



Independent Authority
for Fiscal Responsibility

PRESS RELEASE
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IN THE OPINION OF AIReF, THE AMENDMENTS TO ITS ORGANIC STATUTE APPROVED BY THE COUNCIL OF MINISTERS REINFORCE ITS INDEPENDENCE

The Independent Authority for Fiscal Responsibility (AIReF) believes that the amendments to its Organic Statute introduced through the Royal Decree approved by the Council of Ministers on 9 March reinforces its independence, with improved access to information, drafting of its budget and monitoring of recommendations.

The explanatory memorandum to [Royal Decree 105/2018](#) approved by the Council of Ministers framed this amendment as part of the Government's desire to ensure AIReF's independence.

The main amendments to the Organic Statute affect the following areas:

- **Referral of Information**

Organic Law 6/2013, of 14 November, establishing the Independent Authority for Fiscal Responsibility, established the obligation for the Public Administrations to provide AIReF with economic and financial information, the only restriction being that said information must be necessary for the Authority to perform its functions.

However, with the adoption, in 2014, of AIReF's Organic Statute, the scope of the law was limited in two ways: on the one hand, auxiliary or supporting information was left out of this obligation, and, on the other hand, it limited AIReF's access to the information already prepared in compliance with the Organic Law on Budgetary Stability and Financial Sustainability or other statutory or regulatory provisions.

With the Royal Decree approved by the Government, the first of these limitations has been eliminated. Therefore, from now on, AIReF may access auxiliary or supporting information upon request. There has also been progress regarding the second limitation

as, although the restrictions remain, they may be mitigated by the provision included in the text on the creation of collaboration mechanisms with the aim of specifying and clarifying the content and deadlines for the submission of information, as well as covering aspects specific to the assessment of different reports.

Finally, it details the information that the Ministry of Employment and Social Security must provide for the issuance of the opinion regarding the Pension Revaluation Index (IRP) and includes the provision contained in the Organic Law establishing AIReF with respect to the obligation of the Technical Committee on National Accounts to provide AIReF with the reports issued in the exercise of its functions.

- **Drafting of the budget**

In this area, the budgetary stability restrictions introduced by AIReF's Organic Statute with respect to its establishing Organic Law have been eliminated by entrusting the Ministry of Finance and Public Function (MINHAFP) with the preparation of the budget, the preliminary draft of which shall be structured as indicated by the Ministry.

The wording of AIReF's establishing Organic Law has been reproduced in the Royal Decree approved by the Government, in accordance with which the preliminary draft budget, the appropriations of which are limiting, prepared and approved by this Authority will be integrated into the General State Budgets by the MINHAFP, in accordance with the provisions of the General Budgetary Law 47/2003, of 26 November.

- **Monitoring of recommendations**

The principle of “comply or explain” is one of the main tools available to AIReF to carry out its mandate. This principle, established in the Organic Law on AIReF, states that administrations are obliged to either follow AIReF recommendations or explain the reasons for any deviation therefrom.

AIReF has been publishing the monitoring of the recommendations contained in its reports on its website, with a degree of response from the affected entities that demonstrates the gradual consolidation of a constructive and transparent dialogue between AIReF and the different public administrations.

On this point, the Royal Decree approved by the Government supposes a clear legal reinforcement of the existing collaboration framework, since the accomplishment and publication of this monitoring by AIReF is included in the legal system, as well as the obligation of the Public Administrations to notify AIReF of the measures they plan to adopt to comply with the recommendations, should they decide to follow them.

Furthermore, the text requires the MINHAFP to publish the reasons that an administration departs from the recommendations made by AIReF.