



# **SEANAD ÉIREANN**

---

## **AN BILLE UM ATHCHÓIRIÚ AN BHAINC CEANNAIS 2010 CENTRAL BANK REFORM BILL 2010**

### **LEASUITHE COISTE COMMITTEE AMENDMENTS**

---

**[It is proposed to take all stages of this Bill today. Accordingly, this numbered list of amendments is circulated in advance of the conclusion of Second Stage. 06-07-10]**



# SEANAD ÉIREANN

---

## AN BILLE UM ATHCHÓIRIÚ AN BHAINC CEANNAIS 2010 —AN COISTE

### CENTRAL BANK REFORM BILL 2010 —COMMITTEE STAGE

---

*Leasuithe  
Amendments*

---

#### SECTION 4

1. In page 10, before section 4, but in Part 1, to insert the following new section:

“4.—On the cessation date, the Freedom of Information Act 1997 is amended by inserting—

- (a) in paragraph 1(2) of the First Schedule, “the Central Bank of Ireland,” and
- (b) in Part I of the Third Schedule at the end thereof—
  - (i) in column (2), “Central Bank Acts 1942 to 2010”, and
  - (ii) in column (3), “any provision” opposite the mention in column (2) of the Consumer Protection Act 2007.”.

—*Senators Alex White, Michael McCarthy, Brendan Ryan, Phil Prendergast, Ivana Bacik, Dominic Hannigan.*

2. In page 10, before section 4, but in Part 2, to insert the following:

“Report on Recommendations of the Statutory Commission of Investigation on the Banking system.

4.—The Governor of the Central Bank and the Head of Financial Regulation shall present to the Houses of the Oireachtas an appraisal of the Recommendations of the Statutory Commission of Investigation on the Banking system within 3 months of such Commission completing its work.”.

—*Senator Liam Twomey.*

#### SECTION 5

3. In page 10, line 43, after “Bank” to insert the following:

“save as is deemed necessary to secure the more effective oversight of the financial sector”.

—*Senator Liam Twomey.*

#### SECTION 6

4. In page 12, between lines 1 and 2, to insert the following:

“(9) Within one year of the enactment of this Act, and each year thereafter, the Agency shall publish an assessment of the performance of the Commission in protecting consumer interests through its regulations, orders, codes of practice and other activities.”.

—*Senator Liam Twomey.*

[ SECTION 14 ]

SECTION 14

5. In page 13, before section 14, to insert the following new section:

“Consultative Panel. 14.—(1) The Bank shall establish and maintain a consultative panel to be called the Credit Unions Consultative Panel (in this section referred to as “the Panel”).

(2) As soon as practicable after establishing the Panel, the Bank shall publish in *Iris Oifigiúil* a notice to the effect that the Panel has been established and the date on which the establishment took effect.

(3) The Panel is to consist of not fewer than 5, and not more than 20, members.

(4) The members of the Panel are to be appointed by the Minister for Finance after consulting those organisations that, in the opinion of the Minister for Finance, represent the interests of—

(a) credit unions, and

(b) credit union members.

(5) In appointing persons as members to the Panel, the Minister shall ensure as far as possible that those persons have knowledge or experience of or as consumers of services provided by credit unions.

(6) A person is not eligible to be appointed as a member of the Panel if the person

—  
(a) is a member of either House of the Oireachtas or is, with the person’s consent, nominated as a candidate for election as such a member, or

(b) is a member of the European Parliament or is, with the person’s consent, nominated as a candidate for election as such a member or to fill a vacancy in the membership of that Parliament, or

(c) is a member of a local authority or is, with the person’s consent, nominated as a candidate for election as such a member.

(7) A member of the Panel holds office for such period, not exceeding 5 years, as is specified in the member's document of appointment, unless the member ceases to hold office.

(8) A member is eligible for reappointment at the end of a period of office.

(9) The Minister shall appoint one of the members of the Panel to be chairperson of the Panel.

(10) The functions of the Panel are as follows:

(a) to monitor the performance by the Bank of its functions and responsibilities in relation to credit unions;

(b) to provide the Bank with comments with respect to the performance of its functions and responsibilities in relation to credit unions;

(c) to provide the Bank with comments and suggestions with respect to the performance of credit unions;

[ SECTION 14 ]

- (d) to provide the Bank with suggestions for initiatives that, in the Panel's opinion, the Bank should take with respect to the performance of its functions and responsibilities in relation to credit unions;
- (e) to provide the Bank with comments on the impact that the conditions and restrictions imposed by the Bank on credit unions have on the competitiveness of credit unions;
- (f) to provide the Bank with comments with respect to changing trends within credit unions that have implications for the functions and responsibilities of the Bank;
- (g) when the Bank so requests, to comment on a policy document or regulatory document, or a proposed policy document or proposed regulatory document, prepared by the Bank in relation to credit unions.

