



Banc Ceannais na hÉireann
Central Bank of Ireland

Eurosystem

Regulatory Service Standards Performance Report:

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Executive Summary

The Regulatory Services Standards Performance Report is published half-yearly and sets out the performance of the Central Bank of Ireland ('Central Bank') against the service standards to which it has committed in respect of:

- (a) authorisation of Financial Service Providers (FSPs) and Investment Funds;
- (b) approval of Prospectuses;
- (c) assessment of Pre-Approval Controlled Function (PCF) Individual Questionnaire (IQ) applications; and
- (d) performance of its third party contact management service.

The Central Bank is committed to providing a clear, open and transparent authorisation process across all sectors, while ensuring a rigorous assessment of each application against the applicable regulatory standards.

The service standards are applied upon receipt of a complete application and do not generally include the time taken by an applicant to address matters raised during the review process. Full details on the types of exceptions are set out in Appendix A.

For the H1 2023 report, the following points can be noted:

- (a) To measure the Central Bank's performance, there are 46 public service standards covering the relevant sectors. During the H1 2023 period, 30 Service Standards were either met or exceeded, while 16 service standards did not apply¹.
- (b) The report breaks down the Service Standards for each authorisation category/sector with an accompanying explanatory narrative, which also includes links to relevant Central Bank Guidance.
- (c) Two new Service Standards have been introduced in Table 9: T31 to measure response times to requests for preliminary meetings: and T33, time to process Solvency II Special Purpose Vehicles arrangements.
- (d) The Central Bank's new Portal for Fitness & Probity (F&P) went live for industry in April 2023. As part of the submission application, the questions have been enhanced to provide better quality information to support the IQ application and this is resulting in fewer queries, post submission. The new system has not affected Service Standards for F&P.

¹ Some Service Standards may not be relevant during the reporting period – e.g. where no applications were submitted to the Central Bank in that period.

Achoimre Feidhmiúcháin

Foilsítear an Tuarascáil ar Fheidhmíocht na gCaighdeán Seirbhíse Rialála ar bhonn leathbhliantúil agus leagtar amach inti feidhmíocht Bhanc Ceannais na hÉireann (an ‘Banc Ceannais’) in aghaidh na gcaighdeán seirbhíse atá glactha aige maidir leis na nithe seo a leanas:

- (e) Soláthraithe Seirbhísí Airgeadais (FSPanna) agus Cistí Infheistíochta a údarú;
- (f) Réamheolairí a cheadú;
- (g) iarratais i bhfoirm Cheistneoir Duine Aonair (IQ) ar Fheidhm Rialaithe Réamhcheadaitheach (PCF) a mheasúnú; agus
- (h) feidhmíocht a sheirbhíse bainistíochta teagmhála tríú páirtí.

Tá an Banc Ceannais tiomanta do phróiseas údaraithe soiléir, oscailte, trédhearcach a sholáthar ar fud na n-earnálacha go léir, agus é á chinntiú ag an am céanna go ndéantar dianmheasúnú ar gach iarratas in aghaidh na gcaighdeán rialála is infheidhme.

Déantar na caighdeáin seirbhíse a fheidhmiú a luaithe a fhaightear iarratas comhlánaithe agus go hiondúil ní chuirtear san áireamh an t-am a thógann sé ar an iarratasóir déileáil le haon cheisteanna a ardaítear le linn an phróisis athbhreithnithe. Tá sonraí iomlána maidir leis na cineálacha eisceachtaí leagtha amach i bhFoscscríbhinn A.

Maidir le tuarascáil L1 2023, féadfar aird a tharraingt ar na pointí seo a leanas:




- (e) Chun feidhmíocht an Bhainc Ceannais a thomhas, tá 46 chaighdeán seirbhíse poiblí a chlúdaíonn na hearnálacha ábhartha. Le linn L1 2023, baineadh amach nó sáraíodh 30 Caighdeán Seirbhíse, fad nach raibh feidhm ag 16 chaighdeán seirbhíse².
- (f) Sa tuarascáil, tugtar miondealú ar na Caighdeáin Seirbhíse le haghaidh gach aicme/earnáil údaraithe, mar aon le cuntas míniúcháin lena n-áirítear naisc chuig Treoir ábhartha de chuid an Bhainc Ceannais.
- (g) Tá dhá Chaighdeán Seirbhíse nua curtha isteach i dTábla 9: T31 chun agaí freagartha ar iarratais ar réamhchruinnithe a thomhas: agus T33, an méid ama a thógann sé socruithe le haghaidh meáin shainchuspóireacha a phróiseáil faoi Shócmhainneacht II.
- (h) Tháinig tairseach nua an Bhainc Ceannais maidir le Feidhmiúlacht & Cuibheas i bhfeidhm don tionscal i mí Aibreáin 2023. Mar chuid den phróiseas iarratais, feabhsaíodh na ceisteanna sa chaoi go gcuirfí caighdeán faisnéise níos fearr ar fáil chun tacú le hiarratas IQ agus, dá thoradh sin, bíonn níos lú fiosruithe ann tar éis an t-

² Féadfaidh nach mbeidh Caighdeáin Seirbhíse ar leith ábhartha le linn na tréimhse tuairiscithe - e.g. i gcás nach mbeidh aon iarratais curtha faoi bhráid an Bhainc Ceannais le linn na tréimhse sin.

iarratas a bheith curtha isteach. Ní dhéanann an córas nua difear do na Caighdeáin Seirbhíse a bhaineann le Feidhmiúlacht & Cuibheas.

