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INTERNATIONAL INSTITUTE FOR THE UNIFICATION OF PRIVATE LAW  
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GOVERNING COUNCIL

76<sup>th</sup> session

(Rome, 7 to 12 April 1997)

Item 2 on the Agenda - Report on the Activity of the Institute in 1996

(Secretariat memorandum)

Rome, February 1997

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This Report covers the activity of Unidroit from 1 January to 31 December 1996.

## **I. ADMINISTRATION AND ORGANISATION**

### **A. PRESIDENCY, GOVERNING COUNCIL AND PERMANENT COMMITTEE, GENERAL ASSEMBLY AND FINANCE COMMITTEE, ADMINISTRATIVE TRIBUNAL**

#### **1. Governing Council and Permanent Committee**

The 75<sup>th</sup> session of the Governing Council was held in Rome from 19 to 21 June under the chairmanship of the President of the Institute, Mr Luigi Ferrari Bravo. After approving the Secretary-General's report on the activity of the Institute during 1995, the Governing Council appointed Mr Paolo Aversa to the post of treasurer until 31 December 2000, following the retirement of Mr Enzo Ricciardi.

The Council then appointed Mr Roland Loewe and Mr Ferenc Mádl as its First and Second Vice-Presidents respectively until its 76<sup>th</sup> session and, after reviewing the role of the correspondents of the Institute, nominated the following as new correspondents: Mr Juris Bojars (Latvia), Ms Joan Church (South Africa), Mr Ernst Kramer (Austria), Mr José Carlos de Magalhães (Brazil), Mr Park Nohyoung (Republic of Korea), Mr Krassen Stoichev (Bulgaria) and Mr Philip Wood (United Kingdom).

After taking note with satisfaction of the outcome of the 1995 Diplomatic Conference for the Adoption of the Draft Unidroit Convention on the International Return of Stolen or Illegally Exported Cultural Objects, which had been held subsequent to its 74<sup>th</sup> session, and to an exchange of views and information concerning the prospects for acceptance of that and other Unidroit Conventions, the Governing Council proceeded to consideration of the implementation of the Work Programme for the current triennial period 1996 - 1998.

Finally, the Council authorised the transmission to the financial organs of the Institute of the draft estimates of expenditure for 1997 as drawn up by the Secretariat and decided that its 76<sup>th</sup> session should, in principle, be held in Rome from 7 to 12 April 1997.

At its 97<sup>th</sup> meeting, held on 20 June, the Permanent Committee took a number of decisions concerning staff matters and approved the provisional agenda for the 50<sup>th</sup> session of the General Assembly.

#### **2. General Assembly and Finance Committee**

The 50<sup>th</sup> session of the General Assembly was held in Rome on 29 November under the chairmanship of His Excellency Mr Dieter Kastrup, Ambassador of Germany to Italy. Following a statement by the President of Unidroit on the Institute's activity during 1996, the Assembly appointed the following as members of the Finance Committee for the triennial period 1997 to 1999: Austria, Canada, France, Germany, India, Islamic Republic of Iran, Italy, Japan, Mexico,

Romania, the Russian Federation, Spain, Switzerland, the United Kingdom and the United States of America.

In the course of its consideration of financial matters the Assembly approved the final modifications to the 1995 budget, together with the accounts for that financial year, as well as the Secretary-General's proposals for adjustments to the 1996 budget. The Assembly also adopted the budget for 1997 and the assessments of member States' contributions for that year.

After encouraging the Secretariat to pursue its efforts to accelerate the entry into force of the amendments to Article 20 of the Statute of the Institute and the conclusion of the revised Headquarters Agreement with the Italian Government, the General Assembly appointed by acclamation, on a proposal by the President of Unidroit, Mr Gonzalo Parra Aranguren (Venezuela) to the vacant seat on the Governing Council reserved for a sitting member of the International Court of Justice in the Hague. Mr Parra Aranguren's term of office on the Governing Council will expire, together with that of other current Council members, on 31 December 1998.

The 49<sup>th</sup> session of the Finance Committee was held on 27 September under the chairmanship of Mr Michael Geier, Legal Counsel to the Embassy of Germany in Italy. The Committee was called upon to formulate opinions on certain financial matters which were submitted for decision to the General Assembly at its above-mentioned 50<sup>th</sup> session.

## **B. DIPLOMATIC CONFERENCES, STUDY GROUPS AND COMMITTEES OF EXPERTS**

The following meetings were organised by the Institute in 1996:

Study Group on franchising (second session - Rome, 29 to 31 January);

*Ad hoc* meeting of international organisations on the Unidroit proposal for the creation of a data base on uniform law (Rome, 2 February);

Study Group for the preparation of uniform rules on international interests in mobile equipment: Drafting Group of the Sub-committee for the preparation of a first draft (fourth meeting - Paris, 4 March);

Study Group for the preparation of uniform rules on international interests in mobile equipment (second session - Rome, 12 to 16 April);

Study Group for the preparation of uniform rules on international interests in mobile equipment: Drafting Group (first meeting - Rome, 13 and 15 April);

Study Group for the preparation of uniform rules on international interests in mobile equipment: Working Group to consider the legal and technical issues raised by the establishment of an international register (first meeting - Rome, 16 to 18 April);

Study Group for the preparation of uniform rules on international interests in mobile equipment: Drafting Group (second meeting - Oxford, 23 and 24 October).

## **C. RELATIONS WITH GOVERNMENTS**

In accordance with the terms of the deposit of its instrument of accession to the Statute, Croatia became a member of the Institute with effect from 1 January, thus bringing the number of member States of Unidroit to 58, namely: Argentina, Australia, Austria, Belgium, Bolivia, Brazil, Bulgaria, Canada, Chile, China, Colombia, Croatia, Cuba, Czech Republic, Denmark, Egypt, Finland, France, Germany, Greece, Holy See, Hungary, India, Iran, Iraq, Ireland, Israel, Italy, Japan, Luxembourg, Malta, Mexico, Netherlands, Nicaragua, Nigeria, Norway, Pakistan, Paraguay, Poland, Portugal, Republic of Korea, Romania, Russian Federation, San Marino, Senegal, Slovakia, Slovenia, South Africa, Spain, Sweden, Switzerland, Tunisia, Turkey, United Kingdom, United States of America, Uruguay, Venezuela, Yugoslavia (former Federative Socialist Republic of). Consultations continued throughout 1996 between the Secretariat and a number of Governments with a view to their accession to Unidroit and it is hoped that these contacts will in due course result in a further expansion of the membership of the Institute.

