

ICMA European Repo and Collateral Council Operations Group

Terms of Reference

4 December 2015

Background

The ICMA European Repo and Collateral Council (ERCC) Operations Group ('the Group') was formed in 2006 to support operations specific activities arising from the work undertaken by the ERCC Committee, established under the statutes of the International Capital Market Association (ICMA).

Membership

The Group is composed of operations managers supporting the repo product for ERCC member firms. The membership of the Group will be broadly consistent with the elected membership of the ERCC Committee, but may also include other individuals with appropriate experience to contribute.

The Group is led by one Chair and one Co-Chair who are both elected by the Group through consensus vote. Given the need of the Chair and Co-Chair to focus on leadership of the Group, it is recognised that they may each add a colleague to the membership of the Group in order to support the effective completion of the on-going work programme.

Group members are expected to show commitment and support for the work of the Group as well as actively contributing to it. Any member who fails to attend three consecutive Group meetings will be requested to provide strong justification; and may be asked to stand down at the discretion of the Co-Chairs.

Under the auspices of the Group, specific Working Groups may be established, where required, to concentrate on certain market areas and to develop operations responses for presentation to the European Repo and Collateral Council and/or publication to the wider market place. Each of the Working Groups will be led by one of the members acting as Chair.

The Group also has the possibility to establish, typically shorter-term, focus groups to create best practices or work on specific regulatory responses.

A regularly updated list of members of the Group is available on the ICMA website.

Objectives

Key elements of the Group's work will include, but not be limited to, the following:

- Encourage the development of operational practices and processes to improve the timeliness, completeness and efficiency of the repo product in the local, European and Global market places.
- Create, maintain and publish best practice documents on repo operations activities. In particular, the Group will discuss and propose amendments to the 'ICMA ERC Guide to best practice in the European Repo Market'¹ before submitting them to the ERC Committee for adoption.
- Monitor and discuss regulatory developments which have an impact on the efficient functioning of repo markets from an operational perspective. To this end the Group may prepare and submit responses to relevant market consultations and provide input from an operational perspective to regulatory submissions prepared by the ERCC.
- Review and syndicate operational impact assessments of new repo related product sets.
- Encourage consistency in vendor developments to improve market efficiency.
- Provide a forum for guidance on ICMA member questions for repo related activity and offer collective responses to issues or questions that arise as appropriate.
- Encourage membership participation in and delivery of the semi-annual ICMA European repo market survey and other market survey requests.
- Partner with other ICMA councils, committees and working groups on repo related issues.
- Partner with other industry forums and associated product groups regionally and globally.
- Participate in industry events to further the objectives of the ERCC.
- Present views and information at ERCC Committee meetings.
- Present semi-annual updates of the Group's work at the ERCC General Meetings held each spring and autumn.

Secretariat

The Secretariat of the Group is provided by ICMA. An ICMA staff member will act as Secretary of the Group. The Secretary is responsible for providing meeting minutes, the coordination of meeting diaries and support for additional meetings where required. The Secretary will also share relevant information and distribute market working papers to the Group to support their work.

Structure and meetings

The Group aims to meet at a regular basis, usually every 6-8 weeks and at a minimum 6 times per calendar year. The meetings are hosted by volunteering member firms. Members are encouraged to attend meetings in person. The Secretary can call ad hoc meetings or conference calls at any time to

¹ On 4 December 2015, the name of the European Repo Council (ERC) was changed to the European Repo and Collateral Council (ERCC).

discuss key issues, rather than wait for scheduled meetings. Similarly, the leaders of Working Groups can call meetings or conference calls for Working Group members at any time.