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GLOBAL FOREIGN EXCHANGE DIVISION

ECB OMG

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Discussion

1. GFXD Introduction

2. Considerations and future developments within the global FX markets

- New technologies including
 - CDBC developments
 - Crypto assets including stablecoins

3. CPMI work on enhancing cross-border payments

- 19 building blocks have been identified across 5 key areas
- Conference being held 18 and 19 March: <https://biscpmi.navus.io/947/page/home>
- Roadmap: <https://www.fsb.org/wp-content/uploads/P131020-1.pdf>

4. Considerations for FX Post Trade

Appendix: GFXD Contacts

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Appendix: GFXD Papers

- **GFXD paper on interoperability** (<https://www.gfma.org/wp-content/uploads/2018/09/recommendations-for-the-promotion-of-interoperability-between-new-technologies.pdf>)
 - We discuss the reasons as to why interoperability of new technology solutions is important to the operation of wholesale markets
- **GFXD paper discussing some of the considerations for market participants looking to use new settlement technologies** <https://www.gfma.org/wp-content/uploads/2019/09/developments-in-wholesale-fx-settlements-september-2019.pdf>
 - We discuss some of the main factors when considering new settlement technologies, including settlement, liquidity and disruption risk
- **GFXD paper on expanding PvP opportunities** (<https://www.gfma.org/wp-content/uploads/2020/03/expanding-pvp-opportunities-march-2020.pdf>)
 - We introduce the benefits of increasing PvP rates as the outcome of using new technologies, noting that increased RTGS operating hours could be a good place to start
 - The challenges firms would face would be the same firms would face should they eventually use stablecoins or CBDC
 - We introduce the concept of the global settlement date to accommodate for regional timezone differences
- **AFME/GFXD submission to the recent ECB questionnaire on a digital euro** (https://www.gfma.org/wp-content/uploads/2021/01/2021-01-12-afme_gfxd-ecb-retail-digital-euro-1.pdf)
 - We discuss our thoughts on the close interconnectedness between retail and wholesale markets
 - We introduce our thoughts on the governance of a CBDC and how the operation of the market could be impacted through the introduction of a CBDC