

**Global Foreign Exchange Committee - Terms of Reference**

**Aim**

The Global Foreign Exchange Committee ('GFXC' or 'Committee') provides a forum that brings together central banks and private sector participants to promote a robust, liquid, open, and appropriately transparent Foreign Exchange ('FX') market in which a diverse set of participants, supported by resilient infrastructure, are able to confidently and effectively transact at competitive prices that reflect available information and in a manner that conforms to acceptable standards of behaviour.

The GFXC recognises the diversity of the FX market and is committed to ensuring a diverse range of perspectives and views are represented in its discussions and working groups, and doing so in a manner that does not run counter to relevant laws.

**Objectives**

The objectives of the GFXC are:

1. To promote collaboration and communication across FX markets;
2. To exchange views on trends and developments in global FX markets, including on the structure and functioning of those markets; and,
3. To promote, maintain and update on a regular basis the FX Global Code (the 'Code'), and to consider the impact of the Code and promote effective mechanisms to support adherence.

**Meetings**

The Committee will meet at least twice annually, either in person or virtually.

## **Maintenance of the Code**

At least every three years, the Committee will discuss the case for, and when judged appropriate, undertake a comprehensive review of the Code, which can be agreed to target some principles. Separate to this process, from time to time the Committee will also assess whether particular developments warrant specific revisions to the Code.

The Committee will initiate a consultative process to solicit feedback from market participants as part of its review or, at its discretion in relation to specific market practices within the FX market, to help inform the evolution of the Code.

The Committee will draft and agree on any revisions to the Code, in consultation with the local foreign exchange committees.

## **Membership**

GFXC membership comprises a set of local foreign exchange committees or similar structures as described below.

### **Full Members**

Local committees may apply to join the GFXC as Full Members if they meet the following criteria:

1. Be either:

- (a) an established, central bank sponsored, local foreign exchange committee; or
- (b) a committee with a similar structure, which includes membership from both the relevant central bank and the private sector

(For the purposes of these Terms of Reference, bodies which meet either of these criteria shall be termed “LFXCs”).

Those LFXCs who are in the process of setting up such a structure may be invited by the GFXC to join during the set-up period of up to 18 months.

If any Full Member fails to participate in the activities of the GFXC over a two-year period, their membership will be automatically terminated, and they will be notified by the GFXC Secretariat.

2. Undertake to endorse and actively promote the Code.

3. Have a minimum of 1% global FX turnover by currency, or sum of currencies, according to the latest BIS Triennial Survey of FX.

If any jurisdiction or set of jurisdictions, that together form a LFXC, lose FX market share, by representing less than 1% of total global FX turnover as shown in two subsequent BIS Triennial Surveys of FX, such LFXC will automatically become an Associate Member at the beginning of the following year and will be notified in advance by the GFXC Secretariat. The GFXC may however allow a LFXC that no longer meets the market share requirement to retain full membership in order to maintain regional representation.

#### Associate Members

LFXCs which meet some but not all of the Full Member criteria may be considered for participation in the GFXC as Associate Members following a request.

#### **Member Responsibility**

Each Full Member and each Associate Member (together, 'GFXC Members') shall provide to the Secretariat (i) a list of the LFXC membership (including individual names and institutional affiliation) and, within a reasonable period of time, any changes to that list, and (ii) when appropriate, the same information for any proposed GFXC working group candidate.

#### **Representation**

Each Full Member may send two representatives, one from the central bank and one nominated private sector representative to GFXC meetings. This should include the chair of the LFXC. Note that the GFXC Chair and Vice Chair(s) do not count towards a particular member's representation given their unique roles and their global focus.

Private sector representatives could be senior practitioners from financial or non-financial institutions active in the wholesale FX market, from the brokers community, infrastructure providers or industry associations. The Committee aims to include a diverse range of private sector participants, representing different segments of the FX market.

Associate Members may be invited to join GFXC meetings where the Chair of the GFXC is of the view that those Associate Members have a material contribution to make in relation to particular agenda item(s).

The Chair of the BIS Markets Committee will be invited to attend meetings of the Committee as an ex-officio member. The BIS will also be invited to participate as an observer.

Representatives from regions and/or jurisdictions not currently part of the GFXC membership who wish to support the work of the Committee, including the implementation of the Code, may attend as observers, subject to agreement from the Committee.

### **GFXC Leadership Structure**

The GFXC will have a Chair and one or more Vice-Chairs, each of whom will normally serve a term of three years. To ensure continuity in leadership, the terms of the Chair and the Vice-Chairs shall be staggered.