Central Bank Performance Service Standards

Table Number 1 | Service Standards for Funds

ID	Standard	Target	Performance	Number of Submissions ³ in scope	Performance Indicator
T1	To process UCITS and RIAIF applications	90% of initial submissions assessed within 20 business days 90% of subsequent submissions assessed within 10 business days	98%	967	
T2	To process UCITS and RIAIF funds/sub funds (fast track) applications	90% of initial submissions assessed within 10 business days 90% of subsequent submissions assessed within 5 business days	91%	68	
T3	To process QIAIF applications	100% authorised within 1 business day	100%	90	

In H1 2023, all Service Standards were met - Table 1 refers.

Guidance on what constitutes a complete application for [UCITS](#) and [AIFs](#) is available on the Central Bank website. Guidance on [how to submit applications](#) through the ORION Portal⁴ is also available.

Authorisations and Post-Authorisation Submissions:

In H1 2023, the Central Bank authorised 248⁵ investment funds (157 UCITS, 1 RIAIF & 90 QIAIFs). The number of UCITS authorised in H1 was 157, 28% lower than the equivalent H1 figure for 2022 (217 UCITS authorised).

Post-authorisation submissions included amendments to fund prospectuses and supplements, merger applications and changes of service provider. Assessing these submissions involves an iterative review over a number of rounds of draft documentation.

³ Note that UCITS/ RIAIF applications typically involve more than one submission. QIAIFs involve one submission.

⁴ The ORION Portal is the Central Bank's system for the processing of Fund and FSP applications.

⁵ Table 1 refers to draft applications processed.

Submissions:

Non-Fast Track:

Non-fast track funds are not clones of existing funds and, therefore, include newly created investment objectives, policies and strategies and/or involve additional levels of complexity or innovation (i.e. they seek exposure to innovative asset classes or propose to utilise inventive investment strategies). The majority of funds authorised fall into this category. In H1 2023, 967 submissions were made in relation to UCITS & RIAIFs which were seeking authorisation.

Fast Track:

68 submissions were made for UCITS & RIAIFS in H1 2023. Funds authorised in this category are non-complex, such as clone funds i.e. funds with non-material changes made to the investment objective/policy/strategy as compared to other recently authorised investment funds.

In some cases challenges arose in meeting the Service Standards. This was typically because the submission was very complex, innovative, or had features which had not previously been considered by the Central Bank. For example, in some instances applications proposed material levels of exposure to complex asset classes including digital assets or novel features not previously considered, such as unusual fee structures. In addition, the increase in the level of disclosure to be reviewed following the Sustainable Finance Disclosure Regulation and the Taxonomy Regulation coming into force also resulted in challenges arising in meeting the Service Standards, in particular for fast track related submissions.

In some instances, an application may be judged incomplete and returned to the applicant. The common reasons for this include:

- Disclosure which is not sufficiently informative or could be considered unclear to retail investors;
- Relevant service providers/parties not being cleared by the Central Bank to act for an Irish authorised fund; and
- The absence of disclosure in relation to specific requirements that apply to a fund from a legislative or regulatory perspective.

The Central Bank processed 90 authorisation submissions for QIAIFs within target. This was 31% lower than the equivalent H1 figure for 2022. It should be noted that QIAIFs are generally not subject to review and are authorised based on confirmations from the applicant as these funds are targeted at professional investors. In recent years, specific types of QIAIFs have been required to make pre-submissions to the Central Bank which are subject to review, the details of which are set out on the Central Bank website [here](#). The number of QIAIF applications returned on the day of proposed authorisation during H1 2023 was 5, 100% lower than the equivalent H1 figure for 2022. The main reasons for the returns were:

- There was no AIFM passport in place prior to the QIAIF seeking authorisation and the investment manager was not cleared to act as investment manager,
- Not all directors were cleared in advance, and

- Two applications were incorrectly submitted on Orion rather than via the Portal⁶. The ICAV structure was the preferred legal structure for 63% of QIAIFs authorised in H1 2023, followed by the investment company legal structure for 17% of QIAIFs. 10% were for Unit Trusts, 8% for ILPs and 2% were for Common Contractual Funds (CCFs).

Passporting Applications

AIFs:

The Central Bank processed 287 AIF Freedom of Services passporting notifications which are subject to a statutory deadline (20 working days). This figure can be broken down as follows:

- 32 Article 31 Inward passporting notifications (Irish AIFMs marketing EU AIFs in Ireland)
- 167 Article 32 Outward passporting notifications (Irish AIFMs marketing EU AIFs in EU Member States (excluding Ireland))
- 88 Article 33 Outward passporting notifications (Irish AIFMs managing EU AIFs in EU Member States excluding Ireland)



All of these passporting notifications were completed within the statutory deadline.

UCITS Management Companies:

The Central Bank processed 2 UCITS Management Company Freedom of Services outward passporting notifications. These are subject to a statutory deadline of 1 month which was met.

⁶ The CBI portal must be used when a sub fund is applying for authorisation and its umbrella also wants to change the umbrella prospectus. Guidance is [here](#)

Table Number 2 | Service Standards for Fund Service Providers

ID	Standard	Target	Performance	Number of Submissions in scope	Performance Indicator
T4	To process UCITS Management Company applications	90% of authorisations within 6 months	N/A	0	N/A
T5	To process AIF Management Company applications	90% of approvals within 6 months	N/A	0	N/A
T6	To process externally managed AIFM applications	90% of authorisations / registrations within 6 months	100%	2	
T7	To process Fund Administrator applications	90% of authorisations within 6 months	100%	1	
T8	To process Fund Depository applications	90% of authorisations within 6 months	N/A	0	N/A

In H1 2023, all Service Standards for applications received were met - Table 2 refers.

