DAC BEACHCROFT

Republic of Ireland

Predictions 2026

2026 will see a move to introduce a legal costs scale in Ireland

It is anticipated that the Irish government will seek to legislate for a scale of party-party legal costs (where the unsuccessful party is ordered to pay the costs of the successful litigant) in 2026. The government's refreshed Action Plan on Insurance Reform contains priorities aimed at lowering insurance premiums, with legal costs inflation high on the agenda. The Action Plan specifically calls for the development of new guidelines to set clear levels of legal fees for personal injury litigation, with the aim of promoting transparency and fairness in legal costs. We expect that initial proposals to achieve this will be introduced by Dail Éireann in 2026, and will be hotly contested by the Law Society of Ireland, the office of the Legal Costs Adjudicator and the Bar Council.

Demand for cyber insurance and related services will grow in Ireland in the year ahead

It is anticipated that cyber insurance will be an area of growth in Ireland. Regulatory compliance is driving demand (notably NIS2 and the Digital Operational Resilience Act), along with increased media coverage of major breaches. It is expected that more modular policies will be available, allowing businesses to select options such as cover for regulatory fines, third-party liability, and IT provider coverage. The modularity will help businesses align coverage with their risk profiles and compliance obligations. Further it is expected that cyber policies will increasingly address AI-specific risks. Demand for risk mitigation services is also likely to increase to try and prevent incidents. This will include vulnerability scanning of IT infrastructure, employee training, and dark web monitoring. Similarly, predict-and-prevent services will increase with options to include supply chain scanning, employee credential monitoring, and breach simulations.

Third party litigation funding will come under the spotlight again

Third party litigation funding is set for renewed attention as Ireland considers reform of its long-standing prohibition on third party legal funding pursuant to common law maintenance and champerty rules. The Law Reform Commission (LRC) published a comprehensive consultation paper in July 2023, exploring models for legalisation and regulation, and invited submissions from stakeholders before the December 2023 deadline. The final report with the LRC's recommendations is expected soon and will likely shape the future framework for litigation funding in Ireland. Following the European Commission's cross-border study on litigation funding (published in March 2025) and the European Parliament's draft directive, it is anticipated that the European Union will press ahead with proposals to introduce common regulatory standards across Member States. However it is likely that Member States will retain the discretion to decide whether third-party litigation funding can be offered in relation to proceedings within their jurisdiction.

Mandatory builder registration will result in higher standards but greater regulatory scrutiny

From early 2026, with a phased approach, all providers of building works in Ireland must be registered on the Construction Industry Register Ireland. It is eventually expected to affect over 20,000 providers. It is anticipated that the register will eliminate unqualified operators, enforce compliance with building regulations, and help restore consumer confidence. This is particularly the case where providers are required to demonstrate competence in accordance with prescribed criteria. However, increased regulation will raise the risk of claims arising from regulatory investigations by the admissions and registration board which will be established by the Construction Industry Federation (the statutory registration body) which may result in financial or criminal sanctions.

New medical negligence Practice Directions should facilitate smoother running of cases and greater certainty for insurers

Two new High Court practice directions introduce new procedures for applying for a trial date in clinical negligence proceedings, aiming to ensure cases are properly pleaded and full information is exchanged before a trial date is assigned. This should in turn enable more timely and accurate reserving. They also aim to facilitate earlier resolution of actions and reduce legal costs. The practice directions also establish a dedicated Clinical Negligence List within the High Court and will apply to all stages of clinical negligence proceedings, intended to enhance procedural efficiencies by ensuring claims are given focused attention resulting in more certainty for insurers in what has traditionally been an unpredictable battleground.

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