

Principals' Group Meeting, 5 September, 2016

Account¹

Attendance:

Department of Finance	Central Bank	NTMA
Ann Nolan	Philip Lane	Conor O'Kelly
John Hogan	Cyril Roux	
Des Carville	Sharon Donnery	
Antoine Mac Donncha (Sec)		

1. Account of previous meeting and matters arising.

Account was agreed with some amendments. Redacted minutes of the group will be published three months in arrears.

2. Update from Department of Finance –Financial Services Division - Banking update

AIB:

AIB returned €1.6billion plus interest to the exchequer at the end of July from redemption of CoCos.

BOI:

The hold Co solution - important that a level playing field is maintained.

PTSB:

Correspondence was issued to DG Comp in respect of the CHL sale commitment.

¹ These accounts are published as a record of the meeting. The Financial Stability Group may decide to omit information from the published record that is legally or commercially confidential, where it contains confidential supervisory information, relates to matters under deliberation or where it is in the public interest to do so.

3. CBI update

CBI engagement with DPC on the consumer credit register has successfully concluded.

Consultation on review of macro-prudential measures has now closed, over 50 submissions were received. DoF thanked the team in CBI who provided helpful information.

A Macro-prudential advisory committee has been established by the CBI. The agenda of meetings will be disclosed and six weeks after each meeting a record of the meeting will be released.

Macro-Prudential measures will be considered in a meeting of the Commission at the end of November and any decision on changes will be made then.

A third party report has been received in respect of a credit union. Allegations of fraud in respect of a particular credit union have surfaced in the media.

4. NTMA update

Markets are stable, volumes are light, NTMA has not issued since May. A €1 billion 10 year bond will issue on Thursday.

5. EBA Stress tests

The reaction to the stress test results was negative.

Results have given rise to negative perceptions in the market.

Banks will need to decide on a case by case basis whether Supervisory Review and Evaluation Process (SREP) number needs to be announced, will depend on whether it is market sensitive information.

6. Future structure of the Principal's group.

It was proposed that terms of reference be agreed over the coming meetings.

7. AOB

Sharon Donnery is chairing NPL task force, guidance will be published in coming weeks.

The guidance will not focus on any individual banks.