

Transitioning from Interbank Offered Rates (IBORs) to new Risk Free Rates (RFRs)*

March 2021



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In recent years, international and domestic authorities alike have actively worked with the private sector to address LIBOR's shortcomings and to find alternative rates. In 2013, the International Organization of Securities Commissions (IOSCO) developed an [international set of principles for financial benchmarks](#). These principles—which include 19 specific standards across governance, benchmark quality, methodology, and accountability—have emerged as the international standard. IOSCO has rightly focused on tying benchmarks more closely to observable, arms-length transactions.

The [Financial Stability Board \(FSB\)](#) and its members have published proposals, plans, and timelines for reference rate reform and have promoted the strengthening of the major interest rate benchmarks. The FSB and its members have been carrying out work on the development and introduction of alternative benchmarks, developing a plan to accomplish a transition to new benchmarks, encouraging work by the private sector on contract robustness, and reporting regularly on the progress made.

To aid in the awareness of the IBOR transition processes impacting globally-active financial institutions, the Global Financial Markets Association (GFMA) has created the following documents outlining the various parts and players. This information is organized into the enclosed four products:

1. Key Timelines and Milestones for the transition from IBORs to RFRs;
2. An overview of objectives for completing the transition in 2021;
3. Snapshot of the IBOR and RFR variables associated with each currency;
4. 'At a Glance' Tracker of each official sector working group activities and near-term expected actions.

These documents have been updated from their previous versions (June 2020) to provide the latest information regarding rates for major currencies including the Australian dollar, Canadian dollar, Euro, Hong Kong dollar, Japanese yen, Singapore dollar, Swiss franc, UK pound sterling and U.S. dollar.

The information contained herein is based on the work of the FSB through the OSSG as well as other publicly available information. For ongoing IBOR transition updates, please reference the individual central bank working groups:

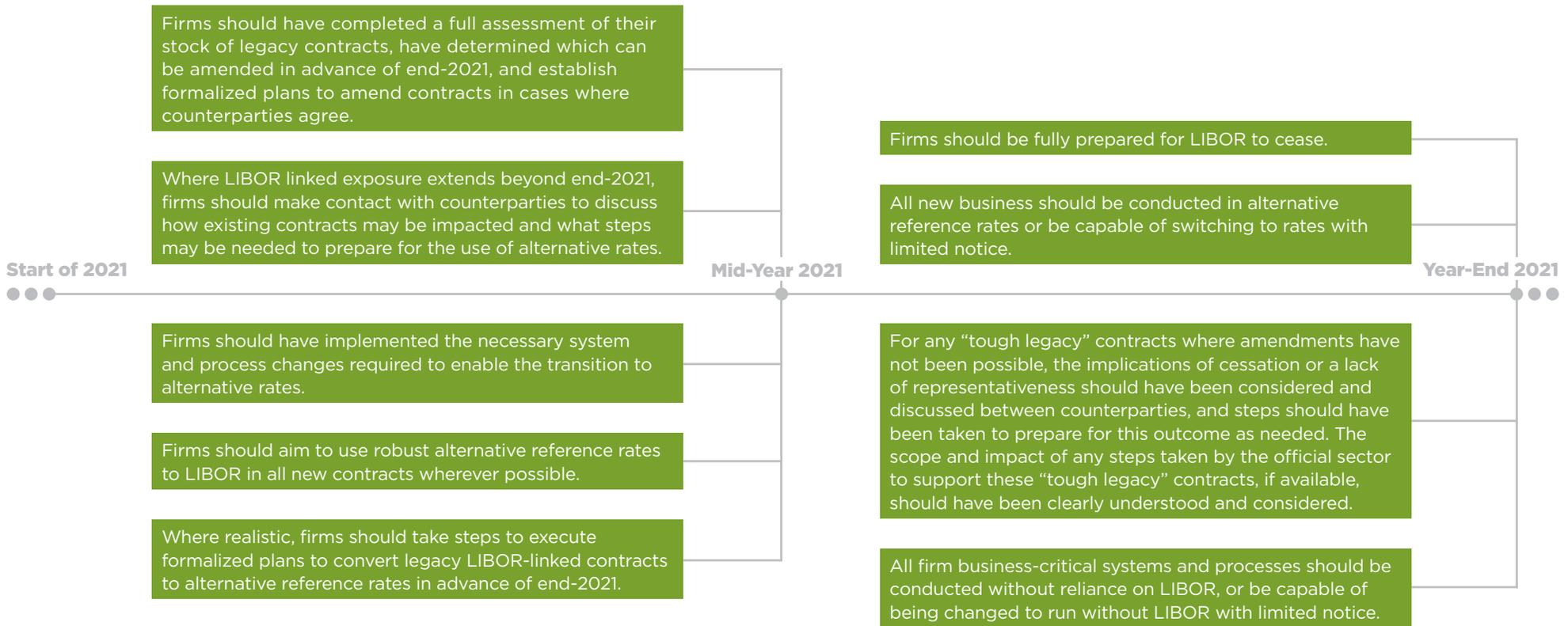
- Japanese yen: [Study Group on Risk-Free Reference Rates](#) and the Bank of Japan [Cross-Industry Committee on Japanese Yen Interest Rate Benchmarks](#)
- Euro: [Working Group on Euro Risk-Free Rates](#)
- UK pound sterling: [Working Group on Sterling Risk-Free Rates](#)
- U.S. dollar: [Alternative Reference Rates Committee](#)
- Swiss franc: [National Working Group on Swiss Franc Reference Rates](#)
- Australian dollar: [Reserve Bank of Australia Market Operations Resources](#)
- Canadian dollar: [Canadian Alternative Reference Rate Working Group](#)
- Singapore dollar: [Steering Committee for SOR Transition to SORA](#)

