



Designing a Personal Investment Account for Ireland

IIEA Foreword

Ireland has benefited considerably from having an open, outward-looking economy, and a society that recognises the value of enterprise, education, and international engagement. However, the financial choices available to individuals have not kept pace with the realities of modern working lives, longer life expectancy, and the evolving nature of risk and opportunity in global markets. At a time when households are navigating higher costs, fewer linear career paths, and an investment environment shaped by technological change and geopolitical uncertainty, the questions of how best to support long-term personal saving and investment has become more urgent and consequential.

In this context, the IIEA is pleased to have worked with BNY on this project on what the design of an optimal Personal Investment Account (PIA) would look like. This project involved convening a roundtable of leaders from the financial industry to discuss how to make a PIA scheme work best for Ireland. Views from the roundtable, which I had the pleasure of chairing, are detailed in this White Paper, along with a series of recommendations.

The IIEA's mission is to provide a space and a platform for the open discussion of ideas. The goal of this White Paper, as well as our partnership with BNY, is to contribute to what is an important debate, with practical analysis and constructive insights. This White Paper focuses on the design of a PIA and explores the key choices that policy makers will encounter when shaping the PIA scheme.

A PIA, if thoughtfully constructed, could address shortcomings that many individuals encounter as they attempt to move past short-term savings. A PIA could allow them to access long-term investment opportunities in a transparent and cost-effective way. A scheme such as this has the potential to be a considerable success, but only if it reflects the lived realities of Irish households, while also earning and maintaining their trust.

Alex White, Director-General of the IIEA



BNY Institute Foreword

Ireland's next phase of economic success will depend not just on how much we save, but on how effectively we invest as individuals, as an economy and as a society. Advancing the EU's Savings and Investment Union is pivotal to unlocking deeper, more efficient capital markets that channel household savings into productive investment, drive growth and strengthen financial resilience.

We are pleased to introduce this report with the Institute of International and European Affairs (IIEA), including the research findings and proposals for the product design of a new Personal Investment Account (PIA) that would form part of the framework outlined at the Government of Ireland's Savings and Investment Forum last month.



We believe a well-structured scheme along with best-in-class product development and efficient distribution channels can improve financial inclusion for all aspects of society and increase financial prosperity for all Irish citizens. This is because a strong investment culture is fundamental to a resilient and forward-looking economy. When personal savings are actively channelled into productive investment, the benefits compound well beyond individual portfolios: businesses gain access to long-term capital, entrepreneurship is supported, innovation is financed, jobs are created and economic growth becomes more sustainable.

Enabling the ambition to help market participants connect, safeguard, and mobilise assets through resilient solutions that enhance transparency, liquidity, and cross border investment requires an inclusive approach. This paper is based on insights from across the financial ecosystem: leading wealth managers, insurers, providers, asset managers and industry associations. This collaboration reflects the complexity of the questions we must resolve to ensure the PIA's success: prudent design of incentives, robust consumer protections, effective governance and mechanisms that align savings mobilisation with productive investment.

Two imperatives guide this work. First, we must foster a culture of competitiveness that actively tackles the risk of complacency. Sustainable prosperity demands continuous improvement, measured by participation, productivity and performance. This is underpinned by acting with a sense of urgency, with all industry stakeholders efficiently translating ideas into action. A well-designed PIA can help embed those dynamics in the financial system by enabling all Irish citizens with a bank account to self-invest in a wide range of cost effective and easily understood investment products that match their risk appetite, liquidity and financial requirements. This needs to be reinforced by appropriate safeguards, transparency and accountability.

For Ireland, fostering broader participation in capital markets is about ensuring households can share more directly in the country's economic success, while strengthening the funding base for Irish enterprise, infrastructure and future-focused industries. Over time, a deeper investment culture supports productivity, reduces pressure on public finances and builds financial capability across generations. In that sense, investing is not merely a personal financial decision – it is a collective contribution towards Ireland's long-term prosperity.