Guidance on what constitutes a complete application for a [UCITS Management Company](#), [AIFM](#), [Fund Administrator](#), and [Fund Depository](#) is available on the Central Bank website.

Guidance on the [AIF Management Company](#) authorisation process is also available.

In total, 3 Fund Service Providers were authorised in H1 2023 (2 AIFMs – 1 authorisation, 1 extension to authorisation, and 1 Fund Administrator). Fund Management Companies remain the majority of applicants assessed – AIFMs making up the majority of this with 13 applications currently in the pipeline, while UCITS Management Companies currently account for 6 applications in the pipeline. There are a number of other entity type applicants which were in progress/submitted during H1, including Fund Administrators and Depositories for Assets Other than Financial Instruments (DAOFIs).

There has been a continuing trend for Fund Management Companies to seek permission to carry out ancillary MiFID activity. Such applications are more complex and, as a result, are

subject to an increased level of scrutiny during the authorisation review process, which may take longer to complete.

In addition to authorisation requests, there were also a number of freedom of establishment applications for Fund Management Companies assessed in H1. There was one Branch Inward and seven Branch Outward applications assessed in H1 2023. The Bank also held pre-application meetings with two firms (seeking AIFM authorisation) which advised that they will be focussing on renewables as the main area of their business – these are the first Management Companies we have seen that are specifically focussed on this area.

During H1 2023, 3 firms withdrew their application for authorisation during the review process. Reasons for withdrawal include: lack of adequate number of personnel identified for key PCF roles and therefore application lacked substance to proceed, others withdrew for their own operational reasons / requirements, whereby the applicant firm felt it was not in its best interests to proceed with the application. One of the firms advised that it intends to re-submit its application at a later stage. The approach to reviewing an application which has been re-submitted is dependent on the time elapsed and the extent of changes that the applicant has made to the original application. In addition to withdrawn applications, 5 applications also went to “Dormant” phase. All 5 of these applications were not yet deemed formal/complete applications and were still at a pre-application stage. Reasons for dormancy, can include a change in the commercial environment which may result in the applicant choosing to pause or slow down progress of its application.

The Bank also completed the following notification types in addition to authorisation applications in H1 2023:

- 28 Acquiring Transaction Notifications
- 10 Passporting applications: 1 EEA Branch Inwards Notification and 9 EEA Branch Outwards Notifications.

All service standards were met in respect of these notification types.

The service standards above (T4 to T8) apply to complete applications. For this purpose, an application is deemed complete only when all PCF IQs have been submitted. It is not unusual for an application to be submitted without all PCF IQs; therefore, any delays in submitting the PCF IQs will elongate the time taken to complete the review of a firm’s application for authorisation.

Table Number 3 | Service Standards for Self-Managed Investment Companies, Internally Managed AIFs & Investment Managers

ID	Standard	Target	Performance	Number of Submissions ⁷ in scope	Performance Indicator
T9	To process applications for Self-Managed Investment Companies	90% of initial submissions assessed within 20 business days 90% of subsequent submissions assessed within 10 business days	N/A	0	N/A
T10	To process applications for Internally Managed AIFs (Authorised)	90% of initial submissions assessed within 20 business days 90% of subsequent submissions assessed within 10 business days	N/A	0	N/A
T11	To process applications for Internally Managed AIFs (Registered)	90% of initial submissions assessed within 5 business days 90% of subsequent submissions assessed within 3 business days	N/A	0	N/A
T12	To assess applications for the clearance of Investment Managers (EU authorised)	90% of submissions assessed within 1 business day	100%	12	
T13	To assess applications for the clearance of Investment Managers (Non – EU Authorised)	90% of initial submissions assessed within 5 business days 90% of subsequent submissions assessed within 3 business days	99%	68	

⁷ Number of submissions received in relation to all applications. An application will typically have multiple submissions prior to being cleared/authorised.

In H1 2023, all Service Standards for applications received were met - Table 3 refers.

Guidance on what constitutes a complete application for [Self-Managed Investment Companies](#), [Internally Managed AIFs](#), and [Investment Managers](#) is available on the Central Bank website.

In H1 2023, a total of 80 submissions related to applications for clearance of investment manager were made to the Central Bank. Those submissions were split between EU (12 submissions) and non-EU (68 submissions). An application may have multiple submissions prior to being cleared/authorised.

The figures outlined above (T12 and T13) represents a decrease against the same period in 2022. This decrease is because the Central Bank has introduced a streamlined review process which means that an applicant has the option to be granted clearance on the basis of a confirmation / attestation rather than going through the full review process. This has assisted in streamlining the process, resulting in fewer rounds of comments on applications.

Table Number 4 | Service Standards for Investment Firms

ID	Standard	Target	Performance	Number of Submissions in scope	Performance Indicator
T14	To process MiFID applications	90% of MiFID applications within 6 months	N/A	0	N/A

In H1 2023, there were no applications that fell within the scope of the Service Standards for Investment Firm authorisations.

Guidance on what constitutes a complete application for an [Investment Firm](#) is available on the Central Bank website. Guidance on the application process for Investment Firms is also available on the Central Bank website.

The pipeline of applicant firms under assessment in the MiFID Investment Firm sector remained stable in H1 2023. The impact of Brexit was still apparent, with a significant number of applicants exploring authorisation in Ireland as a jurisdiction for their European operations. The reasons cited for Ireland being an attractive location for an Investment Firm include language, an educated workforce, strong regulatory reputation and being acknowledged as a major European financial services centre. In terms of the applicant firms, there was a wide range of different business models presented including capital market participants, organised trading facilities, multilateral trading facilities, wealth management firms and online investment platform operators.


