Banc Ceannais na hÉireann
Central Bank of Ireland
Eurosystem

Authorisations and Gatekeeping Report 2024

May 2025

Contents

Foreword

I am very pleased to introduce the second edition of the Central Bank of Ireland's (the **Central Bank**) "Authorisations and Gatekeeping Report".

The Central Bank is committed to providing clear, open and transparent authorisation processes while ensuring a rigorous assessment of the applicable regulatory standards. The publication of this report is part of our continued commitment to better communication with industry and our wider stakeholders.

Our overarching supervisory objective is to ensure that we have a stable, resilient and trustworthy financial sector operating sustainably in the best interests of consumers and the wider economy.[1] Our approach to authorisations is risk-based and is framed in the context of legislative requirements, guidelines and best practice. It is proportionate and reflects the nature, scale and complexity of firms' activities.

[1] 'Perspectives and Priorities - payments and e-money' ME McMunn Speech February 2024.

Back to "Contents"

Authorisation is an important part of our supervisory framework. It supports our safeguarding outcomes of financial stability, integrity of the financial system, safety and soundness of firms and protection of consumer and investor interests. It requires us to assess firms' proposals and products against applicable regulatory standards and legal requirements to ensure that any firm or product authorised demonstrates that it has met, and will continue to meet, those standards and requirements.

Our authorisation mandate is not limited to the authorisation of new firms, but also extends to products, prospectuses, post-authorisation transactions and the Fitness and Probity (**F&P**) assessment of Pre-Approval Controlled Function (**PCF**) applications.

An authorisation granted by the Central Bank is an entry point for providing services into the Irish and European financial markets. As such, we have a broad and important role as a gatekeeper to these markets, and the phrase "regulated by the Central Bank of Ireland" has to hold meaning in setting standards and providing reassurance to the people of Ireland and across Europe.

Authorisation commences a regulatory and supervisory relationship that will continue for the duration of a firm's existence as a regulated entity. So the nature of firms' initial engagements with us inform our understanding of how they will approach regulatory compliance if and when they are authorised.[2]

This report is a summary of the authorisation and gatekeeping activity across all sectors in 2024. It seeks to provide this data in a transparent way, that can be understood, as well as providing some insights in relation to common issues we see with applications for authorisation. The timeline from a firm's initial application to authorisation is strongly influenced by:

- the complexity of the proposed application/business model;

[2] 'Charting the course –leading financial services through complexity and change' Financial Services Ireland DG Donnery Speech November 2022.

Back to "Contents"

- the quality of the application submission; and
- the applicant's timeliness in responding to the Central Bank's queries.

Our experience is that the process is more productive and efficient where firms have fully considered their regulatory obligations in their applications. Applicants with a settled and clear business plan, proper governance and organisational arrangements, who are transparent and proactive in their engagement with us will receive positive outcomes in a more timely manner.

In terms of improving our processes for authorisation, we established a single unit with responsibility for Fitness and Probity (**F&P**) in January 2025. The creation of this unit will, we expect, drive greater consistency and efficiency in the application of the F&P regime.

We are also reviewing our systems for receipt and processing of applications and in this regard, during 2024, we introduced a new on-line application for retail intermediaries which has improved the user experience. We will continue this strategy to deliver enhanced systems for application via the Central Bank portal.

We hope that readers find this report informative and helpful in terms of preparing them for applications and understanding how the Central Bank measures its performance with regards to our gatekeeping and authorisations activity.

Mary-Elizabeth McMunn

Deputy Governor, Financial Regulation, Central Bank of Ireland

Back to "Contents"

Chapter 1

Executive Summary

This report describes the authorisation and gatekeeping performance of the Central Bank for the full year 2024. The report also includes the service standards metrics for all authorisation areas for full year 2024 in Appendix 1.

The report contains information which applicants may find helpful in preparing submissions for authorisation and, in this regard, there is a chapter on authorisations expectations.

The Markets in Crypto Assets Regulation (**MiCAR**) was introduced in 2024. This is an important change to the regulatory framework and gets a separate chapter in this report.

The main body of this report is Chapter 4 where we show the timelines for authorisations in 2024 for each sector. For each one, there is an accompanying narrative. In some cases, there are links to relevant guidance.

Following an external review, commissioned by the Governor, a single unit with overall responsibility for F&P was established in 2024. Chapter 5 provides an in depth analysis and commentary of our implementation of this gatekeeping activity for 2024 and includes a suite of new metrics.

As part of the Single Supervisory Mechanism (**SSM**), the ECB approves senior roles for some Financial Institutions. In this regard, 25 F&P decisions were issued by the ECB for Ireland in 2024. Metrics for the processing of these applications are not included in this report.

As set out in the ECB Annual Report on Supervisory Activities, a total of 1,102 decisions in relation to F&P assessments were issued within the SSM in 2024. The average time taken to complete fit and proper assessments by the ECB was 97 days in 2024, down from 109 days in 2023.

"At point of entry, we have a gatekeeping mandate to ensure that those who are given access to the wider European market have done the necessary planning to ensure a well-governed and sustainable firm which can adequately safeguard other people's money, protect itself against the risk of financial crime and be a constructive actor in the system"

Back to "Contents"

The Digital Operational Resilience Act (**DORA**) represents a new challenge for existing firms and also firms seeking authorisation. We have included a spotlight section on DORA at the end of the report, which we hope is helpful.

Chapter 2

Authorisations Expectations

In line with the Central Bank's "Open and Engaged Charter 2024 – 2026" and in order to continue to enhance authorisation processes, ensuring clarity, predictability and transparency for firms seeking to be authorised, the Central Bank published cross-industry "Guidance on expectations for applicants seeking authorisation from the Central Bank of Ireland to operate as a regulated Firm" in November 2024.

This guidance expands on existing guidance published on our website and provides further detail on how the Central Bank discharges its authorisation mandate. It aims to increase the transparency of the authorisation process and to support applicant firms in understanding our requirements and expectations of applicants.

The guidance sets out principles detailing expectations with regard to the clarity, accuracy and completeness of application information and the need for applicants to be well informed on current sectoral and legal requirements. In addition, the application principles outline the Central Bank's expectations with regard to openness, co-operation and the inclusion of relevant forward-looking information relating to projections and future-plans.

Also detailed are common areas of substantive focus applicable to all applications. This non-exhaustive list is a starting point for applicant firms noting that, depending on the nature, scale and complexity of proposals, additional information may be requested during the assessment process.

Expectations outlined include ensuring sustainability and viability of customer-focused business models, ensuring resources commensurate to the nature of the entity and internal control arrangements capable of managing material risks.

Back to "Contents"

Applicants should demonstrate that they have sufficient substance in the State. This includes not only meaningful and substantive presence in the jurisdiction, but also the management of key risks and the making of key decisions by those within the entity and not elsewhere in a group.

The guidance also articulates expectations with regard to the demonstration of adequate governance commensurate with the nature and scale of business activities to be undertaken.

From an outsourcing perspective, applicants should demonstrate that they have the responsibility and capability to manage fully any outsourced activities and are compliant with the relevant guidance.

Where applicable, applicants are expected to evidence suitable arrangements to safeguard customers' funds, an area of paramount importance to the Central Bank.

In terms of capital, the guidance sets out the need for robust capital to be in place in order to demonstrate and substantiate adequate and timely sources of funding and sufficient financial resources under a plausible but severe stress scenario.

Applicants must also ensure they have adequate and sufficient frameworks in place to assess compliance risks and to monitor the adequacy and effectiveness of their compliance monitoring processes as well as on-going compliance with relevant legal and regulatory obligations.

Finally, there is guidance on the Central Bank's expectations around clarity of ownership structure, Environmental, Social and Governance (**ESG**) risk management, recovery and wind down planning as well as Anti-Money Laundering /Countering the Financing of Terrorism (**AML/CFT**) arrangements.

Back to "Contents"

Chapter 3

Markets in Crypto-Assets Regulation (MiCAR)

MiCAR has introduced a regulatory framework for crypto-assets. For the first time, the EU has a harmonised regulatory framework for this sector that introduces prudential and conduct obligations for issuers of e-money tokens (**EMTs**), asset-referenced tokens (**ARTs**), and for crypto-asset service providers (**CASPs**). MiCAR does not cover all crypto-assets for example Bitcoin and Ether which have no identifiable issuer[3], are not within the scope of these provisions.

Risks to consumers and investors are inherently high in some crypto and related services. MiCAR will not provide the same levels of protection as exists for traditional financial investment products, nor will it enable mitigation of all the significant risks linked to crypto-assets. The volatility in valuation of crypto assets means that consumers could quickly lose their money, and there are no safeguards like those that are in place for traditional financial products such as investor compensation schemes.

Nevertheless, MiCAR is a very important step forward in the regulation of crypto activities in Europe.

The Central Bank is the National Competent Authority (**NCA**) for the authorisation and supervision of entities in Ireland subject to MiCAR. At a high level, CASPs authorised under MiCAR are subject to anti-money laundering, prudential and conduct requirements. Over recent years, the Central Bank, other NCAs and the European Supervisory Authorities (**ESAs**) have worked together to deliver the effective and harmonised application of MiCAR and convergent supervisory practices throughout the EU. This includes sharing of

"It is our objective to ensure the regulatory environment enables the potential benefits of innovation for consumers, businesses and society to be realised, while ensuring that the risks are effectively managed and mitigated…. The Central Bank's authorisation process is based on clarity, transparency, flexibility and predictability for firms seeking authorisation" – Gerry Cross, Director Capital Markets & Funds

[3] Where crypto-assets have no identifiable issuer (e.g. bitcoin), they do not fall within the scope of MiCAR's provisions regulating the admission to trading and the offer to the public, given the potential lack of addressees of the regulatory measures and the absence of an issuer. However, crypto-asset service providers providing services in respect of fully decentralized crypto-assets (e.g. a CASP advising a client to buy, hold or sell bitcoin) are covered by MiCAR.

Back to "Contents"

information relating to applicant firms in order to identify instances where these firms could be seeking regulatory and supervisory arbitrage opportunities.

Implementation of MiCAR

We are committed to achieving the benefits of the new EU regulatory framework for crypto assets while ensuring the risks are well managed. Details of the authorisation regulatory framework can be found on the Central Bank Website.

We have in place a well-resourced and expert team handling the CASP authorisation process in a high quality and timely way. This is designed to ensure an effective implementation of the new MiCAR regime in Ireland cognisant of business demands and the 12-month transition period, which ends 30 December 2025. The team has had extensive and constructive engagement with the sector and applicants.

Of course, the role and approach of applicant firms is key in this regard. Our assessments of MiCAR authorisation applications will be guided through many perspectives including the use case and utility, suitability, and the risks associated with a crypto product or service.