## **D. DIPLOMATIC CONFERENCES AND MEETINGS ORGANISED BY OTHER INTERNATIONAL ORGANISATIONS**

In the course of the period under review, the Institute was represented at meetings organised by a number of international organisations, including FAO, UNESCO, the United Nations Commission on International Trade Law (UNCITRAL), the Hague Conference on Private International Law, the Council of Europe, the Organization of American States, the Asian-African Legal Consultative Committee (AALCC), the Commonwealth Secretariat, the International Development Law Institute (IDLI) and the International Bar Association. Members of the Secretariat also participated in various meetings and seminars at which they gave exposure to Unidroit Conventions and to the Institute's ongoing work, information regarding which is provided in Part II of this Report.

## **II. SCIENTIFIC ACTIVITY**

### **A. WORK IN PROGRESS**

#### **1. Principles of international commercial contracts**

The outstanding success of the Principles since the initial publication by the Secretariat of the English and French editions in 1994 was confirmed in 1996 in a number of ways, not least by the appearance of complete versions of the black-letter rules and comments in Russian, Slovak and Hungarian. Work is at a more or less advanced stage on translations into Arabic, Chinese, Bulgarian, Dutch, Greek, Japanese, Portuguese, Serbo-Croat and Iranian.

The most recent statistics indicate that the distribution of the Principles has exceeded all expectations. It is now possible to estimate that well over 3,000 copies in the English, French, Italian and Spanish language versions are in circulation world-wide, by far the largest part of



which have been sold, thus providing substantial revenue to the Institute and what is particularly encouraging in this regard has been the response of practising lawyers and counsel in companies of varying sizes.

Another essential vehicle for the promotion of the Principles has been the wide exposure given to them at congresses and seminars, while the widespread interest that they have aroused in the academic community is witnessed by their inclusion by law schools in many countries in university courses and as teaching materials, as also by the extensive bibliography which they have generated.

With regard to the use of the Principles in practice, the Secretariat is increasingly receiving information as to the extent to which they are serving as a source of inspiration in national law reform projects as well as to their fast growing use in international arbitration. Also, the first decision by a national court considering the Principles has been handed down.

In these circumstances the Secretariat made two proposals to the Governing Council at its 1996 session, bearing in mind in particular the fact that when deciding to authorise the publication and widest possible distribution of the Principles, it had stressed the need to monitor their use "with a view to a possible reconsideration of them at some time in the future".

The first of these was that the Secretariat prepare a questionnaire to be circulated to all those known to have received the Principles, with a view to obtaining from them information as to whether they had made use of the Principles in their respective fields of activity and, if so, whether the Principles had provided satisfactory solutions. Such a questionnaire was sent out in September and already close on two hundred replies have been received from all parts of the world which only confirm the extraordinary success enjoyed by the Principles. A detailed analysis of the data obtained is underway and will be submitted to the Governing Council at its 1997 session.

The second Secretariat proposal was that the Council consider whether there was not a case for a resumption of work on the Principles themselves. Clearly, a revision of their content would appear quite inappropriate so soon after their publication, not only for obvious policy reasons, but also because, fortunately, up to now only a few provisions have met with criticism, most of which were not related to matters of any major importance.

More specifically, the Council was asked to give thought to the possibility of supplementing the present edition of the Principles with additional provisions dealing with topics that had so far been left to one side. In this respect, mention was made, for instance of, agency, performance by a third person, *mora creditoris*, contracts in favour of a third party, *actio quanti minoris*, assignment of claims, set-off, sub-contracting, partial termination, etc. Some of these topics, it was recalled, were dealt with, at least in part, in the Principles of European Contract Law so that it might be worth considering whether the UNIDROIT Principles should not cover them as well, all the more so since, for instance, the relevant chapter on agency of the European Principles was largely based on the Unidroit-sponsored Convention on Agency in the International Sale of Goods of 1983.

The Governing Council decided that the Secretariat should prepare for its next session one or more papers suggesting areas not dealt with in the first edition of the Principles that might be included in a revised version and, eventually, indicating problem areas that might have been identified in relation to the present text.

## **2. International protection of cultural property**

As announced in the Report on the Activity of the Institute in 1995, the Unidroit Convention on Stolen or Illegally Exported Cultural Objects was adopted and opened to signature at the conclusion of the Diplomatic Conference convened by the Italian Government from 7 to 24 June. Open to signature until 30 June 1996, the Convention had been signed by that date by twenty-two States, namely: Bolivia, Burkina Faso, Cambodia, Côte d'Ivoire, Croatia, Finland, France, Georgia, Guinea, Hungary, Italy, Lithuania, the Netherlands, Pakistan, Paraguay, Peru, Portugal, Romania, the Russian Federation, Senegal, Switzerland and Zambia.

The Acts and Proceedings of the Diplomatic Conference have been published in English and French thanks to the assistance of the Italian Prime Minister's Office and have already received a wide distribution. Unofficial translations of the Convention into Arabic, Chinese, Russian and Spanish have also been made available through the good offices of UNESCO and in Italian and German thanks to the Swiss Ministry of Culture with a view to assisting in the ratification process, while the Secretariat is in the course of preparing an explanatory report on the Convention.

Since the Diplomatic Conference, the Secretariat has sought to give the widest possible exposure to the Convention by participating in a number of meetings at which the Convention has been considered. Among these special mention may be made, at intergovernmental level, of the Meeting of the Ministers of Justice of the Commonwealth, organised by the Commonwealth Secretariat in Kuala Lumpur in April during which there was also discussion of the drawing up of a model law with a view to the implementation of the Scheme for the Protection of Cultural Heritage within the Commonwealth adopted in Mauritius in 1993, as well as the 9<sup>th</sup> session of the UNESCO Intergovernmental Committee for Promoting the Return of Cultural Property to its Countries of Origin or its Restitution in Case of Illicit Appropriation held in Paris in September.

Members of the Secretariat also gave presentations on the Convention at a meeting on registers of stolen cultural objects in Prague in November organised by the Czech Ministry of Culture in conjunction with UNESCO and the Getty Information Institute and in December at a seminar on the circulation of cultural property in Vienna, held under the auspices of the Institut Botzmann and at a seminar in Cape Verde and Senegal organised by the Senghor University of Alexandria, the *Agence de Coopération Culturelle et Technique (ACCT)* in Paris and the French Committee of the International Council of Museums (ICOM). It was also present at a number of meetings organised in Italy and sent written contributions to events at which the Convention was the object of discussion but which it was impossible to attend for financial reasons or pressure of work.

The Convention continues to give rise to extensive comment and analysis in legal journals as well as in the international press.

