



EUROPEAN CENTRAL BANK

EUROSYSTEM

Adrian Boehler, BNP
Paribas

Christophe Beuve, ECB

Debriefing of Global FX Committee and Adherence Steering Group meetings New York 25 May 2016

Frankfurt am Main, 30 June 2016

Agenda

- Debriefing of Global FX Committee
- Debriefing of Adherence Steering Group
- Planning phase 2

- Identify key issues early
- Stronger collaboration between FXWG and MPG
- Working group on developing examples
- Concrete deadlines for drafting documents
- Aggregated feedback per jurisdiction, where possible
- Participation from all parts of wholesale industry

FXWG: a Global FXC is seen appropriate to take the Code forward post May 2017

The Secretariat Working Group is tasked to

- A fact finding exercise for comparing FXCs structure
- Issue a set of recommendations for a GFXC by November 2016

- FX Global Code
- FXC membership enlargement to
 - Buy-side participants
 - Compliance and legal representatives
- Education/seminars to market participants
- Impact of regulations on market structure/functioning
- Changes to central banks' reference rates
- Review of FXC governance

ASG - How can the Code become an integral part of the wholesale FX market

➤ Two central bank-based mechanisms announced

- CP eligibility for central banks' FX operations
- FXC membership

➤ Market-based mechanisms to be designed

- Infrastructure providers, associations
- Public register
- Other initiatives
 - ✓ Education and training
 - ✓ Any other ideas ?

- Guiding principles: universal, proportionate and transparent
- Appropriate level of tools to ensure adherence
- Prevent companies to switch counterparties for “arbitrage adherence reasons”
- Balance of response to flagrant non-adherence vs grey areas
- Escalation procedures in case of non-adherence



Thank you

for your attention