



Newsletter

Investment Firm and Intermediary Newsletter

June 2026

Message from Des Ritchie, Head of Division, Investment Firms & Retail Intermediaries Supervision

Welcome to the first newsletter of 2026. This newsletter aims to highlight areas of interest across the Investment Firm and Retail Intermediaries sectors as well as to provide updates on some key pieces of work carried out this year.

The Retail Intermediaries Insights section includes important updates to the authorisation processes and an article on an upcoming sectoral mapping review. In our Crowdfunding Insights section, there is an article on the 2025 ESMA Crowdfunding Market Report.

Our MiFID Insights section contains articles on recent thematic reviews covering topics such as the Compliance Function and Sustainability Requirements, as well as other key updates for the sector. Under our Central Bank Insights section you will find articles on areas of interest from a range of topics across the Central Bank.

Our In Case You Missed It page contains links to key publications and to some important speeches that have been delivered this year. We welcome any suggested topics that you would like to see in future editions.

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Intermediary Insights

Streamlined Authorisation Process for Sole Traders Transitioning to Single Director Companies

Author: Lisa Kelly

In February 2026, the Retail Intermediaries Authorisation Team launched a streamlined authorisation process for Sole Traders seeking to transition to a Single Director Company.

The new process introduces a short confirmations-based application form, designed to simplify the transition where the firm's ownership, key personnel and business model remain unchanged.

Sole Traders interested in transitioning to a Single Director Company are encouraged to review the full details of the process and supporting documentation available on the Central Bank's website. Further information is available at the following [link](#).

Updates to Retail Intermediaries Authorisation Documentation

Author: Lisa Kelly

The Central Bank has made a number of updates to Retail Intermediaries authorisation documentation. These updates reflect the commencement of the revised Consumer Protection Code 2025, which came into effect on 24 March 2026. References to the previous Consumer Protection Code 2012, within application forms and associated guidance, have been updated accordingly.

In addition, amendments have been made to the B-Form Application Form and B-Form Guidance Note. These include the introduction of new questions relating to:

- The use of artificial intelligence and digitalisation;
- Third-country branches; and
- Requirements arising under the Digital Operational Resilience Act (DORA).

These changes are intended to ensure that information sought by the Central Bank remains aligned with evolving regulatory requirements. Minor updates have also been made to the A-Form Application Form and associated A-Form Guidance Note. The updated documentation is now available on the Central Bank's [website](#).

Firms should note that all B-Form applicants are required to use the updated B-Form Application Form from 1 May 2026. Applications submitted using the previous version of the B-Form after this date may be returned. Applicants are encouraged to review the updated forms and guidance notes carefully prior to submitting an application.

Any queries in relation to these updates may be directed to the Retail Intermediaries Authorisation Team at Rlauthorisations@centralbank.ie.

Intermediary Insights

Mapping and Profile Review of the Retail Intermediaries Sector

Author: Lisa Kelly

The Retail Intermediaries Supervision Team has commenced a mapping and profile review of the Retail Intermediaries sector. The purpose of this review is to develop a clearer and more up to date picture of the sector which will inform the Central Bank's development of the strategy for supervising the sector.

The Retail Intermediaries sector continues to evolve as evidenced through merger and acquisition activity and increasingly complex business models. In this context, we are undertaking this review to obtain a more in-depth view of the sector and to identify any emerging trends that may have implications for supervision and the consumer protection safeguarding outcomes we seek to achieve.

As part of this review, we will issue a sector-wide survey to all Retail Intermediaries seeking information on, inter alia: ownership and structure, business model type and product lines, governance arrangements and operational/outsourcing activities. The information gathered will enable the Central Bank to build an enhanced dataset profiling the sector, helping us to better understand how firms operate, group firms with similar characteristics and identify trends or areas where supervisory focus may be required.

We thank firms for their cooperation in providing accurate and complete information as part of this review.



Intermediary Insights

Retail Intermediaries' Treatment and Protection of Client Funds

Author: Joe Donnelly

As a Retail Intermediary, you maintain a position of trust in relation to the consumers you provide services on behalf of, with some of these consumers being potentially vulnerable for a variety of reasons. It is important to remember that when dealing with consumers and especially when handling client funds, whether in the form of insurance premiums, or while acting as a deposit agent¹ on behalf of consumers, that these transactions are dealt with and processed in compliance with all relevant legislative and regulatory requirements².



Client premiums in relation to insurance products must be lodged to a designated client premium account for onward transmission to the relevant insurance undertaking. In relation to investment and financial products, it is customary for clients to make payments directly to the relevant product provider which is issuing the relevant product.

In all cases where funds are received, a receipt should be provided upon receipt of these funds. Firms should not accommodate requests from consumers to bypass these requirements, to ensure the protection of both the consumer and the Retail Intermediary.

¹ Under section 26(1)(c) of the Investment Intermediaries Act 1995, a restricted activity investment product intermediary is restricted in its ability to hold client funds or securities. It cannot hold client funds or securities in a manner which results in the intermediary becoming indebted to a client.