### 3. International interests in mobile equipment

1996 saw major progress in the Institute's project for the development of a Convention on international interests in mobile equipment. The previous year had closed with the Drafting Group of the Sub-committee's establishment, subject to some minor drafting problems essentially affecting the French text, of a first set of draft articles of a future Unidroit Convention. This first draft was considered by the Study Group at its second session, held in Rome from 12 to 16 April and as the year drew to a close the Drafting Group was able to finalise a revised version of this first draft, designed to reflect the Study Group's deliberations at its second session. Consideration of these revised draft articles will be the main business on the agenda at the third session of the Study Group, to be held in Rome from 15 to 21 January 1997.

The first set of draft articles established by the Drafting Group of the Sub-committee on 19 December 1995 (cf. Study LXXII - Doc. 22), as revised by the Drafting Group at its fourth session, held in Paris on 4 March (cf. Study LXXII - Doc. 24), together with a second memorandum submitted jointly by Airbus Industrie and The Boeing Company on behalf of an aviation working group on 7 March (cf. Study LXXII - Doc. 23) constituted the main working documents on the table at the second session of the Study Group. This second memorandum had been prepared pursuant to the invitation addressed to the Aviation Working Group by the Sub-committee at its final session to propose the text of supplementary rules for aircraft equipment (cf. Study LXXII - Doc. 21, § 38). Annexed to this recommendation was a "draft aviation text", presented not as a set of stand-alone supplementary rules applicable solely to aircraft equipment but building on the first set of draft articles in such a way as to test the suggestion made by the Sub-committee that some of the special rules to be prepared for aircraft equipment might prove capable of extension to the generality of assets encompassed by the first set of draft articles (*idem*).

During the second session of the Study Group the Drafting Group met on two occasions to consider ways in which the first set of draft articles might be revised to reflect the deliberations of the former (cf. Study LXXII - Doc. 27, Appendix IV). The Drafting Group subsequently held a further session in Oxford on 23 and 24 October both to consider further amendments to the first set of draft articles felt to be necessary in the light of the deliberations of the Study Group at its second session (cf. Study LXXII - Doc. 27) and to give effect to the decisions regarding extensions to the first set of draft articles provisionally taken at that session.

In December, the Drafting Group completed its proposals for revised draft articles of a future Unidroit Convention on international interests in mobile equipment (cf. Study LXXII - Doc. 30). These revised draft articles incorporate a number of the recommendations put forward in the draft aviation text. A list of those supplementary provisions which have all along been envisaged as being necessary for aircraft property was set out in an appendix to the revised draft articles. Consideration of the revised draft articles will be the main business on the agenda at the third session of the Study Group, which will be held in Rome from 15 to 21 January 1997. The Study Group will also at this session be called upon to consider a proposal tabled jointly by the Aviation Working Group and the International Air Transport Association for the supplementary rules for aircraft property to be split off from the future Convention and, along with such special supplementary rules as may be found to be necessary for other categories of equipment, to form

the subject of individual equipment-specific protocols designed to supplement the core Convention rules applicable to all categories of equipment (cf. Study LXXII - Doc. 32).

The year under review also saw the holding of the first session of the Working Group to consider the legal and technical issues raised by the establishment of the international register posited under the future Convention. Chaired by Professor R.C.C. Cuming, the author of the preliminary study which had served as the basis for Unidroit's work on this subject and a member of the Study Group, this group met in Rome from 16 to 18 April. The Working Group had before it an exploratory report (cf. Study LXXIc - Doc. 1), prepared by Professor Cuming, essentially designed to describe what was possible and the policy choices to be made when determining the characteristics of the future international registration system. Professor Cuming, on the basis of the discussions at the Working Group session, prepared a revised draft of those provisions of the first set of draft articles dealing with the international register and registration. This revised draft was forwarded to the Drafting Group of the Study Group which, at its Oxford session in October, used it as the basis of a considerably amended and developed set of the relevant provisions of the first set of draft articles (cf. Chapters V and VI of the revised draft articles). These provisions will be reviewed by the Working Group at its second session, scheduled to take place, at a venue yet to be fixed, from 26 to 28 May 1997.

The Unidroit Secretariat and the Aviation Working Group have in the meantime been extremely active in promoting the Institute's work in this field. The Aviation Working Group has organised briefings in what it sees as key countries for the development of a Convention that will respond to the practical needs of aviation circles. Such briefings were held in Beijing on 18 March, in Moscow on 20 May and in New Delhi on 17 December. The Secretariat's efforts have been particularly directed toward galvanising the interest of representatives of those equipment sectors other than the aviation industry intended to be encompassed by the future Convention. With this in mind a member of the Secretariat gave addresses to the First International Space and Satellite Finance Conference, held in London on 30 and 31 January and to a gathering of lawyers advising the oil industry held at the headquarters of AGIP S.p.A. in Rome on 29 April. Furthermore, Mr H. Rosen, expert consultant to the Study Group on international rail finance matters, spoke on the potential benefits for the rail sector under the future Convention at the Sixth Annual European Railway Financing Conference in Frankfurt-am-Main on 21 November.

#### **4. Franchising**

The second session of the Study Group on Franchising met from 29 to 31 January 1996. In the course of the meeting the Group examined the first draft of the Guide to International Franchising (in particular, master franchise agreements). The members of the Group are currently revising the draft in the light of the discussions and it is hoped that this revised version will be ready for approval by the Unidroit Governing Council in 1998.

The Guide will include chapters on the history of the project and the methodology adopted (Introduction); general questions concerning negotiation and drafting; the nature and extent of the grant of rights; the term of the agreement and conditions of renewal; financial matters; the tripartite relationship in master franchise agreements; the rights and obligations of the franchisor; the rights and obligations of the sub-franchisor; provision of manuals; advertising and

the control of advertising; the supply of products and services; unit sub-franchise agreements; rights created by statute (intellectual and industrial property); rights protected by contract (know-how); system changes; insurance and indemnification; the sale, assignment or transfer of rights; the end of the relationship and its consequences; remedies for non-performance; choice of law; choice of forum; ancillary documents and permission requirements. It will also contain an annex on legislation on, or relevant to franchising.

The Governing Council took note with satisfaction at its 75<sup>th</sup> session of the report on the second session of the Study Group and of the very considerable progress accomplished since its 1995 session on the project to which the Secretariat continued to give wide exposure throughout the year, in particular at an International Seminar on Franchising as a Tool for Development and New Trends in International Commercial Contracts, held in New Delhi on 28 and 29 March.

The Seminar was organised by The India International Law Foundation in collaboration with Unidroit. Among other supporting organisations were the India Institute of Foreign Trade; the Asian-African Legal Consultative Committee; the World Intellectual Property Organization (WIPO) and the United Nations Development Programme (UNDP). The main focus of the Seminar, which saw the participation of some 130 lawyers and business persons, mainly from India but also from other Asian and African countries, as well as representatives of fourteen Governments from Africa and the Middle East was franchising and its possible role in the Indian economy.

