



EUROPEAN CENTRAL BANK
BANKING SUPERVISION

Press release

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The European Commission, ECB Banking Supervision, EBA and ESMA encourage market participants to cease all LIBOR settings

- Market participants strongly encouraged to cease using LIBOR in new contracts and substantially reduce their exposures to LIBOR-referenced rates

The European Commission, the European Central Bank in its banking supervisory capacity (ECB Banking Supervision), the European Banking Authority (EBA) and the European Securities and Markets Authority (ESMA) today issued a [joint statement](#) in which they strongly encourage market participants to use the time remaining until the cessation or loss of representativeness of USD LIBOR, GBP LIBOR, JPY LIBOR, CHF LIBOR and EUR LIBOR to substantially reduce their exposures to these rates. The statement also encourages market participants to cease using the 35 LIBOR settings, including USD LIBOR, as a reference rate in new contracts as soon as practicable and by 31 December 2021 at the latest. Participants are also called on to limit the use of any LIBOR setting published under a changed methodology and to include robust fallback clauses nominating alternative rates in all contracts referencing LIBOR. The European Commission, ECB Banking Supervision, the EBA and ESMA will monitor the situation and LIBOR exposures closely.

For media queries, please contact [Silvia Margiocco](#), tel.: +49 69 1344 6619.

Notes

- [Getting prepared for benchmark rate reforms – the final stretch](#) (19 May 2021).
- [Getting prepared for benchmark rate reform](#) (12 August 2020).
- [ECB publishes good practices for banks to prepare for benchmark rate reforms](#) (23 July 2020).

European Central Bank

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