

Joint Committee of Inquiry into the Banking Crisis

Ad hoc Advisory Group

Final Report to the Joint Committee

September 2014

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EXECUTIVE SUMMARY

Ireland's banking crisis is of an unprecedented scale in terms of its impact on the State. The crisis cannot be characterised as a simple banking systems failure but rather a crisis borne of a wider systemic failure. It cannot be looked at strictly through one lens, but must take account of the relationships between the various actors and the wider context for their actions.

The group was tasked with preparing a framework and plan for a parliamentary inquiry into certain aspects of the crisis. This was a challenging task given the breadth and complexity of the issues involved. The group has attempted to balance the need for a comprehensive and meaningful inquiry, which adds to the existing state of knowledge, with the very real constraints in terms of the time available to complete the inquiry within the lifetime of the current Dáil and Seanad.

The proposed purpose of the inquiry is: "To inquire into the reasons Ireland experienced a systemic banking crisis, including the economic, social, cultural, financial and behavioural factors and policies which impacted on or contributed to the crisis, by investigating relevant matters relating to banking systems and practices, regulatory and supervisory systems and practices, crisis management systems, and policy responses and the preventative reforms implemented in the wake of the crisis."

The group is proposing a comprehensive two-phase inquiry process which, when coupled with a recommended 20 year time period, makes for a very ambitious scope. However this is put forward as an enabling, rather than a prescriptive, scope in order to provide flexibility to the Committee to follow the inquiry to root causes. The key to a successful inquiry will be to focus in on priority issues and information gaps to improve public understanding of the reasons for the near-collapse of the Irish banking system with such serious consequences for the solvency of the State. The most imminent task for the Committee will be to agree and give direction on priorities to the expert investigation team which will be recruited to support the Committee and prepare the ground for public hearings in 2015. The group has offered general guidance on priority issues for the inquiry and has also suggested some mechanisms to make the best use of the limited time available for public hearings to take oral evidence from key witnesses.

The group is aware of the legal constraints inherent in the statutory framework for parliamentary inquiries under the 2013 Act and wishes to make clear that it did not analyse or address these issues in its work, as these are matters for the Committee itself in consultation with its legal advisers.

The group recommends this report to the Committee and wishes the members well in their work.

ROLE AND WORK OF THE GROUP

Background and Role of Ad Hoc Advisory Group

The Joint Committee of Inquiry into the Banking Crisis has been established to develop the relevant proposal for conducting a “Part 2 Inquiry” into certain aspects of the banking crisis for submission to, and evaluation by, the Committee on Procedure and Privileges.

The ad hoc group was requested by the Joint Committee to provide expert knowledge and input to assist the Committee in developing the relevant proposal. The group was tasked with developing a draft inquiry framework and an inquiry plan for consideration by the Committee.

Principles to guide the group

The group was guided by the following key principles and attributes of the inquiry agreed by the Joint Committee:

- the aims of the inquiry should be realistic and achievable,
- the inquiry should be capable of completion within a realistic timeframe,
- risks should be minimised,
- the inquiry should be cost effective,
- should have a clear purpose, and
- be flexible within its focus and scope.

Meetings and Working Method

The group met for the first time on 8 July 2014 and met in total on 6 occasions. Meetings consisted of round-table discussions, with all members of the group providing input. The group agreed this final report on 12 September for presentation to the Joint Committee at its meeting on 17 September 2014.

Progress Report

A progress report was presented by the group to the Committee at its meeting on 23 July 2014. The main points of the discussion with the Committee were:

- A context module is needed to frame the inquiry and to identify gaps.
- Existing information, including previous reports, should be used, but should not act to limit the Committee’s right to discover evidence itself.

- The inquiry scope should be wide but, due to the limited time available to conduct the inquiry, it should be targeted in its approach by focussing on the key issues and the areas where there are information gaps.

There was also an exchange of views on sequencing of witness categories for public hearings and the time period for the inquiry.

