

Financial Services Consultative Industry Panel

Chairman: James Deeny

c/o Irish Financial
Services Regulatory Authority
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Mr William Beausang
Assistant Secretary
Department of Finance
Government Buildings
Dublin 2

Re: Consolidation and Simplification of Financial Legislation – FSCIP Response to “Way Forward” document

Dear Mr Beausang,

The Panel has had an opportunity to consider the “Way Forward” document circulated by the Department of Finance and would like to comment on the contents. We would like to support the general thrust of the document. The regulatory objectives presented are clear and balanced and the case for modernisation and consolidation is compelling.

The Panel has defined functions as outlined in the CBFSAI No. 2 Act. I note that the paper indicates that clear differentiation needs to be provided between the proposed consultative arrangements and the Financial Regulator consultative panels. Given the proposed structure, and the specific functions of the Industry Panel, this does not seem to be particularly difficult to achieve. The Paper identifies that the Financial Regulator operates at Tier C level, therefore, one would assume, it will be Tier C issues that the Industry Panel will be consulted on.

I presume that the main point of concern in relation to overlap is with regard to Tier B level. Again, it is difficult to see why this would be an issue. The Financial Regulator does not currently consult with the Industry Panel prior to adopting a particular position in its interaction with the Department of Finance on such matters as the transposition of EU Directives. Given that the functions of the Industry Panel are, broadly speaking, “internally” focused on the activities of the Financial Regulator, this is as one would expect. However, it does underscore the requirement to have a well-resourced and appropriately structured consultative arrangement at Tier B level. The Panel would support the requirement detailed in the Paper to ensure that the consultative processes are adequately supported and resourced; given the increasing complexity and pace of financial regulation, this will be essential if the overall process is to work effectively.

Yours sincerely,

James Deeny