



Banc Ceannais na hÉireann
Central Bank of Ireland

Eurosystem



Innovation Hub

2024 Update

Information about the Central Bank's Innovation Hub is available at:







www.centralbank.ie/regulation/innovation-hub



Contents

Key Highlights.....	4
Background.....	5
Our Approach to Innovation Engagement.....	8
Review of 2024.....	10
Number of Enquiries 2024	11
Geographic Location 2024	12
Stage of Development 2024	12
Enquiries related to an Authorisation or Registration with the Central Bank 2024.....	13
Enabling Technology 2024	14
Spotlight on AI.....	15
Sector Focus 2024	17
Spotlight on Blockchain and Crypto	18
Innovation Sandbox Programme.....	21
Theme.....	21
Outcomes.....	22
2024 Engagement	24
EU and International Forums	24
Regulatory Peers.....	25
2025 and beyond.....	26

Key Highlights

2024	Key Highlights
	71 new enquiries, an increase from 2023
	54% of enquiries came from scaling or established firms
	The largest single increase in enquiries came from firms in the RegTech sector with 31% of all enquiries
	1 in 5 firms who engaged through the Hub in 2024 are using AI as their enabling technology
	1 in 4 enquiries came from firms using Blockchain technology
	44% of enquiries came from firms seeking authorisation

Background

The rapid digitalisation of financial services across Europe and globally presents both significant opportunities and regulatory challenges. To effectively foster innovation while delivering on our four safeguarding outcomes – which are: consumer and investor protection, safety and soundness of firms, financial integrity and financial stability - the regulatory authorities must develop robust innovation strategies.

In the Central Bank, our mission is to serve the public interest by maintaining monetary and financial stability while ensuring that the financial system operates in the best interests of consumers and the wider economy. We see a critical role for regulation in underpinning orderly and proper functioning financial markets. We want to see a well-functioning market with a flow of new entrants coupled with where necessary, ongoing orderly exit of firms from the market. Where appropriate levels of competition, supported by transparency and disclosure, drive fair price formation and availability and choice for consumers. As financial services are transforming, we seek to enable and support innovation given its benefits for consumers and the economy, provided risks are mitigated.

The Central Bank is continuing to evolve our regulatory and supervisory frameworks to address new and emergent risks while fostering an environment conducive to responsible innovation for the benefits of consumers and the wider economy. In that operating context, it is instructive to consider the current trends that are driving innovation in the financial ecosystem:

Current Trends

1. **Neobanks and the rise of new banking models:** The rise of digital-only banks, or Neobanks, such as Revolut, N26 and Monzo is reshaping banking at a consumer level. These institutions rely on technology-driven models to offer mobile-centric, user-friendly banking solutions.
2. **AI Implications:** Artificial Intelligence (AI) and machine learning (ML) are transforming financial services by enabling business model opportunities (in terms of revenues and costs) for firms, and enhanced customer experience, greater access

and choice, reduced costs and improved accessibility for consumers. Of particular note from a regulatory perspective is the prospect of AI enhancing risk assessment and improving fraud detection. However, increased reliance on AI-driven decision-making raises concerns about transparency, governance and accountability and bias leading to negative consumer outcomes (including from the unethical use of data). With the implementation of the EU AI Act, we will also need to ensure regulated financial services strikes the right balance between innovation and consumer protection, ensuring that AI-driven services remain fair and unbiased.

3. **Growing Adoption of Cryptoassets and Stablecoins:** Activity in crypto markets has increased in the last year with some major coin prices reaching historical highs. Increasing adoption brings new regulatory challenges related to anti-money laundering (AML), financial crime prevention and consumer and investor protection. The Central Bank continues to implement its authorisation and supervisory approach which is grounded in the new EU regulatory framework for crypto assets, Markets in Crypto Assets Regulation (MiCAR) , while noting that MiCAR does not cover all crypto.
4. **Expansion of Open Finance:** The shift from open banking to open finance is expanding data-sharing capabilities beyond payment transactions to include investments, pensions and insurance products. By opening up consumers' financial affairs to third party service providers, open finance has the capacity to foster greater competition and financial innovation, including enhanced access and choice for consumers. However, increased data-sharing also introduces significant risks related to data privacy, security breaches, and potential financial exclusion.
5. **Embedded Finance:** The rise of embedded finance is also beginning to impact the financial services landscape for consumers. Non-financial platforms are now offering financial services such as payments, lending, and insurance, enabling consumers to access banking products seamlessly. While this trend enhances accessibility and choice, it raises material consumer risks given many of these new providers are

unregulated, operating outside the regulatory perimeter without the key protections afforded to consumers when they access regulated products and services.

6. **Emergence of CBDCs:** Central Bank Digital Currencies (CBDCs) are becoming a key focus for regulators worldwide. Central Banks worldwide are considering issuing their own digital currencies. The European Central Bank (ECB) is looking into the possible issuance of a digital euro which would be a digital form of cash available to everyone in the euro area.
7. **Distributed Ledger Technologies:** The adoption of blockchain and distributed ledger technology (DLT) is also accelerating, with firms leveraging these tools to enhance transparency and efficiency.
8. **Quantum Computing:** Quantum computing poses both opportunities and challenges for the financial system. It could enhance risk modelling and fraud detection but also threaten cryptographic security, requiring new regulatory frameworks.

