



Canadian Derivatives Clearing Corp (CDCC)

CCP Repo

Repo 2.0

October 16, 2025

Roadmap

- The internal planning and process for the Repo 2.0 project are well underway.
- **Phased approach to deliver improvements in increments:**
 - Phase 1: Modernize Existing Service
 - Phase 2: Introduce cleared GC Repo via CCMS
 - Phase 3: Expanded Access for cleared repo market
- **Key milestones**
 - Phases 1 and 2 development are scheduled to begin in 2026 and delivered in 2027
 - Phase 3 development is slated for 2028, with requirements potentially subject to change based on industry feedback. Delivery end 2028/early 2029.
 - Project timelines have been adjusted to align with the ongoing planning for all CDCC projects.
- **Industry consultation will be critical in modernizing the existing service.**

Phase 1: Modernize Existing Service

- A consultation with industry to confirm proposed changes and gather additional proposals from current CDCC participants. This includes already identified proposed changes to the current CDCC service such as:
 - Expanded eligibility for margin collateral and repo (for provinces and large pension funds). Revised concentration limits and time to maturity eligibility.
 - Moving to cash VM (Variation Margin) instead of collateral exchange.
 - Same-day ISIN issuance and repo trading eligibility.
 - Automation and reports, e.g., repo eligible ISIN lists.

Phase 2: Introduce Cleared GC Repo

- Introduction of a cleared GC repo product under the existing CCP framework:
 - Multiple CDCC Cleared GC baskets
 - Blind repo for dealers
 - New memberships for pure cash providers (no margin or clearing fund contributions).
 - Upgrades to existing framework will enable:
 - Enabling cross-margining with MX futures.
 - Supporting new asset types: NHA MBSs, FRNs.
 - Generic ISIN risk management for GC repo.
 - Risk management optimization.

Phase 3: Expanded Access for Cleared Repo Market

- CDCC is monitoring developments in the US markets.
- New access models adopted in US jurisdiction (FICC, CME, ICE) to inform requirements for buy-side access via sponsored repo and futures-type client access (agent model), incorporating various innovations and timeline considerations.
- Industry consultation will be essential to build a model that works in the Canadian context, but does not stray too far from global standards.

Questions?