

Debt Issuance Market Contact Group (DIMCG): Terms of Reference

1. Purpose

The Debt Issuance Market Contact group (DIMCG) is a temporary forum for interaction between the Eurosystem and industry-wide market professionals involved in euro area primary debt markets. The objective of the group is to identify issues that preclude further improvements in efficiency and integration in the area of debt issuance and initial distribution (i.e. covering the full transaction chain from pre-issuance to post-trade) and to investigate how these issues may be addressed.

The DIMCG shall base its investigation on the feedback provided by the market to the public consultation launched by the ECB on 22 May 2019.¹ The DIMCG shall also explore how any potential harmonisation activities could be supported by private or public infrastructure initiatives in the area of debt issuance and initial distribution services. The DIMCG should, in principle, fulfil its mandate approximately 12 months after its launch, i.e. after its first meeting, by submitting an advisory report to the Eurosystem. The mandate can be renewed if deemed necessary.

2. Governance and membership

The DIMCG is composed of the ECB, National Central Banks of the Eurosystem², private-sector participants with a broad and deep knowledge of issuance and initial distribution of debt securities. The selection aims at ensuring participation by a wide range of institutions that should cover the full transaction chain of debt issuance, e.g. issuers, investors, intermediaries in different roles (e.g. issuer agents, dealer banks, custody), CSDs and other service providers that are relevant in the full transaction chain of debt instruments. EU public authorities (e.g. European Commission and the European Securities Market Authority (ESMA)) as well as representatives from relevant financial market associations can also attend as observers.

¹ ECB market consultation on a potential Eurosystem initiative regarding a European mechanism for the issuance and initial distribution of debt securities in the European Union:
https://www.ecb.europa.eu/paym/pdf/consultations/market_consultation_on_european_distribution_of_debt_security.en.pdf

² Based on expressions of interest

The DIMCG Members shall actively contribute to the work of the group and have key expertise and interest in the group's undertakings. These individuals are chosen by the Eurosystem on the basis of their personal experience, level of seniority and function within their institution. Occasionally, non-member experts may be invited to discuss or present specific issues.

Members are expected to provide contributions from a EU wide market perspective rather than represent a narrow commercial or national interest. Membership is granted on an individual basis and 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. Membership and the term of appointment are considered by the Eurosystem and should ensure equal treatment and broad representativeness. Members are expected to attend all regularly scheduled meetings in person. Members should contact the Secretary, if they are unable to attend a meeting. Each institution nominates an alternate who can participate in the exceptional absence of the member, subject to Eurosystem's approval.

The DIMCG is chaired by the ECB. The ECB also provides the Secretariat, proposes the agenda and participates in the discussions.

3. Procedures

The group shall be established in the course of 2020 as a temporary group and in principle complete its work with fulfilling its mandate approximately 12 months after its launch. The final outcome of the DIMCG work would be an advisory report to the Eurosystem regarding the best way forward to establish a more efficient, integrated market for debt instruments in Europe.

The meetings may be called by the Chairperson, the dates of which are communicated sufficiently in advance to the meetings. In principle, meetings take place at the ECB's premises in Frankfurt am Main. Meeting dates shall be set and communicated to members and observers sufficiently in advance. The working language shall be English. The meetings follow an agenda which is circulated by the Secretariat to the members prior to the meetings. The agenda is established by the Chairperson 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 and written procedures may be requested at any time by the ECB, either at its own initiative or at the request of some members. The DIMCG may decide to establish specific task forces or drafting groups in order to elaborate further on a specific technical issue.

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