Some proposals are complex and require a more in-depth assessment in line with our risk based approach. The Central Bank has observed an increasing number of more complex MiFID applications being presented. The most efficiently processed applications generally propose a stable business proposal, appropriate levels of governance and resourcing, and where applicant firms demonstrate a strong commitment and engagement with the application process.

During H1 2023, no new MiFID full authorisations were granted by the Central Bank. The Central Bank granted one extension to authorisation for an existing regulated Investment Firm. Two firms withdrew their application during H1 2023 during the assessment phase of the process; this was, in general, due to a change in strategic direction of the applicant.

The service standard above (T14) applies to complete applications. For this purpose, an application is deemed complete only when all PCF IQs have been submitted. It is not unusual

for an application to be submitted without all PCF IQs, therefore, any delays in submitting the PCF IQs will elongate the time taken to complete the review of a firm’s application for authorisation.

Table Number 5 | Service Standards for Prospectus Approval (Regulated Disclosures)

ID	Standard	Target	Performance	Number of Submissions in scope	Performance Indicator
T15	Debt Prospectuses	<ul style="list-style-type: none"> • 90% of initial submissions of prospectuses, where the securities have a denomination per unit of less than €100,000, assessed within 6 working days • 90% of subsequent submissions of prospectuses, where the securities have a denomination per unit of less than €100,000, assessed within 4 working days • 90% of initial submissions of prospectuses, where the securities have a denomination per unit of at least €100,000, assessed within 4 working days • 90% of subsequent submissions of prospectuses, where the securities have a denomination per unit of at least €100,000, assessed within 3 working days • 90% of initial submissions of non-financial supplements assessed within 2 working days • 90% of subsequent submissions of non-financial supplements assessed within 2 working days • 100% of initial submissions of universal registration documents for frequent issuers assessed within 5 working days • 100% of subsequent submissions of universal registration documents for frequent issuers assessed within 5 working days • 90% of financial supplements approved on same day 	98%	1,234	

ID	Standard	Target	Performance	Number of Submissions in scope	Performance Indicator
		<ul style="list-style-type: none"> • 100% of approval submissions approved on the same day 			
T16	Closed – ended Funds Prospectuses	<ul style="list-style-type: none"> • 100% of initial submissions of prospectuses assessed within 10/20 working days • 90% of subsequent submissions of prospectuses assessed within 5 working days • 100% of initial submissions of supplements assessed within 5 working days • 100% of subsequent submissions of supplements assessed within 5 working days • 100% of initial submissions of universal registration documents for frequent issuers assessed within 5 working days • 100% of subsequent submissions of universal registration documents for frequent issuers assessed within 5 working days • 100% of approval submissions approved on the same day 	N/A	0	N/A
T17	Equity Prospectuses	<ul style="list-style-type: none"> • 100% of initial submissions of prospectuses assessed within 10/20 working days • 100% of subsequent submissions of prospectuses assessed within 10 working days • 100% of initial submissions of EU Recovery prospectuses assessed within 7 working days • 100% of subsequent submissions of EU Recovery prospectuses assessed within 7 working days 	N/A	0	N/A

ID	Standard	Target	Performance	Number of Submissions in scope	Performance Indicator
		<ul style="list-style-type: none"> • 100% of initial submissions of supplements assessed within 5 working days • 100% of subsequent submissions of supplements assessed within 5 working days • 100% of initial submissions of universal registration documents for frequent issuers assessed within 5 working days • 100% of subsequent submissions of universal registration documents for frequent issuers assessed within 5 working days • 100% of approval submissions approved on the same day 			

In H1 2023, all Service Standards were met - Table 5 refers.

The number of submissions in scope can be broken down as follows⁸:

Type of Submission	Debt ⁹	Closed-Ended Funds ¹⁰
New Submissions	350 (407)	0 (0)
Redraft Submissions	499 (615)	0 (3)
Approval Submissions	385 (386)	0 (0)
Total	1,234 (1,408)	0 (3)

A small number of Debt Prospectus submissions are excluded from the 1,234 figure above as the submissions did not proceed. The main reason was that the Central Bank did not consider the submissions to be of the required standard (e.g. issues with the prospectus document or supporting documentation).





⁸ Figures in brackets refer to H1, 2022.

⁹ "Debt" refers to "non-equity securities" as defined in Article 2 of the Prospectus Regulation.

¹⁰ For the purposes of the Prospectus Regulation, the Central Bank understands a "Collective Investment Undertaking of the Closed-End Type" to mean a collective investment scheme which does not permit the redemption of its units at the holder's request.

The rationale for Service Standard exceptions for Prospectus Approval submissions is shown in Appendix A. Four submissions were excluded from the 1,234 figure, as they were generally deemed to fall within point (d) of the Prospectus Approval Service Standard exceptions (complex transaction). The Service Standards for Prospectus Approval and guidance in relation to the submission of Prospectuses is provided on the Central Bank website. The targets set out in Table 5 derive from Article 20 of the Prospectus Regulation. In certain instances, as set out in the Prospectus Regulation, the Central Bank may extend these time limits.

