

CONCLUSION

The following conclusion takes into account the principles of Article 8 of the Budgetary Framework Law (Law No. 151/2015 of 11 September): “The budget projections underlying the budgetary programming documents shall be based on the most likely macroeconomic scenario or on a more prudent scenario”. The same guiding principle for the use of realistic forecasts when conducting fiscal policy is also contained in European legislation, particularly in the Stability and Growth Pact and in the Council Directive 2011/85/EU of 8 November 2011 which sets the requirements for budgetary frameworks of the Member States.

In accordance with Article 4 (4) of the Regulation No 473/2013 of the European Parliament and of the Council of 21 May 2013, as a result of the assessment of **the macroeconomic forecasts underlying the 2019-2023 Stability Programme, the Portuguese Public Finance Council:**

- 1. Endorses the forecasts for 2019-2020. Based on the most recent information available for the national and international economic outlook the forecasts for this period are within the limit of likelihood of the forecasts, even though they contemplate increased downward risks to economic growth, mainly from external factors;**
- 2. Does not endorse the forecasts for 2021-2023, given the significant divergence from the other forecasts and projections considered, both in terms of product growth and its acceleration path. According to the CFP, based on available information, such forecasts do not translate the most likely scenario neither a more prudent scenario.**