

Central securities depository

Abstract

The topic of this diploma thesis is the person of a central securities depository, with a specific focus on its legal regulation. In relation to this topic, two main areas are accentuated – on the one hand, the authorisation procedure of a central securities depository and, on the other hand, its subsequent functioning. The aim of the paper is to comprehensively cover all relevant aspects of the legislation, to reflect on its suitability, assess its necessity, analyse its current issues, and also present its potential future direction.

The thesis contains an introduction, five systematically segmented chapters and a conclusion. The first chapter serves as an obligatory introduction to the subject and at first deals with the definition of the financial and capital market. In the second subchapter of this chapter, a brief introduction to the central securities depository and a description of its position within the latter mentioned market takes place. This chapter is then concluded by a segment concerning supervision and its genesis in the Czech Republic. The second chapter tackles the procedure for the authorisation to operate a central securities depository, analysing both the already repealed domestic legislation and the regulation coming from the representatives of the European Union, which replaced it. This chapter is then followed by a section of the diploma thesis describing the functioning of the central securities depository after obtaining the aforementioned authorisation and the services provided by it. Both the national level as well as the Union level of legislation is presented here. In the fourth chapter, attention is devoted to the only Czech central securities depository, the company *Centrální depozitář cenných papírů, a.s.*, whereas its role in the domestic economy is analysed, as well as some of its, mostly economic aspects. This diploma thesis closes with the fifth chapter, which deals with current issues concerning the person of a central securities depository. In the first subchapter of the final chapter, the legal regulation of the settlement discipline is discussed, followed by a segment devoted to Distributed Ledger Technology. The whole diploma thesis is concluded by a subchapter analysing other legislative proposals and initiatives related to the subject.

Keywords: central securities depository, registry of book-entry securities, settlement system