



Welcome to Issue 15 of Credit Union News. In this edition we focus on a number of recent Irish and European regulatory developments.

Issue 15
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Environment remains challenging and outlook uncertain

The environment for credit unions remains challenging and the outlook somewhat uncertain. [The Central Bank's Quarterly bulletin published on 1 July](#) highlights the more favourable near-to-medium term prospects for the economy reflecting the impact of the progress of the vaccination programme and the relaxation of COVID-19 restrictions. However, recovery is likely to be uneven across countries and sectors. As highlighted in our year-end circular issued in early September, against this background it is fundamentally important that credit unions maintain a prudent approach to all aspects of their business to underpin the overall financial resilience of credit unions.

Credit Union Investments

Our recently published '[Report on credit union investments](#)' provides an overview of analysis to assess the impact of changes introduced in 2018 on credit union investment portfolios. This analysis highlights significant shifts in the profile of investments and the report stresses the need for appropriate risk analysis and due diligence to be undertaken to inform all investment decisions. The report notes that to date there has been little investment in the additional investment classes introduced in 2018 - although developments on a number of initiatives may now facilitate investment in these investment classes should credit unions so decide. The Report concludes that the investment framework continues to provide an appropriate range of investment choices for credit unions, taking account of the need to ensure the protection of members' funds (Further information on this Report on page 2).

Risk Management

Strong risk management must underpin decision making including investment decisions. As previously articulated, strengthening core foundations, including risk management, remains a key focus of our supervisory strategy. Our 2021 supervisory engagement includes a thematic review of risk management, to assess its overall embeddedness in credit unions. We will publish a thematic report during Q4 which will provide an overview of our findings - calling out both identified weaknesses and examples of best practice to support credit unions in enhancing and embedding their risk management frameworks. Greater ownership by boards of risk management is critical to managing day to day risks and through the disruptive change associated with restructuring and business model change and innovation.

Regulatory Developments

Our review of credit union exempt services is now well advanced and we expect to consult in Q4 on a number of proposed technical amendments to the current list of exempt services for credit unions (see page 3 for more information). The General Scheme of the Central Bank (Individual Accountability Framework) Bill 2021 was published by the Department of Finance on 27 July 2021 - further information on the framework is provided on page 7. There have also been a number of significant European regulatory developments in recent months - the article on page 6 provides an overview of a number of relevant Guidelines. This edition of the newsletter includes an Anti-Money Laundering update (see page 8) and an update on Anti-Money Laundering Registers (see page 9).



Patrick Casey
Registrar of Credit Unions

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Credit Union Investments

The Central Bank of Ireland published a [Report](#) on 15 September assessing the impact of changes introduced in 2018 to Investment Regulations for credit unions.

The Credit Union Act, 1997 sets out provisions relating to credit unions' investment of surplus funds including the requirement that a credit union '*shall manage its investments to ensure that those investments do not (taking account of the nature, scale, complexity and risk profile of the credit union) involve undue risk to members' savings*'. Under the 1997 Act the Central Bank may prescribe investments in which a credit union may invest its surplus funds.

Changes introduced in 2018

Three new investment classes were [introduced in March 2018](#), together with specified credit quality, maturity and concentration limits. The investment classes introduced were:

- Investments in Tier 3 Approved Housing Bodies (AHBs);
- Bonds issued by Supranational Entities; and
- Corporate Bonds.

Review of Investments

The Central Bank has completed analysis to assess the impact of these changes on credit union investment portfolios. Key findings to note include:

- Total investments have grown by €1bn over the period, from €12bn to €13bn.
- Credit unions investment portfolios continue to be invested mainly in accounts in authorised credit institutions.
- To date there has been little investment by credit unions in the additional investment classes introduced in 2018 - although developments on a number of initiatives may lead to investments in the newer investment classes (if credit unions so decide).
- There is a wide range of permitted counterparties with whom credit unions can place investments.
- There has been a move by credit unions to invest more funds in investments with a maturity of over 5 years.

The Report reminds credit union boards that they must ensure that they do not expose their members' funds to undue risk and that appropriate risk analysis and due diligence is undertaken to inform all investment decisions. The overriding consideration in making investments, must be the protection by credit unions of the funds of members in accordance with the requirements set out in legislation.

