



OECD REVIEW

BUDGET MONITORING DEPARTMENT
IN THE NATIONAL AUDIT OFFICE OF LITHUANIA

Vilnius, December 2025

OUR TEAM



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STAKEHOLDERS CONSULTED

NATIONAL AUDIT OFFICE

Budget Monitoring Department

- ❖ Advisory Panel

National Audit Office

NATIONAL STAKEHOLDERS

Bank of Lithuania

Ministry of Finance

- ❖ Finance Policy Department

- ❖ Budget Department

- ❖ State Treasury Department

Ministry of Social Security and
Labour

Office of the Government

Statistics Lithuania. State Data
Agency.

POLITICAL STAKEHOLDERS

Parliament / Seimas

- ❖ Committee on Audit

- ❖ Committee on Budget and
Finance

OTHER STAKEHOLDERS

Academics

Commercial banks

European Commission

- ❖ DG ECFIN (including country
desk for Lithuania)

- ❖ European Commission
Representation in Lithuania

International Monetary Fund

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Progress on OECD
recommendations since the
2019 review

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An assessment of how the
Lithuanian IFI needs to evolve to
comply with new EU directive

3. LOOKING AHEAD

Other key issues arising from
Lithuanian fiscal context and
stakeholder requests

CORE ASSESSMENT



PROGRESS SINCE THE 2019 OECD REVIEW



PUBLISH
FORECASTS



TRACK
ACCURACY



SEPARATE
INSTITUTION



AUTONOMY
IN HIRING



CONTROL
OVER
BUDGET



CLEARER
BRANDING

A NEW FISCAL FRAMEWORK



2024 EU ECONOMIC GOVERNANCE REFORMS

2025

SHIFT TO MEDIUM-TERM SUSTAINABILITY

New focus on medium term sustainability via net expenditure path and National Medium-Term Fiscal-Structural Plans (MTFSPs).

DEDICATED LEGAL FRAMEWORK FOR IFIS

Structural independence or functional autonomy required; minimum standards for resources, transparency, and evaluations.

EXPANDED IFI FUNCTIONS

Mandatory: endorse/produce forecasts, monitor fiscal rules, assess consistency, coherence and effectiveness of national budgetary framework.

Optional: assess MTFSPs (mandatory from 2032), review progress reports.

COMPLY OR EXPLAIN PRINCIPLE

Governments must follow IFI assessments or publicly justify deviations.

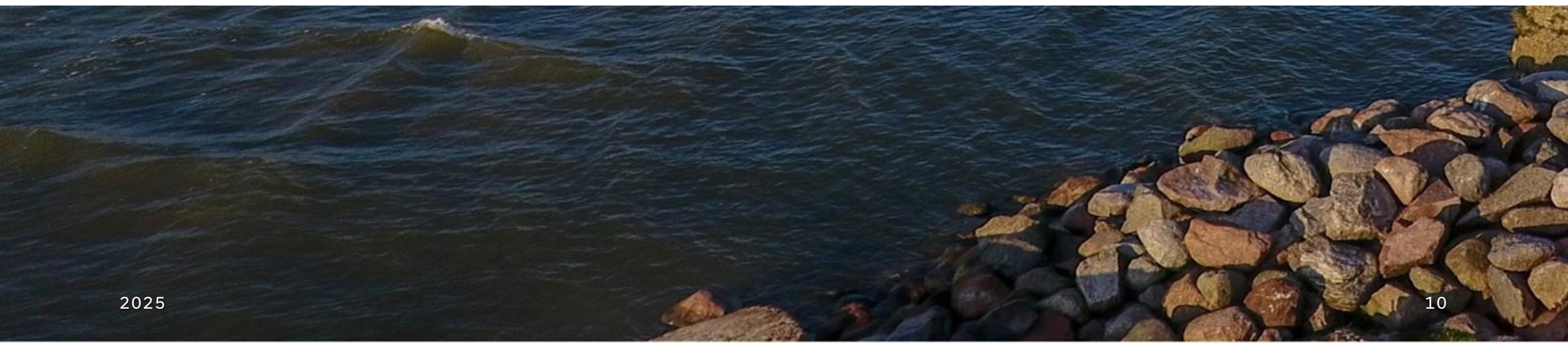


ALIGNMENT WITH NEW EU FRAMEWORK

Draft legislation provides for required functions

Question remains: Will the legislation be sufficient for Lithuania to have an IFI that performs these functions independently and effectively?

LOOKING AHEAD





RESPONDING TO THE EVOLVING FISCAL CONTEXT

HOW BMD WILL NEED TO EVOLVE:

- Empower public understanding of more challenging fiscal context
- Support informed public debate on budget reforms (tax, pensions)

STAKEHOLDER REQUESTS:

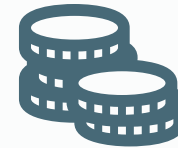
- Undertake more topical analysis
- Play a more prominent public role: “Lithuania’s fiscal advocate”
- Will require reinforcing independence and visibility

KEY
RECOMMENDATIONS



STRENGTHENING INDEPENDENCE & LEADERSHIP

Establish the BMD as a fully independent fiscal council in law



ENSURING A CLEAR MANDATE WITH COMMENSURATE RESOURCES

Clarify and expand the BMD's mandate to fully align with EU Framework



ENHANCING VISIBILITY & IMPACT

Strengthen the BMD's public identity and communications strategy



THANK YOU