That moves us to our second imperative, that we must elevate the importance of an investment culture across society, with particular emphasis on younger generations. Our recommendations include setting up a prefunded amount that compounds over time and supports all young people. We would also urge consideration of a government supported matching concept, appropriately capped and exclusively for the under 18 cohort. Taking an inclusive approach, fostering financial literacy in the younger population from the outset, will provide them with more autonomy as they progress to adulthood. Delivered effectively, a structured scheme will improve inclusion across ages and socio-economic groups, increase financial security for Irish citizens, and help to unlock capital for accelerated infrastructure delivery, economic development and lasting community impact.

With the right design and the right partnership between policymakers, industry and citizens, the PIA can turn ambition into action, delivering prosperity that is broad-based, durable and future-focused.

Paul Kilcullen, BNY Ireland Country Manager

About the Authors

Dan O'Brien is Chief Economist of the Institute of International and European Affairs. He is also Adjunct Senior Research Fellow at University College Dublin's Geary Institute and a regular media commentator on economic and public policy issues.

For three years from mid-2010 Dan was economics editor of the Irish Times, analysing and commenting on a wide range of Irish, European and global issues. Prior to that he spent a dozen years, based in London and Geneva, as senior economist and editor at the Economist Intelligence Unit, an arm of The Economist Newspaper Group. Dan has also worked for the European Commission and as a consultant for the United Nations and Forfas, an Irish government in-house think tank.

Ciarán O'Donohoe is a Researcher specialising in Economics, as well as working on Energy and Climate matters. Prior to joining the IIEA, he worked as a Policy Executive on the Policy, Advocacy and Campaigning team in Early Childhood Ireland. Ciarán holds a Masters of Public Policy from University College Dublin and a BA in Economics, Politics and Law from Dublin City University. His research interests include income inequality, the impact of climate change on the economy, and the economics of the film industry.



Introduction and Methodology

This paper is informed by discussions which took place at a high-level expert roundtable meeting which took place at IIEA headquarters in Dublin on 26 February 2026 on the subject of *'Mobilising Savings into Strategic Investment: Designing a SIA product for Ireland'*. This brought together more than twenty experts and practitioners representing wealth managers, retail banks, asset managers, insurance providers, financial service providers, the stock exchange, Government departments, regulators, industry associations, and independent researchers.

The group met over two sessions and participated in a targeted discussion, arranged around a series of guiding questions that were shared with participants in advance. Details of these questions and further details pertaining to the structure of the roundtable can be found in Appendix A.

The discussion was moderated by IIEA Director General Alex White. Speakers were invited to speak in turn by the Chair, and all participants were encouraged to contribute. Discussions took place under the 'Chatham House Rule', meaning that while participants are free to use the information received during the meeting, neither the identity nor the affiliation of any speaker, nor that of any other participant, may be revealed. Contemporaneous notes were kept along with an anonymised written record of the discussions, which identifies the key themes, issues, threats and opportunities that participants were able to identify, forming the basis for this paper.

Paper summary

After this short introduction, chapter I sets out the 'case for a PIA for Ireland', including 'unlocking investment', democratisation and financial literacy. This is followed by a consideration of relevant lessons from Ireland and abroad in chapter II, including Ireland's previous Special Savings Incentive Account (SSIA), Sweden's Intervesteringsparkonto (ISK), and the UK's Individual Savings Account (ISA). Chapter III outlines the key considerations and challenges when designing a PIA for Ireland, in relation to its duration, incentives, flexibility, tax compliance, risk limits, eligibility criteria, and policy objectives. The next section sets out a number of recommendations for policy makers and the wider industry to consider when planning and implementing a PIA for Ireland. The final section provides a brief conclusion and appendix.

