Navigating Uncertain Times — the ECB's Machine-Learning Model for Real-Time Inflation-Risk Tracking

AI in the Public Sector · Good practice · Germany

Quality score: 80/100

Evidence strength: Observational / pre–post

Summary

Since late 2022 the ECB has run a quantile-regression-forest machine-learning model in its monetary-policy toolkit. In Q2 and Q4 2025 it flagged upside core-inflation risks that materialised, with outcomes landing about 20 basis points above official Eurosystem projections.

Key dimensions

Dimension	Score
Evidence of impact / measured public value	2/3
Transparency, fairness & accountability	2/3
Transferability / demonstrated replication	2/3
Scalability beyond pilot	3/3
Governance, capability & sustainability	3/3

Evaluated by C-NAPSE

Data sources

C-NAPSE web research — accessed 2026-08-15

European Central Bank (ECB) — accessed 2026-08-15

ECB Blog — Navigating uncertain times with the help of artificial intelligence (21 Apr 2026) — accessed 2026-08-15

Euronews — How AI is forcing central banks to rethink inflation and rates (29 Apr 2026) — accessed 2026-08-15

BIS — Project Spectrum: using generative AI to enhance inflation nowcasting — accessed 2026-08-15

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