INQUIRY FRAMEWORK

The proposed framework is set out in **Appendix A, page 14**. It describes the purpose of the inquiry, the two phase approach recommended by the group and the steps in each phase. Detailed plans for each phase are set out at **pages 7 to 13**.

Time period for the inquiry

In its discussions on the scope of the inquiry, the group has given some thought to the time period to be covered. The group is aware that precise dates must be specified in the terms of reference agreed by the Houses of the Oireachtas. This poses a dilemma in seeking to ensure that an appropriate timeframe is set out which will meet the comprehensive purpose and stated objective of the inquiry, while also acknowledging that the Committee has only a limited amount of time in which to complete its task, and will therefore need to prioritise the issues it will want to address.

In considering these matters, the group has decided to recommend a broad time period and has agreed that an appropriate start date would be the beginning of 1992, which is the effective implementation date of Basel I, and an appropriate end date is the end of 2013 (see **Appendix B, page 15** for diagram).

The rationale for proposing Basel I is that this set out the changes to capital requirements for banks; and as such formed the genesis of the changes that were to take place in banking regulation in the following years.

The rationale for proposing end 2013 is that this allows the Committee an adequate timeframe to address the stated objective of assessing the implementation of previous report recommendations and preventative reforms in the wake of the crisis. Equally, it is important that the inquiry follows completely the implementation and consequences of the policy decisions in response to the crisis in order to form a view on their impact and effectiveness, while also acknowledging that current day events, in terms of policy and legislation, are a matter for the relevant Oireachtas Committee (s).

Priorities for the inquiry

The Group emphasises that the time period should be seen as enabling rather than prescriptive and should not be interpreted as a recommendation that the Committee should inquire in detail into everything which happened in this 20 year period. The group advises the Committee to identify a number of core issues for investigation when exercising its powers of compellability to seek papers and call witnesses.

Therefore the group recommends as follows:

- 1) A key priority should be to find out **what happened in the banks** - both at the individual level and collectively. The Committee's investigation and questioning

should address the key areas of governance, lending policy and credit control, risk management, and funding and liquidity management in and across the banking system. These issues are at the heart of the crisis and must be at the core of the inquiry.

- 2) A further priority should be the events in the lead-in to the **guarantee decision of 30 September 2008**, the decision itself, and its consequences.

Another objective should be to examine the Banking-Property-State nexus, i.e. the relationship between the banking institutions and the property sector and how they interacted with each other and also with State authorities and supervisory authorities and the effect this had on banking.

Once the inquiry terms of reference are agreed by the CPPs and set by the Houses, **the Committee should identify and agree the main priority issues at a very early stage** as part of detailed planning of the investigation process, taking into account the level of existing knowledge, the work involved in the investigation process and the time and expert resources available. An element of flexibility will be important as additional issues may arise in the course of the inquiry and may need to be investigated as priority items also.

INQUIRY PLAN AND PHASES

	2014			2015										
	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV
PHASE 1: CONTEXT														
Preparation	█													
Context hearings			█	█										
Context report					█									
PHASE 2: INQUIRY														
Investigation	█			█							█			
Inquiry hearings								█				█		
Final report														█

PHASE 1: CONTEXT PHASE

The objective of this phase is to –

- a) frame the broad context for the inquiry and set out the background to the banking crisis;
- b) prepare the ground for public hearings in compellability mode later in 2015 by identifying the main issues and gaps in existing knowledge to be addressed by the inquiry.

The Context Phase will be used to set the relevant background to the crisis in order to fully appreciate the causes and contributory factors to the crisis. A guiding principle will be the need to identify information gaps and to prioritise issues which have not been covered by previous reports, so that the Inquiry Phase adds value additional to the existing state of knowledge. The Context Phase will consist of technical briefings for the Committee in areas such as banking and regulatory policies. This will ensure members are fully briefed on key technical issues. Following this, there will be public hearings with relevant witnesses, for the purpose of information-gathering to inform the inquiry phase. Broad topics for the context meetings are listed in Tables 1 and 2. Following the context phase, the Committee may wish to publish an interim report, which can form the basis for the introductory/context Chapter/s of the final report.

