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Abstract

This second OECD review assesses the Irish Fiscal Advisory Council and progress made since the 2021 OECD review. It examines how the Council continues to perform against international standards, and considers how it can remain effective in light of evolving fiscal and institutional challenges.

Keywords: Independent fiscal institution (IFI); Ireland; fiscal council; oversight; fiscal governance; public financial accountability

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Contact

Scherie NICOL (✉ scherie.nicol@oecd.org).

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Abbreviations and acronyms

AIReF	Independent Authority for Fiscal Responsibility (Spain)
C&AG	Comptroller and Auditor General
CBR	Council for Budget Responsibility (Slovak Republic)
CFP	Public Finance Council (Portugal)
DGDP	Debt-to-Gross Domestic Product ratio
DG ECFIN	Directorate General for Economic and Financial Affairs
DPER	Department of Public Expenditure, Infrastructure, Public Service Reform and Digitalisation
DoF	Department of Finance
EC	European Commission
ESRI	Economic and Social Research Institute
EU	European Union
FRA	Fiscal Responsibility Act
GDP	Gross Domestic Product
GNI	Gross National Income
IBO	Independent Budget Office (New York)
IFI	Independent Fiscal Institution
IMF	International Monetary Fund
MoU	Memorandum of Understanding
OECD	Organisation for Economic Co-operation and Development
PBO	Parliamentary Budget Office
SGP	Stability and Growth Pact
SMEs	Small and Medium-Sized Enterprises
The Council	Irish Fiscal Advisory Council
2021 Review	2021 OECD Review

Executive summary

The Irish Fiscal Advisory Council was established in 2011 and placed on a statutory footing through the Fiscal Responsibility Act 2012. This OECD Review assesses progress since the previous 2021 Review, identifying emerging challenges and setting out actions to ensure that the Council remains effective in a changing national and European fiscal context.

Ireland's fiscal position has further improved since 2021, underpinned by robust economic growth, sustained budget surpluses and a declining debt-to-GDP ratio. Exceptional corporation tax receipts have enabled the establishment of the Future Ireland Fund and the Infrastructure, Climate and Nature Fund to help address long-term fiscal pressures. However, public expenditure continues to increase, particularly in healthcare, and around 85% of these windfall revenues is being absorbed each year, with the remainder going to the Funds. As these receipts are highly volatile and concentrated among a small number of firms, any downturn would have a disproportionate impact on public finances and would constitute a significant fiscal risk. Strong revenues also weaken immediate pressures for fiscal restraint, increasing the likelihood that underlying vulnerabilities build during periods of economic strength.

Ireland has yet to transpose the new European Union (EU) Economic Governance Framework into national law. Even so, stakeholders note that Ireland's low debt ratio and multinational-driven tax base limit the framework's relevance compared with many peers. In particular, strong headline debt and deficit indicators do not trigger fiscal adjustments, even though surpluses are largely driven by windfall corporate tax receipts. Moreover, debt measured against GDP may understate underlying vulnerabilities, as modified Gross National Income (GNI*) provides a more relevant benchmark for the domestic economy. This highlights the need for a national fiscal framework better aligned with domestic risks. In the absence of a clearly defined national fiscal rule, there is no agreed benchmark against which to assess fiscal policy, weakening accountability and oversight. At present, the Medium-Term Fiscal and Structural Plan provides the sole fiscal anchor through net expenditure ceilings. However, awareness of these ceilings remains limited, and as long as EU thresholds are met, non-compliance carries no effective consequences.

A strong fiscal framework depends on both effective rules and independent oversight. The Irish Fiscal Advisory Council is widely regarded as highly effective in fulfilling this role. It delivers significant impact despite its small size and ranks among the top performers in the OECD Fiscal Advocacy Index. Its influence reflects both the strength of its analysis and its ability to communicate complex issues in a clear and accessible way. In recent years, the Council has expanded its use of timely and layered analytical outputs, including blogs, summaries and visual formats, which has helped to broaden the reach of its work and strengthen its role in public debate. Its analysis of corporation tax sustainability and climate-related fiscal risks has been particularly influential in shaping policy discussions.

The Council has also been strengthened in several areas since 2021. The time commitment and remuneration for the Chair have been increased, better reflecting the demands of the role. Funding arrangements are being improved to support greater resource stability over time. Audit requirements have become more proportionate, reducing the administrative burden on the Secretariat.

Despite these strengths, structural constraints continue to limit the Council's effectiveness. Restricted access to detailed spending data, limited autonomy over staffing, and the absence of a clearly defined role in relation to assessing net expenditure growth constrain its ability to assess fiscal developments and fully perform its functions. Addressing these constraints will be important to sustain its impact, particularly given Ireland's specific fiscal context.

Summary of recommendations

This OECD Review recommends the following actions to help ensure that the Council remains effective:

- **Fiscal framework:** Ireland lacks effective national fiscal rules, and this reduces the Council's capacity to assess fiscal policy. Establishing a stronger role for the *Houses of the Oireachtas* (parliament) in reviewing and approving the expenditure ceilings set out in the Medium-Term Fiscal and Structural Plan, and inviting the Council to appear before the Committee on Budgetary Oversight to present its assessment of these ceilings, would strengthen national ownership and accountability, enhancing the effectiveness of the expenditure ceilings as fiscal anchors and supporting more effective fiscal oversight.
- **Access to information:** Persistent gaps and delays in spending data limit the Council's ability to assess fiscal developments and risks. Legislation should guarantee the Council's right to timely access to the information needed to fulfil its mandate. In addition, establishing a formal data access framework, including a memorandum of understanding with the Department of Public Expenditure, Infrastructure, Public Service Reform and Digitalisation, a published statement of data needs and clear escalation mechanisms, would strengthen analytical capacity.
- **Operational independence**: Constraints on staffing and organisational flexibility limit the Council's ability to align resources with its mandate. These constraints are exacerbated by delays in adopting legislation to update the budget ceiling. Advancing the legislative process and granting full autonomy over staffing within the approved budget would strengthen operational independence and support more effective delivery.
- **Longer-term analysis:** A small secretariat and competing demands limit the Council's capacity to undertake regular long term sustainability analysis. Dedicating stable resources to this analysis would embed it as a core function and strengthen the Council's ability to highlight emerging fiscal risks.
- **Communications:** The Council has achieved strong visibility, but favourable headline fiscal indicators and a changing media landscape make it harder to attract and sustain attention on fiscal risks. More systematic use of timely, layered analytical outputs, alongside deeper engagement with parliamentarians beyond committee settings, non-government stakeholders and regional audiences, would help keep its analysis prominent and influential.

Strong corporation tax receipts continue to create pressure for higher spending, making adherence to medium-term ceilings more difficult. At the same time, pro-cyclical fiscal policies risk exacerbating economic imbalances, while the tax base remains narrow. Sound fiscal policy choices are therefore critical. A credible and well-resourced fiscal council is an essential asset in supporting a fiscal path that balances short-term pressures with long-term sustainability. Its role is particularly important during periods of strong fiscal performance, when risks can build gradually and may not be evident in headline indicators.

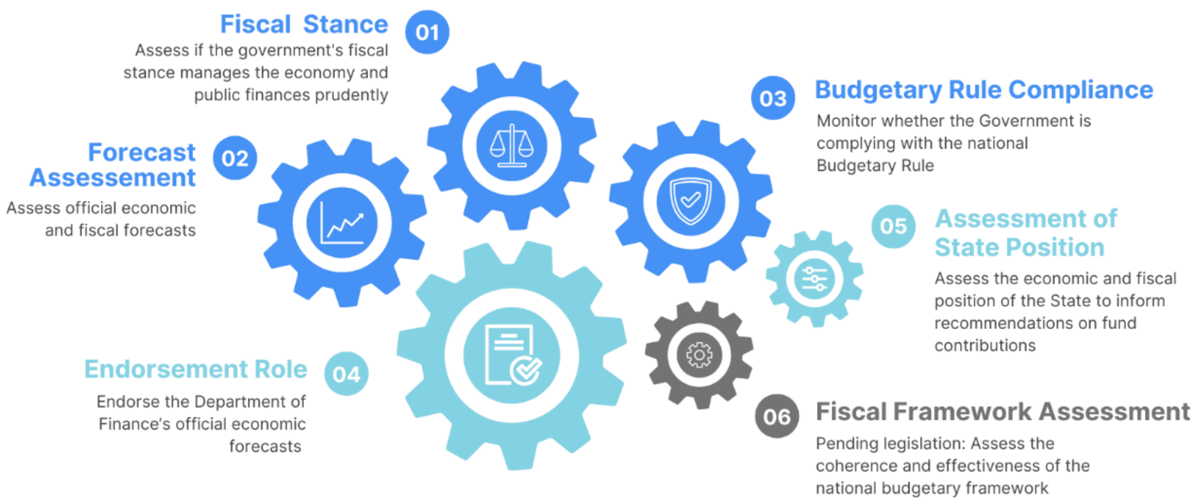
1 Progress since the 2021 OECD Review

1.1. About the Council

The Irish Fiscal Advisory Council (the Council) was established in 2011 in response to the global financial crisis, with the aim of strengthening fiscal oversight and sustainability. It was placed on a statutory footing under the Fiscal Responsibility Act (FRA) in 2012, aligning Ireland with European Union (EU) fiscal governance requirements.

