

Update: Foreign Currency Settlement Process

Summary

In ECC Clearing Circular 23/2018 (published on 11 June 2018), ECC informed about the planned changes of its foreign currency settlement process.

Since end of 2018, ECC is using a network of Correspondent Banks to settle its foreign currency GBP and USD payments. ECC's Clearing Members who settle or are planning to settle GBP and USD denominated contracts will therefore need to provide an account with at least one of the Correspondents Banks approved by ECC.

With this Clearing Circular, ECC has updated the timeline and summarized the preconditions of Clearing Members again.

For further details, ECCs Clearing Circular 23/2018 can be found on ECCs website.

Contact

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Timeline and Preconditions for Clearing Members

1. Choice of Correspondent Bank(s)

Each Clearing Member which is settling foreign currencies will need to have an account for the currencies they require (GBP and/or USD) with at least one of the Correspondent Banks from the list below. Please inform your clearing sales manager (ClearingSales@eex.com) which of the Correspondent Bank(s) you are planning to use or in case of any questions.

	Bank	GBP	USD
1	Bank of America, N.A.	✓	✓
2	Barclays Bank PLC	✓	✓
3	Deutsche Bank AG London (MCPB)	✓	
4	Deutsche Bank Trust Compay Americas (MCPB)		✓
5	J. P. Morgan Chase Bank N.A. London (MCPB)	✓	✓
6	National Westminster Bank PLC	✓	✓

2. Submission of CM08 Form to ECC Member Readiness until 31 May 2019

If not already handed in, submit the form “CM08 Activation of Settlement Accounts for Foreign Currency settlement” to ECC Member Readiness (MemberReadiness@ecc.de) by 31 May 2019 at latest. The form is available on ECC's [website](#).

3. Individual Test until 15 June 2019

Completion of a £/\$0.01 test during the individual account setup process at ECC to confirm the debit/credit processes are working smoothly; for which a contact is to be provided via the CM08 form. The tests will be performed individually after receiving the CM08 form until 15 June 2019. Please note that a debit authorization for each cash account needs to be set up with Correspondent Bank(s).

4. Change to Correspondent Bank(s) until 01 July 2019

After successful testing, ECC and the Clearing Member will agree on an individual go-live date. From 01 July 2019 onwards, Clearing Members will need to have a GBP and USD account in place with a Correspondent Bank in order to continue clearing in these currencies. From this date, using the current CBL (Clearstream Banking Luxembourg) accounts for GBP and USD settlement will no longer be possible.

Please note that EUR transactions remain totally untouched by the proposed changes and will continue to be processed using the Target2 platform.