## **5. Civil liability connected with the carrying out of dangerous activities**

As recalled in the 1995 Report on the Activity of the Institute, the Governing Council renewed the mandate it had conferred on the Secretariat at its 73<sup>rd</sup> session, namely the preparation of a study confined to questions of liability for personal injury which should cover neither nuclear accidents nor accidents occurring in the transportation of goods and which should be conceived on a step-by-step basis.

Given the pressure on its own human and financial resources, the Secretariat embarked on an exploration of the possibility of obtaining special external financing for the carrying out of such a study which have up to now regrettably proved unsuccessful.

## **6. Legal issues associated with computer software**

The same constraints as those referred to in relation to the previous item on the Work Programme have regrettably prevented the Secretariat from making any further progress on this subject in 1996.

## **B. ACTIVITIES SUBSIDIARY TO THE UNIFICATION OF LAW**

### **1. Programme of legal co-operation**

The year 1996 was the fifth year since the Unidroit Scholarships Programme began operating. Intended to place the particularly rich documentation of the Unidroit Library at the disposal of researchers from developing countries and countries in transition to a market economy, the programme aims to promote uniform private law, in particular with a view to furthering the practical application of the research so as to benefit the entire legal community of the countries concerned. Despite the limited resources at its disposal, the programme is making steady progress. In 1996 it developed considerably in relative terms, thanks in part to the support offered by the Council of Europe under its Programme for Co-operation and Assistance with Countries of Central and Eastern Europe in the Legal And Human Rights Fields. In addition to the Council of Europe, thanks are in particular due to the other two donors, namely the Governments of France and Sweden, which have continued to give the programme unwavering support.

During the period under consideration, fourteen researchers were welcomed in the framework of the programme: Mr Zouhair Skander (Tunisia); Mr Hatem Dachraoui (Tunisia); Ms Elly Erawaty (Indonesia); Mr Atis Sjanits (Latvia); Mr Valentinas Mikelenas (Lithuania); Mr Oleg Kravchenko (Belarus); Mr Alexander Birioukov (Ukraine); Mr Kresimir Sajko (Croatia); Mr Ahmer Bilal Soofi (Pakistan); Ms Marija Krisper-Kramberger (Slovenia); Ms Eugenia Florescu (Romania); Mr Angel Pedroza Navarro (Mexico); Ms Paulina Buchwald (Poland); Mr Barna Berke (Hungary).

### **2. Creation of a data base on uniform law**

The decision to set up a data base on uniform law was born of the realisation that it is no longer sufficient to prepare international conventions but that it is also necessary to monitor their application. The need for a systematic monitoring of the whole body of uniform law, for its storing and classification, as well as for rendering it available in an easily accessible manner, has become increasingly evident over the years as retrieving information, above all up-to-date information, from traditional hard copy and electronic systems has become increasingly difficult. The volume of relevant material has expanded constantly and with even greater rapidity. Furthermore, no single institution has established itself as a point of reference for the collection of at least the most important data on major uniform law topics. Commercially available electronic and hard copy materials only partially meet this need. A combination of these factors led Unidroit to the conclusion that the decision to set up an information centre itself to act as the point of reference for uniform law could no longer be postponed. The Governing Council therefore decided to render operative the project to create a data base on uniform law.

At its March 1995 session the Governing Council of Unidroit requested the Secretariat to go ahead with planning for the development of a proposed uniform law data base. As part of this planning, interested international organisations were invited to attend a meeting in Rome to discuss the data base, its scope and objectives, as well as the possibilities which exist for co-

operation on this project between these organisations and Unidroit. The meeting was held on 2 February 1996 and saw the participation of the following seventeen inter-governmental and non-governmental organisations: the International Maritime Organization (IMO), the International Trade Centre UNCTAD/GATT (ITC - UNCTAD/GATT), the United Nations Educational, Scientific and Cultural Organization (UNESCO), the World Intellectual Property Organization (WIPO), the World Trade Organization (WTO), the Commonwealth Secretariat, the Council of Europe, the Nordic Council for Research on European Integration Law (NORFEIR), the Organisation for Economic Co-operation and Development (OECD), the Central Office for International Carriage by Rail (OCTI), the International Maritime Committee (CMI), the International Bar Association (IBA), the International Association of Lawyers (UIA), the *Centre d'études sur la coopération juridique internationale* (CECOJI), the Centre for Comparative and Foreign Law Studies, and the *Institut international de droit d'expression et d'inspiration françaises* (IDEF).

These organisations expressed great interest in the project, indicating that if it became operative it would be of considerable benefit to the international community. It was a very ambitious project, but the organisations present were prepared to offer assistance. The meeting ended with all organisations present which are depositories of materials and information indicating what they would be able to offer the proposed Unidroit data base, both in terms of presently existing materials and in terms of consultation for the future. Clearly, the assistance the organisations would be able to offer would depend on their resources.

The proposed data base is intended to permit ready access by Governments, judges, arbitrators and practising lawyers to information regarding uniform law conventions and other instruments (international and multilateral instruments prepared by inter-governmental organisations, regional instruments, general conditions of trade prepared by international organisations and other non-binding instruments such as legal guides).

UNILAW is designed to be a data base which when fully functional will provide information on all major areas of uniform private law. This information will be accessible through a concept-key-word system elaborated after a thorough analysis of the materials it contains by panels of experts in the different areas of law concerned. It is however clear that even though these are, and remain, the ultimate objectives of the data base, they are not objectives that can be attained in one go. It is also clear that there is a great need for information which, even if very basic in nature (the status of ratifications, for example), is not presently readily available. These two fundamental considerations have led Unidroit to the conclusion that, even if it is not possible to provide access to all information by means of the concept-key-word system from the start in all the areas of uniform law that the data base will eventually cover, work should nevertheless begin across the board to make some information available immediately through more simple means of research (for example, country, date, number, court and through a full text search). This approach will permit a large number of instruments and other texts to be included in the data base within the first year of its operation.

The proposed procedure to be followed in building UNILAW will therefore involve a three-stage progression:

1. the insertion of:
  - ◆ the texts of the instruments, and
  - ◆ the status of ratifications with reservations and declarations
  
2. the insertion of:
  - ◆ case-law selected by the experts, and
  - ◆ bibliographical references and
  
3. the analysis of the materials by the experts with the extrapolation of the concept-key-words and the linking of these concepts with the materials.

This procedure will be followed also for the up-dating of the data base, thus permitting it to be constantly up-to-date as to the materials it contains, even if the latest additions have not been fully analysed.

It is anticipated that contemporaneously with the cross-the-board insertion of materials a full analysis of a selected number of priority areas will take place. The areas proposed as initial priority areas are transport, international sales and related commercial transactions, arbitration and other international dispute resolution and cultural property.

