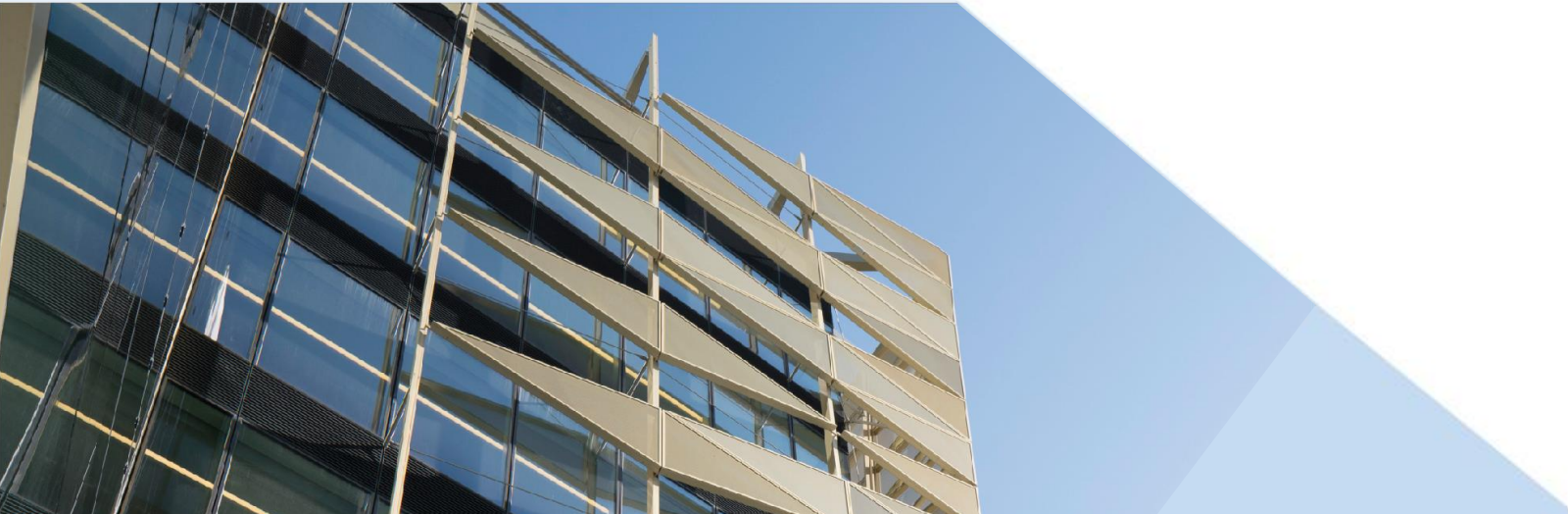




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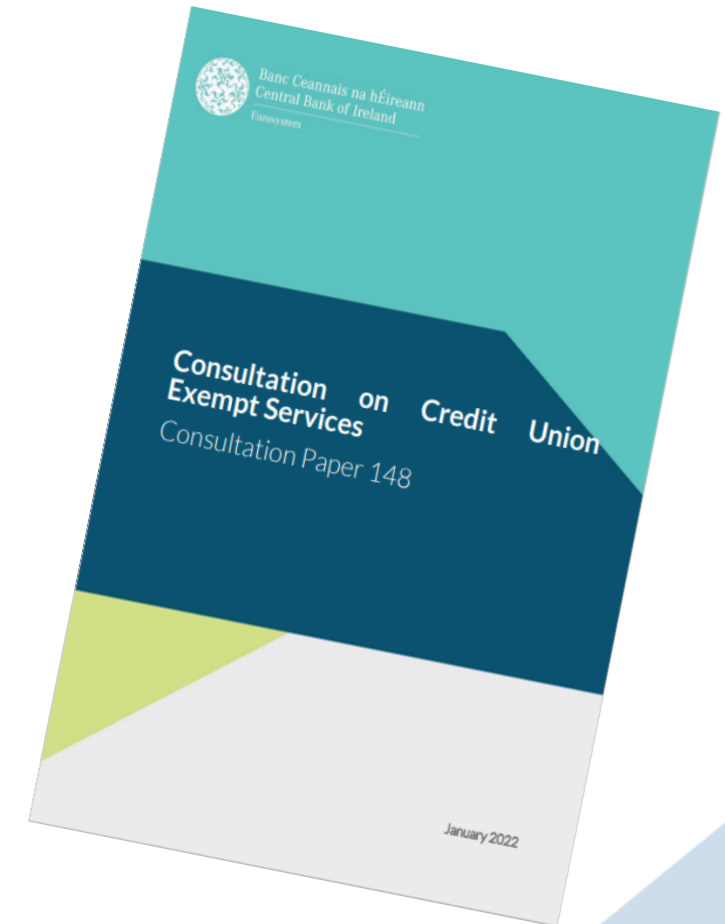