I. Case for a PIA for Ireland

i. Unlocking Investment

The goal behind the European Commission publishing a blueprint for Savings and Investment Accounts, or as they will be referred to in this paper, PIAs, is to increase their availability in Member States. They see the PIA as a tool that *"could foster a stronger investment culture among EU citizens"* and *"enable citizens to achieve higher returns on their savings"*¹. The Commission also sees it as a way of helping *"finance EU businesses, driving economic growth and job creation across Europe"*². EU citizens are consistently noted as being some of the best savers in the world³ but are also some of the most risk-averse⁴. Ireland follows in this vein, with Irish households holding €161.9 billion in deposits in 2025⁵.

In his seminal report, *'The future of European competitiveness'*, Mario Draghi, former President of the ECB, proposed that between €750 and €800 billion was required to improve competitiveness in the EU, as well as to re-ignite its economy⁶. Enrico Letta, Italian Prime Minister and author of the report on the future of the EU's single market, entitled *'Much more than a market'*, advocated for the mobilisation of private capital, which would involve the formation of a Savings and Investments Union (SIU). He states that a *"well-functioning Savings and Investments Union would not only retain these vast pools of private savings within Europe but also make investing in the continent more appealing for both EU residents and foreign investors"*⁷.

1. Directorate-General for Taxation and Customs Union (2025) [Making Europe's savings work: Better investment opportunities for European citizens to strengthen the European economy](#)

2. Directorate-General of Communication (2025) [EU to boost financial literacy and investment opportunities for citizens](#)

3. European Commission (2025) [Commission Recommendation of 30.9.2025 on Increasing the Availability of Savings and Investment Accounts with Simplified and Advantageous Tax Treatment](#)

4. Kaskarelis, et al. (2025) [Capital markets union redux: towards a deeper and more accessible savings and investments union](#)

5. Euronext (2025) [Mobilising the markets to finance Irish enterprise growth](#)

6. Draghi, M. (2024) [The future of European competitiveness](#)

7. Letta, E. (2024) [Much more than a market](#)

Compared to low interest bank deposits, the benefits for retail savers of investing in stocks, bonds, funds and other asset classes are potentially significant. The average annual return on the FTSE All-World Index has been 12.5% over the past five years⁸, compared to the average interest rate on Irish household deposits of 1.86%⁹.

ii. Democratisation of Prosperity – “It’s about democratisation of opportunity”

The introduction of PIA products would improve access to investment opportunities for regular retail investors. This has the potential to improve wealth accumulation for a greater proportion of the population, while opening up more funding opportunities for Irish and European companies. That products would include non-European assets has the benefit for investors of increasing returns and lowering risk via portfolio diversification, but it has the potential downside of reducing bank lending in Europe. This trade-off requires careful consideration by policy makers.

Availability and access to investment platforms are essential to allowing retail savers to accumulate wealth. As seen in Sweden and Australia, deep and active capital markets that can be accessed via a wide array of products through multiple delivery channels, can help to improve the retail investment landscape. A high level of domestic activity can help enhance awareness of markets and opportunities for retail investors¹⁰.

iii. Financial Literacy

Ireland and the EU have the same level of financial literacy, with 64% of adults having ‘medium’ literacy levels, according to an EU-wide opinion survey conducted in 2023. 18% of adults in the EU have a high level of financial literacy compared to 19% in Ireland. 18% of adults in the EU have a low level of financial literacy, similar to the figure for Ireland which stands at 17%. Ireland is also below the EU average of those who have an investment product, with 18% compared to 24%¹¹.

Financial literacy and a general lack of knowledge and information about investment options are major barriers for individuals engaging in retail investment¹². Improving financial literacy is not only integral to guaranteeing the success of PIA products, but also important to ensure consumers make informed financial decisions.

The European Commission’s Financial Literacy Strategy for the EU recognises the importance of this area, both in the context of improved participation in retail investment markets, but also, as the world becomes increasingly digital, consumers have access to a wider range of financial services and products¹³.

II. Lessons from Ireland and Abroad

i. Ireland’s SSIA – “The SSIA was great for car retailers”

The Irish SSIA was a five-year savings scheme that opened to the public to invest between May 2001 and April 2002. They were an incentive scheme introduced by the Government to encourage the public to save¹⁴, and began maturing in the period between May 2006 and April 2007. The SSIA functioned by Revenue topping up investments, through a tax credit for individual accounts¹⁵.

