



Banc Ceannais na hÉireann
Central Bank of Ireland

Eurosystem

Regulatory Service Standards Performance Report:

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Executive Summary

The Regulatory Services Standards Performance Report is published half-yearly and sets out the performance of the Central Bank of Ireland ('Central Bank') against the service standards to which it has committed in respect of:

- (a) authorisation of Financial Service Providers (FSPs) and Investment Funds;
- (b) approval of Prospectuses;
- (c) assessment of Pre-Approval Control Function (PCF) Individual Questionnaire (IQ) applications; and
- (d) performance of its third party contact management service.

The Central Bank is committed to providing a clear, open and transparent authorisation process across all sectors, while ensuring a rigorous assessment of each application against the applicable regulatory standards.

The service standards are applied upon receipt of a complete application and do not generally include the time taken by an applicant to address matters raised during the review process. Full details on the types of exceptions are set out in Appendix A.

For the H2 2022 report, the following points can be noted:

- (a) In preparing this report, and in alignment with the Central Bank's strategy to be "Open and Engaged," we have consulted with different industry sectors to seek their input and, as a result, enhanced narrative has been provided in this report to aid understanding. Given the varied nature of the sectors, narrative that may be appropriate for one sector may not be relevant to others. We will continue to review report content on an ongoing basis.
- (b) To measure the Central Bank's performance, there are 44 public service standards covering the relevant sectors. During the H2 2022 period, 32 Service Standards were either met or exceeded, while 12 service standards did not apply¹.
- (c) The Central Bank is enhancing its Portal for Fitness & Probity applications, and the first section of this report outlines the Principal Changes and Preparations for go-live in April 2023. This Portal will significantly improve the User Experience in the submission of applications for PCF roles.

¹ Some Service Standards may not be relevant during the reporting period – e.g. where no applications were submitted to the Central Bank in that period.

Achoimre Feidhmiúcháin

Foilsítear an Tuarascáil ar Fheidhmíocht na gCaighdeán Seirbhíse Rialála ar bhonn leathbhliantúil agus leagtar amach inti feidhmíocht Bhanc Ceannais na hÉireann (an ‘Banc Ceannais’) in aghaidh na gcaighdeán seirbhíse atá glactha aige maidir leis na nithe seo a leanas:

- (a) Soláthraithe Seirbhísí Airgeadais (FSPanna) agus Cistí Infheistíochta a údarú;
- (b) Réamheolairí a cheadú;
- (c) iarratais i bhfoirm Cheistneoir Duine Aonair (IQ) ar Fheidhm Rialaithe Réamhcheadaitheach (PCF) mheasúnú; agus
- (d) feidhmíocht a sheirbhíse tríú páirtí bainistíochta teagmhála.

Tá an Banc Ceannais tiomanta do phróiseas údaraithe soiléir, oscailte, trédhearcach a chur ar fáil ar fud na n-earnálacha go léir, agus é á chinntiú ag an am céanna go ndéanfar dianmheasúnú ar gach iarratas in aghaidh na gcaighdeán rialála is infheidhme.

Déantar na caighdeáin seirbhíse a fheidhmiú a luaithe a fhaightear iarratas comhlánaithe agus de ghnáth ní chuirtear san áireamh an t-am a thógann sé ar an iarratasóir déileáil le haon cheisteanna a ardaítear le linn an phróisis athbhreithnithe. I bhFoscábhinn A, leagtar amach sonraí iomlána maidir leis na cineálacha eisceachtaí.

Maidir le tuarascáil L2 2022, féadfar aird a tharraingt ar na pointí seo a leanas:

- (a) Le linn dúinn an tuarascáil seo a ullmhú, agus i gcomhréir le straitéis an Bhainc Ceannais a bheith “Oscailte agus Rannpháirteach”, chuamar i dteagmháil le hearnálacha éagsúla tionscail chun a n-ionchur a fháil agus, dá thoradh sin, tá insint fheabhsaithe curtha ar fáil sa tuarascáil seo chun cur le tuiscint uirthi. I bhfianaise ilghnéitheacht na n-earnálacha, féadfaidh nach mbeidh insint atá oiriúnach d’earnáil amháin oiriúnach do na hearnálacha eile. Leanfaimid d’athbhreithniú a dhéanamh ar ábhar na tuarascála ar bhonn leanúnach.
- (b) Chun feidhmíocht an Bhainc Ceannais a thomhas, tá 44 chaighdeán seirbhíse poiblí a chlúdaíonn na hearnálacha ábhartha. Le linn L2 2022, baineadh amach nó sáraíodh 32 chaighdeán seirbhíse, fad nach raibh feidhm ag 12 chaighdeán seirbhíse².
- (c) Tá feabhas á chur ag an mBanc Ceannais ar a Thairseach d’iarratais maidir le Feidhmiúlacht & Cuibheas, agus sa chéad chuid den tuarascáil seo, leagtar amach na Príomhathruithe agus Ullmhúcháin a dhéanfar sula dtiocfaidh sé i bhfeidhm i mí Aibreáin 2023. Leis an Tairseach seo, feabhsófar go mór Eispéireas Úsáideoirí nuair a bheidh iarratais á ndéanamh acu ar ról PCF.

² Féadfaidh nach mbeidh Caighdeán Seirbhíse áirithe ábhartha le linn na tréimhse tuairiscithe - e.g. i gcás nach mbeidh aon iarratais curtha faoi bhráid an Bhainc Ceannais le inn na tréimhse sin.