### **3. Establishment of a Unidroit Foundation**

The decision to create a foundation was taken at the 75<sup>th</sup> session of the Unidroit Governing Council held in June 1996 as part of the general policy review that has been underway within Unidroit since 1994. The urgency of such a policy review has become progressively apparent as the organisation has had to come to terms with the increasing difficulty of carrying out all the tasks for which it was set up. This difficulty is the result of the cumulative effect of a number of factors, first and foremost the current crisis in the ability and willingness of Governments to continue shouldering their commitments to international Organisations at the level to which these have grown. The resulting zero-growth policy enforced by member States has tended to mean a gradual reduction in real terms in the funding available to international Organisations, making it clear to the Institute that, short of a substantial reduction in its current main activities, it will increasingly not be able to take on any major new projects. With a view to finding such additional sources of funding as will enable it to meet the challenges of the twenty-first century, the Institute has, after a detailed consideration of the various options open to it, concluded that the most effective solution would be to create a Foundation. The Governing Council, being fully conscious of this situation, consequently decided that the time had come to accept the proposal to set up a foundation to finance activities that it found meritorious but which Unidroit was not in a position to finance out of its normal budget, first and foremost the setting up and operation of a data base on uniform law. The Statute of the Foundation was signed in Amsterdam on 9 October by the President of Unidroit, Mr Luigi Ferrari Bravo, and Mr Arthur Hartkamp, member of the Unidroit Governing Council, as founders.



#### **4. Convening of a Congress or meeting on uniform law**

The Inter-American Congress on “A New Approach to International Commercial Relations: the UNIDROIT Principles of International Commercial Contracts”, which was held from 6 to 9 November, was organised by Unidroit in conjunction with the Centre of International Studies of the Law Faculty of the University of Carabobo and under the combined auspices of those institutions, the Venezuelan Ministry of Foreign Affairs, the Government of Carabobo State and the Inter-American Development Bank, which also made a financial contribution to the holding of the Congress. There were eighteen rapporteurs (as well as four persons invited to take part in a round table), all eminent experts in the field, including members of the Unidroit Governing Council and some of its correspondents, predominantly from the Americas but also including some Europeans. The Scientific Committee was headed by Mr Gonzalo Parra Aranguren, Judge at the International Court of Justice and at the time Honorary Member of the Unidroit Governing Council.

The Congress was attended by some 120 participants from thirteen countries of the American continent. The audience, while largely made up of Venezuelan lawyers, also included a fair number of foreigners. A salient feature was the very high quality of the participants, with all the different categories of practitioners as well as academic circles well in evidence. A number of international organisations were likewise represented, often because the rapporteurs and/or participants in the Congress were themselves connected with those institutions in one capacity or another (Organization of American States; Inter-American Juridical Committee; International Chamber of Commerce; the Group of Three; Mercosur; NAFTA). Three Governments also sent representatives from their Ministries of Justice and/or Foreign Affairs, namely Canada, Colombia and Venezuela.

The sessions, divided into five half-days, were constructed around the potential uses of the Unidroit Principles in the legal and economic environment as seen from an essentially American point of view; international instruments of unification, in particular the 1994 Inter-American Convention on the Law Applicable to International Commercial Contracts, and the movements underway toward regional and sub-regional unification, were discussed extensively and recent examples of concrete cases of application of the Principles in the Americas as well as in other continents given. The Acts and Proceedings of the Congress will be published by Unidroit in co-operation with the Centre of International Studies of the Faculty of Law of the University of Carabobo.

The Unidroit Secretariat expresses its complete satisfaction at the outcome of the Congress, which not only made possible a most fruitful exchange of ideas on an instrument of such fundamental importance of which the Institute is itself the author, but has also given Unidroit scope to affirm its active presence in the Americas and to forge new links of co-operation, both institutional and personal, in that part of the world. The warmest thanks are to be extended to all the institutions that made the organisation of this event possible, in the first place to the Government of Venezuela and its Ministry of Foreign Affairs, as well as the University of Carabobo and the Centre of International Studies of the Faculty of Law, which was the principal force locally behind the event.

## **5. Acceptance and promotion of Unidroit Conventions**

The Secretariat has continued throughout 1996 to use its best efforts to promote Unidroit Conventions, whether by making presentations at conferences or by penning articles.

The Unidroit Convention on Stolen or Illegally Exported Cultural Objects, adopted in 1995, remained open to signature until 30 June 1996. By that date it had been signed by twenty-two States, namely: Bolivia, Burkina Faso, Cambodia, Côte d'Ivoire, Croatia, Finland, France, Georgia, Guinea, Hungary, Italy, Lithuania, the Netherlands, Pakistan, Paraguay, Peru, Portugal, Romania, the Russian Federation, Senegal, Switzerland and Zambia.

The latest Government to become a Party to the Unidroit Conventions on International Financial Leasing and International Factoring is Hungary, which deposited instruments of accession on 7 May 1996. In accordance with Article 16(2) of the former Convention and Article 14(2) of the latter, they duly entered into force in respect of Hungary on 1 December 1996.

A development which could have major significance for future use of the Unidroit Convention on International Financial Leasing, in particular in jurisdictions without a developed legal infrastructure for leasing transactions, was the publication in May 1996 by the World Leasing Council, an umbrella Organisation bringing together all the regional federations of leasing company associations, of the *Manual for Documentation of International Leasing Transactions under the Unidroit Convention on International Financial Leasing*. Dedicated to its author, Mr Lawrence M. Taylor, who represented the World Leasing Council at the diplomatic Conference which saw the adoption of the Convention and whose untimely death in 1990 deprived him of the opportunity to complete the Manual by taking account of the comments submitted by the various member federations and associations of the World Leasing Council, the Manual was published in the form in which Mr Taylor left it with the various comments set out in an appendix. The vast majority of the provisions of the Convention being intended to be subject to the parties' exercise of their freedom of contract, the Manual is particularly well suited to enable lessors and lessees contemplating entering into a cross-border transaction to frame their contractual documentation in a manner that will enable them to take advantage of the benefits of the Convention whilst at the same time clarifying those aspects of the Convention which are of especial importance for lessors.

## **6. Interns and researchers**

The Institute welcomed the following interns and researchers in 1996: Ms Jasna Arsic (Bosnia) of the Erasmus Universiteit, Rotterdam; Ms Marianne Chevalier (France) of the Golden Gate University, San Francisco; Mr James Alexander Graham (Luxembourg) of the University of Paris II - Panthéon-Assas; Mr Martin Herrmann, Oberlandesgericht Bamberg (Germany); Mr Carl Ulrich Mayer of the University of Basel (Switzerland); Ms Monique Olivier of the Golden Gate University, San Francisco (U.S.A.); Mr Juan Luis Pulido of the University of Cádiz, (Spain); Ms Nicoletta Marchiandi of the Univeristy of Turin (Italy); Ms Catherine Denis of the University of Brussels (Belgium) and Ms Pilar Abella of the University of Girona (Spain).