Participants in the roundtable deemed the SSIA a successful endeavour due to the mass engagement from the public with individuals knowing “*what was in it for them*”. However, it was noted that the cliff-edge nature of the product was a drawback and should not necessarily be the blueprint for a future Irish PIA product. Alongside this, it is a considerably different and more complicated regulatory environment that exists today.

8. Freeley, N (2026) Time for the Government to deliver a better deal for Irish savers

9. Central Bank (2026) Statistical Release – Retail Interest Rates – December 2025

10. Central Bank of Ireland (2025) Retail Investor Participation in Ireland: Consumer Research and Analysis

11. European Commission (2023) Eurobarometer: Monitoring the level of financial literacy in the EU

12. Supra 10

13. European Commission (2025) Financial Literacy Strategy for the EU

14. Brennan, E. (2001) New Savings Scheme

15. CSO (2016) Special Saving incentive accounts module (SSIA)

Participants also argued that the present goal is different to that of the SSIA, which was designed to take money out of the economy, while a PIA should be designed to do the opposite, with a particular objective to increase the availability of funding options for Irish businesses.

ii. UK's ISA

The UK's ISA is a savings scheme open to all UK residents who are 18 or over. There are multiple types of ISAs. A Cash ISA is a savings account that allows for tax-free interest to accumulate on money saved. A Stocks and Shares ISA allows for tax-free investment in stocks, shares, and funds. The Lifetime ISA lets individuals save for later in life, up to £4,000 each year, with a government top-up of 25%. The Innovative Finance ISA connects investors with individuals or businesses that want to borrow and while offering potentially higher rewards, is usually higher risk.

The annual allowance that can be saved in an ISA tax-free is £20,000. This can be spread across multiple ISAs or concentrated in one. It was announced towards the end of 2025 that this would fall to £12,000 for cash ISAs for under-65s, however, the £20,000 limit would remain for stocks and shares ISAs¹⁶. This change is due to come into effect in 2027. Parents can also open Junior ISAs for their children with a maximum of £9,000 to be saved per year.

Stocks and Shares ISAs offer three main tax advantages. Investors pay no tax on dividends from shares. Investors do not pay Capital Gains Tax (CGT) or tax on interest earned.

The UK's ISA was considered a good model by the roundtable participants, with easy reporting of tax considered a positive. Some participants did consider the ISA to be *"too deposit heavy"*.

iii. Sweden's ISK

Sweden's ISK is a savings account system that offers partially tax-free savings accounts that allows savers to invest in products linked to the stock market. No tax is paid on the first 300,000 SEK (€28,000). First introduced in 2012, the ISK's purpose was *"to make it easier for persons to save and invest in shares and other financial instruments"*¹⁷.

With the ISK, no tax is levied on dividends or profits when savers exchange or sell funds and shares. A flat rate is levied instead on the total value of assets in the account. This rate is levied every year, regardless of whether the value of the savings have increased or decreased. The standard tax rate on an ISK account is usually just under 1%, but is linked to the bond yield so the final rate can vary¹⁸. The ISK account provider reports the information needed to calculate the annual tax (the 'schablonintäkt') to the Swedish Tax Agency, and it is pre-filled in the saver's tax return, meaning the retail saver does not need to calculate or report ISK tax.

Roundtable participants recognised that Sweden had an existing investment culture prior to the introduction of the ISK. The success of the ISK was commended, particularly its simplicity.

Further research from the Swedish National Audit Office found that while the ISK helped to simplify the tax return process, it did increase the complexity of the tax system¹⁹.

III. Designing a PIA for Ireland – "Ireland is an investment nation, not an investing nation"

i. Duration, Incentives, and Flexibility

Simplicity was seen by the roundtable participants as one of the key principles that any future Irish PIA product should adhere to, with minimal restrictions for individuals in terms of access and engagement. One participant noted that limiting complexity allows for these products to be more portable, encouraging competition and increasing the number of products available.

