



Press release

Brussels, 9th of October 2024

EMMI announces completion of updated Euribor® Methodology phase-in period

The European Money Markets Institute (EMMI) is pleased to announce the successful completion of the phase-in period for the enhanced Euribor® methodology.

By using a standardised approach, the enhanced methodology will ease the burden on the Panel Banks that provide input to the calculation of Euribor® and make it more attractive for new banks to join the panel. At present, 19 credit institutions contribute to Euribor's® calculation, with Finland's OP Bank and the National Bank of Greece set to officially join in the coming weeks.

Since May 2024, EMMI has been working diligently with Panel Banks on the gradual transition to the enhanced Euribor® hybrid methodology. Over the past five months, banks have been phased-in one-by-one, to ensure a smooth transition.

"We are glad that Panel banks no longer need to provide expert judgment when contributing to Euribor®, thus alleviating their burden, and attracting new banks to the panel such as OP Bank and NBG," said EMMI's CEO Jean-Louis Schirmann. "Hopefully, in the near future, we will be able to attract more banks."

Now that the phase-in period is complete, an updated governance framework will apply. All the relevant documents pertaining to the updated Euribor® Methodology can be found on EMMI's official [website](#).

Key Features of the Enhanced Euribor® Methodology:

1. Reformulation of Level 2.3 by introducing a number of changes, in particular enlarging the starting point for its calculation, and redefining the Market Adjustment Factor (MAF) to better reflect changes in interest rates as well as changes in the perceived credit risk.
2. Discontinuation of Level 3: the reformulation of Level 2.3 with its proposed features will allow to discontinue Level 3 in the current hybrid methodology. As a consequence, Euribor® Panel Banks' operational and cost burdens will



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significantly diminish and provide an opportunity to expand the Euribor® Panel while maintaining the benchmark's reliability and characteristics.

About The European Money Markets Institute

Based in Brussels, The European Money Markets Institute (EMMI) is a non-for-profit association founded in 1999 by the national banking associations of the Member States of the European Union, along with the introduction of the euro.

The European Money Markets Institute is an Authorised Administrator under the Benchmarks Regulation of the European Union (BMR). As such, we develop and administer Euribor®, a robust critical benchmark. We work continuously to reinforce transparency and enhance the governance framework of our benchmarks, to preserve their high quality and integrity. EMMI is supervised by the European Securities and Markets Authority (ESMA).

Euribor® is the unsecured money market reference rate for the euro. The benchmark was declared a critical benchmark by the European Commission in 2016 because of its systemic importance for financial stability.

The European Money Markets Institute also explores new initiatives to answer market needs, always in compliance with the current regulatory context and market recommendations.

www.emmi-benchmarks.eu

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