The importance of good culture and conduct risk management in delivering on new obligations under MiCAR cannot be overstated. The stronger their risk management, the better position firms are in to understand, calculate and mitigate risks, therefore strengthening their business model, and their relationship with their customers.

Regardless of the services, the target customer base, or whether the business is retail focused or aimed at institutional clients, safeguarding of client assets and governance are critical considerations for the Central Bank.

Firms' approach to Authorisation

Our authorisation process is informed, developed and refined by our own supervisory experience and by benchmarking to peer NCA's.

Our expectations are consistent with our post-authorisation supervisory objectives[4] and, therefore, applicant firms need to demonstrate at application stage that they can maintain compliance when authorised.

Firms must be appropriately established and effectively managed to meet the financial and operational requirements of their business model. They must also, on an ongoing basis, comply with regulatory standards in place, in order to serve and protect consumer and investor interests, and to support the proper functioning of financial markets. The authorisation process is the mechanism by which the Central Bank seeks to establish that firms can meet those standards.

To aid the sector and potential applicants in understanding our process and expectations, we have held industry events dedicated to MiCAR.[5] We have also developed online information and a dedicated contact point. We will continue to engage constructively with applicants before and during application.

[4] MiCAR Authorisation and Supervision Expectations – December 2024.
[5] Industry Briefing on MiCAR Speech DG Rowland- - July 2024 and Gerry Cross March 2025.

Back to “Contents”

Chapter 4

Authorisations by Sector

The Central Bank authorises, registers or approves a range of financial service providers (**FSPs**), prospectuses and regulated financial products and also approves key personnel PCFs as part of the F&P regime.

Table 1 summarises authorisation activity[6] for each sector for 2024 and an explanatory narrative is also provided.

A separate chapter is devoted to our implementation of the F&P regime.

The Central Bank is committed to service standards (the **Standards**) which it has committed to in respect of:

- authorisation of FSPs and investment funds;
- approval of prospectuses; and
- assessment of PCF applications.

For the full-year 2024, the Standards were either met or exceeded and these are shown in Appendix 1 of this report.

Authorisation timelines remain dependent on:

- The nature, scale and complexity of the firm's proposals;
- The completeness and quality of the application; and
- The responsiveness of the firm to comments and questions during the assessment process, and the quality of those responses.

It is our experience that firms who fare best seeking an authorisation tend to:

[6] The purpose of these metrics is to provide information which indicates, for a typical application, how long an authorisation can expect to take. More complex authorisations may take longer to assess. This metric is from the date a **complete application is received to the final decision** and includes time taken by applicants to deal with queries raised by the Central Bank in the course of the application.

Back to "Contents"

- Adequately prepare coming into the authorisation process;
- Provide high quality applications;
- Be mindful of timelines, and
- Avoid incomplete information in application submissions.

A summary table of common challenges experienced during the authorisation process is shown in Appendix 2.

Table 1: Authorisations Data

Authorisations data covering the period 1 January to 31 December 2024	Applications Received	Applications Withdrawn/ Closed[7]	Applications Approved	Processing Times – Average Calendar Days	Pipeline at 31 December 2024
Funds Authorisation	787	69	710	88	-
Retail Intermediaries/Debt Management Firms	309	122	200	119	82
High Cost Credit Providers	0	0	0	N/A	1
Retail Credit Firms/Credit Service Firms	2	6	4	854	19
Trust or Company Service Providers	10	0	10	75	5
Fund Service Providers	18	2	15	202	13
Insurance	9	1	9	21[8]	1
MiFID Investment Firms	8	5	6	256	15
Crowdfunding Service Providers	0	0	2	420	1
Payment and Electronic Money Institutions	3	1	6	688	10
Credit Unions	No applications received				
Virtual Asset Service Providers	4	10	11	382	0
Credit Institutions	2	0	0	n/a	2
Prospectus Approval	644	N/A	759	15	
Fitness and Probity	3060	429	2683	52	444

Further details on the above table can be found in the relevant sections below.

[7] Applications deemed "Closed" are those that are rejected as incomplete or become dormant due to inactivity by the applicant. There were no applications refused during the year.

[8] This metric is from the date a complete application is received to the final decision and includes time taken by applicants to deal with queries raised by the Central Bank in the course of the application.

Back to "Contents"

Table 2: Processing Times – Average Calendar Days 2023 vs 2024

Processing Times – Average Calendar Days	2023	2024[9]
Funds Authorisation	98	88
Retail Intermediaries/Debt Management Firms	169	119
High Cost Credit Providers	N/A	N/A
Retail Credit Firms/Credit Service Firms	733	854
Trust or Company Service Providers	38	75
Fund Service Providers	327	202
Insurance	31	21
MiFID Investment Firms	327	256
Crowdfunding Service Providers	273	420
Payment and Electronic Money Institutions	614	688
Credit Unions	No applications received	
Virtual Asset Service Providers	530	382
Credit Institutions	N/A	N/A
Prospectus Approval	15	15
Fitness and Probity	24	52

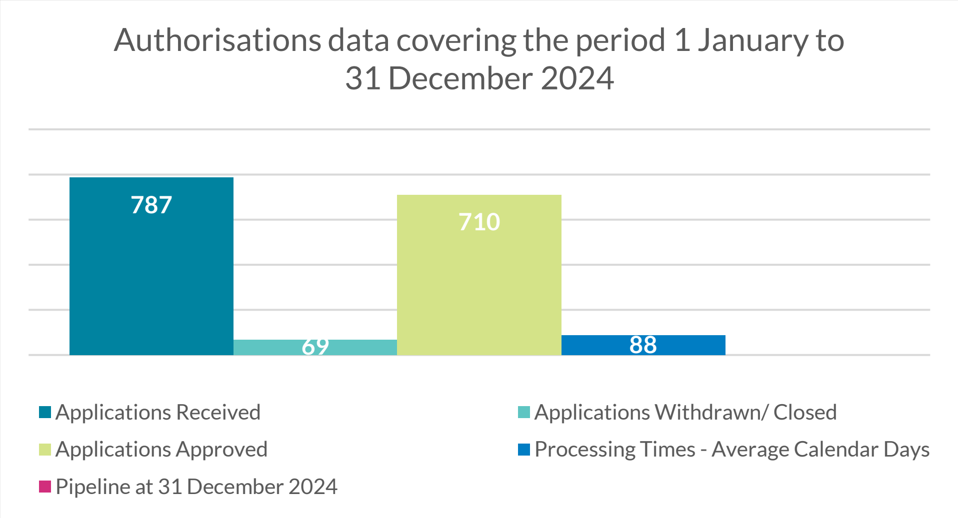
[9] Green indicates where processing times were faster than 2023 with Orange indicating where they were slower comparatively. However, the speed of authorisation processing times and progression in an authorisation context is a combination of factors both on the part of the applicant firm or individual as well as the Bank, as outlined on page 13.

Back to "Contents"

Information by Sector

4.1. Funds Authorisation

Table 3 below shows activity levels for 2024



In total, 481 Undertakings for Collective Investment in Transferable Securities (**UCITS**), nine Retail Investor Alternative Investment Funds (**RIAIFs**) and one Retail European Long-term Investment Fund (**ELTIF**) were authorised in 2024 and all service standards were achieved (see Appendix 1). The number of UCITS, RIAIFs and Retail ELTIFs authorised in 2024 is 26% higher compared to 2023. In addition, the number of new applications received in 2024 is higher compared to 2023.

209 Qualifying Investor Alternative Investment Funds (**QIAIFs**) and 10 Professional ELTIFs were authorised in 2024. QIAIF and Professional ELTIF standards were all met in 2024 with volumes 9% lower than 2023. The number of authorisations in the period were lower than 2023.

A variety of applications were received during 2024 including one Retail ELTIF, index tracking funds, funds with asset classes such as fixed income, equity, multi asset and fund of funds. Certain applications received in 2024 required a more detailed review due to complex asset classes or higher levels of leverage.

As Funds Authorisation relates to the authorisation of products rather than firms, applicants do not approach the Bank prior to submitting an application. Therefore, it is difficult to estimate the likely forecast or pipeline of applications.

Back to “Contents”

With regard to processing times, certain retail investment fund applications are more complex and require a more detailed review to determine the appropriateness of the investment strategy. Such applications can go through a number of iterations in order to obtain the necessary information to allow a full assessment of the application, and also to ensure there is clear disclosure in the relevant documentation. Therefore, such applications will typically have longer processing times. Furthermore, the overall processing time for any application includes both the time that the application is being reviewed by the Central Bank and the time that the application is back with the applicant to consider comments raised. In some instances, the applicant can take time to respond to the comments raised, which can impact the overall processing time.

QIAIFS are generally not subject to an iterative process for authorisation in the same way that retail investment funds are. The authorisation is based on specific legal confirmations provided by the Alternative Investment Fund Manager (**AIFM**), investment (or management) company together with detailed application forms, the content of which is prescribed by the Central Bank. Certain types of property QIAIFs are required to complete a pre-submission process. All authorised QIAIFs are within scope of a post-authorisation review process where the quality of documentation is assessed against Central Bank authorisation expectations.

The quality of QIAIF application documents received by the Central Bank in 2024 was similar to that received in 2023. Of note is that, there was a small increase in the total number of QIAIFs rejected from 2023, with 14 QIAIF applications rejected in 2024, mainly due to the relevant cross border management passport clearance not being received.

Post-Authorisations

In 2024, there were a total of 3,141 applications with a total of 1,210 approvals issued by the Central Bank. These figures are consistent

Back to "Contents"

with the high numbers of submissions in previous years. The submissions reviewed include UCITS mergers (both domestic and cross-border), changes of service providers, changes relating to investment strategies and changes to reflect regulatory developments at a European level.

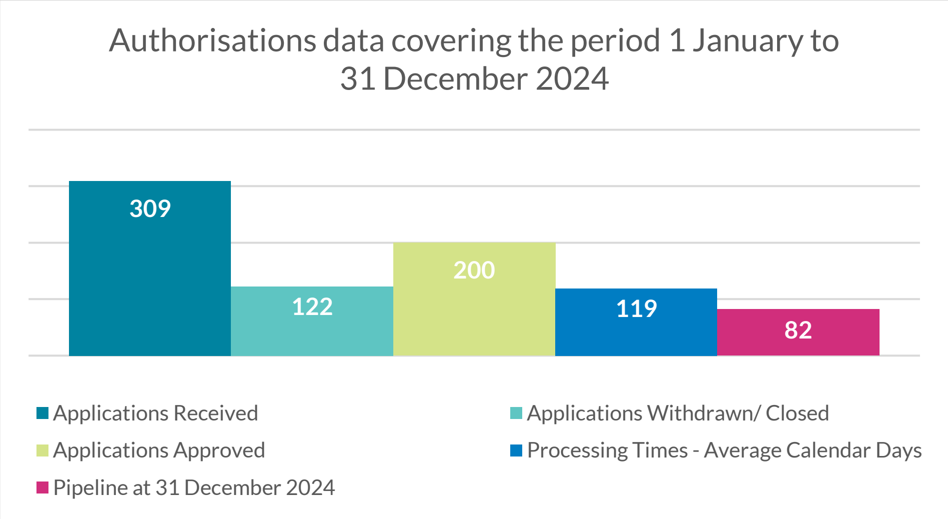
In 2024, a total of 153 investment manager applications were reviewed, split between authorised entities from the EU (11 submissions) and non-EU (142 submissions). The average days taken for review of investment manager submissions was, as it was in 2023:

- EU Investment Managers – 1 day
- Non- EU Investment Managers – 4 days

Back to “Contents”

4.2. Retail Intermediaries/Debt Management Firms

Table 4 below shows activity levels for 2024



Applications received includes re-submissions where earlier applications did not pass the key information check. Note that a number applications approved in 2024 were received in 2023.

