

## **Financial Services Consultative Industry Panel**

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

### **FSCIP – 3<sup>rd</sup> meeting Minutes**

**Date:** Thursday, 9 April 2009

**Time:** 15.00 – 17.00 hours

**Venue:** Central Bank Tower

**Attended by:** See list below.

**Apologies from:** Sarah Goddard, Philip Brennan, Colm Fagan and Eimer O'Rourke

#### **Item 1: Adoption of the Agenda**

The draft Agenda for the meeting was adopted.

#### **Item 2: Approval of draft Minutes of the 2<sup>nd</sup> Meeting**

The Minutes of the 2<sup>nd</sup> meeting of the FSCIP held on 5 March 2009 were approved.

#### **Item 3: Matters Arising**

Under matters arising the Chairman reported to the Panel members on his meeting with the Minister of Finance on 6 April 2009 to discuss the proposals for change in the new regulatory structure. The Chairman reported that the Minister had assured him that there would be a real opportunity for engagement and consultation with the Panel as the proposals for change in the regulatory structure move into the legislative process and then into implementation mode. The Chairman informed the Panel that he intended to write to the Minister later today to thank him for taking the time to meet with him and to confirm that the Industry Panel looks forward to playing its full part in ensuring that the process comes to a successful conclusion.

The Chairman also reported on his meeting with the Chairman of the Financial Regulator, Jim Farrell and the Acting CEO, Mary O'Dea. The Chairman informed the members that he had requested that the Panel be consulted on the Mazars Review and Mary O'Dea confirmed that she would take up the Chairman's request with the sub group of the Authority, who are responsible for reviewing the report and revert back to the Panel.

**Item 4: Bernard Sheridan, Head of Domestic Credit Institutions (DCI) and Donncha Connolly, Deputy Head of DCI** - attended the Panel meeting to update the Panel members about the new structure in place in DCI. Mr. Sheridan made a presentation to the Panel which informed the members about the new structure and the objectives of the new department, the supervision of the Guaranteed Institutions and the Key Pillars of the Supervisory Programme which is now in place in DCI.

The presentation was positively received by the Panel and following a discussion, as there was significant Panel interest in the International Banks side of supervision, the Chairman requested that the Head of International Credit Institutions (ICI) make a similar presentation to the Panel. Secretary to liaise with Head of ICI to organise Panel briefing.

**Item 5: Review of the Regulatory Structure** - this item was already discussed under matters arising, above. The Chairman to issue letter to the Minister of Finance at close of business today.

**Item 6: Draft Work Plan for 2009** - It was agreed at the February Panel meeting that a sub group comprising Eimer O'Rourke, Brendan Kelly and Philip Brennan would formulate a draft work plan for consideration by the Chairman and the members of the Panel. Brendan Kelly reported to the Panel that the work plan is currently being finalised and will be circulated in the next two weeks for approval at the next Panel meeting.

**Item 7: Loans to Directors of Credit Institutions** – Pat Farrell had circulated the Irish Banking Federation's (IBF) submission to the Panel members, prior to the Panel meeting, for information and discussion. The Chairman expressed concern at the lack of satisfactory consultation by the Financial Regulator on the issue. After clarification that the legislation had just been published, it was agreed that Paul O'Connor would revise the recommendations made in the IBF submission, in light of the publication of the legislation.

**Item 8: Consultation from the Financial Regulator**

Two consultations had been circulated by the Registrar of Credit Unions to the Panel and were discussed at the meeting:

- Proposed introduction of a Fitness and Probity Regime for Credit union Directors, Supervisors and Managers and for a Limitation of the Term of Office for credit union Directors and Supervisors
- Draft Regulatory Reserve Ratio Requirement for Credit Unions

Kevin Johnson and Fiona Cullen volunteered to draft responses to the consultations on behalf of the Panel - the draft submission to be circulated to the Panel for approval at the next meeting of the Industry Panel.

**Item 9: Updates**

- **Financial Regulator's Budget for 2009 and update on the Industry levy** – Patricia Moloney, Head of FIFA and Karen O'Leary, PFD gave a presentation to the Panel on the Financial Regulator's budget for 2009. Ms. Moloney outlined to the Panel the summary of the 2009 total budget and explained the reason for the increases in the proposed budget. There was a general view that it would have been helpful if draft actual figures for 2008 were used as comparators to Budget 2009. She also gave the Panel a brief update on the industry levy collection process to date. The Chairman thanked Ms. Moloney and Ms. O'Leary for attending the Panel meeting to update the Panel members.

The Chairman and the budgetary sub group members of the Panel had received a letter from the Minister of Finance requesting the Panel's views on the draft Financial Regulator Budget for 2009. Carmel O'Connor, Chair of the Industry Panel Budgetary sub group agreed to draft a response on behalf of the Panel. The response is to be returned to the Department in the next few days. Ms. O'Connor agreed to circulate the response to the Minister's letter to the Panel members.

The Chairman of the Panel thanked the sub group for all their hard work in reviewing the Financial Regulator's budget for 2009.

- **EU & International Advisory Group** – Gary Palmer updated the Panel members on the history of the sub group since the formation of the Financial Regulator. He confirmed that he would make contact with the EU & International Section in the Financial Regulator and he suggested that a sub group of the Panel to include members with an interest in EU and International should meet prior to the next Panel meeting.

**Item 10: Any Other Business**

There were no items discussed under any other business.

**The next meeting will be held on Tuesday, 12 May 2009 in the Central Bank Tower Block.**

**Actions arising from 3<sup>rd</sup> FSCIP Meeting of the new Panel**

<b>Action</b>	<b>Action by</b>
Liaise with Head of ICI to arrange briefing	Secretary
Issue letter to the Minister of Finance	Chairman/Secretary
Draft responses to the two Consultations from RCU	Fiona Cullen /Kevin Johnson
Issue response to the Minister re Financial Regulator's Budget for 2009 and circulate to Panel members	Carmel O'Connor
Organise EU & International sub group meeting	Gary Palmer

**Participants at the 3<sup>rd</sup> Meeting of the FSCIP held on Thursday the 9 April 2009**

David Went - Chairman  
 Colette Clancy - Secretary  
 Tony Culley  
 Sean Casey

Brian McNellis  
 Aileen O'Donoghue  
 Carmel O'Connor  
 Paul O'Connor

Fiona Cullen  
Pat Farrell  
Kevin Johnson  
Brendan Kelly  
Pat McArdle

Gary Palmer  
Rachel Panagiodis  
Sean Quirke  
Robert Richardson

**Prepared by:** \_\_\_\_\_

**Colette Clancy - Secretary**

**Signed by:** \_\_\_\_\_

**David Went – Chairman**

**Date:** \_\_\_\_\_