*Current as of March 2021

Completing the Transition in 2021



This timeline highlights the key **mid-year and year-end objectives and milestones** published by the Financial Stability Board (FSB) for all currencies. These milestones are outlined in further detail in the most recent **FSB IBOR Transition Progress Report** (published November 2020). We have also provided links to detailed final year transition plans for **Japan**, **Singapore**, **Switzerland**, the **United Kingdom**, and the **United States**¹. Achieving these milestones and completing the transition in 2021 will require coordinated efforts from all financial market participants, including sell- and buy-side firms, infrastructure vendors, lenders, borrowers, and financial market infrastructure firms (FMI). The information captured below is aimed to help clarify the near-term action items and milestones that all financial market participants should be managing towards.



Please find here links to detailed 2021 transition plans published by **Japan**, **Singapore**, **Switzerland**, the **United Kingdom**, and the **United States**¹.

¹The ARRC's *Recommended Best Practices for Completing the Transition from LIBOR* are important milestones even though not issued as supervisory guidance.

Snapshot: Variables of each IBOR and RFR by Jurisdiction

The following lists out the key factors to be aware of in each IBOR and risk-free reference rate.



Jurisdiction	Benchmark IR	Administrator	Reformed IBOR include waterfall approach?	Alternative RFR	Alternative RFR Administrator	Transaction based?	Overnight rate?	Secured/ Unsecured	Underlying Transactions	Rates Published
 Japan	JBA TIBOR EUROYEN TIBOR	JBA TIBOR Administration	Yes	TONA / TIBOR	Bank of Japan	Yes	Yes	Unsecured	Money Markets	July 1985
	JPY LIBOR	ICE Benchmark Administration (IBA)	Yes			Yes				
 EU	EONIA/ EURIBOR	European Money Markets Institute (EMMI)	Yes	Euro short- term rate (€STR)	European Central Bank (ECB)	Yes	Yes (€STR)	Unsecured	Money Markets	October 2019 (€STR)
				Reformed EURIBOR		Partly				
 UK	GBP LIBOR	ICE Benchmark Administration (IBA)	Yes	Reformed sterling overnight index average (SONIA)	Bank of England	Yes	Yes	Unsecured	Money Markets	23 April 2018
 US	USD LIBOR	ICE Benchmark Administration (IBA)	Yes	Secured overnight financing rate (SOFR)	Federal Reserve Bank of New York (FRBNY)	Yes	Yes	Secured	Repo Transactions	3 April 2018
 Switzerland	CHF LIBOR	ICE Benchmark Administration (IBA)	Yes	Swiss average rate overnight (SARON)	SIX Swiss Exchange	Yes	Yes	Secured	Repo Transactions	25 August 2009