Table Number 6 | Service Standards for Retail Intermediaries¹¹ & Debt Management Firms

ID	Standard	Target	Performance	Number of Submissions in scope	Performance Indicator
T18	To acknowledge receipt of application	95% within 3 business days of receipt of application	100%	102	
T19	To complete key information check	95% within 10 business days of receipt of application	100%	101	
T20	To complete the assessment phase and notify applicant of outcome ¹²	90% within 90 business days of commencement of assessment phase	100%	89	
T21	To complete the notification of decision phase and notify applicant of outcome	90% within 10 business days of receipt of satisfactory response to issues set out in notification of outcome of assessment phase	100%	104	

In H1 2023, all Service Standards were met – Table 6 refers.

Guidance on completing an application for [Retail Intermediaries Form A Guidance Note](#), [Retail Intermediaries Form B Guidance Note](#) and [Debt Management Firms](#) is available on the Central Bank website. The Central Bank also hosts webinars on a quarterly basis to take applicants through the retail intermediary authorisation process; details of upcoming sessions can be found on the [website](#).

The 90 day service standards did not apply to 2 of the 104 applications authorised in H1 2023, as they met the exception criteria set out in Appendix A.

Application Turnaround Time in Calendar Months:

The average turnaround time for applications authorised in the period was circa five calendar months from the commencement of the assessment phase of the application process. This includes a small number of applications where the Service Standards did not apply. For comparison purposes, the average turnaround time for applications authorised in H2 2022, was six calendar months.

¹¹ Investment Intermediaries, Insurance Intermediaries, Mortgage Intermediaries, & Mortgage Credit Intermediaries.

¹² In the event of further and/or subsequent information being sought, this 90-day timeframe is paused until such information is provided by the applicant.




In cases where comprehensive applications were submitted, and minimal follow-up engagement with applicants was required, turnaround times were circa three months.

Applications Withdrawn/Returned:

In H1 2023, 40 applications were returned to firms due to failing the key information check. A further 13 applications were withdrawn or became dormant after entering the assessment phase of the application process. The most common reasons for the withdrawal of an application during the assessment phase were:

1. Applicants being unable to demonstrate that proposed appointees to Pre-Approval Controlled Functions met the Fitness & Probity requirements (including the Minimum Competency Requirements);
2. Applicants being moved back to the pre-assessment phase due to errors/inaccuracies in their IQ submission; and
3. Applicants not submitting their IQs within 20 working days.

Table Number 7 | Service Standards for High Cost Credit Providers, Credit Servicing Firms, Retail Credit Firms & Home Reversion Firms Authorisation

ID	Standard	Target	Performance	Number of Submissions in scope	Performance Indicator
T22	To complete acknowledgement of receipt of application	95% within 3 business days of receipt of application	100%	2	
T23	To complete key information check	95% within 10 business days of receipt of application	100%	2	
T24	To complete the assessment phase and notify applicant of outcome ¹³	90% within 90 business days of commencement of assessment phase	N/A	0	N/A
T25	To complete the notification of decision phase and notify applicant of outcome	90% within 10 business days of receipt of satisfactory response to issues set out in notification of outcome of assessment phase	N/A	0	N/A
T26	To process complete renewals of high cost credit provider licences	100% prior to expiry of existing licence	100%	8	

In H1 2023, all Service Standards for applications received were met - Table 7 refers.





Eight high cost credit provider (HCCP) licences were renewed in H1. Two new HCCP applications were rejected as incomplete following a key information check. Common reasons for failed key information checks include failure to submit required documentation such as consumer loan documentation, policies and procedures, financial projections and accurate newspaper advertisements.

Going forward, the service standards will apply to new Credit Servicing Firm applications. No new Credit Servicing Firm applications were received in H1.

¹³ In the event of further and/or subsequent information being sought, this 90-day timeframe is paused until such information is received by the Central Bank from the applicant.

Guidance on completing an application for [High Cost Credit Providers](#), [Retail Credit Firms](#), [Home Reversion Firms](#) and [credit servicing firms](#) is available on the Central Bank website.

Table Number 8 | Service Standards for Payment Firms (Payment Institutions, Electronic Money Institutions, Small Electronic Money Institutions & Money Transmission Businesses) & Bureaux de Change Authorisations

ID	Standard	Target	Performance	Number of Submissions in scope	Performance Indicator
T27	To acknowledge receipt of application	95% within 3 business days of receipt of application	100%	13	
T28	To complete key information check	95% within 10 business days of receipt of application	100%	13	
T29	To complete the assessment phase and notify applicant of outcome ¹⁴	90% within 90 business days of commencement of assessment phase	100%	4	
T30	To complete the notification of decision phase and notify applicant of outcome	90% within 10 business days of receipt of satisfactory response to issues set out in notification of outcome of assessment phase	100%	1	

In H1 2023, all Service Standards for applications received were met - Table 8 refers.

One firm was authorised in H1 2023 to operate in the Payments and E-Money sector (“the Sector”). Four firms received ‘Minded to Authorise’ letters¹⁵. This compares with six authorisations granted in 2022.

As noted in the previous report, the Central Bank continues to provide enhanced guidance to firms regarding our expectations for authorisation. Such expectations are firmly grounded in national and/or EU regulations and EU/international norms for the sector. Our supervisory experience¹⁶ also informs our approach. In addition, we have regular engagement with industry bodies to reinforce our expectations for authorisation and ongoing supervision.

In 2021, a formal pre-application stage was added to the authorisation process with the aim of ensuring better quality applications. This pre-application stage involves bespoke meetings

¹⁴ In the event of further and/or subsequent information being sought, this 90-day timeframe is paused until such information is provided by the applicant.

¹⁵ A letter issued to an applicant advising that the firm will be authorised subject to satisfactorily addressing specified pre-authorisation requirements, and agreement by the firm to post-authorisation conditions.