The Council provides independent assessments of the Government's management of the public finances and the economy. Since the 2021 Review, its mandate has been expanded to include an assessment of the State's use of national funds (see Figure 1 and Box 1).

Figure 1. The core components of the Council's mandate in 2026



Notes: Green icons correspond to original mandates, orange to mandates introduced since the establishment of the Council, and grey to forthcoming mandates.
In relation to "Budgetary Rule Compliance" the Council must monitor whether the government is complying with legislated fiscal rules. The primary statutory rule outlined in the Fiscal Responsibility Act 2012 is that the general government's budget position must be either in balance or in surplus or moving at a satisfactory pace toward that condition.

The Council is composed of five part-time members, supported by a full-time Secretariat. The Secretariat is led by a Chief Economist and comprises four analytical staff and one administrative staff member (unchanged since the 2021 Review). The Secretariat remains small by international standards, particularly given the expansion of the Council's mandate since 2021. While stakeholders consistently highlighted the effectiveness of the current team, the concentration of expertise in a small number of staff inevitably creates capacity and continuity risks and limits the flexibility to develop new areas of analytical work.

Staffing levels remain below the complement authorised by the Department of Public Expenditure, Infrastructure, Public Service Reform and Digitalisation (DPER), reflecting the budget constraints identified in the previous review.

Box 1. Growing functions of the Irish Fiscal Advisory Council

The Council's mandate has expanded over time, reflecting evolving fiscal governance requirements. Two legislative changes have added new functions since its establishment, with a third pending. This expansion has not been accompanied by a commensurate increase in budget or staffing.

The additional responsibilities are:

- **Endorsement of macroeconomic forecasts**: To comply with new EU requirements, the Council's mandate was expanded in 2013 through the Ministers and Secretaries Amendment Act, providing a formal role in endorsing official macroeconomic forecasts.
- **Assessment of the State's economic and fiscal position**: Under the Future Ireland Fund and Infrastructure, Climate and Nature Fund Act 2024, the Council evaluates the State's economic and fiscal position to inform recommendations on whether contributions to the Future Ireland Fund and the Infrastructure, Climate and Nature Fund should be adjusted or suspended.

The new EU Directive (2024/1265) will further expand the Council's responsibilities to include assessing the coherence and effectiveness of national fiscal frameworks. Transposition into Irish law is still pending, with legislation expected shortly.

The Council publishes a range of outputs each year, including Fiscal Assessment Reports, a Pre-Budget Statement, a Budget Day Flash Release and its Endorsements of Official Economic Forecasts. It also produces less frequent outputs, including research on long term fiscal sustainability and risks, as well as working papers, analytical notes and blogs. In addition, it has developed a number of datasets to support research.

The Council continues to host its annual conference, *Path for the Public Finances*, which focuses on long-term public finance challenges in Ireland, with each conference centred on a specific theme. It also contributes regularly to national and international conferences.

1.2. Context of current review

In 2025, the Chair of the Council requested an OECD external review. The Council has regularly undergone external evaluation, including a peer review in 2015 and an OECD review in 2021, in line with international good practice. This review aims to assess progress against earlier recommendations and to review how the Council can continue to meet OECD Principles for Independent Fiscal Institutions (IFIs) and EU minimum standards in a changing fiscal and institutional context.

The 2021 OECD Review (2021 Review) found that the Council made a significant contribution to fiscal oversight in Ireland, supported by analysis tailored to the Irish economy and strong public engagement. Despite its small size, it established a reputation for independence, technical credibility and transparency, and helped raise awareness of key fiscal issues among policymakers and the public.

At the same time, the 2021 Review identified several challenges:

- **Budget:** Growing funding in line with price inflation did not reflect the Council's main cost drivers, particularly public sector pay, and combined with an expanded mandate placed pressure on staffing and delivery capacity.
- **Leadership**: The time formally allocated to the Chair role was insufficient, while gaps in leadership appointment and transition arrangements created risks for continuity.
- **Governance requirements**: Oversight requirements, particularly external audits, imposed a disproportionate administrative burden relative to the Council's size.
- **Access to information**: While macroeconomic data were available, access to broader budget information was often delayed or incomplete, limiting effective and systematic scrutiny.
- **Staffing**: Constraints on budget flexibility and staff grading hindered recruitment and retention.
- **Medium to longer-term fiscal issues**: Ireland's budget process emphasised annual planning, and stakeholders called for the Council to strengthen its role in highlighting medium and long-term fiscal risks.

The 2021 Review set out recommendations to address these challenges and strengthen alignment with OECD Principles for IFIs. Five years on, this review assesses progress, identifies remaining constraints, and considers how the Council's role should evolve in a changing fiscal context.

1.3. Progress in relation to recommendations in the 2021 Review

A summary of progress against the 2021 recommendations is provided in Table 1.

Table 1. Implementation of recommendations from the 2021 OECD Review

	Recommendation	Key actor(s)	Assessment	Implementation
1	The Council's budget ceiling should be indexed to key items that make up the Council's expenditure. Periodic review of the budget ceiling and indexing mechanism should be built in to ensure continued adequacy.	Department of Finance (DoF), the Council		Remains unresolved despite the Council having an expanded mandate. Proposed legislation to address this issue is under way. The Finance (Tax Appeals and Fiscal Responsibility) Bill 2025 is currently undergoing pre-legislative scrutiny and would both raise the Council's budget ceiling and adjust its annual resource allocation. However, progress has been delayed, slowing implementation of these reforms.
2a	The role of accountable officer could be transferred to the Head of the Secretariat.	DoF, the Council		Officials at the Department of Finance advised that other agencies and bodies similar to the Fiscal Council would ordinarily have the Chairperson as the Accountable Officer. However, for the Council, this was deemed a standard provision that cannot be changed.
2b	The Chair's role should be advertised as up to half-time.	The Council		The Chair role has been advertised and filled on the basis of a commitment of up to 96 days per annum (minimum of 60 days).
2c	The Deputy Chair role should be formalised in legislation with greater responsibilities.	DoF, the Council		Some additional duties have been allocated to the Deputy Chair role. The Department of Finance does not view legislative change as being necessary.
3a	The Council should undergo proportional governance and audit given its size.	C&AG, the Council		The external audit is now more proportionate to the size of the Council.
3b	One of the Economists could be given a Deputy Head of Secretariat role to build greater succession planning and alleviate risks related to any change in leadership.	DoF, the Council		No progress has been made on this. This is linked to the fact that the Council does not have full autonomy on staff grades and how to use its budget.
4	The Council should set out a statement of data needs and extend its MoU to cover all of its functions. It should also have a statutory right of access to information.	DoF, DPER, the Council		The Council still does not have a statutory right of access to information. Discussions around an extended MoU have been had, but the Council has not been able to make meaningful progress on this. A draft Statement of Data Needs has been written, but is yet to be published.
5a	The Council's leadership should be given full autonomy to hire and dismiss staff and allow flexibility in staff grading structure.	DoF, the Council		The Council still does not have full autonomy over grading structure. Hiring requires the prior consent of the government.
5b	The Council needs to pay special attention to ensuring gender equality in its staffing.	The Council		The Council has taken steps to gender proof job advertisements. Members of staff actively engage with the Irish Society for Women in Economics.
6	The Council should further strengthen its annual budgetary analysis, highlighting medium- and longer-term fiscal issues.	The Council		Progress has been made on a new long term sustainability report, which is planned to be published in 2026. The Council has strengthened other aspects of its budgetary analysis, including the impact of Climate Change on the public finances.

Note: Progress levels made on the recommendations are indicated by the following icons:
Full alignment   Near alignment   Mid alignment   Partial alignment   No alignment

Three broad observations emerge from implementation since 2021.

First, important **progress has been made in improving governance and leadership.** Adjustments to the Chair's time allocation and to external audit processes have reduced operational pressures. Proposed reforms to funding arrangements would further strengthen resource stability, but delays in implementation have limited their practical impact to date.

Second, **progress in strengthening medium- and long-term fiscal analysis has been partial and constrained by resources**. While analytical work has expanded in some areas, the Council has not yet been able to establish a regular and predictable cycle of long-term sustainability analysis.

Third, **core structural constraints relating to access to information and operational independence remain largely unresolved**. Continued reliance on government departments for both resources and data limits the Council's ability to plan and prioritise its work and fully exercise its mandate.

Given the Council's small size, these constraints also require careful prioritisation of analytical work, with trade-offs between short term monitoring and deeper medium- and long-term analysis.

These are reflected in more detail below.

1.3.1. Progress on governance, leadership and funding arrangements

Since the 2021 Review, important progress has been made in aligning the Council's governance arrangements with its operational needs. The Chair role is now defined at up to 96 days per year, with a minimum commitment of 60 days, better reflecting the demands of the position. In addition, external audit processes have been recalibrated in consultation with the C&AG to better reflect the scale and complexity of the Council, significantly reducing the administrative burden on the Secretariat.