As the investigation process in phase 2 will continue in parallel with this phase, it will be important to have good lines of communication to the investigation team on key issues arising in the context phase.

TABLE 1: TOPICS FOR TECHNICAL BRIEFINGS

Indicative list – to be further scoped with Committee input and signed off by the Committee

- Banking: lending practices and credit control policies, risk management, funding and liquidity management
- Role of the ECB: Refinancing Operations and Emergency Liquidity Assistance
- Regulatory policies, structures and practices in the Central Bank
- Nature, cost and scope of the Bank Guarantee
- Psychology of the crisis (groupthink, herd instinct etc)
- Commercial property exposures, and mortgage exposures

TABLE 2: CONTEXT HEARINGS

TOPIC	INDICATIVE WITNESS LIST	DATES
Findings and recommendations of previous reports on Ireland’s Banking Crisis	Persons who authored the following reports and/or relevant team members: <ol style="list-style-type: none"> 1. A Preliminary Report on the Sources of Ireland’s Banking Crisis [Regling and Watson, May 2010]; 2. The Irish Banking Crisis: Regulatory and Financial Stability Policy 2003-2008: A report to the Minister for Finance by the Governor of the Central Bank [Honohan, 31 May 2010]; 3. Strengthening the capacity of the Department of Finance: Report of the Independent Review Panel [Wright, December 2010]; 4. Misjudging Risk: Causes of the Systemic Banking Crisis in Ireland: Report of the Commission of Investigation into the Banking Sector in Ireland [Nyberg, March 2011]. 	2-3 days in December 2014
International, EU and domestic policy context, including key findings of reports of international monitoring agencies and relationships between State authorities, supervisory authorities, banking institutions and the property sector	Persons who authored the reports and/or relevant team members. Other persons with relevant expertise on the context for the crisis.	2-3 days in January 2015
Early warnings, divergent and contrarian views	Persons from outside the relevant systems who warned of the impending crisis or expressed divergent or contrarian views. <i>[Note: persons within the relevant systems will be called during phase 2].</i>	2 -3 days in January 2015

PHASE 2: INQUIRY PHASE

The objective of this phase is to –

- a) identify the key questions to be addressed in the public hearings and the inquiry report;
- b) identify and direct the provision of relevant evidence (written and oral) on this basis,
- c) analyse all evidence and report on this analysis in the form of a final report.

The subject matter for this phase is divided into 3 systems: Banking Systems and Practices, Regulatory and Supervisory Systems and Practices, and Crisis management systems and policy responses. These are further broken down into 16 areas to be examined (see Table 3). The categories of persons to be examined are also set out (see Table 4). The Committee may wish to add or amend these.

Table 3: Subject matter for Inquiry phase

Banking Systems and practices

1. Corporate Governance.
2. Lending Policy and Credit Control.
3. Risk Management (including Internal Audit, Audit Committees).
4. Funding and Liquidity Management.
5. External Audit Reports and Communications.
6. Board and executive remuneration.

Regulatory and Supervisory Systems and practices

7. Structure and conduct of Regulatory and Supervisory Systems.
8. Monitoring and supervision of the Financial Industry, including enforcement.
9. Role of the Central Bank including Financial Stability.
10. Role of the Department of Finance.
11. Role and influence of International Organisations.
12. Role of the Houses of the Oireachtas.

Crisis management systems and policy responses

13. Crisis Management Arrangements in the lead-in to, and following, the Guarantee decision.
14. The Bank Guarantee decision of 30 September 2008.
15. Direct policy responses to the crisis, including the National Asset Management Agency, bank nationalisation, recapitalisation, the use of Emergency Liquidity Assistance, the issue of promissory notes and the EU-IMF programme of assistance.
16. Legislative measures taken since the crisis, particularly in relation to bank resolution and creditor preference.

