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Report of the Colloquium on Secured Transactions (New York, 20–21 February 2025)

Navigating the New Era of Digital Finance – UNCITRAL Model Law on Secured Transactions and the use of new types of assets for secured financing

Note by the Secretariat

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I. Introduction

1. At its fifty-seventh session in 2024, the Commission considered the topic of secured transactions using new types of assets and their treatment under the UNCITRAL Model Law on Secured Transactions (the "Model Law") based on a note by the secretariat (A/CN.9/1180, paras. 19–35). In light of the emergence of new types of assets (including digital assets, data, verified carbon credits and crop receipts) and legislative efforts by international and regional organizations to address transactions involving such assets, it was widely felt that it would be beneficial to compile information about those developments. Support was also expressed for taking stock of the enactment by States of the Model Law and the approach taken by those States with regard to new types of assets as well as of international financing practices using such assets.[1]

2. At that session, the Commission considered it timely to address the above-mentioned developments with a view to assisting States on how to address secured transactions generally and those involving new types of assets in particular. It was agreed that such exploratory work would assist the Commission in making an informed decision on possible future work, including any updates to the Model Law.[2] In that regard, the secretariat was requested to organize a colloquium involving experts and representatives of international and regional organizations to clarify and refine various aspects of possible future work in this area and report back to the Commission at its fifty-eighth session, in 2025.[3]

3. Accordingly, the secretariat organized the Colloquium on Secured Transactions entitled "Navigating the New Era of Digital Finance - The UNCITRAL Model Law on Secured Transactions on the Use of New Types of Assets for Secured Financing" (the "Colloquium"), which was held at the United Nations Headquarters in New York on 20 and 21 February 2025.

4. The Colloquium consisted of six panels on: (i) the Model Law and other UNCITRAL texts; (ii) secured transactions reforms by States and international organizations; (iii) digital assets and data as collateral; (iv) climate change finance; (v) registry operation – methods, best practices and technologies and (vi) trade and supply chain finance. The Colloquium concluded with a roundtable discussion.

5. The Colloquium, which was held in-person, was attended by 62 participants, which included representatives from governments and international organizations. Over 25 individuals with expertise in the field were invited to make presentations during the Colloquium.

6. This note provides a summary of the discussions held during the Colloquium. Additional information about the Colloquium (including the programme, speaker biographies, presentations and other reference material) is available on a dedicated web page.[4]

II. Summary of the Colloquium

A. The Model Law and other UNCITRAL texts

7. Panel 1 set the stage of the Colloquium presenting the UNCITRAL framework on secured transactions, with particular focus on the Model Law as a cornerstone of reforms particularly in light of emerging asset types (e.g., digital assets). The panel was moderated by Anna Joubin-Bret with contributions from Jae Sung Lee, Spyridon Bazinas and Orkun Akseli.

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[1] *Official Records of the General Assembly*, *Seventy-ninth Session*, *Supplement No. 17* (A/79/17), para. 292.
[2] Ibid., para. 294.
[3] Ibid., para. 295.
[4] See https://uncitral.un.org/en/colloquiumsecuredtransactions2025.

8. The discussion outlined UNCITRAL's work on secured transactions over the past two decades, noting the various texts that had contributed to establishing a modern secured transactions framework. The Model Law was the culmination of those efforts, aimed at reducing the fragmentation of relevant laws, addressing legal uncertainties and increasing access to credit at lower costs. The Model Law was developed balancing complex legal and policy considerations, ensuring consistency with existing UNCITRAL texts and integrating coordination with other areas of the law such as property, contract, banking, insolvency and intellectual property law. Collaboration with other international organizations, such as the International Institute for the Unification of Private Law (UNIDROIT), the Hague Conference on Private International Law (HCCH) and the World Intellectual Property Organization (WIPO), was also instrumental.

9. Challenges in the Model Law implementation were discussed. Jurisdictions unfamiliar with its legal principles and mechanisms required significant institutional and legal adaptations, which complicated its enactment. Resource and capacity constraints, limited support and the emergence of new frameworks further delayed the adoption of the Model Law.