Central Bank Portal Enhancement

Introduction

The Central Bank Portal will be enhanced to facilitate the submission of applications to become a holder of a Pre-Approval Controlled Function ('PCF'). Individual Questionnaires ('IQ') will no longer be submitted via the Online Reporting System (ONR), but will instead be submitted via the [Central Bank Portal](#). These changes will go-live in April 2023, and will provide applicants with an enhanced process for submitting applications. Applications in relation to the Single Supervisory Mechanism (SSM) will continue to be submitted via the current ECB portal.

Industry Engagement

In 2021, the Central Bank surveyed applicant firms for their suggestions on how the IQ submission process could be improved. We have been able to incorporate most of the suggestions received, as summarised below:

- Applicants to be able to:
 - o prepopulate and maintain personal data;
 - o view previous submissions and print IQs; and
 - o view the status of an IQ, and identify which team in the Central Bank is conducting the assessment.
- Provision of clear error messaging which will facilitate uploading of supporting documentation.

In November 2022, the Central Bank invited nine representatives from the financial services industry to test an early version of the new IT system. Positive feedback on the usability of the new system was received, which included suggested changes to the wording of questions and areas where guidance would be helpful.

Principal changes to IQ

It is planned to publish the new IQ in Q1 2023. The main changes in the IQ are set out below:

- (1) **An F&P Profile** will be available on the Portal where the applicant is asked to enter the following information before they start the PCF application process:
 - a. Personal details to uniquely identify/contact the applicant,
 - b. Professional experience for last 10 years, qualifications, training and/or professional memberships,
 - c. Approvals/Withdrawals by other regulators,
 - d. Positions in other entities (non-financial firms).

- (2) **Collection of personal details** of the applicant on a consent basis so that the Central Bank can enhance reporting on diversity in the financial services sector as published in the Annual PCF Demographic Report.

(3) Additional questions in the IQ relating to:

- a. Applicant competencies, knowledge of business of firm and regulatory environment,
- b. Whether the applicant has been subject to remuneration clawbacks for alleged wrongdoing,
- c. Whether probity issues affect the applicant's suitability for the role,
- d. Time commitments, and how the applicant has the capacity to perform the role (if not full time).

Go Live preparations




In advance of the new system going live in Q2, a communication will be issued to all regulated entities advising them as to the preparations required to use the new system. This will include:

- Confirmation of Go Live Date,
- Outline of Transition Plans,
- Guidance on registering for the Portal,
- Publishing the new IQ.

Communications will be published on the Central Bank website – [F&P Communications Section](#), and issued by the Industry Support Team via 'Broadcast message'.

Central Bank Performance Service Standards

Table Number 1 | Service Standards for Funds

ID	Standard	Target	Performance	Number of Submissions ³ in scope	Performance Indicator
T1	To process UCITS and RIAIF applications	90% of initial submissions assessed within 20 business days 90% of subsequent submissions assessed within 10 business days	98%	941	
T2	To process UCITS and RIAIF funds/sub funds (fast track) applications	90% of initial submission assessed within 10 business days 90% of subsequent submission assessed within 5 business days	100%	63	
T3	To process QIAIF applications	100% authorised within 1 business day	100%	153	

In H2 2022, all Service Standards were met - Table 1 refers.

Guidance on what constitutes a complete application for [UCITS](#) and [AIFs](#) is available on the Central Bank website. Guidance on [how to submit applications](#) through the ORION Portal⁴ is also available.

At the end of 2022, the Central Bank brought together all authorisation/gatekeeping activity related to the investment funds sector in Ireland. The intention of this is to streamline authorisation activity for the sector and provide greater consistency across these processes. This includes dealing with product related authorisations and post-authorisation amendments, as well as review of investment manager applications to act for Irish authorised investment funds.

³ Note that UCITS/ RIAIF applications typically involve more than one submission. QIAIFs involve one submission.

⁴ The ORION Portal is the Central Bank's system for the processing of Fund and FSP applications.

Authorisations and Post Authorisation Submissions

In 2022, the Central Bank authorised 744⁵ investment funds (461 UCITS, 1 RIAIF & 282 QIAIFs). The number of UCITS authorised in H2 was 244, 2% lower than the equivalent H2 figure for 2021 (249 UCITS authorised).

Post-authorisation submissions included amendments to fund prospectuses and supplements, merger applications and changes of service provider. Assessing these submissions involves an iterative review over a number of rounds of draft documentation.

Submissions

Non Fast Track:

Non-fast track funds are not clones of existing funds and, therefore, include newly created investment objectives, policies and strategies and/or involve additional levels of complexity or innovation (i.e. they seek exposure to innovative asset classes or propose to utilise inventive investment strategies). The majority of funds authorised fall into this category. In H1 2022, 1,211 submissions were made in relation to UCITS & RIAIFs which were seeking authorisation, with 941 received for H2 2022 (total 2,152 for the Full Year).

Fast Track:

146 submissions were made for UCITS & RIAIFs in H1 2022 and 63 in H2 2022 (total 209 for the Full Year). Funds authorised in this category are non-complex, such as clone funds i.e. funds with non-material changes made to the investment objective/policy/strategy as compared to other recently authorised investment funds.

In a small number of instances, challenges arose in meeting the Service Standards. This was typically because the submission was very complex, innovative, or had features which had not previously been considered by the Central Bank. For example, in some instances applications proposed material levels of exposure to complex asset classes including digital assets or novel features not previously considered, such as unusual fee structures.

In some instances, an application may be judged incomplete and returned to the applicant. The common reasons for this include:

- Disclosure which is not sufficiently informative or could be considered unclear to retail investors;
- Relevant service providers/parties not being cleared by the Central Bank to act for an Irish authorised fund; and
- The absence of disclosure in relation to specific requirements that apply to a fund from a legislative or regulatory perspective.

