

# Financial Services Consultative Industry Panel

Chairman: James Deeny

c/o Irish Financial Services Regulatory Authority  
PO Box No 9138  
College Green  
Dublin 2

Mr Pat Neary,  
Chief Executive,  
Financial Regulator  
Dublin 2

10<sup>th</sup> July 2008

## **Re: Financial Services Consultative Industry Panel's Comments on CP32- - Voluntary Consumer Protection Code For Credit Unions (In respect of their core services)**

Dear Pat,

The FSCIP welcomes the opportunity to comment on the proposed voluntary consumer protection code for Credit Unions in respect of their core services.

Mindful of the fact that the consultation paper has been responded to in detail by various industry representative bodies and other stakeholders we do not propose to comment in any detail regarding the specific content of the proposed code other than to note that with some minor exceptions its language and approach is very much mirrored on the existing Statutory Consumer Protection Code.

The Panel understands that there is no legal basis for the imposition of a Statutory Consumer Protection Code with respect to the core services of Credit Unions. However, the Panel has concerns from a better regulation perspective as to the appropriateness of introducing a voluntary code. It is the Panel's view that such a voluntary code is likely to make regulation less clear and effective both from a Regulator's perspective and from a Credit Union / member perspective.

The Panel are aware that further discussions are planned between the Financial Regulator and the Credit Union sector in particular regarding concerns they have raised regarding the approach being taken in this instance and the wider issue of introducing a voluntary code in advance of a general review of Credit Union legislation. We are also mindful that the provisions of this voluntary code will only come into effect on a date to be agreed between by the Financial Regulator with the Credit Union Movement.

Yours sincerely,

James Deeny