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 Australia	Bank Bill Swap Rate (BBSW)	Australian Securities Exchange (ASX)	Yes	RBA Cash Rate (AONIA)	Reserve Bank of Australia (RBA)	Yes	Yes	Unsecured	Cash Market Transactions	Current Methodology Introduced May 2016
 Canada	CDOR	Thomson Reuters – Refinitiv Benchmark Services	No	CORRA	Bank of Canada	Yes	Yes	Secured	Repo Transactions	Enhanced CORRA began publication June 2020
 Hong Kong	HIBOR	Hong Kong Treasury Markets Association (TMA)	No	HONIA	Hong Kong Treasury Markets Association (TMA)	Yes	Yes	Unsecured	Overnight Interbank Deals Routed Through Money Brokers	Enhanced HONIA yet to be published
 Singapore	SIBOR SOR	The Association of Banks in Singapore (ABS)		SORA	Monetary Authority of Singapore (MAS)	Yes	Yes	Unsecured	Unsecured overnight interbank SGD transactions brokered in Singapore	Published daily by MAS since July 2005

At a Glance: Official Sector Working Group Activities and Near-Term Expectations



This tracker follows the official sector working group activities, near-term expected actions, industry actions around cash fallback language, term rate statuses, and issuance of alternate RFRs to date.

Working Group	Working Group Structure	Alternative/New RFR Status	Cash Fallback Language Status	Term Rate Status	Near Term Expected Actions	Issuance to Date
 <p>Bank of Japan Study Group on Risk-Free Reference Rates</p> <p>Cross-Industry Committee on Japanese Yen Interest Rate Benchmarks</p>	<p>The Cross-Industry Committee on Yen Interest Rate Benchmarks is divided into three subgroups and one working group focusing on:</p> <ol style="list-style-type: none"> Loans Bonds Development of term reference rates Currency Swaps 	<p>December 2016: Recommended Tokyo Overnight Average Rate (TONA) calculated by the Bank of Japan.</p>	<p>Future work plan for term reference rate based on Swaps and Futures is discussed in the subgroup for the development of term reference rates. In February 2020, Quick Corp was selected to prepare for calculating and publishing prototype term rates. The subgroup considers possible timing of the implementation is around mid-2021.</p> <p>Recommended fallbacks for bond and loan products were outlined in the results of a Cross-Industry Committee on JPY Interest Rate Benchmarks consultation published in November 2020.</p>	<p>Future work plan for term reference rate based on Swaps and Futures is discussed in the subgroup for the development of term reference rates. In February 2020, Quick Corp was selected to prepare for calculating and publishing prototype term rates. The subgroup considers possible timing of the implementation is around mid-2021.</p>	<p>In November 2020, the Cross-Industry Committee on JPY Interest Rate Benchmarks published a detailed timeline of actions and objectives for 2021.</p>	
 <p>Working Group on Euro Risk-Free Rates</p>	<p>The Euro Working Group (WG) currently has four sub-groups, focusing on:</p> <ol style="list-style-type: none"> Contract robustness Cash products and derivatives Financial accounting and risk management Communication and education 	<p>September 2018: Recommended €STR to replace EONIA.</p> <p>February 2019: Euro WG confirms EURIBOR will continue for the medium term.</p> <p>November 2019: EONIA will be discontinued Jan 2022 as it is not BMR compliant.</p>	<p>In February 2021, the WG published the results of consultations on EURIBOR fallback trigger events and €STR-based EURIBOR fallback rates. Feedback on these consultations will support the final recommendations on both topics, to be published by the euro risk-free rate working group in H1 2021.</p>	<p>In July 2019, the WG announced a call to benchmark administrators for expressions of interest in administering €STR-based forward-looking term structures. In October 2020, the WG published feedback relating to forward-looking term structure methodology on €STR-based EURIBOR fallback rates.</p> <p>In March 2021, the European Central Bank (ECB) announced that it will start publishing compounded euro short-term rate (€STR) average rates on 15 April 2021. The ECB intends to publish compounded €STR average rates for 1 week, 1 month, 3 months, 6 months and 12 months tenors, via the Market Information Dissemination (MID) platform and through the ECB's Statistical Data Warehouse (SDW). The announcement also confirmed the publication of a compounded index based €STR for the derivation of compounded rates for any nonstandard tenor.</p>	<p>In March 2020, the WG launched a public consultation on swaptions impacted by the CCP discounting transition from EONIA to €STR. Based on the responses received, the WG will evaluate potential recommendations.</p> <p>Final recommendations on EURIBOR fallback trigger events and €STR-based EURIBOR fallback rates are expected to be published by the euro risk-free rate working group in H1 2021.</p>	<p>There have been 7 issues of euro floating rate notes which reference €STR with total volume of €4.85BN.</p>

