

Date: 9 May 2025

5th annual review of the Nibor Framework concluded

The annual review of the Nibor Framework has been finalised. The current calculation methodology has again been considered suitable for its intended purpose. No amendments were made in policies or procedures that affect entities other than NoRe.

Yearly review of the Nibor framework

Norske Finansielle Referanser AS (NoRe) is authorised by the Norwegian Financial Supervisory Authority as administrator of Nibor (Norwegian Interbank Offered Rate)[®] pursuant to BMR¹ article 34. According to the definitions in BMR, Nibor is an interest rate benchmark. Further, Nibor has been recognized as a critical benchmark, with reference to BMR Article 20(1), point (b).

Following the provisions in BMR, an administrator of a financial benchmark shall review its framework regularly. The benchmark's definition and the methodology shall be reviewed at least annually. For interest rate benchmarks, an independent oversight committee is to be responsible for the review of the definition and the methodology. The requirements are incorporated into the [Nibor Oversight Committee Terms of Reference](#).

Further to the annual review of Nibor's definition and methodology, the annual review of the Nibor framework encompasses all documents central to NoRe's activities as administrator for Nibor.

The annual review of the Nibor methodology and policies and procedures was finalized by the Nibor Oversight Committee 12th March and by NoRe's Board 7th April 2025.

The Nibor definition and the calculation methodology

Nibor is intended to reflect the interest rate lenders require for unsecured money market lending in NOK to a leading bank with delivery two days after the trade date. Nibor is based on contributions of input data from a panel of six banks which are active in the market for redistribution of NOK liquidity. The calculation of Nibor is specified in the [Nibor Calculation Methodology](#). The panel banks shall apply the Nibor waterfall methodology when determining their contributions, as specified in the [Nibor Panel Bank Code of Conduct](#).

The Norwegian money market is characterised by liquidity being redistributed between the major market participants by using the currency swap market. This implies that the panel banks' contributions to Nibor, with few exemptions, have to be based on committed sales prices for CDs and CPs denominated in NOK combined with assessments of funding costs and bid/offer-spreads.

For more information about Nibor and contributions to Nibor, please see our Nibor Benchmark Statement and the quarterly Nibor Transparency Statements published on [NoRe's website](#).

¹ Norway is part of the European Economic Area (EEA) which consists of the EU-countries, Iceland, Liechtenstein, and Norway. The EU Benchmarks Regulation (BMR) was implemented in the Norwegian law in 2019.

Analysis supporting the review of the methodology

There are no alternative indices in the market with which Nibor could be compared. Thus, NoRe has developed a set of methods for assessing developments in Nibor and in the Nibor-data which panel banks base their daily contributions on. These methods span from analysing relevant market developments, domestically and internationally, to studies of each contributor's input data. Analysis and tests are based on background data collected from the Nibor panel banks as well as data from independent sources. The objective is i) to identify factors which may have influenced on Nibor, and ii) to reveal any indication of suspicious behaviour connected to the fixing of the benchmark.

The shape of the Nibor yield curve is central in NoRe's analysis. The short end of this curve is particularly sensitive to the current supply of liquidity in the NOK money market, and to expectations about imminent decisions about the central bank's policy rate. The longer end of the curve is more influenced by forward expectations about the policy rate and long term funding costs.

NoRe gives most attention to the Nibor 3- and 6-months tenors, as these tenors are most widely used as benchmarks. For back-testing these tenors NoRe calculates synthetic rates from USD and EUR interest rates and foreign currency quotes. These rates should, in theory, be influenced by similar factors to Nibor, and hence imply relatively similar movements. Statistical indicators show a high degree of correlation between the two set of rates.

Furthermore, to make an appraisal of the movements in the difference between the 3- og 6-month Nibor tenors, NoRe calculates an implicit 3-months rate 3-months forward. This rate is assessed against data from the Forward Rate Agreement (FRA) market. Comparisons of developments in these rates have not revealed differences that cannot be explained by differences in underlying markets.

For more information about NoRe's analysis and back-testing of Nibor, please see a [memo](#) published on NoRe's website.

Finally, NoRe assesses the Nibor methodology's resilience under stressed market conditions and against a situation with lacking input data from one or two of the panel banks. The Nibor methodology proves to be robust even under such conditions.

The assessment by the Nibor Oversight Committee

The Nibor Oversight Committee is held updated on developments in Nibor and relevant markets. In its quarterly meetings, the Committee is presented the NoRe administration's assessments and back-testing efforts.

Nibor Oversight Committee initiated its fifth annual review 27th November 2024 and concluded its assessments 12th March 2025. In the November meeting, the Committee assessed the content of NoRe's control and accountability framework documents. In the March meeting, the Committee finalised its review, including the assessment of the Nibor methodology, following the process outlined in the [Nibor Review Policy](#). As background for the committee's assessment of the Nibor methodology, the committee was provided with information about Nibor's performance throughout 2024, and the NoRe administration's assessment of the current calculation methodology.

The committee acknowledged the information provided by the NoRe administration on Nibor's developments, the input data from the Nibor Panel Banks, relevant market developments and NoRe's Nibor back-testing efforts. In combination, the information was assessed as sufficient for the committee's yearly review of the Nibor definition and methodology.

The Committee found that Nibor had reflected the relevant market through 2024 and concluded that the current Nibor definition and methodology continues to be suitable for its intended purpose.

Finalisation of the annual review

NoRe's Board finalised its annual review of the Nibor framework in its meeting 7th April 2025. The Board took note of Nibor Oversight Committee's assessment of Nibor and its definition and calculation methodology. After having reviewed the work in the Committee and taking the administration's assessments into account, the Board agreed with their assessments.

Following the Board's review of NoRe's internal policies and procedures, some changes were adopted. However, no changes have influence on other entities than NoRe.

For questions, please contact us on post@nore-benchmarks.com