² The Central Bank (Supervision and Enforcement) Act 2013 (Section 48) (Consumer Protection) Regulations 2025, the European Union (Insurance Distribution) Regulations 2018 and the Investment Intermediaries Act 1995.

Intermediary Insights

Review of Commission Disclosures

Author: Ross Doyle

The Central Bank concluded a review of the disclosure of commission arrangements to retail customers by reviewing a sample of firms across a number of products and sectors, including Retail Intermediaries. The Central Bank's 2026 Regulatory and Supervisory Outlook (RSO) report highlights that one of the key drivers of consumer risk relates to ineffective disclosures to consumers.

The focus of the review was on assessing firms' compliance with regulatory requirements on commission disclosure and determining if the disclosure by firms adequately informs retail customers of the commission arrangements in place for products they purchase. The review identified that firms were broadly complying with the regulatory requirements; however, it was noted that some firms adopted a more consumer-centric approach, providing clearer, more user-friendly and easier to navigate information to customers.

The revised Consumer Protection Code 2025 (the Code) sets out that firms must, "*ensure that all information it provides to customers is presented in a way that informs the customer effectively*". As firms continue to embed the requirements of the revised Code, the Central Bank expects firms to ensure that customers are being informed effectively in respect of commission arrangements, including having regard to the following expectations identified from this review:

- Commission arrangements are tailored to the customer and are set out prominently in customer documentation;
- Customers are made aware of both the percentage and monetary amount of commission, as appropriate;
- Customers are provided with a direct link in customer documentation to the firm's website containing commission information. Descriptions of commission arrangements in customer documentation should be consistent with the information provided on the firm's website regarding those commission arrangements;
- Websites are easy to navigate and contain clear and accurate information on commission arrangements that are currently in operation only;
- Websites set out explanatory information to aid the customer in understanding commission arrangements e.g. what is commission, how it works; and
- Using clear and unambiguous terms and plain English in customer documentation and on websites that customers can understand including utilising commission tables or illustrative examples to make the information more user friendly and easier for customers to understand.

Crowdfunding Insights

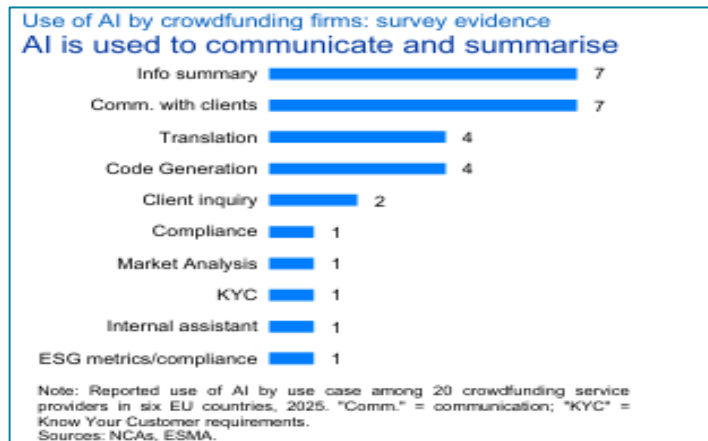
ESMA Crowdfunding Market Report

Author: Andrea McElroy

In December 2025, the European Securities and Markets Authority (ESMA) published its [Crowdfunding in the EU 2025](#) market report, which is based on data that ESMA receives from National Competent Authorities (NCAs) under the [European Crowdfunding Service Providers for Business Regulation](#) (effective November 2021). This second market report from ESMA expands the data coverage and analysis from the first edition, helping to enhance transparency, monitor risks and build investor confidence in crowdfunding platforms.

The report notes that across the EU, 181 crowdfunding service providers raised over EUR 4bn of crowdfunding in 2024. In total, 21 Member States hosted at least one active provider. Over half (58%) of crowdfunding in 2024 was in loan-based projects, followed by debt-based projects (23%) and equity-based (12%). This distribution of funding by instrument type was similar to the previous year, as was the distribution of investors by type, with a large majority (88%) classified as retail investors. The top five countries in terms of capital raised were France (EUR 1.45bn), the Netherlands (EUR 1bn), Spain (EUR 0.45bn), Italy (EUR 0.29bn) and Lithuania (EUR 0.28bn). Together, providers in these countries raised over 80% of the total across the EU (EUR 4.25bn). While most funding via providers in France was debt-based, the leading type of crowdfunding in the other largest markets was loan-based.

The report also sets out the results for a sample of Crowdfunding Service Providers, which were included in recent survey-based analysis of the impact of artificial intelligence (AI) on financial sector entities. The results provide insight into current and planned adoption of AI tools in the crowdfunding sector.



As set out in the report, Crowdfunding serves as an important source of alternative finance and this type of funding is important for SMEs, which often struggle to secure traditional bank financing, and it has the potential to support the development of the Savings and Investments Union. In line with its mandate, ESMA will continue to produce annual market reports to monitor the evolution of the European crowdfunding market. As the market matures and more data is gathered, it will continue to extend its analysis in future reports to identify market trends and any related potential risks.

