

***The Ongoing Reform of Secured Transactions Laws
in Mexico, Central America and South:
Process and Implications***

**CLEARING THE PATH TO HEMISPHERIC GROWTH:
EXPANDING CREDIT TO CREATE JOBS AND ALLEVIATE POVERTY**

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- I. Access to Credit: Two Examples
 - A. Mexican Housing Market and Securitization
 - 1) Security Devices (Guaranty Trust/*Fideicomiso de Garantía*)
 - 2) Title Insurance
 - 3) Registries
 - B. Honduran Businesses and Movable Collateral
 - 1) Anarchy of Security Devices
 - 2) Registries
 - 3) Lack of Bankruptcies

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II. Sources of New Law

- A. UNCITRAL (pending sessions)
- B. CIDIP (2002)
- C. NLCIFT (1994)
- D. Mexico (2000, 2003)
- E. Honduras (2005)
- F. Guatemala and Central America (2005)
- G. Various (Capetown, etc.)
- H. NAFTA/CAFTA/FTAA Effect

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- 1) Stumbling Blocks to Law Reform
 - A. Vested Interests, Economic and Political, Notaries and Registries
 - B. Reactionary Human Beings
 - C. Deeply Ingrained Concepts: Documents as Public Records (*Fé Pública*)
 - D. Technology and Budget
 - E. Failure of Perception

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IV. What Mexico Has Done

- A. The Reform Law of 2000 as Amended in 2003—Half a Loaf
- B. The Registry Regulation of October, 2003—Quiet but Real Revolution
- C. Bankruptcy Law (*Ley de Concurso Mercantil*—2002)
- D. The Next Steps

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- V. What Central America Is Doing (CAFTA Effect)
 - A) Honduras
 - 1) *Ley de Propiedades* (2004)
 - 2) Secured Transactions (Proposed 2005)
 - 3) Registry Reform
 - 4) Regional Effects
 - B) Guatemala
 - 1) Secured Transactions (Proposed 2005)
 - 2) Regional Effects

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C) El Salvador

- 1) Registry Reform**
- 2) Regional Effects**

D) Judicial Reform

- 1) Court Administration, Ranging from
Atrocious to Semi-Respectable**
- 2) Difficult Logistics of Commercial
Litigation**