



Banc Ceannais na hÉireann
Central Bank of Ireland

Eurosystem

Consultation Paper 170

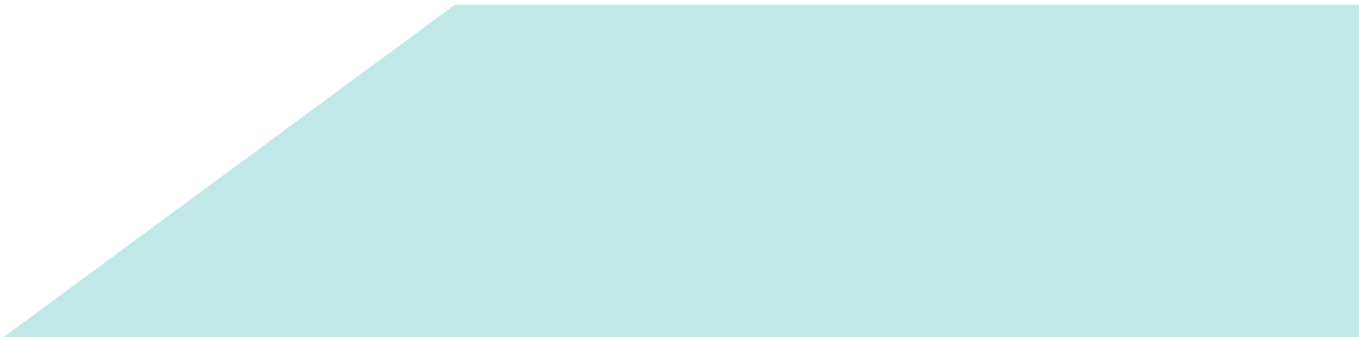
Regulatory Impact Assessments, and the
Central Bank's Approach to Consultation

June 2026

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1. Introduction

This chapter sets out the purpose, context and scope of this Consultation Paper, including the areas on which the Central Bank is seeking stakeholder views and the structure of the paper.

1.1 Purpose of this Consultation

The Central Bank is publishing this Consultation Paper to seek stakeholders' views on aspects of its regulatory policy framework and process.

This work forms part of the Central Bank's broader regulatory approach, including its commitment to being open and engaged, and to continuously enhancing the effectiveness, clarity and transparency of the regulatory framework. It also supports the delivery of the Central Bank's safeguarding outcomes: the protection of consumer and investor interests; the safety and soundness of firms and the wider system; the integrity of the financial system; and financial stability.

In particular, this paper seeks feedback on:

- a draft Statement of Approach to Regulatory Impact Assessment (RIA); and
- a proposed updated approach to public consultation.

These areas form part of the Central Bank's approach to developing, assessing, and communicating regulatory interventions following appropriate engagement with stakeholders.

1.2 Context

The Central Bank operates within a dynamic and evolving financial system. Regulatory frameworks must respond to changes in markets, business models and risks, while maintaining a consistent focus on public policy objectives.

There is increasing emphasis, both domestically and internationally, on ensuring that regulatory approaches are:

- evidence-based, drawing on appropriate data, analysis and stakeholder engagement and feedback;
- proportionate, reflecting the nature, scale and complexity of the issues being addressed; and
- transparent and coherent, so that stakeholders can understand how regulatory decisions are made and how regulatory requirements are communicated.

The Central Bank has undertaken a range of work in recent years to enhance its approach to policy development, stakeholder engagement and consultation, and communications. This Consultation Paper builds on that work and seeks stakeholder input to inform further development and refinement.

In developing the proposed approach, the Central Bank has also drawn on engagement with peer authorities, external experts and stakeholders. This engagement has helped test and refine aspects of the proposed framework. The approach remains tailored to the Central Bank's mandate, statutory framework, institutional arrangements and available resources.

1.3 Scope of this Consultation

This Consultation Paper seeks views on two related elements of the Central Bank's regulatory process.