At the same time, some governance and leadership recommendations remain unmet. A key ongoing issue is that the Chair continues to carry a significant administrative load stemming from their role as accountable officer, including responsibility for approving expenditures, procurement decisions, software choices and other operational matters. This absorbs time that could otherwise be devoted to the Council's analytical and oversight functions. The Department of Finance did not support transferring the accountable officer role to the Head of Secretariat, citing consistency with practice across comparable bodies, and legislative changes to strengthen the Deputy Chair role were also not pursued. While these arrangements are now more manageable than in 2021, there would be merit in reviewing how responsibilities are distributed between the Chair and the Secretariat to ensure that administrative demands do not unduly constrain strategic leadership.

There is also a proposed reform to the Council's funding arrangements. The current approach to funding the Council, funding indexed to price inflation, does not reflect key cost drivers such as public sector pay. Draft legislation proposes to link budget growth to underlying expenditure drivers and to raise the ceiling. If enacted, this would materially improve the stability and adequacy of the Council's resources compared to the framework in place at the time of the 2021 Review.

However, delays in enacting the legislation mean that no material progress can yet be claimed in this area. Although the reform has been on the government's legislative agenda since spring 2023, it has yet to be adopted. At present, it is proposed that these changes are made through The Finance (Tax Appeals and Fiscal Responsibility) Bill 2025. Until there is further progress with this legislation, the Council continues to operate under the budget arrangements set at its creation despite being tasked with the addition of two new functions and an expected third to come (see Box 1 presented earlier).

1.3.2. Mixed progress in strengthening medium- and long-term analysis

The 2021 Review highlighted the importance of establishing a structured and sustained programme of medium- and long-term fiscal analysis. Progress has been uneven.

The Council has expanded analytical work in several areas, including risks related to corporation tax and climate change, and continues to contribute to debate through its annual *Path for Public Finances* conference. Yet, it has not established a regular cycle of long-term sustainability reporting. The next Long Term Sustainability Report is expected in 2026, five years after the previous edition.

While these outputs are valuable, they fall short of best practice among comparable institutions (see the example of Austria in Box 2) and limit the Council's ability to consistently assess fiscal sustainability risks.

Capacity constraints have been the primary factor. Budget limitations have affected staffing levels and restricted investment in analytical tools, reducing the Council's ability to dedicate resources to long term analysis without displacing core statutory work.

Progress in this area will depend on more stable resourcing and greater flexibility in staffing. If reforms to the budget framework are implemented and operational autonomy strengthened, the Council would be better positioned to recruit and retain the expertise required and invest in appropriate analytical tools. This would enable it to establish a regular and predictable cycle of long-term analysis, aligned with international best practice.

Many OECD countries operate national fiscal frameworks anchored by clear domestic rules that complement EU requirements. These typically combine a long-term fiscal anchor, such as a debt objective, with an operational rule to guide near-term policy decisions. Such arrangements support effective fiscal management by linking medium-term sustainability objectives to annual budgetary outcomes. Multiannual expenditure frameworks are a common approach. For example, in the Netherlands, the government's coalition agreement sets four-year expenditure ceilings across key spending areas, while in Denmark the Budget Act establishes binding four-year ceilings for the state, municipalities and regions (Rozenov et al., 2025[1]).

In Ireland, the net expenditure ceilings set out in the Medium Term Fiscal and Structural Plan have not yet evolved into a clearly defined domestic fiscal rule. In the absence of a well-established operational rule, the framework provides only a limited basis for guiding short-term fiscal policy and anchoring expectations. In this context, strengthening medium- and long-term fiscal analysis becomes increasingly important. Such analysis can provide an alternative basis for assessing sustainability, identifying emerging risks and informing policy decisions where formal fiscal rules are less firmly embedded.

Box 2. Long term fiscal sustainability analysis by the Austrian Fiscal Advisory Council

Austria's Fiscal Advisory Council (*Fiskalrat*) provides a useful example of how a relatively small IFI can deliver regular, high-quality long-term sustainability analysis.

Established in 2013, the *Fiskalrat* operates with a small secretariat of around six staff members who support its analytical work. Although it does not perform the endorsement function carried out by many of its European peers, it has established a consistent, predictable and well regarded cycle of long term fiscal reporting.

The *Fiskalrat's* statutory mandate requires it to publish a comprehensive fiscal sustainability report every three years, with the first report issued in 2021. This work provides the foundational basis for its assessment of risks to general government debt sustainability and supports data driven, long term fiscal planning. In its triennial reports, the *Fiskalrat* projects fiscal sustainability horizons out to 2070, closely modelling age-related expenditures, labour market shifts, and structural budget pressures.

To ensure these long-term projections remain relevant between major reporting cycles, the *Fiskalrat* regularly supplements its work with targeted working papers and brief analytical updates. This includes:

- **Pension and demographic stress-testing:** The Council frequently publishes dedicated working papers that deep-dive into Austria's statutory pension system, evaluating the long-term fiscal impacts of demographic aging, early retirement trends, and the sustainability of federal pension contributions.
- **Healthcare and long-term care cost drivers:** Recognising these as the fastest-growing expenditure categories, the *Fiskalrat* releases specialised analyses that isolate cost drivers in healthcare, simulating how different reform scenarios or technological advancements will pressure sub-national budgets over a multi-decade horizon.

- **Climate change and green transition modelling:** In recent years, the Council has expanded its working paper series to analyse the long-term fiscal risks of climate change. This includes quantifying the budgetary costs of missing carbon emission targets, the structural shift in tax revenues away from fossil fuels, and the long-term public investment required for green transitions.

Through this combination of flagship triennial reports and agile, thematic working papers, the *Fiskalrat* ensures that Austrian policymakers have continuous access to rigorous, forward-looking fiscal risk assessments despite the institution's lean institutional footprint.

1.3.3. Continued constraints on access to information and operational independence

Structural constraints relating to access to information and operational independence remain the most significant outstanding challenges for the Council's effectiveness.

The Council has established effective access arrangements for its endorsement function through a Memorandum of Understanding (MoU) with the Department of Finance. At the same time, comparable arrangements have not been put in place with DPER for other aspects of its mandate, particularly in relation to detailed spending data and the assumptions underpinning budget projections. This creates gaps in coverage and results in uneven access to information across the Council's functions.

While DPER generally shares the spending information it receives from other Departments, the Council continues to encounter limitations which restrict its analysis. This is due to delays, incomplete responses and difficulties accessing sufficiently granular information, particularly in areas such as health expenditure, pensions and other sector specific developments. These limitations affect the Council's ability to assess fiscal developments, monitor compliance with net expenditure ceilings and evaluate whether fiscal plans are grounded in realistic assumptions.

These challenges reflect the absence of strong institutional or legal incentives for timely and comprehensive data sharing. In practice, access to information often relies on informal arrangements and goodwill, rather than legislative provisions and enforceable standards, creating uncertainty and limiting the Council's ability to plan and deliver its work.

Addressing these issues will require more formalised and comprehensive information access arrangements. Legislation should guarantee the Council's right to timely access to the information needed to fulfil its mandate. Arrangements should also encompass establishing a Memorandum of Understanding with DPER, publishing a clear Statement of Data Needs, and introducing structured escalation mechanisms where information provision falls short (for example, see the escalation process set out in the enabling legislation for the Portuguese Public Finance Council in Box 3). These arrangements should aim to avoid being overly burdensome on either party and be cognisant of the the level of granularity which can be provided in the context of data ownership and data protection practices.

Taken together, these arrangements would help ensure timely and consistent access to detailed bottom-up spending data and the assumptions underpinning budget projections, strengthening the Council's ability to assess the feasibility of net expenditure ceilings. Improved access to information would also support more robust assessment of fiscal forecasts and underlying spending pressures, particularly in complex areas such as healthcare.

At the same time, operational independence remains constrained. Key decisions relating to staffing, grading and recruitment continue to require consent of the Minister for Finance, following consultation with the Minister for Public Expenditure and Reform. This limits organisational flexibility, creates uncertainty for workforce planning and constrains the Council's ability to recruit and retain specialised expertise.

Strengthening operational independence, including by granting the Council full autonomy to determine its internal staffing structure within its approved budget, would reduce these constraints, better align the Council with OECD Principles for IFIs and strengthen its ability to deliver its mandate effectively.

Box 3. The escalation process for securing access to information at the Portuguese Public Finance Council

Portugal's Public Finance Council (CFP) provides a relevant example of a structured escalation framework that helps ensure timely access to the information required for independent fiscal oversight. Its enabling legislation grants the Council access to all information necessary to carry out its duties as well as a set of proportionate tools that can be activated when information is not provided or when delays become unreasonable. This offers a model for how IFIs can be protected against disruptions or political interference in the flow of data.

In the first instance, institutions in breach of reporting obligations are formally notified that the CFP intends to invoke the legal mechanism of public disclosure of non-compliance, as provided for in its legislation. This tends to be very effective and is usually enough to compel public bodies to comply by providing the information requested.