Given these ongoing developments, we identified as part of our current strategy¹ to adopt a forward looking approach to innovation, to continue to evolve our regulatory and supervisory frameworks, enhance capabilities and foster collaboration with industry stakeholders. A key aspect of this will be to continue to engage with fintech firms and financial innovators through initiatives such as the Innovation Hub and the Innovation Sandbox Programme, which allows the Bank to better understand emerging technologies and their regulatory implications. In addition, enhanced participation in international and EU-wide innovation efforts is key.

By embracing a forward-thinking approach to our innovation strategy, the Bank can ensure that financial innovation benefits consumers and businesses while maintaining resilience and consumer trust and confidence in the financial system. Striking the right balance between encouraging innovation and ensuring robust oversight will be critical.

¹ [Strategy 2022 - 2026](#).

Our Approach to Innovation Engagement

In 2024, the Central Bank continued to evolve and enhance its Innovation Engagement Facilities including launching our first Innovation Sandbox Programme.

Future Focused

Being future focused is one of the themes in the Central Bank's [Strategy 2022 - 2026](#).

Since the Innovation Hub was established in 2018, our financial system has changed significantly – in part driven by innovation. This has brought in new entrants, new products and new ways of serving customers and the economy. Ireland's position as an international financial centre and hub for global technology firms reflects the growth of FinTech in the jurisdiction. While this growth offers many potential opportunities for Ireland and Europe, it also presents risks.

The Central Bank's Innovation Hub has facilitated **450+** engagements with the innovation ecosystem since 2018.

Enhancing the Central Bank's Innovation Engagement Approach

The Central Bank recognises the many benefits of financial innovation, but also recognises the risks. It is only by adequately managing the risks that we can fully benefit from the opportunities.

The Central Bank has embraced this challenge, which has involved doing things differently and learning new skills. It has also involved a shift in our strategic outlook – to be more future-focused, so as to anticipate and support innovation; and to remain open, in order to strengthen our engagement with external stakeholders.

This engagement is a way for us to better deliver on our mission to serve the public interest, in particular by:



The evolution and enhancement of our Innovation Hub and launch of our first Innovation Sandbox Programme in December 2024 are key tools in helping the Bank understand and engage with innovation, be better informed and to better articulate our expectations to firms.

By the end of 2024, the Central Bank Innovation Hub held 450+ engagements with the innovation ecosystem across a number of sectors, including Payments, RegTech², Blockchain and Crypto, and InsurTech.

Innovators acknowledge the benefit of having a dedicated point of contact in the Central Bank for innovation related matters. This early engagement has helped firms better understand our regulatory expectations and helped us to better understand innovation as it happens in the financial system.

² RegTech: any range of applications of technology-enabled innovation for regulatory, compliance and reporting requirements implemented by a regulated institution.

Review of 2024

In 2024, the Bank undertook considerable engagement with stakeholders through our consultation process. The [feedback](#) was both supportive, and informative of the proposed approach.

In particular, the feedback received regarding the ongoing enhancements of the Innovation Hub and the development of a Digital Knowledge Centre was predominantly positive, reflecting significant strides being taken by the Central Bank in how it engages with innovators and the wider ecosystem. Support for the innovation engagement approach was strong, particularly regarding the proposed engagement and outreach programme. As such, we commenced the rollout of our enhanced Innovation Hub facilities.

- In March 2024, we launched a new [Innovation Hub Engagement Form](#) to engage with the Innovation Hub to ensure a more structured and productive engagement for both innovators and for the Central Bank.
- In April 2024, we launched new Innovation Hub content on our [webpage](#).
- We updated our approach to engagement with the Innovation Hub, including timelines, so that innovators are clear in advance on what to expect from the Innovation Hub.
- Over the remainder of 2024, we added additional innovation-related content online such as relevant speeches/publications.

In 2024, the Central Bank established the [Innovation Sandbox Programme](#) after extensive engagement with the innovation ecosystem through our consultation and feedback process. The Sandbox aims to provide regulatory advice and support for innovative projects and firms.

The theme of the Innovation Sandbox Programme is: *Combatting Financial Crime – Through the use of innovative technology, foster and develop innovative solutions that minimise fraud, enhance KYC/AML/CFT frameworks, and improve day-to-day transaction security for consumers.*

The programme encourages collaboration across the ecosystem to support the fight against financial crime and aims to facilitate the development of new ventures and new business models that solve challenges for the theme.

The Central Bank is committed to adopting an iterative approach to both the Innovation Sandbox Programme and the Innovation Hub, ensuring adaptability and agility. We will continue to produce a yearly Innovation Update report, and commit to conducting a review of the enhanced stakeholder engagement model three years after the enhancements have been implemented.

The information below provides a summary of all Innovation Hub engagements in 2024, including an analysis of the trends identified.

