



Opportunities and responsibilities – international financial services in fragmenting times - Speech by Deputy Governor McMunn

11 June 2026 Speech



Introduction

Good morning, I am delighted to be here and many thanks to Patricia at FSI for the invitation.¹

You have a busy agenda today, discussing some of the key issues currently facing the financial sector and financial regulators.

As the title of this conference suggests, we are living through a time of fragmentation; and, as I said earlier this week, this is coming alongside a period of rapid technological transformation.²

While they say that there is nothing permanent except change³ I think it is fair to say that the scale and pace of change underway is potentially unprecedented – and comes on top of an already complex and interconnected risk landscape.⁴

Managing, navigating and responding to this is the clear and present challenge which we are all facing.

It presents both risks and opportunities for global financial services firms, and for global financial centres, and it is against this backdrop I would like to set out some perspectives this morning.

Firstly, on financial regulation amidst financial fragmentation – both the approach of Central Bank of Ireland as well as what we expect of firms.

And secondly, our commitment to Regulating and Supervising well – which includes risk-based, outcome-focused supervision, robust and efficient gatekeeping, and delivering on simplification, all of which I would like to update you on today.

Combined – a strong and well-run sector, operating in a robust and well-regulated environment – these represent to me important foundations for financial services firms as you look to respond to an increasingly complex and challenging world in 2026 and beyond.

Global responsibilities

So, what does it mean to me, as Deputy Governor, Financial Regulation at the Central Bank of Ireland, and my teams to regulate and supervise a significant international financial centre – in particular in the context of international fragmentation.

We have spoken before of the sectors' rapid growth, and how it has become bigger, more complex, more digital and more international.⁵

This has been the defining feature of the changing landscape of financial services in Ireland over the last decade, and as the people in this room represent, Ireland is home to significant parts of the international banking, insurance and asset management sectors – while being an increasingly important EU hub for fintech and payments.

As I said early this week, global significance comes with global responsibilities.

And our international responsibilities are something we take seriously at the Central Bank, indeed something we embrace – as we work to contribute our part to the global public good that is global financial stability.

For me this involves a number of things, but in particular:

1. A continued commitment to international engagement, standards, cooperation and scrutiny; and, crucially,
2. Ensuring the sector is resilient and well run, so that consumers and the financial system in Ireland, Europe and beyond are well served and well protected by Irish based firms.

On the first point, while the narrative and focus is very much on fragmentation, it would be remiss not to recognise that the global economy and financial system remains highly interconnected – and indeed I believe is likely to remain so.

International trade, including in financial services, and the inter-connectivity of our economies and financial sectors continues – and even if globalisation may be in retreat, this is the primary context in which we continue to operate.

For our part, we remain fully committed to the global regulatory framework and global supervisory cooperation.

We actively support the work of the international standard setting bodies, and the implementation of global standards in Europe. And we work closely with supervisory colleagues in Europe and around the world.

As you all know, as regulators we think through the cycle.

While this applies to our regulatory frameworks, I have always firmly believed in also building regulatory relationships that operate through that cycle – part of why we put such an importance on bilateral engagement, as well as our commitment and contribution to the wide range of EU and International fora we are part of.

Speaking to you, I would say that firms should also be thinking through the regulatory and political cycle.

And rather than championing, and capitalising, on divergence, they should continue to advocate for, and indeed practice, convergence.

Which means for me taking a longer-term view, and applying the best standards internationally, rather than the lowest standards locally.

This is something I know first-hand many of the international firms here do – knowing the value of high standards and resilience.

And indeed I have seen many upstream benefits from international subsidiaries, in terms of best practices from local entities influencing better outcomes at group level.

Opportunities and responsibilities

This brings me to my second point – namely our focus on ensuring our sector is resilient and well run, and what we expect of you in this world of fragmentation, volatility and rapid change.

Speaking to this audience, let me focus my remarks on how we think about – and what we expect from – those firms that are part of wider international groups.