10. Another major challenge was that many jurisdictions have implemented piecemeal reforms to address secured transactions involving different types of assets, often resulting in inconsistencies and fragmentation. This makes it difficult to adopt the Model Law, which takes a comprehensive approach to apply to all types of movable assets. In that context, lack of specific provisions on digital assets in the Model Law was considered to pose an additional risk as States may seek guidance elsewhere resulting in further fragmentation and departure from the Model Law.

11. The Model Law's comprehensive and functional approach was stressed as it allowed businesses to use all types of movable assets, both tangible and intangible, as collateral. It was noted that the Model Law contained generic rules applicable to all types of assets, but also contained certain asset-specific rules (for example, for receivables, negotiable instruments and intellectual property). Therefore, the question to address were (i) whether the new types of assets (including digital assets) can be classified as movable assets under the Model Law and if so, which rules would apply and (ii) whether additional rules specific to those assets would need to be prepared.

12. It was stated that the Model Law could serve as the foundation for future developments in secured transactions law given its transsystemic nature that allowed its integration into domestic legal frameworks with different legal traditions. It was said that due to the evolving nature and complexities arising from the use of digital assets as collateral, it would be necessary to review how the Model Law would apply to such transactions. The development of assets-specific rules or supplementary chapters was suggested.

13. Noting that transactions involving some of the new types of assets were being conducted through registries, it was mentioned that coordination among the different registries (including the general security rights registry envisaged under the Model Law) should be ensured. Collaboration with international organizations active in this field was also said to be crucial to enable States to fully benefit from the Model Law and instruments developed by other organizations.

B. Secured transactions reforms by States and international organizations

14. Panel 2 displayed the experiences of States in carrying out secured transaction law reforms and the experience of international organizations in formulating legal standards, both in the context of how the Model Law impacted such work. The panel was moderated by Jae Sung Lee with contributions from Claudia Solares, Yvonne Atwiine, Clara Guerra, Maria Del Pilar Bonilla, William Brydie-Watson, Gérardine Goh Escolar and Chris Southworth.

15. Experiences from Guatemala, Türkiye, Uganda and Liechtenstein illustrated diverse approaches to secured transaction reforms. In Guatemala and Uganda, the Model Law played a significant role, particularly in the development of electronic security rights registries. Türkiye's experience illustrated legal and bureaucratic challenges, while Liechtenstein demonstrated an innovative approach to integrating digital assets into their secured transaction framework.

16. Guatemala's reforms improved access to credit, particularly for small and medium-sized enterprises (SMEs). They aligned with international standards and allowed the transition to an electronic security rights registry, significantly simplifying the registration process, reducing costs, and improving accessibility. Along with reforms to allow for easier enforcement, Guatemala witnessed a significant increase in secured transaction, which has fostered financial inclusion and economic development.

17. Uganda's experience was similar with the introduction of an electronic registry and a modernized legal framework aligned with the UNCITRAL's texts. This led to a surge in registrations from 425 to over 200,000 per year. Related reforms were also introduced to allow businesses in insolvency proceedings to continue to access credit. Nevertheless, challenges remained, including the reluctance of banks to accept movable assets as collateral due to perceived risks, legal inconsistencies that require further amendments, and infrastructure limitations such as limited internet access and digital illiteracy in rural areas.

18. Türkiye's secured transactions reform illustrated implementation challenges, particularly with regard to some of the key Model Law elements, such as non-possessory security rights, recognition of security rights in future assets, and the adoption of a functional approach. The existing laws mandates specific asset description and registry approval, adding an extra layer of formality and cost that discouraged registration. Unlike the Model Law, the existing law requires registration for the creation of security rights, which was also the sole criterion for determining the priority among competing creditors. The experience highlighted the importance of effective coordination among government agencies, clear leadership and enhanced public awareness. Türkiye is overcoming these challenges and is continuing to embark on legislative reforms in this field. Discussions are being held to consider whether digital assets should be classified separately from traditional movable and immovable property.

19. Liechtenstein's approach provided an example on how digital assets could be addressed. It had enacted the Token and Trusted Technology Service Provider Act, which established a legal framework for digital transactions and recognized tokenized assets as being the subject of enforceable property rights. The law introduced a "token container mode," allowing tokens to represent various types of assets, including intellectual property (IP) and securities while separating legal rights from the underlying technology and ensuring that rights remain intact even if the technology changes. Nonetheless, challenges persist in using IP as collateral due to complexity inherent in such rights and cross-jurisdictional enforceability. While tokenization enables IP to be represented digitally, fractionalized, and transacted, aligning IP laws with such practices remains a challenge. The experience of Lichtenstein highlighted the need to consider the entire legal framework surrounding digital assets which involved a number of different laws and also the need to consider the cross-border effects of transactions involving such assets.