¹⁶ Dear CEO letter (January 2023): [here](#)

between applicant firms and authorisation personnel to specifically discuss, at an early stage in the process, their proposed business model, programme of operations and governance framework. This engagement complements the established early engagement route via the [Innovation Hub](#). Firms have an opportunity to discuss any concerns or questions they may have regarding the authorisation process, and the requirements pertaining to their specific business model. As part of the pre-application engagement, the Central Bank will also perform an initial assessment of a firm's proposed application to identify any gaps¹⁷ versus application requirements, in order to progress to the formal assessment stage. This approach has, in part, resulted in a decrease in the number of applications received in H1 2023 (13) when compared to 2022 (H1 2022 – 39, H2 2022 - 32).

While the above enhancements have resulted in improvements in the quality of some applications, we continue to see firms challenged in meeting authorisation expectations, particularly with regard to appointments to Pre Approval Controlled Functions.





We continue to be transparent with firms with regard to the status of their application, and to provide them with the earliest possible understanding of how their application benchmarks to our authorisation expectations.

We emphasise to firms that the Central Bank [website](#) continues to be a key source of information regarding our expectations of applicant firms.

[Guidance on the application process for Payment Institutions and Electronic Money Institutions](#) is available on the Central Bank website.

¹⁷ The application is assessed against the [EBA Guidelines under Directive \(EU\) 2015/2366 \(PSD2\) on the information to be provided for the authorisation of payment institutions and e-money institutions and for the registration of account information service providers](#).

Table Number 9 | Service Standards for Insurance/Reinsurance Undertakings and Solvency II Special Purpose Vehicles

ID	Standard	Target	Performance	Number of Submissions in scope	Performance Indicator
T31	To respond to requests made to the email address insurance@centralbank.ie for a preliminary meeting from perspective applicants	100% within 5 business days of receipt	100%	1	
T32	To assess applications for authorisation for completeness and notify the applicant of the outcome	100% within 10 business days of receipt	100%	2	
T33	To process complete applications for approval of second or subsequent arrangements from Solvency II special purpose vehicles and notify the applicant of the outcome	100% within 10 business days of becoming complete	N/A	0	N/A
T34	To process complete applications for authorisation and notify the applicant of the outcome	75% within three months of becoming complete	100%	2	
T35	To process complete applications for authorisation and notify the applicant of the outcome	100% within six months of becoming complete	100%	2	

The Central Bank aims to make the application for authorisation process an efficient one. It encourages prospective applicants to seek a preliminary meeting with the Central Bank prior to the formal submission of an application. This meeting provides an opportunity for the potential applicant to outline its draft business plan and for the Central Bank to provide feedback on the draft plan and the authorisation process. The Central Bank endeavours to respond to requests made to the email address insurance@centralbank.ie for a preliminary meeting from perspective applicants, within five business days of receipt. This timeline is reflected in service standard T31 above.

Detailed authorisation application checklists are available on the [Central Bank's website](#). The Central Bank, on receipt of an application for authorisation, first reviews whether the application and accompanying documentation meet all of the items detailed on the application checklist. The Central Bank endeavours to advise an applicant of any information

or documentation omitted from the application within 10 business days of receipt. This is reflected in service standard T32 above.

Once all information and documentation has been received, the Central Bank seeks to process:

- 100% of Solvency II special purpose vehicle arrangements within 10 business days;
- 75% of other applications within three months; and
- 100% of other applications within six months.

These timelines are reflected in service standards T33, T34 and T35 above.

The volume of applications in the current period was generally in line with H2 2022. As noted in Table 9 above, all service standards were met in H1 2023.


Table Number 10 | Service Standards for Credit Institutions

ID	Standard	Target	Performance	Number of Submissions in scope	Performance Indicator
T36	To process complete applications	100% within 6 months of becoming complete	N/A	0	N/A
T37	To process complete applications	75% within 3 months of becoming complete	N/A	0	N/A
T38	To return incomplete applications	100% within 2 weeks of receipt	N/A	0	N/A

In H1 2023, the Service Standards did not apply as no applications to establish a Third Country Branch under section 9A of the Central Bank Act 1971 ('the Act') were received. The Service Standards do not apply to applications for authorisation under section 9 of the Act, as the ECB is the competent authority for granting such authorisations.

Guidance on the application process in accordance with section 9 and section 9A of the Act for [Credit Institutions](#) is available on the Central Bank website.

Table Number 11 | Service Standards for Trust or Company Service Providers

ID	Standard	Target	Performance	Number of Submissions in scope	Performance Indicator
T39	To process complete applications	90% within 3 months of becoming complete	100%	13	
T40	To return incomplete applications	100% within 2 weeks of receipt	N/A	0	N/A

In H1 2023, all Service Standards for applications received were met - Table 11 refers.





Trust or Company Service Providers ('TCSPs') are authorised under Chapter 9 of the Criminal Justice (Money Laundering and Terrorist Financing) Act 2010 to 2021.

The Central Bank is the competent authority for TCSPs that are subsidiaries of Credit or Financial Institutions. The Department of Justice and Equality is the competent authority for all other TCSPs. The Central Bank is the competent authority for approximately 10% of the total TCSP population.

A TCSP authorisation is valid for a period of three years from the date of authorisation. Consequently, TCSPs must seek renewal of their authorisation every three years if they intend to continue providing TCSP services. Given its cyclical nature, the number of TCSP applications received was largely in line with H1 2023 expectations. In addition to ten renewals, there were three new TCSP applications for authorisation received in H1 2023.

Guidance on what constitutes a complete application for [Trust or Company Service Providers](#) is available on the Central Bank website.