The first thing to say is we are clear on the commercial and practical implications of being part of these groups – in terms of competing for resources alongside other entities across the globe, the leveraging of functions, and the down-streaming of group decisions.

But secondly, while this is important context that we understand, we believe that it is in the best interest of everyone that subsidiaries based in Ireland are part of a well-regulated, stable jurisdiction – and subject to the high standards and risk-based supervision that sets them up sustainably for success.

This includes being resilient, financially and operationally, but also in terms of governance and risk management – ensuring the local entity is substantive, and sufficiently independent.

Thinking in particular of the current risk landscape, Irish entities part of global groups, have distinct opportunities and responsibilities.

In terms of opportunities, having access within your groups to global networks and intelligence, global infrastructure and data, as well as exposure to global best practices in risk management, can provide real benefits. In the face of a rapidly changing external environment, including rapid technological change, this can be something that you can harness to the benefit of your consumers and the wider economy.

But alongside these opportunities you have clear responsibilities, to ensure that your Irish and European franchise is substantive and well governed.

This means that leveraging of group resources is not done to the extent to which it compromises the independence of the local board, or creates conflicts of interest that are not adequately managed, or leaves boards unable to fulfil their oversight function, their regulatory obligations or, simply, their duty to their customers.

This has always been the firm principle under which we regulate our large internationally oriented financial sector – and one that I reinforce today.⁶

And while as I said these benefits can be a distinct advantage navigating the current external risk environment, amidst global fragmentation and rapid innovation, such local responsibilities become all the more important.

This is something my teams and I have discussed with many of you – and I know of the ongoing commitment of our sector to robust boards demonstrating both autonomy and responsibility, understanding and expertise.

Regulating and Supervising well – minding the gate...

Turning to our broader regulatory framework, you have heard me speak before about Regulating and Supervising well – which for me means robustly, effectively and efficiently.

As you know our revised integrated supervisory approach, introduced in January 2025, builds on the strong foundations of our risk-based approach to supervision, incorporates our European and international supervisory responsibilities, and the domestic and European regulatory framework in which we operate.

Through risk-based and outcomes focused supervision, robust and efficient gatekeeping, and clear and predictable regulation, we deliver the high standards and stable environment which underpins a strong financial services sector.

In particular today, I would like to cover two aspects of this: our approach to authorisations and gatekeeping and how we are delivering simplification.

Firstly, gatekeeping – which is a key part of the regulatory and supervisory framework, and indeed a large part of our work.

Over the last 10 years we have authorised or approved:

- 3 Banks, 32 Payment Institutions and 30 E-Money Institutions;
- Over 9,000 Funds⁷;
- 60 (re)insurance firms, and 11 Solvency II special purpose vehicles;
- 57 MIFID Investment Firms and around 1,900 retail intermediaries⁸; and
- around 9,000 debt prospectuses and nearly 30,000 people in key roles in financial services as part of the Fitness and Probity Regime.

And today we are publishing our annual Authorisation and Gatekeeping report⁹, which sets out expectations and metrics on how we are delivering on this role, and demonstrates that the pipeline is still strong, and that it is expected to continue to be so.

But why is gatekeeping important?

Well, gatekeeping is all about ensuring firms, individuals and products meet the required standards, in particular those responsible for the public's money – and in this way it plays a fundamental role in contributing to our safeguarding outcomes, namely: financial stability, the safety and soundness of firms, the protection of consumer and investor interests, and the integrity of the system.

Given the volume and importance of this role, our approach to authorisations is:

- Risk-based and is framed in the context of legislative requirements, guidelines and best practice.
- Proportionate and reflects the nature, scale and complexity of firms' activities.
- Outcomes focused, in that it is not about checking boxes but about ensuring we deliver the right outcome, which is a firm set up to be well run, sustainable and to serve its consumers well.
- Robust – considering an authorisation granted by the Central Bank is an entry point for providing services into the Irish and European financial markets and therefore has to mean something in terms of high standards. We also work hard on supervisory convergence across Europe to ensure common high standards for our single market.