20. The experience of the four jurisdictions prompted broader reflections on secured transactions reform. Key points included the need for all stakeholders — legislators, financial service providers, regulators, and judicial authorities — to be aware of secured transaction reform and its implications. Capacity-building was seen as essential to align stakeholders and foster confidence among financial institutions. Additionally, it was viewed that while technology enhanced efficiency and security, reliable digital infrastructure, disaster recovery plans, and legal adaptability remained crucial to foster developments. Lastly, aligning domestic legal frameworks with

international legal standards was viewed as crucial not only improving access to finance and but also ensuring harmonization which can foster cross-border trade.

21. In that context, the work of UNIDROIT and HCCH in this field was presented. Particular attention was given to the UNIDROIT Model Law on Factoring and its complementarity to the UNCITRAL Model Law on Secured Transactions to further strengthen the legal framework. Crafted as a stand-alone legal text to address receivables financing, the UNIDROIT Model Law on Factoring is especially relevant for SMEs that often lack traditional assets for financing. It builds on the Model Law on Secured Transactions (with a slightly different rule on anti-assignment) and enable States to address receivables financing and gradually transition toward broader secured transactions reforms. The Model Law on Factoring broadens the definition of receivables to include data-related receivables, which underscored the increasing significance of data in the digital economy.

22. The HCCH's contribution to chapter VIII of the Model Law (Conflict of laws) was noted. Furthermore, the critical role of private international law in bridging gaps arising from the lack of harmonization in legal frameworks governing emerging assets was noted. Private international law helps to determine, among others, the law applicable to creation, third-party effectiveness, priority and enforcement of security rights. The HCCH's holistic approach - encompassing jurisdiction, applicable law, and public policy – was identified as essential for navigating the legal complexities associated with the emergence of digital assets. Additionally, the ongoing project on carbon markets[5] was highlighted as an example of how private international law can provide a structured legal foundation for addressing the cross-border nature of evolving markets.

23. The panel shifted its focus to the needs of businesses, emphasizing the need to modernize legal infrastructure to facilitate trade and improve access to finance, especially for SMEs. Legal infrastructure to facilitate e-commerce (for example, those relating to digital identities and electronic transferable records, factoring) was also flagged. It was said that reforms to put in place such a legal framework could enhance profitability, reduce transaction times, increase productivity, and lower shipping costs, all benefiting SMEs. Calls were made for States to take a more pragmatic and incremental approach and to take into account the needs and the perspectives of businesses in undertaking legislative reforms.

C. Digital assets and data as collateral

24. Discussions in panel 3 focused on various issues relating to digital assets and data, including their use as collateral, the legal and regulatory challenges they present and the implications on the Model Law. The panel was moderated by Jae Sung Lee with contributions from Willima A. Starshak, Megumi Hara, Woo-Jung Jon, Neil B. Cohen, Henry Gabriel, Heng Weng and Giuliano Castellano.

25. For the purposes of the discussions, digital assets were understood to refer to anything that exists in a uniquely identifiable digital form and comes with distinct usage rights or permissions for use. They were understood to have intrinsic value and be the subject of control and management through various means. However, the evolving nature of digital assets (such as cryptocurrencies and blockchain-based assets) presented unique challenges. It was said that the lack of clear definitions or scope of digital assets and data complicated the legal framework, making it difficult to determine whether they would fall under existing categories of property or require new classifications.

26. Doubts were expressed about the adequacy of current legal framework to address control and transfer of digital assets. It was said that while the UNCITRAL Model Law on Electronic Transferable Records (MLETR) provided a sound framework, it did not fully address the nuances of digital assets (particularly those existing solely in the electronic form) nor transactions involving digital assets. Doubts

[5] See https://www.hcch.net/en/projects/legislative-projects/carbon-markets/.

were focused on whether traditional methods such as registration or possession can be used to achieve third-party effectiveness of security rights in digital assets, given the nature of those assets.

