

Financial Services Consultative Industry Panel

Chairman: David Went

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

FSCIP – 9th meeting Minutes (Draft)

Date: Thursday, 5 November 2009

Time: 15.00 – 17.00 hours

Venue: Board Dining Room, Central Bank Tower Block

Attended by: See list below

Apologies from: Colm Fagan, Aileen O'Donoghue, Fiona Cullen, Pat Farrell, Pat McArdle

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 8th meeting of the FSCIP held on 8 October 2009 were approved.

Item 3: Matters Arising

Under matters arising the Chairman raised the question as to whether there was a need to further discuss Solvency II with the Financial Regulator in relation to how it is planned to proceed with the project. It was suggested that the Financial Regulator might adopt a similar approach to that seen in the introduction of the MiFID rules i.e. extensive use of joint industry/Regulator working groups. Following a panel discussion on the matter, it was agreed that the Chairman should write to the Financial Regulator with the suggestion outlined above and asking that the panel be kept informed of the Financial Regulator's plans in this regard.

In relation to the 2010 budget, Carmel O'Connor is pursuing the relevant people with a view to holding a meeting on 17 November 2009. A representative from Financial Control Department (FCD) will be attending the meeting.

The Chairman advised members that he had written to the Secretary General of the Department of Finance's, David Doyle, in response to his suggestion that the Industry and Consumer Panels should establish a Joint Advisory Group on Corporate Governance Issues. He informed him that he would consult with the Chair of the Consumer Panel and seek his views on the matter. He will arrange this and revert.

Item 4: Review of Regulatory Structure

The Chairman reported to the Panel members that he had written to the Governor in relation to the Panel's involvement in the consultation process regarding regulatory reform. It is expected that real progress will await the new Head of Financial Supervision, Matthew Elderfield.

Item 5: Meeting with Tanaiste & Minister for Enterprise, Trade and Employment to discuss future potential of the financial services sector in Ireland

The Tanaiste & Minister for Enterprise, Trade & Employment invited the Chairman and a number of the other Panel members to a meeting to discuss the future potential of the financial services sector in Ireland. Mr. Kieran Donoghue, Head of International Financial Services Division in the IDA Ireland was also present at the meeting. The general consensus of the members who attended the meeting was that nothing concrete had emerged from the meeting. There appeared to be a mis-match between the Department of Finance's and the IDA's perception of desired activity for Financial Services in Ireland. The Panel agreed that it was important to get the message out to investors that Ireland is "open for business". It was agreed that the Chairman should write to the Minister for Finance pointing out that considerable ambiguity exists in relation to the type of financial services business that Ireland is now trying to attract. It is critical that the work reviewing the systemic risks associated with potential financial services activities in Ireland is finalised. It would be desirable that clarity be achieved before the Minister's reported forthcoming tour of the United States.

Rachel Panagiodis informed members of potential opportunities coming out of the Isle of Man and other British Dependencies as a result of the United Kingdom reducing its take of VAT. This has resulted in uncertainty in relation to establishing business in these dependencies and this may benefit Ireland because of its EU membership. Rachel Panagiodis agreed to email the Chairman setting out the potential opportunities for Ireland arising from this development. This would provide a concrete example of potential opportunities for Ireland Inc.

Gary Palmer circulated a note to members and briefed them in relation to a meeting that he and Brendan Kelly had with Department of Finance Representatives, William Beausang and John Moore on the European Commission's legislative proposals for new institutional arrangements on European financial Supervision i.e. European Systemic Risk Board (ESRB) and European System of Financial Supervisors. It was agreed that panel members should relay this information to Industry and encourage engagement with the Financial Regulator through the 3L3 groups.

Item 6: Schedule of Panel meetings for 2010

The schedule of Panel meetings for 2010 was agreed. Meetings will start at 2.30pm.

Item 7: Any Other Business

- Paul O'Connor circulated a table setting out a summary of the source of income of selected financial regulators.

The next meeting will be held on Thursday, 10 December in the Central Bank Tower Block

Actions arising from the 9th. FSCIP Meeting of the Consultative Industry Panel

| Action | Action By |
|---|-------------------|
| Draft letter to Financial Regulator re Solvency II | David Went |
| Email to Chairman setting out IFSC job opportunities | Rachel Panagiodis |
| Draft letter to Minister for Finance IFSC Opportunities | David Went |
| Arrange meeting with Chair of Consumer Panel re Joint Advisory Group on Corporate Governance Issues | David Went |

Participants at the 9th Meeting of the FSCIP held on Thursday, 5 November 2009

David Went - Chairman
Philip Brennan
Tony Culley
Kevin Johnson
Brian McNellis
Carmel O'Connor
Rachel Panagiodis
Sean Quirke

Lillian Fleming – Acting Secretary
Sean Casey
Sarah Goddard
Brendan Kelly
Paul O'Connor
Eimer O'Rourke
Gary Palmer
Robert Richardson

Prepared by: _____

Lillian Fleming - Acting Secretary

Signed by: _____

David Went – Chairman

Date: _____