

Mary-Elizabeth McMunn: Shocks and shifts - regulation and supervision in a changing world

Remarks by Ms Mary-Elizabeth McMunn, Deputy Governor of the Central Bank of Ireland, at the IOB, Dublin, 3 April 2025.

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I am delighted to speak to you all this morning and many thanks to Mary for inviting me here today.

As my first speech in my new role as Deputy Governor, Financial Regulation, I wanted to:

- Share some perspectives on regulation and supervision, in particular in the context of the increasingly challenging environment which both regulators and industry are operating in.
- Set out what risk-based supervision means for me, and why and how we are moving to a new supervisory approach.
- Discuss our approach to the "simplification" agenda in the area of Financial Regulation, as Europe looks to improve its competitiveness and prosperity for the future.

But first I would like to touch on the challenging macro-economic backdrop and risk landscape facing the financial sector.

Backdrop – volatility and uncertainty, shocks and shifts

Central banks, regulators, market participants and economists have all been speaking about heightened volatility, uncertainty and rapid change for a number of years now.

Looking back on the last decade two things strike me.

One: how true these pronouncements were. And two: that rather than abating, such uncertainty and change feels like it is accelerating, given the pace of change – political, economic, digital and environmental – underway.

When King and Kay popularised the term "radical uncertainty" in early 2020, even they were unlikely to have foreseen how radical it would quickly become.