



Minutes of the IFS2020 Joint Committee Meeting

09.00am, 20 June 2016

Room 308, Government Buildings, Department of the Taoiseach

Attendance

Public Sector High Level Implementation Committee (HLIC): Minister of State Eoghan Murphy (Chair); Ann Nolan (D/Fin); Niall Burgess (D/FAT); John Murphy (D/JEI); Martin Shanahan (IDA); David Moloney (D/PER, for Robert Watt); Kevin Sherry (Enterprise Ireland, for Julie Sinnamon).

IFS Industry Advisory Committee (IAC): Carin Bryans (J.P. Morgan); David Dalton (Deloitte); Susan Dargan (State Street); Liam Foley (Interaction); Geraldine Gibson (AQ Metrics); Colm Lyon (Fire Financial Services); Michael Mainelli (International Member); Patrick Manley (Zurich); Barry O'Dwyer (Blackrock).

HLIC Secretariat: Karen Cullen (D/FIN). **IAC Secretariat:** Pat Lardner (Irish Funds).

In attendance: Gareth Murphy, James O'Sullivan (Central Bank); Susan O'Reilly, Patrick Rooney (D/Finance); Maria Ginnity, Criona Brassill (D/JEI); Cathal O'Regan, John Golden, Emma Sambrooks (D/Taoiseach); Jonathan Conlon (D/FAT); Joanne Tobin (D/ES); Leo McAdams, Giles O'Neill (Enterprise Ireland); Kieran Donoghue, Justin Sullivan (IDA); Richard Troy (Private Secretary to Minister Harris).

Apologies: Martin Fraser (D/Taoiseach); Robert Watt (D/PER); Julie Sinnamon (Enterprise Ireland); Brian Daly (KPMG); Peter Keegan (BAML); John Higgins (Avolon).

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Opening Remarks

Opening his first meeting as Chair of the IFS2020 Joint Committee, Minister Murphy outlined that his objective as Minister of State for Financial Services is to build on the excellent progress to date with the IFS2020 Strategy. His priorities for the coming period include accelerating the roll-out of the IFS Ireland Banner Brand, including at key promotional events domestically and in overseas markets, and the hosting of the second European Financial Forum in January 2017.

The Minister welcomed Pat Lardner to his first meeting as incoming Secretariat to the IAC, and acknowledged the contribution of Marc Coleman as outgoing Secretariat. The Minister thanked Mr. Lardner for facilitating recent introductory meetings with industry representative groups, and noted that ongoing stakeholder engagement will be important in terms of developing a new Action Plan for 2017.

The Minister informed the Joint Committee that Department of Finance officials will be supporting him in his IFS role going forward, including as Secretariat to the Public Sector Co-ordination Group (PSCG), the HLIC and the Joint Committee, and thanked the Department of the Taoiseach for their support.

Item 1: Q2 2016 Progress Report

The Committee considered the draft Progress Report for Q2 2016. Minister Murphy observed that while the Report highlighted good progress in most areas, three measures are delayed. He indicated that, following discussion with the Public Sector HLIC, he was satisfied that all three measures will be back on track for Q3. The Minister requested that any comments on the draft Report be provided



to John Golden by Wednesday 22 June at the latest, with a view to bringing it to Government for noting as soon as possible thereafter.

K. Sherry (EI) and M. Shanahan (IDA) both reported that their agencies were seeing good progress in terms of job creation in their respective IFS portfolios, with IDA indicating that, based on progress to date this year, the overall rate of job creation in 2016 is on track to match that seen in 2015. Enterprise Ireland also updated the Committee on the FinTech Competitive Start-up Fund, highlighting that applicants are scheduled to make their pitches on 25 July.

Progress with the development of FinTech and Payment strategies was considered. The Minister acknowledged the significant work already undertaken by industry and the public sector. Given the scope and complexity of the task, as well as the significant number of stakeholders involved, the finalisation of both strategies has been delayed. The Minister was assured by Enterprise Ireland that both will be back on track for delivery in Q3. Colm Lyon briefed the Committee on progress by the Payments Working Group, highlighted the key issues identified by the Group, and called for a coordinated approach by the public sector as the work progressed. Gareth Murphy commented that any consideration of who might lead a competition mandate for IFS should be done in a careful and thorough manner, as there were divergent perspectives on the matter. The importance of buy-in from all stakeholders, both public sector and Industry, was emphasised. The Department of Finance indicated that it will coordinate the development of the strategies going forward.

