



BILLE AN BHAINC CEANNAIS (LEASÚ), 2000
CENTRAL BANK (AMENDMENT) BILL, 2000

EXPLANATORY AND FINANCIAL MEMORANDUM

Purpose of Bill

Section 9 of the Central Bank Act, 1971, provides for the grant by the Central Bank of licences authorising the holders to carry on banking business. The Bank may refuse to grant a licence if satisfied that the grant of the licence would not be in the interest of the orderly and proper regulation of banking.

Under section 10 of that Act, a licence shall be subject to such conditions, if any, as the Bank may impose and specify at the time of the grant, being conditions which in the opinion of the Bank are calculated to promote the orderly and proper regulation of banking. The conditions of a licence may be amended, revoked or added to. Conditions may be imposed in relation to a licence if, in the opinion of the Bank, the amendment, revocation, addition or imposition is calculated to promote the orderly and proper regulation of banking.

The purpose of this Bill is to impose on the Central Bank, in considering whether to grant a banking licence, attach conditions to that licence or impose additional conditions to a licence which has already been granted, an obligation to take into consideration the adequacy of the branch network of that bank.

Provisions of Bill

Section 1 contains standard provisions relating to the short title and collective citation of the Bill.

Section 2 amends section 10 of the Central Bank Act, 1971, by inserting a new subsection (5). The new subsection provides that “the proper and orderly regulation of banking”, for the purposes of that section and section 9, includes ensuring that a bank has and maintains a sufficient number of branches and other offices in (and, where appropriate, throughout) the State to meet the reasonable requirements of the customers of that bank.

Na Seanadóirí Seosamh Mac Coistealbha, Caitlín Ní Mheára agus Breandán Ó Riain,
Samhain, 2000.