

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.

Due to a major SWIFT release on 18 November 2018, ECC has decided to prepone the change of the foreign currency settlement process by one week to the **08 November 2018**. The previously communicated deadlines for handing in the requested form CM08 are not affected.

The updated timeline as well as the preconditions for Clearing Members are listed below.

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

- 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 as well as a direct contact person with whom the tests can be coordinated.

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

- Submit the form “CM08 Activation of Settlement Accounts for Foreign Currency settlement” to ECC Member Readiness (MemberReadiness@ecc.de) **by 05 October 2018 at latest**. The form is available on ECC's [website](#).
- A debit authorisation for each cash account needs to be set up with the Correspondent Bank(s) and a copy submitted to ECC Member Readiness (MemberReadiness@ecc.de) **by 05 October 2018**.
- 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 **until 17 October 2018**.
- Completion of a £/\$0.01 automated test for all of ECCs Clearing Members on **26/27 October 2018**.
- From **08 November 2018** 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.