1. It presents a draft Statement of Approach to RIA. This element of the Consultation Paper sets out how the Central Bank proposes to assess regulatory interventions, including identifying problems, considering options and evaluating potential impacts.
2. It outlines a proposed updated approach to public consultation. This reflects current practices and emerging thinking on how consultation can most effectively support policy development. Feedback on this section will inform an update of our consultation policy to be published in due course.

This Consultation Paper does not introduce new regulatory requirements or amend existing rules. It focuses on the frameworks and processes that support regulatory policy development and communication.

The Central Bank intends that these approaches will continue to evolve, informed by experience and stakeholder feedback.

1.4 Structure of this Paper

The remainder of this Consultation Paper is structured as follows:

- Chapter 2 sets out the rationale for consulting on these matters and explains how the two elements are connected;
- Chapter 3 presents the draft Statement of Approach to RIA;
- Chapter 4 outlines the proposed approach to public consultation;
- Chapter 5 contains the consultation questions; and
- Chapter 6 provides information on how to make a submission.

The Central Bank invites stakeholders to consider the proposals set out in this paper and to provide feedback on the consultation questions.

2. Why the Central Bank is consulting on these matters

This chapter explains the rationale for the Consultation Paper and the relationship between RIA and public consultation as interconnected elements of the Central Bank's regulatory process.

2.1 A coherent approach to regulatory design and delivery

The Central Bank's regulatory framework is delivered through a combination of policy development, supervisory engagement and the communication of regulatory requirements and expectations.

In carrying out its functions, the Central Bank seeks to ensure that regulatory interventions are effective in achieving their intended public policy outcomes, while also being proportionate, transparent, and understandable to stakeholders and implementable by the financial system.

As financial systems evolve and regulatory frameworks become more complex, it is important that the processes underpinning regulatory design and delivery remain clear, coherent and fit for purpose.

In this context, the Central Bank is focused on ensuring that its regulatory processes are clear, consistent and accessible, and that stakeholders can understand how regulatory decisions are developed and applied in practice.

This includes:

- how regulatory issues are identified and assessed;
- how stakeholders are engaged and how evidence is gathered; and
- how regulatory requirements, expectations and guidance are communicated.

This work is intended to support more effective regulation, rather than to reduce or weaken regulatory standards.

For RIA, the proposed approach represents a more structured and transparent articulation of how the Central Bank will consider expected impacts when exercising domestic discretion. For consultation, the proposed approach primarily refreshes and clarifies existing practice, while seeking views on how consultation can be made more accessible, inclusive and effective.

The Central Bank considers that further development of its approach in these areas will support more consistent and transparent decision-making and contribute to a more predictable regulatory framework. This supports the Central Bank's ability to deliver its safeguarding outcomes through regulatory interventions that are clear, evidence-informed, proportionate, and capable of being implemented effectively.

2.2 Relationship between consultation and impact assessment

The Central Bank's approach to regulation comprises several interrelated components.

By engaging widely among our stakeholders through public consultation, the Central Bank can gather evidence, understand stakeholder perspectives and test assumptions. It provides an opportunity to identify potential impacts, implementation challenges for both industry and consumers, and alternative approaches.

RIA provides a structured framework for analysing regulatory proposals. It supports the identification of the problem to be addressed, the consideration of options and the broad assessment of potential impacts, including on consumers and firms.

While these elements can be considered separately, they are closely connected in practice:

- consultation informs the evidence base for RIA; and
- RIA supports the development and evaluation of policy options.

Taken together, these components form part of a broader regulatory process through which the Central Bank develops, assesses and communicates regulatory interventions. Greater clarity and coherence across these components can support more effective regulation and better outcomes for stakeholders.

2.3 Objectives of this consultation

The Central Bank is seeking stakeholder views to:

- seek stakeholder feedback on the proposed Statement of Approach to RIA;
- gather views on the principles underpinning the Central Bank's approach to public consultation;
- consider how these elements can operate together in a coherent and effective manner.

