

15th February 2017

Consumer Protection
Policy & Authorisations
Central Bank of Ireland
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CP 106 – Review of Minimum Competency Code 2011

The Board of Directors of The Lough Credit Union have a number of concerns re CP106:

- The proposed changes will have far reaching impacts on credit unions. We respectfully request that a Regulatory Impact Analysis be carried out as part of this review. We believe this is required as part of the Central Bank of Ireland's Consultation Protocol for Credit Unions issued in 2012.
- Grandfathering in line with the arrangements previously recognised for member pay insurances should form part of any proposed amendments.
- All of the staff of The Lough Credit Union have acquired an MCC qualification in recent years so it is already evident that we are supportive of having staff who are qualified to offer services to our members. (We do not offer member pay insurances so this further highlights our acknowledgement of the value of suitably qualified staff). Our staff have acquired a range of qualifications, including QFA, CUA, Advanced Certificate in Credit Union Practice and Diploma in Credit Union Studies (Operations). We consider it is essential that all of these qualifications are given equal recognition in any amended MCC.
- Our interpretation of the proposals in relation to mortgage lending is that there will be a requirement for the entire board to be adjudged competent in relation to offering a mortgage service. Does a similar requirement apply to other financial institutions offering mortgages? This proposal would appear to be in direct conflict with the current requirement to have a balance of qualifications and expertise on the board as required by the Credit Union Act.

The Lough Credit Union acknowledges the application of certain standards for those offering retail financial products to consumers. However, we believe these requirements need to be balanced and allow for business development which has been highlighted by CUAC and the Central Bank as being in need of urgent attention in the credit union sector.

John Daly
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