



### Discussion Summary

23 February 2023

In attendance:

**Members:**

- Association of Irish Mortgage Advisors
- Banking and Payments Federation Ireland
- Federation of International Banks in Ireland
- Fintech and Payments Association of Ireland
- Brokers Ireland
- Credit Union Development Association
- Electronic Money Association
- Financial Services Ireland
- Insurance Ireland
- Irish Funds
- Irish MiFiD Industry Association
- Irish League of Credit Unions
- Irish Association of Investment Managers

**Central Bank:**

- Derville Rowland (Deputy Governor, Consumer and Investor Protection) – Chair
- Gerry Cross (Director of Financial Regulation – Policy & Risk)
- Mary-Elizabeth McMunn (Director of Credit Institutions Supervision)
- Domhnall Cullinan (Director of Insurance Supervision)
- Colm Kincaid (Director of Consumer Protection)

### 1. Introduction by Chair and Terms of Reference

Derville Rowland (Chair) opened the meeting of the Financial Industry Forum Domestic Sub-Group (Sub-Group) and welcomed all attendees. She introduced the Financial Industry Forum (the Forum) and highlighted that its remit extends to discussion of cross-sectoral issues of strategic importance to the financial system. At the last meeting of the Forum (23 October 2022) it was agreed to establish three Sub-Groups to create space for the discussion of cross-sectoral issues which are more specific in nature than those discussed at the main Forum. These Sub-Groups would cover the following areas:

- Domestic
- International
- Innovation



The Chair noted that the Domestic Sub-Group will focus on the regulatory framework, implementation of policy and emerging trends (and the associated opportunities and threats) relevant to firms servicing domestic markets. She outlined that while the agenda could include a range of items, it would be driven by issues emerging across the financial system. She highlighted that the Sub-Group should identify three or four substantial strategic issues, which could be discussed in detail in meetings over the next twelve months. In this regard, she suggested members meet separately to the two meetings organised by the Central Bank to discuss areas they wished to focus on. One member agreed to convene a meeting of members prior to the next meeting in October.

The Chair invited members to introduce themselves and speak about their vision for the Sub-Group. Members welcomed the engagement opportunity and acknowledged that dialogue between industry and the Central Bank is key to navigating issues. Topics of interest for members included digitalisation (versus cash), competition, financial literacy, interaction with consumers, trust, data requests, the Retail Banking Review, Anti-Money Laundering, the Consumer Protection Code Review and the Individual Accountability Framework.

The Chair thanked members and noted their topics for consideration. She concluded by stating that she is looking forward to working with members on a broad range of cross-sectoral strategic issues over the course of the next year.

The Terms of Reference for the Sub-Group had been circulated in advance of the meeting and were agreed by the members.

## 2. Regulation and Supervision Priorities

The Chair opened this session by acknowledging that the financial sector is experiencing a period of rapid change. She noted some of the challenges facing the industry. She then invited three Directors from the Central Bank to outline the Central Bank's regulatory priorities in the context of the opportunities and challenges facing the domestic market, focusing on the following areas:

- Gatekeeping
- Financial resilience
- Capital and Liquidity
- Operational Resilience
- Governance and risk management
- Consumer Outlook Report
- Rising Cost of Living
- Credit/Arrears
- Changing economic landscape
- Central Bank Strategy
- Consumer Protection Code review
- Retail Banking Review
- Individual Accountability Framework



Members were invited to share their perspectives on challenges and opportunities facing the industry sectors. They referenced developments relating to the Individual Accountability Framework, the Retail Banking Review and outcome of the Consumer Protection Code review. They noted the impact of timelines for implementation of regulatory initiatives. Members also discussed financial literacy/financial education and agreed that simplified consumer communications would lead to better financial literacy. Other areas of interest for industry included: competition, operation resilience, cash, maintaining sustainable organisations, data collection and reporting, consumer choice, digitalisation and challenges where a number of regulatory/government authorities are involved in products.

One suggestion from members, which the Central Bank agreed to do, was to produce a map of topics for the Financial Industry Forum and Sub-Groups, which will provide greater clarity to members.

## 2. Future Agenda items

Following a discussion, the Chair summarised a number of potential areas of focus:

- Individual Accountability Framework
- The Consumer Protection Code Review
- The Retail Banking Review
- Access and choice in relation to financial products and services
- Streamlining of data requests
- Operational resilience
- Digitalisation
- Policy implementation

She noted that sustainability and cash are dealt with through other Central Bank fora, while financial education is not within the Central Bank's mandate.

## 6. Closing remarks

The Chair thanked the members for attending and for providing a rich and valuable discussion. She thanked the member who had agreed to convene a meeting of members to further discuss topics for consideration. The following actions were noted:

- A summary of the meeting will be circulated to members and published on the Central Bank's website;
- A map of topics for the Financial Industry Forum and sub-groups will be circulated in due course;
- Members to convene separately to further refine priority issues for discussion at the next meeting in October.

The meeting ended.