



Minutes – 82nd Oversight Committee Meeting

Meeting Title	82 nd Oversight Committee Meeting
Date and Time	10 th March 2021, 10.00 – 15.30 CET
Location	Conference call
Members	A. COVIN (Chair); M. BRIZEE; Z. CHATZIMPEI; J.C. CUEVAS; D. LE MASSON; T. MILLION; T. MIRONCZUK; M. VERHEIJEN; L. VLAMINCK; J-L. SCHIRMANN (CEO, ex-officio member, non-voting member)
Observer	M. MARQUES (Member of the EMMI Board of Directors; observer)
Excused	
Secretariat	J. CSÖRGEI; A. DE LISIO; J. FELDKAMP; A. GUZZARDI; C. CUSTINNE; J. EVENEPOEL; P. COLOT
Quorum	9 voting Members

Agenda Item	
WELCOME	Mr. A. COVIN welcomed the Members to the 82 nd EURIBOR and EONIA Oversight Committee meeting.
ITEM 1 CONFLICTS OF INTEREST	Discussion Points: 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.
ITEM 2 MINUTES OF THE PREVIOUS MEETING	Discussion Points: The members reviewed the minutes of the previous meeting of the Oversight Committee that took place on 19 th of January 2021.
	Decisions and votes: The minutes of the previous meeting were approved unanimously.
	Action Points:

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	To publish the approved minutes on the EMMI website.
ITEM 3 REGULATORY UPDATE	<p>Discussion Points:</p> <p>Mr. J. FELDKAMP explained that EMMI is in constant contact with the regulator. He explained that EMMI discussed the planned methodology for the forward-looking term rate based on €STR with the FSMA. ESMA was present in the meeting as the future regulator as well.</p> <p>Moreover, a presentation was held for the EURIBOR college where EMMI updated the authorities on recent EURIBOR developments, its work in the field of cyber security and the development of the €STR term rate. EMMI also discussed the potential expansion of the Panel with the college.</p> <p>Mr. J. FELDKAMP also reminded the Members that in the UK, IBA consulted publicly about the future of LIBOR and published a statement on the consultation. As an outcome most of the LIBOR panel signalled that they will not contribute past 2021 for most of the LIBOR currencies. FCA will not mandate banks to stay on the panel. A synthetic LIBOR may be published but not based on PB contributions.</p> <p>Finally, Mr. J. FELDKAMP informed that the Working Group on Euro Risk Free Rates will terminate its work by the end of March.</p> <p>Decisions and votes:</p> <p>N/A</p> <p>Action Points:</p> <p>N/A</p>
ITEM 4 OVERSIGHT COMMITTEE ANNUAL WORKPLAN	<p>Discussion Points:</p> <p>Mr. J. FELDKAMP introduced the Oversight Committee annual workplan which contains analysis of the potential centralisation of Level 3 calculation, the 2nd Annual Review of the EURIBOR Hybrid Methodology, and training session for the Members.</p> <p>Decisions and votes:</p> <p>N/A</p> <p>Action Points:</p> <p>N/A</p>
ITEM 5	<p>Discussion Points:</p>

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INTRODUCTION OF OVERSIGHT SELF-ASSESSMENT	<p>Mr. J. FELDKAMP presented the next steps EMMI would take to prepare the self-assessment of the Oversight Committee. This would cover the organisation and the duties of the Oversight Committee. Mr. A. COVIN asked if a third-party provider would be involved and if the survey would be anonymous. Mr. J. FELDKAMP explained that the survey would be led by EMMI’s CGRC unit and be anonymous. EMMI would present a draft survey for approval in the April meeting and present the result in June.</p>
	<p>Decisions and votes:</p> <p>N/A</p>
	<p>Action Points:</p> <p>N/A</p>
ITEM 6 RE-FIXING POLICY / TREATMENT OF CORRECTIONS	<p>Discussion Points:</p> <p>Mr. A. COVIN referred to the previous discussion of the 81st Oversight Committee and introduced the progress EMMI staff had made in the meantime, both in terms of analysis and explanations. Mr. C. CUSTINNE then presented a note on the review of the current re-fixing policy. He explained in detail the different scenarios and the potential effects of receiving contributions in the re-fixing window. Furthermore, Mr. C. CUSTINNE outlined the principles that EMMI considered during the exercise and the IT implications of the proposed change.</p>
	<p>Decisions and votes:</p> <p>Members approved the proposal to change the EURIBOR Re-fixing Policy unanimously.</p>
	<p>Action Points:</p> <p>To propose the approved amendments to the EURIBOR Re-fixing Policy to the Board of Directors.</p>
ITEM 7 PBCG UPDATE	<p>Discussion Points:</p> <p>Mr. J. FELDKAMP explains that the minutes of the Panel Bank Contact Group have been shared with the Members of the Committee. He gave an overview of what was discussed during the PBCG.</p>
	<p>Decisions and votes:</p> <p>N/A</p>
	<p>Action Points:</p> <p>N/A</p>