More broadly, the Central Bank aims to ensure that its regulatory processes:

- support robust and evidence-based decision-making;
- are proportionate to the issues being addressed;
- are transparent and accessible to stakeholders;

- reflect and are informed by the perspectives of stakeholders; and
- contribute to the effective delivery of its statutory objectives.

The Central Bank will consider all submissions received and will publish a feedback statement in due course.

2.4 Who are we engaging with through this consultation?

In conducting this consultation process, the Central Bank is interested in hearing from stakeholders across the financial system – industry, civil society, consumers and the public more broadly, policymakers and peers. In addition to written submissions, the Central Bank will seek to engage directly with interested stakeholders.

2.5 Scope and limitations of this consultation

The Statement of Approach to RIA represents a draft framework, and the Central Bank is seeking detailed feedback on its design and application.

This Consultation Paper does not introduce new regulatory requirements or amend existing rules. It is focused on the processes and frameworks that support regulatory policy development and communication.

The Central Bank will consider all feedback received in determining the final form of these approaches, including whether further consultation may be appropriate.

3. Draft Statement of Approach to RIA

This chapter sets out the draft Statement of Approach to RIA, including its purpose, scope and key components, and seeks stakeholder feedback on its design and application.

RIA is a structured approach to supporting regulatory policy development. It helps identify the issue being addressed, clarify the objectives of intervention, consider available policy options, and assess the likely impacts of those options. This includes consideration of costs, benefits, risks, proportionality, implementation issues and potential effects on consumers, firms and the wider financial system.

RIA is not a mechanical or purely quantitative exercise. It supports judgement by transparently and proportionately bringing together evidence, analysis and stakeholder perspectives. The availability, quality and certainty of evidence may vary across policy areas and proposals, and the approach to analysis should reflect those limitations proportionately.

3.1 Purpose of the Statement of Approach

RIA is a tool to support the development of regulatory policy. It provides a structured approach to identifying and assessing the potential impacts of regulatory interventions.

The purpose of the Central Bank's Statement of Approach to RIA is to:

- support robust, evidence-based decision-making;
- ensure that regulatory interventions are proportionate;
- enhance transparency in how decisions are made;
- ensure that the perspectives of stakeholders impacted by the regulatory intervention are fully considered; and
- facilitate appropriate consideration of impacts, including on customers, market functioning and the wider financial system, in line with the Central Bank's statutory framework.

RIA is intended to support, rather than constrain, effective policy development. The Central Bank does not consider that regulatory decision-making can be reduced to a purely quantitative exercise. Effective policy development relies on judgment, informed by evidence and stakeholder engagement.

The Statement of Approach is intended to guide policy development in practice, including how problems, options and impacts are identified and assessed.

The application of this approach will be proportionate and context-specific. Not all elements will be relevant in every case, and the depth of analysis will vary depending on the nature, scale and complexity of the proposal.

3.2 Scope and application

The Statement of Approach applies where the Central Bank exercises meaningful domestic discretion in developing regulatory policy interventions of general application, particularly where the Bank introduces new obligations, materially amends existing requirements, or otherwise alters the regulatory framework in a way that may have significant effects.

The application of the framework will depend on the substance and practical effect of the intervention. Material guidance may fall within scope. The framework will not apply to non-binding regulatory tools used by the Central Bank, where those tools explain, clarify or support understanding of existing obligations and do not introduce new obligations or materially alter the regulatory framework.

More significant or complex proposals are expected to involve more structured analysis, while minor or technical changes may require a more limited assessment. Where the

Central Bank is making regulations or policy changes to implement European or other external requirements, the scope for discretion may be limited, and the assessment will reflect this.

The Central Bank will apply judgment in determining the appropriate level of analysis in each case.

3.3 Proportionality

Proportionality is central to the Central Bank's approach to RIA.

The level of analysis undertaken should reflect factors such as:

- the potential impact of the proposal;
- the complexity of the issues;
- the degree of discretion available; and
- the availability of evidence.