The Central Bank processed 153 authorisation submissions for QIAIFs within target. This was 3% lower than the equivalent H2 figure for 2021. It should be noted that QIAIFs are generally not subject to review and are authorised based on confirmations from the applicant as these funds are targeted at professional investors. In recent years, specific types of QIAIFs have been

⁵ Table 1 refers to draft applications processed.





required to make pre-submissions to the Central Bank which are subject to review, the details of which are set out on the Central Bank website [here](#). The number of QIAIF applications returned on the day of proposed authorisation during H2 2022 was 11, 35% lower than the equivalent H2 figure for 2021. The main reason for the returns was because there was no AIFM passport in place prior to the QIAIF seeking authorisation, with other reasons being:

- Not all directors cleared in advance,
- Applications incorrectly submitted on Orion rather than via the Portal⁶, and
- Documentation, including agreements and letter of application, not being updated as instructed.

The ICAV structure was the preferred legal structure for 73% of QIAIFs authorised in H2 2022, followed by the investment company legal structure for 10% of QIAIFs.

⁶ The CBI portal must be used when a sub fund is applying for authorisation and its umbrella also wants to change the umbrella prospectus. Guidance is [here](#)

Table Number 2 | Service Standards for Fund Service Providers

ID	Standard	Target	Performance	Number of Submissions in scope	Performance Indicator
T4	To process UCITS Management Company applications	90% of authorisations within 6 months	100%	5	
T5	To process AIF Management Company applications	90% of approvals within 6 months	N/A	0	N/A
T6	To process externally managed AIFM applications	90% of authorisations / registrations within 6 months	100%	2 Authorisations/ 5 Registrations	
T7	To process Fund Administrator applications	90% of authorisations within 6 months	100%	2	
T8	To process Fund Depository applications	90% of authorisations within 6 months	100%	1	

In H2 2022, all Service Standards for applications received were met - Table 2 refers.

Guidance on what constitutes a complete application for a [UCITS Management Company](#), [AIFM](#), [Fund Administrator](#), and [Fund Depository](#) is available on the Central Bank website.

Guidance on the [AIF Management Company](#) authorisation process is also available.


In total, 23 Fund Service Providers were authorised in 2022 (H1 - 13, H2 - 10), which was an increase of approximately 30% on 2021. Fund Management Companies remain the majority of applicants assessed. There were a number of other entity type applicants, including Depositories for Assets Other than Financial Instruments (DAOFIs). Three such firms were authorised in 2022. There has also been an increase in Fund Administrator applications, with three firms authorised in 2022 (compared to one in 2021). Both the increase in DAOFIs and Fund Administrator applications can be linked to recent changes to the Investment Limited Partnership Act and a developing eco-system of firms which specifically cater to less liquid alternative investment funds.

There has been a continuing trend for Fund Management Companies to seek permission to carry out ancillary MiFID activity. Such applications are more complex and, as a result, are subject to an increased level of scrutiny during the authorisation review process, which may take longer to complete. In addition to authorisation requests, there were also a number of freedom of establishment applications for Fund Management Companies assessed in 2022. There were four Branch Inward and eight Branch Outward applications assessed in 2022.

During 2022, five firms withdrew their application for authorisation during the review process. The majority of these were as a result of strategic changes at a group level; three of the firms advised that they intended to re-submit the application at a later stage (one has since done so). The approach to the review of a re-submission will be dependent on the time elapsed, and the extent of changes that the applicant has made to the original application.

The service standards above (T4 to T8) apply to complete applications. For this purpose, an application is deemed complete only when all PCF IQs have been submitted. It is not unusual for an application to be submitted without all PCF IQs; therefore, any delays in submitting the PCF IQs will elongate the time taken to complete the review of a firm's application for authorisation.

Table Number 3 | Service Standards for Self-Managed Investment Companies, Internally Managed AIFs & Investment Managers

ID	Standard	Target	Performance	Number of Submissions ⁷ in scope	Performance Indicator
T9	To process applications for Self-Managed Investment Companies	90% of initial submissions assessed within 20 business days 90% of subsequent submissions assessed within 10 business days	N/A	0	N/A
T10	To process applications for Internally Managed AIFs (Authorised)	90% of initial submissions assessed within 20 business days 90% of subsequent submissions assessed within 10 business days	N/A	0	N/A
T11	To process applications for Internally Managed AIFs (Registered)	90% of initial submissions assessed within 5 business days 90% of subsequent submissions assessed within 3 business days	N/A	0	N/A
T12	To assess applications for the clearance of Investment Managers (EU authorised)	90% of submissions assessed within 1 business day	100%	11	
T13	To assess applications for the clearance of Investment Managers (Non – EU Authorised)	90% of initial submissions assessed within 5 business days 90% of subsequent submissions assessed within 3 business days	100%	85	

⁷ Number of submissions received in relation to all applications. An application will typically have multiple submissions prior to being cleared/authorised.


In H2 2022, all Service Standards for applications received were met - Table 3 refers.

Guidance on what constitutes a complete application for [Self-Managed Investment Companies](#), [Internally Managed AIFs](#), and [Investment Managers](#) is available on the Central Bank website.

In H2 2022, a total of 96 investment manager applications were reviewed, split between EU (11 submissions) and non-EU (85 submissions) authorised entities.

However, the number of investment manager submissions reviewed in H2 2022 represented a large decrease from the same period in 2021, which saw a total of 270 investment manager submissions reviewed across EU and non-EU investment managers. The main reason for this decrease is the recently added requirement for an attestation letter from the manager or the fund Board in the case of non-EU investment managers, which has assisted in streamlining the review process, thereby resulting in fewer rounds of comments on applications.

