

Meeting Minutes

Meeting Title	70th Steering Committee Meeting
Date and Time	12th March 2019
Location	EMMI premises in Brussels
Attendees	
Voting Members	A. COVIN (Chair); J. BESUIJEN (by call); A. BIEWALD (by call); J.C. CUEVAS; F. HEBEISEN; D. LE MASSON; C. MERKEL; T. MILLION; T. MIRONCZUK; J.M. VERDUGO
Non-voting members	J.-L. SCHIRMANN (EMMI Secretary General, ex-officio member);
Observers	G. RAUPACH (EMMI Board of Directors; by call)
Excused	V.VAN DESSEL; L. VLAMINCK
Quorum	10 out of 12 voting members

Agenda Item	
WELCOME	The Chairman also welcomed Mr. J. RAUPACH Member of EMMI's Board of Director, as observer for this meeting.
ITEM 1 CONFLICTS OF INTEREST	<p>Discussion Points :</p> <p>The Chairman reminded everyone that Members of the Steering Committee are appointed on a personal basis and should not be subject to instructions from the company/organization they are affiliated to (if any). Members are personally responsible to recuse of relevant decision making in the event a conflict of interest situation might arise.</p> <p>Members had no conflict of interest to declare.</p>
ITEM 2 MINUTES OF THE PREVIOUS MEETING	<p>Discussion Points :</p> <p>Members made some comments on the minutes. They asked to add a sentence on item 5 "EONIA oversight" and spotted a typo on item 9 "any other business" "pre-filing". Members approved the publication of the draft minutes, after their remarks had been taken care of.</p> <p>Decision and votes :</p> <p>Minutes of the previous meeting were approved unanimously.</p> <p>Action points :</p> <p>To review the draft minutes according to Members' comments and publish the approved minutes on the website.</p>
ITEM 3 CONSULTATION POLICY	<p>Discussion Points :</p> <p>Mr A. LÓPEZ explained that this updated version of the Consultation Policy and Procedure does not include any major changes. The new version includes clarifying</p>

	<p>wording as to when different cases shall be considered as material changes, hence requiring the launch of a public consultation. He highlighted that the Steering Committee has the responsibility to assess whether a change shall be considered as material or not before submitting a recommendation to the EMMI Board of Directors. Members asked for some clarifications.</p> <p>Decision and votes: Members approved unanimously the Consultation Policy and Procedure with some clarifications.</p> <p>Action points : EMMI will include the suggested modifications.</p>
<p>ITEM 4 EURIBOR INTRADAY RE-FIXING POLICY</p>	<p>Discussion Points : Mr A. LÓPEZ explained that no substantial changes have been introduced in the version of the re-fixing policy submitted for approval: as part of the process of application for authorisation under the EU BMR, policies have been reviewed and their templates have been harmonised. In this case, the policy has just suffered small cosmetic modifications. The approved policy will also be updated on EMMI’s website. Members asked for some editing changes.</p> <p>Decision and votes : The EURIBOR Intraday Re-fixing Policy was approved unanimously with minor editing changes.</p> <p>Action points : EMMI will include the suggested modifications.</p>
<p>ITEM 5 EURIBOR DATA INTEGRITY FRAMEWORK</p>	<p>Discussion Points : Mr D. COWEN presented the EURIBOR Data Integrity Framework. He explained that this document is an enhancement of the back testing programme presented at each Steering Committee meeting. It includes daily calculation controls (pre- and post-publication checks), monthly checks, and follow-up procedures. Members made comments and asked for clarifications on some points.</p> <p>Decision and votes: Members approved unanimously the EURIBOR Data Integrity Framework taken into account the comments made.</p> <p>Action points : EMMI Secretariat to send an updated version of the document which includes the modifications.</p>

<p>ITEM 6</p> <p>EURIBOR METHODOLOGY ANNUAL REVIEW</p>	<p>Discussion Points :</p> <p>Mr D. COWEN presented the Annual Review of the EURIBOR Methodology Procedure. This procedure explains the overview of roles and responsibilities, and details the process of the annual review of the methodology.</p> <p>Members made some comments before approving the document.</p> <p>Decision and votes :</p> <p>Members approved unanimously the EURIBOR Methodology Annual Review Procedure taking into account their comments.</p> <p>Action points :</p> <p>n/a</p>
<p>ITEM 7</p> <p>EONIA CONSULTATION</p>	<p>Discussion points:</p> <p>Mr A. LÓPEZ presented the “EONIA Consultation on the Recommendations of the Working Group on euro-risk free rates,” whose main objective is to present and receive the market’s feedback on both the changes to the EONIA methodology recommended by the EUR RFR WG and EMMI’s implementation plans. Members asked for some minor editing changes before approving the Consultation. The Consultation will be launched on 20th March 2019, and the consultation period will remain open until 15th April 2019. The feedback summary will be published at the end of May 2019.</p> <p>Decision and votes:</p> <p>The EONIA Consultation was approved unanimously by Steering Committee Members with some editing changes</p> <p>Action points:</p> <p>To publish the EONIA Consultation on 20th March 2019. .</p>
<p>ITEM 8</p> <p>PANEL BANKS COMPLIANCE PROGRAM</p>	<p>Discussion Points :</p> <p>Mr C. WESTSTEIJN presented the new Panel Banks Compliance Program and new Panel Banks Compliance Guide. He explained that these two documents have been updated in order to fulfill the requirements of the EU BMR. While the Panel Banks Compliance Program is an internal document, the Compliance Guide will be shared with the Panel Banks.</p> <p>He mentioned that the main changes focused on external and internal annual audits, open compliance communication channel. He also highlighted that the Code of Obligations for Panel Banks will be reviewed annually.</p> <p>Decision and votes :</p> <p>The Panel Banks Compliance Program and new Panel Banks Compliance Guide were unanimously approved with some editing changes.</p>

