

# CCP clearing for the South African bonds and repo markets

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Market workshop – Session 8  
20<sup>th</sup> Jan 2025

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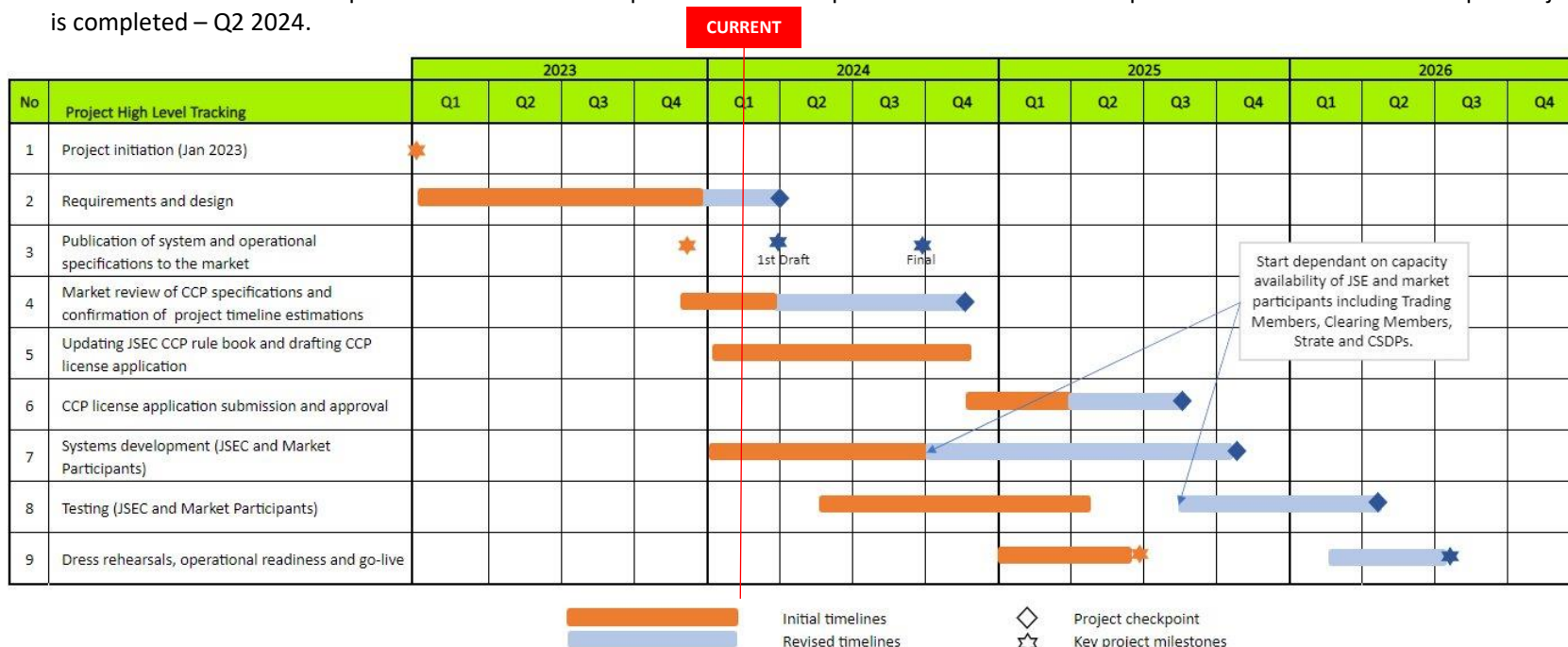
## JSE repo reporting reforms project

- The JSE currently only caters for trade reporting of buy-sell backs style repos and does not provide the functionality to report globally used Classic Repurchase Agreement style repos.
- There has been an urgent request from trading member participants and regulators to enhance the JSE bond repo market products and deal management capabilities to align with industry standards.
- Given the higher priority of implementing these repo market changes, coupled with the high dependency on the same systems and business resources as the Bonds CCP project, the Bonds CCP project timelines will need to be extended.

## Way forward for Bonds CCP

- Project to continue in parallel to the newly prioritised JSE Repos Project.
- Focus for 2024 will be placed on finalising the risk management requirements, updating the CCP rulebook and submission of the CCP license application.
- Publication of consolidated Bonds CCP market specifications document rescheduled to Mar'24/Apr'24.
- Monthly Bonds CCP market working group sessions to continue into 2024 with primary focus on finalising the updates to the CCP rulebook and risk management aspects with Clearing Members.
- Additional cleared products, as result of the JSE Repos Project, may be considered as part of the Phase 1 delivery.

- Project go-live extended by 12~15 months due to the newly prioritised JSE Repos Project.
- Primary focus for 2024 will be on finalising the risk management requirements, updating the CCP rulebook and submission of the CCP license application.
- Bonds CCP timelines and dependencies to be firmed up once detailed requirements and technical impact assessments on the JSE Repos Project is completed – Q2 2024.



## Conclusion and next steps:

- The newly prioritised JSE Repos Project will commence development and market testing in 2024.
- JSE to continue with the detailed design and requirements of the Bonds CCP project in parallel, with a targeted date of Mar'24/Apr'24 to publish the consolidated requirements.
- Market participants to review the CCP design and requirements shared thus far and engage directly with JSE on any questions or queries they may have.
- New monthly Bonds CCP market workshop sessions have been setup for 2024.

### Topics to be covered in next workshop sessions:

- Trade novation ✓
- Account structure ✓
- Trade publication ✓
- Trade cancellation ✓
- Integration with internal and external systems ✓
- Deal management ✓
- Position management ✓
- Collateral Management (cash & securities) ✓
- Settlement management ✓
- Risk management and margining ✓
- Fees and billing (to be finalised in Q1 2024)
- Reporting (to be finalised in Q1 2024)
- Default management ✓
- Clearing membership criteria ✓
- CCP rules, policies and procedures (by Q4 2024)

# Thank you

## Q&A

...for further info or questions, please contact:

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