The Retail Intermediary application pipeline continues to be a high volume sector, with 200 Retail Intermediary authorisations/registrations issued in 2024, up 15% from 174 in 2023. The increase in volume reflected the additional mortgage intermediary authorisation renewals issued in 2024. One application for a Debt Management Firm authorisation was received in 2024 and this applicant's authorisation will be finalised in H1 2025.

The average turnaround time for applications authorised/registered improved in 2024 to 119 calendar days[10], compared to 169 calendar days in 2023. This included a small number of applications where the service standards did not apply.

All service standards were met in 2024 (see Appendix 1) and processing times were in line with our expectations (c.70 calendar days for quality and comprehensive applications requiring minimal follow-up). The introduction of automated validation checks for online A-Form applicants in September 2024 resulted in a material improvement in the quality of applications received and is expected to reduce turnaround times in 2025. The longest turnaround time during the period was 679 calendar days, however this is an outlier

[10] Calendar days start from the commencement of the assessment phase of the application process.

Back to "Contents"

and related to a single application where issues of concern had to be addressed.

Poor quality and/or incomplete applications are a common occurrence (our new online application form with in-built validations should improve this figure), with 100 applications of the 309 received returned to firms due to the submissions failing the key information check. A further 22 applications were withdrawn or became dormant after entering the assessment phase of the application process. The most common reasons for the withdrawal/return of an application were:

1. Applicants being unable to demonstrate that proposed appointees to PCF roles met the F&P requirements (including the Minimum Competency Requirements);

2. Errors/inaccuracies in their Individual Questionnaire (**IQ**) submissions[11]; and

3. Applicants not submitting their IQs within 20 working days.

Post-Authorisations

The number of applications from firms seeking approval to complete an acquiring transaction in 2024 was 67 (up from 61 in 2023) and the number of applications from firms seeking to appoint a tied agent was 142 (up significantly from 40 in 2023 – this increase was due to intergroup tied agency moves by one entity).

Revocations[12]

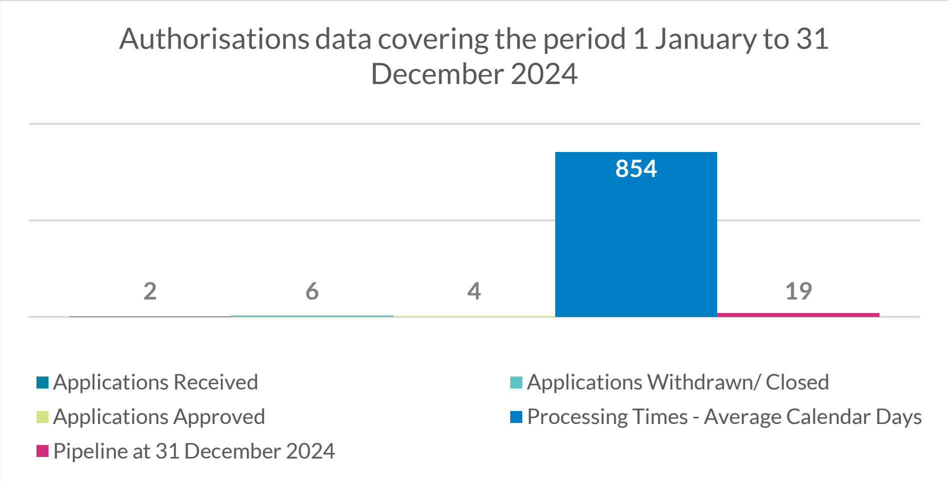
There were 157 revocations in this sector in 2024 (down from 183 in 2023), the vast majority, 156, relate to voluntary Retail Intermediary firm revocations.

[11] An Individual Questionnaire is the on-line application competed by the applicant when applying for a PCF role in a firm.
[12] Revocation numbers represent the number of authorisations/registrations revoked.

Back to “Contents”

4.3. High Cost Credit Providers (**HCCP**), Retail Credit Firms (**RCF**) and Credit Servicing Firms (**CSF**)

Table 5 below shows activity levels for 2024.



Processing times – Average calendar days.

The average timeline for authorisation of 854 days was driven by a single “atypical” business model on a Retail Credit Firm application. The firm was issued with its ‘minded to authorise’ letter after 311 days and within our 90 working day service standard timeframe. However, the firm took a long period of time to meet the requirements of the ‘minded to authorise’ letter, delaying the timeframe to full authorisation.

The majority of ongoing RCF applications are as a result of new legislation introduced in 2022 to regulate Hire Purchase, Personal Contract Purchase (**PCP**) and Buy Now Pay Later firms. These firms are authorised on a “transitional” basis and can continue to carry out their activities while their application is being assessed, so service standards do not apply. A small number of RCF firm applications, outside of the transitional basis, were received in 2024.

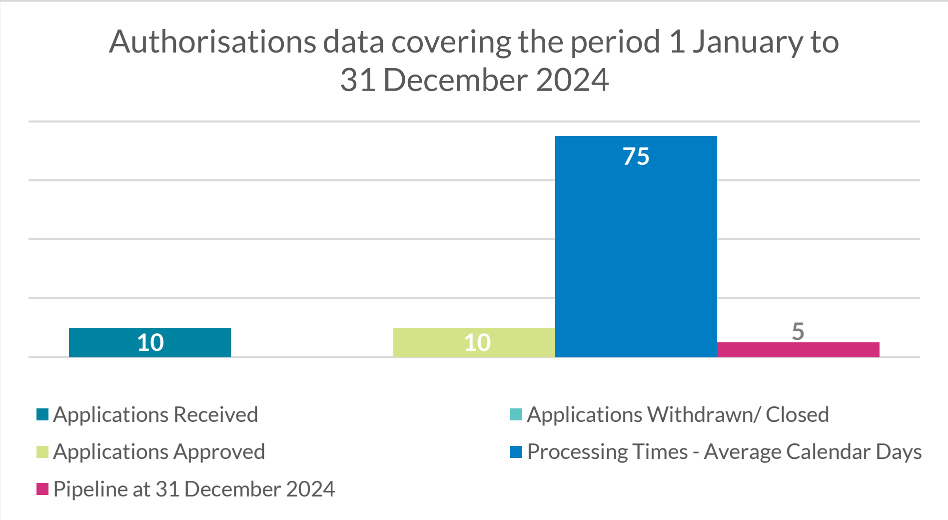
There were no HCCP licences renewed in 2024, as these were renewed for a period of five years in 2023.

There was a small number of RCF/CSF withdrawals during the year. Reasons for withdrawals included transitional firms withdrawing from the sector and business models changing late in the application process.

Back to “Contents”

4.4. Trust or Company Service Providers

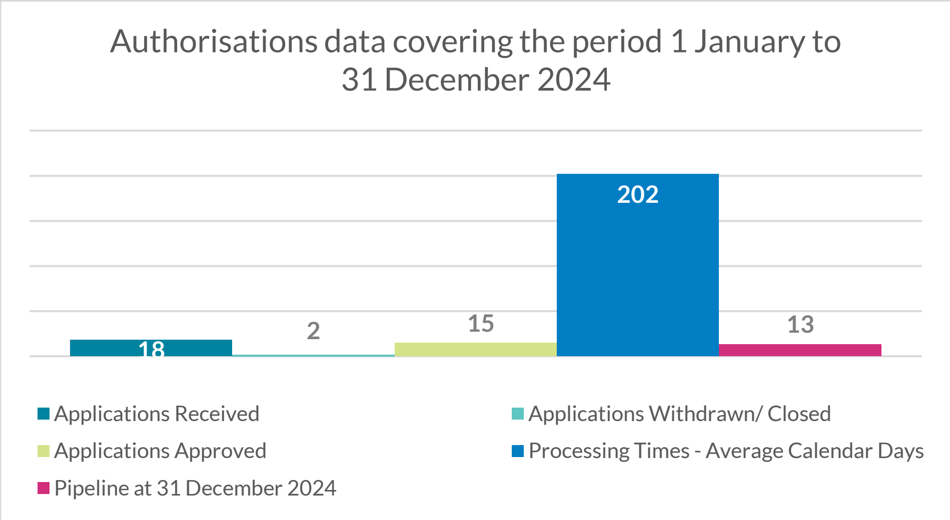
Table 6 below shows activity levels for 2024



Trust or Company Service Providers (**TCSPs**) are authorised under Chapter 9 of the Criminal Justice (Money Laundering and Terrorist Financing) Act 2010 to 2021. The Central Bank is the competent authority for AML/CFT supervision of TCSPs that are subsidiaries of Credit or Financial Institutions (this accounts for approximately 10% of the total TCSP population). The Department of Justice is the competent authority for all other TCSPs. A TCSP authorisation is valid for a period of three years from the date of authorisation. Consequently, TCSPs must seek renewal of their authorisation every three years. In 2024, five TCSPs sought renewal of their authorisation and a further five firms applied to the Central Bank for new TCSP authorisation. The Bank approved all ten applications for authorisation. In addition, there was two voluntary TCSP revocations in 2024.

4.5. Fund Service Providers

Table 7 below shows activity levels for 2024



During the course of 2024 fifteen FSPs were authorised. This represented a 50% increase by comparison to authorisations in the previous year. The number of withdrawn applications was less than the previous year with only two such taking place and no applications were considered dormant (i.e. not being actively progressed by the applicant).

The Central Bank continued to process a high number of "other" applications such as branch notifications, changes to authorisation, registration of Alternative Investment Funds and revocations of authorisations or approvals. In all, twenty one were considered. These applications are subject to a regulatory review process.

