



REFINITIV BENCHMARK SERVICES (UK) LIMITED

CANADIAN DOLLAR OFFERED RATE (CDOR)

UPDATE ON CONSULTATION ON POTENTIAL CESSATION OF CDOR



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CDOR CONSULTATION UPDATE

The Canadian Dollar Offered Rate benchmark (“CDOR”) is a daily benchmark reference rate for Bankers’ Acceptance (“BA”) borrowings. The Canadian BA market exists primarily within Canada and, at about 20% of the overall money market, constitutes the largest sector of the Canadian dollar money market after Government of Canada treasury bills. CDOR is currently the primary interest rate benchmark in Canada and is widely used in other Canadian dollar financial instruments including interest rate swaps, exchange-traded futures, loans and floating rate notes.

Refinitiv Benchmark Services (UK) Limited (“RBSL”) is the administrator of CDOR. CDOR is an interest rate benchmark subject to the UK Benchmark Regulation¹ (“BMR”) (“Interest Rate Benchmarks”). As administrator, RBSL is responsible for collecting input data, determining and publishing CDOR, and for all aspects of governance, oversight, compliance and integrity of CDOR. RBSL is required to comply with Multilateral Instrument 25-102 *Designated Benchmarks and Benchmark Administrators* (“MI 25-102”), a rule adopted and administered by certain members of the Canadian Securities Administrators (“CSA”). RBSL has adopted policies and procedures to comply with these regulations. CDOR is not considered a critical benchmark for the purposes of the BMR but is designated as a critical benchmark and interest rate benchmark as defined by MI 25-102.

On December 16, 2021, the Canadian Alternative Reference Rate working group (“CARR”) [issued a white paper](#) (“White Paper”) recommending that “RBSL should cease the calculation and publication of CDOR after June 30, 2024”. Following the CARR recommendation, RBSL issued a [public consultation](#) on January 31, 2022 seeking feedback from users of and stakeholders in CDOR regarding the impact of any potential cessation of CDOR. The consultation ran until March 2, 2022.

RBSL received 33 responses from non-financial corporations, banks, fund management companies, pension funds, trade associations and government entities. RBSL thanks all respondents for their feedback to the consultation.

RBSL has reviewed the feedback, which has also been shared on an aggregated basis with CARR. RBSL has also engaged with the CARR co-chairs to discuss the key issues raised by the consultation. After this process has been completed, RBSL will follow its benchmark governance process with a view to reaching a decision on the future of CDOR and will then inform the regulators of its decision for their review prior to announcing the decision publicly. An announcement is expected in Q2 2022 and the announcement will be accompanied by an outcome statement summarising feedback received in response to the consultation in anonymised form. To the extent that the outcome statement contains changes from any information in the consultation, the outcome statement will explain the changes and the purpose and reasons for the changes. If applicable, the outcome statement will also explain why any information in the consultation has not changed.

Please note that this consultation update does not constitute a decision or a public statement or publication of information that CDOR has ceased or will cease permanently or indefinitely.

¹ The Benchmarks (Amendment and Transitional Provision) (EU Exit) Regulations 2019

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