

Credit Union Sector Stakeholder Dialogue Forum: **Terms of Reference**

Background

The Terms of Reference are guided by The Central Bank of Ireland's Feedback Statement on CP88 - Consultation on Regulations for Credit Unions on commencement of the remaining sections of the 2012 Act, July '15 stated "In relation to development of the business model, we intend to invite interested parties in the credit union sector to participate in focused dialogue in the coming months with a view to gaining a better understanding of how credit unions want to develop their business model. Having considered credit union proposals on business model development, we will identify whether any changes are required to the regulatory framework to facilitate prudent development.

Purpose

This forum is committed to supporting the wellbeing of credit unions through the evolution of a vibrant, sustainable and competitive sector. This will be achieved through dialogue and the collaboration of like-minded stakeholders by achieving practical outcomes that matter.

Intentions

The Forum will engage in open dialogue with a view to:

- Gaining a better understanding of how credit unions want to develop their business model
- Providing credit unions with a clear understanding of the process and requirements for gaining regulatory approval for any change to their business model. This will include the content required of each element for obtaining approval for new or enhanced services. At a basic level this should include both the nature of content and the quality standard of those individual elements.
- Having considered credit union input proposing business model development, CBI will identify whether any changes are required to the regulatory framework to facilitate prudent development.¹
- Listening to views on both the current sectoral challenges and the services credit unions wish to develop.
- Regulator and regulated cooperating in problem or issue analysis, taking account of our respective mandates with the aim of finding ways for enhancing the development of credit union strategy and business model evolution
- Developing a shared understanding of the priorities to deal with the challenges facing us all.

¹ Page 41 of the Central Bank of Ireland's Feedback Statement on CP88 - Consultation on Regulations for Credit Unions on commencement of the remaining sections of the 2012 Act, July 2015.

Operating Principles

1. The concept of 'equal voices' is important to ensure all parties are heard and listened to;
2. The forum will identify and agree appropriate initiatives to include on its agenda of work, similarly it will agree any initiatives that will be added or ceased.
3. The role of Chair will be provided on an impartial basis by the Registry of Credit Unions;
4. Meetings to be conducted in accordance with the agreed 'standing orders' with the group jointly agreeing both the meeting agenda and the process through which the forum operates;
5. Where issues are identified, there should be a joint understanding and acceptance of the issues and where ideas are identified that are deemed to have the ability to address those issues, the forum should draw them out and work constructively to drive them out, and make appropriate submissions to the Registrar of Credit Unions;
6. Where a separate initiative (or grouping) to the forum is dealing with an issue, this forum should not seek to duplicate that work;
7. The terms of reference will be reviewed as part of the semi-annual review [see below] and any proposals for amendment will be put before the Registrar of Credit Unions.

Influencing Sectoral Development

This forum should seek to influence sectoral development. This may include:

- Synthesizing collaborative thinking around key issues;
- The formulation of positioning papers to the Registrar of Credit Unions;
- The creation of smaller groups (or sub-groups) that comprise expertise and the key stakeholders to work on certain areas (such as best practice and/or minimum standards around particular areas).

Workgroups

The Forum will be a Plenary Group but may assign 'ideas' and/or 'areas for exploration' to sub-groups or workgroups who will report back with their findings.

Other areas

Membership: The composition of the group will be kept under review. Where issues are identified that may impact specific 'groups' (such as smaller credit unions) that are currently less well represented at the forum, the forum will have the ability to co-opt individuals onto either the forum itself or onto one (or more) of the sub-groups where a particular issue is being reviewed.

Frequency of meetings: It is the intention of the Forum to meet as often as required, but at a minimum every 2 months.

Location and timing of meetings: Meetings should be held at a location and at times that take cognisance of the travelling logistics of participants (e.g. People travelling long distances) and should be of sufficient length to make the time commitment worthwhile.

Timeframe: The Forum should sit for a period of (say) 2 years. Progress should be reviewed on a semi-annual basis. This will be completed by the group.

Communication: The semi-annual review will produce a high-level report summarising activity. This will be provided to the Registrar of Credit Unions who in turn can utilise it for inclusion in 'Credit Union News'.