MiFID Insights

IMIA MiFID Industry Event

Author: Neasa Howley



On 26 May 2026, aligned with our strategic theme of being 'Open and Engaged', the Central Bank hosted an event for the MiFID Investment Firm sector. The event focused on the 2026 Regulatory and Supervisory Outlook (RSO) report and on the Central Bank's priority risk theme of resilience, as well as the revised Consumer Protection Code and how it applies to the MiFID Investment Firm sector. We were delighted to welcome 140 representatives from across the Investment Firm sector along with representatives from the Irish MiFID Industry Association and Banking & Payments Federation Ireland to our Docklands campus.

During the event, we explained how the Central Bank's supervisory work for the MiFID Investment Firm sector is guided by two complementary and overlapping supervisory frameworks; (i) our European mandate under the Investment Firm Regulations (IFR) and Supervisory Risk Evaluation Process (SREP); and (ii) the Central Bank's integrated risk-based supervision and risk prioritisation framework. We also reminded firms of the key safeguarding outcomes that inform our approach to supervision, namely: (i) the protection of consumers' and investors' interests; (ii) safeguarding and the integrity of the financial system; (iii) the safety and soundness of firms and (iv) financial stability.

Our work remains focussed on operational and cyber resilience within firms, adaptability and trustworthiness in the provision of financial services and our priorities and expectations of firms as set out in our RSO report. We spoke about some of the recent supervisory work that we have undertaken, such as our thematic assessments on operational resilience and the compliance function, as well as work that is underway in respect of complaints handling by MiFID investment firms.

We also discussed the key theme of treatment of customers and investors in our presentation on the revised Consumer Protection Code 2025, and related guidance, which came into effect on 24 March 2026. We highlighted the Central Bank's expectations of the sector in respect of applying the Guidance on Securing Customers' Interests and the Guidance on Protecting Customers in Vulnerable Circumstances in the provision of MiFID services.

The Q&A at the end of the event covered topics including the Central Bank's approach to identifying priority risks, the area of market abuse and the submission of suspicious transaction and order reports (STORs), AI and expectations of the firms in the context of geopolitical risk.

MiFID Insights

Common Supervisory Action on the MiFID II Sustainability Requirements



Author: Ken O'Donoghue

On 6 May 2026, the European Securities and Markets Authority (ESMA) published a [statement](#) on the findings from the 2024/2025 Common Supervisory Action (CSA) on the integration of the MiFID II sustainability requirements in firms' suitability assessment and product governance processes (ESMA Statement).

The Central Bank submitted a report on the findings of the thematic review to ESMA, along with all other National Competent Authorities (NCAs) who participated in the CSA. Overall, the national reports indicate that, though firms continue to make progress in integrating the requirements into their suitability and product governance processes, further improvements are needed in several areas.

In addition to the findings set out in the ESMA Statement, the Central Bank's key findings of the CSA thematic review were:

- **Client Information and Education:** Firms were unable to fully demonstrate compliance with ESMA Guidelines, on collecting and informing clients on "sustainability preferences" and the "choices" to be made in this context. ESMA Guidelines require firms to explain sustainability terms and concepts, in clear, plain language to clients during the sustainability collection process. Improvements at a sectoral level are needed to support clients in understanding the technical language and concepts.
- **Training of Client Facing Staff (Investment Advisors):** Investment Advisor training varied significantly across firms. Investment Advisors have a crucial role in explaining key sustainability concepts and requirements in "plain English" to clients. Without adequate training, Investment Advisors may not effectively explain key sustainability concepts to clients, resulting in clients not understanding the concepts and options available to them and being unable to articulate their preferences or make informed decisions.

Central Bank Expectations and Actions Required

ESMA reaffirms the importance of sustainable finance and the effective integration of sustainability considerations in investment services. At the same time, ESMA recognises the complexity of the legal framework and the challenges for firms to implement the MiFID II requirements and for clients to understand the concepts.

In the context of ongoing work on the EU Retail Investment Strategy and the wider review of the Sustainable Finance Disclosure Regulation³, ESMA and the Central Bank consider it

³ [EU Review of the SFDR](#)

essential to ensure that sustainability requirements remain effective and proportionate, promote simplicity and support firms in delivering high quality and accessible investment services to clients who present sustainable preferences.

Firms should continue to review and improve how sustainability considerations are integrated into their suitability and product governance processes and training practices during the transition phase. This is important to ensure firms demonstrate their commitment to supporting EU initiatives for a more sustainable economy and to ensure firms are securing their clients' interests by supporting them to articulate their sustainable preferences and make informed investment decisions.

MiFID Insights

Compliance Function Thematic Assessment

Author: Siobhán McGuinness

In May 2026, the Central Bank published the [findings of its thematic assessment](#) of the compliance function across a cohort of MiFID Investment Firms. The thematic assessment evaluated firms' adherence to compliance function requirements under Article 22 of the [MiFID II Delegated Regulation](#) and related [ESMA Guidelines](#). The assessment focused on: (i) the adequacy of compliance function and frameworks, (ii) the effectiveness of compliance planning and monitoring processes, and (iii) the quality of compliance reporting to boards and sub-committees.