The Report concludes that the investment framework continues to provide an appropriate range of investment choices for credit unions, taking account of the need to ensure the protection of members' funds.

Liquidity Requirements

There has been a notable extension in the maturity profile of both credit union investments and credit union loan books. In this context, credit unions need to ensure that they continue to consider the ALM implications of increasing their exposure to longer-term investments and loans, without any change in funding maturity, which will result in an increase in existing maturity mismatches on balance sheets. Accordingly, if credit unions decide to move towards a more longer term maturity profile for their assets, they will also need to consider how they can extend their funding maturity profile, taking account of the demographics of their membership.

More specifically, credit unions are reminded of the specific liquidity requirements that apply where a credit union extends the proportion of its loan book in loans with more than 5 years to maturity. Under regulation 8(2) of the 2016 Regulations a credit union must maintain the following liquidity ratios where the maturity profile of the loan book extends:

Total gross loan amount outstanding with more than 5 years to the final repayment date	Minimum liquidity ratio to be maintained
>20% < 25% of the total gross amount outstanding in relation to all loans	At least 25%
≥25% <29% of the total gross amount outstanding in relation to all loans	Greater than 25%
≥29% of the total gross amount outstanding in relation to all loans	At least 30%



2021 Financial Year-End

The 2021 year-end circular was issued to all credit unions on 15 September. As we do each year, we have re-iterated a number of expectations that remain relevant to the year-end process.

As credit unions approach their 2021 financial year-end, the environment for credit unions remains challenging and the outlook uncertain. The Central Bank's Q3 Quarterly Bulletin highlights the more favourable near-to-medium term prospects for the economy reflecting the impact of the progress of the vaccination programme and the relaxation of COVID-19 restrictions. However, as highlighted in the Central Bank's June Financial Stability Review, while the expansion of vaccination programmes has reduced uncertainty and downside risks to the macro-financial outlook, the recovery is likely to be uneven across countries and sectors and could be vulnerable to setbacks.

Vulnerabilities in global financial markets have been building, amid higher levels of sovereign and corporate indebtedness. Looking beyond the pandemic, structural risks remain, including those stemming from changes in the banking sector, international tax changes and climate change. Credit unions need to give consideration to all of these factors as they seek to address the well-documented sustainability challenges many individual credit unions face.

Accordingly, it remains fundamentally important that a prudent approach is maintained to all aspects of a credit union's business to underpin the overall financial resilience of the credit union.

This 'year-end circular' highlights the need for credit unions to undertake an informed identification and consideration of key risks and appropriate mitigation of such risks as well as taking into account the other considerations that typically arise at every year-end.

We expect robust impairment reviews of assets so that the assets of the credit union are fairly stated in the annual accounts and that a prudent approach continues to be taken by credit union boards to reserve (capital) management and distribution policy - given the continued level of risk and uncertainty regarding the economic outlook.

The circular also references the amendment to section 28 'Employee Benefits' of FRS 102 which sets out requirements for multi-employer defined benefit plans when transitioning from defined contribution accounting to defined benefit accounting.

If you have any questions on 2021 year-end, please contact your Supervisor in the Registry of Credit Unions.

Review of Credit Union Exempt Services

Other than member savings and lending, in order to provide "additional services" of any description, a credit union must, among other things, be approved by the Central Bank to provide the additional services. Under the Credit Union Act, 1997, the Central Bank may prescribe services as being excluded from being "additional services" – these are generally referred to as "exempt services". The Central Bank has prescribed a list of exempt Services in Schedule 2 – the Exempt Services Schedule – of the Credit Union Act 1997 (Regulatory Requirements) Regulations 2016. Subject to the conditions set out in the Exempt Services Schedule, these services may be provided by credit unions, should they wish to so provide them, without requiring an approval from the Registry (for "additional services").

The Central Bank is undertaking a technical review of the Exempt Services Schedule to identify any changes considered necessary to ensure that the services listed and associated terminology reflect the current financial services landscape.

The Central Bank will commence a public consultation process on this topic during Q4 – seeking views from interested stakeholders on our proposed changes arising from this review.