Table 4: Categories of persons to whom the subject matter in Table 3 relates¹

1. Persons² employed by or contracted to –
 - (a) credit institutions specified by Order of the Minister for Finance pursuant to section 6 of the Credit Institutions (Financial Support) Act 2008, including but not limited to: Chairpersons, Chief Executives, board members, other relevant executives and advisors;
 - (b) other credit institutions licensed by the Central Bank to operate within the State, including but not limited to: Chairpersons, Chief Executives, board members, other relevant executives and advisors.
2. Persons who were the recipients of loans for commercial property development from the credit institutions within the scope of this Schedule.
3. External auditors for credit institutions within the scope of this Schedule.
4. Central Bank: Governors, Directors, Director Generals, Prudential Directors, board members, relevant managers and advisors.
5. Irish Financial Services Regulatory Authority / Financial Regulator: Chairpersons, CEOs, members of the Authority, relevant managers and advisors.
6. Domestic Standing Group members³.
7. Cabinet⁴: Members of Cabinet, Attorneys General, and advisors to Government.
8. Department of the Taoiseach: Secretaries General, relevant Assistant Secretaries, other relevant officials and special advisors.
9. Department of Finance: Secretaries General, Second Secretaries, relevant Assistant Secretaries, other relevant officials and special advisors.
10. Members of the Houses of the Oireachtas.
11. European Central Bank: President and relevant officials.
12. ECOFIN and constituent bodies, including but not limited to, the Economic and Financial Committee³.
13. Relevant persons employed by or contracted to the European Commission.
14. Relevant persons within special purpose mechanisms to deal with the crisis at European Union level, including but not limited to the European Financial Stability Fund (EFSF) and the European Stability Mechanism (ESM).
15. Relevant persons employed by or contracted to the International Monetary Fund.
16. National Asset Management Agency: Chairperson, Chief Executive and other relevant officials.
17. National Treasury Management Agency: Chief Executive and other relevant officials.
18. National Pension Reserve Fund: Chief Executive and other relevant officials.
19. Persons who expressed divergent or contrarian views, including but not limited to persons employed by or contracted to the credit institutions within the scope of this Schedule, the Central Bank, the Irish Financial

¹ For the avoidance of doubt, the categories of persons listed are subject to the general principle that no person in any organisation listed will be called as a witness where they are not relevant to the inquiry. Further, the categories and persons mentioned in this list should be interpreted to include any persons who are seconded or in any other type of atypical employment in relation to the role or organisation in question and any persons formerly in the particular role or organisation within the time frame of the inquiry (namely 1.1.1992 to 31.12.2013).

² In particular, subject to section 71 (c) of the Houses of the Oireachtas (Inquiries, Privileges and Procedures) Act, 2013.

³ May overlap with persons specified at paragraphs 4, 5 and 9.

⁴ In particular, subject to section 71 (a) and (b) of the Houses of the Oireachtas (Inquiries, Privileges and Procedures) Act, 2013.

Services Regulatory Authority / Financial Regulator and the Department of Finance.

20. Any other relevant persons solely and exclusively where such persons are deemed by the Joint Committee to be directly relevant to the subject matter of the inquiry.

Within the inquiry phase there will be an investigation process and public hearings leading to a final report.

Investigation process [October 2014 to July 2015]

The investigation process will run in parallel to the Context Phase and will continue alongside inquiry hearings. **Very considerable work** will be involved in identifying, collecting, reviewing, and analysing written evidence to underpin the public hearings in this phase. Investigation will be carried out by teams with relevant expertise in banking, financial services, regulation, governance, etc on behalf of the Committee and in close consultation with the Committee who will be briefed on progress on a regular basis (for example, the Committee must approve the issuing of all directions seeking evidence).

The main steps in the investigation process are as follows:

- Identify the main issues to be investigated within each system (i.e. banking; regulatory and supervisory; and crisis management and policy responses)
- Identify types of written evidence required, and draft notices for issue by the Committee. Liaise with evidence-providers and legal team to clarify and finalise directions for written evidence.
- Receive evidence and categorise on document management system.
- Prepare scoping report for oral hearings on basis of analysis, identifying information gaps to be addressed in questioning and recommending witness list.
- Review and analyse all evidence received, identify information gaps and issue further directions if required.

