



Credit Union News

Welcome to Issue 9 of Credit Union News. It has been a busy and productive period since our February 2018 issue for both the Registry and credit unions with key positive outcomes.

Issue 9

September
2018

Strengthening Core Foundations

We continue to support and challenge credit unions to strengthen their foundations across governance, risk and operational capabilities. In March of this year, we published the PRISM Supervisory Commentary report setting out our 2017 inspection findings across key risk areas and also communicating our primary expectations in relation to these areas. We also issued a Sector Communication on the Annual Compliance Statement (ACS) 2017 summarising the key results from the ACS Return for 2017 and providing guidance on how credit unions can strengthen their compliance programmes. Informed by these findings and complementing our supervisory engagement, in July we launched the first in a series of Credit Union Workshops aimed at board members, to enhance their understanding of key governance concepts and the importance of strong risk management frameworks.

Business Model Development

As you are aware, the financial services sector continues to evolve at pace, with increased competition from new and existing stakeholders, as well as the introduction of new technologies expanding the range of products and services offered to consumers. These industry dynamics coupled, with the viability challenges faced by many credit union's are increasing the pressure on credit unions to develop their business models in response. To facilitate strategic coherence in credit union business model development, in July 2018 we launched a CEO-led Business Model Development Forum. The aim of this forum is to support sound business model development and encourage prudent balance sheet transformation.

Regulatory Development

Alongside the above developments, there have been a number of enhancements to the regulatory framework. In April 2018, we published Provisioning Guidelines for Credit Unions to assist credit unions in the development and implementation of a fit for purpose provisioning framework. As of 1 July the Fitness and Probity Regime for Credit Unions has been amended with the addition of three new Pre-approval Controlled Functions (PCFs) for credit unions with assets of at least €100 million. Lastly, as part of our ongoing review of the longer term lending framework, in April 2018 we requested that credit unions complete and submit a longer term lending questionnaire. The responses to this survey have assisted us to analyse credit unions ambitions in this area and inform the development of proposals to amend the lending framework for credit unions. A consultation paper on this topic will be issued shortly.

Patrick Casey
Registrar of Credit Unions



Contents

CU Workshops	2
CEO Forum	3
ICURN / IA workshop	4
Fitness and Probity	5
Longer term lending review	6
Financial Conditions / Provisioning	7
Fraud	8
Transfers of Engagement	9
E-Signatures	10
Fintech/CCR	11
Contact Us	12



Credit Union Workshops

Individual commitment to a group effort

The Registry has recently commenced a series of Credit Union Workshops aimed at board members. The first two workshops were held for credit unions with total assets of at least €100 million on 27 June 2018 in our North Wall Quay office in Dublin and also on 5 July 2018 in Limerick. Representatives from a total of 38 credit unions participated in the workshops.

The workshops are seen by the Registry as an important initiative in supporting credit unions of differing asset sizes to better understand and meaningfully address key governance, risk and operational vulnerabilities. These workshops, underpinned by a clear articulation of our supervisory expectations, aim to support improved risk understanding by boards, and by extension strengthening of core foundations and compliance standards across the credit union sector.

The theme for the first two workshops was Governance, with the Registry presenting on three key areas including: strategic leadership, oversight and culture. The presentations were followed by an interactive session where credit unions were asked to provide feedback on a number of governance related questions. This facilitated discussion on key areas between credit union directors and the Registry supervisors. Which also provided directors with an opportunity to learn from their peers and to allow for networking.

While robust governance and risk management frameworks are fundamental for all credit unions, the workshops are reflective of our supervisory proportionality and differentiate between credit unions of differing asset sizes.

Positive feedback was received from attendees. It is planned to hold further workshops in autumn 2018 for credit unions with total assets less than €100 million. A communication will be issued with details of these workshops in due course.

Credit Union Workshops

Credit Union Workshops for board members of credit unions with assets of at least €100m held in Dublin on 27 June and in Limerick on 5 July

38 Credit Unions

72 Attendees

Workshops for credit unions with total assets less than €100m to take place before the end of 2018





CEO Business Model Development Forum

International experience is of CEOs collectively leading the way in developing credit union business models and establishing supporting services through inter-credit union collaboration.