Upcoming Q4 Publications

- Report on Thematic Review of Risk Management Maturity in Credit Unions
- Financial Conditions of Credit Unions
- Consultation on technical review of exempt services





Amendments of Credit Union Rules

Further to amendments to the Credit Union Act, 1997 in December 2020, and previous communications from the Registry of Credit Unions, credit unions will be aware that, where they want to have the option of holding general meetings by virtual means after the defined 'interim period', i.e. after 30 June 2021, they need to make a rule amendment. The Registry received a significant number of submissions from credit unions to amend their rules, in accordance with section 14 of the 1997 Act and our circular to credit unions on this topic on 29 April 2021.

Issues Identified

We have identified a number of issues during the process to register rule amendments passed at 2020 AGMs. As we move towards 2021 AGMs, credit unions are reminded that it is a matter for individual credit unions to ensure compliance with their legal and regulatory obligations on an ongoing basis. Credit unions must satisfy themselves that the wording of all resolutions and rule amendments are correctly drafted, that they reflect the credit union's intentions and that they are aligned with relevant legislative provisions – before such resolutions and amendments are put to members at general meetings for approval, and are submitted afterwards to the Registry for registration.

More generally, the Registry has observed a number of recurring issues with rule amendment documentation being submitted to us for registration – these are set out in the side bar.

The fact that such issues have occurred may indicate issues in the approach by credit unions to compliance and governance oversight applied to this type of activity. This has resulted in submissions for rule amendments being returned to credit unions for corrections, in some cases numerous times, which increases the processing time for rule amendment registration. Moreover, it is not appropriate to seek to register rule amendments where any of these issues are present in the documentation submitted. The Registry requests credit unions to ensure that they make every effort to be pro-active in the approach to rule amendments submitted for registration to ensure accuracy and avoid the type of issues highlighted from arising - in order to ensure a smooth and timely process and eliminate the need for resubmissions to address errors which impact on the overall processing time.

Suggestion – Example

Some credit unions present resolutions to members (to amend the credit union's rules) such that they **"replace"**, as opposed to **"amend"**, an existing rule.

For example, instead of using the following wording:

That this Annual General Meeting amends Rule 10 of [X] Credit Union Limited's rules in paragraph (1), by the substitution of the words "x" for the words "y",
consider using wording such as:

That this Annual General Meeting amends Rule 10 of [X] Credit Union Limited's rules by the substitution of the following paragraph for existing paragraph (1):
[Text of new paragraph (1)].

We have observed that this example wording tends to reduce the likelihood of adopting erroneous or defunct amendments and credit unions could consider applying this approach to future rule amendments.

Rule Amendments – recurring issues

- The amended rules submitted **omit** necessary information in respect of the credit union's rules, e.g. the copy of the rules is submitted as a blank template without the credit union specific information that is required such as credit union name, common bond, etc.
- The amended rules are not clearly legible, e.g. because the amendments to the current set of rules have been written in by hand – to avoid any such issues, the credit union should update rules in typed format on a soft copy of the rules.
- The amended or existing rules are not **visible** – amended rules should not be appended or stapled to the existing rules.
- The tops and bottoms of pages are missing on scanned documents submitted to the Registry, such that parts of rules are cut off/missing with the effect that the amended rules submitted are **incomplete** - where possible, credit unions should avoid scanning by completing the rules in soft copy. Where scanning cannot be avoided, credit unions should ensure that no part of scanned documents are obscured.
- The **numbering** of the rules and sub-paragraphs is missing – credit unions should ensure that numbering is complete and that no parts of scanned documents are obscured.
- The documentation submitted is not dated.
- The rule amendments are not being submitted for registration in a **timely manner** – unless the rule amendment is contingent or it is otherwise communicated to or agreed by members at general meeting, rule amendments should be submitted to the Registry for registration promptly after the relevant general meeting and in good time before the next AGM period (i.e. October to January).

Submitting Rule Amendments

Further to our April 2021 circular, as credit unions must now submit rule amendments via the [Central Bank of Ireland Portal](#), credit unions should note that it is sufficient to submit one copy of rule amendment documentation.



Central Bank of Ireland Portal

The Central Bank of Ireland Portal ('the Portal') was launched for the credit union sector in April 2021. Credit unions that register on The Portal are able to:

- View information relating to your credit union;
- Notify the Central Bank of changes to your credit union's information via [Request Changes](#);
- Communicate with the Bank regarding such changes via Portal Messages.

