

Financial Services Consultative Industry Panel

Chairman: James Deeny c/o Irish Financial Services Regulatory Authority
PO Box No 9138
College Green
Dublin 2

FSCIP – 32nd Meeting Minutes

Date: 7 February 2008

Time: 14.00 – 17.00 hours

Venue: Central Bank Tower

Attended by: See list below.

Apologies from: Billy Doyle and Paul O'Connor

Item 1: Adoption of the Agenda

The draft Agenda for the meeting was adopted.

Item 2: Approval of draft Minutes of the 31st Meeting

The Minutes of the 31st Meeting of the FSCIP held on 8 November 2007 were approved.

Item 3: Matters Arising

There were no matters arising.

Item 4: Presentation by Financial Regulator on Stakeholder Protocol

The Stakeholder Protocol was introduced on a pilot basis in July 2007. Bernie Mooney and Dermot Leahy of the Planning and Finance Department in the Financial Regulator, made a presentation to the Panel on its operation for its first six months to December 2007. Ms. Mooney updated the Panel on the performance targets for authorisations, approval of prospectuses, approval of persons, consumer contacts, inspections, consultations and written information queries and provided statistics on the provisional data for the six-month period. The complete data will be published in the 2007 Financial Regulator Annual Report.

Ms. Mooney informed the Panel that Astron Consulting have been chosen to assist with the preparation of a Performance-Type dashboard, and have prepared reports on the Business Requirements for a fully automated solution and a report on Written Information Queries (WIQ's).

The Chairman congratulated Ms. Mooney for the excellent work on the Stakeholder Protocol. Ms. Mooney confirmed that the process will be reviewed annually and agreed to meet with a sub-group of the Panel in July 2008.

Item 5: IT Developments including Working Group

In advance of a meeting with the new CBFSAI Director General, Tony Grimes, the Chairman had circulated a letter to the Panel regarding key aspects of the Financial Regulator's IT capabilities, suggesting that a key focus for the Panel for 2008 should be to establish an IT Working Group to work with the Financial Regulator, and to act as a forum for discussing industry's IT requirements of the Financial Regulator.

Pat Farrell volunteered to lead the working group on behalf of the Panel, and confirmed his willingness to arrange a facilitated workshop to set priorities.

Item 6: Updates

EU & International Group

- Gary Palmer circulated a paper to update the Panel members on the work of the EU and International Working. The paper outlined the key recommendations of the Inter-Institutional Monitoring Group (IIMG) which conducted a review of the Lamfalussy process, and seeks the opinions of Irish industry concerning a number of key themes, including the effectiveness of the Lamfalussy process to date, the appropriate level of detail at the various levels of the process, the desirability of making Level 3 Guidance binding on member states and the viability of giving Level 3 Committees formal enforcement powers. The paper outlined detailed analysis of EU issues to date.

Mr. Palmer asked the Panel members to engage with their own constituents so that the Panel may collate a response for the Department of Finance. The Chairman welcomed the report and encouraged Panel members to support Mr. Palmer in his efforts.

Other EU Issues

- **Consumer Director's visit to Brussels**
The secretary informed the Panel of the successful visit of the Consumer Director to Brussels to foster greater awareness of Irish regulatory approach, identify potential conflicts in approach as early as possible and to discuss regulatory issues of mutual interests. The Panel agreed that a Prudential visit to Brussels should be encouraged, and that a sub group of the Panel should also visit key personnel there. It was also agreed to invite the Consumer Director to attend the March Panel meeting to discuss her visit to Brussels.

Identifying and Prioritising Unnecessary Regulatory Requirements – Request for Tender for proposed survey

- The letter of engagement outlining the terms of reference and scope of the project has been signed and returned. Pat Farrell confirmed that he had met KPMG, that the project is on target, and will be completed in the first quarter of 2008.
- **Anti-money-laundering and terrorist financing Directive**
An update on legislation to implement the Third EU Directive on Prevention of Money Laundering and Terrorist Financing in Ireland was

circulated prior to the meeting for discussion. Aileen O'Donoghue queried if the draft Guidance Notes will be circulated to the Panel. Eimear O'Rourke confirmed that the Guidance Notes are nearing finalisation and should be circulated to the Panel for information.

Item 7: Work Programme for February – June 2008

The work programme for first half of the year was discussed. It was agreed that the key focus for the Panel for the first half of the year will be the following:

- Review of Unnecessary Regulatory Requirements (KPMG)
- IT Working Group
- Review of the Panel structure
- Panel visit to Brussels/FSA
- Review of the Stakeholder Protocol
- Annual Report 2007
- Lamfalussy Review
- Panel input into the Business Process Review project (Mazars)

The draft work programme to be circulated to the Panel for approval.

Item 8: Update on Financial Regulator

Peter Keane informed the Panel on a number of current initiatives and developments within the Financial Regulator. These included the tender to carry out a Business Process Review, and the internal promotion competition underway in the CBFSAI to fill Head of Function positions.

Item 9: Draft Annual Report

The draft Chairman's Statement for the Annual Report 2007 was circulated prior to the meeting for discussion. The Panel members made a number of suggestions to the draft which will be incorporated and re-circulated to the Panel members for comment.

Any Other Business

- The Chairman enquired about the status of the letter to the Department of Finance on the Financial Regulator Budget for 2008.

The next meeting will be held at 15.00 on Thursday the 6th March in the Central Bank Tower Block.

Actions Arising from 31st FSCIP Meeting

Action	Action by
Invite the Consumer Director to March meeting	Secretariat
Circulate draft Guidance Notes for Industry	Secretariat

on Anti-money-laundering and terrorist financing	
Draft work programme and circulate to Panel	Secretariat
Redraft Chairman's Statement for the Annual Report and circulate to Panel	Secretariat
Enquire about the status of the reply to the letter to the Department of Finance on the Financial Regulator budget for 2008	Secretariat

**Participants at the 32nd Meeting of the FSCIP
on Thursday the 7th February 2008**

James Deeney - Chairman
Peter Keane
Colette Clancy
Liam Carberry
Tony Culley
Pat Farrell
Jonathan Goold
Sarah Goddard
Pat McArdle

Robert Moynihan
John Murphy
Aileen O'Donoghue
Carmel O'Connor
Eimear O'Rourke
Gary Palmer
Rachel Panagiodis
Robert Richardson
Sean Quirke

Prepared by : _____

Peter Keane – Secretary

Signed by: _____

James Deeny – Chairman

Date: _____