

Minutes

Working Group on CIBOR Transition (WGCT)



Time: 19 March 2026, 13:00-15:00 CET

Location: Danmarks Nationalbank

Participants:

Members (voting)

AL Sydbank A/S
Danske Bank Group
Jyske Bank Group
Nordea Bank Abp
Nykredit Group
Skandinaviska Enskilda Banken AB
Sparekassen Kronjylland
DLR Kredit A/S
Kommunekredit
JPMorgan

Observers (non-voting)

LCH
ATP
PFA Pension Forsikringsaktieselskab
Ringkjøbing Landbobank Aktieselskab
Danish Financial Benchmark Facility (DFBF)
Finance Denmark
Danmarks Nationalbank
Danish FSA

Minutes of the Inaugural Meeting of the Working Group on CIBOR Transition (WGCT)

Agenda for the meeting

1. Opening remarks by Signe Krogstrup, Governor at Danmarks Nationalbank
2. Presentation by the Secretariat
3. Going forward - structuring of the WGCT, sub-groups, milestones and timeline
4. Data submissions – CIBOR/CITA/DESTR
5. Any other business and concluding remarks

1. Opening remarks by Signe Krogstrup, Governor at Danmarks Nationalbank

Signe Krogstrup delivered the opening remarks to the WGCT and thanked the members for contributing their time, expertise, and resources to support a successful transition away from CIBOR.

In the remarks, Signe Krogstrup emphasised the importance of the transition for financial markets and noted that well-functioning markets rely on robust, transaction-based reference rates. It was highlighted that DESTR provides a strong and credible foundation for a future transaction-based reference rate.

It was also underlined that, while Danmarks Nationalbank has offered to support and facilitate the WGCT and its Secretariat, the transition itself lies with the members and should remain predominantly market led. It was noted that the process will require market expertise, practical experience and dedicated resources at every stage.

The WGCT was encouraged to be ambitious about the timeline, while ensuring an orderly transition.

The full text of the opening remarks is available on the WGCT subsite on Danmarks Nationalbank's website¹.

2. Presentation by the Secretariat

The Secretariat of the WGCT gave an introductory presentation to the working group, covering several areas relevant to the transition.

The presentation began with an introduction and description of the WGCT's Terms of Reference, including provisions on confidentiality, competition law, the handling of conflicts of interest, and the WGCT's governance framework.

It was reiterated that the WGCT's overarching objective is to analyse and provide recommendations on a transition from CIBOR to transaction-based reference rates across krone-denominated financial contracts such as bonds, deposits, loans and derivatives.

The Secretariat also emphasised that, as illustrated in *figure 1*, the WGCT can only make recommendations on market practice for the transition and provide recommendations to Finance Denmark. In addition, sub-groups will report conclusions and put forward recommendations for the WGCT's review and approval in coordination with the Secretariat. All recommendations will be subject to public consultation.

The Secretariat further noted that it will facilitate and host the WGCT's meetings and coordinate the formulation of recommendations.

The Secretariat then presented data on the use of reference rates in Danish financial markets, which showed, inter alia, that credit institutions' exposures to CIBOR remain significant and that CIBOR continues to be the dominant reference rate in variable rate loans to both households and non-financial corporations.

It was also highlighted that the adoption of DESTA in derivatives contracts has risen significantly and that it now accounts for roughly a half of new contracts.

A summary of reference rate transitions in other jurisdictions was also provided, with reference to the work of the Alternative Reference Rates

¹ See <https://www.nationalbanken.dk/en/what-we-do/stable-prices-monetary-policy-and-the-danish-economy/working-group-on-cibor-transition> on Danmarks Nationalbank's website.

Committee (ARCC) in the USA and the Working Group on Sterling Risk-Free Reference Rates (Sterling Libor WG) in the UK. These examples were presented as potential guidance for the WGCT's own structure, milestones and timeline.

The Secretariat additionally outlined a suggested organisational structure for the WGCT modelled on the ARRC's working group structure. The proposed structure included product-specific sub-groups for cash products and derivatives as well as cross-product sub-groups, including areas such as legal, accounting and operations/infrastructure.

Finally, the Secretariat presented a proposed timeline and a set of milestones to guide the WGCT's work.

3. Going forward - structuring of the WGCT, sub-groups, milestones and timeline

During the Secretariat's presentation, members and observers held a discussion within the framework set out in the Terms of Reference. The discussion covered the governance structure of the WGCT and how the working group should be organised going forward.

It was agreed that the WGCT's sub-group structure should be finalised and adopted at the second meeting.

Members exchanged views on the possible establishment of sub-groups, each with its own terms of reference, to address specific products as well as the characteristics of the Danish mortgage credit system. In this context, members highlighted the need for one or more dedicated sub-groups focusing on mortgage credit bonds, covered bonds, and mortgages.

The discussion also addressed approaches to stakeholder outreach, including how best to ensure broad and international awareness of the WGCT's work. Members further considered the proposed timeline for the WGCT and the key milestones to be included.

Finally, the WGCT agreed on the importance of conducting public consultations on recommendations emerging from the WGCT to ensure transparency and engagement with the wider market.

4. Data submissions on reference rate exposures

Members agreed to collect updated data on reference rate exposures and submit it to the Danish FSA. A similar data exercise was conducted in 2021 and 2023, but an update is considered important to give the WGCT a

comprehensive and up-to-date view of the current reference rate landscape.

The Danish FSA will send a request for the data directly to the members.

5. Any other business and concluding remarks

The WGCT is expected to meet approximately once a month and there will be four meetings in total before the summer vacation. The coming three meetings will take place on 28 April, 3 June and 30 June. As stated in the Terms of Reference, minutes (including the agenda) from each meeting will be published after a meeting has been held.

It was agreed that - in advance of the second meeting - the members are to nominate participants in the WGCT's sub-groups based on a suggested sub-group formation. Each member must nominate a representative for at least one sub-group. Further, it was agreed that members are to provide input regarding the milestones and timeline.

It was agreed that the second meeting would include presentations regarding the work of the ARCC and Sterling Libor WG.

Figure 1:

