

ECB Foreign Exchange Contact Group: Terms of Reference

1. Purpose

The ECB's Foreign Exchange Contact Group (FXCG) is a forum for interaction between the ECB and industry-wide market professionals involved in the wholesale foreign exchange (FX) market. The objective of the FXCG is to discuss developments in FX markets and share ideas and experiences on the structure and the functioning of the FX markets.

As a member of the [Global Foreign Exchange Committee](#), the FXCG will provide guidance and leadership to the FX market, through the development, implementation and maintenance of the [FX Global Code](#), and will endorse and facilitate adherence to the FX Global Code.

It will also liaise, where appropriate, with similar market bodies and trade organisations covering the FX and other financial markets, both in the euro area and in other financial centres.

2. Governance and membership

The FXCG is composed of two ECB members and approximately 20 private-sector participants with a broad knowledge of wholesale FX markets and who are in a position to speak for their respective institutions. These individuals are chosen by the ECB with regard to the firm that they represent, their responsibilities within the firm, their ongoing role in the market and their interest in joining the contact group. The selection criteria are aimed at ensuring participation by a wide range of firms from the buy and sell sides of the industry. Occasionally, non-member experts will be invited to discuss or present specific issues. Representatives from the euro area national central banks, which have observer status, may follow the discussions of the group.

Members are not invited to represent the interests of their individual institutions, but they should stand for the market as a whole and be able to use their knowledge and expertise in order to actively contribute to discussions. Any change in a member's position within his or her institution will result in a review of his or her membership; the seat cannot be automatically passed on to a replacement within the institution.

Applicants seeking to join the FXCG are required to confirm their institutions' commitment to the FX Global Code by endorsing the [Statement of Commitment](#) (SoC). Applicants should complete and submit the FXCG's application form and relevant documentation to the FXCG Secretariat at the latest by end November.

Membership and the term of the appointment are considered by the ECB. To ensure equal treatment and broad representativeness, membership is subject to an annual review. It will be based on merit, for example regular attendance, contributions to the group, meeting presentations, active participation in the discussion, the role of the represented institution and the member in the market segment and the group. The ECB can suspend membership.

The FXCG is chaired by the ECB's Deputy Director General Market Operations or his or her alternate. The ECB provides the Secretariat, proposes the agenda and participates in the discussion.

Members are expected to attend all regularly scheduled meetings in person. They should contact the Secretary if they are unable to attend a meeting. Each institution nominates an alternate who can participate in the exceptional absence of the member, subject to the ECB's approval.

3. Procedures

The FXCG usually meets four times per year on the ECB's premises for a four-hour meeting, normally starting at 13:00 CET/CEST.

The meetings follow an agenda which is circulated to the members prior to the meetings. The agenda is established by the Chair in consultation with the members and the Secretary. Members are encouraged to propose topics for inclusion in the agenda and in the work programme.

In addition to the pre-arranged meetings, ad-hoc teleconferences may be requested at any time by the ECB, either at its own initiative or at the request of some members.

Confidential, commercially sensitive information, including information relating to member institutions or the ECB, is not discussed in the meetings or teleconferences.

Agendas, a list of the participants, summaries of the FXCG discussions and material presented are published on the ECB's website. The summaries are circulated to participants and any comments received are addressed prior to publication. Unless otherwise agreed, meeting summaries will not attribute expressed views to any specific member.