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<p>ITEM 8 REVIEW OF THE EURIBOR GOVERNANCE FRAMEWORK</p>	<p>Discussion Points:</p> <p>Mr. J. FELDKAMP summarised the minor changes to the Benchmark Determination Methodology (BDM). He also listed in detail the proposed amendments to the Code of Conduct for Panel Banks (COPB). Furthermore, Mr. J. FELDKAMP clarified that EMMI does not propose any changes to the Code of Conduct for the Calculation Agent nor to the EURIBOR Governance Code of Conduct.</p> <p>In addition, Mr. J. FELDKAMP explained to the Members the final decision regarding Panel Banks’ internal audit and its rationale.</p> <p>Decisions and votes:</p> <p>Members approved the proposal to change the COPB (paragraph 29, 89) and to change the BDM (paragraph 35) unanimously. Members approved changes to the paragraphs 105, 107 and 111 of the COPB by written procedure.</p> <p>Action Points:</p> <p>To propose the approved amendments to the Board of Directors.</p>
<p>ITEM 9 PANEL BANK EXTERNAL AUDITS (FOLLOW-UP)</p>	<p>Discussion Points:</p> <p>Mr J. FELDKAMP presented to the Members a follow up on the external audit reports of Panel Banks. He shared the results, findings and recommendations and summarised by Panel Banks.</p> <p>Mr J. FELDKAMP explained that paragraph 12 of Annex 1 to the Benchmarks Regulation (BMR) and section 133 of the EURIBOR Code of Obligations of Panel Banks (COPB) require an external audit to be carried out.</p> <p>Furthermore, Mr. J. FELDKAMP clarified that this was the first external audit since the introduction of the Hybrid Methodology and that all 18 Panel Banks have submitted their external audit reports.</p> <p>Decisions and votes:</p> <p>N/A</p> <p>Action Points:</p> <p>N/A</p>
<p>ITEM 10 ANNUAL DECLARATIONS OF ADHERENCE (PANEL BANKS)</p>	<p>Discussion Points:</p> <p>Mr. J. FELDKAMP presented the annual declarations of adherence to the COPB, which were duly signed by all Panel Banks.</p>

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	<p>Decisions and votes: N/A</p> <p>Action Points: N/A</p>
<p>ITEM 11 EURIBOR OVERSIGHT REPORT</p>	<p>Discussion Points:</p> <p>Mr. J. CSÖRGEI presented the EURIBOR Oversight Report for February 2021.</p> <p>Mr. J. CSÖRGEI informed the Members that EURIBOR was always published on time and presented the share of contributions broken down by Levels of the Hybrid Methodology and by Reason Codes where applicable.</p> <p>Decisions and votes: N/A</p> <p>Action Points: N/A</p>
<p>ITEM 12 REPORT ON PANEL BANK CONTRIBUTION TOPICS</p>	<p>Discussion Points:</p> <p>Mr. J. CSÖRGEI presented to the Members a report on specific topics related to Panel banks contributions.</p> <p>Decisions and votes: N/A</p> <p>Action Points: N/A</p>
<p>ITEM 13 EONIA OVERSIGHT REPORT</p>	<p>Discussion Points:</p> <p>Mr. J. CSÖRGEI presented the EONIA Oversight Report for December 2020. No operational issues were observed in the production of EONIA.</p> <p>Decisions and votes: N/A</p> <p>Action Points: N/A</p>

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(ADDITIONAL ITEM) COMPOSITION OF THE EURIBOR PANEL	Discussion Points: Mr. J. FELDKAMP confirmed that there had not been any changes to the composition of the EURIBOR Panel since the last meeting of the Oversight Committee.
	Decisions and votes: N/A
	Action Points: N/A
ITEM 14 ANY OTHER BUSINESS	Discussion Points: Mr. J-L. SCHIRMANN informed the Members that EMMI published an audit report which confirms EMMI's compliance with BMR.