

**PRESS RELEASE**  
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## **AIReF ENDORSES MACROECONOMIC FORECASTS OF MURCIA FOR 2025**

The Independent Authority for Fiscal Responsibility (AIReF) endorses the forecasts accompanying Murcia's draft budget for 2025. The draft budget presents growth estimates in the Gross Domestic Product (GDP) in volume terms and inflows and employment for 2024 and 2025 that differ from the latest estimates of the Government of Spain's macroeconomic scenario for the country as a whole.

In accordance with the provisions of the Organic Law on the Creation of AIReF, the macroeconomic forecasts incorporated in the draft budgets of all General Government (GG) authorities must include a report from AIReF indicating whether they have been endorsed.

Murcia estimates GDP growth in volume terms of 2.5% for 2025, which is very similar to the figure forecast by AIReF of 2.4% and falls within the range of forecasts made by other agencies for the region.

It should be stressed that the macroeconomic forecasts for the Autonomous Regions (ARs) are performed in a context of great uncertainty. In addition to the risks stemming from the geopolitical environment, there is another fundamental source of uncertainty in the case of the ARs related to the lack of essential information for drawing up the macroeconomic scenarios of these GG authorities. Specifically, the latest figures available from the Spanish Regional Accounts refer to 2022, published in December 2023. AIReF recalls that up to and including 2020, the National Statistics Institute (INE) made an initial estimate of the Spanish Regional Accounts in April of each year. As of 2021, that estimate is made in December. This means that, until December 2024, the Regional Accounts series, consistent with the 2024 Statistical Revision published on September 18<sup>th</sup>, will not be available. This lack of information hinders the preparation of macroeconomic forecasts and the budgetary planning of ARs which, in a system as decentralised as Spain's, may potentially have repercussions on compliance with national and European fiscal rules and commitments.

AIReF highlights the fact that Murcia complies with the recommendation to submit, prior to the publication of the draft budget, the information on the macroeconomic forecasts that underpin the budget and the corresponding request for endorsement. It also complies with the best practice advice regarding the inclusion of a comparison with other independent forecasts and the provision of information on the econometric techniques, models and parameters used, as well as on the assumptions underpinning its forecasts.

AIReF reiterates two pieces of best practice advice. First, it calls for the inclusion of expenditure forecasts in national accounting terms. Second, given the importance of medium-term fiscal planning and the four-year validity of the Medium-Term Structural-Fiscal Plan, AIReF stresses that it would be desirable to extend the forecast horizon of the macroeconomic scenario beyond the annual budget period.