



EUROPEAN CENTRAL BANK

EUROSYSTEM

ECB Operations Managers Group (ECB OMG)

Towards increased
cooperation between
the ECB Contact
Groups

Frankfurt am Main, 09/02/2017

I – ECB Operations Managers Group (ECB OMG) remit

- **Purpose:**

To address issues of an operational, settlement and post-trade nature topical from a bank perspective in financial markets, and of relevance for operations involving central banks and for other fora

- **Recent work achieved:**

- FX Global Code: contribution to sections on Confirmation and Settlement (May 2016) and related adherence questions (on-going)
- Surveys on FX and IR confirmation processes (2014-2016)
- Letter to M. Coeuré “Priorities for the financial regulatory work from a bank operations management perspective” from input provided by two dedicated Working Groups (2013-2015)

- **Examples of current ECB OMG topics also relevant for MMCG, BMCG & FXCG:**

- Impact of regulatory reforms
- Central clearing
- Settlement fails
- Brexit
- Distributed ledgers and blockchain technology
- Cyber risk and operational risk management

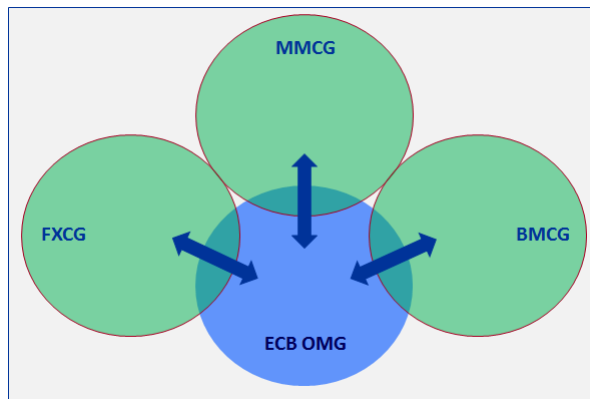
II – Increased cooperation between Contact Groups (CGs)

- **New Procedure:**

Through updates by the ECB OMG Chair in MMCG, BMCG and FXCG, the ECB OMG will be able to share its findings and give short updates on developments in issues of interest, and vice versa.

- **Sharing of work on regulatory issues:**

Financial reform implemented in EU through several legal acts, including EMIR, MIFIR/D, SFTR, CSDR, CRD. Analysis of practical implications is cumbersome. Possible way forward may be to “specialise” each CG in given legal act(s), where they would communicate with other CGs in case of need. E.g. ECB OMG may “specialise” on CSDR and EMiR.



Any further opportunities you may conceive?

III – OMG 2017 Work Programme

Bank operational topics

- Collateral and Cash mgt
- Central clearing
- Confirmations
- Best Practices & adherence to the FX Global Code
- Trade repositories
- Settlement fails
- Cyber risk & cybersecurity
- Operational risk mgt

Impact of regulations

Business impact of the regulatory agenda on banks' operations :

- CSDR
- EMIR
- MiFID II
- KYC
- Brexit

Impact of technological change

From a bank operational & post-trade perspective only:

- Migration to T2S
- ISO 20022
- DLT and blockchain
- Digitalisation & 'robotics'

Any comments, or possible additional topics?

Thank you for your input and attention !