Item 2: Communications, promotion and marketing

An update note from IDA was circulated prior to the meeting. The Minister noted his intention to prioritise the promotion and marketing of Ireland's IFS sector under the IFS Ireland banner brand, included at key events such as the upcoming American football game in Dublin and his anticipated visit to Asia in September. A public sector Communications Sub-Group will be established forthwith, to drive forward promotion and marketing efforts.

Item 3: European Financial Forum (EFF)

An update note from IDA was circulated prior to the meeting. Briefing the Committee, M. Shanahan indicated that the success of EFF2017 will depend on attracting appropriate high level international speakers and delegates, and invited Industry members to: i) communicate the date of EFF 2017 (24 January 2017) to appropriate senior international contacts, ii) revert to the IDA with any suggestions for potential speakers, and to ensure all potential speakers are approached in a co-ordinated manner, iii) to liaise with IDA regarding any suggestions for themes/topics; iv) ensure a co-ordinated approach to promotion, and advise the public sector side of any additional events being organised around the EFF.

IDA indicated that it anticipates that EFF2017 will have a greater focus on Asian financial markets. Noting the Minister's anticipated visit to Asia in September to promote financial services in Ireland, it is hoped to have themes, topics and keynote speakers finalised in advance of his engagements. P Lardner noted the Industry secretariat would liaise with industry representative bodies to promote the event and suggestion of bringing all foreign dignitaries to event in Iveagh house.

Item 4: Ireland's IFS sector – an international perspective

From his vantage point as the International member on the IAC, Michael Mainelli offered his reflections on the international financial services sector in Ireland. Mr. Mainelli has been impressed with Ireland's focus on and progress with developing the IFS sector, through the IFS2020 strategic framework. He highlighted Ireland's strong progress in recent iterations of the Global Financial



Centres Index – outlining Ireland’s positive scores in many areas including wholesale financial services and human capital. Echoing Minister Murphy’s earlier comments about the need to prioritise and accelerate efforts to promote Ireland’s reputation and image internationally, Mr. Mainelli emphasised the importance of maximising the potential of the IFS Ireland Banner Brand. Mr. Mainelli provided the Committee with an update on the trends within the international financial services sector and the opportunities for Ireland in that context. Reflecting on the focus of competitor jurisdictions, Mr. Mainelli highlighted the advantages for a small country like Ireland to focus on particular niches. Referencing the UK Referendum on EU membership, Mr. Mainelli noted the central role Ireland can play within an EU reform agenda.

Item 5: UK Referendum on EU membership

During a brief discussion about the referendum in the UK, D/Fin, D/FAT, EI and IDA outlined to the Joint Committee that significant work has been undertaken to respond to all eventualities arising from the referendum outcome. The Central Bank added that it has developed contingency plans. Counterparts elsewhere in Europe have also undertaken significant work. The Committee agreed that, irrespective of the result of the referendum, significant challenges will exist for both the public and private sector. Industry indicated its availability and willingness to support the public sector in its response. M. Mainelli observed that the Taoiseach and the Irish Government had made an important and well-judged input to the referendum debate in the UK. Minister Murphy noted that the Joint Committee would have the opportunity to engage in a more detailed discussion at the appropriate time, if the need arises.

Item 6: AOB

Working Groups: A short update note had been circulated to members in relation to two new working groups on International Banking and International Insurance, with Minister Murphy noting that both groups will have an opportunity to feed into the development of the 2017 Action Plan. Proposals for further working groups, including an Aviation Finance and Leasing Working Group, would require further consideration.

Minister Murphy is scheduled to address the second Education and Skills Liaison Forum on 29 June. An invitation has been sent to Joint Committee members to attend.

The Minister advised that, given the importance of the education and skills agenda to the IFS sector, the Secretary General from the Department of Education & Skills has been invited to participate in the High Level Implementation Committee.

China: A. Nolan outlined progress in relation to China, with ongoing engagement with stakeholders. In addition, the Department of Finance will be represented in an observer capacity at the upcoming first annual meeting of the Asian Infrastructure Investment Bank.

Limited Partnership Legislation: A. Nolan updated the Joint Committee on progress. D/Finance anticipates that significant further progress can be made in the coming weeks and that draft Heads of Bill and a Regulatory Impact Statement can be sent to Government by end Q3, subject to other priority legislation and the movement of legislation within the new legislative process.



Next meeting: The next meeting of the Joint Committee will be on Monday 19 September at 9am in Government Buildings. Officials will engage with the IAC secretariat to consider the optimum timing of future meetings, including Q4 2016.