155 credit unions have successfully submitted *Request Changes* to the Central Bank. Credit unions can view the status of submitted *Request Changes* on the Portal. The Registry will communicate with credit unions in relation to submitted *Request Changes* via the Portal by sending a Portal Action or Portal Message to the credit union.

Top 5 queries received from credit unions using The Portal

1. Why might Request Changes not be visible to me?

Request changes might not be visible to you due to permissions granted. Credit Union Portal Administrators must grant Request Changes permissions to themselves and other Portal Users in the credit union. Please see the Request Changes section including the 'Why can't I see a particular Request Change menu option?' section of the Central Bank Portal website at this [link](#) for further details.

2. Why might Portal messages not be visible to me?

Portal messages might not be visible to you due to permissions granted. Credit Union Portal Administrators must grant Portal message permissions to themselves and other Portal Users in the credit union. Please see the Messaging section including the 'Why might Portal messages not be visible to me?' section of the Central Bank Portal website at this [link](#) for further details.

3. When are Portal Actions used?

When the Registry requires further information in relation to a specific Request Change, a Portal Action will be assigned to the credit union on the Portal. Credit unions can only make changes and upload additional documentation to a submitted request change while there is a pending Portal Action. No changes can be made to the request change once the Portal Action has been marked as completed. Please see the 'How do I respond to an action assigned by the Central Bank in relation to a Request Change?' section on the Request Changes section of the Central Bank Portal website at the following [link](#) for further details.

4. I cannot see documents attached to a Request Change

All documents can be found under the document section of the Request Change. Please see the 'How do I access documents that are attached to a Request Change?' section on the Request Changes section of the Central Bank Portal website at the following [link](#) for further details.

5. How do I update my contacts?

Contact details displayed on The Portal will be used by the Central Bank when corresponding on regulatory matters. In line with the Central Bank Portal Terms of Use, credit unions must ensure that all contact details on the Portal (e.g. primary contact, secondary contact, manager etc.) are accurate and up to date. Updates to contacts can be made by submission of the 'Change to Contact' Request Change via The Portal. Please see the Request Changes section on the Central Bank Portal website at the following [link](#) for further details.

Important Reminder

Credit unions are requested to regularly check The Portal for communications from the Registry.

Please ensure that Portal Messages and Request Changes permissions are enabled for your credit union's Portal Administrator and relevant Portal Users.

Questions / Help

If you have any questions, please check the help section of the Central Bank Portal website at this [link](#) or contact us on portalsupport@centralbank.ie.

Credit Union Information Seminar – Webinar

We are pleased to announce that we will be hosting our 2021 Credit Union Information Seminar via Webinar in October. A circular has been sent to all credit unions providing further details including how to register for the event.

This webinar will provide an opportunity for the Registry of Credit Unions to engage with credit union directors and management on key aspects of the Central Bank's current regulatory and supervisory work.



Attendees at an Information Seminar – 2019

A number of European Banking Authority (EBA), and Joint Committee of the European Supervisory Authorities (ESAs) Guidelines apply to credit unions. We set out below an overview of a number of Guidelines that have come into effect recently or are due to come into effect shortly.

Guidelines on ICT and security risk management

The EBA [Guidelines on ICT and security risk management](#) under PSD2, published on 28 December 2019, establish requirements for credit institutions, investment firms and payment service providers (PSPs) on the mitigation and management of their information and communication technology (ICT) and security risks and aim to ensure a consistent and robust approach across the single market. The Guidelines have built on and replaced the Guidelines on security measures for operational and security risks of payment services (EBA GL/2017/17) and took effect from 30 June 2020.