Table 8: Other Applications Completed 2024

Other Applications Completed 2024	
EEA Branch Inwards Notification	3
EEA Branch Outwards Notification	9
Registration	6
Registrations (Additional AIF)	1
Revocation	2

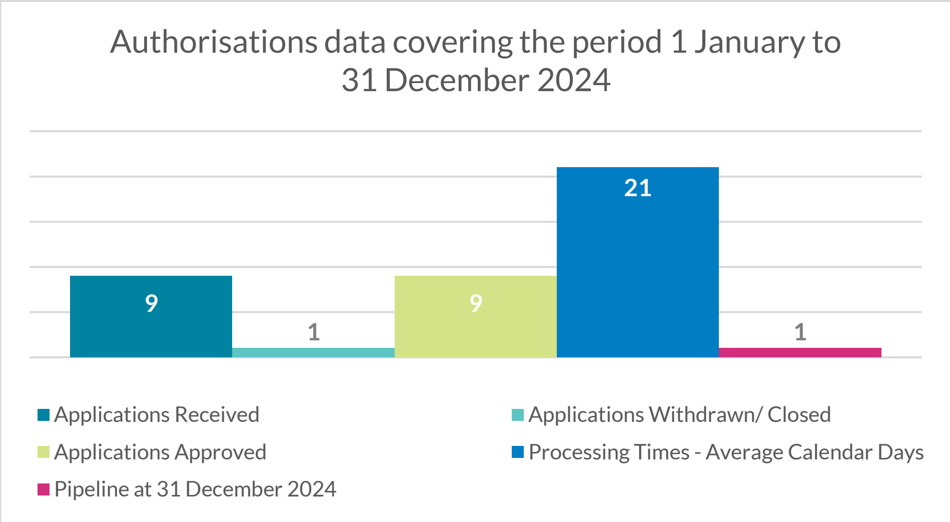
During the course of 2024, 52 acquiring transactions were received and considered by the Central Bank.

The trend observed for the year 2023 continued throughout 2024 with a steady flow of acquiring transactions taking place. The review process is subject to legislative deadlines both in terms of initial review and completion of the acquiring transaction assessment. All deadlines were met in 2024.

Back to "Contents"

4.6. Insurance

Table 9 below shows activity levels for 2024



The average time taken by the Central Bank to process complete applications for authorisation was 21 calendar days in 2024. The time taken was within our voluntary service standard of three months and statutory timeline of six months, from the receipt of a complete application.

The Central Bank aims to make the application for authorisation process an efficient one and although our service standards and statutory timelines commence from the receipt of a complete application, the Central Bank generally commences its review of good quality, substantially complete applications.

Back to "Contents"

The Central Bank issued authorisation in principle[13] to one (re)insurance undertaking, five Solvency II special purpose vehicles (**SPVs**) and three SPV arrangement in 2024. Average processing times for these three types of insurance authorisation application, are shown in Table 9 below.

Table 10: Average Authorisation Processing Times 2024

		Average processing times - 2024			
Insurance Type	Applications Authorised	From receipt of original incomplete application to receipt of complete application in calendar days	From receipt of complete application to the grant of authorisation in principle (AIP) in calendar days	From AIP to the issue of the certificate of authorisation in calendar days	Total from receipt of incomplete application to the issue of the certificate of authorisation in calendar days
(Re) insurance undertaking	1	166	34	72	272
Solvency II special purpose vehicle (SPV)	5	23	31	29	83
SPV arrangement	3	4	8	0	12
Average for all insurance types	9	36	21	27	84

As outlined in Table 9 above, the length of time from receipt of the original incomplete application to the issue of the certificate of authorisation is generally dependent on the time taken by the applicant to submit a complete application and address the requirements set out in the authorisation in principle letter. Further, the timeline to authorisation is strongly influenced by:

- The complexity of the proposed business model;
- The quality of the application submission; and

[13] Authorisation in principle is explained in page 7 of the Guidance on Completing and Submitting (Re)Insurance Authorisation Applications available on the Central Bank's website.

Back to "Contents"

- The applicant's timelines in responding to Central Bank queries.

Post-Authorisations

The table below sets out average processing from the receipt of a complete application to approval, for six types of post-authorisation approvals, issued in 2024.

Table 11: Average Post-Authorisation Processing Times 2024

Post - Authorisation Type	Number	Average processing times in calendar days
Acquiring Transaction (Qualifying Holding)	14	43
Branch Application -Outwards	5	74
Change of Business Plan	15	80
Extension of Insurance Classes	3	29
Portfolio Transfers	3	77
Revocation of Authorisations	6	28

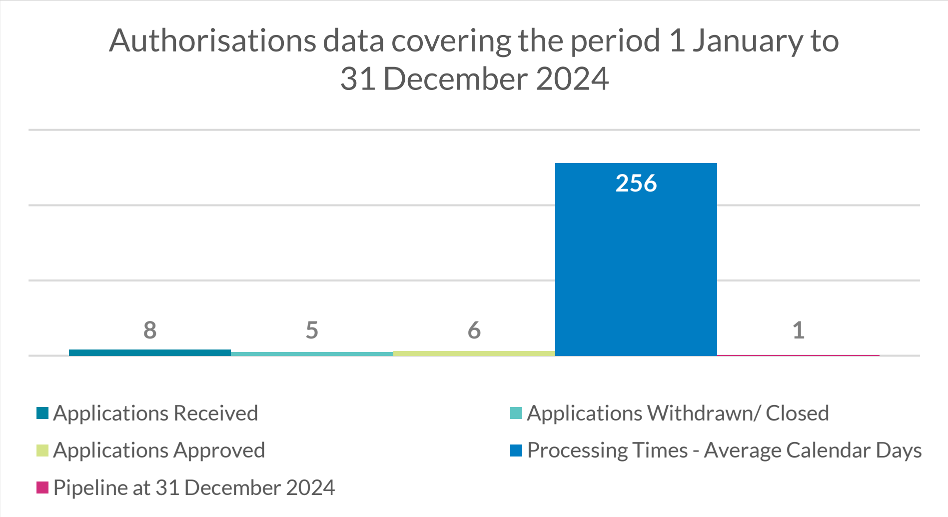
The Central Bank aims for an efficient review process and periodically reviews its processes for possible enhancements. There are also actions that firms can undertake to avoid unnecessary delays in the review process, including:

- Transparent, early engagement with supervisory teams on the nature, scale and timing of the change being considered;
- Providing good quality, substantially complete applications;
- Ensuring that adequate time and resources are available to provide information supporting the application; and
- Responding in a timely manner to any subsequent queries, which may arise.

Back to "Contents"

4.7. Markets in Financial Instruments Directive Investment Firms (MiFID)

Table 12 below shows activity levels for 2024



Processing time includes incomplete applications at the Formal Application stage

Six authorisations were completed in 2024. Three were for new MiFID investment firms in this jurisdiction and the remaining were extensions to authorisation for existing Irish authorised investment firms.

While the volume and nature of the MiFID pipeline varies from year-to-year, the number of applicants in the authorisation pipeline remains robust at end of 2024, with eleven applicant firms in the assessment phase and an additional four prospective applicants that had preliminary engagement with the Central Bank regarding their interest in applying for authorisation. There is an increasing variability in the types of proposed business models for investment firms presenting for authorisation, which adds to the complexity of the pipeline.

The authorisation process for investment firms entails three stages; (i) the Pre-Application / Preliminary Engagement stage, (ii) Key Facts Document stage, and (iii) Formal Application stage. The average turnaround time for both new and existing investment firm authorisations decreased in 2024 to 256 days versus 327 days in 2023. Turnaround time is calculated as the average processing time from the receipt of the first draft of the Formal Application (which

Back to “Contents”

includes both complete and incomplete applications) to authorisation date. Only Formal Applications received that have been deemed to be complete applications are subject to service standards.

Commonly observed factors that can delay the authorisation process include; material changes to the business or governance application during the assessment process, delays in the submission of PCF IQs[14] and poor quality and/or incomplete applications.

During 2024, five applicant firms withdrew their proposal from across the three-stage authorisation process, of which three were in the Key Facts Document or Formal Application assessment phases. This was generally due to a change in strategic direction of the applicant firm or their wider group.

Post-Authorisations

The Central Bank completed the assessment of twelve Acquiring Transaction Notifications throughout. The review process is subject to legislative deadlines in terms of both initial review and completion of the assessment. All such deadlines were met in 2024.

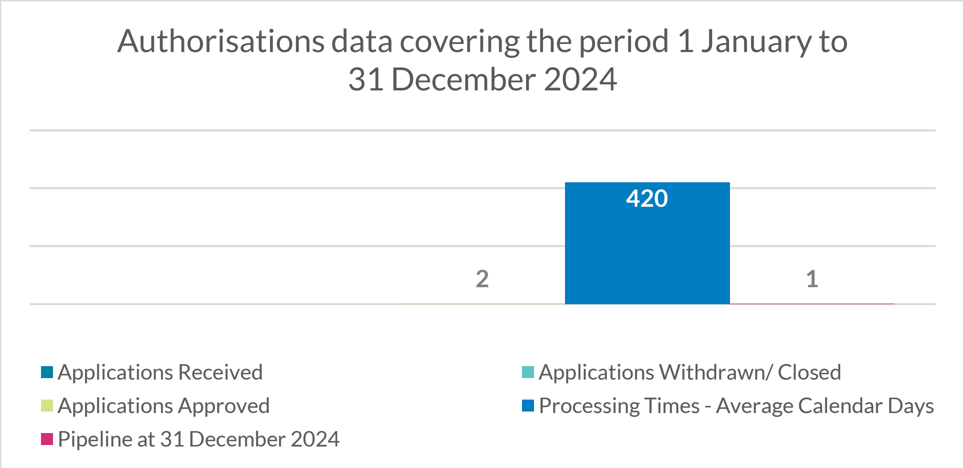
The Central Bank also processed two Voluntary Revocations of investment firm licenses and processed two EEA MiFID Branch Inward Notifications during 2024.

[14] An IQ (Individual Questionnaire) is the online application completed by the application when applying for a PCF role in a firm.

Back to “Contents”

4.8. Crowdfunding Service Providers

Table 13 below shows activity levels for 2024



Regulation (EU) 2020/1503 (the **Regulation**) establishes an EU regulatory regime for Crowdfunding Service Providers (**CSPs**). The regulation came into force in November 2021 and requires both existing firms providing crowdfunding services and new firms seeking to enter this market to seek authorisation from a NCA. A transitional period was provided for existing CSPs. This date was originally 10 November 2022 but the European Commission extended this date to 10 November 2023.

Two CSPs were authorised by the Central Bank in 2024. Of these, one was a new entrant to the Irish market and one was an existing firm.

For the two CSPs authorised in 2024, authorisation timelines have been calculated from receipt of initial application up to the date of authorisation.

