

Danish Benchmarks Oversight Committee Meeting

Danish Financial Benchmark Facility, Amaliegade 7, 1256 Copenhagen K
4th December 2024 10.00 – 12.00 CET

- I. Introduction**
 - a) Introductory remarks by Chair*
 - b) Overview of agenda*
 - c) Declaration of potential conflicts of interest with respect to meeting agenda*
 - d) Review of action items from Committee meeting of 4th September 2024*
There were none

- II. Determination Methodology**
Operational Metrics report (AC)

- III. Governance, Regulatory & Supervisory Issues**
 - a) DFBF Benchmarks - Quarterly Report Aug – Oct 2024*
 - b) Governance artefacts*
 - c) Collection of Conflict of Interest Declarations*
 - d) Final report of DFBF BMR audit*
 - e) Panel Banks audit reports*
 - f) Annual review of Definition and Methodology*
 - g) Review of 3rd parties involved in provision of DFBF Benchmarks*

- IV. Evolution of Danish Benchmarks**

- V. Board & Stakeholder Communication**

- VI. AOB**

- VII. Next meeting**

Minutes

Chair: JP Neergaard (*independent*) – voting member (**JPN**)

Jacob Ramskov (*Danske Bank*) – voting member (**JR**)

Morten Frederiksen (*FIDA*) – voting member (**MF**)

Tomáš Kvapil (*CFBF*) – non-voting member (**TK**)

Neil Donaldson (*GRSS*) - voting member (**ND**)

Jan Borunsky (*DFBF*) – non-voting member (**JB**)

DFBF Secretariat: Eva Kops (*DFBF*) (**EK**)

Invitees:

Nina Byrne (*DFBF*) (**NB**)

Andrej Chudožilov (*CFBF*) (**AC**)

Apologies:

Nicolai Platen Rauch Larsen (*Nykredit*) – voting member (**NPL**) – proxy granted to JP Neergaard

I. Introduction

a) Introductory remarks by Chair

The chairman welcomed everybody and added that NPL, in his absence, had placed his power of attorney with the Chair.

JPN gave a general update and mentioned that the financial markets have been remarkably calm after the US election and volatility has come down. In Germany political uncertainty is prevailing and may make it difficult for the ECB to maneuver, as opposed to the Danish economy which continues to be strong and labour shortage is a result of this. The ECB is cutting rates and Nationalbanken is acting accordingly, two rate cuts were made since the last OC meeting and banks are doing a good job in adjusting to the circumstances, which is a validation that things are working as they should.

b) Overview of agenda

c) Declaration of potential conflicts of interest with respect to meeting agenda

No conflicts were declared. Quorum was met for the meeting and minutes from the previous meeting were approved.

d) Review of action items from Committee meeting of 4th September 2024

There were none.

II. Determination Methodology

Operational Metrics report – AC

The report covers the period 29 Aug 2024 to 27 Nov 2024.

CIBOR

During the period there had been two rate cuts which had led to flagging of all PBs, but the movements were in line with expectations and no further action was deemed necessary. On 22 Nov all PBs showed a decrease in their 6M and 12M tenors, but as the movements were in line with EUR markets no further action was taken.

CITA

The same movements as for CIBOR were seen in connection with the rate cuts, this was as expected.

SWAP

One PB was flagged on 27 Sep showing a rate difference to other PBs. The bank provided supporting information and the matter was subsequently closed.

T/N

No issues related to this benchmark.

III. Governance, Regulatory & Supervisory Issues

a) Compliance Report Aug 24 – Nov 24

There was nothing anomalous to report in regard to controls carried out during the period, neither had there been incidents of whistleblowing or complaints filed.

The CA platform has functioned without issues and no cyber incidents were reported during the period. Two DRP tests were carried out, the first involved vendors and PBs and the second included the back-up office in Sydney.

JB mentioned that the new ESAP (European Single Access Point) platform is under development and will come into effect in three phases, DFBF is part of phase 2 which entails an obligation to report to ESAP as of 2028. The PBs may be included in phase 1 starting 2026. The upcoming BMR changes are being reviewed.

b) Governance artefacts

JB mentioned the changes that had taken place in regard to DFBF policies.

c) Collection of Conflict of Interest Declarations

Col collection is now taking place for OC members, JB clarified what must be declared in the document. In principle an OC member should be independent and not under the instruction of other parties, the OC member must evaluate if this is the case, and if not, it should be declared in the Col. The Col will subsequently be published on the DFBF website.

d) Final report of DFBF BMR audit

The external BMR audit of DFBB was conducted by EY, it was finalised in Oct with no remarks. The next audit will be in 2026.

e) *Panel Banks audit reports*

The PBs have also been audited over summer, the conclusions for all banks were positive with no findings. JB went through the PB audit conclusions.

f) *Annual review of Definition and Methodology*

NB gave a brief presentation of the Danish market. ND asked which banks are involved in the IRS reporting, NB said she would check and revert.

Note: After the meeting it was determined that the nine banks reporting IRS numbers are Arbejdernes Landsbank, Danske Bank, Jyske Bank, Nordea, Nykredit, SEB, Sparkassen Kronjylland, SparNord, and Sydbank.

Back testing and stress testing had been carried out with no anomalies detected. The conclusion was that no changes should take place to the definition and methodologies.

Decision – the OC agreed to maintain the current BM definitions and methodologies.

g) *Review of 3rd parties involved in provision of DFBB Benchmarks*

JB mentioned that 3rd party providers are unchanged for DFBB. It was mentioned that GRSS has renewed its ISO 27001 certification which should ensure the highest standard of services provided.

IV. Evolution of Danish Benchmarks

No topics to discuss.

V. Board & Stakeholder Communication

NB mentioned that a BWG meeting had been held on 3 Dec.

DFBB no longer chairs the EBAF, the baton has been handed over to NoRe.

VI. Next OC meeting

The next OC meeting is scheduled for 5 Mar 2025 from 13.00 – 14.30 hrs. The meeting will be a Teams meeting.

JR joined the meeting at 10.20 hrs

The meeting ended at 10.10 hrs.