EBA Guidelines on loan origination and monitoring

The EBA [Guidelines on loan origination and monitoring](#) came into effect on 30 June 2021. The EBA described the Guidelines as follows: *The guidelines specify the internal governance arrangements for granting and monitoring of credit facilities throughout their lifecycle. They introduce requirements for borrowers' creditworthiness assessment and bring together the EBA's prudential and consumer protection objectives. The guidelines aim to ensure that institutions have robust and prudent standards for credit risk taking, management and monitoring, and that newly originated loans are of high credit quality. The guidelines also aim to ensure that the institutions' practices are aligned with consumer protection rules and AML requirements.*

The Central Bank has assessed the following paragraphs of the Guidelines as applying to credit unions: Section 1 – Compliance and reporting obligations (Paragraphs 1-4), Section 2 – Subject matter, scope and definitions (Paragraphs 5-17), Section 3 – Implementation (Paragraphs 18-23), Section 4 – Internal governance for credit granting and monitoring (Paragraphs 39, 40, 44-46, 54 and 55) and Section 5 – Loan origination procedures (Paragraphs 84, 85, 87-92, 94, 96-117, 193-198).

EBA Guidelines on fraud reporting

Article 96(6) of PSD2 provides that EU member states 'shall ensure that payment service providers (PSPs) provide, at least on an annual basis, statistical data on fraud relating to different means of payment to their competent authorities' and that the "competent authorities shall provide the European Banking Authority (EBA) and the European Central Bank (ECB) with such data in an aggregated form".

The [EBA Guidelines on fraud reporting](#) under PSD2, set out the requirements applicable to PSPs and national competent authorities for the collection of payment fraud statistics from 2019 onwards. This data is collected semi-annually via the ONR system. After the Guidelines were published, the European Commission issued clarifications on the interpretation of PSD2. In order to ensure that transactions are reported in a manner that is consistent and in line with the clarifications, minor consequential amendments to the Guidelines were made by [Guidelines amending Guidelines EBA/GL/2018/05](#). The Central Bank intends to comply with the amended Guidelines by 1 January 2022 as part of the [implementation of the ECB Regulation ECB/2020/59](#). We will continue to collect data on fraudulent payments under those guidelines until 2022.

EBA Guidelines on major incident reporting

On 10 June 2021, the EBA published its final revised [Guidelines on major incident reporting](#) under PSD2. The EBA notes that these guidelines "optimise and simplify the reporting process and templates, focus on incidents with significant impact on payment service providers (PSPs), and improve the meaningfulness of the information to be reported. The revised Guidelines are also estimated to reduce the reporting burden for PSPs". It also noted "...the ongoing negotiations of the EU Commission's proposal for an EU regulatory framework on digital operational resilience (DORA), which contains, inter alia, a proposal to harmonise and streamline the reporting of ICT-related incidents, not only for payment services but across the entire EU finance sector. The EBA will continue monitoring these negotiations. Depending on their outcome, the EBA Guidelines may eventually be repealed and replaced with the DORA Regulation, which is currently estimated to apply from 2024". The Guidelines will apply as of 1 January 2022 and the Central Bank will be writing to PSPs, including credit unions, on these Guidelines shortly.



More information?

More information on ESA Guidelines is available on the Central Bank's website – see [here](#). Credit unions should, as part of their compliance programmes, monitor both domestic and European regulatory developments on an ongoing basis.

Protected Disclosures

The deadline for the transposition of Directive (EU) 2019/1937 on the protection of persons who report breaches of Union law into Irish law is 17 December 2021. The transposition is being managed by the Department of Public Expenditure and Reform and a Draft Bill comprising amendments to the Protected Disclosures Act 2014 was published by the Minister on 12 May. This can be found on [www.gov.ie](#). Credit unions should familiarise themselves with the requirements laid down.



Individual Accountability Framework

The General Scheme of the Central Bank (Individual Accountability Framework) Bill 2021 was published by the Department of Finance on 27 July 2021. The Central Bank has been actively engaged with the Department of Finance on these proposals and will continue to work with the Department of Finance throughout subsequent stages as the legislation progresses through the Oireachtas to enactment.

There has been an increased focus nationally and internationally on strengthening corporate culture, driving positive behaviour and increasing individual accountability to mitigate conduct risk and prevent issues arising within firms. Experience has shown that in order for a regulatory framework to work well, it should stimulate strong and effective governance within firms. To achieve this:

- the allocation of responsibilities within firms needs to be transparent, clear and comprehensive; and
- individuals need to know what they are responsible and accountable for, be clear what standards of behaviour are expected of them, and recognise that where their actions fall short of expected standards, they will be held accountable.