A proportionate approach may involve different levels of assessment, ranging from high-level qualitative analysis to more detailed examination where warranted. Proportionality, therefore, requires judgment: the purpose is not to complete analysis for its own sake, but to ensure that the analysis materially supports the policy decision.

3.4 Problem definition and objectives

The elements set out below describe the typical components of an RIA, applied on a proportionate basis.

RIA should include a clear articulation of the problem to be addressed, including its underlying causes where possible, and a statement of the objectives of the proposed intervention. In applying this approach, the Central Bank will have regard to its statutory objectives and safeguarding outcomes.

This may include consideration of:

- risks to consumers;
- the stability and integrity of the financial system; and
- the functioning of markets.

Clear problem definition supports the identification and assessment of appropriate policy options.

3.5 Baseline and options, including the counterfactual

RIA should include consideration of the baseline against which proposals are assessed.

This includes:

- the current position, including existing regulatory requirements and market practices; and
- a baseline scenario, including consideration of how the situation may evolve in the absence of additional intervention.

In some cases, the baseline scenario may not represent a viable policy outcome. In such cases, its consideration may be limited to providing a reference point rather than a fully developed alternative.

RIA should also consider alternative options where appropriate, including different forms or intensities of intervention and, where relevant, non-regulatory approaches.

3.6 Assessment of impacts

RIA should include an assessment of the potential impacts of regulatory proposals.

This may include:

- costs and benefits; and
- potential unintended consequences, including where interventions may affect stakeholders differently or involve balancing competing policy considerations.

Where feasible and proportionate, quantitative analysis will be used. Where this is not possible, a qualitative assessment, supported by available evidence, may be appropriate.

3.7 Evidence, consultation and engagement

The Central Bank may draw on a range of evidence sources, including supervisory data, market analysis, and external research.

The Central Bank will engage with stakeholders to understand broader perspectives about the impact of a regulatory intervention. Public consultation can provide valuable input to RIA, including insights into impacts and alternative approaches.

3.8 Governance, quality assurance and transparency

RIA forms part of the Central Bank's broader policy development and governance processes.

The Central Bank will seek to ensure that RIA is undertaken in a timely manner, subject to appropriate internal challenge, and that its outcomes are communicated appropriately and proportionately.

3.9 Monitoring, review and learning

The Central Bank recognises the importance of monitoring and reviewing regulatory interventions.

The Central Bank may undertake proportionate monitoring and review activity to assess whether interventions remain effective, proportionate and aligned with their intended objectives.

The approach outlined in this chapter is intended to evolve, informed by experience and stakeholder feedback.

4. Draft Consultation Approach

This chapter outlines the Central Bank's proposed approach to public consultation and seeks stakeholder views on its development. The Central Bank's [Open and Engaged Charter](#) outlines that engagement with our stakeholders is a priority for us. We seek to listen, build dialogue and learn so that we can contribute to building trust in the financial system and foster a wider understanding of our role.

Consultation supports policy development by helping the Central Bank test assumptions, understand impacts, identify implementation issues and consider whether alternative approaches may better achieve the intended outcomes.

A stakeholder is anyone who has an interest in, can influence, or be affected by the Central Bank's work. Different stakeholders have different needs and priorities, but the Central Bank is committed to proactively engaging with stakeholders relevant to a given policy area. We identify relevant stakeholders by broadly considering which groups may be affected by the policy area and also reflecting on who may have a perspective from which we can learn. The Central Bank is taking steps to enhance opportunities available to consumer and civil society representatives, as well as members of the public, to engage with us to inform our decision-making.

4.1 Purpose of public consultation

Public consultation and stakeholder engagement are important parts of the Central Bank's policy development process.

They provide an opportunity for stakeholders to contribute to the development of policy by:

- providing insights and evidence, where available, on the issues under consideration;
- identifying potential impacts and implementation challenges;
- highlighting unintended consequences or alternative approaches; and
- supporting transparency in decision-making.

