

Allianz plc consultation response re CP 106 Minimum Competency Code 2011.

Please see the Allianz plc response below to questions 1- 4 as applicable to Personal and Commercial General Insurance.

Q 1: Do you agree that persons carrying out a relevant function in respect of *any* retail financial product that falls within the scope of the MCC should obtain a minimum level of experience prior to working without supervision? Please outline the reasons for your view.

Yes we agree with the minimum level of experience proposal as experience is a key benefit when persons are advising on, arranging or offering to arrange Personal and Commercial General Insurance products.

However we would appreciate some clarification on this requirement and would like to confirm that the six month experience can be completed as part of the overall new entrant plan.

We would also appreciate confirmation in relation to the following paragraph on page 8: ‘This would mean that persons would be required to obtain both a qualification and at least six months’ experience in respect of the retail financial product to which the function to be exercised relates (or be working as a new entrant under supervision for a maximum period of four years). The Central Bank proposes to apply the full new entrant requirements of the existing MCC in this case.’ It is not appropriate that a qualified person would have to undertake the full new entrant requirements, and this final sentence should be amended to note a six months experience requirement.

Q2: If you agree with 1) above, do you consider a minimum six-month period to be sufficient? Or should the length of experience depend on the role(s) being carried out, the complexity of the product or a qualification already held by a person? Please outline the reasons for your view.

Yes we agree that six months supervision is sufficient. Six months is an appropriate period of time to train, coach and supervise persons to a high professional standard and also provides adequate time for a comprehensive review to ensure expected standards are being achieved.

Q3: Do you agree with the proposal on how the experience requirement should be evidenced, i.e., that a regulated firm should sign a ‘certificate of experience’ and retain supporting documentation to support the certificate? Please outline your views.

Yes we agree that a ‘certificate of experience’ should be signed by a regulated firm to confirm the relevance and level of each person’s experience. The ‘certificate of experience’ could be similar to the Fitness and Probity confirmation and the regulated firm should retain supporting documentation and present this to the Central Bank of Ireland on request.

Q4: Do you agree with the proposal set out above? Please set out the reasons for your view.

In relation to the development and design of retail financial products, the CBI needs to provide clarification on who is required to have a relevant qualification. Please clarify if this is the person who designed the new product or who has final approval on this developed product. Please also clarify if this proposal would include a qualified person who is a member of a design project team.

Finally, we would also suggest that given the recent CBI paper on ‘Cross Industry Guidance in respect of Information Technology and Cybersecurity Risks’ issued in September 2016, that the MCC knowledge category: ‘Legislation, regulation and compliance’ should include: ‘to describe the risks associated with IT and cybersecurity and how this applies to regulated firms’.

Also, Section 1.6 d) should be re-worded as follows: ‘The person must refer requests for information **or** advice that are outside the specific content of the script to a person who meets the standards set out in Section 1.3(a) for that function’, in order to be consistent with other regulatory rules.

Similarly the draft Statutory Instrument should be re-worded to: ‘9(5) The assessment referred to in paragraph (3) shall be documented and take the following into account:

(b) the quality of the **information** and services provided by the new entrant to consumers’.