In order to facilitate strategic coherence in business model development, we have initiated a CEO led Business Model Development Forum. This initiative is intended to support safe and sound business models and balance sheet transformation and may complement business model development initiatives being pursued by credit unions and sectoral stakeholders.

The Forum provides a constructive environment for all credit union CEOs to share their views, and foster strategic coherence in describing the business models of the future and describing how they may be best realised. For our part, this can provide increased clarity on how our regulatory framework might best enable prudent business model development.

CEO members engagement will address business model development challenges and opportunities from both a credit union and sectoral perspective. The overall objective is to achieve broad collaborative understanding of:

- Future business models and their risk profiles;
- Business model development strategies and enablers;
- A road map for implementing strategies and changes; and
- The risk-based business case for changes.

The outputs of the Forum will be available to all credit unions.

The inaugural plenary session of the Forum was held on 2 July, with 69 CEOs attending. Attendees agreed to terms of reference which include establishment of a steering group of 15 CEOs and appointment of an independent chairperson, Professor Donal McKillop.

Two meetings of the steering group meeting have been held with members identifying a number of possible work streams. In order to ensure that the work of the Forum is informed by all credit unions, the steering group intends to survey all CEOs on their credit union's business model strategy in mid- September.

The next plenary session for credit unions is scheduled for 25 October 2018.

Insurance Distribution Directive (IDD)

The Insurance Distribution Directive (Directive (EU) 2016/97), or "IDD", entered into force in February 2016 and applies from 1 October 2018.

It aims to further enhance consumer protection and ensure a level playing field, whether an insurance product is sold to a customer directly by the insurance companies' own staff or via an authorised insurance intermediary. IDD replaces the Insurance Mediation Directive and removes Insurance policies as a regulated activity from The Investment Intermediaries Act, 1995 (IIA).

Arising from these changes, firms, including credit unions, who hold an IIA license solely for the purpose of insurance mediation activities (and do not hold a separate Insurance Mediation Regulation license), will no longer be able to conduct insurance mediation activities post 1 October 2018. Credit unions need to ensure that they hold the correct authorisation for the regulated activities undertaken.

In addition, the IDD no longer includes insurance referral as a regulated activity. As such, where a credit union's insurance mediation relates solely to insurance referrals, the credit union will no longer require an authorisation to undertake this activity. Impacted credit unions should refer to the legislation to ensure they fully satisfy the criteria for this exclusion.

International Credit Union Regulators' Network ("ICURN")



The International Credit Union Regulators' Network (ICURN) is an independent association of financial cooperative supervisors in over 30 countries and jurisdictions (including Ireland).

The 2018 ICURN Annual Conference and Annual General Meeting was hosted by the Central Bank in our offices in North Wall Quay during the period 25 to 27 July 2018. The conference was attended by regulators representing 18 jurisdictions covering Europe, Asia-Pacific, Africa, Latin America, North America and the Caribbean.

Welcoming remarks to the delegation were made by Elaine Byrne, Deputy Registrar of Credit Unions, followed by opening remarks by the Deputy Governor (Prudential Regulation) Ed Sibley and the Registrar of Credit Unions Patrick Casey. The agenda for the conference covered a wide range of regulatory and supervisory areas including peer reviews, supervisory powers and developments in cyber security and FinTech. Conference delegates also had the opportunity to visit a local credit union - Health Services Staffs Credit Union Limited to hear about some of the practical aspects regarding the operation of a credit union in Ireland. We would like to thank the Health Services Staffs Credit Union for facilitating this visit.

Elaine Byrne, Deputy Registrar of Credit Unions, was appointed as Chair of ICURN with effect from 1 September 2018, succeeding Martin Stewart (Director of Banks, Building Societies and Credit Unions at the Bank of England) who concluded his term of office on 31 August 2018.

Internal Audit Workshop

On 18 July the Registry hosted a workshop for credit union internal auditors. This was attended by 24 internal auditors who provide internal audit services to approximately 156 credit unions. The workshop provided an opportunity for the Registry to engage with internal auditors on a number of issues.

