

**PUBLIC GOVERNANCE DIRECTORATE
PUBLIC GOVERNANCE COMMITTEE**

Working Party of Senior Budget Officials

DRAFT AGENDA

11th Annual Meeting of the OECD Network of Parliamentary Budget Officials and Independent Fiscal Institutions (PBO)

**Lisbon, Portugal
4-5 February 2019**

Hosted by the Portuguese Public Finance Council (CFP) and the Portuguese Parliament.

*The meeting will be co-chaired by **Teodora Cardoso**, President of the Portuguese Public Finance Council (CFP), **Rui Nuno Baleiras**, Head of the Parliamentary Budget Office (UTAO), and **Robert Chote**, Chairman of the UK Office for Budget Responsibility (OBR) and Chair of the OECD PBO Network.*

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*All delegates are invited to a **Welcome Reception** from **18:00-19:30** on the eve of the meeting, hosted by the CFP and UTAO. The reception will take place at Belém Tower, Lisbon.*

Monday, 4 February 2019

Please note: On Monday morning, the meeting will be open to Portuguese Members of Parliament and the press, thereafter the meeting will continue in private session.

9:00-9:30

Registration

9:30-9:50

Opening ceremony

- **Opening remarks** by **Eduardo Ferro Rodrigues**, President of “Assembleia da República”, Portugal
- **Welcome remarks** by **Marcos Bonturi**, Director for Public Governance, OECD and **Robert Chote**, Chair, Office for Budget Responsibility (OBR), United Kingdom

9:50-10:15

Keynote address: “The limits of the market”

- **Paul de Grauwe**, Vice President of the CFP Senior Board and Professor in European Political Economy at the London School of Economics

10:15-11:00 *Group photo and Coffee break*

11:00-12:30

Session 1: Tax policy and its economic and budgetary impacts

Tax policy is not always subject to the same level of scrutiny as expenditure and yet its economic and budgetary impacts can be significant. Where tax policy changes are reviewed, these exercises often focus on quantifying their impact on public revenues, and can omit a more detailed analysis of microeconomic aspects, such as deadweight loss, multi-market price and quantity effects, and macroeconomic impacts on employment, education, savings, and investment. This session will showcase best practice in assessing the economic and budgetary impact of tax measures, explaining the resources needed to undertake this type of assessment, and the benefits gained. Following brief presentations drawing on country case studies, as well as new analysis by the OECD, the panellists will answer key questions from Members of the Portuguese “Assembleia da República”, as well as from Delegates.

Chair

- **Teresa Leal Coelho**, Chair of Budget Committee and Member of Parliament, “Assembleia da República”, Portugal

Panellists

- **Jenny Wilkinson**, Head, Parliamentary Budget Office (PBO), Australia
- **Sander van Veldhuizen**, Program Manager Public Finance, CPB Netherlands Bureau for Policy Analysis, Netherlands
- **Luiz de Mello**, Director of Policy Studies, Economics Department, OECD

12:30-14:10 *Tour of Parliament, followed by Luncheon*

14:10-14:30

Welcome back by Co-Chairs and OECD Secretariat

Delegates' introductions

14:30-15:45

Session 2: New institutions and updates

The number of independent parliamentary budget offices and fiscal councils in the OECD and OECD partner countries continues to grow. This session will examine new institutions, and will also provide an opportunity for existing institutions to provide updates on any changes to their mandate.

Following the main presentations, delegates are encouraged to comment on any major evolutions regarding their institutions' developments in the past year.

New institutions

- **New South Wales PBO - Katharine Hill**, Deputy Parliamentary Budget Officer, New South Wales Parliamentary Budget Office, Australia
- **Argentinian CBO - Marcos Makon**, Director, Congressional Budget Office, Argentina

Updates

- **United States - Mark Hadley**, Deputy Director, Congressional Budget Office, United States
- **Wales - Martin Jennings**, Head, Financial Scrutiny Unit, Welsh Assembly, United Kingdom
- **New Zealand - Andrew Blazey**, Deputy Head of Budgeting and Public Expenditures Division, OECD

15:45-16:45

Session 3: Best practice products from the PBO Network

This session provides an opportunity for institutions in the PBO Network to showcase new and innovative products that help deliver improved fiscal and budgetary oversight.