Number of Enquiries 2024

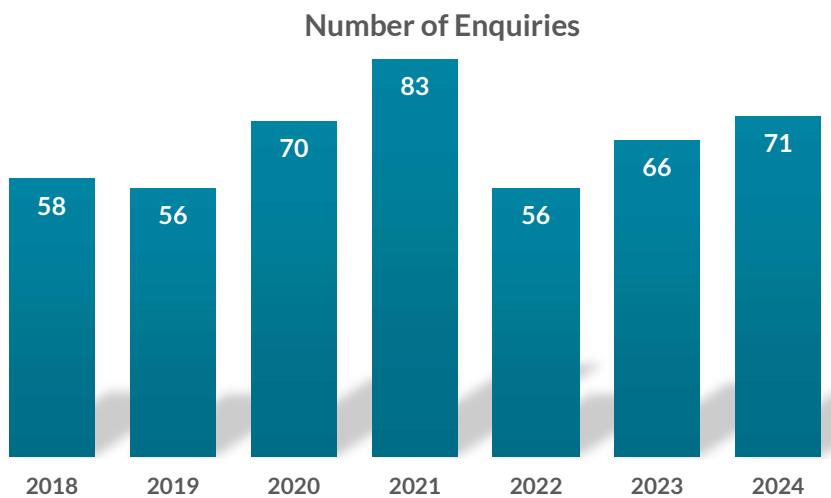


Fig.1.1 Number of Enquiries

The Innovation Hub engaged with 71 firms innovating in financial services in 2024, an increase of 8% from the number of engagements in 2023.

There continues to be a steady increase in firms engaging with the Innovation Hub over the past number of years, showing the high demand for engagement.

The changes we have made to enhance the Innovation Hub are leading to deeper engagements with firms with a view to better understanding their needs.

Through the Innovation Hub Engagement Form, we gather over 20 data points (such as sector, target customers, enabling technology, regulatory needs, etc.) in advance from firms which allows for more productive and meaningful initial and follow ups engagements with firms.

Increased number of engagements & more detailed understanding of needs



Better quality engagement for firms and the Bank

Geographic Location 2024

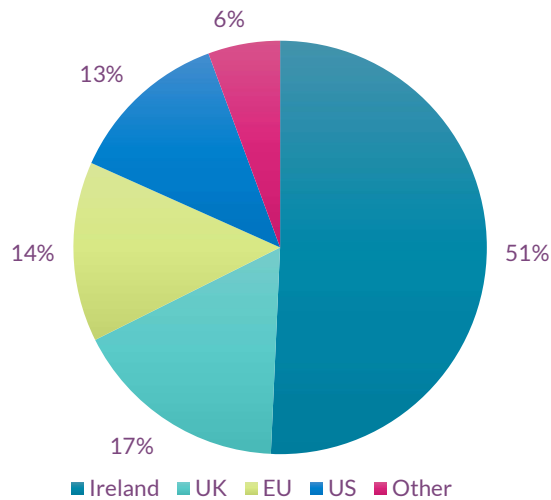


Fig.1.2. Geographic Location

Ireland is a globally recognised hub for FinTech, but innovative businesses are not limited to Ireland and while our remit lies within the Irish financial services industry, the Innovation Hub also engages with international firms wanting to expand into Ireland and the EU.

The split of firms headquartered in Ireland (51%) versus headquartered outside of Ireland (49%) reflecting diverse engagement with the Innovation Hub.

Stage of Development 2024

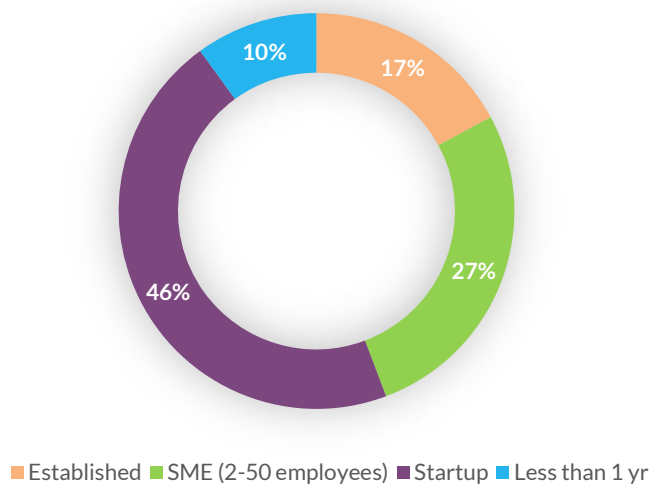


Fig.1.3. Stage of Development

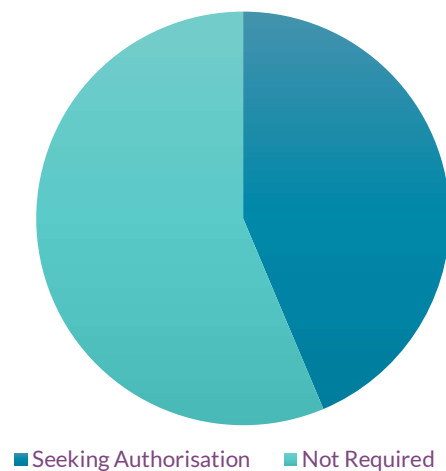
It is a core mission of the Innovation Hub to ensure that it is open to all innovators in financial services, no matter the size of the firm.

