

Financial Services Consultative Industry Panel

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

FSCIP – 4th meeting Minutes

Date: Tuesday, 12 May 2009

Time: 15.00 – 17.00 hours

Venue: Board Dining Room, Central Bank Tower Block

Attended by: See list below.

Apologies from: Fiona Cullen, Sarah Goddard, Pat McArdle, Brian McNellis, Sean Quirk and Robert Richardson

Item 1: Adoption of the Agenda

The draft Agenda for the meeting was adopted.

Item 2: Approval of draft Minutes of the 3rd Meeting

The Minutes of the 3rd meeting of the FSCIP held on 9 April 2009 were approved.

Item 3: Matters Arising

Under matters arising the Chairman reported to the Panel members that he had no update or contact from the Minister of Finance on the Review of the Regulatory Structure and he had no response back from the Acting CEO, Mary O’Dea regarding the Chairman’s request to consult the Panel on the recommendations in the Mazars Review.

It was agreed that the Chairman would send a polite note to the Department of Finance requesting an update on the review of the Regulatory Structure and make contact with Jim Farrell and Mary O’Dea regarding the lack of consultation with the Panel on the Mazars Review.

Arising from the minutes of the last meeting, regarding the request for a Panel presentation by the Head of International Credit Institutions (ICI), the Secretary reported that the Head of ICI had responded that, pending, recruitment of significant additional resources for ICI, the timing would be more meaningful to meet with the Panel later in the year. The Head of ICI volunteered to meet with the Chairman and a small group to give a flavour of her long term plans for the future of the Department. Following a brief discussion, it was agreed to accept the Head of ICI’s offer to meet with a small group of the Panel. Secretary to liaise with Head of ICI to arrange meeting.

Item 4: Review of Regulatory Structure - The Panel discussed the status of the review. Aileen O’Donoghue proposed that the Panel should set up a sub-group to finalise the Panel’s views on the Review of the Regulatory Structure and the future of

Financial Regulation. The Chairman supported this proposal and Ms. O'Donoghue agreed to head up the sub-group and Brendan Kelly and Pat Farrell agreed to participate. It was agreed that they should meet to scope ideas/options on what the Panel's view should be on this crucial issue and to circulate to the Panel members. It was suggested that a brain storming session (with the aim of producing an agreed vision of future regulation) might be considered.

Item 5: Karen A. O'Leary, Deputy Head of Consumer Information Department and Claire Fitzpatrick from Consumer Information Department attended the Panel meeting to update the Panel on the Financial Regulator's recently published Financial Capability Report. Ms. O'Leary's presentation gave the Panel an overview of the core objectives of the Financial Capability study, a comprehensive summary of the key findings and an outline of the cluster analysis identifying seven key cluster groups.

The Chairman and the Panel members welcomed the study and the findings in the report. Ms. O'Leary outlined to the Panel how the report will be used to improve consumer information and protection in the Financial Regulator, going forward. Ms. O'Leary brought along copies of the comprehensive report for all the Panel members.

The Chairman thanked Ms. O'Leary and Ms. Fitzpatrick for the comprehensive briefing. It was suggested that in future, material for presentation of this kind should be circulated in advance.

Item 6: Draft Work Plan for 2009 - Brendan Kelly circulated a draft Work Plan for 2009 to the members of the Panel, for their consideration. Mr. Kelly suggested that the Panel members review the work plan and prioritise issues for finalisation by the middle of next week.

Item 7: Draft Annual Report of the Consultative Industry Panel for 2008 – the Chairman informed the Panel members that the Annual Report of the Panel is now due to be submitted to the Authority of the Financial Regulator and the Department of Finance. The Secretary has drawn up a draft Chairman's Statement and will circulate to all Panel members for consideration and comment before the end of the week.

Item 8: Consultation from the Financial Regulator

There was a general discussion on consultations and the protocol for the Panel in responding to consultations received. A number of consultations have been circulated to the Panel and were discussed at the meeting.

1. Draft Regulatory Reserve Ratio Requirement for Credit Unions – Fiona Cullen and Kevin Johnson had drafted a response for the Registrar of Credit Unions – the response was agreed and approved by the Panel and the Chairman for onward transmission to the Registrar of Credit Unions.
2. CP 36 Disclosure of Grants of Security over Shares – Aileen O'Donoghue agreed to draft a submission for the consideration of the Panel.
3. Consultation on Minimum Competency Requirements for Private Medical Insurance – it was agreed that the Panel would not make any submission to this consultation.

Item 9: Updates

- **EU & International Advisory Group** – Gary Palmer informed the meeting that he had made contact with the EU & International Section in the Financial Regulator and had met with a sub group of the Panel earlier today. The meeting had discussed the remit of a Panel sub-group and as individually, and with respect to individual sector issues, there was already active engagement with the relevant section/representatives in the Financial Regulator and any Panel sub-group activity should compliment and support this engagement. In this respect a quarterly meeting with the Financial Regulator’s EU & International Section was suggested to ensure active engagement and exchange of information.
- There was a discussion on the EU College of Supervisors and the representatives from the Financial Regulator at CESR, CEBS and CEIOPS. Concern was expressed at the increasing workload potentially involved in Colleges of Supervisors meetings and the importance of Irish attendance with well qualified representatives. This represents an increased challenge for the resources at the Financial Regulator.

Item 10: Any Other Business

- The Chairman informed the Panel that he had been briefed earlier today by the Financial Regulator regarding the new and existing procedures for the Industry Panel regarding Budget, travel, procurement, tendering and expenses – the new and existing procedures are available in the Secretariat. Brendan Kelly requested a copy of all the procedures. There was brief discussion on the Industry Panel budget. Members expressed the view that the proposed allocation was not sufficient to enable the Panel to adequately discharge its mandate.

The next meeting will be held on Thursday, 4 June in the Central Bank Tower Block.

Actions arising from the 4th FSCIP Meeting of the Consultative Industry Panel

Action	Action by
Write to Minister re delay in developments on new structure	Chairman
Contact Acting CEO re Mazars Report	Chairman
Accept invitation from Head of ICI to meet with sub group	Secretary
Redraft Loans to Directors letter	Pat Farrell/Eimer O’Rourke
Forward new budgetary procedures to Brendan Kelly	Secretary
Finalise Work Plan for 2009	Brendan Kelly
Circulate Chairman’s Statement for Panel Annual Report for 2008	Secretary

Draft Panel submission regarding CP 36 Disclosure of Grants of Security over shares.	Aileen O'Donoghue
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**Participants at the 4th Meeting of the FSCIP held
on Tuesday, 12 May 2009**

David Went - Chairman
Colette Clancy - Secretary
Philip Brennan
Sean Casey
Tony Culley
Colm Fagen
Pat Farrell
Kevin Johnson

Brendan Kelly
Aileen O'Donoghue
Carmel O'Connor
Paul O'Connor
Eimer O'Rourke
Rachel Panagiodis
Gary Palmer

Prepared by: _____

Colette Clancy - Secretary

Signed by: _____

David Went – Chairman

Date: _____