The next step in the escalation process allows the CFP to publish a notice on its website identifying the information that has not been supplied and the public bodies involved. This mechanism provides transparency to stakeholders and signals concerns about delays or non-compliance while still keeping the response at a relatively low level of formality.

If issues persist, the CFP can escalate further by formally notifying a set of high-level institutions. These include the President of the Court of Audit, the Governor of the Bank of Portugal, the Parliament and, as a last resort, the President of the Republic. The availability of these higher-level interventions reinforces the expectation that public bodies must provide timely and complete information and helps mitigate the risk of political interference affecting the Council's analytical work.

2 The evolving domestic and international context

2.1. Domestic fiscal context

Ireland's fiscal position has strengthened since the 2021 Review. Strong economic growth, sustained surpluses and a declining debt ratio have improved headline indicators. Windfall corporation tax receipts have also created additional fiscal space and supported the establishment of the Future Ireland Fund and the Infrastructure, Climate and Nature Fund to address long-term spending pressures.

Despite these favourable indicators, underlying vulnerabilities have increased. The public finances remain highly dependent on a narrow and concentrated corporate tax base, while structural spending pressures continue to rise (OECD, 2025[2]). Expenditure growth remains strong, particularly in healthcare, and around 85% of corporate tax receipts are being used to finance current spending (Irish Fiscal Advisory Council, 2025[3]). This increases exposure to volatile revenues and raises the risk of abrupt fiscal deterioration. Strong revenue performance can weaken incentives for fiscal restraint, increasing the likelihood that vulnerabilities build during periods of economic strength.

Ireland's fiscal dynamics differ significantly from those of many peers. The relationship between output, revenues and debt is heavily influenced by multinational activity, meaning that standard indicators expressed as a share of GDP do not fully capture underlying fiscal pressures (OECD, 2025[2]). As a result, headline indicators may give a misleading impression of fiscal space even as risks accumulate.

This highlights the importance of expenditure-based fiscal anchors. Unlike budget balance indicators, expenditure ceilings can help insulate spending decisions from temporary revenue developments and reduce the risk that windfall revenues become embedded in permanent expenditure commitments.

Ireland submitted its first Medium Term Fiscal and Structural Plan in October 2024, followed by an updated plan in January 2026. The current plan sets out Ireland's fiscal strategy, including indicative net expenditure ceilings. However, these ceilings have limited visibility and are not yet embedded within a clearly articulated national framework.

These features point to the need for a stronger and more credible national fiscal framework, better aligned with Ireland's underlying risks and capable of providing a clear basis for transparency, accountability and oversight. In this context, well-designed expenditure rules can help manage revenue volatility and reduce pro-cyclical fiscal policy (Rozenov et al., 2025[1]).

2.2. EU fiscal reforms and their implications for Ireland

2.2.1. Key features of the 2024 EU framework

The EU fiscal framework has long shaped national budgetary governance. Successive reforms of the Stability and Growth Pact (SGP) have defined fiscal rules, guided national policy and played a central role in the development of IFIs.

The 2024 reform marks a shift towards a more country-specific and medium-term framework. Fiscal requirements are now derived from debt sustainability analysis, with Member States setting expenditure paths through Medium Term Fiscal and Structural Plans. This approach places greater emphasis on national ownership and alignment with country-specific conditions.

The reform is set out in Directive (EU) 2024/1265, which strengthens requirements for national budgetary frameworks. Member States must establish credible medium-term frameworks supported by numerical rules and effective institutional arrangements.

The Directive also expands the role of IFIs, including assessing the consistency, coherence and effectiveness of national fiscal frameworks and strengthening engagement with national parliaments. It further reinforces requirements relating to independence, resources, access to information and public communication.

These reforms shift greater responsibility to national frameworks and institutions to ensure effective fiscal governance and support fiscal discipline.

The deadline for transposition of the Directive was 31 December 2025. While several Member States have completed this process, Ireland has yet to do so, and it is not included in the most recent Government Legislation Programme (Department of the Taoiseach, 2026[4]).

2.2.2. Limits of the EU framework in the Irish context

The reformed EU framework presents specific challenges in the Irish context. In particular, reliance on debt and deficit indicators expressed relative to GDP does not fully reflect underlying fiscal risks. This reflects the disconnect between GDP-based metrics and underlying fiscal capacity in an economy heavily influenced by multinational activity.

Under the new framework, countries with low debt and deficit ratios are not required to undertake significant fiscal adjustment. In Ireland’s case, this may weaken the disciplining effect of the framework, as favourable headline indicators can mask underlying vulnerabilities. Fiscal conditions may appear strong even as imbalances build, reducing incentives for prudent policy.

At the same time, the Medium Term Fiscal and Structural Plan provides the main fiscal anchor through net expenditure ceilings. However, these ceilings have limited public and political visibility. In the absence of procedural consequences for non-compliance, their influence on fiscal decision making remains limited as long as EU thresholds are respected.

While the EU framework provides an important overarching structure, it offers only a partial, and at times weak, anchor for fiscal discipline in Ireland. This places greater weight on national fiscal arrangements to ensure effective oversight and policy discipline.

2.2.3. Implications for national frameworks and IFIs

The evolving EU framework increases the importance of well-designed national fiscal frameworks. Achieving sound public finances now depends more heavily on domestic arrangements that provide credible rules, clear benchmarks and effective oversight mechanisms.

For Ireland, this implies greater reliance on national institutions to interpret fiscal developments, assess risks and support policy discipline in a context where EU indicators provide only a partial picture. IFIs, in particular, play a central role in strengthening transparency, enhancing accountability and supporting informed fiscal debate.

The following section sets out the implications for the Council and identifies priority areas where its role could be strengthened.

2.3. Implications of evolving domestic and international context for the Council's role

The evolving domestic and international context places new demands on the Council's role. Four areas in particular stand out: strengthening parliamentary engagement and national ownership, deepening analysis of expenditure ceilings, expanding the Council's role in assessing and improving the fiscal framework, and broadening its analytical focus towards medium- and long-term sustainability.

2.3.1. Strengthening national ownership and parliamentary scrutiny of net expenditure ceilings

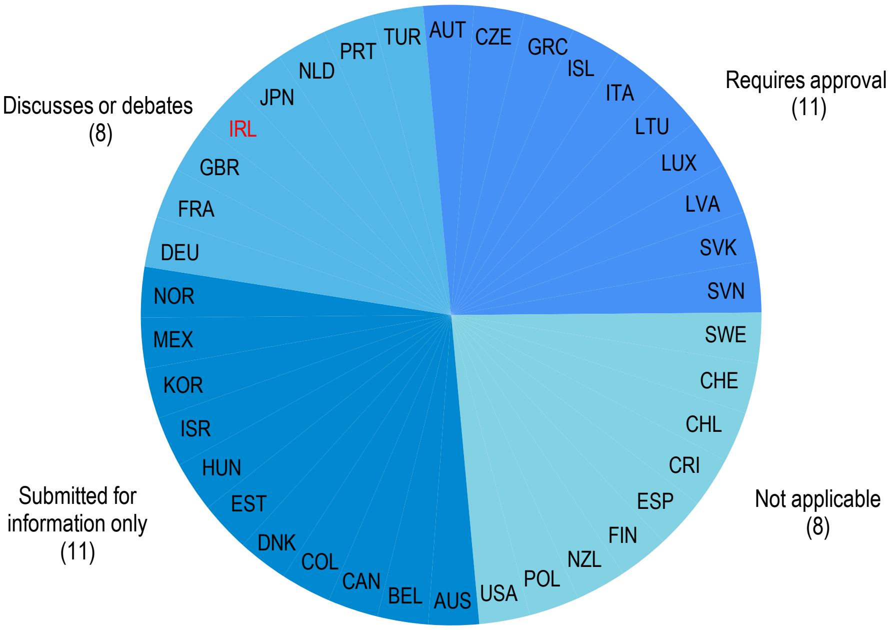
Strengthening parliamentary involvement would enhance national ownership and accountability for net expenditure ceilings. This would require the *Oireachtas* to formally approve the Medium Term Fiscal and Structural Plan, in line with practice in several OECD countries (see Figure 2).

The Committee on Budgetary Oversight already engages with the Plan, including hearings with Ministers (for example on 3 March 2026) (Houses of the Oireachtas, 2026[5]) and discussions with the Council (27 January 2026) (Houses of the Oireachtas, 2026[6]). However, the timing of the publication and submission of the Plan to the *Oireachtas* limited opportunities for parliamentary scrutiny before its transmission to the European Commission.

Formalising parliamentary approval and ensuring that the parliament has sufficient time for scrutiny before the plan is submitted to the European Commission offers the opportunity to strengthen national ownership of net expenditure ceilings. It will also provide a clearer institutional channel through which the Council's analysis can inform fiscal decision making.

A more structured process would also improve the quality of engagement between the Council and parliament, focusing discussion on the realism of net expenditure ceilings, underlying assumptions and fiscal risks rather than repeating established positions.

Figure 2. Legislative role in approving medium-term budget proposal



Source: 2025 OECD Survey on Parliamentary Budget Oversight, Question 5.

