

**INDEPENDENT EVALUATION ON HOW CONCEPT AND OBJECTIVES OF COMMUNITY BANKING AND LOCAL  
PROVISION OF BANKING AND FINANCIAL SERVICES MAY BE FURTHERED**

**TERMS OF REFERENCE**

To conduct an external independent evaluation of the concept of public banking to:

- Examine whether there is a clearly defined market ‘gap’ or ‘failure’ in the local provision of banking and financial services in Ireland.
- Examine the local provision of banking and financial services, including those services offered by local public and /or community banks, operating in other jurisdictions.
- If there is an identifiable market gap or failure:
- To identify any regulatory or competition barriers to entry for the local provision of banking and financial services that could be eliminated or mitigated by the State,
- To examine and recommend possible delivery mechanisms for community, or enhancements to such existing mechanisms, by which local provision of banking and financial services and/or community banking could be implemented in Ireland:
  - Through the existing financial services system in Ireland, including the Credit Union Sector and An Post;
  - Through leveraging existing State infrastructure;
  - Through new market entrants;
  - Through an online offering or other opportunities such as Fintech; and/or
  - Other options.
- Potential alternative models for the delivery of community banking and local provision of banking and financial services should be outlined based on the above examination.
- Outline and consider the likely costs associated with the provision of local and/or community banking services through any such delivery mechanisms.
- Provide potential policy recommendations:
  - Any policy recommendations should take in to account current and forthcoming actions already being undertaken by Government and, where relevant, other stakeholders and bodies.
  - Any policy recommendations should provide an indication of their potential likely impact on Government spending, spending priorities, budget and deficit.
  - State aid and competition regime considerations should also be taken into account in any such policy recommendations.