

Event to Celebrate the Property (Digital Assets etc) Bill

12 March 2026

GV MR

Introduction

1. Many thanks for that kind introduction. And many thanks to A&O Shearman for hosting this reception to celebrate the passing of the Property (Digital Assets etc) Act 2025.
2. As many of you will know, Lawtech UK and the UK Jurisdiction Taskforce have been championing a better awareness and understanding of English law as it applies to digital assets and digital trading since the UKJT's inception in 2019.
3. Perhaps I can venture to suggest that, in 2026, after four UKJT legal statements,¹ two seminal pieces of Law Commission digital legislation (the Electronic Trade Documents Act 2023 and the Property (Digital Assets etc) Act 2025), and with two more UKJT legal statements very nearly ready, that the UKJT and its benevolent parent, Lawtech UK, have finally come of age.
4. The two legal statements that are nearly ready for publication are its *Report on Control of Digital Assets* and its *Legal Statement on Tortious Liability for AI Harms*.
5. As regards the "Control Panel", Lord Justice Zacaroli and his multi-talented drafting team have produced an excellent piece of work, which explains with conspicuous clarity how the legal concept of control applies in practice to digital assets

¹ The UKJT's legal statements were on *The Legal Status of Cryptoassets and Smart Contracts* (in November 2019), its *Digital Dispute Resolution Rules* (April 2021), on the *Issuance and Transfer of Digital Securities under English Private Law* (in February 2023), and on *Digital Assets and English Insolvency Law* (in April 2024).

under English law. We will be launching that Report at an event on 19 March 2026.

6. The UKJT's *Legal Statement on Tortious Liability for AI Harms* may conclude that English common law is well equipped to deal with harms caused by AI. If it does, that will, in itself, provide much-needed legal certainty and, therefore, market confidence amongst both the enthusiastic and the more reluctant users of AI tools and services. It will also provide a clear substantive legal backdrop for present and future regulatory initiatives.
7. Both reports provide continuing examples of outstanding English law jurisdictional leadership.
8. The Property (Digital Assets etc) Act 2025 must be one of the shortest Acts of Parliament ever. It provides simply that “[a] thing (including a thing that is digital or electronic in nature) is not prevented from being the object of personal property rights merely because it is neither— (a) a thing in possession, nor (b) a thing in action”. In essence, it removes the legal uncertainty that was previously thought to exist as to whether digital assets would or would not be held to be a species of property under English law.
9. The Electronic Trade Documents Act 2023 allows digital documents to be treated in the same way as paper documents provided they satisfy certain simple conditions. It is based on the UNCITRAL Model Law on Electronic Transferable Records. It provides that electronic trade documents such as Bills of Lading or Bills of Exchange are to have the same effect as paper ones (section 3(2)) provided **reliable electronic systems** are used.²

² (a) to identify the document so that it can be distinguished from copies, (b) to protect the document against unauthorised alteration, (c) to secure that it is not possible for more than one person to exercise control of the document at any one time, (d) to allow the person in control of the document to demonstrate that they are able to do so, and (e) to secure that a transfer of the document deprives the previous controller of control (section 2(2)).

10. In July 2025, we established also the International Jurisdiction Taskforce (the IJT) to consider how the most widely used private law systems can move towards the alignment necessary to remove legal impediments to the adoption of digital assets, digital international finance and digital trade. International alignment is obviously very important for digital assets, international finance and trade, because the blockchain technologies supporting digital assets are inherently borderless.
11. In February 2026, the IJT published its first Position Paper providing a comparative analysis of the private law treatment of the legal nature and attributes of digital assets across the 7 jurisdictions then currently represented on the IJT (USA, UK, EU, France, Japan, Singapore and Australia). It identifies the four areas for the IJT's ongoing work as being:
 - **Principles on “Control”**: to seek a technology neutral definition of control that is compatible with both common law and civil law traditions.
 - **Transfer, Extinguishment, and Good Faith Acquisition**: to set out baseline principles identifying when transfers are effective, when title is cleansed of defects, and the circumstances under which good faith purchasers should be protected.
 - **Tokenisation**: to provide conceptual clarity on when a token constitutes the asset itself and when it represents an underlying claim, together with guidance on governing law rules in tokenisation structures.
 - **Custody and Insolvency Standards**: to identify minimum standards for client asset segregation, custody arrangements, and re-hypothecation disclosures, aimed at reducing inconsistent treatment in cross-border insolvency situations.
12. The essential rationale of all this work is to identify and resolve private law impediments to the adoption of new technologies, not to dictate to national or federal regulators.

13. I believe that there is a great opportunity for English law and our UK jurisdictions to lead the way in providing a firm and predictable private law legal foundation for the use of AI and for digital trading. Lawtech UK and the UKJT will do everything possible to help the UK take advantage of that opportunity.
14. Many thanks for listening.