The workshop consisted of presentations which provided an update on the sector financial position, an overview of regulatory developments for the sector and a re-cap on the roles/responsibilities of internal auditors under the regulatory framework. Supervisory findings in relation to internal audit were presented to attendees and the Registry articulated clearly our expectations for internal auditors with a specific emphasis on their important role in the three lines of defence. Presentations were followed by discussion sessions on the following areas:

- Priority work areas for internal audit functions;
- Resourcing of the internal audit function;
- Engagement of the internal audit function with the Board/audit committee; and
- Key challenges facing internal audit functions.

A communication was issued to all credit unions and internal auditors after the workshop summarising the key messages.



The Central Bank arranged for the "ICURN" delegation consisting of representatives from 18 jurisdictions from around the world to visit the Health Services Staffs Credit Union Limited in Dublin



Elaine Byrne, Deputy Registrar of Credit Unions, was appointed as Chair of ICURN taking effect from September 2018



The workshop for internal auditors hosted by the Registry



INTEGRITY



VISION



GROWTH



CONNECTION



QUALITY



TEAMWORK



COMMITMENT



IDEA



GOAL

Amendments to the Fitness and Probity Regime for Credit Unions

On 1 July 2018, credit unions with total assets of at least €100 million came within scope of [S.I. No. 187 of 2018](#). From this date, 3 additional roles are designated Pre-approval Controlled Functions (PCFs) for these credit unions:

- Risk Management Officer (CUPCF-3);
- Head of Internal Audit (CUPCF-4); and
- Head of Finance (CUPCF-5).

Any new appointments or re-appointments to these roles require the approval of the Central Bank prior to the individual taking up the role. For any persons who held the new PCF roles on 1 July 2018, i.e. 'in situ' persons, pre-approval is not required for them to remain in their roles, unless they are being re-appointed to the role.

As part of the implementation of the new requirements, a PCF in situ return, relating to such in situ persons, must be submitted to the Central Bank by 31 October 2018 via the Online Reporting System (ONR). This return must include details of the persons holding the above 3 PCF roles on 1 July 2018, and confirms that the credit union:

- Has performed the necessary due diligence as detailed in the Guidance on Fitness and Probity for Credit Unions in respect of the in situ persons;
- Is satisfied on reasonable grounds that these persons are compliant with the Fitness and Probity Standards for Credit Unions; and
- Has obtained each person's written agreement to abide by the Fitness and Probity Standards for Credit Unions.

The Registry of Credit Unions will monitor the assets of remaining credit unions, as reported in their most recent audited financial statements, and will liaise with those credit unions whose total assets increase to at least €100 million after 1 July 2018, regarding their obligations under the new requirements.

Further details can be found on the Fitness and Probity area of the Central Bank website at:

<https://www.centralbank.ie/regulation/how-we-regulate/authorisation/fitness-probity/credit-unions>

Applications for Pre-Approval to any PCF Role

When submitting an Individual Questionnaire (IQ) to the Central Bank to apply for pre-approval to take up a PCF role, credit unions are reminded to ensure that all relevant information has been provided in the application.

Sections of the IQ which have frequently been found to be lacking in sufficient detail are:

- Section 3 – relevant previous experience (often missing credit union experience);
- Section 7 – savings and loans with the credit union (often missing); and
- Section 12.6 – proposer endorsement (often too short and lacking in sufficient rationale).

In the first half of 2018, 21 applications (34%) were rejected due to insufficient data. Credit unions are reminded that processing delays can arise where insufficient information has been provided.

Longer Term Lending Review

There has been significant engagement with the sector in relation to the existing lending framework with a particular focus on the impact of existing limits on the capacity for credit unions to undertake longer term lending including house loans. The Credit Union Advisory Committee (CUAC) in its June 2016 report on the Implementation of the Recommendations of the Commission on Credit Unions recommended that a full review of lending limits and concentration limits, including the basis of the calculation of the limits together with liquidity requirements attaching to the same should be undertaken. In November 2017, the Central Bank received a formal request from the CUAC Implementation Group to review the section 35 lending limits.

