Central Securities Deposit: Thirty Years Helping to Strengthen the Public Securities Market

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The first step towards dematerializing securities in Colombia began when Law 27 was adopted in 1990, authorizing the creation of central securities depository management companies.

The Central Securities Depository (DCV) was established at the beginning of the nineties to receive on deposit and manage securities issued, guaranteed, or administered by the Central Bank itself, as well as securities that constitute compulsory or substitute investments in the care of entities subject to inspection and oversight by the Office of the Superintendent of Banking, other than shares, all in accordance with the provisions of Article 21 in Law 31 of 1992.

Banco de la República conducted the first dematerialized placement of equity securities on September 14, 1992, through the book-entry system, and the first "electronic" operation in the secondary market was registered on October 5, 1993.

With the DCV in operation, the risk implied in handling physical securities was eliminated, and transactions with securities in the secondary market were facilitated and expedited, as was the collection of capital and financial yield. These factors have done much to strengthen the public securities market. Today, more than 2,198 transactions are carried out daily at the DCV, on average, moving around COP$60.3 billion per day, in nominal terms, and more than COP$447 billion in securities are held in custody. In terms of operational indicators, the DCV has maintained an availability that exceeds 99.9% of the time established for the service it offers.

The project to modernize the information system that supports the DCV's portfolio of services is now underway to maintain or incorporate the international standards and principles on financial market infrastructures. The idea is to strengthen efficiency in the provision of services in line with the strictest standards on information security.

Fuente: https://www.banrep.gov.co/en/central-securities-deposit-thirty-years-helping-strengthen-public-securities-market