

Brussels, 21 September 2017

EMMI WELCOMES THE NEW WORKING GROUP ON A RISK-FREE REFERENCE RATE FOR THE EURO AREA

EMMI welcomes the establishment of a Working Group to identify and adopt an alternative risk-free overnight rate in the euro area as announced on the FSMA, ESMA, ECB and European Commission joint¹ statement.

EMMI's mission as benchmark administrator is to support activities within the European money markets through the development of suitable benchmarks that foster the integration and transparency of financial markets. *"EMMI has always been aligned with the multi-rate approach promoted by the FSB and welcomes involvement from the public authorities. Hence, we will be pleased to collaborate with the public and private sectors represented in this Working Group, and give all our input to identify best practices for euro alternative rates."*, expressed Guido RAVOET, EMMI Secretary General.

EMMI takes note of ECB's² project to develop a new unsecured overnight interest rate intended to complement existing benchmark rates. In this context, given the importance of existing reference rates in the European wholesale and retail markets as reiterated by FSMA, ESMA, ECB and the European Commission, EMMI remains committed to enhance the transparency and robustness of its existing benchmarks. In particular, it will pursue with the development of a hybrid methodology for Euribor. In parallel, EMMI intends to launch its new reference rate for the euro repo market in 2018.

EMMI appreciates Panel Banks' continued efforts as contributors of critical benchmarks, which highlight their commitment to the common endeavour of financial stability.

¹ New Working Group on a Risk-Free Reference Rate for the euro area :
<https://www.fsma.be/en/news/new-working-group-risk-free-reference-rate-euro-area>

² ECB to publish new unsecured overnight interest rate
<http://www.ecb.europa.eu/press/pr/date/2017/html/ecb.pr170921.en.html>

Note for the editor:

The European Money Markets Institute – EMMI (previously known as Euribor-EBF) is an international non-profit making association under Belgian law founded in 1999 with the launch of the Euro and based in Brussels (56, Ave des Arts, 1000 Brussels). Its members are national banking associations in the Member States of the European Union which are involved in the Eurozone. It manages European interbank benchmarks such as Euribor®/Eonia® along with the Short Term European Paper (STEP) transparency initiative.