ECB Operations Managers Group (OMG)
Remit and 2020 work programme

FXCG
12 February 2020

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Chair of Operations Managers Group
## Agenda

1. OMG mandate and 2019 activities
2. OMG composition
3. OMG focus and agenda 2020
4. Discussion and questions
OMG mandate and 2019 activities

Purpose of the OMG see OMG Terms of Reference:
To address operational issues in the foreign exchange and capital markets

Examples of topics addressed in 2019

- Settlement practices
- Market infrastructure developments
- Regulatory trends
- Financial innovation for operations
- Response to crisis situations

- FX Global Code
- Trade repositories
- Settlement fails
- Back office systems
- T2S
- €STR
- ISO 20022
- Brexit
- CSDR
- EMA
- EMIR, MiFID II
- KYC
- DLT
- Blockchain
- Digitalisation
- Robotics
- Cyber risk
- Cyber security
- Operational risk
Composition and specialisation:

- All 22 members hold a core back-office function at their institution
- Members are specialised in FX and Fixed Income (FI) asset classes
- 7 have a further specialisation in IT, regulations, legal and other (trading, digitalisation, SWIFT)
- Looking for more northern country participants
OMG focus 2020 on core operations and their evolution, influenced by:

- **Market infrastructure developments:**
  - T2/T2S, ICSD and custodians, innovations

- **Regulatory trends:**
  - Implementation of SFTR RTS and CSDR Settlement Discipline rules

- **Financial innovations:**
  - Fintech solutions in specific product segments
  - Digitalisation in the Back-Office (Artificial Intelligence, Big data)

- **Further topics:**
  - Updates on FX Global Code of Conduct, €STR
  - Cyber security, business continuity, incident response
  - People and skill development
### OMG agenda 2020

Most members volunteered presentations

<table>
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<tr>
<th>March 2020</th>
<th>June 2020</th>
<th>September 2020</th>
<th>December 2020</th>
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<tbody>
<tr>
<td><strong>GFMA</strong></td>
<td><strong>Clearstream</strong></td>
<td><strong>SWIFT</strong></td>
<td><strong>Northern Trust</strong></td>
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<td>Operations efficiencies in the FX market</td>
<td>Strategy, regulatory and technological developments</td>
<td>Security Intelligence</td>
<td>Future of custodian services</td>
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<td><strong>Collateral management</strong></td>
<td><strong>Operations resilience</strong></td>
<td><strong>Fintech solutions in operations</strong></td>
<td><strong>Look-back on the regulatory agenda (MIFID II, SFTR, CSDR)</strong></td>
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<td><strong>Blockchain-based financial instruments</strong></td>
<td><strong>T2/T2S consolidation process</strong></td>
<td><strong>Digitalisation in Back-Office: focus on Artificial intelligence</strong></td>
<td><strong>Digitalisation: concrete utilisation of Back-Office data</strong></td>
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<td><strong>Preparing for SFTR</strong></td>
<td><strong>Effective security and incident handling</strong></td>
<td><strong>Confirmation and settlement practices</strong></td>
<td><strong>People and skill development</strong></td>
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*Blue = guest speaker*
4 Discussion and questions

How can we support the work of the FXCG?
• Which OMG topics are of most interest?
• Should we add further topics?

Please notify back office colleagues
• Who could contribute to OMG
• Especially from Nordic banks

All presentations and summaries are published on the ECB Internet:
ECB Operations managers group (ECB OMG)