

**FINANCIAL MARKETS LAW COMMITTEE**

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**FINANCIAL MARKETS LAW COMMITTEE**  
**ISSUE 1: IMPLEMENTATION OF FINANCIAL COLLATERAL DIRECTIVE 2002/47/EC**

The need to ensure sound implementation into English law of the EU Financial Collateral Directive (2002/47/EC) (FMLC), the subject matter being unusually technical, was raised with the Financial Markets Law Committee last Summer. In September 2002 a working party of the City of London Law Society Financial Law Sub-committee, chaired by Robin Parsons, was established to offer advice to the Treasury on the implementation of the directive. Since then the CLLS working party has given its advice to the Treasury, in the form of replies to questions raised in the Treasury note of April 2003.

At its meeting on 16 July the FMLC considered the advice so given and, agreeing with it, resolved to endorse it. I am therefore writing to record that endorsement, and to let you know that I have asked the CLLS working party to remain active until the implementation process is complete and to continue to allow the FMLC to monitor the progress of the resolution of the issue.

I should add that two FMLC members, Paul Tucker and yourself, were not involved in this part of the FMLC's discussions, due to conflicts of interest.

Yours sincerely

**Nicolas Browne-Wilkinson**  
**Chairman**