27. The experiences of various jurisdictions in adapting their legal systems to accommodate digital assets were shared. It was noted that some States have adopted specific laws to integrate digital assets into their legal framework, while others relied on existing laws with minor adjustments. In Japan, a new draft of legislation to regulate security interests in digital assets was being prepared, which posed questions on whether digital assets can be identified as property, on issues arising from custodians of digital assets, and how to publicize security rights.

28. The challenges faced by Korea was also shared. The limitations and gaps in legal protection for digital assets, which did not fit into traditional definitions of property under civil law, were mentioned. The difficulties in pledging digital assets due to the absence of a notion akin to physical possession was mentioned. Various alternative methods, for example, through control, transfer of title for security purposes, security trusts (escrow), and smart contract collateral (DeFi), were illustrated. It was viewed that the general security rights registry might not be suitable for addressing the matter.

29. The notion of "control" was discussed as a crucial element for security rights in digital assets and data. It was recognized that defining and achieving control in both legal and technological context was complex. One view described control as signalling a right and limiting unauthorized disposals and should be understood as the functional equivalent of "possession." Another view was that the notion of control was difficult to incorporate particularly in civil law tradition due to differing approaches to property and security interests, which typically emphasized physical possession and ownership. It was suggested to consider using a term more widely accepted across jurisdictions. It was also mentioned that the notion of "control" would need to be distinguished from "control agreements" found in the Model Law.

30. The regulatory landscape for digital assets was also discussed, where the emerging regulatory frameworks driven by G20 initiatives and international bodies like the Financial Stability Board (FSB), the International Organization of Securities Commissions (IOSCO), and the Basel Committee were outlined. The need for harmonization of rules governing digital assets was underscored, as difference in approaches taken by domestic laws could create legal uncertainties and hinder cross-border transactions.

31. The panel also addressed "data" as a separate type of asset that could be utilized as collateral. It was noted that data, whether in the form of information or as representing of information, had significant value and their potential role as collateral was mentioned. However, it was noted that similar to digital assets, their legal nature would need to be further examined in order to assess whether the Model Law could apply to such data and if so, which rules (for example, those applicable to intangible assets).

32. The use of central bank digital currencies (CBDCs) as collateral was also discussed. It was said that CBDCs, with monetary value and containing data, presented unique challenges, particularly on whether and how security rights can be created and if so, the rule that would be applicable. Doubts were expressed about the adequacy of current legal framework to address control and registration of CBDCs, given their technological complexity and the involvement of multiple actors, such as central and commercial banks. The use of control agreements, escrow accounts and other mechanisms were mentioned as ways to achieve third-party effectiveness and priority of security interests in CBDCs. It was also pointed out that developments in this field would need to cater for the lack of capacity in developing countries.

33. The panel also touched upon the need for coordinating private law with regulatory frameworks. It was noted that regulatory approaches were often shaping the market for digital assets. It was observed that digital asset transactions often occurred through centralized exchanges, which were subject to regulatory

requirements such as know-your-customer (KYC) and anti-money laundering (AML) rules. This regulatory oversight was said to provide a degree of protection for clients' assets, even in jurisdictions that lacked private law rules regarding digital assets. However, it was cautioned that the development of regulations should not hinder the development of commercial rules, which can further foster transactions.

34. It was emphasized that careful consideration of existing international principles and regulatory standards would be required before incorporating digital assets and data into the Model Law framework. On the other hand, it was said that there was an urgent to develop guidance which could take different forms.

D. Climate change finance

35. The panel was moderated by Ignacio Tirado with contributions from Yaochen Gong, Belinda Ellington, Jason Norman Lee, Andrea Tosato, Ipshita Chaturvedi and Christopher Odinet.

36. The panel began with an overview of the ongoing work of UNCITRAL and UNIDROIT on carbon credits, both of which touched upon their proprietary nature. Reference was made to the joint study by UNCITRAL and UNIDROIT on the legal nature of verified carbon credits (VCCs)[6] as well as UNIDROIT's ongoing work on the draft principles on the legal nature of VCCs.[7] Reference was also made to the UNCITRAL Colloquia on Climate Change and the Law of International Trade (July 2023)[8] and on the Law of International Trade for a Greener Future (October 2024).[9]

37. The panel touched upon the ownership of carbon credits within the Paris Agreement's registry system and reference was made to different registry models. The importance of legal recognition of ownership was stressed as crucial for market efficiency and to facilitate secure transactions and financial investment. It would also form the basis of confidence from regulated financial institutions with regard to such transactions. The need to balance market transparency and confidentiality was also mentioned.