Working Group	Working Group Structure	Alternative/New RFR Status	Cash Fallback Language Status	Term Rate Status	Near Term Expected Actions	Issuance to Date
 Bank of England Working Group on Sterling Risk-Free Rates	<p>The WG is broken down into sub-groups focusing on:</p> <ol style="list-style-type: none"> 1. Bonds 2. Loans 3. Communications & Outreach 4. Pension Funds & Insurance Companies 5. Infrastructure 6. Term Rates (Task Force) 7. Accounting/Tax (Task Force) 8. Regulatory Dependencies (Task Force) 	<p>April 2017: Recommended reformed Sterling Overnight Index Average (SONIA).</p>	<p>In September 2020, the WG published a recommendation of credit adjusted spread methodology for fallbacks in cash market products referencing GBP LIBOR.</p> <p>ISDA has confirmed the LIBOR cessation announcement, by the BoE and FCA, will trigger the fixing of the 'spread adjustments' to be used in its IBOR fallbacks.</p>	<p>In January 2021 Term SONIA became available from ICE Benchmark Administration and Refinitiv.</p> <p>The BoE, FCA and WG encourage widespread adoption of SONIA compounded in arrears in derivative markets and considered selected use cases for Term SONIA reference rates in cash markets, as recommended by FICC Markets Standards Board.</p>	<p>In February 2021, the WG published the latest version of its detailed roadmap for transition by end-2021.</p> <p>End-Q1 2021 marks a milestone for market participants to cease initiation of new GBP LIBOR-linked loans, bonds, securitisations and linear derivatives (except for the risk management of existing positions that expire after end-2021). Additionally, all market participants are to identify all legacy LIBOR contracts expiring end-2021, that can be actively converted, and accelerate conversion where viable to reduce legacy volume.</p>	<p>There have been 173 issues of sterling floating rate notes which reference SONIA with total volume of £75.1BN, this is in addition to 49 securitisation deals referencing SONIA with total volume £28.3BN.</p> <p>There are now numerous originations of SONIA-referenced loans in the sterling market, across both syndicated and bilateral market sectors, after the market opened in July 2019.</p>
 Alternative Reference Rates Committee (ARRC)	<p>The WG is broken down into sub-groups focusing on:</p> <ol style="list-style-type: none"> 1. Accounting/Tax 2. Business Loans 3. Consumer Products 4. Floating Rate Notes 5. Legal 6. Market Structure and Paced Transition 7. Operations/Infrastructure 8. Outreach/ Communications 9. Regulatory Issues 10. Securitizations 11. Term Rate 	<p>June 2017: Recommended Secured Overnight Financing Rate (SOFR) as the RFR to replace U.S. dollar LIBOR.</p> <p>April 2018: New York Federal Reserve Bank (NYFRB) began publication of SOFR.</p>	<p>In June 2020, ARRC published its final recommendations on spread adjustment methodologies for fallbacks in cash products. These recommendations were developed after reviewing responses to a supplemental consultation on spread adjustments.</p>	<p>ARRC is expected to work towards the development of a term reference rate.</p> <p>The FRB published various sets of data on indicative forward-looking SOFR term rate data (last update April 2019)</p>	<p>In March 2021, ARRC published a transition progress report which included objectives and priorities for 2021.</p>	<p>There have been 1,667 issuances for a combined total amount of USD 1,196.4 BN.</p>

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 <p>National Working Group on Swiss Franc Reference Rates</p>	<p>The WG is broken down into sub-groups focusing on:</p> <ol style="list-style-type: none"> Derivatives & Capital Markets Loan and Deposit Markets 	<p>October 2017: Recommended Swiss Overnight Average Rate (SARON).</p>	<p>May 2020: The NWG discussed LIBOR end-scenarios and fallback language. The NWG recommended “to use the lookback method for CHF syndicated loans with an offset of 5 business days.”</p>	<p>WG has recommended using compounded SARON wherever possible</p>	<p>FINMA published a transition roadmap for 2021 to prepare for LIBOR’s end. This roadmap was adapted to account for recommendations provided in the FSB’s 2021 roadmap.</p> <p>The NWG has recommended market participants switch bilateral CHF LIBOR-based derivatives to SARON-based derivatives ahead of end-2021.</p>	<p>The first SARON-linked public issuance was in August 2019. Issuance was for CHF 525 mm in perpetual tier 1 notes.</p> <p>In the loan market, the first SARON-linked bilateral loan was originated in November 2019, and in April / May 2020, multiple Swiss retail banks began offering SARON-linked residential mortgage loans.</p>
 <p>Reserve Bank of Australia Interest Rate Benchmark Reform Page</p>	<p>RBA recognizes three working groups related to interest rate benchmark reform.</p> <ol style="list-style-type: none"> ASX BBSW Advisory Committee focuses on BBSW Benchmark Australian Financial Markets Association (AFMA) focuses on promoting industry dialogue and information sharing Australian Securitisation Forum (ASF) established a working group to consider benchmark reform on the Australian Securitisation Market 	<p>BBSW has been strengthened and will continue to be published going forward.</p> <p>AONIA is being published as an RFR as part of a “multiple rates” approach.</p>		<p>BBSW has been strengthened and will continue to be published.</p> <p>RBA evaluated that there are enough transactions to determine BBSW and that it will continue to exist as part of a multi-rates approach.</p>	<p>RBA and relevant regulators will continue to monitor both BBSW and AONIA.</p>	<p>There have been 5 issuances for a combined total amount of AUD 1.94 BN.</p>

