



Efterm Oversight Committee Meeting minutes



Meeting minutes

Meeting title	5 th Efterm Oversight Committee Meeting
Date and time	25 January 2024 from 9:30 to 12:00
Location	Conference call

Attendees	<p>Members:</p> <p>A. COVIN</p> <p>T. MIRONCZUK</p> <p>P. SIMEON</p> <p>J-L. SCHIRMANN (EMMI CEO)</p> <p>The European Money Markets Institute:</p> <p>R. CAPPARELLI, C. BERGAMASCHI; F. NUNZIANTE CESARO, A. FANEA, B. DENECKER, G. DILLEN</p>
Observer	A. HILL (IBA)
Excused	
Quorum	3 voting members

Agenda items

Welcome	The Chair A. COVIN welcomed the Members to the 5 th Efterm Oversight Committee meeting. The meeting was held by conference call.
Item 1 Conflict of interest	<p>The Chair reminded everyone that Members of the Oversight 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>Discussion points:</p> <p>The Committee had no conflicts of interest to declare.</p>
Item 2 Regulatory update	<p>A. FANEA provided the Members with an update on the latest regulatory and supervisory topics on areas of interest regarding Efterm including e.g.:</p> <ul style="list-style-type: none"> ESMA Report on sanctions imposed under the Benchmarks Regulation in 2022;

	<ul style="list-style-type: none"> RFR working Group concludes its work on the 4th December 2023;
<p>Item 3 Minutes of the previous meeting</p>	<p>The Members reviewed the minutes of the previous meeting of the Eferm Oversight Committee that took place on the 21st of November 2023.</p> <p>Decisions & Votes</p> <p>The minutes were approved unanimously by the Committee.</p>
<p>Item 4 Euro Money Market Report</p>	<p>R. CAPPARELLI and F. NUNZIANTE CESARO presented the Euro Money Market Report to the Committee. They provided a comprehensive overview of the euro money markets highlighting the most recent developments on:</p> <ul style="list-style-type: none"> Monetary Policy Environment: <ul style="list-style-type: none"> ECB Rates development and market excess liquidity Inflation and inflation expectations ECB balance sheet and interest rates level <p>F. NUNZIANTE CESARO presented the latest development in the secured, unsecured and Fx Money market segments focusing on Euribor and on the STEP market.</p> <p>A. COVIN highlighted that volumes were still relatively strong in the longer tenors, reflecting expectations from asset managers of lower interest rates in the near future.</p>
<p>Item 5 Eferm Oversight Report</p>	<p>Mr. CAPPARELLI presented the Eferm Oversight Report to the Committee. The report showed quantitative and qualitative indicators to monitor Eferm in the last three months: October, November, and December 2023. Since its publication, Eferm was always published on time and according to the approved methodology.</p> <p>Decisions & Votes</p> <p>The Committee approved the Oversight Report unanimously.</p>
<p>Item 6 Update on the implementation of the changes of the methodology</p>	<p>Mr. CAPPARELLI gave an oral update on the implementation of the changes of the new Eferm methodology. The calculation of level 3 Eferm rates follows the enhancements of the 1st methodology review from the 25th of January 2024. However, it was emphasized that no impact on Eferm rates is anticipated, as they are presently calculated and published at level 2 of the methodology, which is unaffected by the changes in methodology.</p>
<p>Item 7 Annual Report from the Chair</p>	<p>Mr. COVIN presented the annual report prepared from the Chair of the Committee. The annual Report will be presented to the Board of EMMI.</p> <p>The report aims to comment on the activities of the Eferm Oversight Committee focusing on the outcome of the four meetings of the Oversight Committee which took place since its inception.</p>
<p>Item 8 Update on Euribor Consultation Process</p>	<p>J-L. SCHIRMANN gave an oral update on the Euribor consultation process in order to conceive a new Methodology with the cessation of Level 3 contributions from panel banks.</p> <p>The summary of the feedback received from the stakeholders will be published at the end of February or early March 2024.</p>

Confidential

	In the new Euribor methodology, Eferm will become a significant input data to calculate the Level 2.3 of Euribor. For this reason, the Euribor Oversight Committee would like to receive regular updates on Eferm.
AOB	There were no other business discussed.