Table Number 4 | Service Standards for Investment Firms

ID	Standard	Target	Performance	Number of Submissions in scope	Performance Indicator
T14	To process MiFID applications	90% of MiFID applications within 6 months	100%	2	

In H2 2022, all Service Standards for applications received were met - Table 4 refers.

Guidance on what constitutes a complete application for an [Investment Firm](#) is available on the Central Bank website. Guidance on the application process for Investment Firms is also available on the Central Bank website.


The pipeline of applicant firms in the MiFID Investment Firm sector remained elevated in H1 2022, but stabilised over the course of H2 2022. The impact of Brexit was still apparent, with a significant number of applicants exploring authorisation in Ireland as a jurisdiction for their European operations. The reasons cited for Ireland being an attractive location for an Investment Firm include language, an educated workforce, strong regulatory reputation and being acknowledged as a major European financial services centre. In terms of the applicant firms, there was a wide range of business models authorised including capital market participants, organised trading facilities, multilateral trading facilities, wealth management firms and distributors of investment funds.


Some proposals are complex and require a more in-depth assessment in line with our risk based approach. The most efficiently processed applications are generally due to a stable business proposal, appropriate levels of governance and resourcing, and a high level of engagement by applicant firms during the process.

During 2022, eight authorisations were granted, compared to six authorisations in 2021. Four authorisations were granted for new applicants, while four authorisations were granted for existing firms seeking an extension to their authorisation. Four firms withdrew their application in 2022 during the assessment phase of the process; this was in general due to a change in strategic direction of the applicant.

The service standard above (T14) applies to complete applications. For this purpose, an application is deemed complete only when all PCF IQs have been submitted. It is not unusual for an application to be submitted without all PCF IQs, therefore, any delays in submitting the PCF IQs will elongate the time taken to complete the review of a firm's application for authorisation.

Table Number 5 | Service Standards for Prospectus Approval (Regulated Disclosures)

ID	Standard	Target	Performance	Number of Submissions in scope	Performance Indicator
T15	Debt Prospectuses	<ul style="list-style-type: none"> • 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 • 100% of initial submissions of universal registration documents for frequent issuers assessed within 5 working days • 100% of subsequent submissions of universal registration documents for frequent issuers assessed within 5 working days • 90% of financial supplements approved on same day 	99%	1,084	

ID	Standard	Target	Performance	Number of Submissions in scope	Performance Indicator
		<ul style="list-style-type: none"> • 100% of approval submissions approved on the same day 			
T16	Closed – ended Funds Prospectuses	<ul style="list-style-type: none"> • 100% of initial submissions of prospectuses assessed within 10/20 working days • 90% of subsequent submissions of prospectuses assessed within 5 working days • 100% of initial submissions of supplements assessed within 5 working days • 100% of subsequent submissions of supplements assessed within 5 working days • 100% of initial submissions of universal registration documents for frequent issuers assessed within 5 working days • 100% of subsequent submissions of universal registration documents for frequent issuers assessed within 5 working days • 100% of approval submissions approved on the same day 	100%	5	
T17	Equity Prospectuses	<ul style="list-style-type: none"> • 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 initial submissions of EU Recovery prospectuses assessed within 7 working days • 100% of subsequent submissions of EU Recovery prospectuses assessed within 7 working days 	N/A	N/A	N/A

ID	Standard	Target	Performance	Number of Submissions in scope	Performance Indicator
		<ul style="list-style-type: none"> • 100% of initial submissions of supplements assessed within 5 working days • 100% of subsequent submissions of supplements assessed within 5 working days • 100% of initial submissions of universal registration documents for frequent issuers assessed within 5 working days • 100% of subsequent submissions of universal registration documents for frequent issuers assessed within 5 working days • 100% of approval submissions approved on the same day 			

In H2 2022, all Service Standards were met - Table 5 refers.

On 31 March 2022, revised Service Standards for Prospectus Approval became effective. The [Feedback Statement on Consultation Paper 142](#), published on 15 December 2021, set out the revised Service Standards.

The number of submissions in scope can be broken down as follows⁸:

Type of Submission	Debt ⁹	Closed-Ended Funds ¹⁰
New Submissions	274 (366)	0 (1)
Redraft Submissions	443 (653)	4 (9)
Approval Submissions	367 (437)	1 (3)
Total	1,084 (1,456)	5 (13)

⁸ Figures in brackets refer to H2, 2021.





⁹ "Debt" refers to "non-equity securities" as defined in Article 2 of the Prospectus Regulation.

¹⁰ For the purposes of the Prospectus Regulation, the Central Bank understands a "Collective Investment Undertaking of the Closed-End Type" to mean a collective investment scheme which does not permit the redemption of its units at the holder's request.

A small number of Debt Prospectus submissions are excluded from the 1,084 figure above as the submissions did not proceed. The main reason was that the Central Bank did not consider the submissions to be of the required standard (e.g. they were not clear of material comment).

The rationale for Service Standard exceptions for Prospectus Approval submissions is shown in Appendix A. One submission was excluded from the 1,084 figure, as it was deemed to fall within point (d) of the Prospectus Approval Service Standard exceptions (complex transaction). The Service Standards for Prospectus Approval and guidance in relation to the submission of Prospectuses is provided on the Central Bank website. The targets set out in Table 5 derive from Article 20 of the Prospectus Regulation. In certain instances, as set out in the Prospectus Regulation, the Central Bank may extend these time limits.

Table Number 6 | Service Standards for Retail Intermediaries¹¹ & Debt Management Firms

ID	Standard	Target	Performance	Number of Submissions in scope	Performance Indicator
T18	To acknowledge receipt of application	95% within 3 business days of receipt of application	100%	240	
T19	To complete key information check	95% within 10 business days of receipt of application	100%	244	
T20	To complete the assessment phase and notify applicant of outcome ¹²	90% within 90 business days of commencement of assessment phase	99%	114	
T21	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%	109	

In H2 2022, all Service Standards were met – Table 6 refers.