On foot of the request received from the CUAC Implementation Group and other sector engagements on credit union lending, and in order to ensure that the lending regulations remain appropriate for credit unions and assist in facilitating business model development, the Central Bank initiated a review of the lending maturity limits in 2018. This review has been informed by:

- Sector engagements on business model development and longer term lending;
- Recent lending sector data and trends including data received from a questionnaire issued to the sector;
- Domestic lending landscape;
- Current lending framework; and
- Broader balance sheet considerations including asset and liability management (ALM).

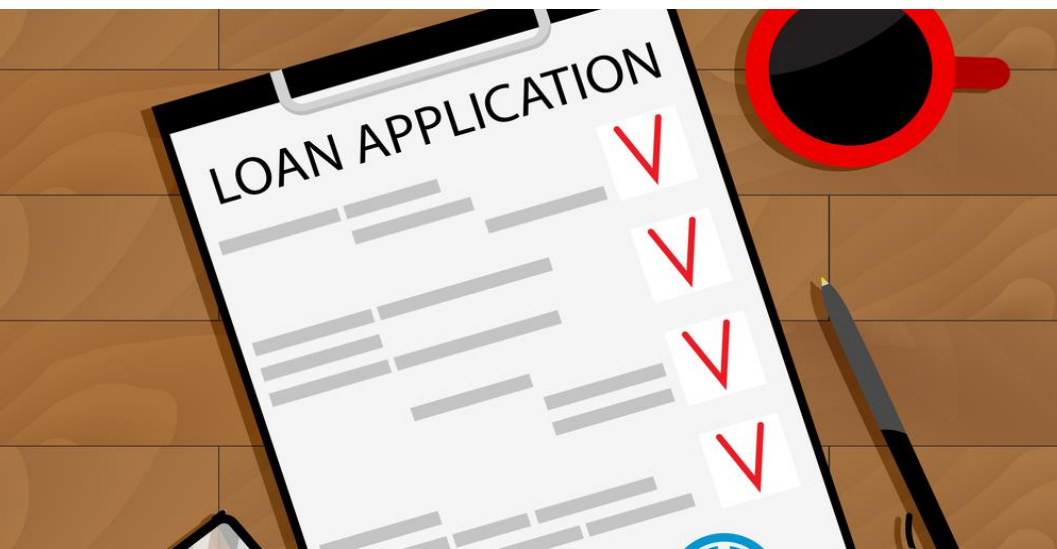
In April 2018 as part of pre-consultation on this review, the Central Bank requested that credit unions complete and submit a longer term lending questionnaire (the questionnaire). The questionnaire sought detailed information from credit unions on current and projected lending and savings. Submissions were collated and analysed and have informed the development of proposals to amend the lending framework for credit unions.

We intend publishing a Consultation Paper detailing our proposed changes to the framework along with an associated regulatory impact analysis in the coming weeks. We have been encouraged by the level of engagement on previous consultations and look forward to hearing views from individual credit unions and other sector stakeholders on our proposed changes to the lending framework.



High Level Statistics From The Longer Term Lending Questionnaire

- High response rate: 172 credit unions (c65% coverage by number of Credit Unions);
- 63 of the 172 respondents indicated that the current lending maturity limits are not sufficient for them to meet forecasted loan demand out to 30 September 2022;
- 59% of the 63 are credit unions with assets >€100m; and
- Of the 172 credit union survey responses analysed, 116 (66%) chose to answer question 11 which gave credit unions an opportunity to provide additional commentary in relation to longer term lending in the credit union.



Financial Conditions of Credit Unions

The Registry introduced the 'Financial Conditions of Credit Unions' statistical information publication in 2017. The primary focus of this publication is to assist credit unions in analysing the performance of their credit union relative to the overall sector and peer groups, and to provide insights to credit unions on key trends that we see based on our analysis of the data submitted to us. The data contained and presented in the publication is derived from both recurring and ad-hoc information submitted by credit unions to the Registry of Credit Unions. The recurring data is sourced from the quarterly and annual regulatory submissions which are collated and consolidated by the Registry's Analytics Team in order to provide a sector-wide view of financial performance.

