

Danish Benchmarks Oversight Committee Meeting

Danish Financial Benchmark Facility, Amaliegade 7, 1256 Copenhagen K

2 June 2021 9.00 – 11.00 CET.

Minutes

Participants:

Chair: Neil Donaldson (GRSS) - voting member (ND)
Sandy Robertson (DFBF) - non-voting member (SR)
Søren Kjeldsgaard (Nykredit) – voting member (SK)
Steen Qvist Jørgensen (Jyske Bank) – voting member (SQJ)
Morten Frederiksen (FIDA) – voting member (MF)
Gregory Campbell (independent) – voting member (GC)
Christine E. Habel (independent) – voting member (CEH)

DFBF Secretariat: Eva Kops (DFBF) (EK)

Invited attendees:

Andrej Chudožilov (CFBF) (AC)
Tomáš Kvapil (CFBF) (TK)
Jesper Mortensen (DFBF) (JM)

Observer

Martina Mozerova – Compliance
Nina Byrne - Independent

I. Introduction

- a) ND welcomed members to today's Oversight Committee meeting of the DFBF.
- b) Today's meeting agenda was reviewed, and members were asked whether this presented any conflict of interest – none were registered.
- c) There was also formal acknowledgment that given today's attendance, the quorum for the meeting had been met.
- d) The minutes to the meeting of 10 March 2021 were approved with confirmation that all the action items arising had been completed.

II. Determination Methodology

- a) AC presented the Metrics report for the period 3 March – 26 May 2021 for the four respective benchmarks.

b) It was agreed to include charts of 3-month and 6-month CIBOR/CITA in future Metrics reports.

III. Governance, Regulatory & Supervisory Issues

a) DFBF Compliance Reports

One case of erroneous input data, on 23 Apr caused reason for enquiry, a recalculation showed that the submission had had no impact on the value of CIBOR. The bank concerned was reminded of its obligations vis-a-vis the Code of Conduct. The incident will be published on DFBF website as per standard procedure. The OC concluded that no further action was required.

b) Anomalous data

Nothing to report.

c) Review of governance artefacts and other documentation

Amendment to the Code of Conduct finalised after the recent T/N review, now awaiting the 90 days' notice period before the change comes into force.

After UK exit from the EU, it has been necessary to approach the Financial Conduct Authority in Britain for an equivalence notification for DFBF being EU based benchmark administrator. We are now awaiting the approval.

IV. Evolution of Danish Benchmarks

a) Presentation of results of the work undertaken by the WG regarding the review of Danish benchmarks T/N, CIBOR, and SWAP – JM

JM informed that two meetings had been held since the last OC meeting, and regarding T/N review the CoC is now amended and in the process of being implemented while PBs have been asked to apply the changes as soon as possible.

CIBOR tenors are now under review and PBs have been asked to re-evaluate which tenors are in use, whilst vendors have also been asked to register their usage. It is expected that the review of CIBOR tenors as well as SWAP will be completed by the BWG on 16 June. The OC must duly wait for this recommendation from BWG before endeavoring to reach a consensus on the correct course of action on their recommendation to the Board.

b) Update from the DESTRA Working Group – MF/JM

Two work streams have been established, one to determine the preferred future reference rate and the second to decide on mode of adoption. DCB will shortly publish the information on their website ([this has been done on 030621](#)). The market is in favour of following a EURIBOR €STR approach. This transition was discussed extensively with the conclusion being reached that as of now the OC has no recommendation to make/consider, with the focus being that of continuing to administer and overview the T/N in its current form.

V. Board & Stakeholder Communication

No Board or Stakeholder communication at present.

VI. AOB

There were no other issues to discuss.

Next meeting is scheduled for 8 Sep 2021.

The meeting ended at 10.40 hrs.