

**An Comhchoiste um  
Airgeadas, Caiteachas Poiblí  
agus Athchóiriú, agus an  
Taoiseach**

Teach Laighean  
Baile Átha Cliath 2



**Joint Committee on Finance,  
Public Expenditure and Reform,  
and Taoiseach**

Leinster House  
Dublin 2

Ref: I 2016/ 34

3 October, 2016



Mr. Mario Draghi,  
President,  
European Central Bank,  
Postfach 16 03 19,  
D-60066 Frankfurt am Main,  
Germany.

**Consultation on draft legislative provisions under Article 2(1) of Council  
Decision 98/415/EC**

***on proposed legislation***

***Central Bank (Variable Rate Mortgages) Bill 2016 - Private Members Bill***

Dear President,

Pursuant to Council Decision 98/415/EC and Standing Order 149 of Dáil Éireann (lower House of Parliament), I enclose a copy of the ***Central Bank (Variable Rate Mortgages) Bill 2016***, in the name of [REDACTED], which was presented to Dáil Éireann on 12 May 2016 at Appendix 2. The Second Reading of the Bill was approved by Dáil Éireann on 18 May 2016. The Bill was referred to the Dáil Select Committee Finance, Public Expenditure and Reform, and Taoiseach on 5 July 2016.

The ***Central Bank (Variable Rate Mortgages) Bill*** proposes to introduce a requirement that the Central Bank (of Ireland) carry out an assessment of the state of the mortgage market in the jurisdiction, taking into account factors such as the banks' cost of funds, reasonable profit expectations, concentration within the market, the ease

with which borrowers can switch mortgages between lenders and the extent to which they are switching. It is further proposed to empower the Central Bank with a range of tools to influence the standard variable rates charged in the mortgage market if the Central Bank concludes that there is such a failure in that market. The contents of the Bill are summarised at *appendix 1*.

It would be very helpful if the ECB opinion could be provided before Friday, 18 November 2016. If you require further information or clarification on any point, please contact 

Yours sincerely,

