

ECB Bond Market Contact Group (BMCG): terms of reference

1. Purpose

The ECB's Bond Market Contact Group (BMCG) is a forum for interaction between the ECB and industry-wide market professionals involved in euro area fixed income markets. The objective of the BMCG is to discuss developments in fixed income markets, namely their functioning and practices, structural and regulatory trends, and the impact of the ECB's market operations. The BMCG therefore contributes to the Eurosystem's market intelligence and analysis of euro-denominated bond markets, given the relevance of these markets to monetary policy.

2. Governance and membership

The BMCG is composed of two ECB members and approximately 20 private sector participants with a broad knowledge of fixed income markets and who are in a position to speak for their respective institutions. These individuals are chosen by the ECB with regard to the institution that they represent, their responsibilities within that institution, their ongoing role in the market and their interest in joining the contact group. The selection criteria are aimed at ensuring participation by a wide range of institutions from the buy and sell sides of the industry. Occasionally, non-member experts are invited to discuss or present specific issues. Representatives from the euro area national central banks, which have observer status, may follow the discussions of the group.

Members are invited to represent not only the perspective of their individual institutions, but also the market as a whole. They should be able to use their knowledge and expertise to actively contribute to discussions. Any change in a member's position within his or her institution will result in a review of his or her membership; the seat cannot be automatically passed on to a replacement within the institution. Applicants should complete and submit the BMCG's application form and relevant documentation to the BMCG Secretariat at the latest by end November.

Membership and appointment terms are considered by the ECB. To ensure equal treatment and broad representativeness, membership is subject to an annual review. It is based on merit, for example such as regular attendance, contributions to the group, meeting presentations and active participation in discussions, as well as the role of the represented institution and the member in the market segment and the group. The ECB can suspend membership.

The BMCG is chaired by the ECB's Director General Market Operations or his or her alternate. The ECB provides the Secretariat, proposes the agenda and participates in the discussions.

Members are expected to attend all regularly scheduled meetings in person. They should contact the Secretary if they are unable to attend. Each institution nominates an alternate who can participate in the exceptional absence of the member, subject to ECB approval.

3. Procedures

The BMCG usually meets three or four times per year on the ECB's premises for a four-hour meeting, normally starting at 13:00 CET/CEST.

The meetings follow an agenda which is circulated to the members prior to the meetings. The agenda is established by the Chair in consultation with the members and the Secretary. Members are encouraged to propose topics for inclusion in the agenda and in the work programme.

In addition to the pre-arranged meetings, ad hoc teleconferences may be requested at any time by the ECB or members.

Confidential, commercially sensitive information, including information relating to member institutions or the ECB, is not discussed in the meetings or teleconferences.

Agendas, a list of the participants, summaries of the BMCG's discussions and the presentations are published on the ECB's website. The summaries are circulated to participants and any comments received are addressed prior to publication. Unless otherwise agreed, meeting summaries will not attribute expressed views to any specific member.