

TERMS OF REFERENCE
OF
THE MACRO-PRUDENTIAL MEASURES COMMITTEE

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| ESTABLISHMENT | The Macro-prudential Measures Committee (MMC) was established by the Governor in September 2016. |
| PURPOSE | The MMC advises on the regular reviews of national macro-prudential measures and makes recommendations about revisions to these rules. |
| SCOPE & OBJECTIVES | <p>Several macro-prudential measures have been activated via the banking system. These include: borrower-based measures (BBMs) such as mortgage rules; the counter-cyclical capital buffer (CCyB); other systemically important institution (O-SII) buffer; and reciprocation of macro-prudential policies of other EU Member States.</p> <p>The MMC will be supported by the Macro-Financial Division (MFD), which will coordinate any work programmes specified by the MMC.</p> <p>In line with legislation and the current delegations, decision making will remain with the relevant entities (the Commission for mortgage rules; the Governor for the CCyB and the O-SII buffers). Draft recommendations of the MMC will be tabled for discussion at the Financial Stability Committee (FSC) before finalisation where possible. There may be situations where the tight deadlines required by the ECB notification process means that this is not possible and in these circumstances, MMC issues will be dealt with by written procedure by the FSC.</p> <p>The scope of the MMC may evolve in line with shifts in the nature of macro-prudential interventions in the Irish financial system.</p> |
| MEETINGS | <p>It is envisaged that the MMC will meet twice a quarter, or more regularly or less frequently at its discretion and in line with the work programme, given the importance of reviewing the CCyB on a quarterly basis and the calendar for the annual reviews of BBMs and the O-SII framework.</p> <p>A record of proceedings will be prepared for every meeting of the Committee. An account of the meetings of the MMC will be published, on the Central Bank website, taking into account any statutory or internal constraints around publication of discussions or decisions.</p> |

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| MEMBERSHIP | <p>The membership of the MMC consists of:</p> <ol style="list-style-type: none"> 1. The Governor; 2. The Deputy Governor (Central Banking); 3. The Deputy Governor (Prudential Regulation); 4. The Director of Financial Stability; 5. The Director of Economics & Statistics; 6. The Director of Credit Institutions Supervision; and 7. The Head of MFD as Secretary. <p>Membership of the MMC may evolve in line with shifts in the nature of macro-prudential interventions in the Irish financial system.</p> |
| ATTENDANCE AT MEETINGS | <p>Member attendance is required unless prohibited by business travel or any other unavoidable absence such as illness. The quorum for a meeting of the MMC to proceed is the presence of at least three members.</p> <p>The Committee may expand participation at its meetings in relation to papers under discussion. The number of observers is to be kept to a minimum.</p> |
| CHAIR | <p>The Committee is chaired by the Governor. The Alternate Chair is the Deputy Governor (Central Banking).</p> |
| OTHER PARTICIPANTS | <p>The Chair may invite other staff members and external experts to attend meetings as required.</p> |
| OPERATING PROCEDURES | <p>Forward agenda items are required to be notified by members in advance of meetings. On receipt of same by the MMC Secretariat (mmcsecretariat@centralbank.ie), items are incorporated onto the forward agenda. In order to allow sufficient time for MMC members to prepare for meetings, papers must be submitted to mmcsecretariat@centralbank.ie by the deadline specified on the forward agenda. Exceptionally, papers may be finalised outside of meetings by written procedure. Retention of records and papers for each meeting are managed by the Secretariat.</p> <p>The Terms of Reference will be reviewed on an annual basis or more frequently if required. The General Secretariat Division will be notified of revisions to the Terms of Reference.</p> |

Date for next review: July 2019