

Financial Services Consultative Industry Panel

Chairman: David Went

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

FSCIP – 10th meeting Minutes (Draft)

Date: Tuesday, 15 December 2009

Time: 14.30 – 16.30 hours

Venue: Board Dining Room, Central Bank Tower Block

Attended by: See list below

Apologies from: Colm Fagan, Aileen O'Donoghue, Brendan Kelly, Philip Brennan

Item 1: Adoption of the Agenda

The draft Agenda for the meeting was adopted.

Item 2: Approval of draft Minutes of the 8th Meeting

The Minutes of the 9th meeting of the FSCIP held on 5 November 2009 were approved.

Item 3: Matters Arising:

- In relation to the Review of the EU Regulatory Structure, it was reported that Brendan Kelly is looking to organise a briefing seminar in January. Details will be circulated to members. The seminar is aimed at the wider industry audience who may have an interest in regulatory reform. The Department of Finance and the Financial Regulator will be invited to present at the seminar.
- Paul O'Connor will provide a synopsis of a European Banking Federation document on this topic.
- The letter of response to the Financial Regulator in relation to Solvency II was noted.
- It was noted that the Governor has arranged for the Chairman to meet with the new Head of Financial Regulation in the restructured Central Bank, Matthew Elderfield.

Item 4: Work Programme 2010

It was agreed that the key issue for 2010 should be regulatory structure. This should include:

- monitoring the implementation of European directives;
- ensuring appropriate alignment between EU and domestic legislation; and
- assessing the intrusiveness of EU legislation and the impact on industry sectors.

It was agreed that there was a need for industry sectors to be more proactive in the European debate on regulatory structure going forward. The level of engagement in relation to this area is becoming increasingly important, however the opportunities for such engagement will be reduced. It is important that the Financial Regulator ensures that its best people are involved in the European decision making process on issues that will impact on the regulatory environment in Ireland. The Panel also considered it important to ensure that there is a cooperative process between the Financial Regulator and Industry. This issue should be raised by the Chairman at his meeting with Matthew Elderfield.

Gary Palmer agreed to draft a note detailing how such co-operation might be effected.

Other items for the 2010 Work Programme include:

- Review of the implementation of the Stakeholder Protocol
- Monitoring the implementation of the Mazars Report

Item 5: Proposed meeting with the Financial Services Practitioner Group

The Secretary will contact the Secretary to the Practitioner Group to agree dates and numbers attending the meeting.

Item 6: Recent correspondence received from the Financial Regulator

- It was agreed that industry bodies should comment on the **European Commission Recommendation on Remuneration in the financial services sector**.
- It was agreed that the Chairman should respond to the Financial Regulator's letter on **Solvency II**.
- In relation to the letter issued by the Financial Regulator in December in relation to **Monetary Penalties**, it was agreed that the Chairman should respond stating that the Panel are happy with the proposal regarding the transfer of monetary penalties to a Monetary Special Reserve Account subject to a ceiling of €8 million and the utilisation of that reserve to meet "significant costs" of the Financial Regulator that might arise from "legal action or special investigations".

Item 7: Budget Outturn 2010

Carmel O'Connor briefed the Panel on a meeting held with Financial Regulator staff to look at the projected Budget Outturn for 2010. It was noted that approval of Budget 2010 has

been deferred until end March 2010 to facilitate the input of the new Head of Financial Regulation, Matthew Elderfield.

In relation to the Industry levy, it was noted that 95% of the levy has been collected.

Item 8: Any Other Business

- The Panel noted the proposed changes to the Mortgage Arrears Code.
- The Chairman noted the resignation from the Industry Panel of Ms. Rachel Panagiodis and thanked her for her hard work during her time on the Panel.

The next meeting of the Industry Panel will be held at **2.30pm** on 4 February 2010 in the Central Bank Tower Block.

Actions arising from the 10th FSCIP meeting of the Consultative Industry Panel.

Action	Action By
Synopsis of EBF document on Review of Regulatory Structure	Paul O'Connor
Meeting with Matthew Elderfield	Chairman
Note on co-operation between Financial Regulator and Industry	Gary Palmer
Confirm details for Practitioner Group meeting	Secretary
Respond to Solvency II letter	Chairman
Respond to Monetary Penalties letter	Chairman

Participants at the 10th meeting of the FSCIP held on Tuesday, 15 December 2009

David Went – Chairman	Lillian Fleming – Acting Secretary
Sean Casey	Fiona Cullen
Sarah Goddard	Kevin Johnson
Pat McArdle	Paul O'Connor
Carmel O'Connor	Eimer O'Rourke
Rachel Panagiodis	Gary Palmer
Sean Quirke	Robert Richardson

Prepared by: _____
Lillian Fleming, Acting Secretary

Signed by: _____
David Went, Chairman

Date: _____