

Guidelines for the Operating Principles of ReBo

The Credit Union Restructuring Board “ReBo” was established on 1st January 2013 in accordance with the Credit Union and Co-operation with Overseas Regulators Act 2012 (2012 Act). ReBo is the statutory body responsible for facilitating and overseeing the restructuring of credit unions to support their financial stability and long term sustainability.

Under section 46 of the 2012 Act, ReBo shall develop guidelines for its operating principles and after obtaining approval of the Minister for Finance, ReBo shall adopt such guidelines and have regard to them in the performance of its functions.

Objectives of Restructuring

The guiding objectives of restructuring are:

- The protection of credit union members’ savings;
- The provision of credit to members at fair and reasonable rates;
- The stability and viability of credit unions and the sector at large;
- The preservation of the credit union identity and ethos;
- Contributing to the development of a world class credit union sector in Ireland.

The restructuring process will provide the opportunity to credit unions to develop a more sophisticated – and ultimately more sustainable – business model and provide a mechanism to help deal with the financial stresses in the sector in an orderly and time bound way.

Functions

ReBo’s purpose is to facilitate and oversee the restructuring of credit unions in accordance with the 2012 Act to support the financial stability and long term sustainability of credit unions generally. For that purpose its functions shall include:

1. Analysing and examining information provided to it by the Central Bank, credit unions or by any other person,
2. Developing provisional proposals and plans with credit unions for the restructuring of the credit union sector,
3. Engaging with credit unions to facilitate agreement on restructuring proposals,

4. Assisting credit unions in the preparation of restructuring plans,
5. Considering and assessing restructuring plans submitted to it by or on behalf of credit unions including any funding requirements under the plan including requiring credit unions to engage third parties to verify information and provide a report to ReBo,
6. Approving, approving with conditions or rejecting those restructuring plans,
7. Recommending the restructuring plans to the Minister and advising the Bank of its recommendations,
8. Overseeing the implementation of restructuring plans, including the provision of post-restructuring support.
9. Making recommendations to the Central Bank that credit unions be considered for stabilisation support.

Operating Principles

In performing its functions ReBo will be guided by its stated objectives and adhere to the following operating principles:

1. ReBo will fulfil its functions in accordance with:
 - a) the Credit Union and Co-operation with Overseas Regulators Act 2012,
 - b) the recommendations of the Report of the Commission on Credit Unions,
 - c) the Code of Practice for Governance of State Bodies, and
 - d) any other directions given to it by the Minister for Finance.
2. ReBo will operate on an independent basis.
3. ReBo will take the actions which it considers necessary or expedient to enable it to perform its functions.
4. ReBo's interactions with credit unions will be on a voluntary basis and will be handled in a consistent manner, showing no bias toward any particular party.
5. ReBo will act with due care and professionalism in its dealings and will operate in an ethically and financially prudent manner.
6. ReBo will interact and communicate with all sector stakeholders in an inclusive and open way.