38. The huge investment gap in climate finance was mentioned and it was noted that $125 trillion investment was needed to achieve net-zero by 2050. It was mentioned that VCCs could address the financing gap by functioning as collateral to reduce financing costs, providing revenue streams for projects like reforestation and renewable energy, lowering capital costs by improving credit ratings and transmitting investment from developed to developing nations. In that context, the importance of clear legal and regulatory framework was reiterated as fostering trade and investments in VCCs. This not only involved defining their legal nature but also tax and accounting policies. Calls were made to avoid duplication in regulation, which could encourage financial institutions to participate in the market.

39. The legal and regulatory challenges surrounding VCCs and the voluntary carbon market (VCM) was presented, including recent concerns that had been expressed about the VCM. Reference was made to consumer protection laws as well as development of private laws to complement the regulatory framework. The functionality of VCM was touched upon as well as the extent to which a good faith purchaser of VCCs would be protected. The need for legislative developments and harmonization efforts by international organizations was mentioned. The discussions underscored the importance of clear legal definitions and international coordination to support the scale-up of a functional and trustworthy VCM.

40. The panel delved further into the legal aspects of the use of VCCs as collateral for financing purposes. The desirability of developing of asset-specific rules for VCCs was suggested while the applicability of the generic rules of the Model Law in the current VCM would also need to be ascertained. The obstacles, which prevented the

[6] A/CN.9/1191/Rev.1.

[7] See https://www.unidroit.org/work-in-progress/verified-carbon-credits/.

[8] See https://uncitral.un.org/en/climatechangecolloquiumevent.

[9] See https://uncitral.un.org/en/climatechangecolloquium2024.

use of VCCs as collateral, were identified as price volatility, regulatory uncertainty (inconsistent or over-regulation, lack of clarity on compliance standards and inconsistent standards), lack of clear legal frameworks and ambiguity surrounding the quality of the VCCs.

41. The discussions at the Uniform Law Commission (ULC) of the United States on the commercial law implications of VCCs was shared. It was said that the ULC was examining the legal nature of VCCs (whether they constitute property rights or contract rights, and how ownership and transfers should be managed), their consideration as collateral in financing and bankruptcy, and possible work in the context of the Uniform Commercial Code. It was noted that the regulatory clarity and consistency were essential for the use of VCCs in financing and market volatility, regulatory gaps, and inconsistent legal frameworks were identified as challenges.

E. Registry operation: methods, best practices and technologies

42. Panel 5 explored how technological advances may shape the role of the general security rights registry and its relationship with asset-based registries, particularly those addressing digital assets and VCCs. The panel was moderated by Marek Dubovec with contributions from Diana Lucía Talero Castro, Mary Gilmore-Maurer, Matthew Saal and Teresa Rodríguez de las Heras Ballell.

43. The proliferation of asset-specific registries driven by asset digitization was discussed. Three categories of assets were identified: (i) assets that have been digitalized (e.g., e-invoices, dematerialized securities), (ii) tokenized real-world assets (e.g., stablecoins, precious metals), and (iii) assets on distributed ledgers (e.g., cryptocurrencies). Each category presented distinct legal complexities regarding ownership, possession, publicity and enforcement. Alongside these emerging registries, traditional asset-specific registries, such as those for vehicles, ships, aircraft and IP, were said to continue to play a critical role in secured transactions.

44. It was questioned whether the general security right registry approach as envisaged under the Model Law could continue to provide an effective mechanism for achieving third-party effectiveness for these types of assets. While modern technology allowed for linking and synchronizing registries, they raised practical issues as the registries were not necessarily operated and maintained by the same entities and their interoperability was not always guaranteed. The possible linkage with corporate or business registries was also mentioned.

45. For example, in Colombia, e-invoices are registered with fiscal authorities to establish ownership and priority. The existence of the general security right registry and a registry operated by the fiscal authority created challenges, especially with regard to future invoices, whereby a separate priority rule had to be developed. Clarifying such rules and ensuring registry interoperability were said to be essential for legal certainty and the effective use of e-invoices (and other types of assets) as collateral.

