



Banc Ceannais na hÉireann
Central Bank of Ireland
Eurosystem

Gabriel Makhlouf
Gobharnóir / Governor

Mr Simon Harris T.D.
Tánaiste and Minister for Finance
Department of Finance
Government Buildings
Upper Merrion Street
Dublin 2, D02 R583

2 April 2026

Dear Tánaiste,

Re: Annual update on progress in relation to the National Payments Strategy

As outlined in the National Payments Strategy, the Central Bank is required to provide an annual update on the progress of the Pay-by-Account Working Group which was established under the Irish Retail Payments Forum to progress the availability of at least one ‘pay-by-account’ solution as a convenient and trusted alternative to cards and cash.

The Annex to this letter provides an overview of progress made during 2025 with respect to each recommendation that was assigned to the Central Bank to lead or support, including the activities of the working group.

I would also like to take this opportunity to reiterate my support for the broader aims and guiding principles of the National Payments Strategy. The Central Bank will continue to work closely with relevant stakeholders to realise our shared ambition to ensure that the Irish payments ecosystem operates in the best interest of households and businesses.

Gabriel Makhlouf

| Future Outcome | Action | Central Bank Lead / Support | Update |
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| 3.1 - All government departments and bodies under their aegis to accept electronic payments and cash payments (or facilitate cash payments). | All government ministers to ensure that their departments and bodies under their aegis accept both at least one form of electronic payment and cash payments (or facilitate cash payments by a third party) where a public body levies fines or fees or where it provides goods or services for a charge. | Support | The Central Bank completed a review of its revenue collecting functions (which may be suitable for the acceptance of cash) in 2025 and will fully implement the review recommendations in 2026. |
| 3.2 To ensure all sectors of the economy are aware of the forthcoming EU Legal Tender Regulation and their obligations regarding mandatory cash acceptance (if applicable), along with potential changes they may need to make to accommodate this and any other relevant issues arising from the regulation | All government departments and agencies will engage with those under their remit, including organisations that receive funding, about their future obligations arising from the proposed regulation on the legal tender of euro notes and coins (when agreed) and encourage such organisations to commence their work in this area as soon as practicable, and in advance of the legal requirements of the regulation. | Support | The Central Bank provided an update on the main objectives of the proposed regulation on the legal tender of euro notes and coins to the National Cash Forum meeting in October and will keep this Forum updated as more detail becomes available. |
| 3.3 There will be a comprehensive overview of the national cash cycle environment that will inform policy thinking and formation | The Central Bank to complete and publish a report on the national cash cycle. The scope should cover all relevant stakeholders that are involved in the cash cycle, taking account of the fact that independent | Lead | As set out in the Strategy, this report is due no later than 4 years from implementation of the Access to Cash Act (i.e. 30 June 2029). The Central Bank has commenced monitoring compliance with the Access to Cash Criteria from H1 2026, and oversight of a Local Deficiency Framework, which will be operational from H2 2026. The |

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| in relation to cash and payments | ATM deployers and cash-in-transit providers will be regulated entities after the enactment and commencement of the Finance (Provision of Access to Cash Infrastructure) Bill 2024. | | Central Bank expects to commence the national cash cycle review in H2 2027, 12 months after the commencement of the Local Deficiency Framework. |
| 4.1: There are appropriate system-wide contingency arrangements to prepare for and manage disruptions to payment services | The Financial Stability Group, through its crisis preparedness subgroup, shall take forward work on system-wide resilience in the Irish payments system, including the cash cycle, in conjunction with relevant industry and government stakeholders. This work will examine system-wide resilience and the supporting contingency arrangements currently in place for certain disruption scenarios. This work will consider actions to enhance system-wide resilience and report to the Financial Stability Group by Q1 2026. Where appropriate, this will include any recommendations that are required to ensure continued system-wide resilience of payment services. | Support | The Central Bank, as part of the Financial Stability Group's (FSG) crisis preparedness subgroup, has been working with the FSG agencies to identify the system-wide contingency arrangements currently in place for certain disruption scenarios to payment services (including cash). This work, which includes engagement with relevant industry and government stakeholders, is examining current contingencies and considering actions to enhance system-wide resilience. The outcome of this work will inform the report and recommendations to be provided to the FSG. |
| 4.2: The Central Bank will have appropriate powers to ensure relevant firms leave the market in an orderly manner | The Department, following input from the Central Bank, will examine the need to provide the Central Bank with liquidation powers in relation to payment firms and report to the Minister for Finance with recommendations, by the end of June 2025. | Support | Following approval by the Minister for the requirement for liquidation powers to be provided for payment and e-money institutions, the Central Bank is working with the Department of Finance in drafting a Heads of Bill. |
| 4.3: A safe and easy to use EU-certified digital identify wallet will be available | The Office of the Government Chief Information Officer will regularly update the relevant Central Bank's industry engagement forums on its progress in | Support | The Central Bank facilitated the Office of the Government Chief Information Officer (OGCIO) providing an update on the ongoing work on the Government's digital identity wallet solution, at the May meeting of the Irish Retail |