In addition, Mr Edouard Treppoz was seconded to the Secretariat for a period of sixteen months as from December under the French Government's voluntary service scheme.

## **7. Publications**

### **(a) Uniform Law Review**

Following the publication in 1995 of a double number for 1993, a single volume encompassing the years 1994 and 1995 was published at the beginning of 1996. Part I of this volume contains the report on the activity of the Institute from 1 January to 31 December 1994 by the Secretary-General of Unidroit, Mr Malcolm Evans. Part II reproduces the texts of the UNCITRAL Model Law on Procurement of Goods, Construction and Services, of the Inter-American Convention on the Law Applicable to International Contracts (Mexico, 17 March 1994) and of the York-Antwerp Rules (Sydney, 7 October 1994). Part III contains the customary uniform law bibliography. Part IV (Uniform Law Cases) adopts a new form of presentation, the publication of the full text of case reports preceded by a head-note (key-words and summary) giving way to the publication of just a summary, so as to permit the reporting of a larger number of cases. Thus 33 decisions given by courts in 12 countries and by the Court of Justice of the European Communities, relating to eight international Conventions, were reported in summary form.

As from 1996 the *Uniform Law Review* appears quarterly in an entirely new format. It is designed to cover uniform law in general and the activities of Unidroit in particular, both through contributions of legal scholarship and by a regularly updated information service. It is bilingual (English/French), with a total of approximately 850 pages per year. It is divided into the following sections: articles, international activities, texts of recently adopted uniform law instruments, status of implementation of uniform law conventions, case-law and bibliography. A contract for the distribution of the Review world-wide was concluded with Law Books in Europe (LBE), a group of European publishers (Aranzadi, Beck, Bruylant, Giuffrè, Kluwer, Manz, Sakkouls, Stämpfli and Sweet & Maxwell).

The four numbers for 1996 appeared on time. A cumulative table of contents for each year will appear in the final issue for that year.

### **(b) Digest of Legal Activities of International Organizations and other Institutions**

The 11<sup>th</sup> Edition of the Digest has been edited by the Unidroit Secretariat and published in 1996 by Oceana Publications Inc., New York. The Secretariat has continued assembling material with a view to the publication in 1997 of a companion volume to the Digest relating to work which has already been completed by the organisations and institutions in question.

**(c) Acts and Proceedings of the Diplomatic Conference for the Adoption of the draft Unidroit Convention on the International Return of Stolen or Illegally Exported Cultural Objects**

The Acts and Proceedings of the Diplomatic Conference for the Adoption of the Draft Unidroit Convention on the International Return of Stolen or Illegally Exported Cultural Objects have been edited by the Unidroit Secretariat and published in English and French with the assistance of the Italian Prime Minister's Office.

**(d) News Bulletin**

In the course of 1996 the Secretariat issued a number of the Institute's News Bulletin in English, French and Spanish (January-April).

**(e) Principles of International Commercial Contracts**

Following the appearance of the English and French language versions of the Principles in June and July 1994 respectively, the Italian and Spanish versions were published in Spring 1995 and the Russian, Chinese and Slovak versions in 1996. The German, Dutch and Portuguese versions are scheduled for publication during 1997.

**(f) Other publications**

1996 saw the publication by the Secretariat of the Report on the Activity of the Institute for 1995, the accounts for 1995 and the budget for 1997.

The following documents relating to the implementation of the Institute's Work Programme were published during 1996, in English and French unless otherwise stated:

**Study LXV – Programme of legal co-operation**

Scholarships Impl. 8 – Implementation of the Unidroit research scholarships programme as of 15 June 1996.

**Study LXVIII – Franchising**

Doc. 10 – Study Group on Franchising. Legal Guide to International Franchising. First Draft (English only).

Doc. 11 – Report on the second session (Rome, 29 to 31 January 1996) (prepared by the Unidroit Secretariat).

**Study LXIX – Organisation of an information system or data base on uniform law**

Doc. 5 – Meeting of International Organisations (Rome, 2 February 1996).

Doc. 6 – Prospectus, revised version (Secretariat memorandum).

Doc. 7 – Unidroit Information Systems Initiative Concept Assessment, Functional Analysis, System Specification, Budget (Summary Report presented by Ingenium Software Limited).

### **Study LXX – International protection of cultural property**

Acts and Proceedings of the Diplomatic Conference for the Adoption of the Draft Unidroit Convention on the International Return of Stolen or Illegally Exported Cultural Objects, held in Rome from 7 to 24 June 1995.

### **Study LXXII – International interests in mobile equipment**

Doc. 22 – Study Group for the preparation of uniform rules on international interests in mobile equipment: first set of draft articles of a future Convention on international interests in mobile equipment (established by the Drafting Group of the Sub-committee on 19 December 1995 pursuant to the decisions taken by the Sub-committee of the Study Group at its third session).

Doc. 23 – Study Group for the preparation of uniform rules on international interests in mobile equipment: second memorandum prepared jointly by Airbus Industrie and The Boeing Company on behalf of an aviation working group.

Doc. 24 – Study Group for the preparation of uniform rules on international interests in mobile equipment: first set of draft articles of a future Convention on international interests in mobile equipment (established by the Drafting Group of the Sub-committee on 19 December 1995 as revised by the same on 4 March 1996).

Doc. 25 – Study Group for the preparation of uniform rules on international interests in mobile equipment: second memorandum prepared jointly by Airbus Industrie and The Boeing Company on behalf of an aviation working group: summary of principal concepts prepared by Mr Jeffrey Wool (expert consultant to the Study Group on international aviation finance matters).

Doc. 26 – Study Group for the preparation of uniform rules on international interests in mobile equipment: first set of draft articles of a future Convention on international interests in mobile equipment (established by the Drafting Group of the Sub-committee on 19 December 1995 as revised by the same on 4 March 1996): comments (by the Cosmic Space Agency of the Russian Federation and the Banking Federation of the European Union).

Doc. 26 Add. 1 – Study Group for the preparation of uniform rules on international interests in mobile equipment: first set of draft articles of a future Convention on international interests in mobile equipment (established by the Drafting Group of the Sub-committee on 19 December 1995 as revised by the same on 4 March 1996): comments (by Professor C.W. Mooney, Jr. and Mr T.J. Whalen).

Doc. 26 Add. 2 – Study Group for the preparation of uniform rules on international interests in mobile equipment: first set of draft articles of a future Convention on international interests in mobile equipment (established by the Drafting Group of the Sub-committee on 19 December 1995 as revised by the same on 4 March 1996): comments (by Ms de la Peña, Professor L. Girton and Mr H. Fleisig).

- Doc. 26 Add. 3 – Study Group for the preparation of uniform rules on international interests in mobile equipment: first set of draft articles of a future Convention on international interests in mobile equipment (established by the Drafting Group of the Sub-committee on 19 December 1995 as revised by the same on 4 March 1996): comments (by the European Federation of Equipment Leasing Company Associations, Mr Peter D. Nesgos and Ms Shiva Falsafi).
- Doc. 27 – Study Group for the preparation of uniform rules on international interests in mobile equipment: report (prepared by the Unidroit Secretariat).
- Doc. 28 – Study Group for the preparation of uniform rules on international interests in mobile equipment: extract from the report of the 75<sup>th</sup> session of the Unidroit Governing Council (prepared by the Unidroit Secretariat).
- Doc. 29 – Study Group for the preparation of uniform rules on international interests in mobile equipment: consideration of the case for the exclusion of registered ships from the sphere of application of the future Convention (Secretariat memorandum).
- Doc. 30 – Study Group for the preparation of uniform rules on international interests in mobile equipment: revised draft articles of a future Unidroit Convention on international interests in mobile equipment (proposed by the Drafting Group in the light of the Study Group's reading at its second session of the first set of draft articles established by the Sub-committee in conjunction with the recommendations of the Aviation Working Group) with introductory remarks (prepared by the Unidroit Secretariat).
- Doc. 31 – Study Group for the preparation of uniform rules on international interests in mobile equipment: second memorandum prepared jointly by Airbus Industrie and The Boeing Company on behalf of an aviation working group: preliminary comments by the Russian Federation Aviation Working Group.
- Doc. 32 – Study Group for the preparation of uniform rules on international interests in mobile equipment: revised draft articles of a future Unidroit Convention on international interests in mobile equipment (proposed by the Drafting Group in the light of the Study Group's reading at its second session of the first set of draft articles established by the Sub-committee in conjunction with the recommendations of the Aviation Working Group): comments by the Aviation Working Group and the International Air Transport Association.
- Doc. 33 – Study Group for the preparation of uniform rules on international interests in mobile equipment: report (prepared by the Unidroit Secretariat): comments (by the European Federation of Equipment Leasing Company Associations).

**Study LXXII C – Consideration of the legal and technical issues raised by the establishment of an international register**

- Doc. 1 – Study Group for the preparation of uniform rules on international interests in mobile equipment: Working Group to consider the legal and technical issues raised by the establishment of an international register: exploratory report prepared by Professor R.C.C. Cuming (University of Saskatchewan).

## **8. Internet**

The Institute has been present on Internet since November 1996 with a World Wide Web site maintained by the Secretariat. It consists of a Home Page and five main pages each of which introduces one of the following sections: "Presentation of the Institute", "Unidroit conventions", "Unidroit Principles of International Commercial Contracts", "Unidroit publications" and "The Unidroit Library". Each main page is divided into various topics.

The Unidroit World Wide Web site is in English for the moment but the French version is under preparation and will be on line in 1997.

For general information about Unidroit and its activities, the Home Page may be accessed on the World Wide Web: <http://www.agora.stm.it/unidroit>

## **9. Library**

In the course of 1996 the library's holdings increased by 1,980 volumes, 750 of which were purchased, 220 obtained by way of exchange to a value of Lit. 13,960,000 and 1,110 as gifts worth Lit. 43,231,000, representing a substantial improvement over 1995.

Among the gifts, mention should in particular be made of a collection of Norwegian books donated by the Faculty of Law of the University of Oslo after the visit to the Institute of a group of professors from that university. Another donation has been made by Prof. Louis del Duca, editor of the UCC Law Journal and correspondent of the Institute. This donation is the second from Prof. Del Duca and contains books dealing with banking law and practice in the United States.

During 1996 work continued on the restructuring of the library with the result that the holdings on three of the five floors have been rearranged and substantial space gained. This work should be completed in 1997.

All the books received in 1996 have been recorded on a personal computer using software which will permit the Institute to access the titles of the books received over the year and those to be received in the future by using each of the elements contained on the bibliographical card. Some administrative operations have also been computerised in order to speed up future work. This work may be seen as a preliminary step with a view to the future computerisation of the library, which will however only be possible when sufficient financial resources become available.

The library has continued to attract readers from many countries and the number of volumes consulted continues to increase: 458 new admission cards were issued in 1996 and over 3,500 readers were admitted.

**IMPLEMENTATION OF INSTRUMENTS BASED ON WORK  
CONDUCTED WITHIN UNIDROIT (\*)**

**A. CONVENTIONS DRAWN UP BY UNIDROIT AND APPROVED AT DIPLOMATIC  
CONFERENCES CONVENED BY MEMBER STATES OF UNIDROIT**

**1. Convention relating to a Uniform Law on the Formation of Contracts for the  
International Sale of Goods (ULFIS), opened to signature at the Hague on 1.VII.1964**

The following States signed the Convention:

Greece ( <i>ad referendum</i> )	3.VIII.1964
Netherlands	12.VIII.1964
San Marino	24.VIII.1964
Italy	23.XII.1964
Holy See (subject to ratification)	2.III.1965
United Kingdom	8.VI.1965
Belgium	6.X.1965
Federal Republic of Germany (subject to ratification)	11.X.1965
Luxembourg	7.XII.1965
Israel (subject to ratification)	28.XII.1965
France	31.XII.1965
Hungary	31.XII.1965

The following States have ratified the Convention:

United Kingdom	31.VIII.1967
San Marino (with reservation)	24.V.1968
Belgium	1.XII.1970
Netherlands (for the Kingdom in Europe) (with reservation)	17.II.1972
Italy	22.II.1972
Federal Republic of Germany (with reservation)	16.X.1973
Luxembourg (with reservation)	6.II.1979
Israel	30.V.1980

The following State has acceded to the Convention:

Gambia	5.III.1974
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The Convention duly entered into force on 23.VIII.1972 for Belgium, Italy, the Netherlands (for the Kingdom in Europe), San Marino and the United Kingdom, on 16.IV.1974 for the Federal Republic of Germany, on 5.IX.1974 for Gambia, on 6.VIII.1979 for Luxembourg and on 30.XI.1980 for Israel.

The Convention was denounced by Italy on 11.XII.1986 with effect from 1.I.1988, by the Federal Republic of Germany on 1.I.1990 with effect from 1.I.1991, by the Netherlands on 1.I.1991 with effect from 1.I.1992 and by Belgium on 1.XI.1996 with effect from 1.XI.1997.