But recognising the importance of innovation, new entrants, and the proper and orderly functioning of our financial sector, in addition to ensuring our process is robust, in recent years we have also focused our efforts on ensuring it is efficient.

We know that the speed and predictability of regulatory processes matter to firms making investment decisions; but at the same time we also know the importance of the high standards that should be associated with regulatory approval from Central Bank of Ireland.

As such, this does not mean we prioritise speed over rigour. But it does mean we have sought to enhance our gatekeeping process, to be more clear, more transparent, more efficient and more predictable.

We have done this out of a desire to continuously improve. But also in the face of feedback that our clarity and responsiveness to incoming applications could be improved, as well as the review of our Fitness and Probity approval process in 2024 – which has helped further strengthen our approach.¹⁰

We have listened and acted on that feedback, have learned the lessons where our processes may not have always been up to the required standards and have fully implemented the recommendations from that review. The positive response from industry and other stakeholders underlines the progress we believe we have made here.

To enhance transparency, today we are publishing our second report on implementing the F&P review recommendations.¹¹ All 12 recommendations are now fully implemented and embedded. Highlights include:

- Efficiency: 97% of F&P application assessments are completed within 90 days – with average approval time of 50 calendar days.
- Clarity – we have consolidated our guidance into streamlined and user-friendly materials;
- Governance – we have established a dedicated F&P unit, as well as a Gatekeeping Decisions Committee, which I chair; and
- Engagement – we have actively engaged with industry stakeholders, including through workshops, increasing transparency and building trust.

While satisfied with our progress – both on this work and our broader approach to authorisations – we know we are not perfect, and that there is always room to improve.

But we also know it is not about being perfect – for fear it becomes the enemy of the good.

Rather it is about being a mature regulator committed to learning and improving. It is about responding to feedback, changes in the framework and legal clarifications. It is about being more effective and efficient, as well as addressing any issues identified with our processes or communications – all of which is designed to support good supervisory judgement, and good outcomes.

As we continue to improve in our gatekeeping work, I would highlight three areas for the future:

- First, as noted in our simplification roadmap, following the success of our F&P Unit we are centralising our broader gatekeeping functions to make it more effective, while bringing greater clarity, consistency and efficiency to this work.
- Secondly, we are investing in and improving our technology, including through automation and AI – which will provide efficiencies, transparency and consistency in the internal and external experience of the authorisation process for all sectors and products.
- And thirdly, we are firmly committed to continuing to deepen our understanding of innovation in the financial sector, which includes our own internal expertise, our innovation engagement – through the hub and the sandbox – but crucially also our engagement at the gate, where we are increasingly seeing innovative business models and applications from both new and incumbent providers.

All of this is aligned with our commitment to being more forward looking, more open and engaged, and to regulating and supervising well. And sets us up well to continue to deliver on our important gatekeeping role into the future, helping to maintain the stability of the sector while ensuring the financial system is operating the best interests of consumers and the wider economy.

...and delivering a more effective and efficient framework

Finally, let me touch on a topic we are very much engaged with in the Central Bank, namely the simplification agenda.

In my first speech as Deputy Governor a little over a year ago, I set out my thinking on simplification and how my teams and I would approach this issue.¹²

I said we would proactively look for areas to simplify; and we would engage with stakeholders on their views.

I said we would enhance our approach to weighing the costs and benefits of regulatory interventions; and that we would be effective and efficient in our regulation and supervision.

And I said that while engaging on these issues, we would remember and remind others of the lessons from past – and call out instances where we believe simplification was sliding into deregulation.

Over the last year I believe we have done that, though of course with more to do.

We have engaged openly with our stakeholders, and have looked at our own frameworks.