- **Fiscal and macroeconomic consequences of the Coalition Agreement**

Presented by Ales Delakorda, Head of Analysis, Fiscal Council, Slovenia

- **New parliamentary initiatives to support MPs in budget oversight**

Presented by Jeroen Kerseboom, Head of the Analysis and Research Department, and Rolf Noordsij, Senior Parliamentary Budget Official, House of Representatives, Netherlands

16:45-17:15 *Coffee break*

17:15-18:15

Session 4: Longer-term forecasting

Longer-term economic forecasting is a difficult task, with few institutions having the temerity to attach numbers to a distant future. However, careful studies can offer insights into many issues including the environment, population ageing, fiscal sustainability, the catch-up of emerging economies and the effects of structural reforms. This session will present an overview of the OECD publication “Scenarios for the World Economy to 2060”, with a specific look at issues of fiscal sustainability. Besides the baseline scenario, alternative scenarios which illustrate the potential medium and long-term impact of policy changes will also be presented. The session will also consider the challenges of modelling the long-term, as opposed to making short-term projections about the economy, as well as some of the major uncertainties.

Chair

- **Rui Nuno Baleiras**, Chair, Portuguese Parliamentary Budget Office (UTAO), Portugal

Presenter

- **David Turner**, Head of Macroeconomic Analysis Division, Economics Department, OECD

Discussant

- **José Félix Ribeiro**, Consultant to Calouste Gulbenkian Foundation, Portugal

18:15 *Depart Parliament for visit of National Coach Museum, followed by reception and dinner hosted by UTAO and the CFP at the Picadeiro Real.*

Tuesday, 5 February 2019

9:00-10.00

Session 5: Approaches to social media

For the work of parliaments and independent fiscal institutions to have impact, it should have a strong presence in the public or political debate. Social media is increasingly used in political and government circles as a key medium for public communication. However, IFIs are still hesitant about the extent to which engaging with social media will be a positive experience, particularly given how important it is for them to maintain their independence. This session looks at the opportunities and challenges for independent institutions using social media, and explore how pitfalls might be avoided. It will also look at how some institutions in the Network already use social media to communicate their work and influence the public debate. Institutions will speak about their communications strategy, how social media fits into this, what specific efforts they make to ensure a successful approach, how they deal with challenging social media interactions and the extent to which they view it as an effective means to communicate with their target audience.

Presenters

- **Rui Peres Jorge**, Director Communications Office, CMVM – Portuguese Securities Market Commission
- **Allan Campbell**, Head of Financial Scrutiny Unit, Scotland, United Kingdom

10:00-10:45

Session 6: OECD Review of the Portuguese Public Finance Council

This session will present the OECD Review of the Portuguese Public Finance Council (CFP). The report highlights the achievements of the CFP, identifies key challenges, and sets forth a series of recommendations to ensure its continued good performance. The CFP will also reflect on the findings of the OECD Review, and identify how it intends to respond.

Presenters

- **Scherie Nicol**, Policy Analyst, Budgeting and Public Expenditures Division, OECD
- **Teodora Cardoso**, President, Portuguese Public Finance Council, Portugal

10:45-11:15 Coffee break

11:15-12:45

Session 7: Breakout groups***Option A – New experiences in costing election platforms***

Having an independent institution cost election platforms can help encourage accuracy in the statements by political parties on the costs of their commitments during the election campaign and focuses the debate on policy differences. Until recently, just two institutions (the Australian PBO and the Netherlands CPB) had a role in costing election manifestos. However, in 2017, additional OECD institutions were given this function. This session looks at the recent experiences of these institutions in setting up a costings function. These institutions will speak about how the “rules of the game” have been set, how they have resourced their costings function (staff and models), the scope of costings, how uncertainty is being handled, how costings are published and how they are being used. They will also reflect on what they see as the benefits and challenges of having independently costed election platforms.