Key Findings

Overall, firms were found to have a good understanding of their obligations in relation to the establishment of an effective compliance function, however, the assessment also identified areas of weakness that require remediation.

Firms demonstrated active involvement of the compliance function in strategic decision-making regarding new products and business lines, with many compliance functions serving as voting members of product approval committees. This integration reflects recognition of the essential role of the compliance function in the development and execution of business strategy.

Firms also appear adequately resourced, proportionate to the nature and scale of their operations and most have established risk-based monitoring programmes with appropriate tools and methodologies. Most firms have also established effective horizon scanning mechanisms supporting the compliance function in maintaining robust compliance frameworks and fulfilling regulatory obligations effectively.

However, many firms lack effective succession plans and contingency arrangements for compliance roles, creating vulnerabilities in maintaining permanent and effective compliance functions.

Compliance-led training programmes were absent in some firms, inhibiting the development of strong compliance culture. Weaknesses were also identified in compliance risk assessment processes, with not all identified risks subject to regular review. Some firms' compliance plans and documented compliance universes lacked sufficient detail, impairing boards' ability to discuss and challenge planned activities.

The assessment also revealed insufficient evidence of substantive board and committee engagement with compliance matters. Foundational board reporting exists but oversight and accountability mechanisms require strengthening.

The Central Bank has issued firm specific feedback to all in-scope firms. The Central Bank expects all MiFID Investment Firms to discuss the contents of the Industry Report at their next board meeting and address any identified gaps proactively.

MiFID Insights

MiFID Conduct of Business Annual Return Enhancements

Author: Scott Kinsella

Enhancements to MiFID Conduct of Business Returns

In line with the Central Bank's data driven approach to supervision, we set out in the 2026 Regulatory and Supervisory Outlook (RSO) report that we intend to deploy an enhanced Conduct of Business Return for the MiFID Investment Firm sector.



What's Changing?

- **Unified Conduct of Business Return:** A consolidated reporting template that combines the existing annual Conduct of Business Return (COBR) and Investments Product Template (IPT) into one Conduct of Business return will be introduced. This will streamline the submission process for firms by removing the requirement to complete two separate templates and make two separate submissions via the Central Bank Portal.
- **Enhanced Data Set:** Additional data points will be incorporated into the new Conduct of Business Return to reflect the application of the Guidance on Securing Customers' Interests and Protecting Customers in Vulnerable Circumstances to MiFID regulated entities following the commencement of the revised Consumer Protection Code 2025.

The existing Guidance Notes to assist investment firms in completing the COBR and IPT will be combined and updated to reflect the introduction of the new Conduct of Business Return and the new data points.

As we move to implement these changes, we are engaging with the Irish MiFID Industry Association to outline and discuss the changes, and we also wanted to take the opportunity to remind investment firms of the following points:

Implementation Timeline

These changes will take effect for the 2026 annual data collection exercise. The updated Conduct of Business Return will be accessible on the Central Bank Portal in early 2027 with submissions due by 31 March 2027. It is important that investment firms ensure they complete and submit their returns by this date. The Central Bank will proactively follow up with any investment firm who fails to submit their returns on time.

The updated Guidance Note will also be available on the MiFID Investment Firm section of the Central Bank website in early 2027.

Access to the Central Bank Portal

Investment firms should be registered on the Central Bank Portal so they can submit their returns but there is a comprehensive page available on the Central Bank website that provides guidance on how to register if that is not the case.

We would ask that investment firms ensure they have access to the Portal in advance of the 31 March 2027 submission date. There is also a helpful guide on the Central Bank website which covers the requirements to login to the Portal. If, having reviewed this material, a firm is still having trouble logging in, it should contact Portal Support at: portalsupport@centralbank.ie.

Further details in relation to the rollout of the new Conduct of Business Return and updated Guidance Note will be communicated to the sector as the implementation date approaches to allow firms sufficient time to update their systems and processes accordingly.

Central Bank Insights

Regulatory & Supervisory Outlook (RSO) Report

Author: John Keating

In February 2026, the Central Bank published its [Regulatory & Supervisory Outlook \(RSO\) report](#). The RSO sets out the Central Bank's perspective on the key trends and risks that are shaping the financial sector operating landscape and our regulatory and supervisory priorities. Our outcomes-focused, risk-based approach to supervision means that we focus our efforts on those risks and vulnerabilities that, in our judgement, pose the greatest threat to the achievement of our four safeguarding outcomes: the protection of consumer and investor interests, the safety and soundness of regulated entities, the integrity of the financial system and financial stability.

What are our Supervisory Priorities?

Operational and cyber risks remain a key concern given rising risk and threat levels. As such, there will be a significant focus this year on operational resilience due to its critical importance. How firms are securing their consumers' interests in this rapidly changing world and how they are responding to technological change are also key priorities. It is important that senior executives and key decision-makers in firms incorporate the content of the RSO report into their ongoing work and decision-making.