(11) The Bank shall provide the Panel with such administrative services (including technical and legal advice), and such funds, as the Bank believes are necessary to enable the Panel to perform its functions.

(12) The Bank shall arrange for an officer or employee of the Bank nominated by it to attend a meeting of the Panel whenever the chairperson of the Panel asks the Bank to do so.

(13) Within 3 months after the end of each financial year, or within such extended period as the Bank allows, the Panel shall prepare an annual report that provides details of its activities during that year.

(14) The Bank shall arrange for publication of the annual report of the Panel.

(15) The Bank shall also arrange for publication of—

- (a) comments made by the Panel to the Bank in accordance with this section, and
- (b) any statement of reasons given by the Bank in response to any such comments, and
- (c) reports of meetings of the Panel, and
- (d) any other report produced or commissioned by the Panel, and
- (e) the rules of procedure of the Panel.

(16) Before making or issuing a policy document or a regulatory document in relation to or affecting credit unions, the Bank shall consult the Panel, unless the Bank believes that the document must be made or issued without delay. In that case, the Bank shall consult the Panel as soon as possible after the document is made or issued.

(17) In making or issuing a policy document or regulatory document in relation to or affecting credit unions, the Bank shall take into account the advice (if any) provided by the Panel on any aspect of the document. If the Bank declines to give effect to any particular advice provided by the Panel, it shall provide the Panel with a written statement setting out its reasons for declining to give effect to the advice and shall, if the Panel so requires, publish the statement.

[ SECTION 14 ]

(18) If the Bank makes or issues a policy document or regulatory document, a failure to comply with *subsection (15)* or *(16)* in relation to the document does not of itself invalidate the document.

(19) The chairperson of the Panel shall attend a meeting of the relevant Joint Committee of the Oireachtas whenever that Committee requires the chairperson to do so.

(20) When attending a meeting of the relevant Joint Committee of the Oireachtas, the chairperson of the Panel shall provide that Committee with such information as it reasonably requires about matters with which the Panel is or has been concerned.

(21) In this section, “relevant Joint Committee of the Oireachtas” means a Joint Committee of the Oireachtas to which the Oireachtas has assigned the role of examining matters relating to the operation of the Bank.”

—*Senators Alex White, Michael McCarthy, Brendan Ryan, Phil Prendergast, Ivana Bacik, Dominic Hannigan.*

SECTION 15

6. In page 15, between lines 5 and 6, to insert the following:

“(15) (a) The First Schedule to the Freedom of Information Act 1997 is amended by inserting at the end of Part 2 “Central Bank Commission”.

(b) The Third Schedule to the Freedom of Information Act 1997 is amended by inserting at the end of Part 1 in column (2), “*Central Bank Reform Act 2010*”.”

—*Senator Liam Twomey.*

SECTION 20

7. In page 18, between lines 2 and 3, to insert the following:

“(6) Regulations under this section shall be laid before each House of the Oireachtas and shall come into force after 21 sitting days, during which time a motion may be tabled in either House to amend or annul the regulations.”

—*Senator Liam Twomey.*

SECTION 23

8. In page 20, subsection (1), line 9, after “function” to insert the following:

“or maintain a person already in such a post beyond a period of six months”.

—*Senator Liam Twomey.*

SECTION 50

9. In page 38, between lines 8 and 9, to insert the following:

“(2) The code shall not come into force until it has been submitted to the Minister for Finance who shall submit it for consideration and approval by the Houses of the Oireachtas or a Committee of the Houses of the Oireachtas designated to deal with such matters.”

—*Senator Liam Twomey.*

[ SCHEDULE 1 ]

SCHEDULE 1

**10.** In page 45, column 3, between lines 58 and 59, to insert the following:

“(e) to report to the Oireachtas on how Ireland rates against benchmarking of banking development and oversight compared to relevant international comparator companies;

(f) the long-term competitiveness of the Irish economy as a member of the eurozone;”.

—Senator Liam Twomey.

*[Note: A Printer error has resulted in incorrect line references in page 45 of the Bill. The line references in this amendment refer to the actual number of lines of text in page 45 of the Bill.]*

**11.** In page 48, column 3, line 8, after “Minister” to insert the following

“after they have presented themselves before an Oireachtas Committee, constituted for the purpose, to answer relevant questions about their relevant knowledge and general suitability for the role”.

—Senator Liam Twomey.

*[Note: A Printer error has resulted in incorrect line references in page 48 of the Bill. The line references in this amendment refer to the actual number of lines of text in page 48 of the Bill.]*

**12.** In page 51, column 3, line 6, after “inappropriate” to insert the following:

“and this is confirmed by order by the Minister for Finance”.

—Senator Liam Twomey.

*[Note: A Printer error has resulted in incorrect line references in page 51 of the Bill. The line references in this amendment refer to the actual number of lines of text in page 51 of the Bill.]*

**13.** In page 53, column 3, between lines 6 and 7, to insert the following:

“(n) credit union affairs.”.

