



1. As set forth in the BRCS Operational Paper [TD/CONSENSUS(99)12], the value of premium which is collected after the zero point must be discounted according to agreed conventions in the context of meeting the minimum premium benchmarks requirements.

2. There are two conventions for selecting a discount rate:

Convention A. If any part of the premium is collected after the starting point of the credit, the discount rate applied to the whole flow of premium income shall be the prevailing CIRR base rate. For currencies with a three-tier CIRR system, the relevant base rate (to the repayment term of the transaction) shall be applied.

Convention B. For premium collected in full after the first drawing/disbursement but before the starting point of the credit, the discount rate applied to the flow of premium income shall be the six-month average of the CIRR base rate for the currency in question. This rate shall be calculated twice a year, in January and July, and remain in force for a six-month period. For currencies with a three-tier CIRR system, the 5-year base rate shall be applied.

3. The current actual discount rates resulting from these conventions are listed below.

Currency	Repay Term	Convention A		Convention B	
		The rates resulting from convention A shall be applied <u>if any portion of the premium is collected after</u> the starting point of credit.		The rates resulting from convention B shall be applied <u>if all the premium is collected before</u> the starting point of credit.	
		The following rates are valid from		The following rates are valid from	
		15 February 2021	through 14 March 2021	15 January 2021	through 14 July 2021
AUD			0.38		0.35
CAD	≤ 5 years		0.21		0.39
	> 5 to ≤ 8.5 years		0.43		0.39
	> 8.5 years		0.52		0.39
CZK	≤ 5 years		0.46		0.60
	> 5 to ≤ 8.5 years		0.79		0.60
	> 8.5 years		1.03		0.60
DKK	≤ 5 years		-0.73		-0.60
	> 5 to ≤ 8.5 years		-0.58		-0.60
	> 8.5 years		-0.51		-0.60
HUF		1.22		1.30	
JPY	≤ 5 years		-0.12		-0.11
	> 5 to ≤ 8.5 years		-0.11		-0.11
	> 8.5 years		-0.09		-0.11
KRW		1.32		1.20	
NZD		0.39		0.20	
NOK		0.72		0.44	
PLN		0.49		0.64	
SEK	≤ 5 years		-0.35		-0.33
	> 5 to ≤ 8.5 years		-0.28		-0.33
	> 8.5 years		-0.19		-0.33
CHF	≤ 5 years		-0.76		-0.71
	> 5 to ≤ 8.5 years		-0.69		-0.71
	> 8.5 years		-0.59		-0.71
GBP	≤ 5 years		-0.11		-0.04
	> 5 to ≤ 8.5 years		0.00		-0.04
	> 8.5 years		0.15		-0.04
USD	≤ 5 years		0.20		0.32
	> 5 to ≤ 8.5 years		0.45		0.32
	> 8.5 years		0.77		0.32
EUR	≤ 5 years		-0.76		-0.72
	> 5 to ≤ 8.5 years		-0.74		-0.72
	> 8.5 years		-0.66		-0.72

Notes:

1 The zero point is defined as the time of the first drawing of a credit.