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| | developing the Government Wallet and will contribute to industry deliberations on private sector use-cases for the financial sector in accordance with Ireland's obligation under the eIDAS 2.0 Regulation. Updates should be made at least twice per annum. | | Payments Forum (IRPF), and the September meeting of the Financial Industry Forum's (FIF) Innovation Subgroup. A summary of both discussions can be found here: IRPF , FIF . |
| 5.3: Consumers will be less vulnerable to fraud via telecommunications channels such as telephone texts and SMS messages | All government departments and the bodies under their aegis to apply to be included on ComReg's DNO list for any phone numbers which are not used for outbound communications and the SMS SenderID Registry for any for any alphanumeric SMS headers that are used in government and public sector communications. | Support | The Central Bank has assessed our phone numbers and has not identified any numbers to place on ComReg's DNO list. We will assess this requirement on an annual basis. |
| 5.4: Technology, financial services and telecommunications sectors and their respective regulators will cooperate more closely on combatting payment fraud. | The Banking & Payments Federation Ireland (BPMFI) will build on its existing cross-sectoral forum, the BPMFI Financial Crime Roundtable, and extend its membership to include online platforms, financial services providers, telecommunications services providers and their respective regulators (the Central Bank, ComReg and Coimisiún na Meán). | Support | <p>BPMFI established the Anti-Fraud Forum and will shortly complete a progress report covering its first 12 months.</p> <p>Three sub-groups of the forum have been established – the Fraud Charter Working Group; the Information Sharing Working Group; and the Gross Negligence Working Group – to progress the respective elements of the forum's work.</p> <p>This will include an expect draft charter in H2 2026.</p> <p>On the Shared Fraud Database proposal, the Department of Justice has drafted regulations which have been circulated to other Government Departments for consideration and which, if enacted, would allow for the Database to be established. The Central Bank has considered the draft regulations and provided feedback.</p> |

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| | | | <p>The Central Bank is a member of the Anti-Fraud Forum and presented during 2025 on its Trusted Flagger accreditation, payment fraud statistics and general updates on relevant issues.</p> |
| <p>6.1: Availability of at least one 'pay by account' solution as a convenient and trusted alternative to cards and cash.</p> | <p>The Irish Retail Payment Forum to establish an Account-to-Account Working Group (the A2A WG), with representation from banks, payment providers, open banking providers, merchants and others deemed appropriate by the IRPF. The A2A WG will develop terms of reference that seek to:</p> <ul style="list-style-type: none"> (1) monitor and collaborate on the full adoption of instant payments by relevant parties; (2) identify and address barriers to the full adoption of open banking, including consideration of Irish market participation in European Payments Council (EPC) SEPA Payments Account Access (SPAA); (3) identify a roadmap towards integration with a European payments solution; and (4) consider any other topics related to account-to-account payments deemed relevant by the working group. | <p>Lead</p> | <p>The Pay-by-Account (PAYBAC) working group was established in January 2025 and arranged its work in a series of cycles, which included:</p> <ul style="list-style-type: none"> • Cycle 0 – Introductory Meeting: a virtual call was held with prospective members to discuss scope, definitions, and terms of reference for the establishment of the working group • Cycle 1 – Establishment of the Working Group and TORs: an in-person meeting was held at the Central Bank where the final version of the terms of reference for the establishment of the working group was agreed. Open banking data and payment flows, as well as open banking statistical indicators were also discussed during the session. The working group agreed to focus on the end-user experience for the next cycle. • Cycle 2 – End-User Experience: an in-person meeting was held at the Central Bank where the working group discussed the key challenges impacting the 'end-user experience' for bank transfers and payment initiation services in the domestic market. The working group agreed to finalise the open banking indicators for the next cycle. • Cycle 3 – Open Banking Indicators: under the Strategy, the Central Bank, in consultation with the PAYBAC working group, was tasked to develop |

