Pisauro

Pier Carlo Padoan
Minister for the Economy and Finance
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