Chair

- **Rui Nuno Baleiras**, Chair, Portuguese Parliamentary Budget Office (UTAO), Portugal

Presenters

- **Yves Giroux**, Parliamentary Budget Officer, Parliamentary Budget Office (PBO), Canada
- **Anthony Close**, Parliamentary Budget Officer, Victorian Parliamentary Budget Office (PBO), Australia

Option B – Future evolution of the EU's fiscal framework

This session explores proposals for simplification and strengthening of the EU fiscal framework. The current EU fiscal framework is the outcome of successive reforms and re-interpretations of the Stability and Growth Pact (SGP). This means that it has increased in complexity, and can be challenging to implement consistently. Presentations will explore the extent to which the current system of EU fiscal rules functions effectively. Selected speakers will reflect on the transparency and predictability of the current Pact. They will also consider what they would like an improved EU fiscal framework to look like, and debate the extent to which changes to the existing framework may be able to achieve this, or whether a more substantial overhaul is needed.

Chair

- **Miguel St. Aubyn**, CFP Senior Board Member, Portugal

Presenters

- **Mateusz Szczurek**, Member, European Fiscal Board
- **George Kopits**, Non-Executive Member of the CFP Senior Board, Portugal and Global Fellow at the Woodrow Wilson International Centre for Scholars, United States

12:45-14:30 Luncheon

 14:30-15:30

Session 8: Building good relations with stakeholders across government and parliament

Being able to deliver research and analysis that supports fiscal oversight relies on good relations with stakeholders across government and parliament. Specifically, good relations with the Ministry of Finance helps ensure a smooth flow of information and general support for the institution in the delivery of its mandate. Good relations with stakeholders in parliament, including the Budget Committee, underpin the extent to which research and analysis has impact. By contrast, poor relations can be a threat to the institution, particularly if there are not sufficient protections in place relating to access to information and resourcing. This session looks at strategies for building good relations with stakeholders across government and parliament. It will highlight the importance of political awareness, and the situations in which conflict may be warranted, and when conflict should be avoided.

Presenters

- **Maria Luís Albuquerque**, MP and former Minister of State and Finance, Portugal
- **Richard Hughes**, Director, Fiscal Group, HM Treasury, United Kingdom

 15:30-16:30

Session 9: The use of external experts and advisory boards

External experts can serve as an important source of technical and methodological expertise for parliament and IFIs. Well-selected peers can also bring understanding of specialist topics and alternative perspectives that can help improve the quality independent analysis. This session will explore the ways in which different institutions use external experts. Selected countries will provide information on the extent to which the use of external experts is formalised, the role of the experts and whether their identity is made public. They will also provide an assessment of the practical benefits and challenges that they have experienced from involving external experts.

Presenters

- **Bob Sunshine**, Senior Adviser, Congressional Budget Office, United States
- **Asta Kuniyoshi**, Head of Budget Policy Monitoring Department, National Audit Office, Lithuania

 16:30-16:45

Session 10: Report by the OECD Secretariat and proposals for future work

This session will include a general update on the OECD's work on budgeting and public expenditures, including the Monitoring Report for the OECD Council on the Recommendation on Principles for Independent Fiscal Institutions. Delegates will then be asked to provide feedback on agenda topics for next year.

Presenter

- **Edwin Lau**, Head of Budgeting and Public Expenditures Division, OECD

 16:45

Closing by Co-Chairs and OECD Secretariat

(Coffee will be available at the close of the meeting)

 17:00-18:30 *Meeting of the EU Independent Fiscal Institutions Network (Network members only)*