Public hearings [April – September 2015]

The aim of the public hearings is to question key witnesses on the main issues and any information gaps identified in the Context Phase and the investigation process. The main preparatory steps are (1) schedule dates for public hearings and issue directions for witnesses to attend; and (2) prepare briefs and lines of questioning for public hearings.

TABLE 5: INQUIRY HEARINGS

Indicative dates	Weeks	Days	Total hours
13 April – 21 May 2015	6	18	144
16 June – 16 July 2015	5	15	120
8 – 24 September 2015	3	9	72
TOTALS	14	42	336

Start and end dates for public hearings in inquiry phase

An April 2015 start date for the public hearings is indicated, which will allow just over 5 months from the start of the investigation process. **This is an extremely challenging timescale**, which serves to emphasise the importance of a disciplined and focussed approach during the preparatory investigation phase so that the Committee is ready to embark on public hearings within this timescale. The end date has been pushed back to September 2015 on the basis that, as report-drafting will occur throughout the process, this should not impact on the target date of 30 November for the final report. It also allows additional time due to the decision to hold hearings on 3 days per week.

Time schedule for public hearings

The schedule assumes that the Committee will take oral evidence on 3 days per week (Tuesday to Thursday) over 8 hours per day (ie. 9.00-13.00 and 14.30-18.30), reflecting members’ preference. Over an estimated 42 days, this will be extremely intensive and, even at that, the number of witnesses who can be potentially be heard will be modest when looked at in the context of the inquiry objectives. For example, on the assumption that each witness/witness group will require 4 hours at a minimum, this equates to a maximum of 2 per day or 84 witnesses/witness groups for the whole inquiry. Yet the group has calculated that there could be over 120 potential witnesses within the banking systems element alone. There are a number of approaches which the Committee should consider in order to make the best use of the limited time available:

1. The Committee should adopt a system of **lead questioners** to take oral evidence.
2. The Committee should also weigh the benefits of using **sub-committees to take some oral evidence** assuming that this is feasible from a legal perspective. The group understands that a Preparatory Panel was used by the UK Parliamentary Commission on Banking Standards 2012-13 ⁵ and is of the view that this type of approach, or similar, warrants exploration.

⁵ UK Parliamentary Commission Fifth (and Final) Report
<http://www.publications.parliament.uk/pa/jt201314/jtselect/jtpcbcs/27/2702.htm>

3. The Committee should **tailor its approach to evidence to the individual witness**: for example by identifying key witnesses to be heard individually, those to be grouped for oral evidence, and those from whom only written statements will be requested.

Sequencing of witnesses for public hearings

The group has reflected on the discussion at the meeting of 23 July in relation to sequencing of witnesses for public hearings, and has concluded that it is not possible at this stage of the process to make a definitive recommendation to the Committee on this issue. The group has however recommended priority areas for the inquiry to focus on (**see page 5**).

Table 3 identifies three broad time periods during which public hearings can take place, with several weeks preparation in between. The Table is indicative only: decisions on exact dates, sequencing and grouping of witness categories will have to be made by the Committee on the advice of its expert investigation team as part of more detailed planning during the preparatory investigation process, once the team is in place. Scheduling of witnesses will depend on readiness to move to oral hearings for particular witness groups based on the progress of the investigation. As this level of detail is not required for the terms of reference or the relevant proposal, the group has left this issue open at this stage in terms of the time schedule. Members should also be aware that, while related witness groups should be scheduled together as far as possible, flexibility will nevertheless be required when it comes to scheduling particular meetings, for example due to the volume of evidence to be analysed or witness availability.

Reporting

The Committee has agreed that the final report of the inquiry will be agreed and published by 30 November 2015. Report drafting will be iterative and will occur throughout phase 2: for example, the context report will form the basis for the introduction to the report and the investigation teams will prepare and work on drafts of Chapters both in the lead-in to, and following, the relevant public hearings.