Guidance on completing an application for [Retail Intermediaries Form A Guidance Note](#), [Retail Intermediaries Form B Guidance Note](#) and [Debt Management Firms](#) is available on the Central Bank website. The Central Bank also hosts webinars on a quarterly basis to talk applicants through the retail intermediary authorisation process; details of upcoming sessions can be found on the [website](#).

Service Standard Exceptions:

Of the 244 applications received in H2 2022, the Service Standards did not apply to one application as it met the exceptions criteria set out in Appendix A. For comparison purposes, the Service Standards did not apply to four applications in H1 2022. Notwithstanding the disapplication of the Service Standards to these applications in H1, the assessment phase was completed within the timeframe set out at T20 above.

Application Turnaround Time in Calendar Months:

The average turnaround time for applications authorised in the period was six calendar months from the commencement of the assessment phase of the application process. This includes a

¹¹ Investment Intermediaries, Insurance Intermediaries, Mortgage Intermediaries, & Mortgage Credit Intermediaries.

¹² In the event of further and/or subsequent information being sought, this 90-day timeframe is paused until such information is provided by the applicant.



small number of applications where the Service Standards did not apply. When these applications are discounted, the average turnaround time drops to five calendar months. In cases where comprehensive applications were submitted, and minimal follow-up engagement with applicants was required, turnaround times of circa three months were observed.

Applications Withdrawn/Returned:

In H2 2022, 91 applications were returned to firms due to failing the key information check. A further 23 applications were withdrawn or became dormant after entering the assessment phase of the application process. The most common reasons for the withdrawal of an application during the assessment phase were:

- 1) Applicants being unable to demonstrate that proposed appointees to Pre-Approval Controlled Functions met the Fitness & Probity requirements (including the Minimum Competency Requirements), and
- 2) Applicants not responding to information requests from the Central Bank, resulting in the application becoming dormant and deemed withdrawn.

Table Number 7 | Service Standards for High Cost Credit Providers, Retail Credit Firms & Home Reversion Firms Authorisation

ID	Standard	Target	Performance	Number of Submissions in scope	Performance Indicator
T22	To complete acknowledgement of receipt of application	95% within 3 business days of receipt of application	N/A	0	N/A
T23	To complete key information check	95% within 10 business days of receipt of application	N/A	0	N/A
T24	To complete the assessment phase and notify applicant of outcome ¹³	90% within 90 business days of commencement of assessment phase	100%	1	
T25	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	N/A	0	N/A
T26	To process complete renewals of high cost credit provider licences	100% prior to expiry of existing licence	100%	22	





In H2 2022, all Service Standards for applications received were met - Table 7 refers.

22 high cost credit provider licences were renewed in H2, following 10 renewals in H1. Towards the end of 2022, upon expiry of existing one year licences, the Central Bank commenced issuing licences to the sector with a longer term of five years, as a result of the enactment of the Consumer Credit (Amendment) Act 2022. The licence renewal process has been updated to reflect the new licence period.

Guidance on completing an application for [High Cost Credit Providers](#), [Retail Credit Firms](#) and [Home Reversion Firms](#) is available on the Central Bank website.

¹³ In the event of further and/or subsequent information being sought, this 90-day timeframe is paused until such information is received by the Central Bank from the applicant.

Table Number 8 | Service Standards for Payment Firms (Payment Institutions, Electronic Money Institutions, Small Electronic Money Institutions & Money Transmission Businesses) & Bureaux de Change Authorisations

ID	Standard	Target	Performance	Number of Submissions in scope	Performance Indicator
T27	To acknowledge receipt of application	95% within 3 business days of receipt of application	100%	32	
T28	To complete key information check	95% within 10 business days of receipt of application	100%	32	
T29	To complete the assessment phase and notify applicant of outcome ¹⁴	90% within 90 business days of commencement of assessment phase	100%	3	
T30	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%	3	

In H2 2022, all Service Standards for applications received were met - Table 8 refers.

In 2022, the Central Bank granted six licences to firms (three in H1 & three in H2) to operate in the Payments and E-Money sector (“the Sector”). This represents a 100% increase versus 2021 levels (three firms authorised). Since 2021, the Central Bank has introduced a number of initiatives to provide enhanced guidance to firms regarding our expectations for authorisation. Such expectations are firmly grounded in national and/or EU regulations and EU/international norms for the sector. Our supervisory experience¹⁵ also informs our approach.

In 2021, a formal pre-application stage was added to the authorisation process with the aim of ensuring better quality applications. This pre-application stage involves bespoke meetings between applicant firms and authorisation personnel to specifically discuss, at an early stage in the process, their proposed business model, programme of operations and governance framework. This engagement complements the established early engagement route via the

¹⁴ In the event of further and/or subsequent information being sought, this 90-day timeframe is paused until such information is provided by the applicant.

¹⁵ Dear CEO letter (January 2023): [here](#)

Innovation Hub. Firms have an opportunity to discuss any concerns or questions they may have regarding the authorisation process, and the requirements pertaining to their specific business model. As part of the pre-application engagement, the Central Bank will also perform an initial assessment of the firm’s proposed application to identify any gaps¹⁶ versus application requirements, in order to progress to the formal assessment stage.




While the above enhancements have resulted in improvements in the quality of some applications, we continue to see firms challenged in meeting authorisation expectations.

