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29 September 2026

Mr. Simon Harris TD
Tánaiste and Minister for Finance
Department of Finance
Government Buildings
Upper Merrion Street
Dublin 2

Re: Insurance Compensation Fund (the Fund)

Dear Tánaiste,

Pursuant to Section 6(8) of the Insurance Act 1964 (the Act) the Central Bank of Ireland (Central Bank) has reviewed the state of the Fund in September 2026 to determine whether financial support from insurers should continue to be provided for the Fund. The Central Bank acknowledges the constructive engagement from officials in the Department of Finance which supported us in our completion of the annual review of the Fund.

Pursuant to Section 6(8)(b) of the Act, the Central Bank is of the opinion that financial support from insurers is not currently required and should discontinue until at least next anniversary of the review of the state of the Fund.

All advances outstanding from the Exchequer to the Fund are fully repaid with the final payment made in September 2026. Based on the information currently available (including estimates of the income and outgoings to the end of 2026 and reserves already available to the Fund) the Central Bank projects that a surplus is likely to exist by the end of 2026. Accordingly, the Central Bank is not recommending any further advance to the Fund by the Minister under section 5(1) of the Act.

The Central Bank has incorporated all currently anticipated calls on the Fund from insurance companies already in administration or liquidation. The Central Bank has assumed the relevant premium received by insurers for the remainder of 2026 will be similar to 2025.

Discontinuing the levy reflects the fact that, based on the latest projection, the Fund is likely to be in surplus after all contributions relating to 2026 are collected. However, additional unanticipated calls could be made by insurance companies that are in, or may go into, administration or liquidation. Any such calls may need to be offset by further advances into the Fund yet to be determined and may result in a financial support from insurers being required in future years.

If you have any questions in relation to the annual assessment, please do not hesitate to contact me.

Yours sincerely,

Mary-Elizabeth McMunn
Deputy Governor, Financial Regulation