To date there have been three editions of this statistical release. The 1st and 2nd editions were based on 30 September year end data while the 3rd edition is based on 31 March half year data. The 1st edition covered the period 2011 to 2016 and contained data trends on areas including return on assets, assets, loans, arrears, capital and reinvestment risk. The 2nd edition covered the period 2012 to 2017 and included data trends on areas including dividends, liquidity and savings in addition to providing analysis by credit union asset size and common bond type. The 3rd edition, published on 2 August 2018, covers the period 2013 to 2018 and includes data trends on loan interest rebate, longer term lending and investments as well as analysis over three asset size categories 'of at least €100m', '€40m to €100m' and 'less than €40m'.

The Registry welcomes any comments and feedback you may have including suggestions for future publications¹.

Provisioning Guidelines for Credit Unions

In April 2018 the Registry published Provisioning Guidelines for Credit Unions (the Guidelines), which take account of the provision guidelines in FRS 102. The guidelines are intended to assist credit unions in the development and implementation of a fit for purpose provisioning framework. The Guidelines are aimed at ensuring that loan losses are recognised as early as possible in the context of accounting standards, that a sufficiently conservative and comparable approach is adopted to the measurement and recognition of loan book provisions and that appropriate disclosures are made to support members' understanding of the performance of the loan book and the credit union's risk management processes.

The Guidelines articulate clearly the respective roles and responsibilities of credit union boards, management and the internal audit function with regards provisioning. Detailed information is also provided on the minimum expected content for a credit union's provisioning policy. Guidance is provided on assessing loans for impairment and the methodologies which can be employed to undertake such an impairment assessment. The Central Bank's supervisory expectations in a number of areas are clearly articulated including on income recognition for loans which are in default and the approach to be adopted for loan write offs.

The Registry views the Guidelines as best practice and strongly encourages all credit unions to familiarise themselves with them and apply them to their provisioning frameworks.

¹ <http://www.centralbank.ie/docs/default-source/regulation/industry-market-sectors/credit-unions/communications/statistics/financial-conditions-of-credit-unions-2013---2018.pdf?sfvrsn=4>

Brexit

What can we anticipate from Brexit?

There remains considerable uncertainty around Brexit and the potential impact on the Irish economy. As previously communicated to credit unions, the Registry's supervisory expectations with regard to Brexit planning in 2018 is that credit unions will regularly monitor and report any potential Brexit associated risks they identify and that this will be evident in the credit union's risk register.

Such examples of Brexit related analysis and risk mitigation strategies observed during onsite engagements include:

- Identifying members and industries who may be exposed to changes in conditions in the UK market;
- Stress testing loan book for potential Brexit impacts; and
- Assessment of loan provisioning adequacy.

Credit unions are encouraged to give consideration to the risks Brexit may pose to their credit union and what risk mitigants may be appropriate for their own business model and common bond.



Fraud and what credit unions need to do?

Suspected Fraud or Misappropriation – What should credit unions do?

There have been a number of incidents of suspected fraudulent activity or financial irregularities in credit unions some of which have been reported in the media. As there have been a variety of approaches adopted by credit unions who find themselves in such a situation, the Registry suggests that at a minimum such credit unions undertake the steps outlined below if they suspect a fraud or misappropriation has taken place in their credit union.

Steps to take

The steps a credit union should take when it becomes aware of a potential misappropriation of members funds:

1. Prevent further losses

The credit union should take immediate steps to prevent any further loss of members' funds/credit union assets and inform the Board of the issue.

2. Inform the Central Bank

Inform your supervisor in the Registry of the issue and the interim steps that have been taken by the credit union to prevent further loss. To the extent where possible, provide a briefing with the following details:

- What is the issue;
- How the issue arose;
- The time period over which the issue arose;
- The impact on members and the known quantum of loss to date;
- What actions the credit union has taken to date to prevent further loss to the credit union; and
- Planned next steps.

3. Investigate the issues

Depending on the nature of the issue, an internal or external independent investigation of the issue may be warranted. The scope and terms of reference for any such investigation should be agreed with the Registry before any investigation commences.

