



BITIBOR White Paper (English)

Benchmark Reference Rate for the Bitcoin Lending Market

1. Executive Summary

In the rapidly evolving landscape of Bitcoin-based digital finance, a critical component has been missing: a standardized benchmark interest rate that supports transparency, comparability, and accurate risk pricing. BITIBOR (Bitcoin Interblock Offered Rate) fills this gap by offering a reliable, market-driven reference rate that reflects short-term Bitcoin lending rates across leading CeFi and DeFi platforms.

BITIBOR serves as a transparent and institutionally accepted benchmark, enabling fair pricing, financial innovation, and improved risk management within Bitcoin's credit markets.

1.1 Why BITIBOR Matters

1. Fragmented Lending Markets with No Common Rate

Bitcoin deposit and lending markets operate across both centralized (CeFi) and decentralized (DeFi) systems, each defining rates in their own way. Without a unified standard, comparison and risk assessment are challenging.

2. Institutions Require Standards

Financial institutions, funds, and exchanges rely on clear and documented benchmarks – such as Euribor in Europe or SOFR in the U.S. BITIBOR brings this level of structure to Bitcoin finance.

3. The Interest Rate is a Core Financial Primitive

- Development of derivatives (e.g., swaps, futures)
- Transparent loan products with defined margins
- Risk metrics and portfolio benchmarking

4. Bitcoin is Not Just an Asset – It's Money

Bitcoin is increasingly used as collateral, a base for lending, and a foundational financial layer. Just as Satoshi created a digital store of value, BITIBOR extends this into financial infrastructure.

Without BITIBOR vs. With BITIBOR

Without BITIBOR

Fragmented data views

Opaque pricing

Weak trust in indicators

With BITIBOR

Unified benchmark rate

Transparent and comparable

Standardized, institution-grade metric

2. Purpose and Applicability

BITIBOR is designed to create a unified, transparent, and verifiable reference rate to be used for:

- Comparing Bitcoin deposit and loan interest rates
- Pricing derivatives (e.g., swaps, options)
- Risk management in portfolio strategies
- Indexation of financial products and ETFs
- Regulatory and audit reporting

3. Data Sources and Calculation Methodology

Centralized Platforms (CeFi):

- Binance
- Nexo
- Ledn
- Bitfinex

Decentralized Protocols (DeFi):

- Aave
- Compound
- MakerDAO

OTC and Institutional Data:

- OTC desks
- Bitcoin hedge funds
- Institutional lending agreements

Calculation Principles:

- Published daily at 12:00 UTC
- Volume-weighted average from all qualified sources

Formula:

$$\text{BITIBOR} = (\sum (\text{rate}_i \times \text{volume}_i)) / \sum \text{volume}_i$$

4. Published Rate Symbols

BTBR-1D – Daily rate

BTBR-7D – Weekly rate

BTBR-30D – Monthly rate

BTBR-90D – Quarterly rate

Website: bitibor.org (in development)

5. Governance: BRSB

BITIBOR is governed by the Bitcoin Rate Standards Board (BRSB) – an independent committee composed of experts in:

- Blockchain and finance
- Risk management
- Exchange technology
- Statistical modeling

BRSB Responsibilities:

- Maintaining the calculation methodology
- Auditing and verifying input data
- Ensuring public transparency and reporting

6. Use Cases

- Loan contracts: "Interest = BTBR-30D + 2.0% margin"
- Derivatives: Swaps, futures, and options based on BTBR indexes
- Portfolio management: Performance and volatility benchmarking
- Reporting: Fund NAV calculation, audit and regulatory reporting

7. Interest Rate Source Table

Platform / Protocol	Type	Typical Rate Range
Binance	CeFi	1-15%
Nexo	CeFi	3-6%
Ledn	CeFi	5-12%
Bitfinex	CeFi	Variable
Aave (WBTC)	DeFi	1-3%
Compound	DeFi	2-6%
MakerDAO	DeFi	2-5%
Institutional OTC	OTC	2-10%

8. Strategic Insight: Michael Saylor

Michael Saylor (MicroStrategy) has consistently emphasized the need for:

- Institutional-grade standards
- Financial infrastructure for Bitcoin
- Trusted metrics and reference rates

BITIBOR directly addresses this need.

"If you want billions in Bitcoin, you need tools – not memes."

9. Comparison: BITIBOR vs. Euribor vs. SOFR

Feature	Euribor	SOFR	BITIBOR
Region	Eurozone	United States	Global
Basis	EUR loans	USD repo market	BTC loans
Publisher	EMMI	Federal Reserve	BRSB
Application	Interbank	Treasury finance	CeFi/DeFi lending
Publication	11:00 CET	08:00 ET	12:00 UTC

10. Roadmap

- Extended maturity periods: 180D, 360D
- Stablecoin-based indexes: USDT-BTBR, DAI-BTBR
- DAO-based governance
- Public interest rate visualizations and API access

11. Legal Disclaimer and Copyright

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