Effective consultation can improve the quality of regulatory outcomes by informing the development and assessment of policy options, including through its interaction with RIA.

Consultation is a key part of a broader evidence-gathering process, which may also include supervisory engagement, data analysis and research.

4.2 When the Central Bank consults

The Central Bank is committed to engaging with stakeholders across the policymaking cycle. Consultation forms part of this engagement. In general, the Central Bank consults on regulatory proposals where this is appropriate, having regard to the nature, scale and potential impact of the proposal. Where relevant, consultation may also assist the Central Bank in meeting applicable statutory obligations by improving the evidence base underpinning regulatory policy development.

Consultation is typically undertaken where:

- new regulatory requirements are proposed;
- significant changes to existing regulatory frameworks are under consideration; or
- stakeholder input would materially inform the development or assessment of policy options.

There may be circumstances where consultation is not appropriate, or where it is more limited in scope. These may include where:

- the Central Bank is implementing binding European or other external requirements and has limited discretion as to substance;
- changes are minor, technical or clarificatory in nature; or
- there are time-sensitive considerations requiring timely intervention.

In such cases, the Central Bank may consider alternative forms of engagement or communication, depending on the nature of the issue, including formal consultation or other forms of stakeholder engagement, where appropriate.

The Central Bank will determine the appropriate form and extent of consultation in each case, having regard to the specific circumstances, including statutory requirements and time constraints. The requirement to also engage with all relevant stakeholders will also be taken into account.

4.3 Proportionate, accessible, inclusive and relevant - consultation design

Consistent with its broader regulatory approach, the Central Bank considers that consultation should be proportionate. It should also be accessible, relevant and supported by appropriate engagement.

The design of a consultation may vary depending on factors such as:

- the significance and complexity of the proposal;
- the potential impact on stakeholders;
- the nature of the stakeholders likely to be impacted;
- the degree of discretion available to the Central Bank; and
- the stage of policy development.

A proportionate approach may be reflected in:

- the level of detail provided in consultation materials;
- the number and nature of consultation questions;
- the duration of the consultation period; and
- the extent of supporting analysis or documentation.

4.4 Engagement, transparency and accessibility

The Central Bank seeks to ensure that consultation processes are accessible, inclusive, transparent and capable of supporting meaningful engagement. Consultation papers range from very technical to more public facing and, as appropriate and relevant to the topic, the Central Bank will take steps to support broad, inclusive participation by all stakeholders who may have a perspective on the policy area.

The Central Bank is committed to supporting participation by stakeholders from across the financial system, including the public and consumers of financial services, regulated entities and industry bodies, Government and public representatives, as well as peer institutions.

Steps to support inclusive participation may include:

- publishing consultation papers and supporting materials in accessible, clear and structured formats, including plain English where relevant to affected stakeholders;
- setting out the purpose, scope and context of the consultation;
- clearly identifying the issues on which feedback is sought;
- facilitating engagement with a broad range of stakeholders; and
- providing a range of channels for stakeholder feedback, including digital and written formats, as well as verbal feedback received through engagements.

The Central Bank may also seek to engage with stakeholders in other ways to support or enhance a consultation or broaden its reach. In doing so, the Central Bank will ensure engagements are structured in a way that makes them available and accessible to relevant stakeholders. The mix of methods will depend on the nature of the proposal and the stakeholders affected, and may include:

- Surveys;
- Workshops and roundtables;

- Webinars and stakeholder briefings;
- Bilateral or targeted engagement;
- Digital engagement;
- Existing structured engagement mechanisms.

The Central Bank recognises that stakeholders may have differing levels of resources and capacity to engage, and will take steps to ensure that the consultation process is developed to support broad participation.

4.5 Consultation periods and timing

The Central Bank will determine consultation periods having regard to the nature and complexity of the proposal and the need to facilitate meaningful stakeholder engagement.

