

MINUTES

SENIOR BOARD MEETING No. 33, 26 February 2018

The five members of the Senior Board held their thirtieth third formal meeting on 26 February 2018. The event took place at the CFP headquarters, Praça de Alvalade, n.º 6 – 10.º, in Lisbon, and started at 09h30m. All members attended: Teodora Cardoso, who chaired, Paul De Grauwe, Miguel St. Aubyn, George Kopits and Carlos Marinheiro. Paul De Grauwe and George Kopits participated by video conference. Luis Centeno, head of the technical services, was also present.

1. Decisions

By unanimous vote, the Senior Board decided to:

- 1.1. Approve of Minutes of Meeting No. 32, held on 09 November 2017
- 1.2. Confirm Report No. 01/2018 entitled “Fiscal developments until the end of the 3rd quarter of 2017”
- 1.3. Approve conditionally the CFP Performance Appraisal System Regulation, mandating the Executive Board to revise it according to the decisions of the Remunerations Committee about the new pay grade scale. If necessary a confirmation can be done by written consultation.

While confirming report referred to in point 1.2., the board has agreed that while monitoring the quarterly accounts outturn the technical staff should try to keep a closer look at the stance of fiscal policy. This is important since the government has to keep a counter-cyclical policy and a steeper decline on the debt to GDP ratio.

2. Difficulties in access to Social Security information

In the follow-up of the Decision approved at the Senior Board meeting on 11 July 2017 that declared Instituto de Informática, I.P.’s to be in non-performance of its obligation to provide timely information, the Chair presented to the Board an update to the situation. The non-performance persisted. Furthermore, some information of the Social Security budget for 2018 were not made available to CFP. The Chair proposed, and the Board agreed, to send a letter to the Minister of Labour, Solidarity and Social Security calling his attention to those difficulties and for the need to solve them.

3. CFP’s activities for 2018: discussion

3.1. General plan

The Board approved the general publication plan for 2018. It was decided that it should be published in CFP's Internet site.

3.2. New issues

The Head of the Technical Services made a presentation of the Publications Plan for 2018 that may include new issues on subjects that are part of CFP’s remit and that have not yet been addressed in autonomous publications. These new issues are: fiscal risks and public finance sustainability; health sector; subnational finances.

An exchange of opinions has taken place about a proposed publication of a "Fiscal Risks and Sustainability Report", concluding the Board by the high usefulness of such initiative. The use of a Public Administrations Balance Sheet has been discussed but the Board agreed that while desirable it is not feasible at this point because of incomplete data.

The discussion moved to the proposal of a new biannual report on the outturn and performance of National Health Service as a mean to improve public information on the problems of the health sector. The proposal has been approved with the recommendation that the assessment went beyond the financial issues in order to reconcile it with the available data on the provision of services.

A new report on the local government has also been discussed being concluded that it is part of CFP remit and thus must be subject to a specific output.

Whilst not in the agenda some comments on the sufficiency of the technical staff has taken place and the necessity of new hires has been recognised.

4. CFP's external review: recent developments

The chair report to the Board the recent developments of the work with OECD in this matter, proposing that Carlos Marinheiro be in charge of the subject from CFP side with the agreement of all the remaining members.

5. Meeting of OECD Parliamentary Budget Officials and Independent Fiscal Institutions in Lisbon: recent developments

The Chair report to the Board the recent discussions with OECD to conduct an external review of the activities of the CFP.

6. Next Senior Board Meeting schedule

The schedule of the next meeting is dependent on the date of CFP's parliamentary hearing on the Stability Programme 2018-2022, to be scheduled at a future date.