We have continued to embed our new supervisory approach, which is more integrated, more risk based and more outcomes focused, building on the strong foundations of our previous model.

We have broadened and enhanced our evidence-based policy making, further embedding this in our regulatory approach.

And in December we published a comprehensive multi-year roadmap of simplification initiatives across regulation, supervision, gatekeeping and reporting – of which I would like to give you an update today.¹³

I am pleased to say we are on track on our commitments.

Some examples include:

- Setting out in more detail our annual supervisory plans – which were included in our Regulatory and Supervisory Outlook this year, and I was glad to hear this was useful and well received.
- Completing a review of our Cross-Industry Guidance on Outsourcing, which was specifically called out in our engagement with stakeholders. Following this review we have decided to remove the current guidance and replace it, removing any duplication while still assisting firms through non-mandatory good practices. We will be engaging with the sector on this new guidance later this year.
- In terms of our review of more than 50 domestic insurance artefacts – we have prioritised areas affected by the Solvency II reforms, and will be engaging with the sector on proposed changes over the rest of this year, including at a half-day event next week.
- On data and reporting, we are centralising our approach to data in the Bank. We have streamlined new data requests, and are engaging in a comprehensive review of data collections. We have already identified early candidate reports for retirement/consolidation – and will progress this in the second half of this year.

And finally, we have developed a new regulatory impact assessment framework – which we will publish and consult on in the coming weeks. This work further embeds and brings greater consistency to how we do policy in the Central Bank, as well as how we conduct and publish regulatory impact assessments for those areas of policy where we are exercising meaningful discretion.

This will bring greater clarity and transparency to our approach, will enhance and support good evidence-based policy making, as well as deepening the consultation process through a better and clearer articulation of the trade-offs and outcomes we want to achieve.

Conclusion

Let me conclude.

We are undergoing a period of fragmentation and rapid change, which presents risks and opportunities for the financial sector.

For our part, we are firmly committed to global cooperation and standards – and through regulation and supervision playing our role in a well-functioning financial sector operating in the best interests of consumers and the wider economy in Ireland, Europe and beyond.

For your part, while internationally oriented you must do so from strong domestic foundations. This includes your ongoing commitment to resilient and well-run firms, leveraging the best of your international opportunities while firmly delivering on your local responsibilities.

For we must remember our financial sector is built on the foundations of robust supervision, high standards, strong global connections, and innovation done well.

In uncertain and challenging times these foundations are more important, not less. And so we should focus on reinforcing them – thinking through the cycle, and recognising that resilience is a strategic advantage, rather than a burden to be undone.

As the old saying goes: When the roots are deep, there is no reason to fear the wind.¹⁴ Wise words to heed in times of challenge and change – as we look to, and indeed weather, the future to come.

Thank you!

[1] Many thanks to Cian O'Laoide for his help preparing these remarks.

[2] McMunn Navigating and responding to change – resilience, innovation and regulation in the Funds Sector June 2026

[3] Attributed to Heraclitus

[4] Regulatory and Supervisory Outlook 2026 (PDF 1.85MB) and Financial Stability Review I 2026

[5] Remarks by Mary Elizabeth McMunn at bpf - 7 May 2026

[6] Remarks by Mary-Elizabeth McMunn Director of Credit Institutions Supervision at Federation of International Banks in Ireland annual conference November 2022

[7] QIAIF, RIAIF, UCITS and ELTIF fund types

[8] Including debt management firms

[9] Authorisations and Gatekeeping report (PDF 809.56KB)

[10] Fitness and Probity Review July 2024 (PDF 1.03MB)

[11] Fitness and Probity Review – report on implementation of recommendations 2026 (PDF 399.14KB)

[12] McMunn Shocks and shifts – regulation and supervision in a changing world April 2025

[13] Regulating & Supervising well – a more effective and efficient framework December 2025 (PDF 440.55KB)

[14] African proverb