—Senator Liam Twomey.

*[Note: A Printer error has resulted in incorrect line references in page 53 of the Bill. The line references in this amendment refer to the actual number of lines of text in page 53 of the Bill.]*

**14.** In page 53, column 3, between lines 34 and 35, to insert the following:

“(3) On their appointment, the Minister shall present them with a letter of appointment outlining their role and responsibilities.”.

—Senator Liam Twomey.

*[Note: A Printer error has resulted in incorrect line references in page 53 of the Bill. The line references in this amendment refer to the actual number of lines of text in page 53 of the Bill.]*

**15.** In page 53, column 3, between lines 42 and 43, to insert the following:

“(4) No person shall be appointed for more than two terms.”.

—Senator Liam Twomey.

[ SCHEDULE 1 ]

[*Note: A Printer error has resulted in incorrect line references in page 53 of the Bill. The line references in this amendment refer to the actual number of lines of text in page 53 of the Bill.*]

**16.** In page 55, column 3, between lines 44 and 45, to insert the following:

“(f) the benchmarks of domestic and/or international comparison against which the Oireachtas should assess the success of its strategic plan.”.

—*Senator Liam Twomey.*

[*Note: A Printer error has resulted in incorrect line references in page 55 of the Bill. The line references in this amendment refer to the actual number of lines of text in page 55 of the Bill.*]

**17.** In page 56, column 3, between lines 22 and 23, to insert the following:

“(2) In publishing its proposed levies, it shall publish an impact assessment of the proposed levies including relevant comparisons of cost effectiveness of its operations with comparator countries.”.

—*Senator Liam Twomey.*

[*Note: A Printer error has resulted in incorrect line references in page 56 of the Bill. The line references in this amendment refer to the actual number of lines of text in page 56 of the Bill.*]

**18.** In page 60, column 3, between lines 20 and 21, to insert the following:

“(c) the benchmarks or domestic and/or international comparison against which its regulatory performance should be viewed,”.

—*Senator Liam Twomey.*

[*Note: A Printer error has resulted in incorrect line references in page 60 of the Bill. The line references in this amendment refer to the actual number of lines of text in page 60 of the Bill.*]

**19.** In page 60, line 24, after “Statute”, to insert the following:

“but shall include any advice tendered to the Minister or directions received from the Minister in relation to its responsibilities”.

—*Senator Liam Twomey.*

[*Note: A printer error has resulted in incorrect line references in page 60 of the Bill. The line references in this amendment refer to the actual number of lines of text in page 60 of the Bill.*]

**20.** In page 76, to delete line 14.

—*Senator Liam Twomey.*

[*Note: A Printer error has resulted in incorrect line references in page 76 of the Bill. The line references in this amendment refer to the actual number of lines of text in page 76 of the Bill.*]

SCHEDULE 2

**21.** In page 81, column 3, between lines 2 and 3, to insert the following:

[ SCHEDULE 2 ]

“(4) Where the Bank is proposing to exercise its powers in respect of the approval of charges made on consumers by financial institutions, it shall consult the Agency in advance.”.

—*Senator Liam Twomey.*

[*Note: A Printer error has resulted in incorrect line references in page 81 of the Bill. The line references in this amendment refer to the actual number of lines of text in page 81 of the Bill.*]

**22.** In page 81, column 3, between lines 30 and 31, to insert the following:

“(2) In publishing its proposed levies, it shall publish an impact assessment of the proposed levies including relevant comparisons of cost effectiveness of its operations with comparator countries.”.

—*Senator Liam Twomey.*

[*Note: A Printer error has resulted in incorrect line references in page 81 of the Bill. The line references in this amendment refer to the actual number of lines of text in page 81 of the Bill.*]

**23.** In page 83, between lines 21 and 22, to insert the following:

“This Part shall not come into effect until an order for its commencement is approved by both Houses of the Oireachtas. The Minister shall, at the same time making such an Order, publish a report on the impact of this Part on Credit Unions in Ireland generally.”.

—*Senator Liam Twomey.*

[*Note: A Printer error has resulted in incorrect line references in page 83 of the Bill. The line references in this amendment refer to the actual number of lines of text in page 83 of the Bill.*]

**24.** In page 83, column 3, to delete lines 27 to 48 and in page 84, to delete lines 1 to 48 and substitute the following:

“Insert the following after the subsection:

“(2A) The Bank shall make regulations and take such steps as, from time to time, it considers appropriate in order to facilitate the voluntary merger of credit unions in the State in the interests of improved financial stability and management of the credit union sector.”.

—*Senators Alex White, Michael McCarthy, Brendan Ryan, Phil Prendergast, Ivana Bacik, Dominic Hannigan.*

[*Note: A Printer error has resulted in incorrect line references in page 83 and 84 of the Bill. The line references in this amendment refer to the actual number of lines of text in page 83 and 84 of the Bill.*]