The Central Bank has five overarching priorities this year:



What does that mean for your sector?

Firms should be aware of the key risks with respect to their own business models and sectors. **Section 4** of the RSO sets out a sector-by-sector view. **Pages 110-118** cover the **MiFID Investment Firm** sector and **pages 119-124** cover the **Retail Intermediaries** sector, setting out the supervisory focus areas and corresponding planned supervisory activities for each sector.

All firms, regardless of their authorisation, should also pay particular attention to **Spotlight 2 - Supporting Resilient Service Provision (page 25)** and **Spotlight 3 - Supporting Better Outcomes for Consumers and Investors (page 34)**.

Central Bank Insights

Retail Investment Strategy

Author: Anna Marie Finnegan



What does the Retail Investment Strategy aim to achieve?

Initially released on 24 May 2023, the Retail Investment Strategy (RIS) aims to create a cross-sectoral regime on manufacturing, distribution and advice on retail investment products at EU level.

The package is composed of revisions to PRIIPs – Packaged Retail Insurance-based Investment Products Regulation and the Omnibus Directive amending MiFID II – Markets in Financial Instruments Directive, IDD – Insurance Distribution Directive, UCITS – Undertakings for Collective Investment in Transferable Securities Directive and AIFMD – Alternative Investment Fund Managers Directive.

In short, this legislative package endeavors to modernise the EU's rules on retail investor protection and thereby strengthen retail investors' confidence and enhance their participation in capital markets.

What are the main changes under the package?

Value for Money

The framework introduces requirements around the product approval process to prevent products that offer little or no value for money being offered or sold to retail investors.

Manufacturers and distributors will have to demonstrate compliance with the value-for-money requirements, based on an accurate representation of the costs effectively borne by retail investors, taking account of the performance of the product. This will entail the use of “peer grouping” under MiFID II, UCITS and AIFMD and “supervisory benchmarks” under IDD.

Inducements

The proposal on a partial ban on inducements for non-advised sales was removed from the package. Instead, firms will have to demonstrate that inducements are justified by performing inducement tests using recalibrated criteria such as “tangible benefit” or being “proportionate to the value of the product and the level of service”. Firms will be required to use digital filtering tools to show products with and without inducements where no advice is given.

Marketing

Retail investors are protected against misleading marketing. Firms should have in place separate policies on marketing communications, including where these are delivered via

finfluencers or other third parties. Firms will also be required to prominently display appropriate warnings for particularly risky products. Additional safeguards with regards to unauthorised activities are now hardcoded in the legislation.

Disclosures

The new rules will promote further alignment between MiFID II, IDD and PRIIPS and reduce the information overload for investors by making disclosures more engaging and meaningful. The content of the KID – Key Information Document will be materially changed, including a “product at a glance” section and a revamped presentation of information on performance.

Other changes

Other key changes include the introduction of the “suitability light” assessment, which will mean that a more streamlined process can be applied when retail investors are accessing simple, well-diversified, cost-effective products. The professional investor criteria in MiFID II and professional knowledge and competence requirements for advisors have also been updated.

What are the next steps?

The final text of the RIS legislative text is expected to be published in the Official Journal in December 2026, only after approval in the European Parliament’s Plenary in September 2026.

The Omnibus Directive and revised PRIIPs Regulation will become applicable 30 months after publication (June 2029). Member States will have 24 months to transpose the Omnibus Directive (December 2028).

The EU Supervisory Authorities, in cooperation with National Competent Authorities, are tasked with delivering a comprehensive set of Level 2 and 3 measures, including Delegated Acts and Regulatory Technical Standards/Implementing Technical Standards and Guidelines.

To gather input from key stakeholders, ESMA and EIOPA are planning to launch consultations, public hearings and consumer testing over the next 24 months. To this end, we encourage MiFID Investment Firms and Retail Intermediaries to closely monitor these developments.

Central Bank Insights

ICCL LEVY Funding Year 2026-2027



Author: Bruna Batista

Participant firms can avail of discounts of up to 10%, capped at €50 on their annual ICCL levies if they pay by direct debit and receive e-invoices.

Direct Debit

A discount of 5% (capped at €25) is available to all participant firms on their ICCL annual levy if they pay by Direct Debit.

- Single signatory mandate firms can sign-up for direct debit via the ICCL website or request a paper mandate form from info@investorcompensation.ie quoting your ICCL reference number.
- Dual signatory mandate firms must request a paper mandate form from info@investorcompensation.ie quoting your ICCL reference number.

E-invoice Discount

A discount of 5% (capped at €25) is also available to all participant firms that provide an email address on the [Central Bank's online Portal](#) using contact reason types "Regulatory Reporting" and/or "Billing E-mail".

For a step-by-step guide to register and sign up for Direct Debit and/or update your email contact details, please consult the link [here](#).

Firms must sign-up before 24 July 2026 to avail of the discount(s) for the 1 August 2026 to 31 July 2027 levy.