We continue to have frequent engagement with applicant firms, as well as with relevant industry bodies, with regard to our authorisation expectations and to the necessity to continue to meet supervisory expectations post authorisation. We continue to be transparent with firms with regard to the status of their application and to provide them with the earliest possible understanding of how their application benchmarks to our authorisation expectations. We emphasise to firms that the Central Bank [website](#) continues to be a key source of information regarding our expectations of applicant firms.

Guidance on the application process for [Payment Institutions](#) and [Electronic Money Institutions](#) is available on the Central Bank website.

¹⁶ The application is assessed against the [EBA Guidelines under Directive \(EU\) 2015/2366 \(PSD2\) on the information to be provided for the authorisation of payment institutions and e-money institutions and for the registration of account information service providers.](#)

Table Number 9 | Service Standards for Insurance/Reinsurance Undertakings

ID	Standard	Target	Performance	Number of Submissions in scope	Performance Indicator
T31	To process complete applications for authorisation	100% within 6 months of becoming complete	100%	2	
T32	To process complete applications for authorisation	75% within 3 months of becoming complete	100%	2	
T33	To return incomplete applications for authorisation	100% within 2 weeks of receipt	100%	3	

In H2 2022, all Service Standards for applications received were met - Table 9 refers.

The volume of applications in the current period was generally in line with H1 2022.

Guidance on what constitutes a complete application for [Insurance/Reinsurance Undertakings](#) is available on the Central Bank website.

The Central Bank, on receipt of an application for authorisation, first reviews whether the application and accompanying documentation meet all of the items detailed on the application checklist. [Application checklists](#) are available on the Central Bank Website. The Central Bank endeavours to advise an applicant of any information or documentation omitted from the application within two weeks of receipt. This is reflected in Service Standard T33 above.

Once all information and documentation has been received, the Central Bank seeks to process 75% of complete applications within three months and 100% within six months. These timelines are reflected in Service Standards T32 and T31 above.

Table Number 10 | Service Standards for Credit Institutions

ID	Standard	Target	Performance	Number of Submissions in scope	Performance Indicator
T34	To process complete applications	100% within 6 months of becoming complete	N/A	0	N/A
T35	To process complete applications	75% within 3 months of becoming complete	N/A	0	N/A
T36	To return incomplete applications	100% within 2 weeks of receipt	N/A	0	N/A

In H2 2022, the Service Standards did not apply as no applications to establish a Third Country Branch under section 9A of the Central Bank Act 1971 ('the Act') were received. The Service Standards do not apply to applications for authorisation under section 9 of the Act, as the ECB is the competent authority for granting such authorisations.

Guidance on the application process in accordance with section 9 and section 9A of the Act for [Credit Institutions](#) is available on the Central Bank website.

Table Number 11 | Service Standards for Trust or Company Service Providers

ID	Standard	Target	Performance	Number of Submissions in scope	Performance Indicator
T37	To process complete applications	90% within 3 months of becoming complete	100%	6	N/A
T38	To return incomplete applications	100% within 2 weeks of receipt	N/A	0	NA

In H2 2022, all Service Standards for applications received were met - Table 11 refers.





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 TCSPs that are subsidiaries of Credit or Financial Institutions. The Department of Justice and Equality is the competent authority for all other TCSPs. The Central Bank is the competent authority for approximately 10% of the total TCSP population.

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 if they intend to continue providing TCSP services. Given its cyclical nature, the number of TCSP applications received was largely in line with H2 2022 expectations. In addition to four renewals, there were two new TCSP applications for authorisation received in H2 2022.

Guidance on what constitutes a complete application for [Trust or Company Service Providers](#) is available on the Central Bank website.

Table Number 12 | Fitness & Probity Pre Approval Control Function Service Standards for all Required Sectors

ID	Standard	Target	Performance	Number of Submissions in scope	Performance Indicator
T39	Provide a response to submitting entity where an IQ is incomplete. ¹⁷	85% of cases within 5 business days	100%	43	
T40	Assess IQ application for Qualifying Investor Alternative Investment Funds (QIAIF)	85% of applications within 5 business days	99%	147	
T41	Assess IQ application for individual previously approved by Central Bank of Ireland or European Economic Area (EEA) Financial Services Regulator	85% of applications within 12 business days	97%	264	
T42	Assess “standard” IQ Application – i.e. non QIAIF and/or individual not previously approved	85% of applications within 15 business days	98%	599	

In H2 2022, all Service Standards for applications received were met - Table 12 refers. There were 1,801 Pre Approval Control Functions (PCF) applications submitted to the Central Bank in H2. This shows a slight increase of 2% compared to the same period in 2021 (1,765).

Where a firm submits a PCF application as part of an application for firm authorisation, the Service Standard relevant to that firm’s authorisation process applies¹⁸, therefore such PCF applications are not included in the F&P Service Standards above. In H2 2022, there were 410 PCF applications assessed that were part of a firm authorisation, a 5% increase compared to H2 2021 (390).

Furthermore, the F&P Service Standards do not apply where:

- (a) Information is sought from external sources (e.g. other regulators, previous employers, Garda vetting etc.);
- (b) The applicant is interviewed;
- (c) The application forms part of an acquiring transaction;
- (d) The decision maker is the European Central Bank; or
- (e) A derogation is sought under corporate governance requirements.

¹⁷ Appendix C sets out the main reasons why PCF IQs continue to be returned as incomplete.

¹⁸ With the exception of QIAIF applications which are subject to Service Standards as set out in the above Table at T40.

In H2 2022, there were 358 PCF applications where service standards did not apply, a 6% increase compared to H2 2021 (337).

7% of applications were withdrawn by their respective Firm in H2. These are mostly linked to authorisations that did not proceed, Funds that did not launch and/or where individuals decided not to continue with their application. In 2022, 18% of applications which were subject to an F&P interview were withdrawn following the interview.