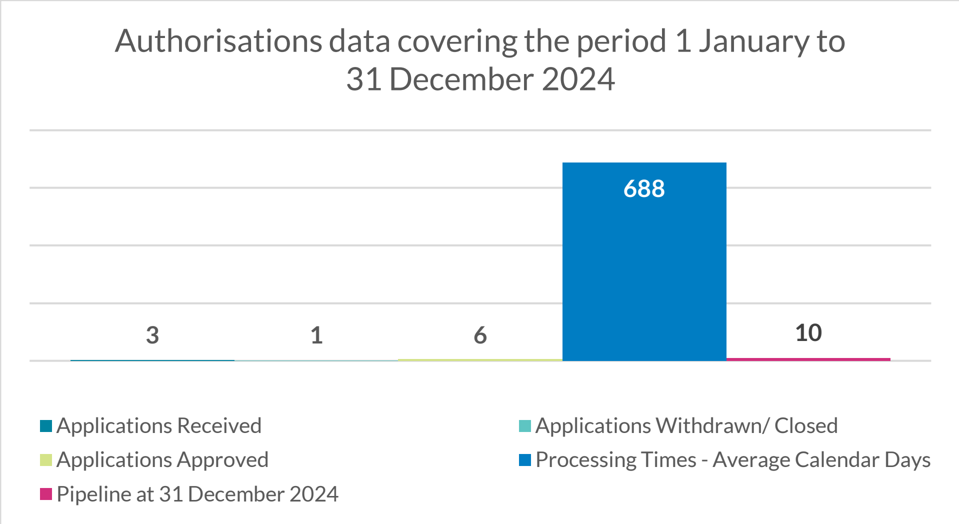
Both firms authorised in 2024 did not provide a complete application upon initial submission. This was the main contributing factor to the extended timelines. As per the regulation, the Central Bank has three months to reach a decision on an application for authorisation from the date of receipt of a complete application.

Back to “Contents”

Based on current experience and knowledge, we are expecting the level of new applicants for 2025 to be similar to 2024.

4.9. Payment and Electronic Money Institutions

Table 14 below shows activity levels for 2024



The Payment and Electronic Money sector is of increasing importance in Ireland and Europe and we continue to see material levels of growth both in terms of the numbers of firms operating in the sector and their activity levels. Specifically, the number of Payment and Electronic Money firms regulated by the Central Bank has tripled in the last 7 years (to 56 authorised firms as at end of December 2024). We have seen a more than 10 fold increase in safeguarded funds (to approximately €10.2bn), and there is a strong pipeline of firms seeking to be authorised.

As in previous years, the majority of PIEMI applicants tended to be large groups proposing to establish an Irish subsidiary, with passporting within the European Economic Area being a significant feature of applications received.

Six firms were authorised in 2024, which is the same number as in 2023. An additional three firms had received “Minded to Authorise/Register” letters at year-end (one less than at end 2023) and were fulfilling specific requirements prior to authorisation.

The number of firms in the pre-application and application stages at the end of 2024 was almost identical to the number at the end of 2023.The number of applicants who withdrew from the application process in 2024 was significantly down on 2023.

The average time taken to complete from initial application to authorisation/registration, 688 days, reflects some of the challenges encountered, i.e. a lack of preparedness of some applicants, delays in responding to queries issued by the Central Bank, changes made by applicants to their proposals during the course of assessments and, in one instance, an applicant taking a considerable period to address requirements outlined in the "Minded to Register" letter prior to being ultimately registered (1,064 days). The shortest time to complete an authorisation/registration was 274 days.

In April 2024, in an effort to improve the standard of applications received, and thus expedite the time taken to complete assessments, the Central Bank published "Expectations for Authorisation of Payment and Electronic Money Institutions and Registration of Account Information Service Providers".

Post-Authorisation

There were six post-authorisation acquiring transaction notifications and two revocations (one Payment Institution and one Bureau De Change) completed for the sector in 2024.

Back to "Contents"

4.10. Credit Unions

No credit unions were registered during the year ending 31 December 2024. A total of twelve credit unions were deregistered in the same period.

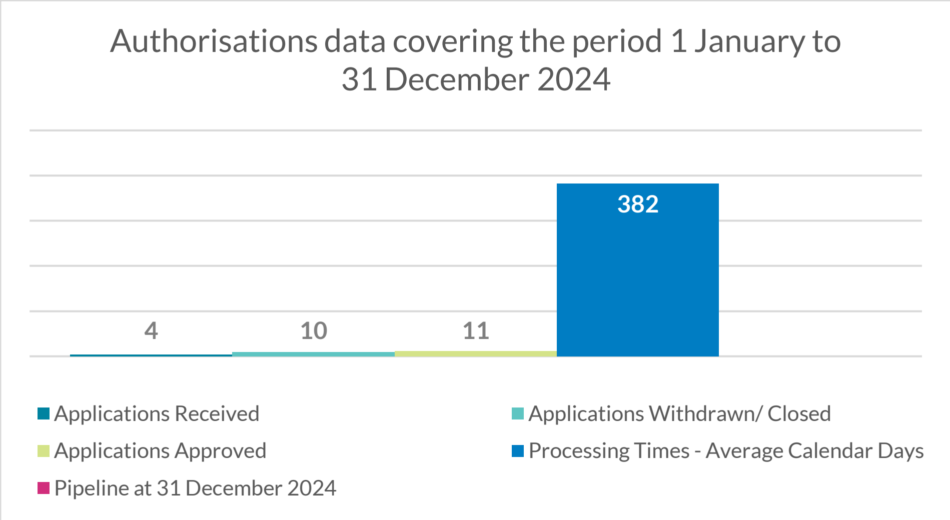
As of 31 December 2024, there were a total of 206 credit unions on the credit union register[15]. 23 of these 206 credit unions were not actively trading[16] and they will be de-registered over the course of 2025, with a possibility that some of these de-registrations will extend into 2026. The Central Bank will have ongoing engagement with the transferee credit unions (i.e. the acquiring credit union in the transfer of engagement process) to prompt the final actions required from the credit unions to allow the deregistration process to be completed.

[15] Credit union register available at: https://registers.centralbank.ie/prerenderedreports/15.pdf .
[16] 20 of these 23 credit unions are transferors that have completed transfers of engagements, while the remaining three credit unions are in liquidation.

Back to "Contents"

4.11. Virtual Asset Service Providers

Table 15 below shows activity levels for 2024



Virtual Asset Service Providers (**VASPs**) are registered pursuant to Section 108 of the Criminal Justice (Money Laundering and Terrorist Financing) Act 2010 and are supervised by the Central Bank for AML/CFT purposes only.

During the Central Bank's assessment of VASP registration applications received in previous years, a number of recurring weaknesses were identified and consequently in 2022 the Central Bank issued a bulletin relating to VASPs, which set out the key issues identified and reiterated its expectations. There are currently 22 firms registered as VASPs with 11 of the 22 registered in 2024. The average number of days taken to register a VASP in 2024 was 382 calendar days, with the extended timeline largely driven by the time taken by the applicants to respond to queries raised during the assessment.

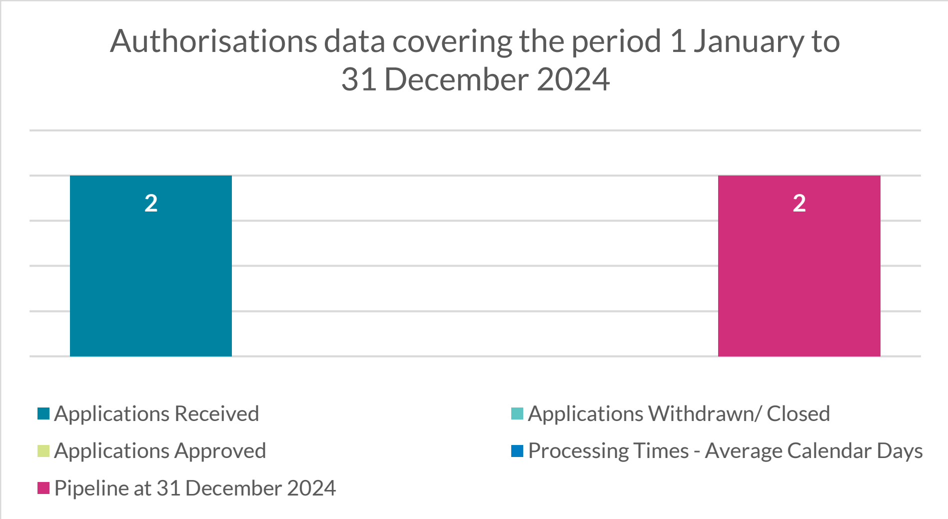
A significant number of firms' withdrew from the registration process. This has been for a number of reasons including a change of strategy or an inability to meet their legal obligations. The firms registered comprise of large firms that are part of global groups and smaller standalone Irish firms.

Back to "Contents"

The commencement of MiCAR in January 2025 has significantly altered the authorisation process for firms seeking to provide crypto asset services from Ireland. The MiCAR authorisation process is a broader assessment than the current VASP registration process, which is focused solely on an applicant's compliance with AML/CFT obligations. Consequently, on 2 May 2024, the Central Bank published guidance for firms that are intending to seek authorisation to provide crypto asset services from Ireland and this guidance can be found here.

4.12 Credit Institutions

Table 16 below shows activity levels for 2024



Credit Institutions (**CIs**) are authorised in accordance with Section 9 of the Central Bank Act, 1971 (as amended)[17]. The granting of licenses takes place in close co-operation with the European Central Bank (**ECB**), which is the Competent Authority. The Central Bank is the competent authority for the granting of licenses to Third-Country Branches (**TCBs**). All CI license applications follow a three-phase process:

- Exploratory Phase – Involving the submission of a high-level proposal with review and decision on progression to Draft Application Phase;
- Draft Application Phase – Includes the majority of detailed assessment work carried out by the Central Bank and ECB;
- Application and Decision Phase – Submission of application and decision on authorisation.

No CIs were authorised during the year ending 31 December 2024. This is reflective of the relatively low volume nature of new entrants in the sector. Two applicant firms entered the Draft Application Phase in 2024. Pipeline numbers can vary, as expressions of interest

[17] Third Country Branch are authorised in accordance with Section 9A of the Central Bank Act, 1971 (as amended).

do not always materialise into applications. There are currently three expressions of interest, at least one of which is expected to commence the exploratory phase in 2025.

Passporting for Credit Institutions

In accordance with Article 35 of the Capital Requirements Directive 2013/36/EC (**CRD IV**) any EEA credit institution wishing to exercise the freedom to provide services within another EEA Member State by establishing a branch shall notify the competent authorities of the home Member State of their intention to do so.

Similarly, in accordance with Article 39 of CRD IV any EEA credit institution wishing to exercise the freedom to provide services on a cross border basis within another EEA Member State shall notify the competent authorities of the home Member State of their intention to do so.

