

## **Draft law n° 21.18 relating to movable security**

### **Abstract**

The proposed reform of movable security system aims to promote a modern legal system of security rights allowing the use of tangible and intangible assets as a guarantee for obtaining bank financing, especially for SMEs.

In this perspective, the draft law has established a set of principles that would facilitate transactions and achieve legal security. The most important of these rules is related to 1) the expanding scope of the implementation of movable securities; 2) Strengthening the contractual freedom between parties; 3) facilitation of the constitution of movable security rights; 4) Establishment of the Electronic National movable collateral Registry; 5) Facilitating the realization of security rights in particular through the establishment of extrajudicial channels and 6) strengthening of the creditor representation mechanism.