



# **Ireland's banks agree new Protocol with MABS to help customers to manage debt in challenging times**

## **12 leading banks subscribe to Protocol**

## **Protocol fully operational on 28 September**

The country's leading 12 credit institutions are subscribing to a new Protocol to help personal customers to manage their debt. Developed jointly over two years by the Irish Banking Federation (IBF) and the Money Advice and Budgeting Service (MABS), the *IBF/MABS Operational Protocol: Working Together to Manage Debt* was launched in Dublin today by the Minister for Social and Family Affairs, Mary Hanafin, TD.

The Protocol will enable IBF creditors and MABS money advisers to work together effectively to help personal customers/clients to address and manage debt problems and, wherever possible, to formulate a mutually-acceptable, affordable and sustainable repayment plan. It sets out the agreed steps by which creditors and money advisers will work together to try to put such a plan in place and to successfully manage that plan on an ongoing basis.

The Protocol is broken down into two main parts as follows:

- General Principles – which set out the partnership approach to be pursued by creditors and money advisers and the framework for addressing debt problems
- Procedures – which define the general arrangements for good engagement, the five key steps to agreeing a repayment plan and the process for managing an agreed repayment plan.

Speaking at the launch, IBF Chief Executive, Pat Farrell said:  
**"Creditors have an important role to play to ensure that, not only do borrowers have the tools and advice they need**



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during these very challenging times, but also to ensure that their door is always open to customers who may find themselves in financial difficulty.” Pointing to the Protocol’s objective in aiming to deliver a mutually-acceptable, affordable and sustainable repayment plan, he stated: **“Herein lies the real significance of this Protocol in its giving priority to seeking workable solutions over legal proceedings and in recognising that, for any repayment plan to work, it must meet these key criteria from the outset.”** And he concluded by saying: **“I have no doubt that the partnership spirit and approach that inform all elements of this Protocol will be fully reflected in the way the subscribing creditors and money advisers will make it work for the benefit of their customers and clients.”**

Expressing considerable satisfaction with the development of the Protocol and with the fact that all of the country’s leading banks are subscribing to it, Annemarie O’Connor, Business Manager MABS went on to state: **“MABS reputation is based on its commitment to clients; it is the only free, independent and confidential service of its kind in Ireland. This protocol will enhance our capacity to help people address their debt problems and to get back on a sustainable financial footing.”**

Launching the Protocol, Minister Mary Hanafin said: **“This new development will be a significant reassurance for people who are, probably for the first time in their lives, experiencing financial difficulties. Both the IBF and MABS are committed to working positively together to help resolve client debt problems. What everyone wants to see is debt being tackled with a mutually-agreed, affordable and sustainable repayment plan which can avoid the need for any legal action. People seeking advice from MABS can be assured that they will use all their expertise to secure the best possible terms for them in trying to manage the repayment of their debt. I very much welcome this Protocol as a sound, sensible approach for both the industry and their customers.”**

The Protocol will, by agreement, become fully operational on 28<sup>th</sup> September once all the appropriate information materials are in



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place and the training completed for relevant staff within the subscribing credit institutions and the MABS network.

A copy of the *IBF/MABS Operational Protocol: Working Together to Manage Debt* is available at

[www.welfare.ie/EN/Press/PressReleases/2009/Documents/IBF-MABS%20Protocol%20FINAL%20June%2009%20Logo.pdf](http://www.welfare.ie/EN/Press/PressReleases/2009/Documents/IBF-MABS%20Protocol%20FINAL%20June%2009%20Logo.pdf)

### **Note**

The Irish Banking Federation (IBF) is the leading representative body for the banking and financial services sector in Ireland.

1. MABS is the State-funded, national, free confidential and independent service for people in debt or in danger of getting into debt.
2. The following IBF creditors are subscribing to the Protocol: ACC Bank, AIB Bank, Anglo Irish Bank, Bank of Ireland, Bank of Scotland (Ireland), EBS Building Society, KBC Bank Ireland, National Irish Bank, Permanent tsb, Postbank Ireland, MBNA Europe Bank, Ulster Bank.