



EUROPEAN CENTRAL BANK
EUROSYSTEM

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FINAL

Second meeting of the euro short-term rate (€STR) Oversight Committee

Held on Thursday, 19 March 2020

Summary

The €STR quarterly market and methodology report

Attendees were given a presentation on the first €STR quarterly methodology review, covering the fourth quarter of 2019. Data sufficiency, representativeness and scope were assessed as behaving as expected, confirming the appropriateness of the methodology to measure the underlying interest. The members took note of the main messages of the quarterly €STR market and methodology report for the fourth quarter of 2019.

The €STR determination process and control framework

Attendees were given a presentation on the operational experience of the €STR determination process since the last meeting of the €STR Oversight Committee. It was indicated that the €STR publication had been running smoothly and there had been no quality issues. On 28 February 2020 the first quarterly transparency on errors table had been published. In particular, the table provides summary information on errors larger than 0.1 basis points that were detected after the standard publication and did not meet the re-publication criteria. Members were informed that to-date no complaints had been received.

Draft cessation policy and procedures

The attendees were given a presentation on a draft policy and procedures for the possible cessation of the €STR owing to a situation, or any other condition, which makes the €STR no longer representative of the underlying interest, pursuant to Article 10 of Guideline (EU) 2019/1265 of the European Central Bank of 10 July 2019 on the euro short-term rate (€STR) (ECB/2019/19). The Oversight Committee is responsible for reviewing such draft policies and procedures pursuant to Article 9(5)(d) of this Guideline. The members endorsed the draft cessation policies and procedures, which will be published on the ECB's website after the adoption by the Governing Council.

Participants

- Members of the €STR Oversight Committee
- Representatives from the Banca d'Italia, the Banco de España, the Banque de France, and the Deutsche Bundesbank
- ECB officials from the Directorate Generals Legal Services, Market Operations, Secretariat and Statistics