16. Peachey, K. (2025) [When will the cash ISA saving limits change?](#)

17. Swedish National Audit Office (2018) [Investment savings account – a simpler form of saving in a complex tax system](#)

18. O'Donoghue, P. (2026) [Ireland is planning a new savings scheme: How do they work elsewhere and much could you earn?](#)

19. Ibid

There were diverging views among the participants regarding the duration of a future Irish PIA product. Some participants advocated for longer lock-in periods, with one suggesting a period of two years, while another suggested a longer duration of three or four years. It was argued that this was necessary to promote and ingrain a long-term investment behaviour in individuals.

However, others warned against including a lock-in period as it could suppress participation, with one participant emphasising that any future PIA *“scheme will die if we say there is a minimum lock-in period”*. Another participant from a major asset manager suggested that lock-in periods create apathy, leading people to select a default option, as seen with the UK ISA. This participant highlighted the success of Exchange-Traded Funds (ETFs) savings plans, where individuals simply make a contribution each month and receive no tax incentive.

Regarding incentives, participants generally agreed this was important for longer investments with one participant remarking that, *“tax incentive is a reward for longevity”*. An industry association representative remarked that the Government would be hesitant to offer any tax incentives on money that could be channelled out of the country.

Another participant suggested that to incentivise a younger cohort to start investing, all investments should be tax-free for a certain age group, with the 18 to 25 cohort being mentioned.

Some participants also mentioned the Eircom shares experience²⁰ and how it still looms over a generation and discourages them from long-term investment. They argued that this negative perception of investing needs to be addressed further and improved industry wide.

ii. Tax Compliance and Efficiency

Participants agreed that simplicity must extend to tax arrangements in any future Irish PIA, noting that the tax complexity, the compliance burden and the lack of incentives could all act as barriers to uptake. A participant from a wealth manager noted the need to examine both tax reporting and payment when it comes to a PIA product. The manner in which the ISK allows tax reporting through user-friendly channels like text message was highlighted.

One participant from a major retail bank also made the point that there needs to be a seamless experience from the consumer perspective when engaging with these products. For instance, the responsibility of tax reporting should fall to the provider, as happens in Sweden. Another participant also agreed that the obligation of tax reporting should sit with the provider.

The dominant tone from the roundtable was that an Irish PIA product must be tax efficient, with one participant positing a tax-free account. Another participant raised the Deemed Disposal Rule, whereby certain investments are taxed after eight years with a liability incurring on gains even when unrealised. The majority agreed that this rule needs to be addressed when it comes to introducing a PIA product in Ireland, seeing it as incompatible with long-term investing and product simplicity. One participant called for its removal, as part of a *“tax efficient savings proposal”*. Another participant insisted that younger people need to be made especially aware of the tax implications, to support them with their investing journeys.

iii. Risk Limits

The roundtable participants agreed that while it is important to help consumers understand the risk of investing, it is also necessary to adequately contextualise the risk and the associated language. A participant argued that the primary objective of the PIA product is to enable consumers to take a calculated risk, while facilitating financial security. A representative from a major asset manager suggested that the product should be de-risked, putting forward the idea that *“if there is a loss in the first five years you get a tax credit”*.

Another participant emphasised that *“the risk of doing nothing is greater”*. It was also deemed by one participant that there is an element of scepticism around investing as there is an *“over-estimation of loss”*. An asset manager gave the example that they had changed their language in a particular region regarding risk, to *“the risk of not investing”*. Some participants remarked that there would be a role for Government to both encourage Irish people

20. Burke T. (2021) Sold: The Eircom Shares Saga

to invest, and also to explain that money left in deposit accounts loses value when inflation exceeds net interest income. However, the political risk of the Government directly encouraging individuals to invest was also recognised, particularly considering the risk of losses and in times of financial market weakness. This is an area that the wider financial services industry should actively address and engage in.

iv. Eligibility Criteria

Regarding eligibility criteria, many roundtable participants emphasised the need to make a prospective Irish PIA product accessible to as many people as possible. Several participants also highlighted the importance of encouraging younger cohorts to invest and social fragmentation was raised as a possible risk if younger cohorts are not sufficiently enabled to invest. This was discussed in the context of demographic trends, with rising dependency on the State pension. Another related issue that was raised again is the low level of financial literacy. It was recognised that some online platforms and social media content are playing an increased role in improving the awareness and financial literacy of young people.