ICCL Funding Arrangements August 2026 to July 2029

The ICCL Funding Arrangements August 2026 to July 2029 will be published on the ICCL website (www.investorcompensation.ie) in the coming months. Participant firms will be notified directly once the Funding Arrangements have been published.

Central Bank Insights

Board Effectiveness - Review of Fund Management Companies

Author: Lydia Healy

The Central Bank undertook a review of [board effectiveness in a sample of Fund Management Companies](#) through the Diversity and Inclusion (D&I) lens. Topics included the composition of boards and senior management teams, the board evaluation process, strategic decision-making, succession planning and broader D&I practices.

While the review identified some positive practices, issues were identified in governance processes relating to board effectiveness in all firms, with varying levels of understanding, consideration and embeddedness of D&I across these processes. The positive practices in the report may support firms in implementing changes. Examples of findings and observations include:

Diversity and Inclusion: Some firms focused primarily on observable diversity characteristics while not fully considering others. Gender imbalances existed at board, committee and SMT levels in some firms. Some firms mistakenly equated D&I with Corporate Social Responsibility (CSR) activities; and not all firms had diversity targets or metrics in place.

INEDs: The role of INEDs on the board and board committees varied significantly. In the majority of firms, an INED performed the role of board chair, which is in line with good industry practices observed. In addition, several INEDs were observed to have been in place for a prolonged period, in some instances, for more than 10 years.

Board Evaluations: Annual board evaluations, whilst conducted in all firms, varied in detail. Some firms relied primarily on self-assessment questionnaires - broader assessments were not applied; many used simple response formats; and D&I considerations were often absent.

Succession Planning: Some policies lacked specificity on how succession plans influenced board and executive appointments. D&I considerations were largely absent, even in firms with diversity targets.

Strategic Decision Making: Good practices, such as diverse project teams advising the board on strategic decisions, were not applied by all firms. A lack of standalone decision-making policies and insufficient documentation were observed. In some instances, key decisions were made outside of formal board meetings without records documented. Most firms did not conduct formal post-decision reviews.

While the review was specific to Fund Management Companies, the findings are relevant to regulated firms and can be considered by firms and supervisors across multiple sectors. All firms should consider the outcome of this review and examine their board effectiveness processes. Where gaps or weaknesses are identified, firms should take actions to mitigate any risk and continually evaluate arrangements to ensure they remain fit for purpose.

Central Bank Insights

Implementation of the Requirement for Consumers to Provide Consent to Automatically Renew Annual Policies for Travel, Pet, Gadget and Dental Insurance



Author: Deirdre Mullally

The revised Consumer Protection Code 2025 (the Code) took effect on 24 March 2026, following on from the 12-month implementation period that had been put in place for industry to make relevant process and system changes to ensure compliance with the Code by the effective date. [Information and supporting material](#) including guidance was published for firms. The Central Bank conducted extensive industry engagement to outline the changes set out within the Code and to support implementation. "Informing effectively" is a key Code principle enabling consumers to make informed decisions, compare products, shop around and have trust in the financial services sector.

More specifically, under the Code, a firm can no longer automatically renew dental, pet, travel and gadget insurance policies unless consumers explicitly opt-in. This applies to insurance policies for these specific products taken out **from 24 March 2026 onwards**.

This requirement enables consumers to shop around for suitable or cost-effective products and avoid paying for unsuitable insurance products. A reminder of the requirement is set out here:

Regulation 327 - Automatic renewal of pet insurance, travel insurance, gadget insurance, or dental insurance⁴

1. An insurance undertaking or insurance intermediary shall not automatically renew a policy of pet insurance, travel insurance, gadget insurance, or dental insurance with a consumer unless the consumer has, prior to the entry into force of the insurance policy which is being renewed, provided their consent to such automatic renewal.

This means that the consumer must be able to provide their consent – to choose to automatically renew or not **before** the policy comes into effect – **so before they make payment for the policy**.

Examples of good and poor practices in relation to how firms have implemented the consent requirements for automatic renewal requirements have emerged. Examples as follows:

⁴ [Central Bank \(Supervision and Enforcement\) Act 2013 \(Section 48\) \(Consumer Protection\) Regulations 2025](#)

Example 1: Wording and process on a website which meets the requirements of Regulation 327

Select your renewal preference

- **Auto - renew my policy**
 - By selecting this, you agree that we will renew your policy on the renewal date using existing payment details. Cancel auto-renewal at any stage before the renewal date by contacting ABCcustomer@ABC.ie or by phoning 01 234 5678.
- **Do not auto-renew my policy**
 - You will receive a renewal notification before your policy expires. You must take action to review your policy to maintain cover, otherwise it will automatically expire.

In this example, the consumer must decide **before** taking out the policy and making payment to select whether their preference is; to automatically renew or not. The information is clear and easy to understand, prompting the consumer to make a choice before payment.