Table Number 12 | Fitness & Probity Pre Approval Controlled Function Service Standards for all Required Sectors

ID	Standard	Target	Performance	Number of Submissions in scope	Performance Indicator
T41	Provide a response to submitting entity where an IQ is incomplete. ¹⁸	85% of cases within 5 business days	100%	66	
T42	Assess IQ application for Qualifying Investor Alternative Investment Funds (QIAIF)	85% of applications within 5 business days	98%	93	
T43	Assess IQ application for individual previously approved by Central Bank of Ireland or European Economic Area (EEA) Financial Services Regulator	85% of applications within 12 business days	95%	155	
T44	Assess “standard” IQ Application – i.e. non QIAIF and/or individual not previously approved	85% of applications within 15 business days	97%	361	

In H1 2023, all Service Standards for applications received were met - Table 12 refers.

There were 1,559 Pre Approval Controlled Functions (PCF) applications submitted to the Central Bank in H1. This shows a decrease of 14% compared to the same period in 2022. This was expected due to the launch of our new system as Firms adapt to a new process.

Where a firm submits a PCF application as part of an application for firm authorisation, the Service Standard relevant to that firm’s authorisation process applies¹⁹, therefore such PCF applications are not included in the F&P Service Standards above. In H1 2023, there were 344 PCF applications assessed that were part of a firm authorisation, a 32% decrease compared to H1 2022.

Furthermore, the F&P Service Standards do not apply where:

- (a) Information is sought from external sources (e.g. other regulators, previous employers, Garda vetting etc.);

¹⁸ Appendix C sets out the main reasons why PCF IQs continue to be returned as incomplete.

¹⁹ With the exception of QIAIF applications which are subject to Service Standards as set out in the above Table at T42



- (b) The applicant is interviewed;
- (c) The application forms part of an acquiring transaction;
- (d) The decision maker is the European Central Bank; or
- (e) A derogation is sought under corporate governance requirements.

In H1 2023, there were 516 PCF applications where service standards did not apply, a 33% increase compared to H1 2022.

9.7% (150) of applications were withdrawn by their respective firm in H1. These are mostly linked to authorisations that did not proceed, Funds that did not launch and/or where individuals decided not to continue with their application.

10.9% (169) of applications were returned as incomplete. These relate to errors in the initial submission, for example, failure to upload necessary documentation; where insufficient due diligence has been performed by the proposer; the applicant did not disclose a probity matter in the reputation section of the IQ; the applicant applied for the wrong PCF role; or was unable to answer queries regarding key aspects of the applicant's Fitness & Probity. Please refer to Appendix C for reasons IQ applications are returned as incomplete.

Table Number 13 | Contact Management Service Standards²⁰

ID	Standard	Target	Performance	Number of Calls in scope	Performance Indicator
T45	To answer telephone calls to the Central Banks regulatory support line	80% answered within 20 seconds	85%	5,685	
T46	To answer telephone calls before the caller abandons the call	<5% of calls abandoned before being answered	2.9%	165	

In H1 2023, all Service Standards for applications received were met - Table 13 refers.

The Central Bank focuses on ensuring that all communication with its external industry stakeholders is handled as efficiently as possible. Of particular importance is the support for the submission of Regulatory and Statistical returns. The Central Bank employs a dedicated third party Contact Management Service provider, which utilises a Contact Management Solution (CMS) to deliver effective case management. All queries received are dealt with over the phone, by email, or forwarded to the relevant Division in the Central Bank. All correspondence is tracked on the CMS system. During H1 2023, 5,685 calls were answered. Of these, 4,837 calls were answered within the 20 seconds Service Standards threshold.

²⁰ The Central Bank utilises an outsourced third party for external industry contact management.

Applications for Authorisation – Withdrawn/ Dormant

The table below shows the number of withdrawn applications for all submissions by sector.

During the period January to June 2023:

- 187 applications/submissions were withdrawn by the applicant firm; and
- 71 applications/submissions were deemed dormant due to lack of engagement from the applicant firm.

In relation to Retail Intermediaries & Debt Management Firms, the most common reasons for withdrawal of an application are where applicants are unable to demonstrate that proposed appointees to Pre-Approval Controlled Functions meet the Fitness and Probity requirements (including Minimum Competency Requirements), or where applicants are moved back to the pre-assessment phase due to errors/inaccuracies in their IQ submission or applicants who do not submit their IQ's within 20 working days.

In relation to Funds, applications are generally withdrawn for commercial reasons.

During the period, 150 PCF applications were withdrawn by firms, primarily due to changes in the Business Plan for a firm where the authorisation did not proceed. To a lesser extent, PCF applications are also withdrawn following engagement with the Central Bank due to concerns with the quality of the application.

Table	Applications Withdrawn	Applications Dormant
Table 1 - Funds	16	22 ²¹
Table 2 - Fund Service Providers	3	5
Table 3 - Self-Managed Investment Companies, Internally Managed AIFs & Investment Managers	0	0
Table 4 - Investment Firms	1	0
Table 5 - Prospectus Approval (Regulated Disclosures)	N/A	N/A
Table 6 - Retail Intermediaries & Debt Management Firms	10	43 ²²
Table 7 - High Cost Credit Providers, Credit Servicing Firms, Retail Credit Firms & Home Reversion Firms	1	0
Table 8 - Payment Firms & Bureaux de Change	5	1
Table 9 - Insurance/Reinsurance Undertakings and Solvency II Special Purpose Vehicles	1	0
Table 10 - Credit Institutions (Section 9A)	0	0

²¹ A dormant application is one which is not resubmitted within 6 months

²² This figure also includes applications returned/rejected.