Participants also advocated for the use of highly diversified pool funds, such as UCITS and ETFs. Participants cautioned against enabling novice investors to concentrate on single stocks or funds and advocated for the inclusion of an “on ramp” for new investors. This would allow investors to progress to multi-asset funds as their competence and confidence grows.

Roundtable participants were also open to the creation of a product that would allow parents or guardians to invest for their children. One participant stated that, as it currently stands, *“there is no way to invest for children in Ireland”*.

v. Policy Objectives

On the whole, the roundtable participants were hesitant to attach any specific social or policy objectives to a future Irish PIA. When asked if consumers should be encouraged or mandated to invest in Irish or EU stocks, shares or funds, it was pointed out by one participant that prior examples of mandatory exposure to certain assets have not been successful. A participant from a major asset manager discussed how the UK had previously considered mandatory exposure, but it conflicts with a provider’s *“fiduciary duty”* to clients. The individual also argued that it reduces choice and that participation tends to benefit the home market anyway due to investor home bias.

The participants argued that the existence of this bias means there is no need for the Irish Government to introduce any rules or regulations regarding mandatory investment in domestic stocks, shares or funds. It was also suggested that the pool of capital brought in by the PIA, as a result of the home market bias, could reduce Ireland’s dependency on foreign direct investment. As outlined by one participant, the first objective is to empower consumers, with a subsequent objective to fund wider investment in Ireland.

When the Chair of the roundtable raised the consideration that the political system might aim to attach other objectives to the PIA, the response from one participant highlighted that a middle ground could be found, where it is made easier to invest in Ireland and the EU.

Recommendations

1. No need to build from scratch

There is no need for the Government of Ireland, or the Irish financial services sector, to create an entirely new Personal Investment Account (PIA) model and product from scratch. As outlined, the UK’s Individual Savings Account (ISA) and Sweden’s Intervesteringssparkonto (ISK) offer strong blueprints, aspects of which can be applied accordingly. Experiences from Australia and Japan can also provide appropriate learnings. While none of these examples are perfect and should not be replicated exactly, it is important that Ireland learns from the benefits and challenges from different models and builds a product that works effectively for Ireland.

2. Simple is critical

It is critical that simplicity is at the core of a PIA product for Ireland. To increase the levels of adoption with the general public, products should be as simple as possible, with minimal restrictions on access. This means that the minimum

age to access a product should be 18, as it is in other models, and that there should be no minimum investment requirements for the majority of products. Portability is also important, and investors must be able to move their accounts between providers easily and with minimal cost, if any. This includes investors being able to move their accounts from other EU Member States into Ireland, and vice versa.

3. Specific approach to financial literacy for investing

As mentioned in this report, Ireland's financial literacy level is in line with the EU average. However, the Irish population lacks necessary knowledge regarding investing. The Government published their National Financial Literacy Strategy in 2025, and it makes several references relating to how investment education can be improved²¹. The financial industry must also play their part in improving and funding investment education. Building 'on ramps' for novice investors could also help by supporting them on their journey as they progress or 'graduate' to more complex and diversified investments.

4. Variety of products

Consumers should be presented with a wide array of PIA products to choose from. This should include the provision of products that allow consumers to have instant access to their funds. Consumers should also have the option to invest in longer-term products that require investors to 'lock-in' from anything from three to five years. Providers should offer incentives to consumers that vary depending on the length of their investment. Greater incentives will reward and reinforce investing behaviour. This is crucial for PIA products to succeed in Ireland.