The steps in agreement of the final report (with indicative timings) are as follows:

- Committee to agree first draft: draft issues to persons potentially affected: **w/c 5 October 2015**
- Deadline for submissions from affected persons: **w/c 26 October 2015**
- Refine and finalise draft for Committee: **by 16 November 2015**
- Committee to consider final report: **w/c 16 and 23 November 2015**
- Committee to agree and publish report by **30 November 2015**.

Appendix A: Inquiry framework

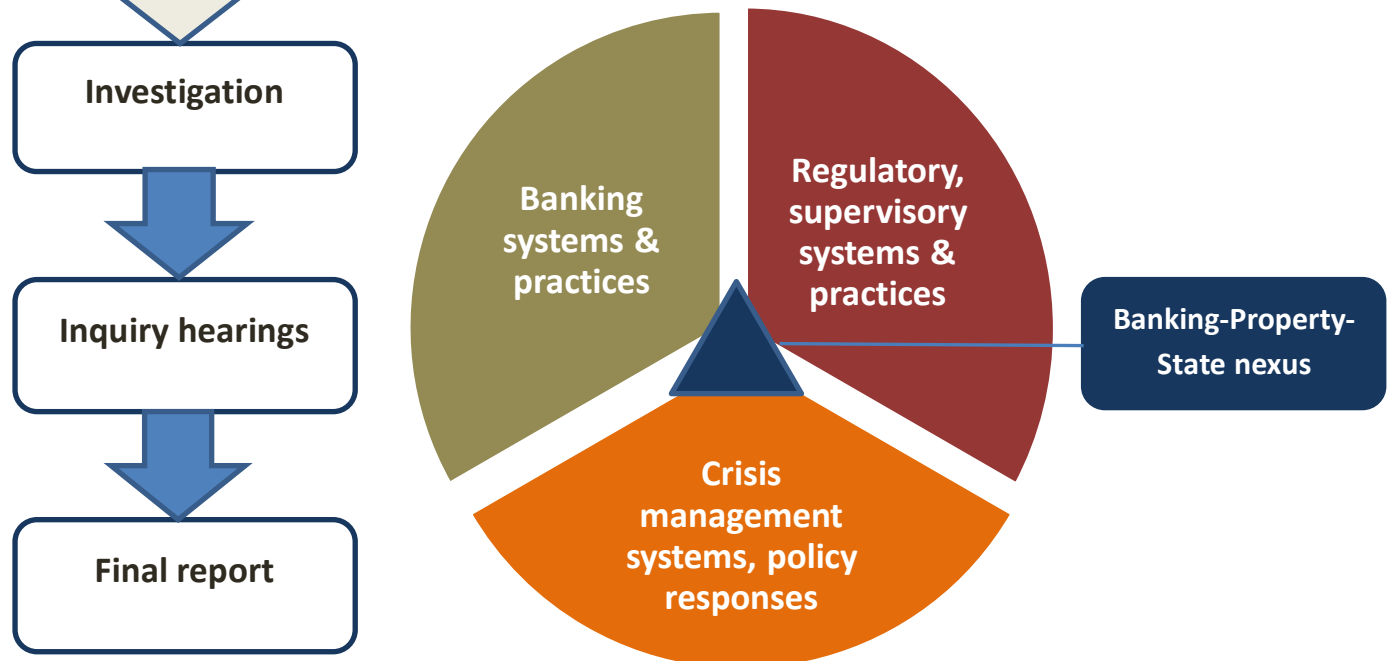
PURPOSE OF THE INQUIRY: To inquire into the reasons Ireland experienced a systemic banking crisis, including the economic, social, cultural, financial and behavioural factors and policies which impacted on or contributed to the crisis, by investigating relevant matters relating to banking systems and practices, regulatory and supervisory systems and practices, crisis management systems, and policy responses and preventative reforms implemented in the wake of the crisis.

