



Banc Ceannais na hÉireann
Central Bank of Ireland

Eurosystem

FAQ's related to interplay between MiCAR and PSD2

July 2025

Will the Central Bank be implementing all of the recommendations contained in the EBA No Action Letter?

The Central Bank will implement all of the recommendations contained in the EBA No Action Letter, including adopting a streamlined approach to CASPs seeking a Payment Institution authorisation.

When should firms engage with the Central Bank?

Firms should contact the CASP Authorisation Team as soon as a decision is made that Payment Institution authorisation will be sought or a partnership arrangement will be entered into.

Firms should be mindful of the 1 March 2026 deadline by which time they will need to either have a Payment Institution authorisation or have entered into a partnership arrangement with a Payment Service Provider in order to provide the EMT activities specified in the EBA No Action Letter.

Will applicants need to complete the Central Bank's existing published Payment Institution application form?

Note: The Central Bank has developed a specific shorter-form application form for CASPs seeking a Payment Institution authorisation in order to conduct the EMT activities specified in the EBA No Action Letter. This form will be provided directly to applicants which notify the Central Bank that they are seeking a Payment Institution authorisation in this context.

Will CASPs seeking a Payment Institution authorisation be required to submit a full and separate suite of documentation when applying for such authorisation?

The Payment Institution application is confined only to the EMT activities specified in the EBA No Action Letter. There is significant overlap between the CASP authorisation assessment process and the Payment Institution authorisation assessment process. For such

areas of overlap, firms will only be required to submit one set of documents provided that, should the CASP authorisation assessment precede the

Payment Institution authorisation application, the information previously provided to the Central Bank remains fully accurate and up-to-date.

For those areas where there are differences, or where the EBA No Action Letter requires a separate Payment Institution assessment, for example Own Funds, additional documentation will be required. This is clearly identified in the application form.

Will CASPs seeking a Payment Institution authorisation be required to provide additional capital/own funds in respect of the activities giving rise to the Payment Institution authorisation?

The EBA No Action Letter explicitly provides that initial capital/own funds applies on a cumulative basis. CASPs will, therefore, be required in the Payment Institution application to submit an own funds calculation using the three methods set out in [Chapter 2 of the European Union \(Payment Services\) Regulation 2018](#).

Will dual hatting of roles across the CASP and Payment Institution activities be permitted?

The Central Bank will adopt a pragmatic approach on the assumption that there will be a single legal entity holding both licences and that the Pre-Approval Controlled Function role holders have the expertise, knowledge, experience and capacity to undertake both the CASP and EMT activities. This will be assessed on a case-by-case basis and may vary where the entity expands its payment services activities beyond those minimum services which gave rise to the need for the Payment Institution authorisation as per the EBA No Action Letter.

Will there be more than one Central Bank point of contact for firms seeking a CASP and Payment Institution authorisation?

There will only be one point of contact – the CASP Authorisation Team.

Will the Payment Institution licence be restricted to just the specified EMT activities?

Payment Institution authorisations issued in this context will include a condition which will restrict CASPs to the EMT activities specified in the EBA No Action Letter which the firm intends to undertake.

What happens if the firm post-Payment Institution authorisation decides to undertake further payment services activities under this authorisation?

Any subsequent change in the Payment Institution activities will require CASPs to seek Central Bank approval before such activities may be conducted. If approved, this may result in the imposition of new requirements on the firm (including capital and a reassessment of the suitability of PCFs).

How will firms with a dual CASP and Payment Institution authorisation be supervised?

As CASPs will only be undertaking limited specified EMT activities, they will be supervised by the CASP Supervision team. Were a CASP (subject to Central Bank approval) to expand its Payment Institution activities, the Central Bank would keep under review the appropriateness of it being supervised by only the CASP Supervision team.

What if the CASP proposes to enter into a partnership arrangement rather than seek Payment Institution authorisation in order to provide the EMT activities specified in the EBA No Action Letter?

In such circumstances, the CASP should engage with the CASP Authorisation Team and detail the proposed partnership arrangements.

Where the CASP is proposing to partner with an existing Central Bank authorised Payment Institution, it should be mindful that such an arrangement will likely require that Payment Institution to seek approval from the Central Bank for a change in its business model. In this regard, the existing Central Bank authorised Payment Institution would be required to contact its supervision team in a timely manner.

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