



# ICMA's new Global Repo and Collateral Forum



By **Alexander Westphal** and **Andy Hill**

Since the early 1990s, ICMA has played a prominent role in promoting the interests and activities of the international repo market, and of the product itself. This includes the development of the Global Master Repurchase Agreement (GMRA), which has become the principal master agreement for cross-border repos globally, as well as for many domestic repo markets. Repo and collateral remain at the core of ICMA's activities today and this work is supported primarily by ICMA's European Repo and Collateral Council (ERCC), which was established in 1999 and has rapidly established itself as the main representative body for the cross-border repo and collateral market in Europe. The ERCC has become a brand in itself that is well-known and recognised within the industry but also in regulatory circles, in large part thanks to the active engagement from members in the ERCC Committee and related working groups.

There has always been an important global dimension to ICMA's repo and collateral work, not least due to the GMRA being a global standard, something that has been recognised from very early on. In fact, the ICMA rulebook anticipates an elaborate governance structure to underpin the repo and collateral work which includes, besides the ERCC, an overarching International Repo and Collateral Council (IRCC). In practice, however, the latter has never gathered sufficient momentum, mainly due to the complex set-up and so the ERCC has, unsurprisingly, taken centre stage. In the meantime, the ambition to better reflect the global dimension of ICMA's repo and collateral work in the governance structure has not disappeared. In fact, this is more relevant today than ever. ICMA's membership outside of Europe continues to grow and many of these members are actively using repo. The use of the GMRA has also further expanded. ICMA now commissions legal opinions in almost 70 jurisdictions around the world and is actively working with various emerging economies to help establish stable and efficient repo markets, in close collaboration with Frontclear and other development institutions. Finally, a number of the key themes that have emerged over the past years in the repo space are clearly global opportunities and/or challenges. This is true for the role of technology and the global drive towards increasing automation and digitisation, and it is certainly also the case for the important discussions around sustainable finance and the role that repo can play in this context.

In September 2022, in recognition of these developments, ICMA decided to launch a new forum, the Global Repo and Collateral Forum (GRCF), which aims to bring together market practitioners from around the world to discuss repo and collateral developments from a global perspective. This will include the topics already mentioned, namely the important legal work around the GMRA, as well as technology and sustainability. But the GRCF will also provide an opportunity to exchange views on a long list of other common themes, such as repo market resilience and functioning, the role of the buy side, structural and legal reform, global regulatory trends, as well as market best practice. The GRCF is open to all ICMA member firms with an active interest in cross-border repo and collateral markets. This includes firms based in Europe, although it is important to note that the GRCF aims to complement rather than replace the ERCC, which will continue to be at the core of our repo and collateral work in Europe. The GRCF will meet at least on a quarterly basis, with the inaugural meeting scheduled for later this year.

In terms of structure, ICMA has decided to follow a pragmatic approach. The GRCF has been established as a separate forum outside of the formal ICMA rulebook. There are several benefits to this approach. But most importantly, it will provide ICMA with the necessary flexibility to fully take on board feedback and ideas from members and shape the GRCF accordingly. The GRCF is intended to add value to ICMA's global membership, so ICMA is keen to ensure that the format and agenda of the group are as relevant as possible and closely reflect members' interests. This includes the potential creation of more topical working groups or events under the GRCF umbrella, for instance a workstream focusing specifically on emerging markets.

If you are an ICMA member and would like to sign up for the GRCF distribution list or share any ideas, feedback or questions, please send an e-mail to [grcf@icmagroup.org](mailto:grcf@icmagroup.org).



**Contacts: Alexander Westphal and Andy Hill**  
[alexander.westphal@icmagroup.org](mailto:alexander.westphal@icmagroup.org)  
[andy.hill@icmagroup.org](mailto:andy.hill@icmagroup.org)