CONTEXT PHASE



informs

INQUIRY PHASE



APPENDIX C: Members of the Ad Hoc Group

Pat Casey, Principal, Department of Finance

Paul Gorecki, Research Affiliate, ESRI

Megan Greene, Chief Economist, Maverick Intelligence

Cathal Guiomard, Economist, former Aviation Commissioner for Ireland

Conor McCabe, Research fellow, UCD School of Social Justice

Colm McCarthy, Economist

Seamus McCarthy, Comptroller and Auditor General

Rafique Mottiar, Consultant Economist, Central Bank

John Shaw, Assistant Secretary, Department of the Taoiseach

Secretariat

Elaine Gunn, Head of Inquiry Support team

John Hamilton, Clerk to the Joint Committee

Carmel Considine, Inquiry Support team

Paul Stephens, Inquiry Support team

APPENDIX D:

DRAFT TERMS OF REFERENCE RESOLUTION BASED ON THIS REPORT

- (1) The Joint Committee of Inquiry into the Banking Crisis appointed by Order of Dáil Éireann of **[date]** and Order of Seanad Éireann of **[date]** shall conduct an inquiry under section 7 of the Houses of the Oireachtas (Inquiries, Privileges and Procedures) Act, 2013 (hereinafter referred to as “the 2013 Act”) in accordance with this Terms of Reference Resolution.
- (2) The subject matter of the inquiry shall be to inquire into the reasons Ireland experienced a systemic banking crisis, including the economic, social, cultural, financial and behavioural factors and policies which impacted on or contributed to the crisis, by investigating relevant matters relating to banking systems and practices, regulatory and supervisory systems and practices, crisis management systems, and policy responses and the preventative reforms implemented in the wake of the crisis.
- (3) In conducting the inquiry, the Joint Committee –
 - (a) may investigate and scrutinise the actions of banking institutions, and authorities responsible for the supervision of such institutions and for laws on such supervision, as set out in the Schedule to this Resolution; and
 - (b) shall have regard to the domestic and international background context for the banking crisis and the inquiry, including, but not limited to, the following:
 - i. the findings and recommendations of previous reports into the crisis, whether they have been implemented, and if so, their effectiveness and long-term impact;
 - ii. relationships between State authorities, supervisory authorities, banking institutions and the property sector, and
 - iii. reactions to early warnings of the impending crisis, and divergent or contrarian views on the prevailing consensus.

- (4) The matters to be covered by the inquiry shall be as specified in Part A of the Schedule to this Resolution.
- (5) The categories of persons to which the matters to be covered by the inquiry relate shall be as specified in Part B of the Schedule to this Resolution.
- (6) The time period for the inquiry shall be 1 January 1992 to 31 December 2013.
- (7) The European Union shall be the location for the purposes of the inquiry.
- (8) The Joint Committee shall have the power to send for persons, papers and records under Standing Order 83(2A)⁶ of Dáil Éireann.
- (9) The Joint Committee may inquire into matters, persons and time periods in addition to those specified in this Resolution, solely and exclusively where such are deemed by the Committee to be directly relevant to the subject matter of the inquiry as set out in paragraphs (2) and (3).
- (10) The Joint Committee may, in accordance with law, and in particular, section 7(2) of the 2013 Act, make findings of fact including of relevant misbehaviour, including, having regard to section 17(3)(a) of the 2013 Act, making findings of fact in relation to systems, practices, procedures and policy and arrangements for the implementation of policy, and such findings may be used by another Committee in conducting another Part 2 inquiry.
- (11) The Joint Committee may, in accordance with section 17(3)(b) of the 2013 Act, make recommendations arising from any findings of fact, and such recommendations may include recommendations for legislative change and for new legislation.

⁶ *Standing Order 71(2A) of Seanad Éireann applies*

SCHEDULE

Part A: Matters to be covered by the inquiry

Conduct, events, activities, circumstances, systems, practices, procedures relating to the following:

Context

1. Findings and recommendations of previous reports on Ireland's banking crisis.
2. International, EU and domestic policy context, including key findings of reports of international monitoring agencies and relationships between State authorities, supervisory authorities, banking institutions and the property sector.
3. Early warnings, divergent and contrarian views.

Banking systems and practices

4. Corporate Governance.
5. Lending Policy and Credit Control.
6. Risk Management (including Internal Audit, Audit Committees).
7. Funding and Liquidity Management.
8. External Audit Reports and Communications.
9. Board and executive remuneration.