4. Inform the Gardaí and Insurance Company

- If there is a suspicion that a criminal offence has been committed, the credit union should make a report to their local Garda station of the incident; and
- For insurance purposes full disclosure of the incident should be made to the credit union's insurer – a failure to report the matter could potentially invalidate any subsequent claim the credit union may make when trying to recover losses and the costs of any investigation.

A credit union must be mindful where there is a suspected fraud or financial irregularities that due process is followed, and should seek legal advice prior to engaging with the individual(s) suspected of involvement, to ensure that correct procedures are followed from the outset.



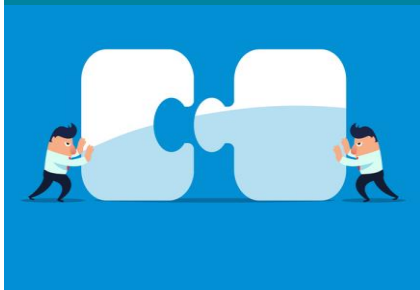
AML/CTF Circular

In February 2018 the Central Bank's Anti-Money Laundering Division (AML/D) issued a circular to all credit unions regarding the internal audit function. The aim of the circular was to address AML/D's observation that AML risk is not being captured by all credit unions internal audit functions, as part of their risk assessment of the key risks facing Credit Unions. The circular can be found at the following link, [AML Circular](#).

We would ask credit unions to review the circular and ensure it has been brought to the attention of their Internal Audit function, to assist and inform the design and delivery of the internal audit work programme.



Transfers of Engagements



There has been significant transformation of the credit union sector over the period 2013 – 2018 as credit unions throughout the country have merged by transferring their engagements to other credit unions. The evolution of sector restructuring is detailed in the table below. This transformation has been driven by credit unions in pursuit of a number of aims, including:

- To improve the product and service offering available to members;
- To achieve the scale necessary to invest in new IT infrastructure and service channels;
- To ensure the continued provision of a credit union service in their common bond;
- To save costs by eliminating duplication in core functions;
- To spread necessary costs, including Risk, Compliance, and Internal Audit, across a larger asset base; and
- To maximise the benefit from investments in marketing.

In terms of numbers the transformation has manifested itself as follows:

1. A reduction in the overall number of credit unions from 2013 to 2018; and
2. An increase in the asset size of merged credit unions.

As credit unions are aware, the Credit Union Restructuring Board ('ReBo') was established to facilitate time-bound, incentivised restructuring of the credit union sector and was instrumental in driving the increase in the pace of restructuring in the sector during its term. Since ReBo completed its work in 2017, restructuring has continued, as many credit unions see the benefits of coming together to pool their resources and improve services for their members.

It is projected that 16 Transfers of Engagements will be confirmed during the financial year ending 30 September 2018, with a further pipeline of transfers underway.

The Registry encourages each credit union to continue to give consideration to future transfer of engagement activity and whether this may be appropriate as part of delivering on the wider strategic objectives of the credit union. If your credit union is interested in considering a transfer of engagements and requires further information, please contact the restructuring team in the Registry of Credit Unions at rcu@centralbank.ie or **01-224 4629**.

Number of Credit Unions by asset size

As at	<€40m	€40m-€100m	>€100m	Total
31 March 2013	288	82	26	396
31 March 2014	278	82	28	388
31 March 2015	256	81	32	369
31 March 2016	213	79	41	333
31 March 2017	150	78	52	280
31 March 2018	130	80	53	263
Overall Change	-158	-2	27	-133
% Change	-55%	-2%	104%	-34%

Information Seminars Reminder



- North Wall Quay, Dublin: 24 September;
- Sheraton, Athlone: 27 September;
- Crowne Plaza, Blanchardstown: 10 October;
- Ormonde Hotel, Kilkenny: 11 October; and
- Silver Springs, Cork: 16 October.

For those who are unable to attend a seminar:

Presentation slides on all topics covered at the seminars will be available on Credit Union section (Communications tab) of Central Bank website. Link [here](#).

Recorded videos of the presentations from the first seminar held at North Wall Quay will also be available at this link.

