



**DIPLOMATIC CONFERENCE TO ADOPT A
CONVENTION ON SUBSTANTIVE RULES
REGARDING INTERMEDIATED SECURITIES**
Geneva, 1 to 13 September 2008

UNIDROIT 2008
CONF. 11 – Doc. 32
Original: English
8 September 2008

**REPORT OF COMMITTEE ON EMERGING MARKETS ISSUES, FOLLOW-UP AND
IMPLEMENTATION**

(submitted by the Co-Chairs of the Committee)

The Committee on Emerging Markets Issues, Follow-up and Implementation (set up by the Conference on 2 September 2008) held its first meeting on Monday 8 September 2008 at 1.30 pm.

The delegations of China and Brazil were elected as co-Chairs, upon a proposal by Nigeria supported by Ukraine and the United States of America.

The Co-Chair (China) stated that the initiative to set up this Committee should be particularly welcome as it provided a forum to exchange ideas among interested parties as to how the Convention could be implemented in emerging markets.

The Co-Chair (Brazil) expressed his gratitude for the election and also stated that the initiative is a very good idea to promote the knowledge about the Convention between the countries with emerging markets.

Upon an invitation by the Co-Chairs, the UNIDROIT Secretary General provided a general outline regarding the possible agenda of the Committee. Regarding implementation of the future Convention on Intermediated Securities, the Committee could provide assistance in the adoption and implementation process, also performing preparatory work on how the Convention will work in a domestic context for emerging markets: this implied in particular that those issues that the Convention refers to non convention law would need to be adequately addressed and that the neutral language of the Convention would need to be adapted to the specific national legal system.

The Committee could also monitor the UNIDROIT Work Programme to be adopted in December 2008 which would include projects for the preparation of rules on netting and of a legislative guide on Enhancing Trading in Securities in Emerging Markets.

The delegates of China, France, United States of America, and the European Commission representative expressed their appreciation for this initiative. France in its capacity of chair for the European Council suggested the possibility of consultations taking place under its term in this regard.

After consultations, The Co-Chairs (China and Brazil) suggested that informal consultations could take place among interested delegations regarding the terms of reference of the Committee, and that a draft agenda would be prepared by the Co-Chairs for circulation.