



# EIOPA publishes approach for Interbank Offered Rates transitions

NEWS  
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The European Insurance and Occupational Pensions Authority (EIOPA) published today its approach for the implementation of Interbank Offered Rates (IBOR) transitions including with regards to timing and implementation.

EIOPA will implement the updated methodology for the calculation of the risk-free interest rates as of January 2022 for the British pound, Swiss franc and Japanese yen. In particular, the following changes will be implemented:

GBP LIBOR curve will change to SONIA curve; the Last Liquid Point (LLP) will change from 50 to 30 years

CHF LIBOR curve will change to government bond curve; LLP will change from 25 to 15 years

JPY LIBOR curve will change to government bond curve and the LLP will remain unchanged at 30 years

In order to ensure a smooth transition, EIOPA will support market participants with the publication of two sets of curves ('dual run') for three consecutive months prior to the transition date.

There is no current indication the EURIBOR will cease in the near future. However, EIOPA will continue to monitor market developments closely according to the updated methodology. Separately, in relation to the euro's Credit Risk Adjustment (CRA), the overnight indexed swap (OIS) will change from EONIA to ESTER as of January 2022.

The impact of the transition of the British pound, Swiss franc and Japanese yen was estimated to be negligible for undertakings from the European Economic Area.

The report includes the outcome of the [information request on the potential impact of IBOR transitions](#) and the feedback received through the [consultation paper](#) by stakeholders.

[Download the report](#)