



Application of the Minimum
Competency Code 2017 and the
Minimum Competency Regulations
2017 to credit union core services

Consultation Paper 147
19th April 2022

Introduction

The Credit Union Managers Association (CUMA) is the professional representative association for managers of credit unions in Ireland. CUMA provides professional development training and assistance to its members and engages with a wide range of stakeholders and industry bodies in its pursuit of excellence in professional standards in credit union management.

The Credit Union Managers Association on behalf of its members welcomes the opportunity to respond to this consultation and does so in a spirit of continuous improvement for the experience and outcomes obtained by credit unions and their members.

Question 1

Do you agree that the scope of the MCC and MCR should be extended to apply to credit unions' core services? Please set out the reasons for your views.

CUMA agrees that the scope of the MCC and MCR should be extended to apply to credit unions' core services. The introduction of the Fitness and Probity Regime for credit unions has focussed attention on the competence and capability of individuals taking up key roles and strengthened the regulatory framework for credit unions.

CUMA would agree with the sentiment that all consumers deserve the same level of protection regardless of the type of firm they are dealing with. The standards set out in the MCC are a key component of the consumer protection framework and the expansion of the scope of the MCC to credit union core services would significantly benefit and strengthen the quality of service provided and increase member confidence in the sector.

Credit unions' high uptake in Continuing Professional Development (CPD) training and willingness of credit unions staff to undertake new training and upskilling will improve standards and increase knowledge and competence in respect of services not yet in the scope of MCC.

One of CUMA's main objective as an organisation is to promote and provide training to enhance the professionalism in the sector.

CUMA notes a high level of qualifications in existence already in the sector. This proposal will build on the already high level of training and expertise in credit unions and promote the same expectations for their core lending and term deposits as already apply to other services provided by credit unions, such as the provision of mortgage lending and insurance. The proposal will, in addition, also support the development of credit unions' business models.

Question 2

Do you agree that a four-year transitional period is sufficient for credit union staff to obtain relevant recognised qualifications? Please set out the reasons for your views. If you disagree, please set out what you would consider an appropriate transitional period for the application of the MCC and MCR to credit union core services.

CUMA is concerned that the numbers quoted in the survey attributed to credit union staff holding qualifications may be understated.

CUMA agrees that four-year period is sufficient to allow staff to undertake and complete necessary training, taking into consideration the early 2023 implementation proposal of MCC and MCR to all credit unions.

Question 3

Do you agree with the timeline? Please set out the reasons for your views. If you disagree, please set out what you would consider an appropriate timeline for the application of the MCC and MCR to credit union core services.

CUMA believes the proposed four-year period will allow staff a satisfactory time period to undertake any necessary training and complete it by 2027, taking into consideration the early 2023 implementation proposal of MCC and MCR to all credit unions.

Credit union specific qualifications are only recognised in respect of credit unions acting as insurance intermediaries but cover a broader range of topics, for example, consumer credit.

CUMA would recommend that existing credit union specific qualifications already held by individuals within credit unions to be recognised under MCC for credit union core services.

Conclusion

CUMA appreciates the opportunity to participate in the consultation process and are happy to elaborate on any matters raised in our responses. As always, we are happy to meet with the Central Bank to communicate further on any issues, in particular those affecting credit unions.