

Nordic Credit Rating AS registered as Credit Rating Agency

The EFTA Surveillance Authority (EFTA SA) has [registered](#) today the Nordic Credit Rating AS (NCR) as a credit rating agency under Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies (the CRA Regulation), as incorporated into the Agreement on the European Economic Area (EEA Agreement). This decision comes into effect on 3 August 2018. NCR is based in Oslo, Norway, with a branch in Stockholm, Sweden. NCR intends to issue corporate ratings.

The decision was adopted by the EFTA SA on the basis of a draft prepared by the European Securities and Markets Authority ([ESMA](#)), which is the EU's single supervisor for Credit Rating Agencies (CRAs).

The CRA Regulation seeks to ensure that credit ratings issued in the EU respect minimum standards of quality, transparency and independence by providing that only companies registered as CRAs may lawfully issue credit ratings which can be used for regulatory purposes by credit institutions, investment firms, insurance and reinsurance undertakings, institutions for occupational retirement provision, management companies, investment companies, alternative investment fund managers and central counterparties.

EFTA SA and ESMA will supervise NCR

In order to be registered as a CRA a company must be able to demonstrate that it can comply with the requirements of the CRA Regulation, including on:

- the governance of CRAs and the management of conflicts of interest;
- the development and application of methodologies for assessing credit risk; and
- the disclosure of information to ESMA and to market participants.

Once registered, CRAs are subject to on-going supervision and monitoring. In this case, NCR will be subject to on-going supervision and monitoring by EFTA SA and ESMA respectively to make sure that the firm continues to meet the conditions for registration. EFTA SA, on the basis of drafts prepared by ESMA, can impose sanctions and/or penalties where it finds that a CRA has failed to meet its obligations under the CRA Regulation as incorporated in the EEA Agreement.