2.3.2. Strengthening independent analysis of net expenditure path

The Council assesses compliance with net expenditure ceilings in its Fiscal Assessment Report twice a year. However, stakeholders called for enhanced scrutiny of the expenditure ceilings, in order to improve their visibility and effectiveness.

The Council could play a greater role in assessing whether net expenditure ceilings set out in Ireland's Medium-Term Fiscal and Structural Plan are realistic, aligned with underlying cost pressures and consistent with medium-term fiscal sustainability. Such analysis is particularly relevant in the Irish context, where exceptional corporation tax receipts create a disconnect between headline budget balances and the underlying fiscal position. Monitoring expenditure developments alongside existing work the Council does on the risks around the sustainability of revenue growth will allow the Council to assess whether fiscal policy remains consistent with medium-term sustainability objectives even when headline indicators appear favourable. Scenario analysis focused on alternative paths for corporation tax receipts could form part of this assessment.

Experience in other countries provides useful examples. In the Slovak Republic, the Council for Budget Responsibility has developed tools to assess the realism of fiscal projections and monitor developments throughout the budget year (see Box 4). This approach combines detailed technical analysis with accessible communication, strengthening both transparency and policy impact.

To perform a similar role, the Council will require improved access to detailed bottom-up spending data, and information on the assumptions underpinning budget projections. Strengthened arrangements with the DPER, including a formal Memorandum of Understanding, a published Statement of Data Needs and clear escalation procedures, would support timely and comprehensive analysis.

Enhanced scrutiny of net expenditure ceilings would also help address stakeholder concerns that fiscal forecasts are not subject to the same degree of independent scrutiny as macroeconomic forecasts.

Box 4. How the Slovak Council for Budget Responsibility monitors compliance with expenditure ceilings

The Slovak Council for Budget Responsibility (CBR) has developed a set of tools to assess the realism of fiscal projections and monitor compliance with fiscal targets, including expenditure ceilings, on a continuous basis throughout the budget year. This has proven particularly relevant in a context where tax revenues have deviated from expectations and fiscal policy has been adjusted during the year.

A central element of this approach is the CBR's Evaluation of the Budget Proposal, published after the budget is presented to parliament. This report provides an independent assessment of the government's fiscal projections, including whether fiscal targets are likely to be met under existing policies. It identifies risks to the fiscal outlook and assesses whether additional measures may be required to ensure compliance. This is based on the CBR's fiscal forecast under the most-likely scenario.

This analysis is complemented by the CBR's Budgetary Traffic Lights reports (see snapshot below) (Council for Budget Responsibility (RRZ), n.d.[7]), which provide a simple and accessible framework for monitoring developments during the year. These monthly, one-page reports use a traffic light system to signal the likelihood of deviations from fiscal targets, based on updated projections of revenues, expenditures and the overall balance. The monthly forecasts are based on existing policies and assume that end-of-year developments follow patterns observed in previous years. This approach allows risks to be identified early and communicated clearly to policymakers and the public.

The work is supported by detailed methodological work setting out how fiscal projections are produced, updated and evaluated.

	Gov. targets	CBR forecast	Deviation	Budget risk
General government balance	**-4.1 % GDP**	**-4.3 % GDP**	**-0.2 % GDP**	
Net expenditure growth	**11.2 %**	**6.4 %**	**-4.8 p.p.**	MEDIUM RISK
Public expenditure ceilings	**EUR 61.8 bn.**	**EUR 61.2 bn.**	**EUR -0.6 bn.**	

The CBR also publishes *ex post* assessments of compliance using budgetary outturn data, including analysis of the drivers of any deviations.

Together, these tools enable the CBR to provide a continuous and forward-looking assessment of fiscal developments, strengthening scrutiny of fiscal projections and improving the monitoring of compliance with expenditure ceilings and medium-term plans.

Source: (Slovak Council for Budget Responsibility, 2026[8]; Council for Budget Responsibility (RRZ), n.d.[7])

2.3.3. Strengthening the Council's role in assessing Ireland's fiscal framework

The reformed EU Directive expands the role of IFIs to include assessing "the consistency, coherence and effectiveness of the national budgetary framework" (Council of the European Union, 2024[9]). Such a role is particularly important in Ireland, where the EU framework has limited traction in capturing country-specific risks.

In transposing this requirement into national legislation, consideration could be given to establishing a statutory requirement for a periodic assessment of Ireland's national budgetary framework, conducted and published by the Council at regular intervals. Such independent assessments would help drive the development of a stronger national framework that is better aligned with Ireland's underlying fiscal dynamics and vulnerabilities.

Beyond monitoring fiscal developments, IFIs can also contribute to the design and improvement of fiscal frameworks. This includes providing independent opinions on proposed reforms and assessing whether existing arrangements effectively support fiscal discipline.

Experience from Spain illustrates this role. The Independent Authority for Fiscal Responsibility (AIReF) has provided a comprehensive assessment of the national fiscal framework and proposed reforms to strengthen its coherence, credibility and effectiveness (see Box 5).

Box 5. AIReF's opinion on proposed reforms to the national fiscal framework

In November 2025, Spain's Independent Authority for Fiscal Responsibility (AIReF) published an Opinion on the Reform of the National Fiscal Framework to support the transposition of the reformed EU Economic Governance Framework.

The Opinion provides a comprehensive assessment of the design and functioning of the fiscal framework, identifying key weaknesses including limited coherence between rules, weak enforcement mechanisms and low levels of compliance. It argues that reform should go beyond formal compliance with EU requirements and be used to strengthen the framework in line with national fiscal challenges.

In this context, AIReF sets out a series of proposals aimed at improving the consistency, credibility and effectiveness of the framework, including:

- a stronger medium-term orientation, with clearer links between fiscal plans and policy measures
- placing an expenditure rule at the centre of fiscal oversight, aligned with the EU framework
- enhanced transparency and data availability to support monitoring and accountability
- more effective supervision and enforcement mechanisms, including clearer corrective tools
- stronger ownership across levels of government, alongside an enhanced role for the IFI

This approach illustrates how an IFI can contribute proactively to the design and improvement of the national fiscal framework.

It also reflects the type of analysis envisaged under the EU Directive, which assigns IFIs a role in evaluating the consistency, coherence and effectiveness of national frameworks.

Source: (AIReF, 2025[10])

2.3.4. Expanding the Council's analytical focus more towards fiscal sustainability

The evolving fiscal framework places greater emphasis on medium- and long-term sustainability. In Ireland, this is particularly important given the absence of an effective national fiscal rule and the limited traction of EU indicators in capturing underlying fiscal risks. In this context, robust and systematic sustainability analysis becomes a critical complement to the fiscal framework.

While the Council has developed strong capacity in areas such as potential output and output gap estimation, there is a need to further strengthen analysis of structural spending pressures, demographic trends and revenue risks. Regular and in-depth sustainability analysis can provide an alternative benchmark for assessing fiscal policy, helping to identify emerging vulnerabilities and inform policy decisions where formal rules are less firmly embedded.

Strengthening this function will require addressing the constraints identified in Chapter 1, particularly in relation to access to information, resources and operational independence. Dedicating stable resources to long-term analysis would help embed this work as a core function and reinforce its role in supporting a more credible and resilient fiscal framework.

While demographic pressures remain important, fiscal sustainability analysis should also continue to examine risks associated with the concentration and volatility of corporation tax receipts. Scenario analysis assessing the implications of weaker revenue growth or a normalisation of corporation tax receipts would complement the Council's existing work and provide an additional benchmark for assessing fiscal policy.

3 Impact of the Council

The Council has established itself as a credible and influential institution within Ireland's fiscal framework. Stakeholders consistently view it as a trusted and independent source of analysis, contributing to a more informed and balanced public debate on fiscal policy. Its impact reflects both the strength of its analytical work and its ability to communicate complex issues clearly, despite structural constraints and a fiscal environment in which strong revenues can reduce the immediate demand for external scrutiny.

