



Banc Ceannais na hÉireann
Central Bank of Ireland
Eurosystem

Gabriel Makhlouf
Gobharnóir / Governor

Deputy John McGuinness
Chair
Committee on Finance, Public Expenditure and Reform, and Taoiseach
Leinster House
Kildare St
Dublin 2
D02 XR20

16 September 2024

Dear Chair,

CONSUMER PROTECTION

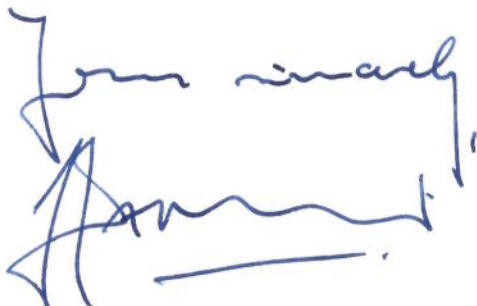
I am writing following press reports that you were concerned at what you had heard about the changes we were making to the way we are organised to deliver our consumer protection responsibilities. The reporting of our plans has not been comprehensive and may be misleading so I would like to clarify the position.

In order to continue to deliver on our mandate both today and into the future, we are changing our approach to ensure that consumers of financial services are protected in a changing and increasingly complex environment. In brief:

- The Central Bank's role is not changing. We work to maintain monetary and financial stability while ensuring that the financial system operates in the best interests of consumers and the wider economy. All of the Central Bank's work is aimed at serving the public interest and protecting the consumers of financial services, whether it's through the Consumer Protection Code, the mortgage measures, monetary policy, our oversight of payment systems or the prudential supervision of firms, among our many activities;

- The environment in which we operate is changing rapidly. As we recognised in our 2021 Strategy, the economy, the financial system and financial services and products are changing, driven by technology and consumer preferences. We want to be ready to continue to deliver our mission in the future which requires changes to, among other things, the way the Central Bank is organised;
- We are not discontinuing our focus on consumer protection. The change that has triggered press comment is that we are bringing together (at an operational level) more integrated responsibility for the supervision of regulated firms. Currently separate directorates undertake supervisory activities for consumer protection, prudential regulation, market supervision and tackling money laundering (among other things). We are moving to an integrated framework where directorates with oversight of banks, insurance companies and capital markets will be responsible for the supervision of all the functions in their respective sectors. Each Director will have explicit responsibility for consumer protection in their role, and will be able to use an integrated set of supervisory resources and expertise to deliver;
- The focus on consumer protection at the most senior level will not change. Derville Rowland, as Deputy Governor (Consumer and Investor Protection), will continue to have consumer protection at the core of her responsibilities. And the Central Bank Commission's Consumer Advisory Group will continue to operate as now.

Our new internal changes come into effect in January. I am confident they will ensure that, working with our partners in other agencies, we will continue to deliver and enhance our consumer protection effectiveness. We will also continue to be open and engaged with consumers and their advocates on the issues that matter in the rapidly-changing world that we live in.

A handwritten signature in blue ink, appearing to read 'Gabriel Makhoul', with a horizontal line underneath.

Gabriel Makhoul