

Case No: 81666
Document No: 924463
Decision No: 071/18/COL

EFTA SURVEILLANCE
AUTHORITY

EFTA SURVEILLANCE AUTHORITY
DELEGATED DECISION

of 27 July 2018

to register Nordic Credit Rating AS¹ as a credit rating agency

THE EFTA SURVEILLANCE AUTHORITY,

Having regard to the Agreement on the European Economic Area² (the “EEA Agreement”), in particular Annex IX thereof,

Having regard to the Agreement between the EFTA States on the Establishment of a Surveillance Authority and a Court of Justice³ (the “SCA Agreement”) in particular its Article 25a and Protocol 8 thereof,

Having regard to the Act referred to at point 31i of Annex IX to the EEA Agreement,

Regulation (EU) No 1095/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority (European Securities and Markets Authority), amending Decision No 716/2009/EC and repealing Commission Decision 2009/77/EC⁴ (“Regulation 1095/2010”),
as adapted to the EEA Agreement⁵

Having regard to the Act referred to at point 31eb of Annex IX to the EEA Agreement,

Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies⁶ (“Regulation 1060/2009”),
as amended and adapted to the EEA Agreement⁷

Whereas:

¹ Nordic Credit Rating AS, organisation number: 917 685 991.

² OJ L 1, 3.1.1994, p. 3.

³ OJ L 344, 31.1.1994, p. 3.

⁴ OJ L 331, 15.12.2010, p. 84.

⁵ Joint Committee Decision No 201/2016.

⁶ OJ L 302, 17.11.2009, p. 1.

⁷ Joint Committee Decision No 20/2012 and 203/2016.

On 12 February 2018, Nordic Credit Rating AS (“NCR”) submitted its application for registration as a credit rating agency (“CRA”) to the EFTA Surveillance Authority (“the Authority”) pursuant to Articles 14 and 15 of Regulation 1060/2009.

NCR applied to issue solicited credit ratings for corporates, focusing only on two sub-asset classes: (i) financial institutions including credit institutions and investment firms; and (ii) corporate issuers that are not considered a financial institution or an insurance undertaking.

Pursuant to Article 6(3) of Regulation 1060/2009, NCR requested to be exempted from complying with the requirements of Article 7(4) of that regulation (rotation mechanism).

Following a completeness assessment of NCR’s application, carried out in cooperation with ESMA, on 9 March 2018 the Authority notified NCR that its application was incomplete, in accordance with Article 15(5) of Regulation 1060/2009. The Authority provided NCR with details of the areas where additional information was required.

On 28 March 2018, NCR provided the Authority with additional information. On 30 April 2018, the Authority notified NCR that it considered the application to be complete pursuant to Article 15(5) of Regulation 1060/2009. As a result, the Authority’s assessment of compliance, in accordance with Article 16 of Regulation 1060/2009, commenced on 2 May 2018.

On 7 May 2018, 18 May 2018, 30 May 2018, 6 June 2018 and 13 June 2018, the Authority and ESMA held conference calls with NCR to clarify certain matters regarding the application. In addition, on 25 May 2018, the Authority and ESMA visited NCR’s premises in Oslo and met NCR’s staff (Chief Executive Officer, the Chairman of the Board of Directors, the Chief Compliance Officer, the Head of Rating and Ancillary Services, the Head of the Review Function and the two independent non-executive directors). Following those meetings and conference calls, NCR voluntarily submitted additional information to the Authority on 14 May 2018, 30 May 2018, 1 June 2018, 8 June 2018 and 15 June 2018.

In cooperation with ESMA, the Authority examined NCR’s application for registration in accordance with Articles 14 to 16 of Regulation 1060/2009, taking also into account the relevant delegated legislation, including Commission Delegated Regulation (EU) No 449/2012⁸ of 21 March 2012 supplementing Regulation 1060/2009 with regard to regulatory technical standards on information for registration and certification of credit rating agencies, and Commission Delegated Regulation (EU) No 447/2012⁹ of 21 March 2012 supplementing Regulation 1060/2009 by laying down regulatory technical standards for the assessment of compliance of credit rating methodologies, as incorporated into Annex IX to the EEA Agreement.

⁸ OJ L 140, 30.5.2012, p. 32. Referred to at point 31ebn of Annex IX to the EEA Agreement.

⁹ OJ L 140, 30.5.2012, p. 14. Referred to at point 31ebl of Annex IX to the EEA Agreement.

On 6 July 2018 the Authority invited the Financial Supervisory Authorities of Iceland, Liechtenstein and Norway to provide technical advice in accordance with Article 4 of Protocol 8 to the SCA Agreement. The Financial Supervisory Authorities notified the Authority that they had no comments to the draft decision to register NCR as a CRA.

Following the examination of an application for registration, the Authority, under Article 16 of Regulation 1060/2009, is to adopt a decision to register the applicant or refuse registration.

After having assessed all the relevant documentation received from the applicant in the course of the registration process, the Authority finds that NCR has met the requirements for registration set out in Regulation 1060/2009 and the relevant delegated legislation and implementing legislation acts. These requirements include governance and internal controls, conflicts of interest, rating process and methodology, business activities, disclosures and exemptions.

The conditions laid down in Article 6(3) of Regulation 1060/2009 to be exempted from complying with the requirements of Article 7(4) of that regulation (rotation mechanism) are met.

HAS ADOPTED THIS DECISION:

Article 1
Registration

The registration of Nordic Credit Rating AS as a credit rating agency is approved.

Article 2
Entry into force

This Decision shall enter into force on the fifth working day following the date of adoption.

Article 3
Addressee

This Decision is addressed to:
Nordic Credit Rating AS
Postboks 354, Sentrum, N-0101 Oslo
Norway

Article 4
Language

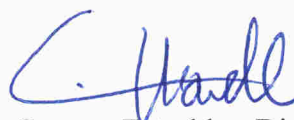
This decision is only drafted in English.

Done at Brussels on 27 July 2018.

For the EFTA Surveillance Authority, acting under Delegation Decision No 060/18/COL,



Bente Angell-Hansen
President



for Carsten Zatschler, Director
Catherine Howdle
Countersigning as Acting Director,
Legal and Executive Affairs