46. The Verra Registry illustrates additional challenges in recognizing security interests in carbon credits. Currently, one cannot register security rights in carbon credits in the Verra Registry, as it mainly functioned as a repository of information on certified projects, issued and retired units and enables the trading of units, rather than as a registry of title. Legal uncertainty surrounding the classification of carbon credits (as intangible assets, financial instruments, or commodities) further complicates their use as collateral. It was said that despite these challenges, recognizing security interests in carbon credits would have significant benefits, including improving market efficiency and liquidity, securing climate finance, reducing financial costs, and ensuring greater certainty over enforcement.

47. Discussion took place on the potentials and risks of technological innovations. It was noted that while automation and artificial intelligence may offer solutions by enabling real-time decision-making, it also raised complex questions regarding the allocation of responsibility, attribution of decision-making authority, and unforeseen

consequences. Reference was made to the UNCITRAL Model Law on Automated Contracting and its application in the context of security right registries.

48. Acknowledging the need to preserve the principle of technological neutrality, it was said that a holistic review of the traditional registry systems and newly established ones might be necessary. It was also suggested that a network of interoperable registries, rather than a single centralized registry, could be a viable approach to address these new types of assets.

F. Trade and supply chain finance

49. Panel 6 dealt with trade and supply chain finance and touched upon the respective instrument that UNCITRAL has adopted or was preparing in those areas. The panel was moderated by Yaochen Gong with contributions from Richard M. Kohn, Marek Dubovec, Dora Neo and Kyrylo Mukhomedzyanov.

50. Noting the development of new and complex trade finance techniques, the vital role that the Model Law has in facilitating such finance by allowing for the combination of transactions to develop a wide range of products, such as syndicated lending and securitization, was mentioned. It was also stressed that the anti-assignment rule embodied in article 13 of the Model Law had removed one of the significant obstacles in trade finance. It was expected that the ongoing work by UNCITRAL Working Group VI on negotiable cargo documents, which intended to develop a new convention giving effect to a new document of title covering multimodal transport, could have positive impact on supply chain finance and address the practical need of financing goods in transit. It was suggested that the Practice Guide to the Model Law could be further developed to address issues unique to cross-border trade finance or that a separate practice guide be prepared.

51. The panel went on to discuss secured transactions involving rights to payment. It was said that rights to payment could take different forms and that the Model Law had asset-specific rules for receivables, negotiable instruments, money, bank account, non-intermediated securities. It was also noted that the Model Law did not cover independent undertakings, intermediate securities, payment rights arising from financial contracts. Further noting that rights to payment may be in the electronic format, reference was made to UNCITRAL Model Law on Electronic Transferable Records (MLETR), the UNIDROIT Principles on Digital Assets and Private Law and the ICC Uniform Rules for Digital Trade Transactions. It was mentioned that Japan had introduced electronically recorded monetary claims in 2006, Peru had recognized negotiable electronic invoices in 2010, and the United States had introduced the concept of controllable accounts in the UCC in 2022. It was noted that existing international standards provided ample guidance on any new categories of the right to payment but that legislators might struggle in choosing the appropriate instrument.

52. The discussions also focused on the recently adopted the UNCITRAL-UNIDROIT Model Law on Warehouse Receipts (MLWR) and its role in facilitating financing based on warehouse receipts. It was explained that the MLWR covered both paper and electronic receipts and provided clear rules for their issuance, transfer, and use as collateral. The negotiability and protected holder status of warehouse receipts was highlighted, which made them valuable financing tools. MLWR covered a provision on security right by setting out three means of achieving third-party effectiveness (e.g., registration, control and possession). It was suggested that the Model Law could incorporate such provisions as assets-specific rules for warehouse receipts, possibly making reference to MLETR.

53. It was mentioned that crop receipts were being utilized to address the gaps in agricultural finance and to give access to credit for farmers. Crop receipt facilitated pre-harvest financing and formalized agricultural credit. The successful introduction of crop receipts in Brazil and Ukraine was shared, with IFC supporting the latter to secure financing for farmers and to modernize and pilot securitization of crop receipts. It was said that a legal framework for crop receipts and agricultural financing more generally should, among others, expressly allow the creation of security rights

in future crops, recognize crop receipts as securities, set rules for registration of notices of security rights in future crops and provide for out-of-court enforcement.