Working Group	Working Group Structure	Alternative/New RFR Status	Cash Fallback Language Status	Term Rate Status	Near Term Expected Actions	Issuance to Date
 Canadian Alternative Reference Rate Working Group	<p>The Canadian Alternative Reference Rate Working Group (CARR) is sponsored by the Canadian Fixed-Income Forum (CFIF) which is a group set up by the Bank of Canada. Both groups are comprised of market participants and Bank of Canada representatives.</p>	<p>CARR endorses an enhanced CORRA based on the recommendations outlined in their consultation paper with no changes based on responses.</p> <p>CFIF endorses monitoring and reviewing issues for transition by the transition subgroup and by the benchmark admin.</p>	<p>CARR developed Principles for Enhancements to Fallback Language. Additionally, in November 2020, CARR published a consultation on CDOR fallback language for floating rate notes.</p>	<p>CDOR will continue to exist as a part of a multiple rates approach.</p> <p>In November 2020, CARR also published a consultation on a proposed methodology for calculating CORRA-in-arrears.</p>	<p>CARR will continue to support the adoption of, and transition to CORRA.</p> <p>In October 2020, CARR's mandate was expanded to include an analysis of CDOR.</p> <p>CARR is also expected to publish the results of its consultation on calculating CORRA-in-arrears and draft fallback language for CDOR FRNs."</p>	<p>There have been 5 issuances for a combined total amount of CAD 1.34 BN.</p>
 Hong Kong Treasury Markets Association Working Group on Alternative Reference Rates "WGARR"	<p>As HONIA's administrator, the TMA established an internal Working Group on Alternative Reference Rates (WGARR).</p>	<p>The WGARR has proposed technical refinements to HONIA outlined in an April 2019 consultation paper.</p> <p>Refinements relate to the rate's data source, reporting window and publication time.</p> <p>In December 2019, TMA and WGARR published the conclusion of the April 2019 consultation paper.</p>		<p>HIBOR will continue to exist as a part of a multiple rates approach.</p> <p>TMA may also try to develop an OIS curve for HONIA depending on market conditions and demand.</p>	<p>Technical adjustments may be made to HONIA based upon the results of the 2019 consultation.</p> <p>There are no plans to discontinue HIBOR and a multi rate approach will be adopted using both HONIA and HIBOR.</p> <p>In July 2020, HKMA published a circular providing an update on the status of the transition and outlining upcoming milestones.</p>	
 Steering Committee for SOR Transition to SORA (SC-STC)	<p>SC-STC was established by the Monetary Authority of Singapore (MAS) with the Association of Banks in Singapore (ABS) providing administrative support. SC-STC has four subgroups focusing on:</p> <ol style="list-style-type: none"> 1. Derivatives 2. Bonds / Perpetual Securities 3. Business / Syndicated Loans 4. Consumer Products 	<p>ABS-SFEMC identified SORA as the alternative reference rate for SOR.</p> <p>In July 2020, ABS-SFEMC and SC-STC announced a decision to discontinue the new enhanced SIBOR and also transition this market to SORA. A summary of feedback on the plan for this discontinuation was published in December 2020.</p>	<p>In August 2020, ABS published a calculation methodology for fallback rate (SOR)"</p>	<p>Enhanced SIBOR will be discontinued and transitioned to SORA.</p> <p>The updated January 2021 version of the SC-STC SOR Transition to SORA FAQs for Corporates noted that a forward-looking term SORA cannot be explored or developed until there is deeper and more liquid trading of SORA derivatives. This may be further explored as the market develops.</p>	<p>SC-STC published its detailed roadmap of expected actions and objectives for 2021 and 2022.</p>	<p>There have been 11 issuances for a combined total amount of SGD 8.72BN.</p>