



Banc Ceannais na hÉireann
Central Bank of Ireland

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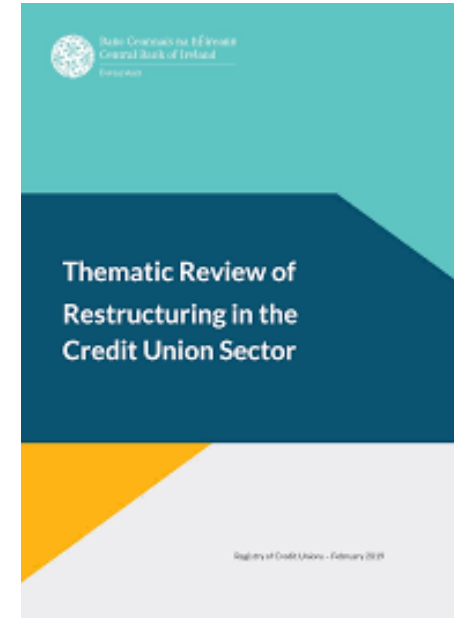


Update on Restructuring

Eamon Clarke

Restructuring Overview

- Voluntary, credit union led process.
- Overseen by the Intervention & Restructuring Team in the Registry, process whereby all assets, liabilities & undertakings of one or more credit unions are transferred to another credit union.
- Restructuring supports the Registry's vision for the credit union sector, Strong Credit Unions in Safe Hands:
 - ❑ Maintains & expands the promotion of credit union services across the country; &
 - ❑ Maintains the financial stability & well-being of credit unions generally.
- Thematic Review, published 2019, highlighted a number of positive financial trends arising from restructuring

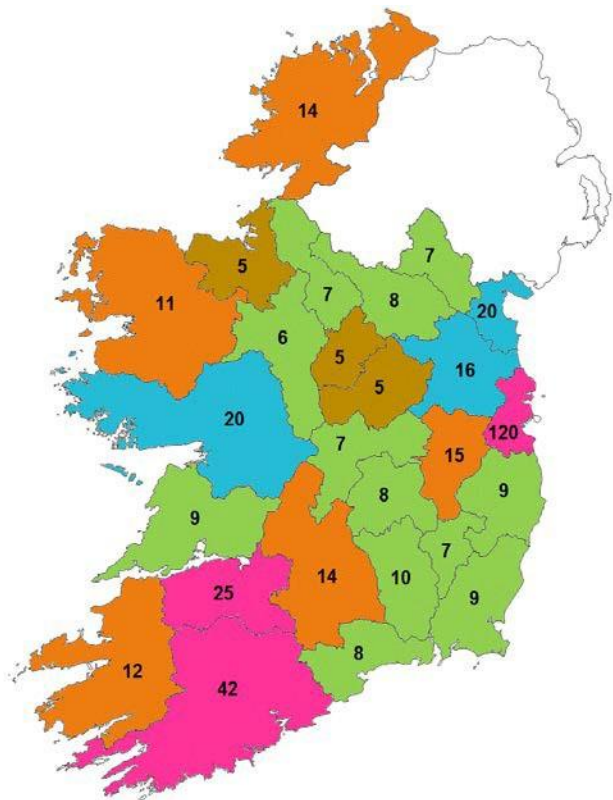


(available at <https://www.centralbank.ie/docs/default-source/regulation/industry-market-sectors/credit-unions/communications/reports/restructuring-in-the-credit-union-sector---thematic-review-findings---february-2019.pdf?sfvrsn=4>)



Restructuring continues to be a key feature of the credit union sector

March 2008
419 Credit Unions



Number of Credit Unions - By County



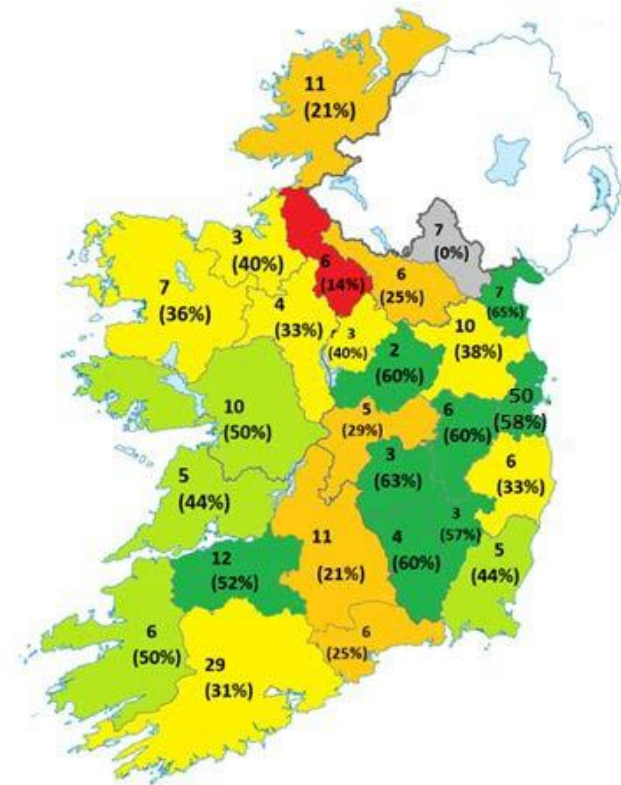
Asset Size Profile

Asset Size at 30 September	2013	2014	2015	2016	2017	2018	2019	2020	%Change
<€40m	285	268	228	163	142	119	105	87	-69%
€40m - €100m	80	81	78	81	79	81	83	78	-2.5%
>€100m	28	31	37	48	53	54	55	62	121%
No.	393	380	343	292	274	254	243	227	-42%
Total Assets (c. €bn)	€14	€14	€15	€16	€17	€18	€18	€19	36%

