

Nordic Countries Foreign Exchange Committee (NCFXC): Terms of Reference

The Nordic Countries Foreign Exchange Committee (NCFXC), hereafter the Committee, will meet regularly and provide a forum for market participants and central banks in the Nordic region to discuss issues and developments on the wholesale Foreign Exchange (FX) Market.

The objectives of the Committee are:

- To provide a forum for regular exchange on views of important structural and functional developments and trends that may have a direct or indirect impact on the Nordic Countries FX market.
- To serve as a channel of communication between the foreign-exchange market participants in the Nordic region and the Nordic central banks (Sveriges Riksbank, Norges Bank, Danmarks Nationalbank, Suomen Pankki and Sedlabanki Islands).
- As a member in the Global FX Committee (GFXC), the Committee will amongst other things review and provide feedback on the FX Global Code as it evolves. The Committee will promote the FX Global Code and encourage adherence in the region.

Organization of the Committee

Chairmanship and the secretariat of the Committee

- The chairmanship (the Chair) and the secretariat function (the Secretary) shall be hosted by the same central bank on a rotating term of two years. The Chair of the Committee is a senior representative from one of the aforementioned Nordic central banks.
- The Secretary shall schedule meetings, prepare the agenda in consultation with the Chair, distribute agendas and write and distribute meeting minutes.

Procedures

- The Committee will meet at least twice per year and more often in the event of circumstances that warrant the committee's attention.
- The Secretary will prepare an agenda prior to meetings in the Committee, in consultation with the Chair. Committee members are encouraged to propose items to the agenda. The agenda will be published on the websites of the Nordic central banks.
- Meeting minutes will be produced by the Secretary and reviewed and confirmed by the Committee members. The minutes will be published on the websites of the Nordic central banks shortly thereafter. Expressed views of separate members, unless otherwise agreed, will not be published. Representatives are free to use information from the NCFXC meetings, without attribution to the identity or the affiliation of the members.
- The working and procedural language of the Committee will be English.
- The Committee may form ad hoc sub-committees chaired by any of its members to study specific issues in regard to the FX market.

Membership

- The composition of membership will reflect an appropriate range of market participants active in the Nordic currencies, primarily those based in the Nordic countries but not excluding members based in other regions. Membership should reflect a broad set of participants in Nordic foreign-exchange markets, including major sell-side institutions, buy-side participants such as asset managers and corporate Treasuries, and other participants relevant to Nordic currency markets. The Committee will not exceed 25 members.
- Committee members are expected to support the objectives of the Committee, possess relevant experience and contribute actively to committee discussion.
- The Nordic central banks will contribute with one representative each. The central bank holding the Chairmanship will also contribute with one additional representative in form of the Secretary. In addition, backbenchers from the Nordic central banks may attend meetings.
- Potential non-central bank committee members are reviewed by the Secretary. Membership is decided by the Chair in consultation with the Committee and/or the Nordic central bank representatives.
- Membership of non-central bank committee members is on an individual, not an institutional basis. Membership applications will be assessed based on the institution the potential member represents and their responsibilities within the institution. Members are invited to contribute with the view to furthering the good functioning of the FX market.
- Members are expected to attend all regularly scheduled meetings in person. In case of absence, each member nominates an alternate who can participate subject to the approval of the Committee. The representatives will be reviewed at set intervals, in terms of regular attendance and active participation in the Committee meetings.
- Representatives who change or leave position within the organization will result in a review of the membership, a seat cannot automatically be passed on within the institution. Representatives are responsible to notify the NCFXC of such changes in their positions.

Support of the FX Global Code and interaction with the GFXC

- As a condition of membership, institutions represented by the member are expected to endorse the Statement of Commitment annexed to the FX Global Code either before joining the Committee or within a reasonable time period after joining the Committee. The reasonable time-frame will be determined by the Chair.
- Members whose institutions have not yet signed are expected to be in the process of working towards endorsing the Statement of Commitment and provide updates to the Committee on their progress.
- Following significant updates to the FX Global Code, members are required to renew their Statement of Commitment.
- Two members of the Committee will attend the GFXC meetings, of which one represents a central bank and the other non-central banks. The Chair in consultation with the GFXC secretariat will propose delegates to be decided upon by the Committee.