Together, the Chair and Vice-Chair(s) will work with the Secretariat (see below) to seek to ensure that a diverse range of market participants are included in discussions and represented on the GFXC and in its working groups. Descriptions of the roles of Chair and Vice-Chair are set forth below.

#### Chair

The Chair will be a senior central bank representative drawn from a central bank of a Full Member of the Committee. The Chair should approach the GFXC from a global perspective and provide leadership for the strategic direction of the GFXC, chair the GFXC meetings, and speak on behalf of the GFXC.

### Vice-Chair

A Vice-Chair will be a senior representative drawn from the private sector. A Vice-Chair provides strategic guidance to the GFXC, plays a leading role in the GFXC meetings, provides leadership to the private sector representatives to the GFXC, and may represent the GFXC in speaking engagements and other related opportunities, such as visits to LFXCs. A Vice-Chair should approach the GFXC from a global perspective rather than from his or her own regional and/or firm perspective.

### **Secretariat**

The GFXC will have a Secretariat.

The Secretariat is responsible for working together on a global and ongoing basis to coordinate and facilitate the agenda, meetings and work of the GFXC. This may include support for:

- the governance, strategy and activities of the GFXC, including but not limited to meetings, working groups, and consultative processes;
- organizing the meetings, both virtual and face-to-face meetings;
- producing and maintaining meeting records such as the agenda and minutes;
- administering the GFXC website, including the Global Index of Public Registers and engagement with participating public registers; and
- global cooperation and representation across the participating regions and other relevant entities to the GFXC and its working groups.

The Secretariat will consist of staff of the central banks participating as Full Members. Each such central bank may volunteer staff to participate in the Secretariat. The Secretariat will be co-led by central bank representatives across at least two different participating regions that are in a position to devote appropriate resources to the task. These co-leads may vary over time and in a manner that takes into account the support needed for the current Chair and Vice-Chair(s). The Secretariat co-leads will provide direct support to the Chair and Vice-Chair(s) in their roles with regard to the GFXC and to the Committee as a whole while also leading the coordination and implementation of the various Secretariat tasks.

## **Decision Making**

GFXC decisions are expected to be made by consensus amongst the Full Members in accordance with the following general framework:

1. The Secretariat will formulate initial recommendations for a decision by working as appropriate with the Chair of any Working Group or individual from Full Member(s) that puts forward a proposal.
2. The Chair, where appropriate in consultation with the Vice Chair(s), will provide input on the initial recommendations.
3. The recommendations, refined as necessary by the Secretariat, the Chair and Vice Chair(s), will be shared with Full Members for their contributions also involving and drawing upon the input from LFXCs and as appropriate by Associate Members.
4. A decision will be agreed by consensus amongst the Full Members from the recommendations.

## **Working Groups**

GFXC working groups may be formed at the behest of the GFXC. These working groups should draw upon the underlying membership of the GFXC and the LFXCs. In addition, to draw upon a diverse set of perspectives, the working groups may include additional market participants with relevant expertise.

As noted above, the Secretariat should assist in the coordination and formation of the working groups. The Secretariat should also work to ensure that working groups have leads.

## **LFXC Engagement**

The GFXC provides a forum for the discussion of topics relating to global FX markets. The GFXC will seek input from LFXCs where appropriate. In the event that the GFXC seeks an endorsement or promotion of a work product from LFXCs, the Chair will ensure that sufficient notice is given to the

representatives from each LFXC to allow time for local discussion and decision-making, typically at least four weeks. The Secretariat will support this process.

#### **Update to the BIS Markets Committee**

The Committee will provide an annual update on its activities to the BIS Markets Committee.

#### **Publication of Meeting Agendas and Minutes**

The Secretariat will promptly produce minutes of the meetings. These will be shared with and approved by all Full Members of the Committee before publication.

Meeting agendas and minutes will be published via the GFXC website.

#### **Competition/Antitrust Guidelines**

All GFXC business, and any person's participation in GFXC business, must be conducted in accordance with the Competition/Antitrust Guidelines for Members of the GFXC, as they may be modified from time to time. All such persons will be provided with the Guidelines and informed that their participation is conditioned upon abiding by the Guidelines.

#### **Review of the Terms of Reference**

The Terms of Reference shall be reviewed and approved by the GFXC at least every two years or when judged appropriate. Separate to this process, from time to time the Secretariat will also assess whether particular developments warrant specific revisions to the Terms of Reference, and any changes must be approved by the GFXC.

***Agreed on July 4<sup>th</sup>, 2025***