

# Financial Services Consultative Industry Panel

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George Treacy  
Head of Consumer Protection Codes  
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Dear George

The Financial Services Consultative Industry Panel would like to thank you for updating it by way of presentation on the proposed public response on CP10 and on the RIA.

In response to the presentation on the RIA, while noting the very limited timeframe available to the Financial Regulator in which to perform this exercise, the Panel is of the view that the exercise which was undertaken does not constitute a full RIA. We note that the Financial Regulator is open to working with the Panel on developing RIA methodology going forward.

In respect of the public response, the Panel is cognizant of the efforts made by the Financial Regulator to understand the views presented to it by a wide range of parties during the consultation process and to address these views where appropriate. We do not propose to comment here on the specific direction being taken, but to focus on what that Panel sees as critical points in finalizing the consumer protection code.

## **1. Final Text**

We note that the Financial Regulator has arrived at decisions in principle in respect of many items considered in the code. Clear, definitive text is essential to ensuring understanding of, and appropriate compliance with, the code. We would urge the Financial Regulator to continue bilateral discussions with relevant parties in arriving at the final text.

**2. Advice**

The concept of “advice” is one which is alluded to in CP10 and we understand will also be referred to in the imminent paper on Minimum Mandatory Competence. Equally the concept arises in MiFID and in the proposed CCD. It is vital that the Financial Regulator and industry alike have a common understanding of the concept, and the Panel is of the view that a joint industry/Financial Regulator workshop should be held in early course to facilitate this necessary discussion.

**3. Implementation Periods**

We note the assurances given that the Financial Regulator will discuss with interested parties the implementation programme for new provisions to take into account issues such as the time needed to train staff and adapt computer systems. The Panel is a little concerned that such assurances are promptly followed by statements of the Financial Regulator’s intention that this period be as short as possible. Truncated implementation periods can significantly raise the cost of implementation and can also increase the risk of poor quality compliance.

We trust these comments will be of assistance to the Financial Regulator, and would once more thank those who presented to the Panel on 17 November.

Yours sincerely

James Deeny  
Chairman  
Financial Services Consultative Industry Panel