



GRC WORKSHOP AND STAMMTISCH in Frankfurt, June 2022

Contributed by ITFA's German Regional Committee - GRC

On 30th June 2022 the ITFA German Regional Committee held its annual workshop event, hosted by AKA Bank in their Frankfurt office. After a two-year break due to Covid, the in-person gathering turned out to be a huge success with 40+ participants joining for a lively and engaged discussion items.

The unique format of the workshop, where GRC members would submit questions in advance which were then grouped and prepared by the GRC board around different focus areas, allowed for a deep and focused exchange on an impressive number of 24 discussion items.

Perhaps not surprisingly, legal and regulatory topics were on top of many participant's agendas, with the discussion centered around both IBOR transition and legal opinions (LO) on the 2018 and 2008 BAFT MPAs. Many members confirmed their intention to only use the standard 2018 BAFT for new agreements, and urgently await the ITFA legal opinion on the same, along with future regular updates. The move to electronic signatures is still posing complexities as well, with members sharing their different approaches towards implementation. Another shared topic which could be identified was the need for a common NDA standard in the market.

After a networking break, the afternoon continued on the topic of ESG, with participants providing insights on their institution's approach towards ESG sensitive rating and pricing frameworks. Evaluating the implications of Germany's new law on supply chains (LkSG) and whether it could lead to a situation where correspondent banks could be considered suppliers (with significantly increased compliance overhead) was another hot topic.

Having so many practitioners gathered in one room, it was inevitable that there would also be a lively exchange on the commercial aspects of forfaiting – price escalation clauses in LCs, approaches to discounting avalized drafts, and much more. Finally, on the topic of insurance, there was broad consensus on the continued need for broader recognition of the product and better leverage of available data on default statistics and claims payment behaviour.

The day was concluded by the traditional Stammtisch event, which took place at Buena Vista restaurant and continued late into the night.