In previous years, we would have seen a proportionally larger increase in engagements by small and micro sized firms in the earlier stages of their development. In 2024, we saw:

- Established and maturing firms from areas such as Funds, Banking and Insurance engage with the Bank to discuss their future innovation roadmaps.
- Strong engagement from start-ups seeking to build an understanding of regulation and compliance early into their business model and approach.
- New engagement with cutting edge commercialisation projects in universities as they seek to demonstrate their innovation.

Significant increase in engagement from larger firms with a focus on future innovation

Enquiries related to an Authorisation or Registration with the Central Bank 2024



The proportion of enquiries from firms who were considering seeking authorisation or registration with the Central Bank increased to 44% in 2024.

- The majority of queries from firms seeking authorisation related to MiCAR.
- Firms that did not require to be authorised were primarily seeking to engage with the Innovation Hub for two reasons:
 - To demonstrate their product – these enquiries were mainly from firms providing compliance solutions to regulated firms.

- To engage with the Bank and build an ongoing relationship focussed on innovation and trends.

Enabling Technology 2024

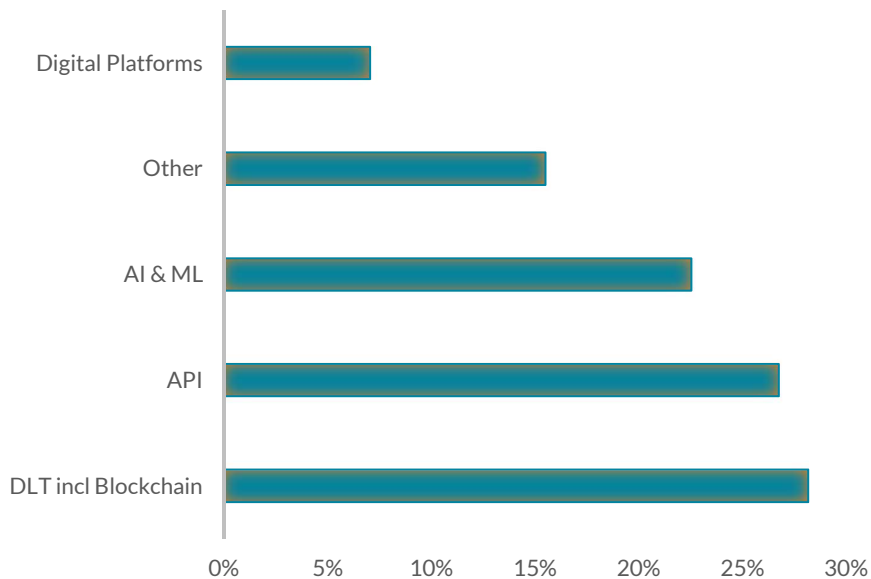


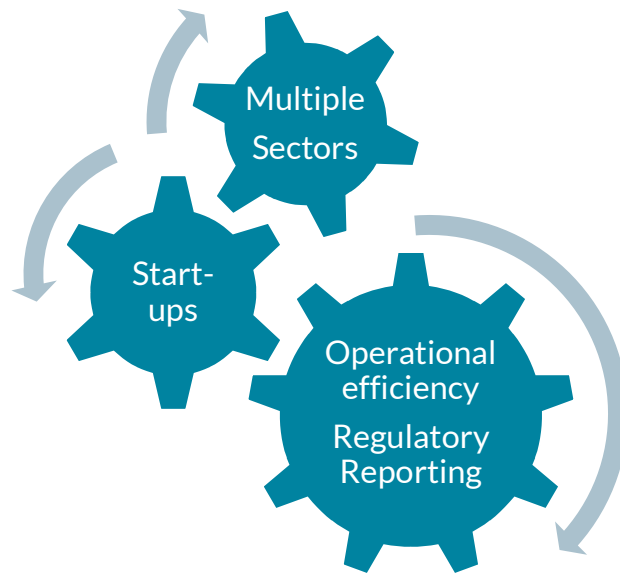
Fig1.4. Enabling Technology

Our engagement with firms throughout 2024 has highlighted the use of a wide range of technologies in the financial services industry.

Some examples of use cases include:

- AI for financial institutions as an advisory tool for their SME clients.
- Digital ID to enable better access to financial services.
- Development of software/platforms underpinned by analytics to improve Environmental, Social and Governance outcomes for consumers, investors and firms.
- Blockchain to facilitate more efficient low-cost cross-border payments, security issuance and execution process.

Spotlight on AI



1 in 5 firms who engaged through the Hub in 2024 are using AI as their enabling technology

- AI has been one of the leading technologies used by firms engaging through the Hub in 2024 and we are seeing continued growth in its usage in 2025.
- AI tools and technologies offer transformative opportunities for firms such as revenue optimisation, operational efficiency and compliance automation, for example.
- The use of AI is across multiple sectors such as RegTech, Insurance and Banking.
- Firms are predominantly using AI in two ways:
 - To drive operational efficiency through process automation – this is mostly for internal processes.
 - To ensure regulatory compliance by using AI to automate compliance checks and monitor transactions.
- In February 2025, the Central Bank published the Central Bank's [Regulatory and Supervisory Outlook Report](#), with a section which sets out the Central Bank's current perspective on regulatory and supervisory implications around the use of AI in financial services.
- Throughout 2025 and 2026, the Central Bank will be supporting the implementation of the EU AI Act in Ireland, undertaking policy work and developing its supervisory

expectations of regulated entities related to the use of AI in financial services.