Use of E-Signatures

Moving with the times

Credit unions using e-signatures in the course of their daily business should be mindful of the following. The Credit Union Act, 1997 does not prescribe the manner in which signatures should be collected. The Electronic Commerce Act, 2000 (the 2000 Act) (which transposed the E-signatures Directive – Directive 1999/93/EC) and the 2014 European eIDAS Regulation (EU) No. 910/2014 are relevant in the context of electronic signatures.

E-signatures have been legally recognised in Ireland since the enactment of the 2000 Act and can be used in many circumstances (exclusions to this include wills, codicils, trusts, enduring powers of attorney). The eIDAS Regulation have applied from July 2016 and build upon the principles of the 2000 Act and seek to enhance trust in electronic transactions by providing a common foundation for secure electronic interaction between citizens, businesses and public authorities. The eIDAS Regulation establishes the principle that an e-signature should not be denied legal effect on the grounds that it is in electronic form. The eIDAS Regulation identify three levels of e-signatures:

- Electronic signature: data in electronic form which is attached to or logically associated with other electronic data and which is used by the signatory to sign;
- Advanced e-signature: a signature that meets the following requirements:
 - It is uniquely linked to the signatory;
 - It is capable of identifying the signatory;
 - It is created using electronic signature creation data that the signatory can use under his sole control; and
 - It is linked to the data signed therewith in such a way that any subsequent change in the data is detectable.
- Qualified e-signature: an advanced electronic signature that is created by a qualified electronic signature creation device, and which is based on a qualified certificate for electronic signatures.

It is important that any e-signature must provide auditable proof of the signature process to prevent legal challenges of the digital signature.

This publication is for information purposes only, it does not constitute legal advice and any guidance provided should not be construed as legal advice or legal interpretation. Guidance does not constitute secondary legislation and credit unions must always refer directly to the Credit Union Act, 1997 and other relevant legislation in relation to their obligations including provisions of financial services legislation and other enactments, regulations made thereunder, and any code or other legal instrument as the Central Bank may issue from time to time when ascertaining their statutory obligations. Guidance is not intended to be exhaustive or to set the limits for the steps to be taken to meet statutory obligations. It is a matter for credit unions to seek legal advice regarding the application of relevant legislation to their particular set of circumstances.



Links to Recent Publications/Guidance

- [Prism Supervisory Commentary 2018](#)
- [Thematic Review of Prize Draws in Credit Unions](#)
- [Financial Conditions of Credit Unions 2013-2018](#)
- [Provisioning Guidelines for Credit Unions](#)
- [Feedback Statement on CP113: Consultation on Potential Amendments to the Fitness and Probity Regime for Credit Unions](#)

Upcoming Publications

- Consultation Paper on Proposed Amendments to Lending Framework for Credit Unions.

FinTech and Innovation

Central Bank Launches FinTech Engagement Initiative

The Central Bank of Ireland recently launched a set of new initiatives to enhance its engagement with innovative financial technologies (FinTech) as announced by Director General (Financial Conduct) Derville Rowland, in a [speech](#) at University College Cork on 20 April 2018.

A key feature of the new engagement initiatives is the Innovation Hub. The Innovation Hub is for firms and individuals that are developing innovations in financial services based on new technologies. The Innovation Hub is now open and is accessible to firms both inside and outside of the regulatory perimeter.

Innovators and firms can contact the Innovation Hub at fintech@centralbank.ie with respect to technologies they are developing or implementing. This will provide an opportunity to engage with the Central Bank outside of existing formal channels. The Innovation Hub can provide information or discussion on the regulatory regime, specific supervision rules and policies, and navigating the Irish supervisory and regulatory landscape.

[The Innovation Hub website](#), launched this summer, provides additional information on the Innovation Hub, updates, the contact email address and links to general information, including Q&As.

The Central Bank is also launching an expanded industry engagement initiative. This will include a series of events focused on FinTech and innovation hosted by the Central Bank to start later in 2018. More information regarding the events programme will be posted on the Innovation Hub website in due course.

