FOREWORD

The Irish Fiscal Advisory Council was established as part of a wider agenda of reform of Ireland's budgetary architecture as envisaged in the *Programme for Government 2011*. The Council was initially set up on an administrative basis in July 2011, and was formally established as a statutory body in December 2012 under the *Fiscal Responsibility Act (FRA)*. The Council is a public body funded from the Central Fund. The terms of its funding are set out in the *FRA*.

The mandate of the Irish Fiscal Advisory Council is:

- To endorse, as it considers appropriate, the macroeconomic forecasts prepared by the Department of Finance on which the Budget and Stability Programme Update are based;

- To assess the official forecasts produced by the Department of Finance;

- To assess government compliance with the Budgetary Rule as set out in the *FRA*;

- To assess whether the fiscal stance of the Government in each Budget and Stability Programme Update (SPU) is conducive to prudent economic and budgetary management, including with reference to the provisions of the *Stability and Growth Pact*.

The Council submits its *Fiscal Assessment Reports* to the Minister for Finance and within 10 days releases them publicly.

The Council is chaired by Professor John McHale, National University of Ireland, Galway. Other Council members are Mr Sebastian Barnes, Organisation for Economic Co-operation and Development; Dr Íde Kearney, Dutch Central Bank (De Nederlandsche Bank) and Dr Róisín O'Sullivan, Associate Professor, Smith College, Massachusetts.

The IFAC secretariat consists of Eddie Casey, Thomas Conefrey, Sarah Doyle, Andrew Hannon and John Howlin.

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This report was finalised on 29 May 2015. More information on the Irish Fiscal Advisory Council can be found at www.fiscalcouncil.ie