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| | | | <p>a proposal for the regular collection and publication of open banking statistical indicators. A virtual meeting was held with the members to discuss and agree the proposed statistical indicators that would be collected by the Central Bank. An initial proposal was presented to, and agreed by, the IRPF in May 2025. The Central Bank is in the final stages of technical implementation for the reporting process.</p> <ul style="list-style-type: none">• Cycle 4 - Preparation and Implementation: following Cycle 2, which focused on 'end-user experience', the working group agreed that a future cycle needed to bring in the perspectives of merchants. It was agreed that the format for the next Cycle would be an industry workshop, which would create awareness of PAYBAC solutions, with a focus on what constitutes good end user experience. During Cycle 4, the Central Bank prepared for the industry event.• Cycle 5 - Showcase Event: The PAYBAC WG hosted an industry showcase event which involved key providers from Ireland and Europe, who demonstrated PAYBAC functionality for relevant use cases identified by the PAYBAC WG members. The primary focus of the showcase was to consider 'what good user experience looks like' across use cases such as recurring payments, e-commerce payments and point-of-sale payments. The event was attended by stakeholders from both the supply and demand side of the market. Additional detail of the showcase event can be found in the summary. |
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| | | | <ul style="list-style-type: none"> PAYBAC Basic Principles of Good End User Experience: Taking into account the various working group discussions on what constitutes a good user experience, and the lessons learned from the Showcase Event, PAYBAC published guidance on the basic principles that should be considered by payments solution providers in Ireland, to support their efforts to produce a product that delivers a good end user experience. <p>The PAYBAC WG is currently planning its priorities for 2026.</p> |
| 7.1: Stakeholders will have greater awareness of best practices and areas of opportunity across the payment ecosystem in the area of sustainability. | The Irish Retail Payment Forum to host a focused session or recurring meeting agenda dedicated to exchanging best practices on work being conducted regarding sustainability. | Lead | During 2025, the Central Bank issued a written procedure to the members of the IRPF, asking each to provide an overview of activities being undertaken in the area of sustainability. The Central Bank will repeat this process again in 2026, with a view to having a specific agenda item on sustainability at the April 2026 meeting of the IRPF. |
| 8.1: There will be greater transparency and understanding of the Irish payments landscape with insights on trends and usage of payment types. | The Central Bank will lead on a research and insights programme in respect of payments, in partnership where relevant: <ol style="list-style-type: none"> 1. Establish a recurring ‘consumer payment preferences and behavioural’ survey covering all payment types, including the identification of possible future areas for research; 2. Conduct research on the comparative usage, efficiency, and costs of retail payment methods (with a special focus on various types | Lead | Update for each listed activity on the proposed research and insights programme is provided below: <ol style="list-style-type: none"> 1. There are two initiatives underway that will support this objective: <ol style="list-style-type: none"> a) Payments Behaviours and Preferences Consumer Research: The Central Bank has finalised a mixed methodological research design to measure prevalence of behaviours, consumer preferences and perceptions toward payment types in Ireland. The design also incorporates an exploration of underlying motivations and needs among Irish consumers. The primary research will involve a |