In general, the Central Bank considers that consultation periods should allow sufficient time for stakeholders to consider proposals and provide informed responses.

- Consultation periods will generally be 12 weeks in duration, although shorter or longer periods may be appropriate depending on the nature, complexity and timing of the proposal.
- Where a shorter period is appropriate, the Central Bank would generally expect this to be no less than 8 weeks, unless specific circumstances require otherwise;
- Longer periods may be appropriate for more significant or complex proposals;
- Shorter periods may be appropriate when proposals are more limited in scope or where there are external timing constraints; and
- Additional time may be provided when consulting over holiday periods (December or summer).

The Central Bank recognises the importance of clarity and predictability in consultation timelines, including where consultations may overlap with other regulatory or industry developments.

4.6 Publication of submissions and feedback statements

The Central Bank's general approach is to publish submissions received during public consultations, subject to appropriate safeguards.

This supports transparency and allows stakeholders to understand the range of views expressed.

Consultation submissions, and feedback gathered are analysed using a consistent consultation coding framework which ensure consistent treatment of all feedback in a way that minimises unconscious bias.

This analysis informs our feedback statement which is published following consultation. Feedback statements may:

- summarise the key issues raised by stakeholders;
- set out the Central Bank's response; and
- explain how feedback has informed the outcome.

Feedback statements are an important element of effective consultation, as they support transparency and accountability.

4.7 The relationship between consultation and impact assessment

Public consultation and RIA are closely linked.

Consultation can inform impact assessment by providing:

- evidence on potential costs and benefits;
- insights into how a diverse range of stakeholders may be affected;
- potential challenges relating to implementation; and
- views on alternative approaches or design options.

Conversely, RIA can inform consultation by:

- clarifying the problem being addressed;
- setting out the options under consideration; and
- providing an initial assessment of potential impacts.

Integrating consultation and impact assessment can support more effective policy development and more informed stakeholder engagement.

4.8 Consultation Policy and Next Steps

Following this consultation process and based on feedback received, the Central Bank will publish a formal Consultation Policy on its website to provide transparency and clarity to stakeholders about what to expect when engaging with the Central Bank.

5. Consultation Questions

This chapter presents the consultation questions on which the Central Bank is seeking stakeholder feedback.

The Central Bank invites stakeholders to respond to the questions set out below. Respondents are not required to answer every question and may provide comments on any aspect of this Consultation Paper.

Questions:

Section A: Overall questions

Q1. What are your views on the proposal to consider RIA and Public Consultation as connected but distinct elements of the Central Bank's regulatory process?

Q2. Are there additional issues or interactions, across the two elements covered by this Consultation Paper, that the Central Bank should address more explicitly? If so, please explain.

Section B: Statement of Approach to RIA

Q3. What are your views on the proposed purpose of the Statement of Approach to RIA?

Q4. Do you consider the proposed scope and application of the Statement of Approach to be sufficiently clear? If not, what additional clarification would be helpful?

Q5. What are your views on the proposed approach to proportionality?

Q6. Do you consider the proposed approach to identifying and assessing options to be clear and appropriate? If not, what changes would you suggest?

Q7. Do you consider the proposed approach to evidence gathering, consultation and stakeholder engagement to be appropriate? Please explain your answer.

Q8. What are your views on the proposed governance, transparency and review arrangements?

Section C: Consultation Approach

Q9. What are your views on the broad principles proposed for the Central Bank's consultation approach?

Q10. In your view, what steps can the Central Bank take to ensure that consultation processes are inclusive and relevant to the stakeholders affected by its work?

Q11. What features of consultation practice are most important in supporting transparency, predictability and meaningful stakeholder engagement?

Q12. Do you consider that the proposed approach to proportionality in consultation design is clear and appropriate? If not, what changes would you suggest?

Q13. In your view, what are the most important features of an effective feedback statement following consultation?

Final question

Q14. Do you have any other comments on the matters discussed in this Consultation Paper?