Regulatory and Supervisory systems and practices

10. Structure and conduct of Regulatory and Supervisory Systems.
11. Monitoring and supervision of the Financial Industry, including enforcement.
12. Role of the Central Bank including Financial Stability.
13. Role of the Department of Finance.
14. Role and influence of International Organisations.
15. Role of the Houses of the Oireachtas.

Crisis management systems and policy responses

16. Crisis Management Arrangements in the lead-in to, and following, the Guarantee decision.
17. The Bank Guarantee decision of 30 September 2008.
18. Direct policy responses to the crisis, including the National Asset Management Agency, bank nationalisation, recapitalisation, the use of Emergency Liquidity Assistance, the issue of promissory notes and the EU-IMF programme of assistance.
19. Legislative measures taken since the crisis, particularly in relation to bank resolution and creditor preference.

Part B: Categories of persons to whom the matters at Part A relate⁷

1. Persons⁸ employed by or contracted to –
 - (c) credit institutions specified by Order of the Minister for Finance pursuant to section 6 of the Credit Institutions (Financial Support) Act 2008, including but not limited to: Chairpersons, Chief Executives, board members, other relevant executives and advisors;
 - (d) other credit institutions licensed by the Central Bank to operate within the State, including but not limited to: Chairpersons, Chief Executives, board members, other relevant executives and advisors.
2. Persons who were the recipients of loans for commercial property development from the credit institutions within the scope of this Schedule.
3. External auditors for credit institutions within the scope of this Schedule.
4. Central Bank: Governors, Directors, Director Generals, Prudential Directors, board members, relevant managers and advisors.
5. Irish Financial Services Regulatory Authority / Financial Regulator: Chairpersons, CEOs, members of the Authority, relevant managers and advisors.
6. Domestic Standing Group members⁹.
7. Cabinet¹⁰: Members of Cabinet, Attorneys General, and advisors to Government.
8. Department of the Taoiseach: Secretaries General, relevant Assistant Secretaries, other relevant officials and special advisors.
9. Department of Finance: Secretaries General, Second Secretaries, relevant Assistant Secretaries, other relevant officials and special advisors.
10. Members of the Houses of the Oireachtas.
11. European Central Bank: President and relevant officials.
12. ECOFIN and constituent bodies, including but not limited to, the Economic and Financial Committee³.
13. Relevant persons employed by or contracted to the European Commission.
14. Relevant persons within special purpose mechanisms to deal with the crisis at European Union level, including but not limited to the European Financial Stability Fund (EFSF) and the European Stability Mechanism (ESM).
15. Relevant persons employed by or contracted to the International Monetary Fund.
16. National Asset Management Agency: Chairperson, Chief Executive and other relevant officials.
17. National Treasury Management Agency: Chief Executive and other relevant officials.
18. National Pension Reserve Fund: Chief Executive and other relevant officials.

⁷ **For the avoidance of doubt, the categories of persons listed are subject to the general principle that no person in any organisation listed will be called as a witness where they are not relevant to the inquiry. Further, the categories and persons mentioned in this list should be interpreted to include any persons who are seconded or in any other type of atypical employment in relation to the role or organisation in question and any persons formerly in the particular role or organisation within the time frame of the inquiry (namely 1.1.1992 to 31.12.2013).**

⁸ In particular, subject to section 71 (c) of the Houses of the Oireachtas (Inquiries, Privileges and Procedures) Act, 2013.

⁹ May overlap with persons specified at paragraphs 4, 5 and 9.

¹⁰ In particular, subject to section 71 (a) and (b) of the Houses of the Oireachtas (Inquiries, Privileges and Procedures) Act, 2013.

19. Persons who expressed divergent or contrarian views, including but not limited to persons employed by or contracted to the credit institutions within the scope of this Schedule, the Central Bank, the Irish Financial Services Regulatory Authority / Financial Regulator and the Department of Finance.
20. Any other relevant persons solely and exclusively where such persons are deemed by the Joint Committee to be directly relevant to the subject matter of the inquiry.