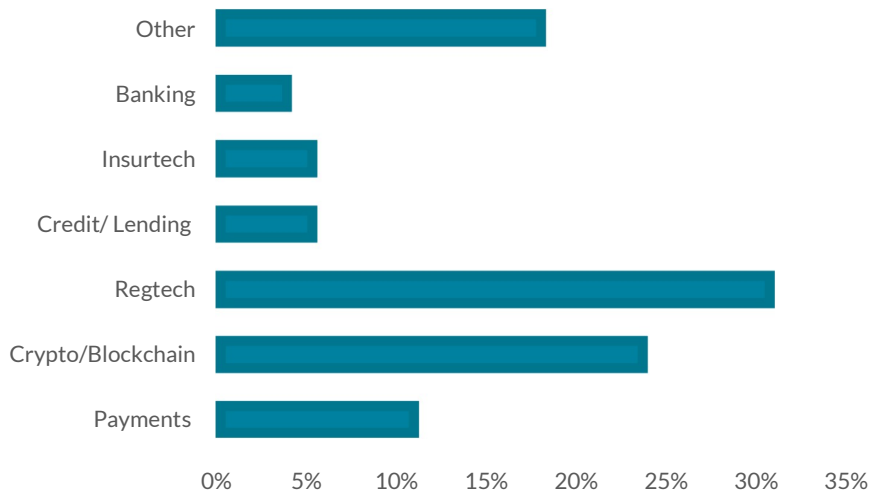
The Central Bank's Approach:

One of the Central Bank's key supervisory objectives is to keep abreast of how the use of AI is creating new value chains, business models, techniques and processes, including providing new sources of value to consumers. The Central Bank will continue to engage with firms to understand how AI is being used in practice. We will assess how current regulations and standards can be applied to the emerging use of AI. Our approach is to be responsive to evolving circumstances.

The Central Bank strongly supports the effective implementation of the EU AI Act. The EU AI Act establishes a harmonised regulatory framework for AI systems developed or deployed in the EU. It is designed to provide a high level of protection to people's health, safety, and fundamental rights and to simultaneously promote the adoption of human-centric, trustworthy AI. The Act entered into force in August 2024 and its provisions apply, in a phased manner, over the period to August 2027. The government approved the designation of an initial list of eight public bodies as competent authorities (namely Market Surveillance Authorities), responsible for implementing and enforcing the Act within their respective sectors. The Central Bank is one of these authorities.

Our work in the coming months will include further advancing our thinking and position on AI topics such as bias, interpretability, explainability, and evaluation of AI. We plan to engage further with industry, civil society, academia and other stakeholders, and use our position in international bodies and in other forums to contribute to the deliberations on AI and learn from others.

Sector Focus 2024



Increased engagement from RegTech firms in 2024 focussed on:

DORA

MiCAR

Sandbox

Fig.2. Sector Focus

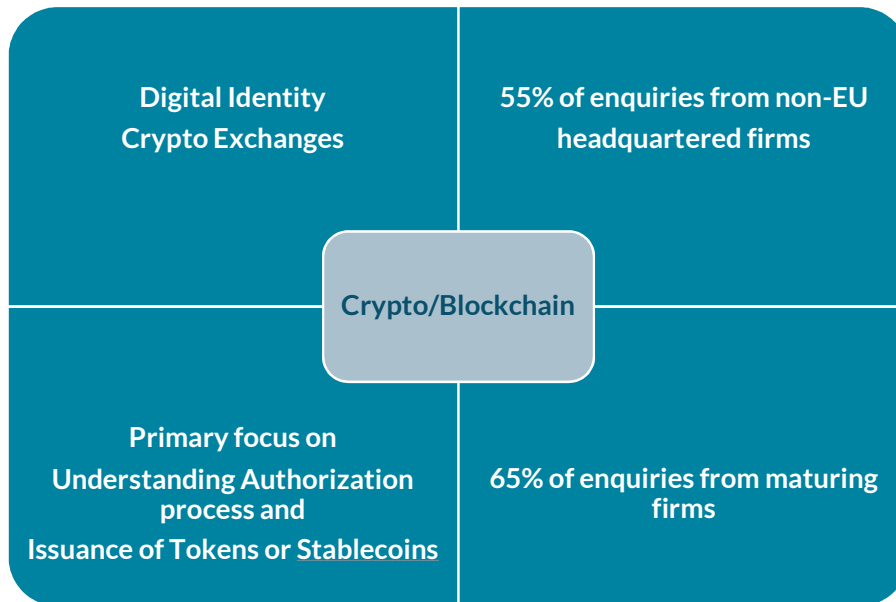
In line with previous years, there was a broad range of enquiries across all sectors of financial services, with the highest level of enquiries from firms in the RegTech and Crypto/Blockchain sector.