G. Roundtable discussion

54. The roundtable discussed key takeaways from the Colloquium, focusing, among others, on the desirability and feasibility of future work in secured transactions.

55. It was suggested that the development of uniform rules to facilitate new types of financial transactions (including those involving new type of assets) would be desirable, which could begin with identifying key notions, such as "digital assets," "data" or "control." Views varied on the possible form of such work. Some preference was expressed for non-binding guidance texts to further reflect on future developments. It was mentioned that non-binding texts would also be easier to prepare in light of the divergence in approaches by States. On the other hand, it was stated that such texts might not be as useful for States seeking legislative reforms or for ensuring progressive harmonization in this area.

56. It was suggested that that the first step should be to identify the legal gaps as well as any legal barriers which hinder these new transactions. It was said that such identification efforts would assist in defining the scope of any future work. In this regard, calls were made to obtain inputs from the industry to ensure that any future work maintains its practical relevance and does not remain theoretical. The need for involvement of central banks and regulators in the development of any legal standards was also underlined.

57. Representatives of several developing countries (particularly in Africa) highlighted the need for guidance across various industries and areas of laws. They noted the usefulness of the Colloquium in disseminating relevant information and reiterated the need for guidance on how to address those issues in their domestic legal framework. As a starting point, it was suggested that guidance could be provided on how to navigate through existing legal standards developed by UNCITRAL and other organizations, which would enable States to adopt tailored approaches to their specific needs (for example, on factoring, agrifinance, trade finance or SME-related policies). Calls were also made for legislative technical assistance and capacity building from UNCITRAL and other international organizations.

58. The need for coordination among international organizations as well as texts produced by them was stressed. Emphasis was also given to the need to avoid duplication of work. It was mentioned that governments often faced difficulties due to the multiplicity of international standards. It was said that legislative texts in other fields (for example, the UNCITRAL texts on electronic commerce) would also need to be taken into account. Representatives from a number of international organizations, including Unidroit and the HCCH, reiterated their willingness to coordinate their work and to support or to take part in potential future work in this area. In this regard, reference was made to the joint publication "UNCITRAL, HCCH and Unidroit Texts on Security Interests: Comparison and analysis of major features of international instruments relating to secured transactions" and updates thereto.

59. The existing coordination between the UNCITRAL Model Law on Secured Transactions and the UNIDROIT Model Law on Factoring was provided as a sound example, as the two texts complemented each other in assisting States to deliver reforms depending on their needs. It was said that the UNIDROIT Model Law on Factoring provided useful guidance for States that were not yet in a position to undertake more comprehensive reforms under the Model Law on Secured Transactions. It was suggested that, similarly, while the UNIDROIT Principles on Digital Assets and Private Law were designed to facilitate transactions in digital assets, States might require guidance on how to transform those principles into provisions in their secured transactions laws or laws on digital assets. It was said that the same could be said of "data" and "carbon credit" and any future work should ensure complementarity with existing texts to tailor to the different needs of States.

III. Way forward

60. In light of the discussions held during the Colloquium, the Commission may wish to instruct the secretariat to continue to monitor legislative developments by States and international organizations relating to new types of assets and new financing practices and to keep the Commission informed. In that context, the secretariat could be requested to assess how the Model Law is being adopted by States.

61. The Commission may also wish to consider possible future work to provide guidance to States on how to address secured transactions involving new types of assets. Such work could take the form of asset-specific articles to supplement the Model Law or an update of the Guide to Enactment of the Model Law. A supplement to the UNCITRAL Practice Guide to the Model Law could also be envisaged to provide guidance to parties engaged in such transactions.

62. To consider avenues of future work in this area (including the scope), the Commission may wish to instruct the secretariat to hold an expert group meeting involving experts in this field and representatives of relevant international organizations. Subject to any conference time available to the Commission, a follow-up Colloquium on this topic could be held or integrated as part of a Colloquium on other topics (for example, on climate change or payments) to further clarify the relevance and scope of future work, which could be reported back to the Commission at its fifty-ninth session, in 2026.