

Financial Services Consultative Industry Panel

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

FSCIP – 7th meeting Minutes

Date: Thursday, 3 September 2009

Time: 15.00 – 17.00 hours

Venue: Board Dining Room, Central Bank Tower Block

Attended by: See list below.

Apologies from: Fiona Cullen, Pat Farrell, Eimer O'Rourke and Gary Palmer

Item 1: Adoption of the Agenda

The draft Agenda for the meeting was adopted.

Item 2: Approval of draft Minutes of the 6th Meeting

The Minutes of the 6th meeting of the FSCIP held on 2 July 2009 were approved with a minor amendment.

Item 3: Matters Arising

Under matters arising the Chairman reported to the Panel members on his meetings over the summer months, to discuss the Panel's recently published paper on the future structure of Financial Services regulation in Ireland. The Chairmen met with the Governor and Director General, Tony Grimes in the Central Bank and Financial Services of Ireland, the ACEO, Mary O'Dea, and Chairman, Jim Farrell, in the Financial Regulator, the Minister for Finance, David Doyle and William Beausang, in the Department of Finance, Dermot McCarthy in the Department of the Taoiseach, and Barry O'Leary and Gerry Sharkey in the IDA. The Chairman reported that the Panel's paper had been greeted positively and the recommendations and conclusions were seen as quite sensible at a very difficult time.

The Chairman also informed the Panel that he had just received a response from the Panel's letter to the Chairman, Jim Farrell regarding the Mazars report. Secretary to circulate the Financial Regulator's response to the Panel members for consideration.

Item 4: Review of Regulatory Structure

The Chairman reported to the Panel members on his meeting with the Minister for Finance, earlier in the day, to discuss the proposed revised regulatory structure. The Chairman informed the Panel members that the Minister had confirmed his intention

to consult with the Panel on the draft Heads of the new legislation which will be available shortly. There was a Panel discussion on the issues the Panel would like to see in the new legislation and structure in the new Central Banking Commission. The Panel concluded that the imminent appointment of the new Director of Financial Supervision is critical and that a meeting should be arranged as soon as possible, following the announcement of the new incumbent, to ensure the Panel has input into the current review of regulation. The Chairman to draft a letter to the Minister for Finance reiterating the main issues of concern to the Consultative Industry Panel. The Chairman suggested the Panel look at how the relationship with the new Director of Financial Supervision could be improved and suggested a roadmap be drafted for the next meeting. Aileen O'Donoghue to draft 'roadmap' for circulation and discussion at the next Panel meeting.

Item 5: Secondments into the Financial Regulator

The question of seconding experienced people from industry to the Financial Regulator was raised by Colm Fagan and was discussed by the Panel. The Chairman informed the Panel members that at his meeting with the ACEO in July, he had been reassured that the Financial Regulator would welcome secondments. The question of cross-fertilisation was viewed as good for both the Financial Regulator and industry. With the imminent arrival of Solvency II and the enormous work-load in preparation for the Financial Regulator, it is crucial that the Panel and the Financial Regulator work together. The implementation of the Capital Risk Directive (CRD) and Mifid models were suggested as examples of models which worked very well for both Industry and the Financial Regulator. It was suggested that a similar model be adopted for Solvency II. The Chairman suggested that the Irish Insurance Federation (IIF) could work with the Financial Regulator in putting together a structured approach to secondment. Colm Fagan agreed to draft a letter to the Financial Regulator regarding secondments for the Chairman's attention.

Item 6: Industry Panel Budget for 2009/10

The Panel's budget for 2009/2010 was discussed. The question of the consultancy budget was discussed and a number of suggestions were made by the Panel members with regard to proposed expenditure. The approved Work Plan for the Industry Panel includes provisions for meeting with the Practitioner's Panel of the FSA (UK equivalent of the FSCIP) and the industry consultative panels of CESR, CEBS and CEIOPS to discuss international trends in regulatory reform and to benchmark the Panel's working methods against international comparators. Secretary to investigate a visit to the FSA before the end of the year. The Panel members to review the consultancy budget and suggest projects for the coming year. Panel members to email the Secretary with suggestions.

Item 8: Protocol for Panel members for dealing with consultations from the Financial Regulator

The Panel receives quite a number of consultations for comment from the Financial Regulator. The majority of these consultations are also issued to the Industry representatives bodies. It was agreed that in future the Panel should only respond if

the members feel there is an ‘industry’ issue otherwise consultation should be primarily with the appropriate representative body.

Item 9. Any Other Business

- There were no items discussed under any other business.

The next meeting will be held on Thursday, 8 October in the Central Bank Tower Block.

Actions arising from the 7th FSCIP Meeting of the Consultative Industry Panel

Action	Action by
Secretary	Circulate Jim Farrell’s response to the Panel’s letter regarding Mazars
Chairman	Draft letter to Minister for Finance
Aileen O’Donoghue	Draft Panel ‘roadmap’ for circulation to Panel members
Colm Fagan	Draft letter for Chairman’s attention with regard to secondments
Secretary	Review visit to FSA Practitioners Panel

Participants at the 7th Meeting of the FSCIP held on Thursday, 3 September 2009

David Went - Chairman
Colette Clancy – Secretary
Philip Brennan
Sean Casey
Tony Culley
Colm Fagan
Sarah Goddard
Kevin Johnson
Brendan Kelly

Pat McArdle
Brian McNellis
Aileen O’Donoghue
Paul O’Connor
Carmel O’Connor
Rachel Panagiodis
Sean Quirke
Robert Richardson

Prepared by: _____

Colette Clancy - Secretary

Signed by: _____

David Went – Chairman

Date: _____