Key Components of the Individual Accountability Framework

The following **four key components** of the Individual Accountability Framework (IAF), proposed in the Central Bank's [Behaviour and Culture Report into Irish Retail Banks](#), which are reflected in the key components of the IAF Bill, set out to achieve these behavioural, cultural and regulatory objectives:

- **The Senior Executive Accountability Regime (SEAR).**
- **Enforceable Conduct Standards.**
- **Enhancements to the F&P Regime.**
- **Strengthening of the Administrative Sanctions Procedure.**

Further information on these four components is set out in the side bar.

Scope

It is intended that SEAR will not initially apply to credit unions. Credit unions, along with other sectors not in scope initially, may be brought within scope of SEAR in the future, after the legislation is enacted.

The proposed conduct standards will apply to credit unions. The Standards for Businesses create a single reference point setting out in clear and simple terms the conduct standards that all RFSPs, regardless of sector, must meet. The proposed Common Conduct standards will also apply to persons performing Controlled Function (CF) roles (including Pre-Approval Controlled Function (PCF) roles) in credit unions. The Additional Conduct Standards will apply to senior persons performing PCF roles and other persons who exercise significant influence on the conduct of a credit union's affairs.

Credit unions will also be within scope of proposed changes to Fitness & Probity Regimes and the Central Bank's Administrative Sanctions Procedure.

The various separate aspects of the IAF complement each other to achieve the ultimate goals of better outcomes for consumers and a more sustainable financial system by driving higher standards of behaviour for individuals in financial services firms. The IAF is ultimately about incentivising positive behaviours and promoting an improved culture within firms while strengthening the Central Bank's enforcement toolkit, particularly with respect to individuals, to allow the Central Bank to more effectively hold to account those that fall below the expected standards.

Key Components of the Individual Accountability Framework

- The **Senior Executive Accountability Regime (SEAR)** will require firms to set out clearly and comprehensively where responsibility and decision-making lie in order to achieve transparency as to who is accountable for what within firms.
- The enforceable **Conduct Standards** set out the behaviour expected of firms and their staff, including obligations to conduct themselves with honesty and integrity, to act with due skill, care and diligence, and in the best interest of consumers.
- The Central Bank's [Fitness & Probity Regime](#) will be enhanced and will place a greater onus on firms to proactively certify that certain staff are fit and proper and capable of performing their roles with integrity and competence.
- The Central Bank's [Administrative Sanctions Procedure](#) will be strengthened to ensure that individuals can be pursued directly for their misconduct rather than only where they have participated in a firm's wrongdoing. The reforms will also provide for greater process efficiency, clarity and administrative consistency to all involved, including those who may be the subject of enforcement action. A continued focus by the Central Bank on proportionality and fair procedures is a key theme of its IAF proposals.

Next Steps

Once the Bill has been enacted the Central Bank intends to publicly consult on the implementation of the IAF.





Anti-Money Laundering and Countering the Financing of Terrorism (AML/CFT) Guidelines for the Financial Sector (revised 23 June 2021)

The Central Bank published an update to its AML/CFT Guidelines on 23 June 2021, which can be accessed [here](#). The Guidelines were amended to reflect changes made to Irish law by the EU’s Fifth Anti-Money Laundering Directive.

Key amendments resulting from the transposition of 5AMLD into Irish Law

- The requirement for firms to apply specific enhanced due diligence (“**EDD**”) measures when dealing with a customer established or residing in a high-risk third country. The broadening of the sources of information, which can be used by a firm to identify and verify a customer’s and their beneficial owner’s (where applicable) identity.
- Where applicable, the requirement for firms to confirm that relevant information concerning the beneficial owner(s) of a customer has been entered onto the applicable beneficial ownership register before allowing transactions to be conducted on behalf of the customer or its beneficial owner.
- The requirement to continue to apply EDD measures to a customer who is a Politically Exposed Person (“**PEP**”) for as long as is reasonably required until the customer is deemed to no longer pose a risk, arising from their previous PEP status.
- Further guidance on the internal governance requirements set out in sections 54(7) and 54(8) of the Criminal Justice (Money Laundering and Terrorist Financing) Act 2010, as amended.