The largest single increase in enquiries came from firms in the RegTech sector with 31% of all enquiries in 2024 compared to 23% in 2023.

There are a number of reasons for this including:

- a large and growing RegTech sector in Ireland focused on building solutions to help regulated firms meet their regulatory obligations.
- RegTech firms are offering compliance solutions under more recent EU regulations (for example: MiCAR, DORA) and are looking to understand reporting requirements in greater detail and also demonstrate how their solutions support firms compliance obligations.
- The launch of the Innovation Sandbox Programme and its applicability to RegTech firms
- a willingness by RegTech firms to share learnings with the Bank where possible.
- an increasing trend in RegTech firms using or exploring the use of AI in their products and services and these firms have engaged to discuss their use of AI.

Spotlight on Blockchain and Crypto



1 in 4 firms who engaged through the Hub in 2024 are using DLT/Blockchain as their core technology

Enquiries from firms in the Crypto and Blockchain sector remained one of the highest sector for enquiries in 2024. This is primarily driven by:

- The Central Bank's role as the National Competent Authority for the implementation of MiCAR.
- The Innovation Hub as the initial point of contact for new firms looking to engage on MiCAR.

Enquiries are mainly focused around:

- Understanding the authorisation process.
- Engaging with the Bank on new business models, particularly as it relates to the use/issuance of tokens and stablecoins.

Markets in Crypto Assets

The Markets in Crypto-Assets Regulation (MiCAR) introduces a new regulatory framework for crypto-assets in the EU. For the first time the EU has a harmonised regulatory framework that introduces safety and soundness and conduct obligations for certain types of firms. MiCAR brings Crypto Asset Service Providers (CASPs) and certain types of crypto-assets including Asset-Referenced Tokens (ARTs) and E-Money Tokens (EMTs), along with utility tokens into the regulatory sphere.

The Central Bank has been designated as the National Competent Authority (NCA) for the authorisation and supervision of entities that are subject to MiCAR in Ireland.

MiCAR is an important step forward in the regulation of crypto activities in Europe. The Central Bank is active at European level, working to ensure a harmonised and convergent approach in the implementation of MiCAR across the EU, reflecting our commitment to strong, well-designed and outcome-driven financial regulation.

The Central Bank's authorisation process is based on clarity, transparency, flexibility and predictability for firms seeking authorisation. We are committed to delivering the benefits of the new EU regulatory framework for crypto assets. To achieve this, we have a well-resourced and expert team handling the CASP authorisation process in a high quality and timely way. This is designed to ensure a good implementation of the new MiCAR regime in Ireland cognisant of business demands and the 12-month transition period.

Our authorisation approach is two-phased, with phase 1 comprising of preliminary engagement and a Key Facts Document (KFD) stage and phase 2 comprising of formal authorisation. In order to move as quickly as possible, with maximum flexibility and adaptive engagement for firms, we are heavily front-loading work into phase 1. This will set firms up well for an efficient phase 2 process. We have designed this purposefully as we are extremely cognizant of the tight timelines of MiCAR and the 12 months transitional arrangements. By front-loading into the preliminary engagement and KFD, we are hopeful that we will unpack and resolve any issues, thus making the formal authorisation process smoother and more expeditious. We believe this approach will benefit firms as they engage with us during the authorisation process.

The role and approach of applicant firms to the authorisation process is key. Firms are expected to protect consumers and the integrity of the financial

system and should focus on good quality submissions, timely engagement with the Central Bank and an openness to reflect on feedback. The key areas of focus for firms include:

- **Substantive presence:** We believe that MiCAR provides a constructive way forward to give legal clarity within a harmonised manner across the EU. We believe that building an EU crypto ecosystem demands commitment. As such, substance is of critical importance. Firms are encouraged to recognise the opportunity of investing appropriately in their EU entity seeking CASP authorisation and the long-term benefits to them of contributing to the development of the EU crypto ecosystem. They need to demonstrate a clear commitment to operating their CASP within Ireland and the EU.
- **Outsourcing:** Outsourcing is part of every modern business and we recognise its benefits. Additionally, leveraging intra-group entities and functions brings strong efficiencies. However, there are limits to the level of outsourcing that we deem to be acceptable. A firm cannot outsource to the extent that it becomes an empty shell or deploy outsourcing in a manner that means a core activity and the effective accountability for it are moved outside the firm.
- **Alignment with MiCAR and the ESMA Broker Model:** A critical point of concern for us is that business models should align with MiCAR, including the ESMA Broker Model Opinion. We have and will continue to push strongly against business models that do not adhere to this, in line with our European counterparts.
- **Clarity on the activities for which firms require authorisation:** An issue we are finding commonplace is that firms are not clear on their full business model and the activities they need authorisation for. We continue to work with firms to unpack elements of their proposals, bringing questions to the table to help drive clarity and are supportive of the firm bringing additional external expertise to their thinking and analysis.
- **Governance and Safeguarding:** Regardless of the services, the target customer base or whether the business is retail focused or aimed at institutional clients, governance and safeguarding of client assets are critical considerations for the Central Bank.