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| | <p>of retailers);</p> <p>3. Consider the environmental impact of payments based on work done, and underway, by the European Central Bank and other national central banks;</p> <p>4. Continue to advance the roll-out of the open data portal to identify available statistics on payments, making regular enhancements as necessary;</p> <p>5. Analyse the evolution of the use of payment instruments, including instant payments in Ireland, through its Behind the Data series;</p> <p>6. Collect and publish open banking indicators in consultation with the A2A WG; and</p> <p>7. Following the joint EBA/ECB publication on payments fraud, analyse emerging fraud trends in Ireland through its Behind the Data series.</p> | | <p>quantitative survey among a representative sample of 2,000 Irish consumers. A hybrid data collection approach will be adopted of online and face to face interviews. A qualitative phase will also be conducted via in-depth interviews with consumers across a range of socio-demographic and attitudinal criteria. A third-party market research firm has been appointed to conduct the data collection following a competitive tender. Questionnaire development is currently underway, and that fieldwork was completed across February and March. Initial results will become available in April 2026.</p> <p>b) Consumers Insights Model: This large-scale quantitative survey will commence fieldwork collection in January 2026. It is a continuous survey of 4,000 Irish adults to measure attitudes, behaviours and consumer engagement across the financial system. The research also captures a broad range of sentiment, financial wellbeing and financial literacy measures. The survey focuses on specific financial sectors including a dedicated module on payments behaviour. The consumer insights model will deliver the recurring payment measures as designated to the Bank under the Strategy. Fieldwork commenced in January 2026 with annualised data available in February 2027.</p> <p>2. The Central Bank is conducting a Cost, Usage and Efficiency of Retail Payments Study (CUERPS) in response to this recommendation. In preparation</p> |
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| | | | <p>for this work, the Central Bank joined a seminar group at the European Central Bank to learn about the experiences of other National Central Banks (NCBs) who have conducted similar work in the past. Bilateral meetings were held with NCBs to discuss potential challenges and best practices. Finally, a literature review was carried out of existing work in this area.</p> <p>A supply side survey (Strand One) was drafted in Q1 2025 and supplied for feedback to a Market Advisory Group consisting of 8 firms from the Irish payment's ecosystem. The survey was then finalised and sent to payment service providers and acquirers serving the Irish market (licensed in Ireland and elsewhere in Europe) with a 3-month period allowed for submissions. Data was received at the end of October and is now being analysed in-house by the Data Office.</p> <p>The demand side of the study (Strand Two) is being conducted with a third-party vendor, secured via a procurement process. The vendor has held in-person focus groups and interviews with retailers and is distributed a written questionnaire during Q4 2025. A report based on the findings of both Strands is expected to be published in 2026.</p> <p>3. In addition to the update provided under recommendation 7.1, the Central Bank, through its participation in the European Central Bank's (ECB) Market Infrastructure and Payments Committee,</p> |
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| | | | <p>supported the development of environmental best practices that could be employed by payment service providers. In addition to these practices being published on the ECB's website, the Central Bank shared them with the members of the IRPF.</p> <p>Furthermore, the Central Bank, with support from cash cycle stakeholders, contributed to an ECB study on the Product Environmental Footprint of euro banknotes. The outcome of this first study resulted in actions to reduce the environmental impact of euro banknotes, as well as identifying further ways to make banknotes as environmentally friendly as possible. The Central Bank will continue to work with cash cycle stakeholders to drive sustainable practices with regard to cash.</p> <ol style="list-style-type: none">4. The Central Bank continues to roll-out data publications through the Open Data portal, including quarterly general payment statistics and statistics on payment fraud.5. The requirement for Irish payment service providers to offer instant payments came into effect in October 2025. Work on this analysis will begin in Q4 2026 / Q1 2027 when there is sufficient data to analyse instant payment trends.6. A proposal to collect open banking statistical indicators has been developed and approved by the PAYBAC working group and the IPRF. The |
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Central Bank is working on technical implementation for the process.

- 7. The '[Behind the Data](#)' feature on payment fraud in Ireland was published in Jan 2025. Following this, the first Annual release of [Payment Fraud Statistics -2024](#) was published in Oct 2025, and the corresponding data is published on open data portal in Q4 2025.