



EUROPEAN CENTRAL BANK

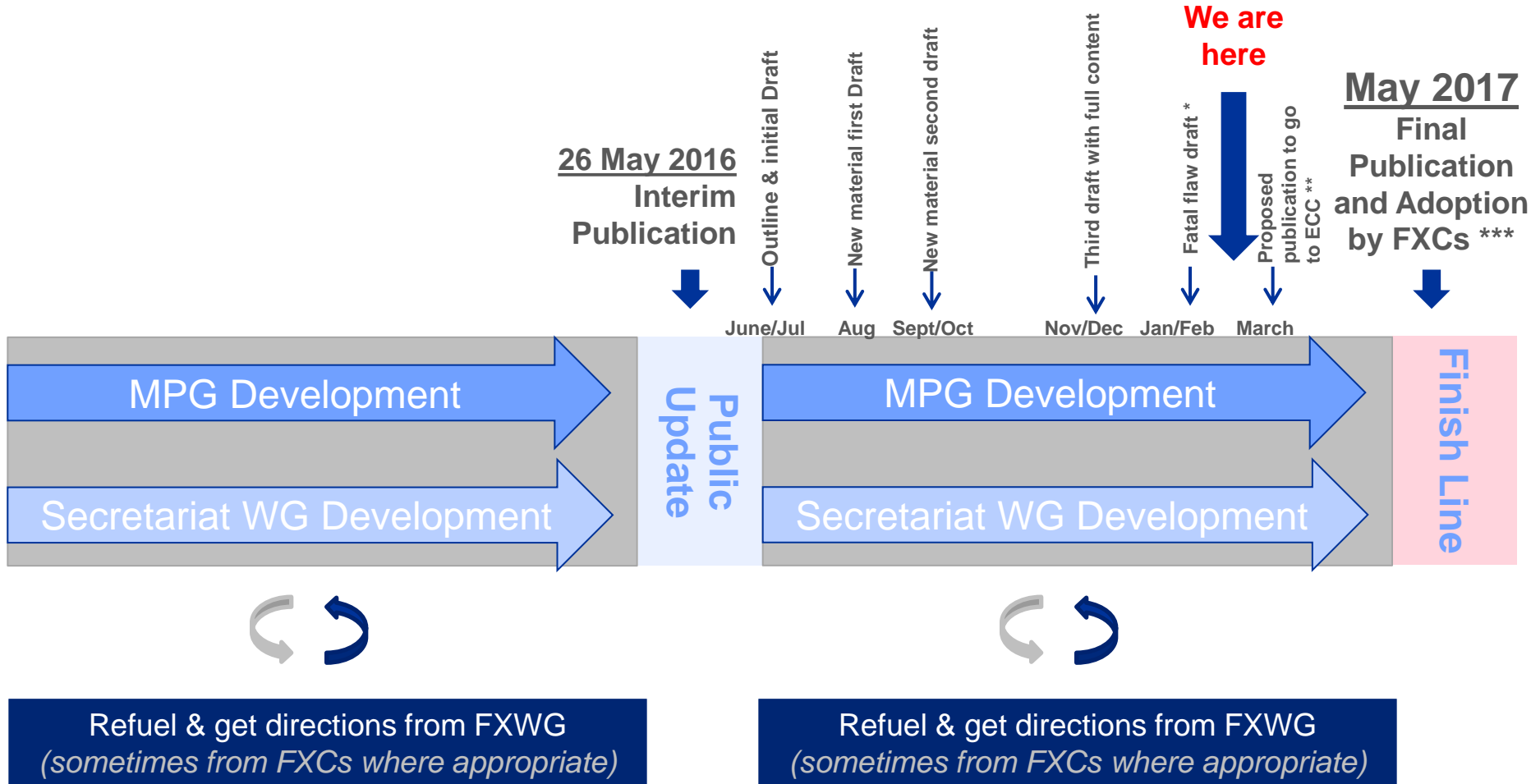
EUROSYSTEM

Guy-Charles Marhic

# **FX Code of Conduct: - status of the work on the Code and adherence**

Frankfurt am Main, 9 March 2017

# Developing the Global FX Code: A Road Map



\* Comments will focus on key missing points rather than on drafting

\*\* ECC and GEM

\*\*\* FXC (Foreign Exchange Committees from major financial centres): Australia, Canada, ECB, Hong Kong, London, New York, Singapore and Tokyo.

## Developing the Global FX Code: where are we now?

- Last draft: comments mostly on execution
- Outcome of the BIS FXWG meeting in Hong Kong 23-24 February
  - Agreement on the Code with amendments to Principles (4, 6, 17, 18, 19 and 51)
  - Statement of Commitment (SoC) – approved without changes
  - Explanatory note to the SoC – approved with minor changes
  - Market led adherence mechanisms – guidance to further work on training and register(s) with an aggregator of registers
  - Agreement to further work success measures including a survey to be launched on 25 May
  - Agreement to further pursue outreach

- Timeline

- 20 March 2017: BIS Governors (ECC and GEM) supporting statement approval
- 24 May 2017: Global FXC endorses the Global FX Code
- 25 May 2017:
  - Publication of the Global Code and adherence document
  - BIS Governors (ECC and GEM) support statement
  - FXC Statement of support
  - MPG members to provide support statement

# The Statement of Commitment is the main envisaged module for demonstrating commitment to the Code

- Brief and high level in style
- Focus on commitment to conduct activities consistent with the Code
- To be used by all market participants
  - including central banks
  - for FXC membership
- Will be made available as an Annex to the Code
- Accompanying explanatory note

[Name of institution] (“Institution”) has reviewed the content of the FX Global Code (“Code”) and acknowledges that the Code represents a set of principles generally recognised as good practice in the wholesale foreign exchange market (“FX Market”). The Institution confirms that it acts as a Market Participant as defined by the Code, and is committed to conducting its FX Market activities (“Activities”) in a manner consistent with the principles of the Code. To this end, the Institution has taken appropriate steps, based on the size and complexity of its Activities, and the nature of its engagement in the FX Market, to align its Activities with the principles of the Code.

## **Demonstrating adherence: posting the Statement:**

➤ **own website: difficulty to track**

➤ **public register:**

- FX Committees
- Infrastructure providers and platforms
- Industry Associations, Forums and Bodies

➤ **Working on an aggregator of Public Registers**

**Thank you  
for your attention**