

Working Group on Sterling Risk-Free Reference Rates – Sub-group on Outreach and Communication

Terms of Reference

Background

- The Working Group on Sterling Risk-Free Reference Rates (the 'Working Group') was set up by the Bank of England to recommend a near risk-free reference rate (RFR) and promote its adoption as an alternative to sterling Libor. The Working Group has recommended SONIA as its preferred RFR.
- These terms of reference are for a sub-working group ('sub-Group') with a specific focus on defining and implementing a communication and outreach plan in order to raise greater awareness of RFR transition amongst relevant market participants. The sub-Group continues to be bound by the Working Group's overall terms of reference.

Objectives and output

The sub-group's overall objective is to develop a communication and outreach strategy for approval by the Working Group on Sterling Risk-Free Reference Rates. Specific objectives are:

- Design and coordinate the Working Group's communication and outreach strategy, with clear timelines.
- In developing this strategy, identify (i) appropriate communication channels for the Working Group to utilise in communicating more broadly; (ii) key stakeholder groups and other audiences to engage on RFR transition (in particular groups where there may be information gaps) and; (iii) the priority transition issues for the Working Group to raise awareness of and communicate further on.
- Produce user-friendly education materials on key transition issues for wider readership (e.g. FAQs etc).
- Engage with other sub-group and forums chairs as appropriate to support their communication and education priorities.
- Coordinate the Working Group's engagement with Media.

Chair

- Robert Mitchelson (Blackrock), Jon Laycock (Barclays)

Membership and consultative procedures

- Working Group members and other relevant market participants may attend the sub-group, by invitation or application, with the approval of the sub-group and Working Group Chairs and subject to logistical constraints (as managed by the sub-group Chair).
- In any event, the sub-group will consult with a broad cross-section of market participants where appropriate, through the publication of consultative papers, hosting roundtable events, or otherwise. The types of market participants who may be invited to attend, or be consulted, include but are not limited to: interested financial market participants, consultancy firms, trade associations, corporate communications professionals (including from member firms), research and sales areas of member firms.

- Interested stakeholders, who would like to be consulted on the work of the sub-Group or attend the meetings, should contact RFR.Secretariat@bankofengland.co.uk.
- Representatives from the Bank of England and the FCA will participate as ex-officio members.

Governance and transparency

- Any recommendation shall be agreed by consensus by the members and attendees of the sub-group. If agreement cannot be reached, the sub-group Chair will present the relevant options, as well as the final output, for agreement by the Working Group.
- Subject to their approval by the Working Group, updates on the deliberations of the sub-group will be published regularly, and interim updates may be published if more timely transparency on a particular topic is warranted.

Confidentiality, competition law and conflicts

- The sub-group will be subject to the terms of reference of the Working Group in relation to confidentiality, competition law and conflicts of interest.
- In particular, sub-group members will be responsible for taking their own legal advice in regard to competition law; and any actual or potential conflicts of interest by members, or their representatives, shall be noted by the organisations/individuals concerned and passed back to the Chair of the Working Group who will consider possible actions in conjunction with the BoE and FCA.