PRESS RELEASE
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2022 Action Plan

AIReF PUBLISHES ITS 2022 ACTION PLAN WITH A CLEAR COMMITMENT TO SUSTAINABILITY AND EVALUATION

- **The Independent Authority for Fiscal Responsibility will continue its in-depth fiscal supervision and oversee the sustainability of public finances with a long-term vision**

- **It will make public policy evaluation one of the institution's core activities and it will strengthen the principles of independence, transparency and accountability**

- **AIReF will publish the mandatory reports on the budget cycle and update the medium-term scenario of the macroeconomic and fiscal forecasts**

- **It will draw up three opinions on: the Minimum Living Income, the long-term sustainability of public finances and the cessation of activity of self-employed workers**

- **It will perform the studies of the third phase of the Spending Review 2018-2021, the action plan of the first phase of the Spending Review 2022-2026 and the studies commissioned by the Territorial Public Administrations, among others.**

The Independent Authority for Fiscal Responsibility (AIReF) today published its 2022 Action Plan, which states that the institution will continue its in-depth fiscal supervision and oversee the sustainability of public finances with a long-term vision. To achieve these objectives, AIReF will carry out a series of actions aimed at improving its activity, such as updating the demographic and pension expenditure forecasts, including the impact of the reform approved in 2021 and, as far as possible, any reforms approved in 2022.

The 2022 Action Plan sets out the second year of activity carried out under the 2020-2026 Strategic Plan, published on 25 September 2020. The fundamental objective of this six-year Plan is to consolidate this young institution as a useful tool for society. To this end, AIReF's actions will focus on four strategic aims: in-depth fiscal supervision of the General Government; overseeing the sustainability of public finances with a long-term vision; making public policy evaluation a core activity of AIReF; and strengthening the principles of independence, transparency and accountability.

On this occasion, the 2022 Action Plan is framed within a transition period characterised by the expectations that the most acute stage of the COVID-19 crisis will have passed, the implementation of the Recovery, Transformation and Resilience Plan (RTRP) and, in principle, as it is expected to be the last year of the suspension of fiscal rules as a consequence of maintenance of the escape clause provided for in the Law on Budgetary

Stability and Financial Sustainability before the return to a likely new framework of fiscal rules in 2023.

Activation of the escape clause, in effect since 2020, does not imply the absence of fiscal supervision, but it does directly affect AIReF's activity. In particular, with the suspension of the fiscal rules and the replacement of fiscal targets with reference rates, the possibility of activating the preventive, corrective and coercive mechanisms of the Organic Law on Budgetary Stability and Financial Stability and, consequently, the corresponding AIReF reports on this matter, is cancelled. Deactivation of the escape clause or any alterations that may occur in the fiscal framework over the course of the year will be taken into account and will be duly reflected in AIReF's actions.

Supervision and sustainability

In 2022, AIReF will continue its in-depth fiscal supervision of all levels of the General Government, through monitoring of the economic and budgetary situation, compliance with the national and European fiscal framework and the early warning of risks. It will also oversee the sustainability of public finances with a long-term vision by conducting in-depth analyses of sustainability and contributing to the definition of a sustainable fiscal strategy.

Thus, in 2022, AIReF will publish the reports on the budget cycle if the budgetary milestones that justify their preparation materialise. In addition, it plans to publish three opinions: one on the long-term sustainability of the General Government (GG), another on the Minimum Living Income (MLI) in accordance with the multi-year work plan published in December 2020 and another on the cessation of activity of self-employed workers. Depending on the development of the rest of the work and the needs identified during the year, the Steering Committee may consider issuing additional opinions on any relevant issue during the year.

Continuing with its self-evaluation exercise, AIReF will update its analysis with the 2021 results and will perform an evaluation of the macroeconomic forecasting models of the Autonomous Regions (ARs). It will also perform an analysis of the impact of the regulatory changes on tax revenues. In addition, in the autumn, AIReF will update the medium-term scenario of the macroeconomic and fiscal forecasts published in the spring for the Report on the Stability Programme Update.

Bearing in mind that 2022 is likely to be the last year of the suspension of fiscal rules, AIReF will continue to participate in the debate on the future fiscal governance framework with the publication of a document with its vision on the reform of EU fiscal governance, its application to the case of Spain and its possible areas for improvement. It will also assess the macroeconomic impact of the measures and reforms included in the RTRP, as well as the macro and fiscal impact of the medium-term consolidation strategy that might be included in the Stability Programme Update.

Evaluation, a core activity

AIReF will make public policy evaluation one of the institution's core activities. Thus, it will carry out the studies corresponding to the third phase of the Spending Review 2018-

2021, which the Central Government has commissioned from AIReF, focused on the strategic evaluation of the financial instruments for supporting the productive sectors and the evaluation of urban waste management. It will also prepare the action plan of the first phase of the Spending Review 2022-2026 on financial instruments to support the productive sectors and healthcare of the social security system for civil servants.

Furthermore, the work of the studies commissioned by the Government at the request of ministerial departments will be performed. This includes the study on international financial cooperation-FONPRODE; as well as the studies commissioned by Territorial Public Administrations (Castile and Leon, Sant Feliu de Llobregat, Aragon, Valencia, Extremadura, Navarre and the Balearic Islands).

Strengthening the principles of independence, transparency and accountability

AIReF will strengthen its three guiding principles of independence, transparency and accountability. As a new development, in the field of transparency, AIReF will publish on its website, among other items, the data from its reports in an accessible format, an easy visual tool to consult the recommendations and a Monitor Tool for the ARs.