Table 11 - Trust or Company Service Providers	0	0
Table 12 - Fitness & Probity	150	0
Table 13 - Contact Management Service	N/A	N/A

Appendix A – Service Standard Exceptions

The Service Standards targets set out for Authorisations do not apply in cases where:

- a) Responses are pending from third parties. This is particularly the case where other regulatory authorities may need to be contacted. In those cases, we would recommend that proposed appointees or firms notify their home regulator of their application to the Central Bank and advise that the Central Bank may make enquiries of them;
- b) Persons are subject to interview;
- c) Significant legal issues arise;
- d) Significant Fitness & Probity issues arise;
- e) The business model of an applicant is complex or novel in nature;
- f) Significant changes to the business model, the applicant's shareholder structure, or other key aspects of an application arise during the review process, or where the application becomes dormant; and/or
- g) The Central Bank is minded to refuse an application.

Table 5 - The Service Standards for submissions with a target of 90%, set out for Prospectus Approvals do not apply in cases where:

- a) The Central Bank considers that the application gives rise to significant regulatory concerns whether in relation to the protection of investors, the integrity of the securities markets or otherwise;
- b) Responses are awaited from third parties. This is particularly the case where other regulatory authorities may need to be contacted on an application;
- c) Significant legal issues arise;
- d) The business model of an applicant and/or the type of transaction is complex or novel in nature;
- e) The business model of an applicant and/or the type of transaction gives rise to a risk profile which requires further consideration;
- f) Significant changes to the business model, the transaction or other key aspects of an application arise during the scrutiny process, or where the application becomes dormant;
- g) The Central Bank is not the competent authority; and/or
- h) The Central Bank is minded to refuse an application.

In such cases, these submissions will be assessed within the timeframes set out in the Prospectus Regulation.

Table 12 - Fitness & Probity PCF Service Standards do not apply in cases where:

- a) Information is pending from external sources; (e.g. other regulators, previous employers, Garda vetting etc.);
- b) The application forms part of an acquiring transaction;
- c) An applicant is subject to interview;
- d) The decision maker is the European Central Bank; and/or
- e) Where a derogation is sought under corporate governance codes.

The time taken by an applicant to address matters raised by the Central Bank during the authorisation process are not included in the timeframes.

Applications that remain dormant with no positive engagement from an applicant are returned.

Appendix B - Glossary

AIF	An alternative investment fund as defined in Regulation 5(1) of the European Union (Alternative Investment Fund Managers) Regulations 2013 (SI No. 257 of 2013)
AIFM	An alternative investment fund manager as defined in Regulation 5(1) of the European Union (Alternative Investment Fund Managers) Regulations 2013 (SI No. 257 of 2013)
Central Bank	Central Bank of Ireland
DAOFI	Depositaries for Assets Other than Financial Instruments
ECB	European Central Bank
FSP	Financial Service Provider
ICAV	Irish Collective Asset Management Vehicle
IPO	Initial Public Offering
IQ	Individual Questionnaire
MiFID	Markets in Financial Instruments Directive
Payment Firms	Payment Institutions, Electronic Money Institutions, Small Electronic Money Institutions and Money Transmission Businesses
ORION	'Online Regulatory Information' – an online Portal through which authorisation applications in respect of certain funds and fund service providers are submitted to the Central Bank in electronic format
PCF	Pre-Approval Controlled Function
QIAIF	An alternative investment fund authorised by the Central Bank which may be marketed to investors who meet the criteria set out in the Qualifying Investor AIF chapter of the Central Bank AIF Rulebook
RIAIF	An alternative investment fund authorised by the Central Bank which may be marketed to retail investors
Retail Intermediaries	Investment Intermediaries, Insurance Intermediaries, Mortgage Intermediaries and Mortgage Credit Intermediaries
RPA	Recognised Prospectus Advisor - listing agents/sponsors that have agreed to certain conditions with the Central Bank with regard to the submission, review and approval of prospectuses. There is an obligation in the RPA Agreement that the RPA must ensure in as far as possible that the first draft of the prospectus should be submitted in a form that is likely to require a minimum amount of redrafting.
TCSP	Trust or Company Service Providers
UCITS	Undertakings for Collective Investment in Transferable Securities authorised under the provisions of the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011

Appendix C – Reasons why Fitness & Probity applications may be returned

Section of IQ	Reason
2	Incorrect PCF role(s) selected.
3	Omitting 'Other relevant experience' or details of previous roles and responsibilities when responding to Question 3.1 (i.e. demonstrating the applicant's experience in a particular sector and/or to a particular function). For example, credit union experience gained on a voluntary basis or details of specific duties held to demonstrate experience or knowledge.
4	Incomplete supporting documentation to demonstrate compliance with the Minimum Competency Code 2017 (e.g. evidence of qualifications, grandfathering status, new entrant status, and proof of continuing professional development).
5	Omission of detail or lack of supporting documentation in respect of any matter disclosed in relation to Reputation and Character.
6	With regard to certain previously approved persons insufficient documentation provide to demonstrate that the person is entitled under the laws of an EEA / EU member state to perform the equivalent to the PCF function.
6 & 9	Applicant not providing a complete list of directorships/senior positions and/or anomalies with regard to the number of days dedicated to these positions held.
11 & 12	Application completed and/or submitted by a person whose name does not match the name of the applicant or the name of the proposer. The proposer is not an approved person within the entity and does not have authority to submit the application.
General	Where determined that insufficient due diligence has been performed by the proposer or where queries regarding key aspects of the applicant's Fitness & Probity are unable to be answered.



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