6. Providing Feedback

The Central Bank welcomes feedback from interested stakeholders on this Consultation Paper. Stakeholders' views are sought on the proposed approaches to RIA and public consultation as set out in the Consultation Paper.

6.1 How to Submit a Response

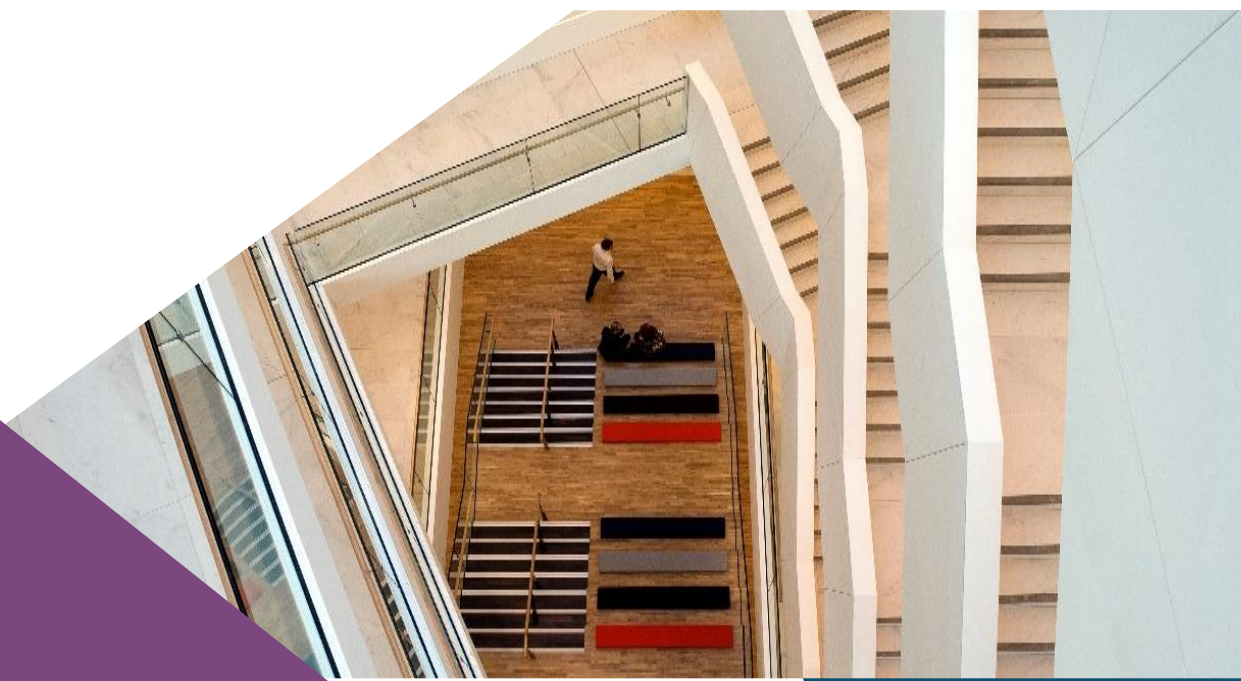
You can make your submission through [our dedicated submission form](#).

We will also accept written submissions. If submitting a response via email, please include the following subject heading 'Consultation Paper 170 – Approach to RIAs and Consultations' and address your response to: stakeholderengagement@centralbank.ie. Submissions are also welcome in writing to Central Bank of Ireland, PO Box 559, Dublin 1.

If you would like to provide us with feedback in an alternative format or would like to discuss, please contact stakeholderengagement@centralbank.ie.

The deadline for submissions is **30 September 2026**.

It is the policy of the Central Bank to publish all responses to its consultations on our website. Accordingly, commercially confidential information should not be included in consultation responses. Information deemed potentially libellous or defamatory will not be published. The Central Bank accepts no liability in respect of any information provided, which is subsequently released, or in respect of any consequential damage suffered as a result.



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