Changes by Type

Year	Voluntary Transfers	Private Sector Funded Transfers	Directed Transfers	Liquidation	Dissolution
2008-2012	18	0	0	0	3
2013	6	0	1	0	0
2014	11	0	2	1	0
2015	26	11	0	0	1
2016	34	10	0	1	2
2017	19	0	0	1	1
2018	12	4	0	0	0
2019	11	1	0	0	0
2020 to date	13	0	0	1	0
Total	150	26	3	4	7

December 2020
227 Credit Unions



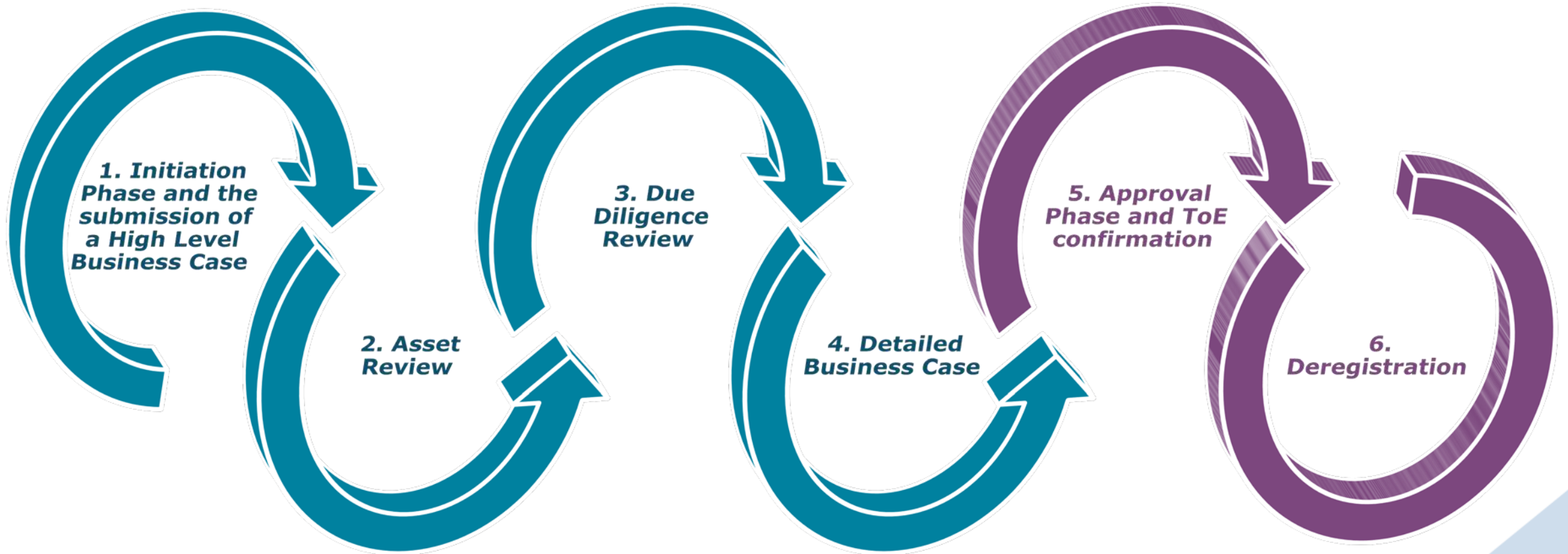
Percentage Change in number of Credit unions - By County



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Outline of a Typical Transfer of Engagement Process



Future Restructuring Activity – 2021 & Beyond

- The Registry continues to view restructuring as a key component of the future strategic direction of the credit union sector
- We encourage credit unions to give consideration to future transfer of engagement activity & whether this may be appropriate as part of delivering on the wider strategic objectives of their credit union – either as transferor or transferee.
- As credit unions continue to assess opportunities to further develop their business model, future restructuring activity may include both the continuation of transfers of smaller asset sized credit unions to larger asset sized credit unions and the coming together of larger assets sized credit unions.
- The Registry will continue to engage with credit unions on proposed future restructuring activity, to provide support & assistance insofar as is possible. Please contact any of the following members of the Intervention & Restructuring team with any query you may have:
 - **Wendy Kearns** **01-2244974**
 - **James McAuley** **01-2244219**
 - **Eamon Clarke** **01-2244198**