6% of applications were returned as incomplete. These relate to errors in the initial submission, for example, failure to upload necessary documentation; where insufficient due diligence has been performed by the proposer; the applicant did not disclose a probity matter in the reputation section of the IQ; the applicant applied for the wrong PCF role; or were unable to answer queries regarding key aspects of the applicant’s Fitness & Probity. Guidance on what constitutes a complete Fitness & Probity application is available on the Central Bank website.

Table 1 below provides the breakdown by sector of PCF Applications assessed over the course of 2022.

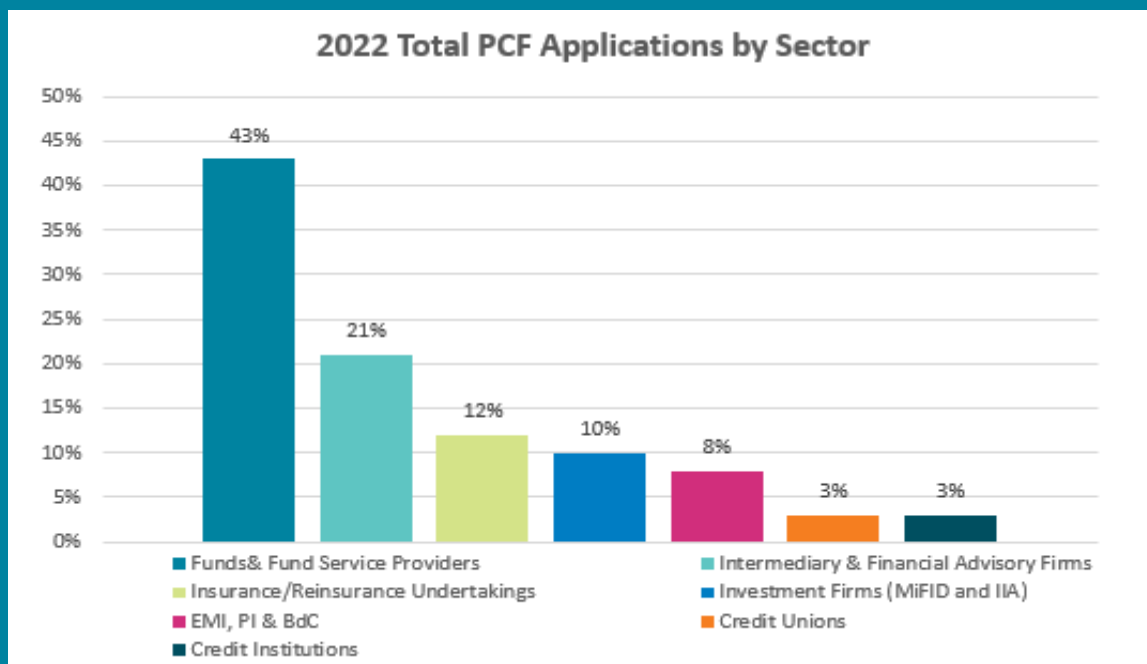




Table Number 13 | Contact Management Service Standards¹⁹

ID	Standard	Target	Performance	Number of Calls in scope	Performance Indicator
T43	To answer telephone calls to the Central Banks regulatory support line	80% answered within 20 seconds	87%	5,708	
T44	To answer telephone calls before the caller abandons the call	<5% of calls abandoned before being answered	1.4%	84	

In H2 2022, all Service Standards for applications received were met - Table 13 refers.

The Central Bank is keen to ensure that all communication with its external industry stakeholders is handled as efficiently and effectively as possible. Of particular importance is the support for the submission of Regulatory and Statistical returns. The Central Bank employs a dedicated third party Contact Management Service provider, which utilises a Contact Management Solution (CMS) to deliver effective case management. All queries received are dealt with over the phone, by email, or forwarded to the relevant Division in the Central Bank. All correspondence is tracked on the CMS system. During H2 2022, 5,708 calls were answered. Of these, 4,967 calls were answered within the 20 seconds Service Standards threshold.

¹⁹ The Central Bank utilises an outsourced third party for external industry contact management.

Applications for Authorisation – Withdrawn/ Dormant

The table below shows the number of withdrawn applications for all submissions by sector.

During the period July to December 2022:

- 249 applications/submissions were withdrawn by the applicant firm; and
- 43 applications/submissions were deemed dormant due to lack of engagement from the applicant firm.

In relation to Retail Intermediaries & Debt Management Firms, the most common reasons for withdrawal of an application are where applicants are unable to demonstrate that proposed appointees to Pre-Approval Controlled Functions meet the Fitness and Probity requirements (including Minimum Competency Requirements), or where applicants do not respond to information requests from the Central Bank and the application is deemed withdrawn.

During the period, 115 PCF applications were withdrawn by firms, primarily due to changes in the Business Plan for a firm where the authorisation did not proceed. To a lesser extent, PCF applications are also withdrawn following engagement with the Central Bank due to concerns with the quality of the application.

Table	Applications Withdrawn	Applications Dormant
Table 1 - Funds	11	39
Table 2 - Fund Service Providers	3	0
Table 3 - Self-Managed Investment Companies, Internally Managed AIFs & Investment Managers	0	0
Table 4 - Investment Firms	3	0
Table 5 - Prospectus Approval (Regulated Disclosures)	N/A	N/A
Table 6 - Retail Intermediaries & Debt Management Firms	116 ²⁰	N/A
Table 7 - High Cost Credit Providers, Retail Credit Firms & Home Reversion Firms	0	0
Table 8 - Payment Firms & Bureaux de Change	0	4
Table 9 - Insurance/Reinsurance Undertakings	1	0
Table 10 - Credit Institutions (Section 9A)	0	0
Table 11 - Trust or Company Service Providers	0	0
Table 12 - Fitness & Probity	115	0
Table 13 - Contact Management Service	N/A	N/A

²⁰ This figure also includes applications returned/rejected as well as withdrawn.

