

Rome, 20 April 2023

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 of Economy and Finance (MEF) of 13 May 2022 governs the process of endorsing macroeconomic forecasts.

Taking into account the uncertainty that characterises macroeconomic forecasts, the PBO assessed the plausibility of the estimates based on a range of acceptable values for the macroeconomic variables being endorsed.

The Board of the PBO has endorsed the macroeconomic policy forecasts for the years 2023-2026 published in the 2023 Economic and Financial Document, as they fall within an acceptable range given the information currently available, also with reference to the NRRP; however, the global context is uncertain and the forecasts are burdened with downside risks to economic growth beyond the short term, hence from next year.

A more detailed analysis of the rationale for the endorsement is provided in the text of the hearing to be held today before the Joint Budget Committees of the Senate and the Chamber of Deputies.

Sincerely,

Lilia Cavallari