Example 2: Wording and process on a website which does not meet the requirements of Regulation 327

ABC Pet Insurance

We will aim to automatically renew (auto-renew) your policy unless you tell us not to. Each year we will notify you by email 6 weeks before the renewal date about any changes to the premium or the policy terms and conditions.

If you do not want auto-renewal, you can call us on 01 234 5678; otherwise we will collect renewal premiums from the existing card details. If you don't want to auto-renew your policy, you can turn off this feature by logging into "Manage my Policy" on our website or call our customer services team after your annual policy purchase.

In this example, there is no option to choose automatic renewal. The firm states that it will "aim" to automatically renew, which is unclear. Consumers can switch off automatic renewal but must call the firm to opt-out. This does not meet the requirements of Regulation 327.

Consumer Awareness of the requirement to provide consent for auto-renewal of certain insurance products

Consumers expect that these insurance products will not now be subject to automatic renewal without their consent. This expectation has been clearly communicated through various consumer communications including in the Central Bank's [Consumer Hub](#).

Firms must implement the necessary changes to meet the requirements of Regulation 327 **without delay**. Given the important consumer protections this requirement provides, we will continue to monitor firms' implementation of this requirement.

Central Bank Insights

Introduction to the EU AML/CFT Single Rulebook and the Anti-Money Laundering Authority

Author: Catherine Balfe

The AML Package



The AML Package, published in the Official Journal of the European Union in June 2024, is intended to strengthen the European Union's (EU) framework for anti-money laundering and countering the financing of terrorism (AML/CFT). The AML Package is comprised of the AML Regulation (AMLR), the sixth AML Directive (6AMLD) and the AMLA Regulation (AMLAR).

The AMLR sets out the AML/CFT obligations for obliged entities. It will be directly applicable in Member States to ensure consistent application of harmonised AML/CFT requirements throughout EU Member States. The AMLR will be legally binding on obliged entities across the EU from July 2027 and 6AMLD must be transposed into national law by the same date⁵. 6AMLD sets out the obligations on Member States, national AML/CFT supervisors (NCAs), national Beneficial Ownership and Bank Account Registrars and national Financial Intelligence Units (FIUs). This includes a framework of supervision and enforcement powers and obligations for NCAs.

AMLA

AMLA was legally established in June 2024 and is at the centre of an integrated supervisory system made up of AMLA itself, financial and non-financial AML/CFT NCAs and FIUs. AMLA will directly supervise forty of the EU's highest risk cross-border credit and financial institutions from 2028. This will include at least one credit or financial institution from each Member State. All firms not directly supervised by AMLA will continue to be supervised by their respective NCAs. AMLA will oversee the effective implementation of the harmonised AML/CFT rules set out in the AMLR by NCAs. In addition, AMLA will play a crucial role in supporting and coordinating FIUs across the EU by facilitating joint analysis of financial intelligence and enabling effective information sharing between FIUs.

The AML/CFT Single Rulebook

The AMLR builds-on existing AML/CFT obligations by providing greater granularity. It also introduces new requirements. By way of example, existing requirements for CDD, outsourcing, PEPs and AML/CFT governance structures have been amended. The AMLR also contains new obligations in respect of third country ML/TF threats, targeted financial

⁵ Certain provisions relating to the Beneficial Ownership Registers, and the information to be provided to Beneficial Ownership Registers will come into force at an earlier date, in mid-2026.

sanctions, partnerships for information sharing, de-risking, cash transaction limits and the identification of virtual IBAN users. The provisions of the AMLR are further supported by the Regulatory Technical Standards and Guidelines that are currently being developed by AMLA.

In addition to these changes to AML/CFT obligations, the AMLR brings a number of new firm types, including consumer and mortgage credit intermediaries within the scope of AML/CFT obligations for the first time.

Obligated entities should continue to familiarise themselves with the AMLR and ensure that they regularly check the Public Consultations and Public Hearing webpages of the AMLA website to ensure that they avail of the opportunity to influence AMLA's development of the Regulatory Technical Standards and Guidelines.

Further information on AMLA's powers and responsibilities is available on the [AMLA website](#).

Central Bank Insights

Roll-out of New AML/CFT Risk Evaluation Questionnaires

Author: Catherine Balfe

To identify and assess risks, the Central Bank relies on a variety of data sources, including an annual AML/CFT Risk Evaluation Questionnaire (REQ). We are introducing an enhanced REQ that will enable us to be more data driven and meet AMLA requirements. Over a phased timeframe, we are replacing the current generic REQ with sector-specific REQs to capture more detailed and insightful risk data. We will use the new sector-specific REQs to assess risk using the AMLA mandated methodology, inform our decision-making and supervisory strategy both at firm and sector level, and to assist in identifying emerging and thematic trends.

In this regard, we have launched the enhanced MiFID Investment Firm REQ which must be submitted by 30 June 2026 with 2025 data points.

From 2027, the REQ will be an annual submission in March based on the preceding calendar year.

The Central Bank will manage the data submissions to AMLA based on information provided in the enhanced REQ returns by firms across all relevant sectors.

