

Working group for alternative NOK reference rates
Meeting minutes
Tuesday 14 December 2021
Video conference

Attendees:

Vidar Knudsen	DNB Bank
Timothy Fitzgerald	DNB Markets
Wenche Vatnan	Handelsbanken
Karolina Thyman	Nordea Bank Abp
Dag Olav Uddu	Sparebankene SMN, Nord-Norge og Østlandet
Henning Nilsen	Sparebank 1 Boligkreditt
John Hopp	Sparebanken Vest
Joakim Henriks	Swedbank
Christian Heggen	DNB Markets
Jan Bjørnsen	Handelsbanken
Dag Andreas Hjelle	Sparebank 1 SR-Bank
Jenny Ramstedt	SEB
Michael Hurum Cook	Finans Norway (observer)
Marit Øwre-Johnsen	Norges Bank (observer)
May-Iren Wassås	Norges Bank (observer)
Fride Marie Pedersen	Norges Bank (observer)

Agenda

1. Presentation by Henning Nilsen of the content of the User Guide to Nowa
2. Discussion of a possible seminar at the beginning of 2022 for presentation of and Q&A on the use of Nowa

Minutes:

The subgroup for “Market standards and fallback solutions” has written a report on the use of Nowa in financial contracts and as a fallback solution, which is to be published in December 2021. Henning Nilsen (Sparebank 1 Boligkreditt), Christian Heggen (DNB Markets) and Jan Bjørnsen (Handelsbanken) presented the guide to the working group. The report is intended to serve as a practical guide on how to use Nowa in different financial products and as a fallback solution and is a continuation of the work on recommended market conventions and fallback solutions from December 2020¹. The working group agreed that this will be a useful report for market participants and contribute to increasing knowledge about the use of Nowa as a reference rate.

The working group then discussed the way forward for the subgroup for “Market conventions and fallback solutions”. It was agreed that even though considerable progress had been made on the report, further work remains. There are many new developments internationally, and it is necessary to keep updated on developments abroad and in Norway. The guide is therefore intended to be a dynamic document that can be updated when necessary. The subgroup is also planning to hold a seminar on the guide in February 2022, where the

¹ See the report [Anbefalte markedskonvensjoner for Nowa og fallbackløsning ved et eventuelt bortfall av Nibor](#) [Recommended market conventions for Nowa and fallback solutions in the event of a cessation of Nibor] (in Norwegian only).

general public can also ask questions. The seminar will be held either virtually or in person, depending on infection rates at the time.

Finally, it was also pointed out that Bloomberg has started to publish fallback rates for Nibor on its platform. These rates will be incorporated in ISDA's supplement, which includes fallbacks for derivatives linked to Nibor. ISDA is expected to publish the supplement, together with a protocol that the market participants can sign in order to include corresponding fallbacks for existing derivative contracts over the next few days.