

Roundtable on education needs and possibilities

During the roundtable on “*education needs and possibilities*” chaired by John Tierney, Managing director, Options Industry Council, panellists and participants recognized that education had a central and fundamental role to play in the development of emerging exchanges. Therefore, education can be seen, inter alia, as a vehicle for improving the level of confidence of market players and thus, attracting more volume.

The importance of adapting and adjusting the level of education to each public was pointed out several times (e.g. some exchanges in Africa stressed their experiences in “speaking to the farmers with their own language”).

Therefore, defining explicit categories of education in order to specifically address the need of certain groups of potential users has been seen as vital to take full advantage of the learning effect. In this context, four broad groups might be defined:

- ? First, **awareness raising** addressing groups of potential newcomers such as commodity producers and local traders. This can be seen as an important step (or alternatively a long-term investment) to demystify the use of market-based instruments.
- ? Second, **specific training courses** on innovative strategies tailor-made for operators. Such courses would allow them to make the most of hedging strategies in order to fully protect their underlying, improve their competitiveness and enhance their flexibility in dealing with new business.
- ? Third, **learning and exchange of experience** was seen as a crucial step in integrating operators and decision makers in order to improve each other understanding and boost responsiveness of all actors.
- ? Fourth, **promotion of new instruments traded** in emerging exchanges to notify the different actors and give clear explanation of new development in the market and its potential for market operators.

Based on their experience, the different panellists discussed the ways and means to optimise the education process. Two main factors were identified:

- ? First, the elaboration of a **structure** optimising the education process. Lively debates took place to distinguish which body(ies) should play a role in this regard. While on the promotion of new instruments traded, emerging futures exchanges had a clear role to play, it was recognized that for the other above-mentioned groups, joint efforts were more efficient. In particular, the potential of a neutral body (e.g. a specialized institution, association, an international organisation, etc.) designing, producing and organising education programmes in conjunction with other partners including emerging exchanges was shortly assessed.
- ? Second, **costs of education** were seen as the main bottleneck jeopardizing the possibility to meet requirements of the different actors, including those in developing countries. However, it was pointed out that resources could be pooled out with support from the different exchanges, private sector and governments which are seeking new schemes to cope with the liberalisation of their commodity sector.