

## **Financial Services Consultative Industry Panel**

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

### **FSCIP – 5<sup>th</sup> meeting Minutes (Draft)**

**Date:** Thursday, 4 June 2009

**Time:** 15.00 – 17.00 hours

**Venue:** Board Dining Room, Central Bank Tower Block

**Attended by:** See list below.

**Apologies from:** Sean Casey, Pat McArdle, Paul O'Connor, Brian McNellis, Rachel Panagiodis 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 4<sup>th</sup> Meeting**

The Minutes of the 4<sup>th</sup> meeting of the FSCIP held on 12 May 2009 were agreed with some minor amendments.

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

Under matters arising the Chairman reported to the Panel members that he had written to the Minister of Finance on his proposals for changes in the Regulatory Structure confirming the Panel remain anxious to play a full part in the process of change and suggesting a meeting with the Minister or his officials to discuss the Minister's thinking on timing and indeed to broaden the discussion to review a number of issues that concern the Panel.

The Chairman also contacted the Acting CEO, Mary O'Dea regarding the Chairman's request to consult the Panel on the recommendations in the Mazars Review. Patricia Moloney, Head of FIFA, who was the Project Manager of the Mazars project will attend the Panel meeting today to update the Panel regarding the implementation of the Mazars Report.

The Chairman informed the Panel members that he will be meeting the Acting CEO next week and asked the members if they had any issues they would like him to raise.

#### **Item 4: Review of Regulatory Structure**

Aileen O'Donoghue, Chair of the Sub-group on the Review of the regulatory structure and the future of financial regulation reported to the Panel that the sub-group comprising Brendan Kelly, Pat Farrell and Ms. O'Donoghue had met on a number of occasions since the last Panel meeting to finalise the Panel's approach. As the

Consumer Panel have already published their report, Ms. O'Donoghue suggested that the Industry Panel should now fastrack finalisation of their position paper. Ms. O'Donoghue confirmed that the paper will be finalised next week and will be circulated to all Panel members for their consideration. The Chairman suggested that the paper could form an addendum to the Industry Panel's Annual Report for 2008 and should be finalised as quickly as possible.

It was agreed that the report will be finalised before the next Panel meeting.

**Item 5: Presentation from Financial Regulator on Mazars Report – Patricia Moloney, Head of FIFA and Rose Plunkett, Deputy Head of PFD** attended the Panel meeting to update the Panel on the Financial Regulator's recently completed Business Process Review which was carried out by Mazars. The presentation was circulated to the Panel members on a 'strictly confidential' basis. The presentation informed the Panel of the objectives of the review, the key findings and recommendations on the Organisation Structure and Management Framework, Resource Analysis and Utilisation Model, Current Activities and Mandate, Management of Core Prudential, Consumer and Administrative Support Operating Processes. The presentation made recommendations on opportunities for outsourcing and benchmarked the Financial Regulator with 13 international financial regulations.

Ms. Moloney informed the Panel that a subcommittee of the Authority has been established to progress the recommendations. The Chairman suggested that a sub-group of the Panel would meet to reflect on the recommendations and revert to the Financial Regulator shortly to tease out a number of potential issues of concern.

Ms. Moloney also gave the Panel an update on the Financial Regulator's Budget outturn for 2008 and 2009 Industry Funding Levy. Ms. Moloney welcomed any comments on the figures via the Secretary of the Panels

The Chairman thanked Ms. Moloney and Ms. Plunkett for attending the Panel meeting to update the members.

**Item 6: Draft Work Plan for 2009** - Brendan Kelly circulated the finalised Work Plan for 2009 to the members of the Panel, for their consideration and approval. There were a number of minor additions suggested and Brendan Kelly to finalise next week. The Work Plan will be published on the website shortly and will also be published in the Panel's Annual Report for 2008.

**Item 7: Draft Annual Report of the Consultative Industry Panel for 2008** – the draft Annual Report was circulated prior to the meeting for the consideration of the Panel members. The Chairman informed the Panel members that he had made some adjustments to strengthen the report. The report of the sub group already mentioned at 4. will also be included along with any recommendations or comments from the sub group which are reviewing the Mazars Report.

Secretary to incorporate the Chairman's comments and circulate to Panel members for consideration.

**Item 8: Any Other Business**

- Sarah Goddard circulated a short paper she had raised on Issues with ‘process’ and the Financial Regulator which had come to her attention as CEO in DIMA. She highlighted that recently there has been a decrease in the engagement with the Financial Regulator and in particular with recent developments around guidelines for captives and changes to regulatory returns. There was a discussion and it was decided that the Chairman should contact the Financial Regulator to bring to its attention the concerns addressed by Ms. Goddard and also generally, especially in relation to insurance supervision. The Chairman suggested if Panel members have any issues they wish to bring to the attention of the Regulator to forward them to him.
- Eimer O’Rourke informed the Panel that the Financial Regulator is looking once more at the draft Outsourcing Assistance Paper, which it drafted in 2007/08, which the Panel wrote to and met with the Financial Regulator in June 2008. The Panel last year had queried the rationale and raised lots of issues for the Financial Regulator. It was agreed that Ms. O’Rourke should revert to the Financial Regulator bi-laterally expressing the view that the Panel still has concerns about the issue.

**The next meeting will be held on Thursday, 2 July in the Central Bank Tower Block.**

**Actions arising from the 5<sup>th</sup> FSCIP Meeting of the Consultative Industry Panel**

<b>Action</b>	<b>Action by</b>
Finalise report of the Sub-Group on ‘future of financial regulation’ and circulate to Panel members	Aileen O’Donoghue
Finalise Work Programme for the Panel for 2009	Brendan Kelly
Incorporate Chairman’s comments for the Annual Report and circulate to Panel	Secretary
Contact Jim Farrell regarding issues raised by Sarah Goddard	Chairman
Revert to the Financial Regulator expressing Panel concerns regarding Outsourcing	Eimer O’Rourke

**Participants at the 5<sup>th</sup> Meeting of the FSCIP held  
on Thursday, 4 June 2009**

David Went - Chairman

Brendan Kelly

Colette Clancy - Secretary  
Philip Brennan  
Fiona Cullen  
Tony Culley  
Colm Fagan  
Pat Farrell  
Sarah Goddard  
Kevin Johnson

Aileen O'Donoghue  
Carmel O'Connor  
Eimer O'Rourke  
Gary Palmer  
Sean Quirke

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

**Colette Clancy - Secretary**

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

**David Went – Chairman**

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