

# Contacts with MoF

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and Financial Committee  
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# The set-up of the Fiscal Policy Council

- Established in 2007;
- An agency under the Government;
- Six members:
  - Academics;
  - Policy-making experience;
- Supplementary activities to ordinary jobs (mainly academic positions);
- Small secretariat: five persons;
- Annual budget ~1 000 000 €.



# The tasks of the Fiscal Policy Council

1. Focus on *ex post* evaluation, with some *ex ante* evaluation;
2. Evaluate whether the fiscal policy meets its objectives:
  - Long-run sustainability;
  - Surplus target;
  - The expenditure ceiling;
  - Stabilization issues.
3. Evaluate whether the developments are in line with healthy sustainable growth and a sustainable high employment;
4. Monitor the transparency of the government budget proposals and the motivations for various policy measures;
5. Analyse the effects of fiscal policy on the distribution of welfare;
6. Contribute to a better economic policy discussion in general.

# Main activities

- Annual report in May;
- Formal dialogue with the Government. In particular, the Government, in its Budget bill, normally responds to the recommendations presented by the Council in the May report.
- Annual hearing in Parliament;
- Seminars, conferences and articles;
- Media appearances.

# Procedures to safeguard independence

- A stipulation that the Council itself proposes its members to the Government (§12 in remit);
- The Council meets the Finance minister twice a year:
  - When the report is handed over to MoF;
  - During the hearing in the Parliament.
- All other contacts with MoF is handled by Head of Agency;
- Head of Agency negotiates the budget;
- No guarantee in legislation to get full access to all relevant information...However, not a problem (so far).

**THE END**

