

REDUCED SUBMISSIONS POLICY

Introduction

1. In the event that ICE Benchmark Administration (IBA) receives fewer than the expected number of submissions by the time that ICE LIBOR is due to be published, the reduced submissions policy described below will apply.

Sufficient Submissions

2. The number of submissions to ICE LIBOR is measured per currency as opposed to per tenor. This means that, if a Benchmark Submitter were to submit only half of the tenors for a particular currency, none of the submissions to that currency from that bank on that day would be accepted. In this way one ‘submission’ refers to a complete set of submitted rates for one currency from one bank.
3. ICE LIBOR will be published provided that five or more submissions have been received for a particular currency.
4. The calculation methodology is the same irrespective of the number of submissions received. However, under the reduced submissions policy there is a difference in the number of submissions excluded on the high side and on the low side (‘topped and tailed’). The following table shows this:

Number of contributor Panel Banks	Number of Highest Rates Excluded	Number of Lowest Rates Excluded
18-15	4	4
14-11	3	3
10-8	2	2
7-5	1	1
4 or less	ICE LIBOR is not calculated using the standard methodology	

For example, for JPY, 12 panel banks are expected to submit every day. If on a particular day only 9 complete submissions were received, according to the table above, the highest 2 and lowest 2 submissions for each tenor would be excluded and the remaining 5 submissions would be averaged to produce the ICE LIBOR rate for that day.

Insufficient submissions

5. IBA’s policy for insufficient submissions currently applies when four or fewer complete submissions per currency are received. In such an event, IBA would be likely to re-publish the previous day’s published rate for all tenors in that particular currency.

6. The number of days that the previous day's LIBOR could be used would depend on the prevailing circumstances and practicalities. If the previous day's LIBOR rates have to be published for any currency/ies for any day and unless it is clear that the circumstances will not persist, IBA will inform and consult with the following:
 - FCA
 - Central Bank(s) for the affected currency/ies, and
 - Chair of the LIBOR Oversight Committee.

7. In such circumstances, consideration might be given as to whether it would be appropriate to publish the previous day's LIBOR as adjusted by the delta of a Related Rate, noting that:
 - OIS curves are not always available in all LIBOR currencies and tenors
 - Repo rates are secured and incorporate issuer risk, and
 - In some circumstances, OIS, repo etc may be very volatile and illiquid.

Announcement

8. If this reduced submissions policy were invoked, IBA would publish this in such manner and timescale as IBA deems appropriate in the circumstances.

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