5. Specific products aimed at young people

While it is important to build a wider investment culture in Ireland, it is particularly important to enable more young people to invest. This can be achieved by designing specific PIA products for younger cohorts, between the ages of 18 and 25, for instance. These products should be tax-free, and the Government could also explore matching investments up to a certain level.

Parents and guardians should also be incentivised to invest in their children's future through specific products, similar to the Junior ISA in the UK. Again, investments in these accounts should be tax-free. In the current Programme for Government, there is a commitment to "explore the establishment of a managed savings account for newborns with an initial once-off contribution by the State"²².

6. Tax reporting

It is important that product simplification is complemented by less arduous tax reporting requirements. Many people would be deterred from using a PIA product if they know there is a significant tax administration burden involved. To remedy this, all providers of PIA products should be responsible for the tax reporting on their PIA products.

7. Deemed Disposal Rule and Capital Gains Tax

Capital Gains Tax (CGT) and the Deemed Disposal Rule are two potential hurdles for the success of any PIA product. CGT could be lowered to incentivise further investment from the public. The Deemed Disposal Rule could also be reformed as it has several drawbacks including a heavy administrative burden. It is also largely outdated as ETFs are already easily accessible by the majority of the public²³.

However, the Government must approach any changes to these areas with caution. Lowering CGT too far could be perceived as a tax-cut for wealthy individuals, on the basis that the majority of deposits in Ireland are held by that cohort²⁴. Completely removing CGT would also go against the recommendations from the report by the Commission for Taxation and Welfare, which called for the yield from CGT be increased in order to widen Ireland's narrow tax base²⁵. The Government, and the financial services industry, need to effectively communicate to the public that this is a product for everyone and not just for the wealthy. The Government must also be alive to the fact that what might make the PIA a success, may also have negative consequences for other parts of Ireland's economy.

8. Awareness of risk

The majority of new investors will likely find it challenging to fully comprehend the risk associated with certain investments. It is critical that the Government, the providers, and the regulator, clearly inform consumers of the risks

21. Department of Finance (2025) [National Financial Literacy Strategy](#)

22. Government of Ireland (2025) [Programme for Government 2025: Securing Ireland's Future](#)

23. National Pension Helpline (2025) ["Fixing" Ireland's Taxation of Investments](#)

24. Fitzgerald, J. (2026) [New savings scheme will involve tax cuts for the rich paid for by the rest of population](#)

25. Commission for Taxation and Welfare (2022) [Foundations for the Future](#)

involved. Investments should be ranked in a simple 1-5 or 1-10 ranking. This scale can be determined by the providers, with the appropriate oversight by the relevant authorities. An example that could be followed is the Synthetic Risk and Reward Indicator (SRRI) which ranks Undertakings for Collective Investment in Transferable Securities (UCITS) from one, the lowest risk, to seven, the highest risk. However, the SRRI has been questioned as it is based on the past performance of the fund and provides “no real guidance to future performance”²⁶.

However, being aware of the risk is not the same as understanding the risk. Not only do potential investors need to be informed of any risks that an investment carries, they also need support to fully understand what that risk means. This ties into the broader objective of improving financial literacy among the Irish public. Providing the appropriate level of investment education to novice investors should help them understand and mitigate any possible risk they might face when investing. The Government have an important role in this, with providers also having a significant responsibility in helping retail investors more fully understand the risks and what they mean for their investment.

9. Provide options with an explicit home bias

Consumers could be more open to investing if they know their investment is specifically going into an Irish fund or an Irish business. Options to invest in the Ireland Strategic Investment Fund (ISIF) and Enterprise Ireland (EI)’s portfolio should be explored. These options are less diversified and therefore come with greater risk and would need to be flagged accordingly to retail investors. Encouraging investments with a home bias would also mitigate the flow of capital towards other jurisdictions, which could occur if savers shift out of deposits and into global asset-based products in significant numbers. Policy makers should consider this in the design of the overall model and product.

