

ECONOMIC SITUATION OF IRELAND

Based on Europe 2020 Report

url: http://ec.europa.eu/europe2020/europe-2020-in-your-country/ireland/country-specific-recommendations/index_en.htm

Economic situation and outlook

The economic outlook has improved markedly. Although the contribution from net exports is likely to moderate, strong investment growth and the recovery in private consumption – which has remained subdued so far – should underpin real GDP growth in 2015 and 2016. The recovery has been job-rich although the unemployment rate remains high. The better macroeconomic environment has helped achieve fiscal targets despite expenditure overruns, and the fiscal position is expected to improve further in 2015, though some risks remain. Inflation remains subdued. Bank performance has continued to improve but there are still considerable difficulties.

In-depth economic review 2015

Ireland is experiencing macroeconomic imbalances, which require decisive policy action and specific monitoring. Ireland completed the EU-IMF financial assistance programme in 2013 and is currently subject to post-programme surveillance and European Semester surveillance. Despite a marked improvement in the economic outlook, risks related to the high levels of private and public sector indebtedness; remaining financial sector challenges, in particular with regard to the banks' profitability, and labour market adjustment marked by high structural unemployment, continue to deserve close attention.

Read a complete [analysis of Ireland's economy in the country report 2015](#) [2 MB]

 European Economic Forecast - Winter 2015				
Forecasts for Ireland	2013	2014	2015	2016
GDP growth (% , yoy)	0,2	4,8	3,5	3,6
Inflation (% , yoy)	0,5	0,3	0,3	1,3
Unemployment (%)	13,1	11,1	9,6	8,8
Public budget balance (% of GDP)	-5,7	-4,0	-2,9	-3,1
Gross public debt (% of GDP)	123,3	110,8	110,3	107,9
Current account balance (% of GDP)	3,8	5,0	4,6	3,9
ec.europa.eu/economy_finance			5 February 2015	
Directorate-General for Economic and Financial Affairs			European Commission	

Data source: Eurostat