Additional Miscellaneous Amendments

Other amendments to the Guidelines take account of recent updates to the [EBA’s Risk Factor Guidelines](#), an [AML Bulletin on Transaction Monitoring](#) published by the Central Bank in October 2020, as well as the Central Bank’s expectations on certain issues such as “De-Risking” and “Data Protection”.

Credit unions should ensure that they familiarise themselves with the revised Guidelines and ensure they are fully considered and implemented where appropriate.

Outreach

The Anti-Money Laundering Division (“**AML**”) of the Central Bank hosted a Credit Union Industry event on 14 September 2021, with invitations extended to members of the Irish League of Credit Unions, the Credit Union Development Association, the Credit Union Managers Association and the National Supervisors Forum. Representatives from AMLD covered a range of topics across the areas of Policy, Risk and Supervision.





Anti-Money Laundering Registers

Beneficial Ownership Register of Certain Financial Vehicles

In December 2021, the Central Bank will seek a **resubmission** of beneficial ownership information by all eligible entities, for the purpose of accommodating additional and amended information on the register, to comply with statutory obligations, and to assure the quality of data reported to the register.

The following additional / amended information will be requested via the Beneficial Ownership Return:

- Date the individual ceased to be a beneficial owner of the CFV (as applicable);
- Amendment to wording of PCF question.

Guidance will be provided in relation to the above changes in due course.

Collection of PPS number

Regulation 21(2) of S.I. 110 of 2019, and provisions of the Investment Limited Partnership (Amendment) Act 2020 provides for PPS number collection as a validation mechanism for the Beneficial Owner information being recorded on the register. Section 64 of the Investment Limited Partnerships (Amendment) Act 2020 added the Central Bank's Beneficial Ownership Register of Certain Financial Vehicles to Schedule 5 of the Social Welfare Consolidation Act 2005 for this purpose. PPSN information will be collected and processed **solely** as an identity verification mechanism in relation to beneficial owners.

The Central Bank is working with the Department of Social Protection in relation to the requirement to collect, validate and securely store the PPS number. In addition, a process will also be outlined to provide for beneficial owners who do not have a PPS number. The Central Bank will issue guidance to in scope entities and / or their service providers concerning these changes before collecting and validating the PPS number via the beneficial ownership return from Q2 2022.

The precise details of the filing window will be communicated in Q4 2021.

Certain Financial Vehicles Dedicated Levy 2020

The Certain Financial Vehicles Dedicated Levy invoices issued to all credit unions on 12 August 2021. The payment deadline of **9 September 2021** has now passed, and reminders will be issued in relation to outstanding accounts.

Payments can be made via Electronic Funds Transfer to:

Bank Identifier Code: DABAIE2D
IBAN: IE19DABA95199010002216

Further information in relation to the Beneficial Ownership Register of Certain Financial Vehicles can be found [here](#).

Bank Account and Safe Deposit Box Register

The Central Bank continues to work with the Department of Finance in relation to the commissioning of a Bank Account and Safe Deposit Box Register, pursuant to Article 32a of the Fifth EU Anti-Money Laundering Directive ((EU) 2018/843) ('5AMLD'). Engagement is ongoing between the Central Bank, Department of Finance and industry stakeholders for the purpose of information sharing, and seeking feedback from industry, to ensure the implementation of the register is achieved.

The required Statutory Instruments to transpose Article 32(a) of the Directive for the delivery of the solution are currently under consideration by the Office of the Attorney General. Engagement sessions continue with industry stakeholders in relation to legislative developments, project updates and timelines for implementation.

Credit Union representative bodies, and IT service providers are engaged with the Central Bank and Department of Finance in relation to the requirements for this register. The Central Bank will continue to keep you informed of developments in relation to the register.



Central Credit Register

Each month lenders are required to submit personal and credit information to the Central Credit Register. Personal information includes name, address, date of birth, PPSN, etc. Credit information includes material information on the loan itself and the performance data.

In March 2021, CIP Circular 01.21 provided a roadmap of changes scheduled for the Central Credit Register. The roadmap included an enhancement of the validation rules for certain data fields. Validation rules are a set of instructions whereby incoming data fields are scrutinised for compliance following which the data is accepted or rejected for inclusion on the Central Credit Register. Failure to populate these data fields correctly could result in the data field, or indeed the entire record being rejected. CIP Circular 07.21 provided further information on the enhancement to the validation rules.

