

Minutes of Irish Fiscal Advisory Council Meeting (26th September 2025)

Dublin Chamber, Dublin 2

9.00am-3.00pm, Friday 26th September 2025

Present

Mr Seamus Coffey (Chairperson)

Dr Michael McMahon

Mr Alessandro Giustiniani

Prof Stephen Millard

Attending

Mr Niall Conroy

Mr Killian Carroll

Mr Brian Cronin

Ms Nara Gómez

Dr Sinéad Ashe

Ms Karen Bonner

Attending (for item Nº 2 only)

Representatives Department of Finance,
Economic and Budget Division

Proceedings

1. Pre-endorsement preparations

The Council prepared for the forthcoming endorsement discussion. The Council discussed the draft Budget 2026 forecasts received from the Department of Finance. As part of its decision-making process, it compared the Department's macroeconomic forecasts to the Council's Benchmark projections and other agencies forecasts; it considered the methodology used to produce the forecasts; and it reviewed past forecast errors for evidence of systematic bias.

2. Presentation from the Department

John McCarthy, Chief Economist/Assistant Secretary General and colleague(s) from Department of Finance's Economic and Budget Division joined the meeting and presented its draft Budget 2026 forecasts and responded

to questions raised by the Council. The Council thanked the Department of Finance representatives who then left the meeting.

3. Endorsement decision

The Council held further discussions related to the Department of Finance's forecasts in the context of a decision regarding endorsement. In this regard, the Council drafted the text for the endorsement letter which it agreed and approved.

The Council was satisfied that the final forecasts were within an endorsable range, taking into account the methodologies used and the plausibility of the judgements made. The Council endorsed as within the range of appropriate forecasts the set of macroeconomic projections prepared by the Department of Finance for Budget 2026 covering the years 2025 to 2030.

The Council will discuss the endorsement process and assess the macroeconomic projections in its forthcoming FAR.

4. Peer review discussion

In preparation for the forthcoming peer review, the Council discussed potential timing, possible themes, the approach, recommendations to revisit from the last review and a potential extern. Niall will engage further with the OECD with a view to establishing timelines, costing and TORs for Council consideration with a view to commencing the process shortly for completion in 2026.

5. 2026 Conference

The Council discussed potential themes for its Annual Path for the Public Finances Conference which it is planned to hold in the RIA in mid-February 2026, which will be discussed at a future meeting.

6. Long-term update

An update was provided on projecting Ireland's migration to include background on the 2020 report, the current updated model results and sensitivity considerations.

7. Admin/Financial

- **Declarations of interest:**

There were no declarations of interest

- The Council **approved the minutes** of the meeting of the Council held on 11 August 2025. Stephen proposed and Alessandro seconded them.

- **Matters arising**

There were no matters arising.

- **For Approval**

There were no items for approval.

The finalised 2024 **Annual Report** and **Chairperson's Comprehensive Report**, as per that discussed and reviewed at the last Council meeting, were noted.

- **Standing items:**

- The next **Audit & Risk Committee** meeting is scheduled for 13 October 2025.
- The Q3 2025 **Management Accounts** will be available in early October.
- The remaining two sections of the **Risk Register** will be reviewed by the A&RC at its next meeting.
- **Purchases and Receipts book:** The Council reviewed the Purchases and Receipts book August 2025.
- The Council received two **Parliamentary Questions** since the last meeting.
- **AIE/FOI Update:** The Council received no AIE requests since the last meeting. The Council received no FOI requests since the last meeting.

- **Info Security/GDPR:** There was nothing to raise in respect of information security or GDPR.
- **Recruitment Update:**

Dr Adele Bergin stepped down as a Member of Council on 31 July 2025 and Prof Michael McMahon advised the Minister, earlier this month, that he plans to step down as a Member of Council on 31 December 2025. The process to appoint a Council Member via the State Boards Public Appointments Service, co-ordinated by the Department of Finance, is in progress.
- **EU IFIs**

An update was provided in respect of EU IFI activity to include Niall's recent attendance at the 5th Joint Workshop of European IFIs and the ECB in Frankfurt on 24 September. The European Fiscal Board annual conference will be held on Brussels on 14 November.
- **Recent and Forthcoming Meetings:**

Recent:

 - Seamus presented at the Dublin Economics Workshop (DEW) Conference: Wexford 19 & 20 September
 - Niall presented at the Irish Public Economic Workshop (1 & 2 September, Central Bank of Ireland)
 - Niall attended the 5th Joint Workshop of European IFIs and the ECB: Frankfurt 24 September

Forthcoming:

 - Killian attending and presenting at Energy on the Estuary 2025: Limerick, 13 October
 - Business Post Economic Outlook Forum: Dublin, 11 November
 - European Fiscal Board Annual Conference – "Sustainability in times of national escape clauses": Brussels, 14 November
 - IPFIN conference (UK & Irish Fiscal Councils/PBOs) 29/30 Jan 2026

- Forthcoming Audit and Risk Committee meetings 2025 @ 9.30am: 13 October
- Forthcoming Council meetings 2025: 30 October

- **Communications**

An update was provided in respect of recent communication activities primarily related to the Pre-Budget Statement published on 9 September. The Council intends to publish a flash release on Budget day 7 October.

8. Corporation Tax update and VAT pass through paper

Brian provided an update on the CT working paper, exploring key messages surrounding concentration, tariffs and vulnerability to tax policy changes, with a view to finalising the paper for publication shortly.

Killian confirmed that the new working paper on VAT rate changes and prices – ‘VAT rate changes and pass-through: Evidence from the Irish hospitality and tourism industry’, subject to the Council’s final review, is ready for publication.

9. AOB

It was noted that 7 October is budget day. The next meeting of the Council will take place remotely on the afternoon of 30 October. A call in respect of the FAR will most likely take place on 14 November.

Signed:

Seamus Coffey (Chairperson)

Dated: _____