Conclusion

Europe is a continent of savers: the household savings rate in the EU exceeds many other high-income countries. Much of Europeans’ financial wealth is stored in bank deposits, from which lending to businesses, consumers and home buyers is funded. While Europe’s bank-based financial system has strengths, its weaknesses include low returns for savers and sub-optimal capital allocation to new and high-growth European businesses. This contrasts starkly with the United States, where capital markets play a much larger role in the funding for business investment and the enterprise economy.

It is in this context that the EU launched its Capital Markets Union proposals more than a decade ago. Now renamed the Savings and Investment Union, EU Member States share a consensus that deeper financial integration will deliver dual economic benefits such as stronger growth of household wealth and boosting capital investment across Europe. At a national level, the creation of PIAs is a vital component of more efficient and effective capital allocation.

In Ireland, momentum has picked up for the creation of new financial products, giving retail savers greater choice and wealth building opportunities. The Government is now committed to launching PIAs in 2027, following the publication towards the end of 2026 of a ‘Roadmap for Retail Investment’. In this paper, we have discussed many of the policy issues that the Government will need to address, including tax, regulation, costs, competition, simplicity, and possible unintended consequences.

While addressing all these issues in the coming months might appear daunting, the experiences of peer countries are highly relevant and provide models which can be easily adapted to the Irish context. To ensure the successful launch of these financial products, simplicity should be a key principle. Irish savers, who have seen the real value of their bank deposits shrink significantly since 2021, owing to high inflation and low interest rates, are risk averse. Those who do not file annual tax returns will be averse to moving out of deposit accounts if they will then be required to do so. On that basis, this paper urges policy makers to ensure providers offer a range of products with options to invest in the Irish economy that are accessible, and that any tax payable will be taken at source, rather than adding an obligation to the retail investor. A well-designed product range has the potential to provide an economic win-win for both Irish savers and businesses.

26. Jeffries, T. (2014) [How risky is your fund? Two out of five sold in the UK are given a high risk rating due to volatility levels](#)

Appendix A – Roundtable Format

Mobilising Savings into Strategic Investment: Designing a SIA product for Ireland

26 February 2026, 8.00a.m. – 10.30a.m.

1st Session

Title: *Designing a Savings and Investment Account (SIA) Product for Ireland.*

Purpose: To identify what an optimised SIA product might look like for Ireland, and to explore the issues which might arise in the design and implementation of such a product that could impact its effectiveness.

Framing/Discussion Questions

1. What key features and design elements should an SIA include to effectively achieve its objectives?
 - a. How should the product be structured in terms of duration, contribution flexibility, cost caps, tax efficiency, incentives, and tax compliance responsibilities?
 - b. What risk limits and eligibility criteria (including age-based access or incentives) should apply to balance accessibility, investment risk management, and social objectives?
 - c. What considerations should be taken with respect to cost of product to underlying investors?
2. What major risks, constraints, and practical challenges must Ireland address to ensure the SIA succeeds in practice?
3. What lessons can be learned from past initiatives such as Ireland’s Special Savings Incentive Account (2001–2007) and comparable schemes in other European countries?

2nd Session

Title: *Opportunities for Ireland and the EU arising from the introduction of an effective SIA.*

Purpose: To identify the areas where Irish businesses and Ireland’s economy might benefit from the introduction of an SIA.

Framing/Discussion Questions

1. Building on the previous discussion, what opportunities exist in Ireland with respect to the SIA?
2. Should there be an incentive to encourage investments in EU rather than in non-EU companies?
3. Should the SIA be restricted only to UCITS products?
4. Can the Irish investment ecosystem be a blueprint for a European product in the future?
5. What can Ireland do during its EU Presidency, in the second half of 2026, to show leadership on the introduction of SIAs in Member States?

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The Institute of International and European Affairs,

8 North Great Georges Street, Dublin 1, Ireland

T: +353-1-8746756 F: +353-1-8786880

E: reception@iiea.com W: www.iiea.com