The Central Bank also oversees and processes incoming passporting notifications from other NCAs in accordance with the agreed SSM procedures.

EEA Branches (Freedom of Establishment)

There are currently 30 EEA credit institutions operating in the State on a branch basis. Two new branches were established in 2024.

EEA Cross Border (Freedom of Services)

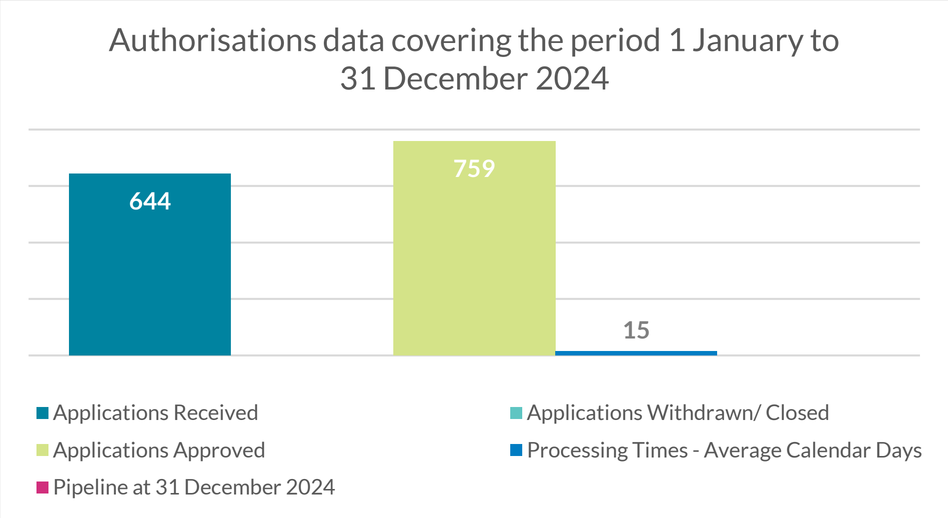
Notifications in respect of EEA credit institutions operating in the State on a cross border basis are updated to the published Credit Institution register here.

Post-Authorisations

One CI license was voluntarily withdrawn and one TCB license lapsed during the year ending 31 December 2024.

4.13. Prospectus Approval

Table 17 below shows activity levels for 2024



As Prospectus Approval relates to the approval of disclosure documents for issuances rather than firms, submitters do not approach the Central Bank prior to submitting an application. Therefore, it is very difficult to estimate the likely forecast or pipeline of submissions.

In 2024, a total of 759 prospectuses were approved, mainly relating to debt securities.

The Central Bank approves prospectuses under the Prospectus Regulation for equity securities, a variety of different debt securities and closed-end investment funds. Submissions for debt securities targeted both retail and wholesale investors and included issuance programmes, standalone issuances or prospectus supplements. Products included plain vanilla debt with fixed rates, guaranteed bonds, covered bonds and structured bonds/products, such as Asset Backed Securities (**ABS**), Exchange Traded Products (**ETPs**) and Credit Linked Notes (**CLN**).

During the approval process, a total of 2,279 (initial, subsequent and approval submissions were received and deemed in scope for the service standards. All service standards were achieved (see Appendix 1). Of the submissions, 2,276 were debt and three (two) were equity. The performance against service standards was 99% for debt and 100% for equity submissions. The full list of service standards is available at this link.

10 debt submissions are excluded from the 2,276 figure above as the submissions did not proceed. The main reason was that the Central

Back to "Contents"

Bank did not consider the submissions to be of the required standard (e.g. issues with the prospectus document or supporting documentation). A further four submissions are also excluded from the 2,276 figure, as they were deemed to be complex (concerns a product with complex features or is a type of prospectus that the Bank rarely approves).

Guidance in relation to the submission of prospectus is available at this link.

There were 16,143 final terms filed with the Central Bank in 2024. Final terms constitute the commercial terms of the securities under an issuance programme.

Chapter 5

Fitness and Probity

The core function of the fitness and probity regime is to ensure that individuals in key and customer facing roles – referred to in legislation as Controlled Functions (**CF**) and Pre-Approval Controlled Functions (**PCF**) within the financial services industry are competent and capable, honest, ethical and of integrity and also financially sound.[18]

This Chapter provides an overview of the Central Bank's fitness and probity gatekeeping process, its operation in 2024, planned enhancements for 2025 and includes enhancements to our published statistical information. In this respect it builds upon last year's Authorisations and Gatekeeping Report[19] and reflects changes which the Central Bank is progressing arising from the Fitness and Probity Review conducted by Mr Andrea Enria in 2024.

Enhancements to the fitness and probity gatekeeping process

The Central Bank has made significant strides in implementing the recommendations from the Fitness and Probity Review, which were outlined in a published report last month. Work will continue to ensure that the Review is implemented both in practice and in spirit. Key steps include:

- Establishment of a dedicated Fitness and Probity Unit streamlining operations and ensuring a more cohesive assessment framework. By centralising fitness and probity gatekeeping responsibilities, the Central Bank is enhancing its ability to maintain high process standards.
- Creation of a Gatekeeping Decisions Committee within the Central Bank to consider cases of potential refusal – increasing the seniority and importance of decision making;

[18] Further information is available here.
[19] Last's year report was the first such overview and contained 2023 data.

Back to "Contents"

- Issued public consultation (CP160) last month on consolidated and revised guidance on the Fitness and Probity Guidance – proposing simplification of PCF list and consolidation of guidance for easier navigation.
- Continued enhancement to our statistical information for accountability and transparency - to develop understanding of how the process works in practice.

During the course of 2025, commencing in H1, the Central Bank will conduct focussed stakeholder engagement with industry representatives and relevant parties. These engagements will provide an opportunity for the Central Bank to receive feedback on its process and also allow the Central Bank to provide information and outline its expectations.

Continuing to Enhance Statistical Information

The Central Bank continues to enhance its statistical information on the fitness and probity gatekeeping process. This enhanced statistical information and reporting, includes how we are tracking against the 90 day timeframe for completion of assessments. This will be a valuable resource for stakeholders and will contribute to a greater understanding of the fitness and probity gatekeeping process.

In this respect the information below covers all fitness and probity applications received (irrespective of whether they are attached to a firm authorisation process). It also provides information by reference to PCF roles, by sector and provides average times for applications received during that year.

In addition the information provides clear data on:

a) Fitness and probity gatekeeping applications received;
b) Approval and refusals;
c) Withdrawals from the fitness and probity gatekeeping assessment process prior to a decision by the Central Bank;
d) Incomplete applications received;

Back to "Contents"

e) Timeframe, including an average; and

f) Number of interviews which the Central Bank conducted as part of the fitness and probity assessment.

The assessment statistics are shown as a total and also separated into standard PCF applications which are relating to a pre-existing authorised firm and PCF applications linked to authorisations.

2024 Overview[20]

Table 18: Fitness and Probity Applications by status in 2024

Fitness & Probity PCF Assessments	All PCF Assessments	PCF Standard Applications	PCF linked to Authorisation
Applications Received	3060	2175	885
Applications Returned as Incomplete	301	212	89
Applications Withdrawn	128	60	68
Applications Approved	2683	1982	701
Applications Refused	0	0	0
Interviews Conducted	47	32	15
Average Calendar Days for approvals	52	24	134
% approved within 90 calendar days	82%	98%	37%
End of Year Pipeline	444	129	315

A continued improvement is observed in the quality of PCF applications submitted since the introduction of the new online portal in April 2023. We see this reflected in a year-on-year reduction of 17% in PCF applications that were returned as incomplete, at 301 for 2024, compared to 361 for 2023. These incomplete applications concern errors in the initial submission. Common errors identified include, failures to upload necessary supporting documentation, application for an incorrect PCF role, firm

[20] The information included below does not pertain to PCF applications for which the European Central Bank is the relevant decision maker.

Back to "Contents"

updates not reflected in the application, or the initial proposer is no longer a valid proposer.

Further, there was a reduction of 54% in the PCF applications that were withdrawn by firms, at 128 for 2024, compared to 279 for 2023. A PCF application may be withdrawn, at any point, throughout the assessment for a variety of reasons including where individuals decide to not continue with an application or a firm authorisation does not proceed.

For all PCF applications received, 82% had their assessment concluded within a 90 calendar day timeframe. At a more granular level, the completion within 90 days rises to 98% for those PCF applications which are not linked to a related application for a new firm authorisation.

Table 18 below provides a calendar day breakdown of the timelines for assessment of standard PCF applications.

Table 19: Assessment Timelines for PCF Applications, not related to a new firm authorisation

2024 Assessment Timelines Standard Applications		
No. Days	**No. of Applications**	**% of Standard Applications**
1 to 30 days	1576	80%
31 to 60 days	298	15%
61 to 90 days	63	3%
91 to 120 days	24	1%
121 to 150 days	5	<1%
150 + days	1622	1%

Where the PCF application is linked to an application for a new firm authorisation, the two processes align and the PCF role can only be approved when the firm authorisation is approved, meaning the assessment timeframe reflects the overall authorisation timeframe for firm approval and is not a true reflection of the time to assess the

Back to “Contents”

individual PCF role. Consequently, 37% are completed within the 90 day timeframe due to the nature of the firm authorisation process. The Central Bank is working to ensure greater alignment between these two processes.