Central Credit Register

Credit reports became available on request for Credit Information Providers (CIPs) and Credit Information Subjects (CIS) on 20 March 2018. CIPs' obligation to make an enquiry on the Central Credit Register (CCR) becomes mandatory on 30 September 2018 for loan applications for €2,000 or more. CIPs will not be charged for access to the CCR until 1 January 2019. Information on the fees to be paid by lenders is available at <https://www.centralcreditregister.ie/about/fees-and-levies/>.

Information sessions were held for credit unions on Enquiry Obligations and the Credit Report at four locations in May, Athlone, Cork, Dublin and Sligo. If you did not attend one of these sessions but would like to obtain a copy of the materials used, please email ccr@centralbank.ie.

Credit reports currently contain information on credit cards, mortgages, personal loans and overdrafts. Hire Purchase and Personal Contract Plans (PCPs) will be included once the necessary legislative amendment has been progressed.

Phase 2 implementation began on 31 March 2018 with the inclusion of business loans, local authority loans and moneylender loans. This phase will conclude on 30 September 2018, at which date data on all loans in scope of Phase 1(b) and Phase 2 must be reported and backdated to 31 March 2018.

If necessary, you should engage with your technical provider to ensure that you are ready to meet both your Phase 1 enquiry obligations and Phase 2 reporting obligations. Please contact the CCR operations team at ciponboarding@centralcreditregister.ie with any queries in this regard.



"FinTech creates opportunities to advance financial inclusion, by lowering the bar to entry and simplifying access, and supports better access to online services, giving consumers more choices."
Derville Rowland 2018

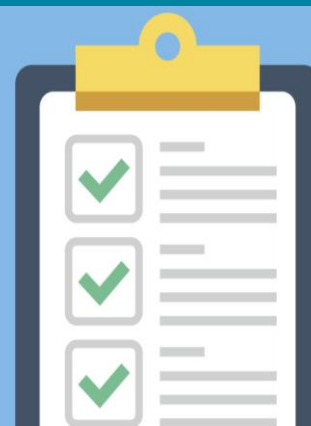


The Registry met with representatives from the Moldovan National Commission for Financial Markets (NCFM) and the Moldovan Ministry of Finance, on 25 July to discuss the regulation of credit unions in Ireland. The group were on a study visit to Ireland, facilitated by the ILCU Foundation, to learn about the Irish credit union sector.

What is the CCR?

The Central Credit Register (the Register) is a centralised system that collects and stores information about loans.

It is operated by the Central Bank of Ireland under the Credit Reporting Act 2013. From 30 June 2017, the Register began to collect personal and credit information from lenders about consumer loans.





Contact Details

Central Bank Query	Central Bank Division	Central Bank Contact
Registry of Credit Unions		
General day to day supervisory queries	Registry of Credit Unions (RCU)	Credit union supervisor / rcu@centralbank.ie
Queries for other Central Bank Divisions		Website
Anti-Money Laundering/Countering Terrorist Financing Financial Sanctions	Anti-Money Laundering	AMLpolicy@centralbank.ie sanctions@centralbank.ie
Consumer Protection: Retail Intermediaries – Authorisation queries Retail Intermediaries – Supervision queries Retail Intermediaries – Revocation queries Retail Intermediaries – Post Authorisation queries	Consumer Protection	CPCOperations@centralbank.ie RIAuthorisations@centralbank.ie brokers@centralbank.ie revocations@centralbank.ie postauth@centralbank.ie
Deposit Guarantee Scheme	Deposit Guarantee Scheme	dgscreditunions@centralbank.ie
Fitness and Probity: Individual Questionnaire queries	Regulatory Transactions	fitnessandprobity@centralbank.ie
Funding Levy	Financial Control	funding@centralbank.ie
Minimum Reserve Requirements: Calculation of reserve requirements Transfer of amounts to/from your account in the Central Bank Confirming balances and meeting your reserve requirement	Statistics Euro-settlements team Financial Markets	creditunion@centralbank.ie eurosettlements@centralbank.ie modesk@centralbank.ie
Online Reporting queries	Regulatory Transactions	onlinereturns@centralbank.ie
Recirculation of euro banknotes	Currency Issue	CID.monitoring@Centralbank.ie
Reporting Payment Statistics	Payments and Securities Settlements	paystats@centralbank.ie