Policy SnapShots

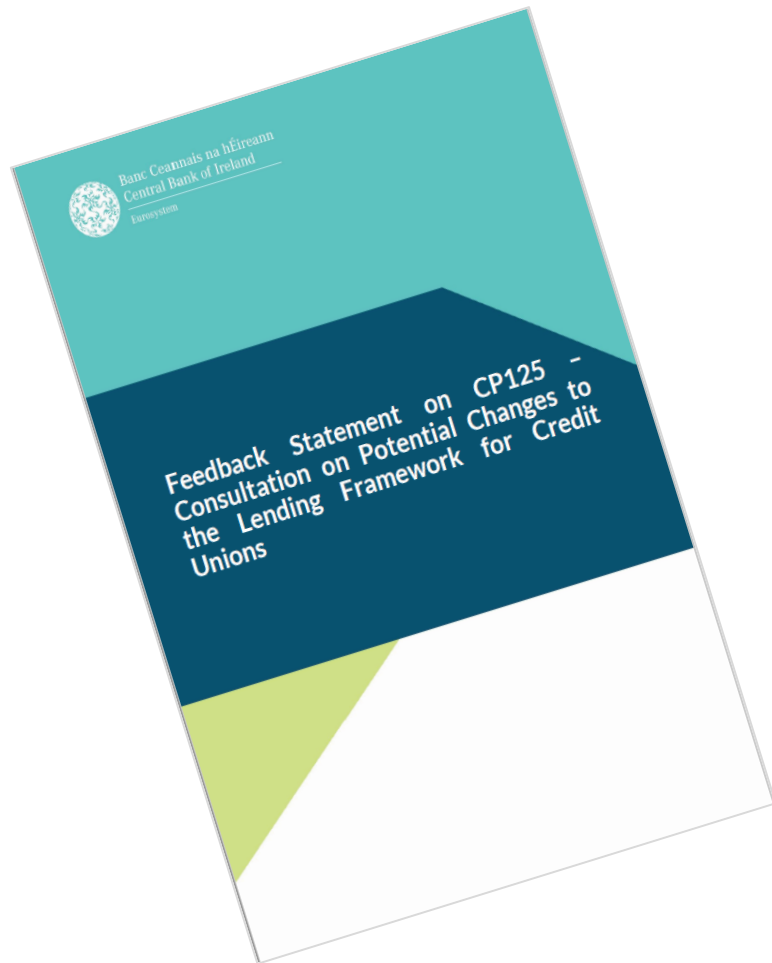
Colm Henry

Exempt Services – Update

- CP148 published in January 2022 following a mainly technical review of credit union exempt services regulations.
- CP148 outlined proposed changes to the 2016 Regulations in respect of credit union exempt services in the following areas:
 - Technical drafting changes to the Exempt Services Schedule;
 - Technical drafting changes to Regulation 2 (Interpretation) and Regulation 48 (Performing Services);
 - Changes to the conditions which must be fulfilled in order that credit unions may provide certain services as exempt services;
 - Broadening the intermediation services that credit unions may provide as services exempt from the additional services provisions of the Credit Union Act, 1997.
- Submissions received have been considered and the Central Bank is working towards finalisation of the changes.
- **Next steps** - targeted consultation with sector stakeholders in Q4 on aspects of feedback received. To be followed by statutory consultation on amending regulations and publication of the feedback statement and final amending regulations.



Lending Review – Update



- In 2018, the Central Bank published CP125 which consulted on potential changes to the lending framework for credit unions, with the resulting amending regulations applying from 1 January 2020.
- The Feedback Statement on CP125 outlined an intention to perform and publish an analysis on credit union sector lending three years post-commencement of the amendments to the lending framework, in order to assess and analyse the actual impact which the changes to the lending regulations had and to inform any decisions on the need for future change.
- Central Bank's review of the impact of the 2020 changes to the lending framework is now underway.
- As part of the review we plan to:
 - analyse relevant lending data reported by credit unions since the commencement of the amending regulations.
 - undertake focused bilateral sector stakeholder engagement in order to gather feedback on the impact of the 2020 changes.
- Central Bank targeting completion of the review and publication of its analysis in Q1 2024.