Table 20: Timelines for all PCF applications

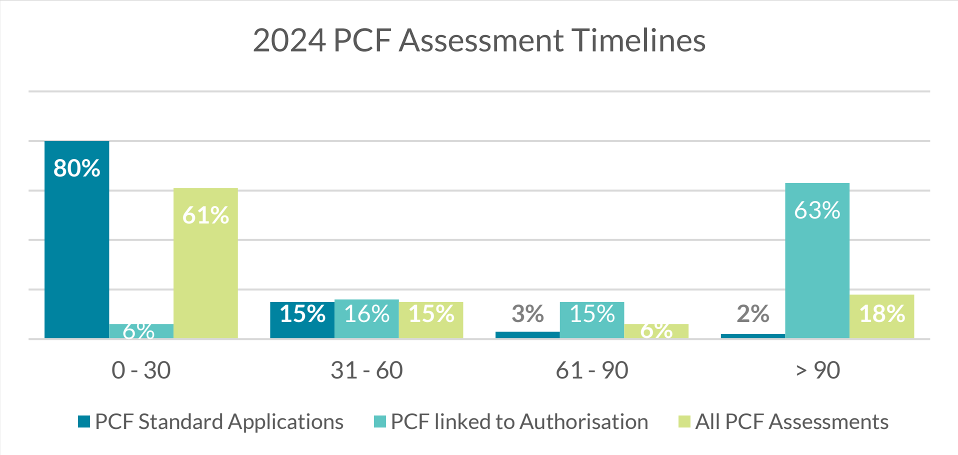
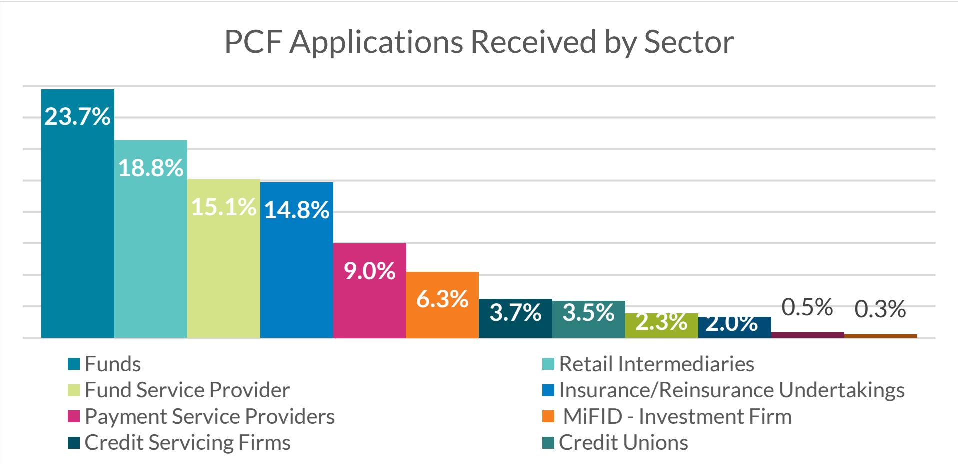


Table 21: Fitness and Probity Applications received by sector in 2024



PCF applications received in 2024 were spread across a number of sectors as referenced in the table above. 82% of the total PCF applications received related to four sectors, Funds, Retail Intermediaries, Fund Service Providers and Insurance/Reinsurance Undertakings.

Fitness and Probity Applications – Top 20 PCF Roles

Table 21 below identifies the top 20 roles for which a PCF application was submitted to the Central Bank.

Table 22: Top 20 PCF Roles

Fitness & Probity PCF Assessment data from 1 January to 31 December 2024		Applications by PCF role	% of total roles[21]
#	Title		
PCF2A	Office of Non-Executive Director	780	21%
PCF1	The Office of Executive Director	534	14%
PCF2B	Office of Independent Non-Executive Director	432	11%
PCF3	Office of Chair of the Board	299	8%
PCF12	Head of Compliance	213	6%
PCF52	Head of Anti-Money Laundering and Counter Terrorist Financing Compliance	167	4%
PCF8	The Office of Chief Executive	154	4%
PCF14	Chief Risk Officer	133	3%
PCF11	Head of Finance	107	3%
PCF42	Chief Operating Officer	74	2%
PCF13	Head of Internal Audit	71	2%
PCF16	Branch manager of branches established outside the State	63	2%
CUPCF1	Chair of the Board of Directors	60	2%
PCF49	Chief Information Officer	51	1%
PCF52	Office of Chair of the Risk Committee	45	1%
PCF17	Head of Retail Sales	37	1%
PCF39E	Designated Person with responsibility for Distribution	37	1%
PCF4	Chair of the Audit Committee	37	1%
PCF48	Head of Actuarial Function	36	1%
PCF39B	Designated Person with responsibility for Operational Risk Management	35	1%

It is of note that the top 5 roles represent 60% of all PCF roles applied for in 2024.

[21] Rounded to nearest whole number.

Fitness and Probity Interviews

An important component of the fitness and probity gatekeeping assessment process is the conduct of an interview. They are a key way for the Central Bank to obtain information it needs to complete its assessment. It is important to emphasise that being called for an interview should not be construed as a negative indication or a presumption of any view of the Central Bank. Interviews are simply an effective means to gather information directly from the proposed appointee or firm representative which allows room for explanation and clarification.

In 2024, a total of 47 fitness and probity interviews were conducted. This number is lower than the number of fitness and probity interviews in 2023 (126). The Central Bank affirms its commitment to the interview process as an essential tool in the conduct of its assessments.

To provide greater transparency and insight into the fitness and probity application landscape, the overall interview figure has been segmented further, offering a detailed breakdown by both sector and specific PCF role.

Table 23: PCF Interview by Sector

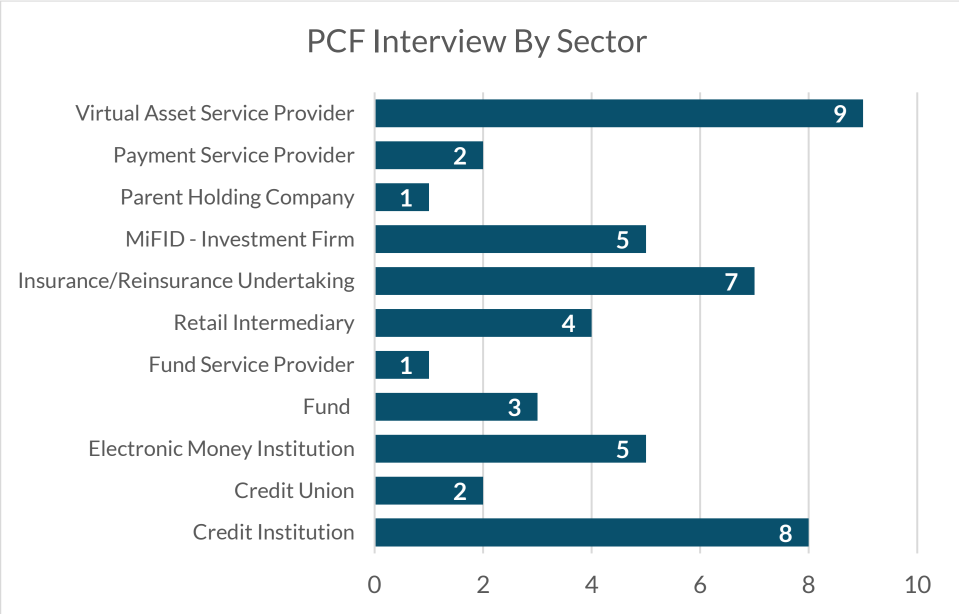
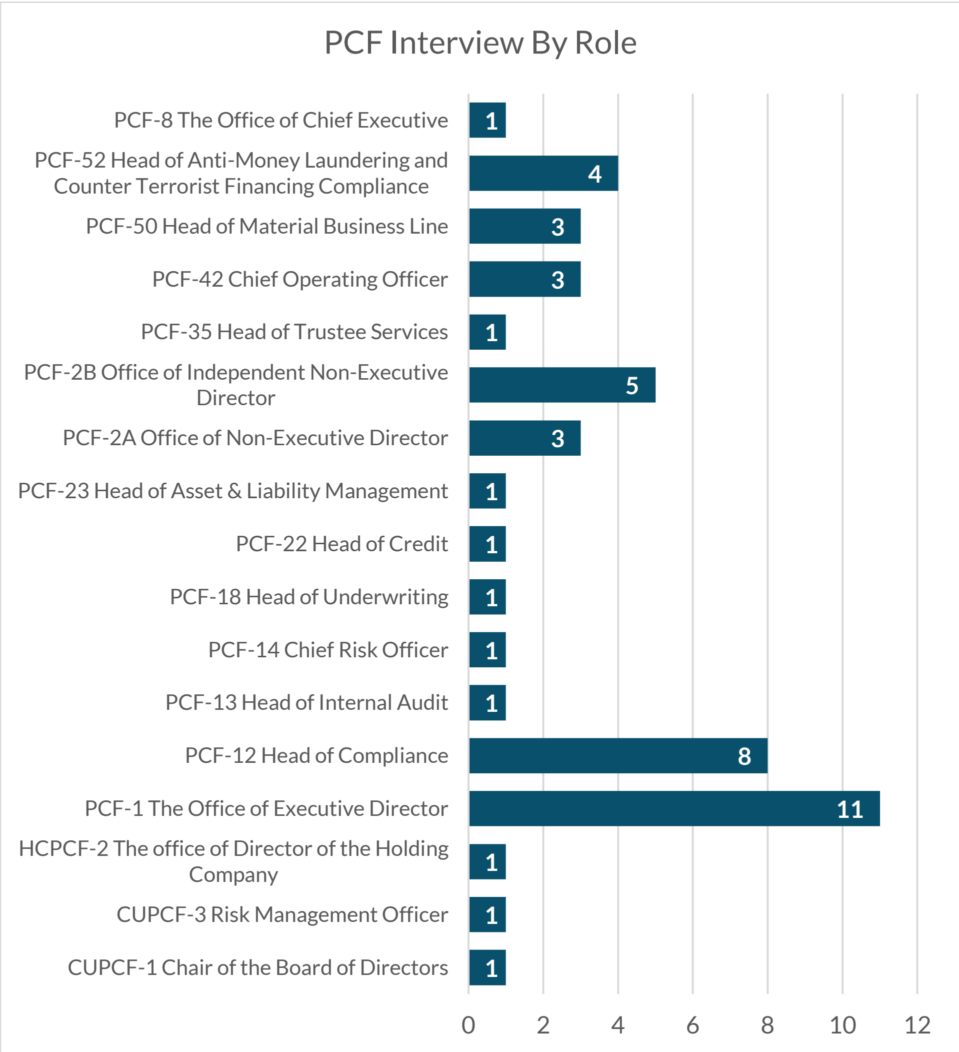


Table 24: PCF Interview by Role



Back to "Contents"

Spotlight - DORA

Introduction

On 27 December 2022, the Digital Operational Resilience Act (**DORA**) was published in the Official Journal of the EU. This includes a Regulation and a Directive on digital operational resilience for the financial sector. DORA has been in effect since 17 January 2025 and is a key component of the Central Bank's authorisation assessment process.

DORA applies to a wide range of financial entities and for the first time, DORA brings together provisions addressing digital operational risk in the financial sector in a consistent manner in one single legislative act. DORA is designed to enable Financial Entities (**FEs**) to implement the requirements according to a risk-based and proportional approach and it introduces targeted rules on:

- Information and Communication Technology (**ICT**) risk management;
- ICT-related incident management, classification and reporting
- Digital operational resilience testing;
- Management of ICT third-party risk (including the introduction of an oversight framework for critical ICT third-party service providers);
- Information sharing arrangements.

Article 2 of DORA sets out which FEs are in scope and which are excluded. FEs should consider Article 2, in conjunction with the definitions of entity types in Article 3 to understand if they are directly in scope of DORA. If an FE is listed in those circa 20 entity types in Article 2, and if it is not exempt under Article 2(3), then the requirements of DORA will apply.