The Central Bank wants to see firms move successfully through the authorisation process. We encourage firms seeking to provide services or products under MiCAR to commence engagement; ART and EMT issuers should engage with relevant supervisors and firms seeking CASP authorisation should contact CASPAuthorisations@centralbank.ie. To find out more, visit our industry MiCAR [webpage](#).

Innovation Sandbox Programme

About the Innovation Sandbox Programme

The Central Bank has developed an Innovation Sandbox Programme to inform the early stage development of selected innovative initiatives in financial services that promote better outcomes for consumers and the financial system. Through the programme, we aim to provide regulatory advice and support to firms on their innovative projects, in line with our public policy objectives.

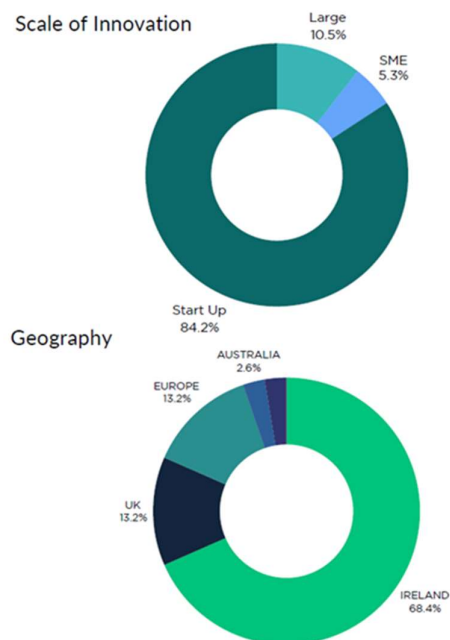
The programme operates on a cohort basis over six months to allow the innovation to develop. For more detail on the features of the programme, please see the Sandbox website [here](#).

Theme

The theme of the Innovation Sandbox Programme is: *Combatting Financial Crime – Through the use of innovative technology, foster and develop innovative solutions that minimise fraud, enhance KYC/AML/CFT frameworks, and improve day-to-day transaction security for consumers.*

The programme encourages collaboration across the financial services ecosystem to support the fight against financial crime and aims to facilitate the development of new ventures and new business models that solve challenges for the theme.

The Central Bank received 38 applications from across the ecosystem, with a wide array of use cases, reflecting a strong appetite for innovation.



The seven participants of the Central Bank of Ireland's Innovation Sandbox Programme on "Combatting Financial Crime" are:

- [AMLYZE](#) is building an AML/CFT information-sharing framework that will use structured taxonomies and synthetic data to simplify detecting and preventing fraudulent activities.
- [Expleo](#) has developed an anti-SMS fraud solution which installs on mobile phones to combat SMS fraud.
- [Forward Emphasis](#) and [Pasabi's](#) joint innovation will develop and test a Motor Insurance Application Fraud Analytics solution, leveraging AI-driven behavioural analytics, machine learning, and pattern recognition to detect fraud in the pre-sales process.
- [Roseman Labs](#) enables secure, GDPR-compliant collaboration and analysis on sensitive data for regulated industries.
- [Sedicii](#) and [PTSB](#) have partnered to create a secure and private collaboration using zero knowledge proofs to verify names and addresses, in real-time, as part of their customer KYC process, using ESB Networks as the authority for address data in Ireland in full compliance with GDPR and which involves no sharing of personal data.
- [TrustElevate](#) offers a privacy-preserving solution for verifying parental responsibility and child age.
- [Vidos.Id](#) is developing digital identity verification solutions to help financial institutions verify digital identity documents and wallet-based credentials.

The participants are representative of a diverse spectrum of innovators from Ireland, across Europe and the UK and feature start-ups, scaling firms, partnerships and established financial services firms.

Outcomes

The Central Bank is committed to sharing key learnings from the Innovation Sandbox Programme with industry.

In order to achieve this, the Bank is partnering with a team from the University of Limerick (UL) through the Central Bank's [Research Affiliate](#) initiative under its broader Research Exchange Programme.

The UL team will be working with the Bank on a number of core deliverables:

- Published Academic Paper (due in Q4 2025):
 - An empirical assessment of the Central Bank's Sandbox Programme will be undertaken.
 - The goal is to identify strengths, weaknesses, and opportunities for improvement, and ultimately, to provide actionable recommendations via a published academic paper for designing and delivering an effective sandbox programme that aligns with global best practices.
- Sandbox Learnings Report (due in Q4 2025):
 - The Bank will be delivering a comprehensive report of learnings from the Innovation Sandbox Programme to be shared with industry.
 - This report will incorporate key learnings from the seven projects involved in the Sandbox programme, with a particular focus on learnings related to the topics of identity verification, fraud prevention, and data sharing.
- Data Hackathon (completed May 2025):
 - The Bank will be undertaking a pilot - 'Combatting Financial Crime Data Hackathon' in collaboration with UL.
 - The focus of the Hackathon will be to develop research contributions and new understanding with a focus on methods to minimise fraud, enhance KYC/AML/CFT frameworks, and improve day to day transaction security for consumers.

