

Summary of the CBI Regulatory and Supervisory Outlook Report 2026



Author: Derek Lawler, Compliance Policy & Governance Manager, An Post and member of Compliance Institute's Consumer Protection Working Group.

In February 2026, the Central Bank of Ireland published its Regulatory and Supervisory Outlook 2026 “The Outlook” and sets out the Central Bank’s assessment of the key risks facing the Irish financial system and outlines its supervisory priorities that will guide its regulatory and activity during 2026. The report is intended to provide regulated firms with clear insight into where the Central Bank will focus supervisory intensity and how it expects firms to respond to a rapidly evolving risk environment. As with prior reports, the Central Bank expects senior decision-makers to incorporate the Report, together with related communications such as the “Dear CEO” letter issued by the Central Bank the same day, into their governance, risk management and strategic planning processes. The Central Bank’s financial regulation priorities for the year ahead include:

Global Macro and Environmental Drivers of Risk

The Outlook highlights a complex global backdrop characterised by geopolitical fragmentation, macro-financial uncertainty, technological change and climate-related risks. While Ireland’s financial system remains resilient, these external pressures are increasing operational, financial and conduct risks across all sectors. The Outlook emphasises that firms must be capable of withstanding shocks while continuing to provide critical services to consumers and the wider economy.

Risk Assessment and Outlook

The Outlook identifies a range of core risk areas that will shape supervisory focus in 2026. These include operational and cyber resilience, financial resilience, consumer detriment, financial crime, governance weaknesses, data and technology risk (including artificial intelligence), and climate and

environmental risks. Operational and technology-driven risks are assessed as particularly significant, reflecting increased digitalisation, reliance on third-party service providers and the growing use of advanced technologies in customer-facing activities.

Supervisory Priorities

The Central Bank sets out five overarching supervisory priorities that apply across all regulated sectors in 2026:

1. **Building resilience to geopolitical and macrofinancial uncertainty**, with a strong emphasis on operational resilience, cyber security, financial risk management and thirdparty dependency management.
2. **Securing consumer and investor interests**, including ensuring firms deliver good outcomes, treat customers fairly and protect vulnerable customers.
3. **Responding to technologydriven transformation**, particularly the governance and risk management of AI, digitalisation and new financial technologies.
4. **Supporting environmental and societal transitions**, including embedding climate and environmental risks into governance and risk frameworks.
5. **Enhancing how Central Bank regulate and supervise**, aligned with their continued focus on evolving their supervisory approach to ensure its continuing effectiveness. And the implementation of the Individual Accountability Framework.



Consumer and Investor Protection

Another key theme of the Outlook is consumer and investor protection, particularly in light of the revised Consumer Protection Code (CPC), which comes into effect on 24 March 2026. Firms are expected to have fully implemented the revised Code and to be able to demonstrate this in practice by the designated timeframe. Key focus areas include the treatment of customers in vulnerable circumstances, complaints handling, digital customer journeys and product governance. The Central Bank signals that CPC compliance will be actively tested, not assumed.

Operational Resilience and Technology Risk

Operational resilience remains a core supervisory priority, with a continued focus on firms' ability to prevent, respond to and recover from severe but plausible disruptions. This includes ICT risk management, cyber security, outsourcing and thirdparty risk, and service continuity for customers. The Outlook aligns closely with the objectives of DORA, and firms are expected to demonstrate mature resilience frameworks supported by realistic scenario testing and strong governance oversight.

The report also contains a dedicated spotlight on artificial intelligence, framing AI not just as an innovation issue but as a conduct, governance

and consumer risk. Firms using AI are expected to ensure explainability, human oversight, bias mitigation and clear accountability for AI-supported decisionmaking.

Sectoral Focus

The Outlook includes sectorspecific analysis across banking, payments and emoney, retail credit, credit unions, insurance, funds and markets. In the payments and emoney sector, supervisory attention will focus on safeguarding, operational resilience, fraud and scam prevention, consumer communications and continuity of essential services. Firms are expected to tailor their response to the Outlook based on sectorspecific risks rather than adopting a generic approach.

Supervisory Expectations and Firm Response

The Central Bank is clear that the Outlook is not purely descriptive. It sets expectations for supervisory engagement, targeted reviews, inspections and potential enforcement in 2026. Firms are expected to assess the relevance of the priorities to their business models, allocate clear ownership at board and senior management level, and be able to evidence progress through governance records, risk assessments, policies and operational metrics.