This is why, through the enhanced REQ programme, we have worked to align the REQ with expected AMLA data points and built out specific time for sectors to become comfortable with the new REQ and the associated data required by AMLA.

In H2 2026 we will launch the enhanced REQs applicable for Life and Investment Intermediaries. As with other sectoral REQs, we will:

- engage with the sector to provide feedback in advance of the launch;
- notify firms individually on their submission obligations;
- publish the enhanced REQs on our website along with guidance and examples on completion; and
- Hold workshops to assist in the completion of the REQs.

The first submission of the REQ applicable for Life and Investment Intermediaries will be March 2027 with 2026 data points.

Central Bank Insights

Customer Experience: Complaints Handling

Author: Andrea McElroy



As set out in the 2026 Regulatory & Supervisory Outlook (RSO) report, the increase in the number of complaints from investors is a continuing trend and the treatment of customers, including how firms identify, manage and respond to customer complaints, is a key supervisory focus area for the Central Bank.

A 2025 review by the Central Bank examining customer experience through the lens of customer complaints across a number of sectors highlighted that some firms are still failing to appropriately identify complaints when consumers express a grievance or dissatisfaction, which is a requirement of the revised Consumer Protection Code 2025 (the Code). Many firms do not address the root causes of the complaint which leads to recurring issues and complaints progressing unnecessarily to the Financial Services and Pensions Ombudsman (FSPO).

The recent publication of the FSPO [2025 Overview of Complaints](#), serves as a timely reminder of firms' obligations with regard to complaints handling. Complaints referred to the FSPO remain at a historically high level, with 7,004 complaints received in 2025.

Key Obligations under the revised Code

Chapter 12 of the Code sets out the requirements for complaints handling⁶ that firms must implement and maintain, including, but not limited to:

- Firms must facilitate complaints submission orally, in writing by post and by electronic means.
- Acknowledgement must be provided within 5 working days, including details of the complaints procedure and FSPO contact information.
- Firms must investigate and make reasonable efforts to resolve complaints within 40 working days of receipt, providing regular updates at intervals no greater than 20 working days.
- Firms must advise the consumer in writing of the decision outcome and their right to refer to the FSPO.
- Firms are required to implement robust governance arrangements including regular analysis—at least every 6 months—of complaint patterns and root causes.

Firms should identify where there might be weaknesses in their complaints handling process or any areas for improvement in the context of their obligations under the revised Code. In particular, firms should consider whether they are taking a customer-centric approach when

⁶ The Consumer Protection Code does not directly apply to firms when providing MiFID or Crowdfunding services with the exception of certain circumstances. Article 26 of Commission Delegated Regulation 2017/565 (for MiFID Firms) and 2022/2117 (for Crowdfunding Service Providers) contain requirements in respect of complaints handling.

dealing with complaints and engaging early with customers when an issue does arise. As noted by the FSPO in their report *“We see real evidence in our daily work of how providers working to resolve complaints at an early stage creates positive outcomes for customers, and providers, alike.”*

The Central Bank is currently conducting a thematic review of complaints handling in the MiFID Investment Firm sector and we expect to publish our findings later this year.

In Case You Missed It

- In January 2026, Director of Capital Markets and Funds, Gerry Cross delivered a [speech](#) on "Supervising for Success: Some Themes for a Time of Change" at the Compliance Institute AGM.
- In February 2026, the Governor of the Central Bank Gabriel Makhlof, delivered a [speech](#) on "Resilience, Responding to Change: Priorities for the Year Ahead".
- In March 2026, Deputy Governor Colm Kincaid delivered a [speech](#) at the Consumer Protection Workshop on the Consumer Protection Code 2025.
- In March 2026, the Governor of the Central Bank, Gabriel Makhlof, delivered a [speech](#) calling for a genuine Single Market to Mobilise Europe's Savings.
- In May 2026, the Deputy Governor of the Central Bank, Mary-Elizabeth McMunn delivered a [speech](#) on 'Capital, Competition, and Complexity – Regulatory Perspectives on the Regulatory Debate' at the Banking & Payments Federation Ireland.
- The Savings and Investment Forum took place at the Central Bank in March 2026. The Governor of the Central Bank Gabriel Makhlof delivered the [opening remarks](#) at the event.
- Deputy Governor Mary Elizabeth McMunn gave a [speech](#) on outcomes-focused regulation and supervision at the Financial Services Conference, University College Dublin (UCD), in March 2026.
- The involuntary revocation of a firm's authorisation is a measure that can be taken by the Central Bank where a firm is failing to comply with the requirements of its authorisation. The Central Bank publishes details of Involuntary Revocations on [this section](#) of the Central Bank's website.
- The European Securities and Markets Authority (ESMA), the EU's financial markets regulator and supervisor, in March 2026 published its [takeaways](#) from the 2025 Call for Evidence (CfE) on the retail investor journey.
- FinCoNet has published its [March 2025 Newsletter](#).
- The European Insurance and Occupational Pensions Authority (EIOPA) published in February 2026 a [report](#) on the use of Generative AI (Gen AI) across Europe's insurance sector.

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