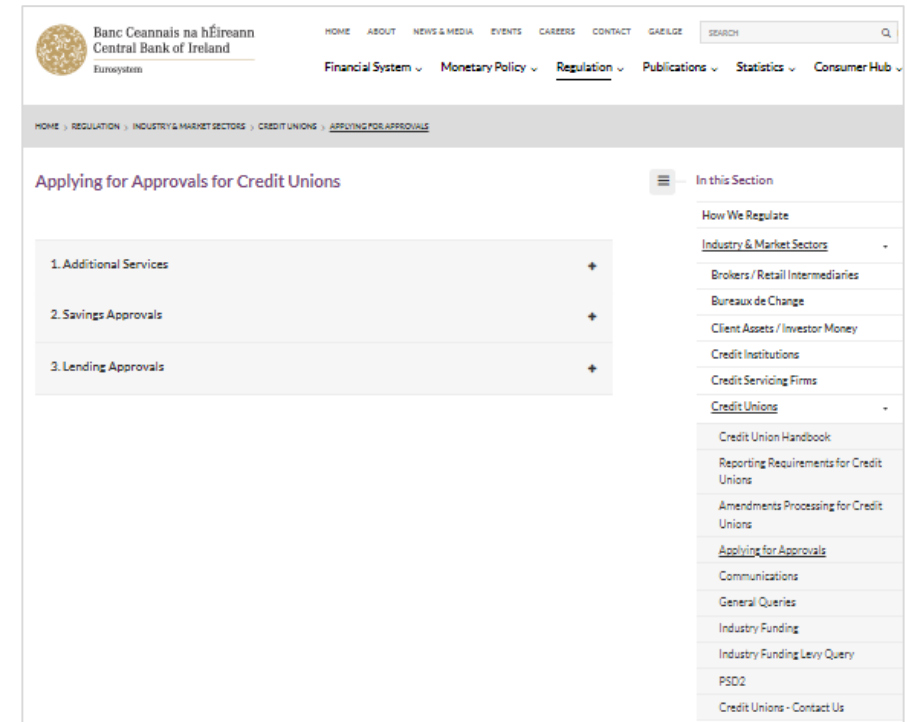


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Member Business Current Account Services (MBCAS)

- 2021-2022 engagement with sector stakeholders re provision of business current accounts to members.
- June 2023 - Central Bank issued 'minded to vary' conditions letters (80 credit unions).
- September 2023 - Further to consideration of feedback received on proposed changes, the Central Bank issued final variation letters to MPCAS-approved credit unions notifying them of the final amended MPCAS conditions of approval.
- Subject to conditions, changes introduced via a new Condition 18 allow MPCAS-approved credit unions, where they choose to do so, to provide MPCAS-equivalent services to relevant members.
- Relevant members are a micro, small or medium-sized enterprise, a charity, a club or a society.
- MPCAS conditions of approval also varied to incorporate technical changes to Condition 5 (overdraft interest) and Condition 16 (notifications in respect of major difficulty, failure or delay affecting the provision of the services).



MPCAS and MBCAS - Notification and Attestation Conditions and Processes

- An MPCAS-approved credit union must comply with, among others, Conditions 1 and 2 relating to the provision of a confirmation (or “attestation”) and notification to the Central Bank.
- In order to provide MBCAS, an MPCAS-approved credit union must also comply with, among others, Condition 18 relating to the provision of a notification and confirmations to the Central Bank.
- To assist relevant credit unions wishing to submit relevant notifications and attestations to the Central Bank, the Central Bank has published a new guide – [MPCAS and MBCAS Notification and Attestation Processes](#)).
- To further support implementation of the September 2023 changes to MPCAS, the Central Bank has also updated its website information on MPCAS and made the following documents available on its website:
 - The [MPCAS attestation questionnaire](#);
 - The [MBCAS Notification Form](#); and
 - An updated [MPCAS Application Form](#) and [MPCAS Additional Service Application Process](#) document.
- Further detail can be found on the Central Bank website (the "[Applying for Approvals](#)" section of the "Credit Unions" area).