Appendix A – Service Standard Exceptions

The Service Standards targets set out for Authorisations do not apply in cases where:

- a) Responses are pending from third parties. This is particularly the case where other regulatory authorities may need to be contacted. In those cases, we would recommend that proposed appointees or firms notify their home regulator of their application to the Central Bank and advise that the Central Bank may make enquiries of them;
- b) Persons are subject to interview;
- c) Significant legal issues arise;
- d) Significant Fitness & Probity issues arise;
- e) The business model of an applicant is complex or novel in nature;
- f) Significant changes to the business model, the applicant's shareholder structure, or other key aspects of an application arise during the review process, or where the application becomes dormant; and/or
- g) The Central Bank is minded to refuse an application.

Table 5 - The Service Standards for submissions with a target of 90%, set out for Prospectus Approvals do not apply in cases where:

- a) The Central Bank considers that the application gives rise to significant regulatory concerns whether in relation to the protection of investors, the integrity of the securities markets or otherwise;
- b) Responses are awaited from third parties. This is particularly the case where other regulatory authorities may need to be contacted on an application;
- c) Significant legal issues arise;
- d) The business model of an applicant and/or the type of transaction is complex or novel in nature;
- e) The business model of an applicant and/or the type of transaction gives rise to a risk profile which requires further consideration;
- f) Significant changes to the business model, the transaction or other key aspects of an application arise during the scrutiny process, or where the application becomes dormant;
- g) The Central Bank is not the competent authority; and/or
- h) The Central Bank is minded to refuse an application.

In such cases, these submissions will be assessed within the timeframes set out in the Prospectus Regulation.

Table 12 - Fitness & Probity PCF Service Standards do not apply in cases where:

- a) Information is pending from external sources; (e.g. other regulators, previous employers, Garda vetting etc.);
- b) The application forms part of an acquiring transaction;
- c) An applicant is subject to interview;
- d) The decision maker is the European Central Bank; and/or
- e) Where a derogation is sought under corporate governance codes.

The time taken by an applicant to address matters raised by the Central Bank during the authorisation process are not included in the timeframes.

Applications that remain dormant with no positive engagement from an applicant are returned.

Appendix B - Glossary

AIF	An alternative investment fund as defined in Regulation 5(1) of the European Union (Alternative Investment Fund Managers) Regulations 2013 (SI No. 257 of 2013)
AIFM	An alternative investment fund manager as defined in Regulation 5(1) of the European Union (Alternative Investment Fund Managers) Regulations 2013 (SI No. 257 of 2013)
Central Bank	Central Bank of Ireland
DAOFI	Depositaries for Assets Other than Financial Instruments
ECB	European Central Bank
FSP	Financial Service Provider
ICAV	Irish Collective Asset Management Vehicle
IPO	Initial Public Offering
IQ	Individual Questionnaire
MiFID	Markets in Financial Instruments Directive
Payment Firms	Payment Institutions, Electronic Money Institutions, Small Electronic Money Institutions and Money Transmission Businesses
ORION	'Online Regulatory Information' – an online Portal through which authorisation applications in respect of certain funds and fund service providers are submitted to the Central Bank in electronic format
PCF	Pre-Approval Controlled Function
QIAIF	An alternative investment fund authorised by the Central Bank which may be marketed to investors who meet the criteria set out in the Qualifying Investor AIF chapter of the Central Bank AIF Rulebook
RIAIF	An alternative investment fund authorised by the Central Bank which may be marketed to retail investors
Retail Intermediaries	Investment Intermediaries, Insurance Intermediaries, Mortgage Intermediaries and Mortgage Credit Intermediaries
RPA	Recognised Prospectus Advisor - listing agents/sponsors that have agreed to certain conditions with the Central Bank with regard to the submission, review and approval of prospectuses. There is an obligation in the RPA Agreement that the RPA must ensure in as far as possible that the first draft of the prospectus should be submitted in a form that is likely to require a minimum amount of redrafting.
TCSP	Trust or Company Service Providers
UCITS	Undertakings for Collective Investment in Transferable Securities authorised under the provisions of the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011

Appendix C – Reasons why Fitness & Probity applications may be returned

Section of IQ	Reason
2	Incorrect PCF role(s) selected.
3	Omitting 'Other relevant experience' or details of previous roles and responsibilities when responding to Question 3.1 (i.e. demonstrating the applicant's experience in a particular sector and/or to a particular function). For example, credit union experience gained on a voluntary basis or details of specific duties held to demonstrate experience or knowledge.
4	Incomplete supporting documentation to demonstrate compliance with the Minimum Competency Code 2017 (e.g. evidence of qualifications, grandfathering status, new entrant status, and proof of continuing professional development).
5	Omission of detail or lack of supporting documentation in respect of any matter disclosed in relation to Reputation and Character.
6	With regard to certain previously approved persons insufficient documentation provide to demonstrate that the person is entitled under the laws of an EEA / EU member state to perform the equivalent to the PCF function.
6 & 9	Applicant not providing a complete list of directorships/senior positions and/or anomalies with regard to the number of days dedicated to these positions held.
11 & 12	Application completed and/or submitted by a person whose name does not match the name of the applicant or the name of the proposer. The proposer is not an approved person within the entity and does not have authority to submit the application.
General	Where determined that insufficient due diligence has been performed by the proposer or where queries regarding key aspects of the applicant's Fitness & Probity are unable to be answered.



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