*[Data that has been automatically pre-filled in the templates for the cover notes is based on the operational arrangements which have last been updated on 2024-03-22. Should the respective CID and/or operational arrangements have been amended in the meantime, please reach out to ECFIN-RECOVER.]*

*[DATE]*

*[AUTHOR (Organisation, not name)]*

**LV-C[C3]-I[3-1-2-2-i-] Development of a forecast tool**

**LV-C[C3]-I[3-1-2-2-i-]-M[120] Development of a forecasting tool**

**Date of completion:** **Q1 2026**

**1) Context: description of the measure and relevant context from the CID annex** [text in full from the English version]

The general objective of this investment measure is to upgrade the macroeconomic modelling capacity to assess the long-term sustainability of the social security system. The measure consists of tendering and developing econometric models and a methodology for the long-term forecasting of social support, including pensions, developing technical specification for the information system and monitoring the development of the system. The final deliverables shall include an evaluation report on the current situation; a mathematical model for pension forecasting; the evaluation of the current forecasting tool and its potential; technical specifications for the development of an information system; monitoring of the system development throughout the measure. The implementation of the investment shall be completed by 31 March 2026.

**2) Copy of the milestone/target wording** [text in full from the English version]

| Seq.num | Measure (reform or investment) | Milestone/Target | Name | Qualitative indicators (for milestones) | Quantitative indicators (for targets) | | | Indicative timetable for completion | | Reporting and implementation responsibility | Description of each milestone and target |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Unit of measure | Baseline | Goal | Quarter | Year |
| 120 | C3.3-1-2-2-i- Development of a forecast tool | Milestone | Development of a forecasting tool | Forecasting tool developed for the long-term projections of the social security system |  |  |  | Q1 | 2026 | Ministry of Welfare | The handover act between the Ministry of Welfare and software developer is signed for the development of a forecasting tool for the long-term forecasts of the social security system that:   — provides for the possibility to use and reflect the demographic aspect more effectively in the forecasts, leading to a faster and more accurate forecasting result;   — strengthens administrative capacity in the field of social security;   —provides the possibility to enter a more detailed array of assumptions compared to the model used in the past;   — enables modelling to be used elsewhere (e.g.: Eurostat) existing results, demographics and labour market indicators;   — two handbooks have been developed for the administrator of the tool and for users. |

Verification mechanism:

A summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled, with appropriate links to the underlying evidence. This document shall include as an annex the following documentary evidence and elements: a) a copy of the Transfer Acceptance Act approving the IT forecasting tool for the longterm projections of the social security system, b) extract of the official documents, including a copy of the minutes of the national level working group containing evidence on the alignment with the description of the milestone and investment in the CID Annex, including evidence demonstrating that the objectives detailed in the description of the milestone are indeed met.

Further specification: (if relevant)

**3) List of key evidence provided in FENIX**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Identifier [same as in FENIX] | Name of the evidence.  For legal acts please provide the full legal reference and date of entry into force | Short description | Link to the requirements below |
| 1 |  |  |  |  |
| 2 |  |  |  |  |
| 3 |  |  |  |  |

**4) Detailed justification**

*[Explain clearly how the achievement of the milestone/target is demonstrated by the evidence provided,* ***covering ALL elements of the milestone/target and the elements of the measure description that are directly or indirectly linked to the milestone/target’s requirements.***  *(e.g. the fact that (i) a certain institution had (ii) to accomplish something (iii) in a certain way in order (iv) to achieve a certain goal (v) by a certain date). Please provide* ***a clear link between all the below elements and the one or more evidence items listed above.***

Requirement 1: ‘[excerpt from the milestones/target or the measure description]’

*[Explanation of fulfilment]*

Requirement 2: ‘[excerpt from the milestones/target or the measure description]’

*[Explanation of fulfilment]*

Requirement 3: ‘[excerpt from the milestones/target or the measure description]’

*[Explanation of fulfilment]*

[…]

Contribution to the achievement of other elements from the measure description: [evidence related to the elements that are not directly addressing the M/T but in the measure, where relevant]