	<p>Action points :</p> <p>To update the documents and sent it back to Steering Committee Members for information.</p>
<p>ITEM 9 EURIBOR OVERSIGHT</p>	<p>Discussion Points :</p> <p>a) Benchmark Operations Overview: Mr. D. COWEN presented the overview of the quality of the EURIBOR rate-setting operations for the period November 2018 – January 2019. The number of static quotes reverted to their previous higher level after a decrease in December due to end-of-year factors. The change in the size of the panel mid-January caused some indicators to not be entirely consistent over the reported period.</p> <p>b) Back-Testing Highlights: Mr. D. COWEN presented the highlights of the EURIBOR back-testing report for January 2019. There was one routine follow-up action performed with a Panel Bank since the last meeting.</p> <p>c) Underlying market monitoring: Mr D. COWEN presented a comparison of EURIBOR calculated under the current quote-based methodology, the rates calculated under the hybrid methodology during the testing phase, and the unsecured borrowing rates published as part of the MMSR dataset. The overall volumes of the unsecured wholesale borrowing and interbank borrowing from the MMSR sample were also presented.</p> <p>Decisions and votes: n/a</p> <p>Action points: n/a</p>
<p>ITEM 10 EONIA OVERSIGHT</p>	<p>Discussion Points:</p> <p>Mr. V. TSONCHEV (ECB) presented the EONIA Contribution Process Quality Report for January and February 2019.</p> <p>In January, EONIA was always published on time and calculated according to the input received. There were two cases of late contributions and three cases of multiple contributions.</p> <p>In February, EONIA was always published on time and there was one case of multiple contributions. Since 4th February, the computation of EONIA has been done via a new system provided by EMMI. The switch in systems went smoothly.</p> <p>Decisions and votes: n/a</p> <p>Action points: n/a</p>

<p>ITEM 11</p> <p>EURIBOR DECLARATION OF ADHERENCE</p>	<p>Discussion Points:</p> <p>Mr. C. WESTSTEIJN gave an update on the number of EURIBOR Declaration of Adherence received corresponding to the year 2018. He confirmed that all Panel Banks had shared their Declarations.</p> <p>He reminded Members that, on the basis of the EURIBOR Code of Conduct, each Panel Bank has to confirm annually its adherence to the Governance Framework.</p> <p>Decisions and votes:</p> <p>n/a</p> <p>Action points:</p> <p>n/a</p>
<p>ITEM 12</p> <p>RISK METRICS REPORT</p>	<p>Discussion Points:</p> <p>Mr K. BOUNYAR presented the Risks Report on benchmarks for the last quarter. These risks are mainly strategic, operational, reputational and compliance risks.</p> <p>Decisions and votes:</p> <p>n/a</p> <p>Action Points:</p> <p>n/a</p>
<p>ITEM 13</p> <p>ANNUAL REPORT FROM THE CHAIR</p>	<p>Discussion Points:</p> <p>Mr. A. COVIN, Chairman of the Steering Committee, presented for the first time his annual report on the activities of the Steering Committee in 2018. This report will be presented to the Board of Directors during its next meeting. Some members made some comments and suggestions.</p> <p>Decisions and votes:</p> <p>n/a</p> <p>Action Points:</p> <p>Steering Committee Members were invited to send their comments/suggestions by email in order to be taken into account in the annual report.</p>
<p>ITEM 14</p> <p>COMPOSITION OF EURIBOR/EONIA PANELS</p>	<p>Discussion Points :</p> <p>There has been no change in the composition of the EURIBOR and the Eonia panels.</p>
	<p>Decision and votes :</p> <p>n/a</p>
	<p>Action points :</p> <p>n/a</p>

ITEM 15 ANY OTHER BUSINESS	Discussion Points : <u>Regulatory and Supervisory issues:</u> Ms G. MARQUES explained that EMMI Secretary General and EMMI Chairman of the Board had a meeting with the FSMA at the end of February. This meeting was very positive. Ms G. MARQUES confirmed that EMMI has regular interactions with the FSMA team. She also explained that ESMA published a Q&A on requirements applicable to supervised contributors during the transitional period.
	Decision and votes : n/a
	Action points : n/a