

CCBS – LEGISLATIVE AFFAIRS

15 June 2018 – 22 June 2018



Northern Ireland
Assembly

The Northern Ireland Assembly was dissolved at 00:01 on Thursday 26 January 2017.



Thursday 21 June 2018

Department for Rural and Community Development

Barry Cowen asked the Minister for Rural and Community Development the status of the €2.9 million allocated to the PEACE programme as outlined in budget 2018; the amount that has been spent; the way in which the money has been spent; and if he will make a statement on the matter

Michael Ring: The Programme for Peace and Reconciliation 2014-2020 (PEACE IV) is a cross-border programme co-financed through the European Union's European Regional Development Fund. It supports peace and reconciliation through actions that promote social and economic stability in Northern Ireland and the Border Region of Ireland (Cavan, Donegal, Leitrim, Louth, Monaghan and Sligo). The programme is managed by the Special EU Programmes Body (SEUPB) on behalf of the Irish and UK Governments.

My Department is an Accountable Department under the programme and provides funding under three themes - Shared Spaces and Services, Building Positive Relations, and Children and Young People. My Department's primary role in implementing the programme and developing projects is

as an advisor on the PEACE IV Steering Committee, together with other relevant Departments from Ireland and Northern Ireland.

The total value of the current PEACE programme is €270m. Some €229m (85%) will be provided by the EU, with the remaining €41m provided by the Irish (€9m) and UK (€32m) Governments. My Department will provide around €3.7m towards the implementation of local authority action plans and regional projects in 2018.

Some €1.3m has been provided by my Department to date in 2018, with details of the funding provided per theme set out in the following table. I expect a full drawdown of funding by the SEUPB by year-end.

Theme	Funding provided to date in 2018
Children & Young People	€0.170m
Shared Spaces and Services	€0.450m
Building Positive Relations	€0.700m
Total	€1.32m

Source <https://www.kildarestreet.com/wrans/?id=2018-06-21a.664&s=cross+border+2018-06-15..2018-06-22>

Thursday 21 June 2018

Department of Finance

Michael McGrath asked the Minister for Finance the number of insurance firms selling business in the market here that are prudentially regulated in the UK and that rely on the freedom of movement of services across the EU to sell here; if there are risks for consumers here in the event of a hard Brexit in this context; and if he will make a statement on the matter.

Paschal Donohoe: I understand from the Central Bank of Ireland that in 2016, premium volumes written by life and non-life firms between Ireland and the UK were €9.7 billion (87 Irish authorised firms) and €2.5 billion (161 UK and Gibraltar authorised firms), respectively.

As the Deputy will understand, any negative impacts on the macro-economy of either or both the UK and Ireland is likely to impact the Irish insurance market. From the date of the UK exit (or, if agreed, the end of a transition period) UK insurers which rely on a “passport” to provide services into the Irish market and vice-versa will lose the right to provide such services. As a result impacted firms in

both the UK and Ireland are extensively engaged in contingency planning which may result in the relocation of business from the UK to the EU (including Ireland) and vice-versa.

The key risk to consumers in the context of a hard Brexit is in the event that such insurers do not take mitigating actions against the possibility of that scenario, such as the establishment of a third-party branch and/or portfolio transfer to a EU27 undertaking, and that as a result of that, the ability of those insurers to continue to service cross border insurance contracts written prior to 29 March 2019 may become an issue. However, I think it is important to note that extensive work is underway to try and mitigate these risks as much as possible.

In the context of contingency planning, the Central Bank of Ireland and the Prudential Regulatory Authority (PRA) in the UK are engaged in dialogue with firms including insurers who will be impacted by Brexit. In this context, it is important to note that not all firms will be effected in the same way. The Central Bank is also monitoring the implementation of plans by UK insurers, which includes several UK firms applying to set up subsidiaries or third-country branches in Ireland, as well as other applying in other EU27 countries. It should be noted that Irish authorised firms selling into the UK are also implementing Brexit mitigation plans using similar approaches.

In addition, the European regulatory system is formulating the supervisory guidance on the many issues raised by Brexit and the Central Bank of Ireland from an insurance perspective is involved in this process through our participation in EIOPA. In particular, I understand that the Central Bank is a member of the EIOPA Brexit Platform, which provides a forum for regulators to exchange information about firms' plans.

While many firms are moving forward with Brexit preparation plans, the final impact of Brexit on insurers will depend on the outcome of the EU27-UK negotiations, with the nature and duration of transition arrangements an important factor in determining the speed of adjustment.

My Department's preparation and contingency work is ongoing and continues to examine all possible scenarios and challenges, and is a key input into the whole of Government approach. As part of its contingency planning, the Department is engaged on an ongoing basis in examining the potential impacts of Brexit on the financial services sector including insurance and potential mitigants. As part of this work the Department liaises with other Government Departments and Agencies who have responsibilities in this area, including Enterprise Ireland and the IDA. The Department also engages closely with the Central Bank of Ireland which has the statutory responsibility for financial stability. Engagement with the Central Bank also takes place via the Financial Stability Group where Brexit is a standing item on the Group's agenda.

Source: <https://www.kildarestreet.com/wrans/?id=2018-06-21a.178&s=cross+border+2018-06-15..2018-06-22#g180.r>