The implementation of the enhanced validation rules is planned to be effective from 30 April 2022 and will be applied to all submissions after implementation. Updated Guidance will issue by end October 2021 to provide you with a period of six months to achieve compliance. Communication at that time will also confirm the date of implementation and testing period for this change. If you have any queries please contact us at ccrfeedback@centralbank.ie.

The Credit Reporting Act 2013 (as amended) and broader data protection law require that the Central Credit Register contains the most complete, accurate and up-to-date information. Credit Unions are reminded that information should be submitted where it has been recorded, even where a data field is not currently a mandatory field.

In advance of the implementation of the enhanced validation rules, it has come to our attention that some data fields which should be populated, are being returned blank to the Central Credit Register by some Credit Unions. These include, but are not limited to, Next Payment Due, Date of Next Payment, Last Payment Made, Date of Last Payment.

It is suggested that you liaise with your technical supplier to ensure that you are satisfied that your obligation to provide accurate, complete and up-to-date information being reported to the Central Credit Register is met.

Central Bank Publications

Credit unions can access Central Bank Economic Publications and the Governor's Blog, which are available on the [Central Bank website](#). These documents may assist credit unions in strategy formulation and compilation of financial projections.

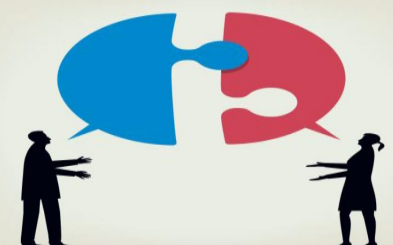
Publications:

- [Quarterly Bulletin Q3 2021 | Central Bank of Ireland](#)
- [Financial Stability Review 2021 I | Central Bank of Ireland](#)
- [Governor Makhlouf's pre-budget letter published](#)

Governor's Blog:

- [The Euro Area Outlook](#)
- [Digital Money](#)
- [Savings and Consumption in the Post-Pandemic Economy](#)
- [European Central Bank's New Strategy](#)
- [The Outlook for the Irish Economy](#)
- [Mortgage Measures](#)
- [Intergenerational Macroeconomics](#)
- [The latest economic outlook](#)
- [Climate Change: Towards Action](#)

Credit unions can [access the Central Bank COVID-19 Hub](#), which provides the latest information for regulated firms on the Central Bank's response to COVID-19.





Contact Us

Central Bank Query

Central Bank Division

Central Bank Contact

Registry of Credit Unions

General day to day supervisory queries

Registry of Credit Unions (RCU)

Credit union supervisor / rcu@centralbank.ie

Queries for other Central Bank Divisions

[Website](#)

Anti-Money Laundering / Countering Terrorist Financing

Anti-Money Laundering

AMLpolicy@centralbank.ie

Financial Sanctions

sanctions@centralbank.ie

Consumer Protection:

Consumer Protection

CPCOperations@centralbank.ie

Retail Intermediaries – Authorisation queries

riauthorisations@centralbank.ie

Retail Intermediaries – Supervision queries

brokers@centralbank.ie

Retail Intermediaries – Revocation queries

revocations@centralbank.ie

Retail Intermediaries – Post Authorisation queries

postauth@centralbank.ie

Deposit Guarantee Scheme

Deposit Guarantee Scheme

info@depositguarantee.ie

Fitness and Probity: Individual Questionnaire queries

Regulatory Transactions

fitnessandprobity@centralbank.ie

Funding Levy

Financial Control

billing@centralbank.ie

Minimum Reserve Requirements:

Calculation of reserve requirements

Statistics

creditunion@centralbank.ie

Transfer of amounts to / from your account in the Central Bank

Euro-settlements team

eurosettlements@centralbank.ie

modesk@centralbank.ie

Confirming balances and meeting your reserve requirement

Financial Markets

Online Reporting queries

Regulatory Transactions

onlinereturns@centralbank.ie

Recirculation of euro banknotes

Currency Issue

CID.monitoring@centralbank.ie

Reporting Payment Statistics

Payments and Securities Settlements

paystats@centralbank.ie