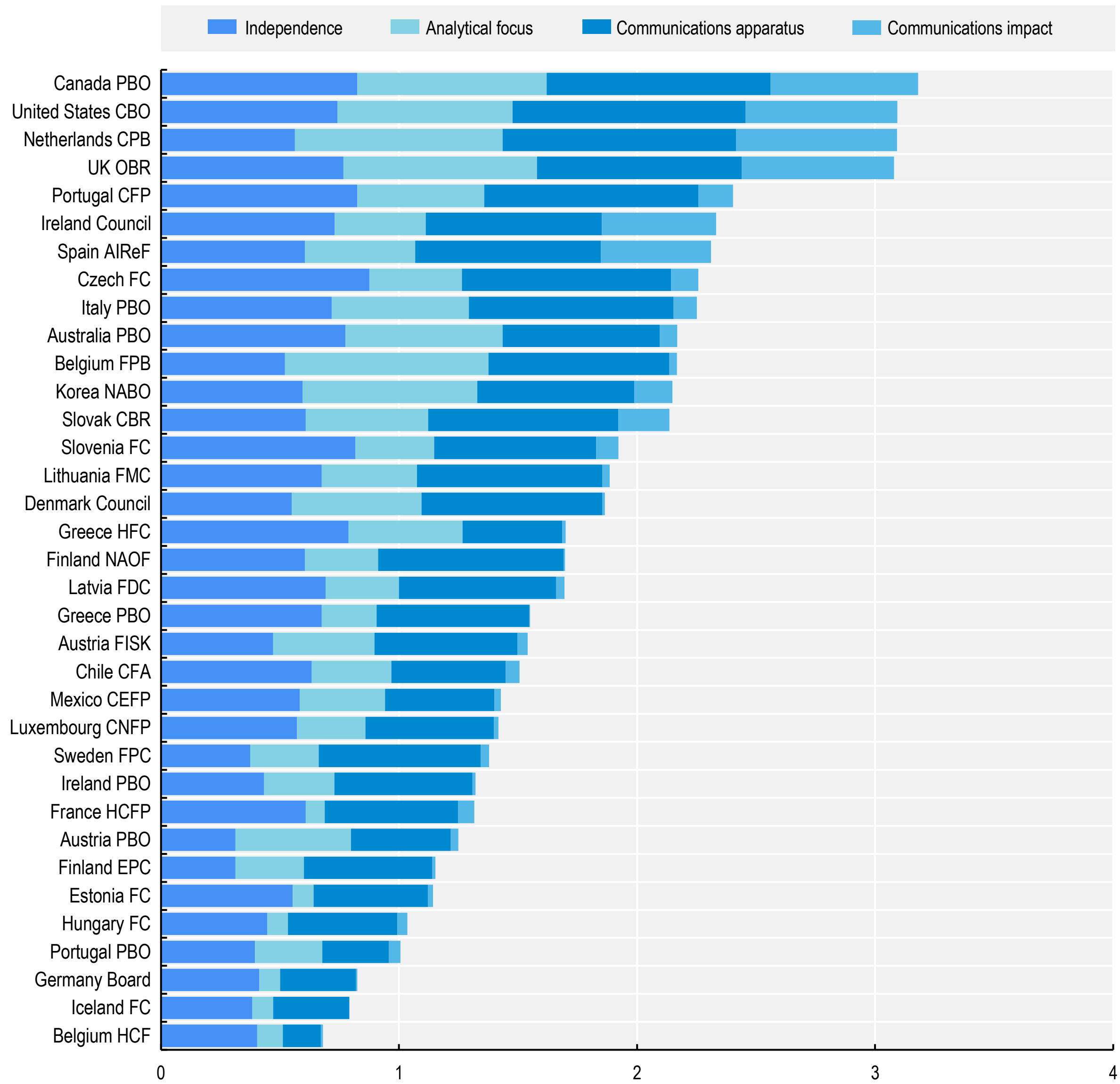
This section assesses the Council's impact across three dimensions. It first examines its overall impact and visibility, including the effectiveness of its communication strategy and its performance relative to international peers. It then considers its influence on fiscal policy and public debate, including its role in supporting parliamentary scrutiny. Finally, it outlines priorities for strengthening the Council's impact in a changing fiscal and media environment.

3.1. Overall impact and visibility

Despite its small size, the Council has achieved a high degree of impact and visibility within Ireland's fiscal landscape, combining analytical credibility with strong public engagement. Fiscal issues attract sustained interest from the media and the public, The Council is widely recognised by stakeholders as a trusted and independent source of fiscal analysis, and its work plays a prominent role in shaping media coverage and public discussion of fiscal policy. This reflects not only the quality and relevance of its analysis, but also sustained efforts to improve how that analysis is communicated and disseminated.

This overall impact is reflected in the Council's strong performance in the OECD Fiscal Advocacy Index, where it ranks among the top performers (Figure 3). Notably, it is one of the few smaller IFIs to achieve a top ten position, highlighting its ability to generate influence despite limited resources. Its performance is broad based, combining high standards of independence, comprehensive analytical coverage, effective communication practices and measurable impact on public debate. This reinforces the view that the Council "punches above its weight" relative to its size and institutional capacity.

Figure 3. The Council ranks sixth on the OECD Fiscal Advocacy Index



Note: The index scores IFIs across four dimensions: independence, reflected in freedom from political interference and stable multi-year funding; analysis, covering major fiscal issues, long-term risks, and election platform costings; communications, using modern platforms to share and track work; and impact, measured by influence on public debate through media and search data.
Source: (OECD, 2025[11]).

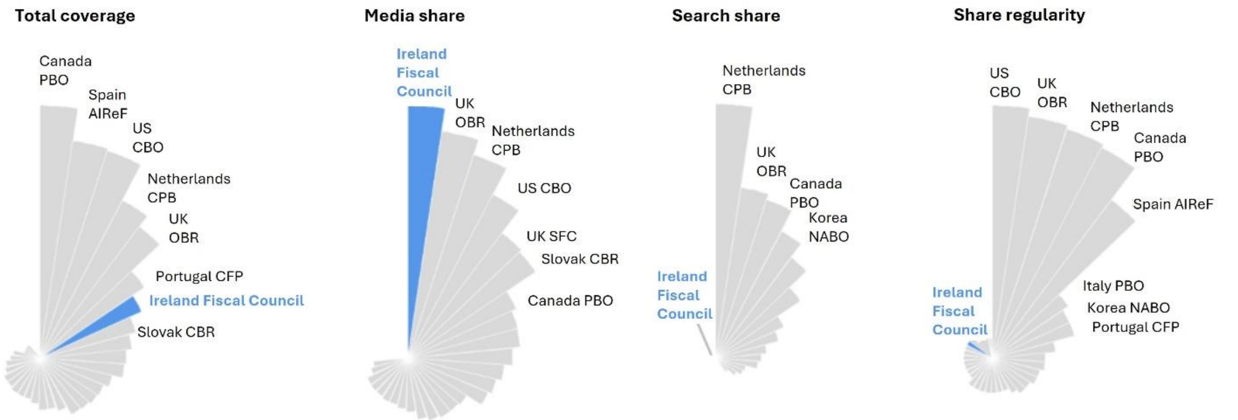
A central driver of this performance has been the Council's communication strategy. The Council maintains an open and constructive relationship with the media, proactively engaging with key journalists, clarifying its work where needed, and contributing to public debate through interviews and media commentary. In recent years, it has made significant progress in improving the accessibility of its outputs. Its flagship Fiscal Assessment Report has been streamlined and redesigned, with clearer language and messaging, as well as improved visual presentation. Stakeholders consistently emphasised that these changes have made the Council's work more accessible to a wider audience without compromising analytical rigour, increasing the uptake and reach of its findings.

The Council has also diversified its communication channels to extend its reach. It has expanded its presence on LinkedIn, where it regularly publishes summaries, infographics and short video content, and has reduced its reliance on X. It has also increased its use of YouTube, including through the publication of conference content, and has begun to experiment with shorter and more visual formats. Internal analytics point to increasing engagement across these platforms, suggesting that these formats are helping to broaden the audience for fiscal analysis. At the same time, stakeholders highlighted the importance of maintaining a careful balance between accessibility and analytical depth as communication formats evolve.

These efforts have translated into strong visibility in traditional media. The Council's analysis is regularly cited in national newspapers and broadcast outlets, particularly during key fiscal moments such as the budget cycle. Mentions in major media outlets have increased in recent years, and the Council stands out among OECD peers for the frequency with which its work is referenced in fiscal reporting. This indicates a significant role in shaping how fiscal developments are framed and understood in the public domain.

By contrast, direct visibility among the wider public appears more limited. Levels of search activity related to the Council are relatively low when compared with broader public finance topics (Figure 4). This suggests that while the Council is highly influential in informing media narratives, there remains scope to strengthen its direct recognition and engagement with non-specialist audiences.

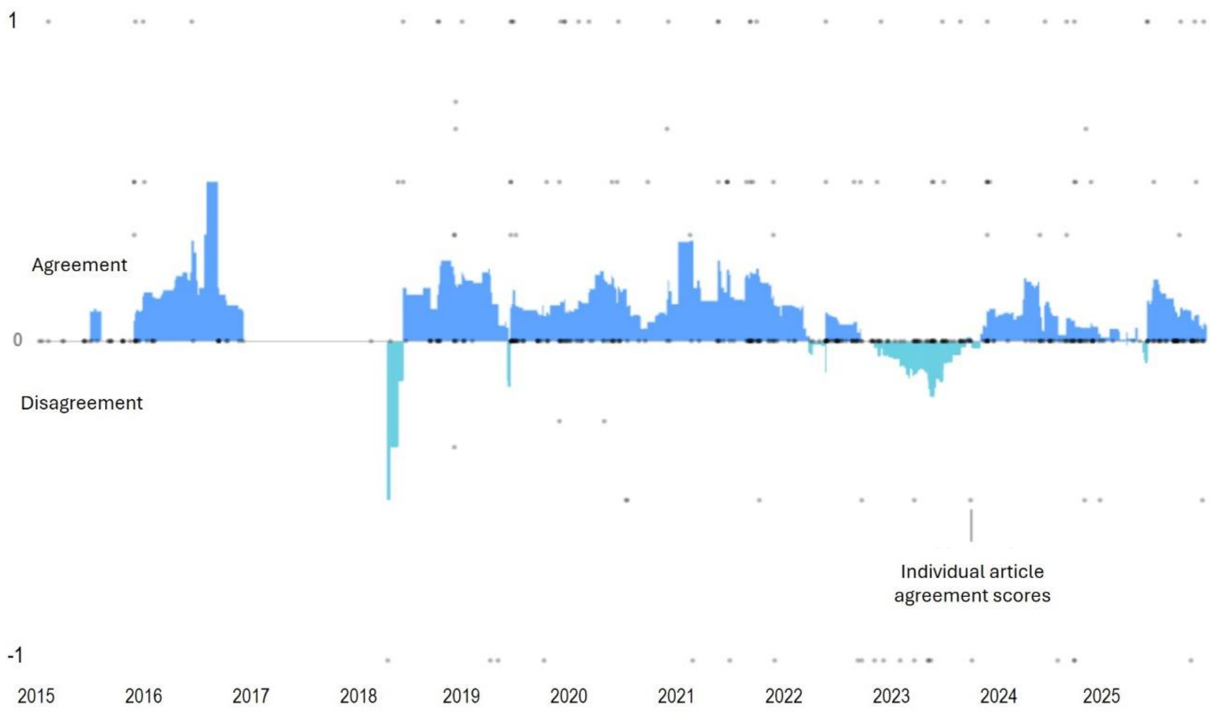
Figure 4. The Council has high media coverage