Back to "Contents"

Our supervisory expectations

We take a proportionate, pragmatic risk-based approach to our authorisation assessments and consider the applicant's nature, scale and complexity when evaluating a FEs DORA maturity. We expect applicants to have clearly identified any gaps to compliance, with the requirements of DORA, and to be moving quickly and strongly to close those gaps via concrete and evidence based plans.

Proportionality is a key aspect of DORA and is at the heart of our regulatory approach. Given the wide range of firms DORA applies to, the DORA framework has to be fit for application to firms of all types, sizes, shapes, and levels of complexity. The proportionality aspects of DORA are provided for in a number of ways and require careful consideration as part of the application for authorisation:

- Certain smaller size entities are out of scope along the lines of existing financial sector legislation;
- The ESAs have reduced the scope of mandatory weekend reporting by focusing only on credit institutions, trading venues, central counterparties, other FEs within the scope of NIS2[22] designation at national level, and entities with significant and systemic impact at national level;
- Only major incidents are required to be reported, and only a small subset of FEs are required to perform advanced Threat Led Penetration Testing (**TLPT**);
- The rules relating to the ICT Risk Management Framework are required to be implemented proportionally by FEs, taking into account their size and overall risk profile and the nature, scale, and complexity of their activities and operations;
- A simplified Risk Management Framework (**RMF**) is provided for certain types of FEs;

[22] Network and Information Security Directive 2. It's an EU-wide regulation designed to strengthen cybersecurity across member states. It updates the original NIS introduced in 2016.

Back to "Contents"

- Some specific requirements do not apply for microenterprises;
- With regard to Digital Operational Resilience (**DOR**) testing (chapter IV), DORA envisages that scoping of the DOR testing programme is based on a risk based approach, applying proportionality, considering the evolving threat landscape, any specific risks and the criticality of the information assets involved. For microenterprises DORA goes even further to recognise the balance between resources and time, versus urgency and type of risk when planning ICT testing;
- Several requirements focus specifically on the Critical or Important functions of the FEs in scope and the information and ICT assets that support them; and
- A number of the Level 2 texts (RTS on ICT RMF[23], RTS on Third Party Providers and Subcontracting) allow entities to consider elements of increased or reduced complexity of its services, activities and operations;
- The Central Bank would also note that, under article 6(5) of DORA, FEs are required to document and review their risk management framework at least once a year, or periodically in the case of microenterprises, and that the ESAs have helpfully provided a template of the report on the ICT risk management framework review in article 27 of the RTS on the ICT Risk management framework (EU 2024/1774).

We expect FEs to demonstrate that they have duly considered and documented their assessment of these aspects of proportionality: critical functions, dependence on in-house and contracted ICT services and systems and the implications a total loss or severe degradation of such systems would have in terms of Critical or Important functions and market efficiency.

[23] Regulatory Technical Standards on Information and Communication Technology Risk Management Frameworks. They outline tools, methods, and policies that organisations must implement to manage ICT risks effectively.

Back to “Contents”

Key regulatory components in DORA

A key component of DORA is the requirement for ICT risk management. This requirement is focused on enhancing FEs resilience against cyber threats and enabling them to keep their processes running, even during or after a disruption. The regulation strongly emphasises that the responsibility for managing a FEs ICT risk lies directly with the management body, including the approval and oversight of a digital operational resilience strategy, thereby strengthening its role in the context of governance and organisation.

FEs will be required to demonstrate as part of the application for authorisation:

- How it will continuously monitor and control the security and functioning of ICT systems and tools and minimise the impact of ICT risk on ICT systems through the application of appropriate security tools, policies and procedures.
- How it will design and implement a comprehensive ICT business continuity policy and ICT response and recovery plans, including how these will be regularly reviewed.
- How it will put in place capabilities and staff to gather information on vulnerabilities and cyber threats, ICT–related incidents and how the FE will analyse the impact they are likely to have on a FEs digital operational resilience.

It is critical that FEs are able to demonstrate that they have appropriate structures in place to manage and mitigate ICT risks and that any compensating measures are well-documented. Aside from assessing current DORA compliance, we will also assess how the applicant will ensure its ongoing compliance.

After any application has been granted, we expect the following from the applicants:

As part of DORA, FEs must report serious ICT-related incidents and (new) agreements with ICT service providers to the Central Bank. Additionally, there is the option to voluntarily report cyber threats. FEs can submit these notifications via the DORA page of the Central Bank website.

Employees play an important role in the implementation of ICT policy. DORA therefore also focuses on the development of IT awareness programs, taking into account the differences in employees' tasks.

DORA expects FEs to take sufficient measures and set up processes that improve information security and cyber resilience. To ensure these measures are adequate, it is important that ICT tools and systems are regularly tested to identify any vulnerabilities and deficiencies.

According to DORA, FEs must maintain an information register with all contractual agreements with third-party ICT service providers. This information register must be shared annually with the Central Bank, which will then be shared with the European regulators (**EBA, EIOPA, and ESMA**)[24]. The European regulators use the information from the registers to designate critical third-party ICT service providers.

[24] European Banking Authority, European Insurance and Occupational Pensions Authority, European Securities and Markets Authority

Appendix 1

Service Standards 2024

Sector	Service Standards	Target	Performance[25]
Fitness and Probity	Incomplete IQ Response	85% of cases within 5 business days	93%
	Qualifying Investor Fund IQ	5% of applications within 5 business days	97%
	Standard IQ	85% of applications within 15 business days	99%
Funds	To process UCITS, RIAIF and Retail ELTIF (non-fast track) applications	90% of initial submissions assessed within 20 business days 90% of subsequent submissions assessed within 10 business days	98%
	To process UCITS, RIAIF and Retail ELTIF (fast track) applications	90% of initial submission assessed within 10 business days 90% of subsequent submission assessed within 5 business days	98%
	To process QIAIF and Professional ELTIF applications	100% authorised within 1 business day	100%
High Cost Credit Providers, Retail Credit Firms and Credit Servicing Firms	To complete the assessment phase and notify applicant of outcome	90% within 90 business days of commencement of assessment phase	100%
	To renew HCCP licenses prior to expiry	To renew all HCCP licenses prior to expiry	N/A
Trust or Company Service Providers	Processing Complete Authorisations (New applications and Renewals)	90% within 3 months of a complete application	90%
Fund Service Providers	To process UCITS Management Company applications	90% of authorisations within 6 months	100%
	To process AIF Management Company applications	90% of approvals within 6 months	100%
	To process externally managed AIFM applications	90% of authorisations / registrations within 6 months	100%
	To process Fund Administrator applications To process Depositary applications	90% of authorisations within 6 months	100%

[25] Note: authorisations are conducted on a "stop the clock" basis which means that the Central Bank may need to pause applications whilst additional information is sought from the firm to allow completion.

Back to "Contents"

Sector	Service Standards	Target	Performance
Insurance/ Reinsurance Undertakings and Solvency II Special Purpose Vehicles	To respond to requests made to the email address insurance@centralbank.ie for a preliminary meeting from perspective applicants.	100% within 5 business days of receipt	100%
	To assess applications for authorisation for completeness and notify the applicant of the outcome.	100% within 10 business days of receipt	100%
	To process complete applications for approval of second or subsequent arrangements from Solvency II special purpose vehicles and notify the applicant of the outcome.	100% within 10 business days of becoming complete	100%
	To process complete applications for authorisation and notify the applicant of the outcome.	75% within three months of becoming complete	100%
	To process complete applications for authorisation and notify the applicant of the outcome.	100% within six months of becoming complete	100%
MiFID Investment Firms	To process complete MiFID applications	90% of complete MiFID applications within 6 months	100%
Payment and E-Money Institutions	To Acknowledge receipt of application	95% within 3 business days of receipt of application	100%
	To complete key information check	95% within 10 business days of receipt of application	100%
	To complete the assessment phase	90% within 90 business days of commencement of assessment phase	100%
	To complete the notification of decision phase and notify applicant of outcome	90% within 10 business days of receipt of satisfactory response to issues set out in notification of outcome of assessment phase	100%

Back to "Contents"

Sector	Service Standards	Target	Performance
Retail Intermediaries & Debt Management Firms	To acknowledge receipt of application To complete key information check To complete the assessment phase and notify applicant of outcome To complete the notification of decision phase and notify applicant of outcome	95% within 3 business days of receipt of application 95% within 10 business days of receipt of application 90% within 90 business days of commencement of assessment phase 90% within 10 business days of receipt of satisfactory response to issues set out in notification of outcome of assessment phase	**100%** **99%** **100%** **100%**
Investment Managers	To assess application for the clearance of Investment Managers (EU authorised) To assess application for the clearance of Investment Managers (Non-EU authorised)	90% of submission assessed within 1 business day 90% of initial submission assessed within 5 business days 90% of subsequent submissions assessed within 3 business days	**91%** **98%**
Prospectus Approval[26]	Debt Prospectuses	90% of initial submissions of prospectuses, where the securities have a denomination per unit of less than €100,000, assessed within 6 working days 90% of subsequent submissions of prospectuses, where the securities have a denomination per unit of less than €100,000, assessed within 4 working days 90% of initial submissions of prospectuses, where the securities have a denomination per unit of at least €100,000, assessed within 4 working days 90% of subsequent submissions of prospectuses, where the securities have a denomination per unit of at least €100,000, assessed within 3 working days 90% of initial submissions of non-financial supplements assessed within 2 working days 90% of subsequent submissions of non-financial supplements assessed within 2 working days 90% of financial supplements approved on the same day 100% of approval submissions approved on the same day	**99%**

[26] The full list of service standards is available at this link.

Back to "Contents"

	Equity Prospectuses	100% of initial submissions of prospectuses assessed within 10/20 working days 100% of subsequent submissions of prospectuses assessed within 10 working days 100% of approval submissions approved on the same day	**100%**

Appendix 2

Common challenges in the authorisation process

Challenges	Description
Business Models	An inability by firms to describe the proposed business model, with clarity on underlying assumptions made, and customer offering, may result in a prolonged assessment. Similarly, substantial changes made by firms during the course of the assessment to their proposed business model, may cause an extended assessment period.
Delays in Responding	We have, in a number of cases, experienced long delays by firms in responding to queries or providing clarifications to questions posed during the authorisation process.
Governance	Lack of substantive presence and adequate staffing for both PCF and non-PCF roles in the jurisdiction.
Inadequate Preparation and Application Completeness	Firms which have made the necessary senior appointments at the application point generally submit a more complete application which has been subject to appropriate review and, therefore, tend to progress through the authorisation process in a more timely manner.
Localised Risk Frameworks	The Central Bank has experience of supervising many international financial services firms with various structures. However, we expect local risk frameworks, tailored to the entity that is seeking authorisation, to be in place to ensure all risks are managed. In many cases, this has not been appropriately considered by firms and, there is an overreliance on group risk frameworks which do not achieve that outcome.

Back to “Contents”