

Below is a **provisional** timeline with milestones for RFR transition in sterling markets agreed by the Working Group on Risk-Free Reference Rates. This document will be updated on a regular basis with amendments and additional detail to reflect ongoing progress on plans for benchmark transition.

In addition, RFRWG notes the following **immediate** steps that market participants could undertake:

- Market participants should assess SONIA referencing product offerings which may be available to meet their financing, investment and risk management needs.
- Financial service firms should provide clients with clear and accessible information for SONIA referencing product offerings.
- All firms should assess the benefits as well as the risks of benchmark migration.

## Working Group on Sterling Risk-free Reference Rates – Timeline with Milestones

### Q1 2018

Reconstituted Working Group starts

New technical sub-groups established for loan and bond markets

Work begins on updating fallbacks in documentation for cash markets

### Q2 2018

**SONIA reforms implemented 23 April 2018**

Firms develop SONIA futures trading infrastructure

### H2 2018

Working Group agrees metrics of success to monitor transition developments

Public consultation on term benchmarks based on SONIA derivatives

Working Group communicates best practice\* for referencing SONIA across bonds, loans and derivatives

Development of derivatives infrastructure to facilitate voluntary transition

Term benchmark rate consultation responses summarised

Working Group recommends criteria for the design of term benchmark (*subject to outcome of consultation*)

Working Group has published recommendations on GBP fall-back rates across derivatives, bond and loan markets

### 2019

Development of operational capability (e.g. systems) for SONIA-referencing FRNs, loans and other instruments

Term benchmark rate produced and made available to use (*subject to outcome of consultation*)

GBP fall-back language agreed and implementation begins

Transition metrics demonstrate significant SONIA adoption for new business across derivatives, bond and loan markets.

### 2020- 2021

Transition and fallback plans in place

**Post 2021 Libor production no longer guaranteed by FCA**

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\* Including reviewing conventions and standards