

## India to join new global foreign exchange committee

GFXC is a newly-constituted forum of central bankers and experts working towards promotion of a robust and transparent forex market.

India will soon get a seat on the Global Foreign Exchange Committee (GFXC), a newly-constituted forum of central bankers and experts working towards promotion of a robust and transparent forex market. The committee has been set up under the guidance of the Bank for International Settlements (BIS), an international financial organisation owned by 60 member central banks, representing countries from around the world.

In a progress report on 'reducing misconduct risks in the financial sector', the Financial Stability Board (FSB) informed the G20 Summit, attended by Prime Minister Narendra Modi, here that actions to enhance conduct standards and adherence in markets include a 'Global Code of Conduct for the Foreign Exchange Markets'.

FSB is an international body for global financial system. This Code will be maintained and updated by the new GFXC, comprising public and private sector representatives from the foreign exchange committees of 16 international forex trading centres.

The newly expanded and formalised GFXC, which will meet regularly, replaces a similar but more informal organisation of eight foreign exchange committees — namely those from Australia, Canada, Euro area, Hong Kong, Japan, Singapore, UK and the US.

The GFXC will also now include representatives from existing, or soon to be established, foreign exchange committees or similar structures in Brazil, China, India, Korea, Mexico, South Africa, Sweden and Switzerland. It will seek to promote collaboration and communication among local foreign exchange committees and other jurisdictions with significant forex markets. It will also provide a forum for the exchange of views on market trends and developments.

The committee was set up in London during a meeting in May of public and private sector representatives from the foreign exchange committees of 16 international forex trading centres.

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