

PRESS RELEASE
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AIReF ENDORSES MACROECONOMIC FORECASTS FOR ARAGON AND MADRID FOR 2026

The Independent Authority for Fiscal Responsibility (AIReF) endorses the forecasts accompanying the draft budgets for 2026 for Aragon and Madrid. Both regions present estimates of growth in the gross domestic product (GDP), in terms of volume and at current prices, of the GDP deflator and of employment, in terms of persons employed, that differ from the Government's macroeconomic scenario for the country as a whole.

According to 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 the institution indicating whether they have been endorsed.

Specifically, Aragon estimates GDP growth in terms of volume of 2% for 2026. This forecast coincides with AIReF's estimate and falls within the range of forecasts made by other agencies for the region. However, the forecasts of some agencies do not yet include the recent revisions to the Regional Accounts.

For its part, Madrid estimates GDP growth in terms of volume of 2.2%. This forecast is slightly below AIReF's central forecast, but within the range of forecasts made by other agencies. In this case, the forecasts do not yet include the recent revisions introduced in the advance Regional Accounts.

AIReF emphasises that macroeconomic forecasts for the Autonomous Regions (ARs) are made in a context of high uncertainty and geopolitical risks. The latest figures available from the Spanish Regional Accounts, referring to 2024 and published in September 2025, may be subject to change in the publication scheduled for December. The new estimates have revised the figures for 2022-2023 and added those for 2024.

In this context, AIReF points out that the high level of uncertainty hinders the macroeconomic outlook and budgetary planning of the ARs. In a system as decentralised as Spain's, this could potentially impact compliance with national and European fiscal rules and commitments.

Recommendations and best practice recommendations

AIReF highlights that Aragon complies with the recommendation to submit, prior to the publication of the draft budget, information on the macroeconomic forecasts that underpin it, along with the corresponding request for endorsement. It also complies with the best practice recommendation to include a comparison with other independent forecasts and to provide information on the econometric techniques, models and parameters used, as well as the assumptions underlying its forecasts. However, to provide more consistent information and facilitate comparability, AIReF reiterates the best practice recommendation to present employment estimates in terms of the Regional Accounts.

Aragon also complies with the best practice recommendation to include macroeconomic forecasts beyond the year for which the budgets are formulated. This is essential for assessing the consistency of the ARs' forecasts with the Medium-Term Structural-Fiscal

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Plan presented by the Government and for providing information on the expected GDP deflator forecast. However, we reiterate our best advice recommendation to extend the scenarios presented, given that the Structural-Fiscal Plan is valid for four years.

For its part, Madrid also complies with the recommendation to submit, prior to publication of the draft budget, information on the macroeconomic forecasts that underpin it and the corresponding request for endorsement. It also complies with the best practice recommendation to include a comparison with other independent forecasts and provide information on the econometric techniques, models and parameters used, as well as on the assumptions underlying its forecasts.

The region also complies with the best practice recommendations to extend the forecast horizon and include GDP deflator estimates. To provide more consistent information and facilitate comparability, AIReF reiterates the best practice recommendation to present employment estimates in terms of the Regional Accounts.