

Rome, 8 October 2019

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 way consistent with the 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 ranges of acceptable values for the individual aggregates of which it is composed.

The Board of the PBO endorses the policy macroeconomic forecasts for 2019-2020 published in the Update of the 2019 Economic and Financial Document, while underscoring the presence of risk factors that tend to increase in the policy forecasts for subsequent years, i.e. 2021 and 2022 (which have not undergone the endorsement process).

A more detailed analysis of the motivations for endorsing the forecasts is provided in the text of the hearing held today before the joint Budget Committees of the Senate and the Chamber of Deputies.

Sincerely,

Giuseppe Pisauro

Roberto GUALTIERI
Minister for the Economy and Finance
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