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**Number X of 2014**

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**THE MINISTERS AND SECRETARIES (AMENDMENT) BILL 2014**

**ARRANGEMENT OF SECTIONS**

1. Interpretation

2. Ministerial expenditure ceiling programme reports

3. Statement of fiscal risks

4. Transparency

5. Short title, commencement and collective citation.

**Acts Referred to**

Ministers and Secretaries (Amendment) Act 2011 2011 No.10

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**Number X of 2014**

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**THE MINISTERS AND SECRETARIES (AMENDMENT) BILL 2014**

**AN ACT TO MAKE PROVISION FOR ANNUAL MINISTERIAL EXPENDITURE CEILING PROGRAMME REPORTS AND AN ANNUAL STATEMENT OF FINANCIAL RISKS IN ORDER TO INCREASE TRANSPARENCY IN THE SPECIFICATION OF PROGRAMMES AND TO PROVIDE FOR MEASURABLE TARGET OUTCOMES INTENDED TO BE DELIVERED WITHIN MINISTERIAL EXPENDITURE CEILINGS, TO IMPROVE TRANSPARENCY OF GOVERNMENT IN THE MANAGEMENT OF THE FINANCIAL RISKS TO THE STATE, TO AMEND THE MINISTERS AND SECRETARIES (AMENDMENT) ACT 2011 AND TO PROVIDE FOR RELATED MATTERS.**

**BE IT ENACTED BY THE OIREACHTAS AS FOLLOWS:**

*Interpretation*

1. —Section 2 of the Ministers and Secretaries (Amendment) Act 2011 is amended:

(a) by inserting the following definitions after the definition of “appointed day”:

“ ‘Directive 2011/85/EU’ means Council Directive 2011/85/EU of 8 November 2011 on requirements for budgetary frameworks of the Member States; ”,

and

(b) by inserting the following definitions after the definition of “prescribed”:

“ ‘programme’ shall include services to be delivered within a Ministerial expenditure ceiling;”.

*Ministerial Expenditure Ceiling Programme Reports*

2.—The Ministers and Secretaries (Amendment) Act 2011 is amended as follows:

(a) in subsection (5) of section 17, by the substitution of “cause copies of a decision under subsection (2) or (3) to be laid before each House of the Oireachtas” for “inform Dáil Éireann of a decision under subsection (2) or (3)”,

(b) in subsection (8) of section 17, by the substitution of “cause copies of a decision under subsection (6) or (7) to be laid before each House of the Oireachtas” for “inform Dáil Éireann of a decision under subsection (6) or (7)”, and

(c) by inserting the following section after section 17A:

“17B.—(1) A Government decision under section 17(6) providing for a Ministerial expenditure ceiling shall be accompanied by a report (referred to in this section as a Ministerial Expenditure Ceiling Programme Report) which shall list each programme in the area of responsibility of each Minister to be delivered in accordance with the expenditure ceiling specified in the decision.

(2) The programme report shall state the cost for each programme listed in the Ministerial expenditure ceiling programme report for each of the financial years of the Ministerial expenditure ceiling.

(3) A Ministerial expenditure ceiling programme report shall, as far as practicable, specify measurable target outcomes in respect of each programme listed.

(4) A Government decision under section 17(3) revising any Ministerial expenditure ceiling shall be accompanied by a revised Ministerial expenditure ceiling programme report which shall list each programme in the area of responsibility of the relevant Minister to be delivered on foot of the decision and which report shall comply with the requirements in subsection (2) and (3).

(5) The Minister for Finance shall, on behalf of the Government, cause a copy of each Ministerial Expenditure Ceiling Programme Report to be laid before each House of the Oireachtas at the same time that copies of a decision under subsection (6) or (7) of section 17 are laid before each House of the Oireachtas.”

*Statement of Fiscal Risks*

3.—The Ministers and Secretaries (Amendment) Act 2011 is amended by inserting the following section after section 17B:

“17C.—(1) The Minister shall prepare an annual statement, to be known as the statement of fiscal risks**.**

(2) The Minister for Finance shall cause a copy of the statement of fiscal risks to be laid before each House of the Oireachtas on or before the 1st of June of each year.

(3) The statement of fiscal risks shall include a report on the:

(a) macro-economic conditions of the State,

(b) exposure to the State of the financial sector,

(c) contingent liabilities of the State,

(d) specific revenue risks to the State,

(e) assets and liabilities including pension liabilities of the State, and

(g) Government strategy for mitigating the risks identified in the statement of fiscal risks to the extent possible, and

(h) any other significant financial risks or liabilities of the State.

(4) In subsection 3:-

“the exposure to the State of the Financial Sector” shall include reference to fiscal risks associated with the financial sector and contingent liabilities related to the financial sector;

“contingent liabilities” shall include the contingent liabilities falling within the scope of Article 14(3) of the Directive 2011/85/EU and shall include contingent liabilities arising from guarantees schemes in sectors other than the financial sector, litigation involving Government or a public service body, callable capital and minimum-revenue guarantees for toll roads and their operators;

“specific revenue risks” shall include reference to any risks to revenue other than those incorporated in the macroeconomic analysis;

“assets and liabilities” shall include reference to risks related to values of, and cash flows associated with, the State’s assets and liabilities, including the National Treasury Management Agency debt, the National Pensions Reserve Fund assets, derivatives shares in banks, shares in nonfinancial enterprises, public-service pension liabilities and public private partnership assets and liabilities.

*Transparency*

4. —(1) The Statement and Ministerial Expenditure Ceiling Programme Report shall utilize language that is comprehensible and appropriate to the subject in so far as is practicable,

(2) The purpose of this section is to promote transparency in and accountability of the Government to the public and to the members of the Oireachtas by promoting comprehensible Government communications prepared for the public and members of the Oireachtas.

*Short title, commencement and collective citation.*

5.—(1) This Act may be cited as the Ministers and Secretaries (Amendment) Act 2014.

(2) This Act shall come in to operation on such day as the Minister for Finance may appoint by order.