Source: OECD Fiscal Advocacy Index 2024, and own workings.

Further insight into the Council's visibility is provided by media sentiment analysis (Figure 5). Overall, media coverage is either neutral or broadly aligned with the Council's positions, indicating that its analysis is generally perceived as credible and relevant. Periods of more critical coverage have typically coincided with instances where the Council's assessments diverged from government policy, such as discussions around pension reform or the treatment of corporation tax revenues. More recently, reporting has shown stronger alignment, particularly where media narratives have echoed the Council's warnings on spending pressures and fiscal risks. This suggests that the Council's analytical framing is increasingly reflected in how fiscal issues are reported and discussed.

Figure 5. Sentiment analysis of media articles mentioning the Council



Note: Articles were scored on a scale from 1 (full agreement with the Council) to -1 (clear disagreement), with 0 indicating neutral reporting. A 180-day rolling average highlights the medium-term trends. Article stances were classified using a Natural Language Inference (NLI) model (DeBERTa). A semantic search first identified news sentences conceptually relevant to the Council's claims. A linguistic filter then removed direct quotes and political attributions to isolate the journalist's narrative voice. Finally, the NLI model evaluated whether the remaining text logically agreed with, contradicted, or was neutral towards the Council's position. Low-confidence classifications were defaulted to neutral.

Taken together, these elements point to a Council that combines strong analytical credibility with effective communication and high media visibility. This has enabled it to play a central role in shaping fiscal discourse in Ireland. At the same time, its impact has been achieved despite structural constraints, particularly in relation to staffing and access to information, and in a fiscal context where strong revenue performance can dampen demand for external scrutiny. Sustaining and deepening this impact will depend on continuing to adapt communication approaches while addressing these underlying constraints. In particular, it will be important for the Council to develop mechanisms to ensure that its analysis and publications continue to reach users increasingly relying on large language models and AI assistants for information.

3.2. Influence on fiscal policy and public debate

The Council’s influence extends beyond visibility to shaping fiscal policy, institutional practices and the broader public debate. Stakeholders consistently emphasised that it plays an important role in how fiscal risks are identified, discussed and understood in Ireland. Its impact is not limited to individual policy decisions, but is also reflected in improvements in analytical standards, greater transparency and a more forward-looking approach to fiscal policymaking.

3.2.1. Influence on fiscal policy and government practices

Several concrete examples illustrate the influence of the Council's analytical work on fiscal policy and institutional practice. The Council's role in endorsing official macroeconomic forecasts has contributed to strengthening forecasting practices within the Department of Finance. Stakeholders noted a reduced reliance on judgement based adjustments, greater methodological transparency and a more structured approach to explaining forecast assumptions. This has improved the credibility of the macroeconomic framework underpinning fiscal policy.

Stakeholders widely recognised the Council as an important voice in highlighting the risks associated with the concentration and volatility of corporation tax receipts. Its analysis helped ensure that these issues remained prominent in public and policy discussions, contributing to a broader debate that preceded the establishment of the Future Ireland Fund and the Infrastructure, Climate and Nature Fund. This illustrates how consistent and targeted analysis can shape policy direction over time, even where the Council does not directly determine outcomes.

The Council has also contributed to expanding the scope of fiscal analysis into emerging policy areas. Its work on climate related fiscal risks filled an important gap at a time when few quantitative assessments were available in Ireland. By bringing greater attention to the fiscal implications of climate policy and transition risks, it has helped to broaden the fiscal policy debate and encourage a more comprehensive assessment of long-term sustainability.

Taken together, these examples demonstrate the impact of the Council's work through its contribution to the quality and direction of specific policy choices. It has played a role in improving the underlying framework within which those choices are made. It has strengthened awareness of fiscal risks, raised analytical standards and supported a more systematic consideration of long-term challenges.

Shaping public debate

The Council also plays an important role in shaping public debate on fiscal policy. It is widely seen as a stabilising force within Ireland's fiscal framework, consistently highlighting risks, challenging overly optimistic assumptions and providing an independent counterpoint in discussions of spending pressures. This role is particularly evident in areas such as healthcare, where persistent overruns and strong expenditure pressures require ongoing scrutiny. Stakeholders broadly agreed that, in the absence of the Council, fiscal debate in Ireland would be materially weaker and less balanced.

Engagement with parliament

Influence on public debate is reinforced through the Council's engagement with parliament. Under the FRA (2012), the chairperson of the Fiscal Council can be called to appear before the *Oireachtas*. Although there is no formal requirement for annual appearances, the Council generally attends three to five committee hearings each year. These appearances provide an important channel through which the Council can explain fiscal developments, highlight risks and engage directly with policymakers. The Committee on Budgetary Oversight and the Finance Committee in particular draw regularly on the Council's analysis in their scrutiny of government policy.

Stakeholders emphasised that the Council's clear and accessible communication style enhances its effectiveness in this setting, making complex fiscal issues more understandable to parliamentarians who may not specialise in public finance. At the same time, the impact of this engagement depends on how discussions are structured. Some stakeholders noted that interactions can remain relatively general or reiterate established messages, rather than being closely tied to specific fiscal decisions or trade offs. This can limit the extent to which the Council's analysis directly informs policy choices.

Strengthening the formal role of parliamentary scrutiny, as discussed in Chapter 2, would provide a clearer channel through which the Council's analysis can influence fiscal decision making. A more structured role for the *Oireachtas* in reviewing and approving the Medium Term Fiscal and Structural Plan would enhance national ownership and accountability, while sharpening the focus of parliamentary engagement. In this context, a more formalised role for the Committee on Budgetary Oversight, including inviting the Council to assess proposed net expenditure ceilings, would help anchor discussions more directly in the realism, risks and underlying assumptions of fiscal policy. Strengthening interaction with members of the *Oireachtas* outside of committee appearances would also complement this role (see Section 3.3.2 below on deepening engagement with parliamentarians). Together, these measures would improve the quality and impact of interactions between parliament and the Council, ensuring that its analysis is more closely linked to concrete fiscal decisions.

3.2.2. Engagement with wider policy community

The Council's influence also extends beyond parliament to the wider policy community. Secretariat members regularly contribute to conferences, seminars and policy discussions across a range of sectors, including health, housing, infrastructure, energy and macroeconomic policy. This sustained engagement helps to embed fiscal analysis within a broader ecosystem of expertise, ensuring that the Council's work informs not only political debate but also policy development more generally.

A notable development has been the opening of the Council's annual *Path for the Public Finances* conference to the public in 2026. This represents an important step in broadening access to discussions on long term fiscal challenges and strengthening public understanding of fiscal risks. The conference has become an influential platform for exploring complex issues, combining domestic analysis with international perspectives and helping to sustain attention on topics that may otherwise receive limited political or media focus (see Box 6).

Box 6. How the Council promotes learning through its Path for the Public Finances Conference

The Council's annual *Path for the Public Finances* Conference has become an influential platform for long-term fiscal debate. Initially targeted at a curated audience of policymakers, analysts, and academics, the conference was opened to the public in 2026 to broaden its reach. Attendance typically ranges from 50 to 100 participants, with sessions later posted online.

Started in 2016, the conference serves two purposes. First, it strengthens the impact of the Council's work and facilitates learning from external experts. Second, it brings sustained attention to long-term fiscal issues that often receive less political and media focus.

The 2023 conference, themed Saving for Our Future, was particularly impactful. It coincided with government consideration of whether to establish sovereign savings funds. The Council used the platform to present analysis on how saving windfall corporate tax receipts could help support long-term fiscal sustainability, and this was complemented by international perspectives from the former head of Norway's central bank and sovereign wealth fund. According to stakeholders, this timing and the associated interventions contributed to the quality and the direction of fiscal debate that preceded the establishment of Ireland's savings funds.