2024 Engagement

Industry and stakeholder engagement, at a local and international level, is at the core of the activities of the Innovation Hub.

In 2024 we engaged with stakeholders in a number of ways, including:

- Received 71 enquiries, which led to numerous meetings with industry stakeholders.
- Delivered an information session in conjunction with Enterprise Ireland in August 2024 for companies seeking authorisation as a Payments or E-Money Institution. This event was part of the [Ireland for Finance 2024 Action Plan](#).
- Attended and participated in over 50 events, including industry working groups, international cooperation, and technology/innovation events.
- Piloted an 'Office Hours' session, facilitated by Enterprise Ireland, with 8 companies.

The [Financial Industry Forum Innovation Subgroup](#) has played an important role in informing the work of the Innovation Hub and the organisation's Innovation Strategy more broadly. In 2024, the Subgroup met in Spring and Autumn wherein topics discussed included *Enhancing the Approach to Regulatory Innovation Engagement*, the *Digital Identity Platform* and *AI & Financial Services*. Industry shared insights on leveraging best practice in the development of regulatory sandboxes and the Central Bank highlighted the objectives and purpose of the Innovation Sandbox advising the theme would focus on combatting financial crime. Discussions throughout the meetings explored the importance of capturing the learnings from the Sandbox, the potential benefits and challenges of the planned Digital Identity Platform and the potential opportunities and challenges of AI for the financial system.

Collaboration with international regulators and standard-setting bodies provides a better understanding of the technological opportunities and challenges facing financial services.

EU and International Forums

We are heavily involved in innovation-related and digital finance-related committees across the three European Supervisory Authorities – ESMA, EIOPA and EBA, International Organisation of Securities Commissions, Bank for International Settlements, as well as other EU and international organisations.

As a member of the [European Forum for Innovation Facilitators](#) (EFIF), we collaborate, engage and share insights with our regulatory peers.

The EFIF provides a platform for supervisors to regularly share experiences from their engagement with firms through innovation facilitators, to exchange technological expertise, and to reach common views on the regulatory treatment of innovative products, services and business models.

- The Bank presented on three occasions to the forum members in 2024.
- The Bank participated in a series of AI workshops organised by EFIF.

As a member of the Eurosystem Innov8 Forum we collaborate, engage and share insights with our regulatory peers through an informal working group composed of representatives from the Eurosystem central banks.

As established by the ECB Executive Board, the Innov8 Forum has two main objectives: to support the coordination of the [BIS Innovation Hub \(BISIH\)](#) Eurosystem Centre and to serve as a platform for information-sharing and collaboration on innovation within the Eurosystem. The forum aims to support fostering European collaboration on innovation among central banks, which is essential in today's complex financial environment.

Regulatory Peers

We also engage extensively with EU and international institutions and with our peers, as we seek to understand their approaches to engage on innovation and to learn from their experiences. This engagement allows us to contribute to the harmonisation of innovation facilities while staying informed about emerging trends and best practices.

- The Central Bank participated in a [Financial Inclusion TechSprint](#) run by the Financial Conduct Authority in the UK. This provided key learnings and insights about best practice for running innovation programmes and working with innovative firms.

2025 and beyond

The Innovation Hub will continue to deliver deeper, clearer and more informed engagement with the innovation ecosystem in 2025 and beyond.

The Central Bank will continue to enhance the Innovation Hub's outreach programme to discuss learnings and trends with the innovation ecosystem, and also look to participate more in relevant Irish, EU or international sector/theme specific programmes and relevant EU and international forums.

This, along with participation in future events such as Hackathons, Incubators and Tech Sprints will help us gain insights into the latest developments around innovation.

Work is already ongoing in these areas and we have completed the following at the end of Q1 2025:

- Participation in the [AI Sprint](#) held by the Financial Conduct Authority in the UK FCA in January.
- Participation in the Irish Funds 'Emerging Tech & Innovation Speaker Series' in Cork in March.
- Attendance at the [BIS Innovation Hub's 2025 Analytics Challenge](#) in March.
- Participation in the 'EireFin' Fintech Accelerator run by MiddleGame Ventures and Enterprise Ireland in March.

We will also continue to evolve the Central Bank Innovation Hub webpage as a 'Digital Knowledge Centre' to provide clear and relevant information outlining our approach to innovation and how to engage with the Central Bank and for sharing relevant content on the Central Bank's website.

As the Innovation Hub evolves in 2025, we anticipate further ongoing engagement with innovators along with increased outreach activities and enhanced engagement with the wider ecosystem and stakeholders.

2024 was the start of the evolution of the enhancements of the Central Bank's Innovation engagement facilities. This will be an iterative multi-year process and we look forward to continuing to engage with the innovation ecosystem across our Innovation Hub and Innovation Sandbox Programme in 2025 and beyond.

Updates on our innovation engagement facilities will be posted [here](#).

Focus on:

Engagement

Participation

Research

Insight

T: +353 (0)1 224 5800
E: publications@centralbank.ie
www.centralbank.ie



Banc Ceannais na hÉireann
Central Bank of Ireland

Eurosystem