**SUMMARY MINUTES**

**ICI Telephone Conference with Representatives of EFMLG, FLB, FMLC, FMLG, HKMA, MAS and SNB**

**7 May 2019, 20:00 SG Time**

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| **1.** | **FMLG initiatives - update** | **Financial Markets Lawyers Group (Federal Reserve of New York)**  Nelson, Michael and Shawei T. Wang |
| a. | GSE Reform |  |
| b. | Recent FX Cases in US Courts |  |

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| **2.** | **SNB initiatives - update** | **Swiss National Bank**  Claudio Faeh |
| a. | Swiss Sovereign Money Initiative (update) |  |
| b. | FinTech access to Swiss Interbank Clearing |  |
| c. | EU equivalence of Swiss Stock Exchanges and Countermeasures |  |

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| **3.** | **FMLC initiatives - update** | **Financial Markets Law Committee**  Joanna Perkins, Venessa Parekh |
| a. | Update Brexit |  |
| b. | Update Fintech |  |

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| **4.** | **FLB initiatives - update** | **Financial Law Board (Bank of Japan)**  Akira Tsuchikawa, Makoto Chiba, Kay Kunikane, Kohki Izumi, Shogo Owada |
| a. | Draft Legislative Amendment on Financial Regulations Regarding FinTech |  |
| b. | Committee on Japanese Yen Interest Rate Benchmark |  |

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| **5.** | **HKMA initiatives - update** | **Hong Kong Monetary Authority**  Joanna Wong, Angela Leung |
| a. | Enhanced Competency Framework for Banking Practitioners |  |
| b. | Updates on Imposing a Pecuniary Penalty for Contraventions of the Anti-Money Laundering and Counter-Terrorist Financing Ordinance |  |

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| **6.** | **EFMLG initiatives - update** | **European Financial Markets Lawyers Group (European Central Bank)**  Otto Heinz, Iñigo Arruga, Niall Lenihan, Marek Svoboda and Sarah Jane Murphy |
| a. | Latest developments with respect to the Benchmark Reform | The ECB is currently testing its system for producing the euro short-term rate (€STR), which will be published daily as of 2 October.  As regards market transition to this new risk free rate, following its recommendation last September that the euro short-term rate should replace Eonia in contracts referencing that rate, the industry working group on risk free rates in the euro area –for which the ECB provides the secretariat - has recommended a modified methodology for Eonia in order for Eonia to become the €STR plus a fixed spread. The spread would measure the difference in basis points between the two rates and their underlying interests in the previous 12 months and will be calculated by the ECB. The aim of the reform is to ensure that the recalibrated Eonia can become complaint with the EU Benchmarks regulation. Eonia itself will cease to be published by end 2021. The working group is consulting publically on its recommended transition plan for the market to move from Eonia to referencing €STR plus the spread in both new and legacy contracts, including by embedding fall back clauses.  In parallel, the European Parliament has adopted two proposals which will significantly impact on the regulatory framework for Eonia and Euribor and other critical benchmarks in the EU, namely the proposal on a regulation on "low carbon benchmarks" and the proposal to review the powers of the European supervisory authorities (ESAs). Most importantly the latter proposal will extend the deadline for existing critical benchmarks to be made compliant with the EU Benchmarks regulation by two years to end 2021. It will also extend to five years the maximum period in which supervised entities may be required to contribute to a critical benchmark. Under the former proposal ESMA (the European securities and markets authority) will take over supervision of critical benchmarks from the national competent authorities. It now only remains for the Council to formally adopt both proposals within the next month. |

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| **7.** | **MAS initiatives - update** | **Monetary Authority of Singapore**  Paul Yuen, Dawn Chew, Serene Chew, Jocelyn Ngiam |
| a. | Regulatory developments in FinTech and e-payments |  |
| b. | Enhanced measures to address technology / cyber-related risks |  |

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| **8.** | **Other issues** |  |
| a. | Date and organisation of next meeting | FMLC kindly offers to organise and host the next conference. |