

## MINUTES

### SENIOR BOARD MEETING No. 28, 17 November 2016

The five members of the Senior Board held their twenty-eighth formal meeting on 17 November 2016. The event took place at the CFP headquarters, Praça de Alvalade, n.º 6 – 10.º, in Lisbon, and started at 15h00m. All members attended: Teodora Cardoso, who chaired, Jürgen von Hagen, Rui Nuno Baleiras, George Kopits and Carlos Marinheiro. Jürgen von Hagen participated by videoconference. Luis Centeno, Head of the technical services, was also present.

#### 1. Decisions

By unanimous vote of all members, the Senior Board decided to:

- 1.1. approve the Minutes of Meeting No. 27, held on 4 August 2016
- 1.2. confirm Report No. 8/2016 entitled "[Public Finance: Position and Constraints 2016-2020 – Update](#)"
- 1.3. confirm Report No. 9/2016 entitled "[Fiscal developments until the end of the 2nd quarter 2016](#)"
- 1.4. confirm Opinion No. 3/2016 entitled "[Macroeconomic forecasts underlying the 2017 Draft State Budget](#)"
- 1.5. confirm Report No. 10/2016 entitled "[Analysis of the Draft State Budget for 2017](#)"

#### 2. Debriefing of the parliamentary hearing on the Draft State Budget for 2017

A general discussion on the parliamentary hearing took place focusing on the lessons to be learnt from the questions raised during the debate. The discussion evolved around ways to improve the quality and relevance of CFP work.

#### 3. Recent political and economic developments in Portugal and abroad: discussion

The discussion of the previous point set a bridge to ponder recent political developments in Portugal. They were briefly assessed by the Board.

A more detailed debate took place on fresh economic developments. The recent acceleration of growth of the Portuguese economy has been acknowledged with satisfaction. Members agreed on the usefulness of looking for further evidence about its robustness and durability with a view to appraise possible effects on public finances sustainability.

Under this subject a particular attention was devoted to credit ratings, banking system soundness and contingent effects on the sustainability of the public finances. The Board discussed the views of Teodora Cardoso on these issues and all members, though concerned with the downside risks, also looked at plausible positive developments in the near future.

#### 4. Substitution of the Vice-President and the Executive Member of the Senior Board

Teodora Cardoso has briefed the members of the Board on the state of play of this process.

#### 5. Possible use of IMF material for the CFP's analysis of long-term fiscal sustainability

The Board discussed contacts with IMF officials in order to make available for CFP the use of background data on debt sustainability analysis.

## **6. Other issues**

### **6.1 Quarterly budget outturn reports**

The Senior Board members raised the issue of the costs and benefits of the quarterly budget outturn reports published by CFP. The stress caused on the scarce staff by these publications has been considered along with the monthly cash basis reports also produced. The lack of available time for more in-depth occasional papers, which require special research and preparation, was also debated. On the other hand, it was also stressed the usefulness of staff and members engagement with these quarterly reports as an important background for the analysis of fiscal policy developments, thus raising caution on any change to be decided.

The Board asked the Head of the technical services to provide an assessment of this subject, including a proposal to be discussed in a future meeting.