

Executive Board Minutes Meeting 18th Jan 2016

Attendance: Derek Moran (Chair), Ann Nolan Nicholas O'Brien, John McCarthy, Aidan Carrigan, John Hogan, Des Carville, Gary Tobin, Paul Ryan, Niall O'Ceallaigh, Derek Tierney (Secretary)

Apologies: Neil Ryan, Paul Bolger, David Byrne.

1. Minutes of previous meeting and matters arising

In addition to the Communications diary, the following was discussed. The planning of the forthcoming Management Review Day will be discussed at the Senior Management Review meeting. The Secretary General will schedule Business Plan meetings to take place before the end of January with every Assistant Secretary/Director. Members will attend the European Finance Forum scheduled for 27th January that is being coordinated by IDA as one of the IFS initiatives.

Memoranda for Government were discussed and pending memoranda were noted. The minutes of the previous Executive Board 4th January were agreed. Progress on action points were noted.

2. Dashboard Summary including discussion on:

2.1 EU/International Developments

Members discussed current EU and international developments. Turning to domestic external reviews, members also noted that dates for the next PPS and PPM/Article IV reviews are tentatively agreed. Members noted recent reorganisations of Directorates-General at the European Commission.

2.2. Insurance Update

The Taoiseach and other members of the Government met the insurance industry on 12th January to discuss the industry's role in providing flood insurance and to obtain the industry's views on flood insurance issues. The Taoiseach has asked the insurance industry to revert back within two weeks following further consideration of their approach to the provision of insurance in areas where demountable defences are in place, along with details on the availability of insurance in areas with flood defences. The Department is undertaking detailed research on alternative options for flood insurance building on a comparative analysis of the different approaches to flood insurance in other countries.

The Department has also embarked on a review of policy in the insurance sector generally which is being undertaken in consultation with the Central Bank and other Departments and Agencies. The objective of the Review is to identify factors contributing to the rising cost of insurance and to recommend measures to improve the functioning and regulation of the insurance sector. The Review is being conducted on a phased basis with the first phase reviewing issues in the motor insurance sector, working closely with the Department of Transport, Tourism and Sport. This work will continue over the coming months and will involve engagement with a number of parties, both public and private.

The Department of Finance and Department of Transport, Tourism and Sport are also examining the relative roles of the ICF and the MIBI and with a view to recommendations to Government,

taking on board the outcome of the MIBI appeal (of the September 2015 High Court decision) which is expected before mid-March.

2.4 SBCI Update

The Government created the Strategic Banking Corporation of Ireland (SBCI) with the aim of increasing the provision of finance to Irish SMEs and to provide such finance at a lower cost and on more flexible terms than were available in recent times on the market. The SBCI was initially funded by KfW, EIB and ISIF and it began lending through AIB and Bank of Ireland as launch on lending partners. During 2015 the SBCI signed additional agreements with both bank and non-bank finance providers and it is currently in discussions with further potential on lenders with announcements expected in H1 2016. Following the latest announcement of a €75 M with Ulster Bank the SBCI has now committed a total of €751 M out of its initial funding facilities of €800 M. The SBCI forecasts annual net new lending in the region of €400 M per annum over the next three years.

In 2016 the SBCI intend to launch pilot export finance products for Irish exporters. It is also expected that the SBCI and the Minister for JEI will enter into a Counter Guarantee Scheme to leverage EU funding available from EFSI, Cosme & Innofin and provide risk sharing products to the Irish Market. This is dependent on the passage of the Credit Guarantee (Amendment) Bill. The final stage is due in the Seanad on February 2nd. The SBCI is also in the early stages of working with the Credit Union Movement to utilise their funding and distribution channel. This Department is facilitating a discussion with the Registrar of Credit Unions about how this can be advanced. The Department has been engaging with SBCI in the preparation of a future strategy.

3. Key Milestones Look-Ahead

Key Milestones for 2016 will be developed in conjunction with completion of Business Plans before the end of January.

4. AOB

Members noted that General Election Manifesto costing requests from Political Parties have been received and all responses will be issued by the end of the week.

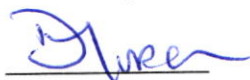
A summary of the Travel Claim process by FMU is developed for issue and briefing across the Department. The Electrical and Fire Safety Upgrade works in the South Block of Government Buildings, shared by the Department of Finance and the Department of Public Expenditure and Reform is progressing well. The third floor wing will be re-occupied with works progressing on the second floor over the coming months.

Members noted the progress in relation to internal process underway in relation to Assistant principal Officer, Principal Officer and Attaché posts. HR updated members on work underway to document the Departments Corporate Social Responsibility strategy.

5. Corporate

1. Senior Management Review Day 11th and 12th February

Members discussed arrangements underway in relation to the upcoming Senior Management Review Day.



Derek Moran
Secretary General