



## Colombia Selects Entities that will Develop Local Public Exchange Traded Fund (ID ETF)

- *The ID-ETF program is an initiative that seeks to support the local bond market development and promote the financial stability in emerging economies.*
- *The launching of the Exchange Traded Fund of Public Debt democratizes and positions the public debt mark in front of the global investment tendencies.*

**Bogotá D.C., June 8th 2022 (COMHCP - @MinHacienda).** Within the framework of the cooperation agreement with the World Bank, The Ministry of Finance and Public Credit of Colombia completed the selection process of the entities that will develop the Colombian Exchange Traded Fund supported by the Issuer (ID - ETF), in accordance with the Technical Document “Colombian Issuer Driven – Exchange Traded Fund” published on March 1, 2022.

The ID – ETF program is a global initiative designed by the World Bank to support the development of local bond markets and promote financial stability in emerging economies. Additionally, the ID ETF seeks to promote access to capital markets and increase competitiveness through financial services.

Once the selection process was completed, the Ministry of Finance and Public Credit announced its interest to advance to the hiring phase in order to make a direct placement of Colombian TES - Class B bonds to the Fund, in accordance with the proposal of Fiduciaria Bogotá as the Administrator, Global X ETFs as the Manager and JP Morgan as the Index Provider, which will constitute the Exchange Traded Fund. In accordance with the legal terms established in the numeral 1.2.3 of article 6 of Resolution 1357 of 2022

The Minister of Finance and Public Credit, José Manuel Restrepo, highlighted the benefits of the alliance between the National Government and the World Bank for the development of the Colombian capital market. He assured that an Exchange Traded Fund of Public Debt, supported by a sovereign issuer, is a clear example of how technology and financial innovation can be used to promote competitiveness, reduce costs and facilitate access for individuals and institutional funds to new investment alternatives.

Meanwhile, César Arias, General Director of Public Credit and National Treasury, highlighted that “the launch of the Exchange Traded Fund democratizes and places the public debt market at the forefront of global investment trends. The simplicity,

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transparency and low cost of these instruments are the reasons for their success. Each unit acquired from the stock market fund will provide exposure to a portfolio of the 12 TES assets currently issued at a fixed rate and in local currency". Finally, it's important to mention that investors will be able to monitor the Fund through an index and will be able to actively trade their shares on the Stock Exchange.

For more information: [Presentación Fondo Bursátil de Deuda Pública Colombiano](#)

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