



CENTRALIZED REGISTRATION SERVICE OF FORWARD CONTRACTS BEGINS

After a tripartite work among DCV, the Banks and the AFPs during 2010, a new service of Centralized Registration of Forward Contracts is available since last March. The depositors opting for this new service may perform the registration, signature and centralized and electronic custody of forward contracts subscribed with third party customers of DCV.

The new service offers an automated system for the registration of the forward operations in the OTC markets and their dematerialized custody; work that required plenty of coordination and that had several involved who organized themselves in working committees integrated by banks, regulators and AFPs.

“This is a first class service for the Chilean stock market. This is a solution to a problem where DCV provides technology and infrastructure. Certainly a solution like the Registration Service of Forward Contracts must contribute to the development of the market allowing in the future the incorporation of other actors such as stockbrokers, mutual funds, among others”, highlights Fernando Yáñez, General Manager of DCV.

The bank committee consisted of, among others, Héctor Vega, of Banco HSBC; Angélica Campos and Aldo Cornejo, of Banco Santander; Juan Carlos Aravena and Kariem Daghdag, of Banco de Chile; Patricio González and Amalia Alvarado, of Banco BBVA, and William Gamboa, of Banco Estado.

“The Banks, regulators and the counterparties participated, mainly the AFPs, which were the ones who approached us. Subsequently, the Asociación de Bancos, through a commission led by Américo Becerra, was the one that carried out this topic with all the actors involved in the system”, explains the Head GM Operations of Banco HSBC, Héctor Vega.

“The experience was pretty good. This commission had already implemented other successful projects and the challenge was interesting: to simplify what we already had. Previously a document took up to 10 days and now it can be solved in the same day of the transaction, with all the required safety and regulations. Locally, the product itself is quite robust” adds the executive.

“Overall there is always the need to automate and do things electronically, not only in this particular case. We as a committee have always searched for zero paper. Rather than a cost saving issue, it is a topic on operational risk; as more electronic are the transactions the operational risk decreases significantly, we advance towards a more modern financial system and with international standards”, details the President of the Committee of Financial Operations, Américo Becerra.





COMIENZA SERVICIO DE REGISTRO CENTRALIZADO DE CONTRATOS DE FORWARD



AMÉRICO BECERRA

Meanwhile, the commission of the AFPs consisted of approximately 12 persons, among which distinguish: Raúl Avello and Mario Valenzuela of AFP Capital; Pedro Peralta of AFP Cuprum; Paul Mazoyer of AFP Habitat; Roberto Rivero of Planvital; Giovanca Herrera of AFP Modelo; Leonel Venegas, Ciro Corrotea and Marcelo Arancibia of, AFP Provida and René González and Rodrigo Seguel by AFC.

“What the AFPs are seeking is to improve the safety and efficiency in the implementation of forward operations. The fact that this electronic platform exists which eliminates paper and the contracts and all the legal work, is very important. The system incorporates the validation of the representatives which is a super important issue for the security, efficiency and speed”, highlights Roberto Fuentes, Research Manager of the AFP Association.

In the future we hope that in addition to banks and AFP, the largest number of participants of the market is incorporated, hopefully, all banks. We would like the extension of this market”, explains Fuentes.



AN IMPROVEMENT TO THE LOCAL FINANCIAL SYSTEM

This new service incorporates mechanisms of electronic subscription through advanced digital signature in the respective forward contract that the parties hold. Additionally, DCV provides the elaboration of reports that the depositors may consult on line and the information to the regulators, also the notification of the maturity of these contracts.

“The service is already known, we have distributed it to all banks and other companies of the financial system. As every project we hope it matures a little: we have already incorporated banks and some of them have already registered contracts through this service”, says the Manager of Operations of the Asociación de Bancos e Instituciones Financieras (ABIF), Roberto Jiménez.

We hope to develop other initiatives in this desire of modernity that is permanent within the directive domes. We hope to add other types of contracts that we are monitoring and expecting the proposals”, concludes, Jiménez.