3.2.3. Limits to influence

Despite these strengths, the Council's influence on final policy outcomes is shaped by broader political and economic factors and is not always immediately visible. Strong revenue performance, competing policy priorities and the political salience of short-term spending pressures can all limit the traction of medium-term fiscal recommendations. This underlines that the Council's role is primarily to inform, shape and challenge, rather than to determine policy decisions.

This function is particularly important during periods of strong fiscal performance. When revenues are buoyant and headline indicators are favourable, underlying risks can build gradually and may be less visible in standard metrics. In such contexts, the Council's role in maintaining focus on sustainability and highlighting emerging vulnerabilities becomes especially critical.

Overall, the Council has established itself as an important actor in strengthening the quality and direction of fiscal policymaking. Its analysis has helped inform public debate on fiscal policy and has contributed to a richer discussion of fiscal challenges and priorities. Its influence lies in strengthening the context in which fiscal decisions in Ireland are made, supporting more informed, transparent and forward-looking choices.

3.3. Strengthening impact: future direction

The Council has established strong credibility, visibility and influence within Ireland's fiscal framework. At the same time, sustaining this impact could become more challenging.

Strong fiscal performance reduces the immediate demand for external scrutiny, while rising spending pressures and the prominence of short-term policy priorities can limit the traction of medium-term fiscal messages. In addition, maintaining the effectiveness of repeated fiscal messages requires continued effort to keep analysis relevant, specific and engaging over time.

At the same time, a changing media environment, characterised by increasing news avoidance and shifting patterns of online engagement, makes it more difficult to sustain attention and reach a broad audience (Reuters, 2025[12]).

In addition, AI-powered search engines and generative AI tools increasingly shape how citizens access information.

In this context, ensuring that the Council's analysis continues to be accessible, and to resonate and influence decision making will require ongoing adaptation, alongside careful prioritisation within existing resource constraints.

3.3.1. Further expanding timely and layered analytical content

Ensuring the Council's analysis and publications are accessible to AI tools is an important first step to ensuring it is being used, cited and incorporated into AI-generated responses. Further expanding the use of timely and layered analytical content would also strengthen the Council's relevance in fast moving policy discussions. While its core reports remain central to its mandate, the Council has already made progress in developing shorter formats, such as blogs and briefings. There is scope to extend these efforts to provide more frequent, targeted and high impact analysis on emerging fiscal issues. This helps maintain visibility between major publications and link analysis more directly to live policy debates.

A more systematic use of layered outputs could also improve the effectiveness of repeated messaging. Presenting key findings across a mix of formats, ranging from detailed reports to shorter and more accessible summaries, would help ensure that core messages remain visible, relevant and closely aligned with current policy discussions over time. International and domestic examples illustrate how presenting analysis across multiple formats can strengthen engagement and reinforce key messages over time, while maintaining analytical rigour (see Box 7).

In practice, further expansion in this area would likely require additional capacity, particularly in communications.

Box 7. Layering analytical content: international and domestic examples

New York City's Independent Budget Office (IBO)

The IBO uses a layered communication strategy to present fiscal analysis in formats tailored to different audiences and levels of technical expertise. This approach allows it to maintain analytical depth while broadening accessibility.

Key elements include:

- **Detailed reports and datasets:** Comprehensive publications with full methodological detail for core policymakers, researchers and expert users.
- **Infographics (e.g. for LinkedIn)**: Clear visual summaries highlighting key findings and supporting wider dissemination among professionals and policymakers.
- **Short form video content:** Concise videos (e.g. YouTube, Instagram) that distil key messages for broader and younger audiences.

Deloitte Ireland: "This Week in 3 Numbers"

A domestic example of layered communication is Deloitte Ireland's "This Week in 3 Numbers", developed by the Chief Economist. The series illustrates how a structured and repeatable format can sustain engagement with economic issues.

Each edition combines:

- **Short written commentary:** A concise weekly overview linking three key datapoints to broader trends.
- **Visual summaries:** Slide content presenting headline messages for quick consumption.
- **Short-form video:** Brief, informal videos reinforcing the same content in an accessible format.

By presenting the same analysis across multiple formats, the series broadens reach while maintaining a clear and consistent narrative.

3.3.2. Deepening engagement with parliamentarians

Deepening engagement with parliamentarians could strengthen fiscal understanding among key decision-makers and further increase the impact of the Council's analytical work on fiscal policy and debate. The Council already plays an important role through its appearances before *Oireachtas* committees, providing analysis and highlighting fiscal risks. There is scope to build on this.

Where resources allow, the Council and the Parliamentary Budget Office could collaborate to develop a programme of engagement with members of relevant committees on key fiscal issues. This might include private briefings and discussions on topics such as Ireland's expenditure ceilings, the sustainability of tax revenues and sources of longer term spending pressures.

Inspiration can be drawn from Scotland where the Scottish Fiscal Commission and the Parliament's Financial Scrutiny Unit have collaborated to deliver seminars and training on the budget for Members of the Scottish Parliament and their staff, supported by a new series of short videos. They are also working together to provide budget insights as part of the induction programme for members elected at the most recent Scottish Parliament elections.

3.3.3. Expanding engagement with stakeholders, universities and regional audiences

Expanding engagement beyond central policy institutions would help strengthen the reach and relevance of the Council's analysis. While it has established a strong presence in national debate, there is scope to broaden engagement across regional audiences, universities and a wider range of stakeholder organisations.

Outreach to representative bodies, think tanks and civil society organisations can provide additional channels through which fiscal analysis informs public discussion. Engagement with universities can also support greater understanding of fiscal issues and contribute to building analytical capacity among future policymakers and practitioners.

Such efforts can strengthen fiscal literacy across a broader audience, ensuring that fiscal risks and trade offs are better understood beyond traditional policy and expert communities. This is particularly relevant in Ireland's political context, where close links between parliamentarians and their constituencies mean that fiscal analysis can influence decision making not only directly, through formal channels, but also indirectly through citizens and stakeholder groups at the local level.

As with other areas, expanding engagement will need to be balanced against available resources, with a focus on activities most likely to maximise impact.

4 Conclusion

Ireland's fiscal context has evolved significantly since the 2021 Review. Strong growth and windfall revenues have strengthened the public finances, but rising spending pressures and reliance on volatile corporation tax receipts have increased underlying vulnerabilities.

In this environment, a credible and well-functioning national fiscal framework is essential. In Ireland, where standard indicators do not fully capture underlying fiscal dynamics, strong domestic arrangements are needed to support transparency, accountability and discipline. At present, the absence of a clearly defined national fiscal rule and limited independent scrutiny of net expenditure ceilings weaken the framework and constrain the effectiveness of oversight.

This gap places greater weight on independent fiscal oversight. The Irish Fiscal Advisory Council therefore plays a central role in assessing fiscal policy, highlighting risks and supporting informed debate. It is a highly credible and influential institution, which has strengthened its analytical work and improved the accessibility of its outputs in recent years.

However, the Council's effectiveness is shaped by the framework in which it operates. In the absence of a clear fiscal benchmark and with constraints relating to access to information, operational independence and resources, its ability to fully perform its functions is limited.

Looking ahead, strengthening the fiscal framework and addressing these constraints will be critical. Key priorities going forward include:

- **Strengthening the fiscal framework and national ownership**, including a clearer role for parliament in scrutinising and approving medium term fiscal plans and underpinning them with credible national rules.
- **Ensuring timely and comprehensive access to data**, through legal provisions and clear expectations for information sharing across government.
- **Reinforcing operational independence**, notably by granting greater autonomy over staffing and, critically, by enacting the proposed reforms to the budget framework so that resources can keep pace with the Council's expanding mandate.
- **Building capacity for sustained medium- and long-term analysis**, supported by stable resourcing and dedicated analytical capability.
- **Maintaining and adapting the Council's communication and engagement**, to ensure continued visibility and impact in an evolving fiscal and media environment.

Effective fiscal oversight is critical to ensure that favourable conditions are used to strengthen resilience rather than amplify risks. A strong and well-supported fiscal council is an essential part of this architecture, helping to anchor fiscal policy in principles of sustainability and sound decision making.

Annex A. Stakeholders consulted

- Academia and Think Tanks
  - Dublin City University Business School
  - Economic and Social Research Institute (ESRI)
  - University College Dublin
  - University of Galway
  - University of Limerick
- European and International Institutions
  - European Commission, DG ECFIN, Ireland Country Desk
  - International Monetary Fund, Ireland Country Desk
- Government and Public Institutions
  - Central Bank of Ireland
  - Department of Finance
  - Department of Public Expenditure, Infrastructure, Public Service Reform and Digitalisation
- Irish Fiscal Advisory Council
  - Council Chairs (current and former)
  - Council members (current and former)
  - Secretariat
- Media
  - Business Post
  - The Irish Times
- Parliament
  - Budget Oversight Committee
  - Houses of the Oireachtas
  - Parliamentary Budget Office
- Private Sector and Other Stakeholders
  - Deloitte Ireland

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OECD review of the Irish Fiscal Advisory Council 2026

Volume 2026/06

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