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(\*) Based on information available to the Secretariat as of 31 December 1996.



**2. Convention relating to a Uniform Law on the International Sale of Goods (ULIS), opened to signature at the Hague on 1.VII.1964**

The following States signed the Convention:

Greece ( <i>ad referendum</i> )	3.VIII.1964
Netherlands	12.VIII.1964
United Kingdom	21.VIII.1964
San Marino	24.VIII.1964
Italy	23.XII.1964
Holy See (subject to ratification)	2.III.1965
Belgium	6.X.1965
Federal Republic of Germany (subject to ratification)	11.X.1965
Luxembourg	7.XII.1965
Israel (subject to ratification)	28.XII.1965
France	31.XII.1965
Hungary	31.XII.1965

The following States have ratified the Convention:

United Kingdom (with reservations)	31.VIII.1967
San Marino (with reservation)	24.V.1968
Belgium (with reservation)	12.XII.1968
Israel	3.XII.1971
Netherlands (for the Kingdom in Europe) (with reservation)	17.II.1972
Italy (with reservation)	22.II.1972
Federal Republic of Germany (with reservation)	16.X.1973
Luxembourg (with reservation)	6.II.1979

The following State has acceded to the Convention:

Gambia (with reservations)	5.III.1974
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The Convention duly entered into force on 18.VIII.1972 for Belgium, Israel, the Netherlands (for the Kingdom in Europe), San Marino and the United Kingdom, on 22.VIII.1972 for Italy, on 16.IV.1974 for the Federal Republic of Germany, on 5.IX.1974 for Gambia and on 6.VIII.1979 for Luxembourg.

The Convention was denounced by Italy on 11.XII.1986 with effect from 1.I.1988, by the Federal Republic of Germany on 1.I.1990 with effect from 1.I.1991, by the Netherlands on 1.I.1991 with effect from 1.I.1992 and by Belgium on 1.XI.1996 with effect from 1.XI.1997.

**3. International Convention on the Travel Contract (CCV), opened to signature at Brussels on 23.IV.1970**

The following States signed the Convention:

Belgium	23.IV.1970
Côte d'Ivoire	23.IV.1970
Holy See	23.IV.1970
Italy	23.IV.1970
Lebanon	23.IV.1970
Morocco (with reservations)	23.IV.1970
Niger	23.IV.1970
Philippines	23.IV.1970
Portugal	23.IV.1970

San Marino	23.IV.1970
Burkina Faso	27.IV.1970
Togo	25.III.1971
Taiwan	30.XII.1971

The following States have ratified the Convention:

Taiwan	16.VIII.1972
Belgium	11.IV.1973
Togo	24.XI.1975
Italy	4.VII.1979

The following States have acceded to the Convention:

Benin	28.III.1975
Cameroon	16.IV.1975
Argentina	25.XI.1976

The Convention duly entered into force on 24.II.1976 for Belgium, Benin, Cameroon, Taiwan and Togo, on 25.II.1977 for Argentina and on 4.X.1979 for Italy.

This Convention was denounced by Belgium on 4.X.1993 with effect from 4.X.1994.

**4. Convention providing a Uniform Law on the Form of an International Will, opened to signature at Washington on 26.X.1973**

The following States signed the Convention:

Iran	27.X.1973
Sierra Leone	27.X.1973
Taiwan	27.X.1973
United States of America	27.X.1973
Laos	30.X.1973
Holy See	2.XI.1973
Belgium	17.V.1974
Ecuador (with statement)	26.VII.1974
United Kingdom	10.X.1974
France	29.XI.1974
Union of Soviet Socialist Republics (with declaration)	17.XII.1974
Czechoslovakia (with statement)	30.XII.1974

The following States have ratified the Convention:

Ecuador	3.IV.1979
Belgium	21.IV.1983
France	1.VI.1994

The following States have acceded to the Convention:

Niger	19.V.1975
Portugal	19.XI.1975

Canada (for Manitoba and Newfoundland) (*)	24.I.1977
Libyan Arab Jamahiriya	4.VIII.1977
Yugoslavia	9.VIII.1977
Cyprus	19.X.1982
Italy	16.V.1991
Slovenia	20.VIII.1992
Bosnia-Herzegovina	15.VIII.1994

The Convention duly entered into force on 9.II.1978 for Canada (for Manitoba and Newfoundland), Libyan Arab Jamahiriya, Niger, Portugal and Yugoslavia, on 3.X.1979 for Ecuador, on 19.IV.1983 for Cyprus, on 21.X.1983 for Belgium, on 16.XI.1991 for Italy, on 20.VIII.1992 for Slovenia, on 15.VIII.1994 for Bosnia-Herzegovina and on 1.XII.1994 for France.

The application of the Convention was extended for Canada to Ontario with effect from 31.III.1978, to Alberta with effect from 1.VI.1978, to Saskatchewan with effect from 8.X.1982 and to Prince Edward Island with effect from 22.III.1995.

**5. Convention on Agency in the International Sale of Goods**, opened to signature at Geneva on 17.II.1983

The following States signed the Convention:

Chile	17.II.1983
Holy See	17.II.1983
Morocco	17.II.1983
Switzerland	17.II.1983
Italy	9.IV.1984
France	25.X.1984

The following States have ratified the Convention:

Italy	16.VI.1986
France	7.VIII.1987

The following States have acceded to the Convention:

South Africa	27.I.1986
Mexico (with reservations)	22.XII.1987
Netherlands (**)	2.II.1994

The Convention will enter into force when accepted by ten Contracting States (see Article 33).

**6. Unidroit Convention on International Financial Leasing**, opened to signature at Ottawa on 28.V.1988

The following States signed the Convention:

Ghana	28.V.1988
Guinea	28.V.1988

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(\*) Canada extended the application of the Convention to Ontario (by declaration deposited 15.III.1978), to Alberta (by declaration deposited 1.VI.1978), to Saskatchewan (by declaration deposited 8.IV.1982) and to Prince Edward Island (by declaration deposited 22.IX.1994).

(\*\*) The Netherlands extended the application of the Convention to Aruba (by declaration deposited 2.II.1995).

Nigeria	28.V.1988
Philippines	28.V.1988
United Republic of Tanzania	28.V.1988
Morocco	4.VII.1988
France	7.XI.1989
Czechoslovakia	16.V.1990
Finland	30.XI.1990
Italy	13.XII.1990
Belgium	21.XII.1990
United States of America	28.XII.1990
Panama	31.XII.1990

The following States have ratified the Convention:

France (with reservation)	23.IX.1991
Italy	29.XI.1993
Nigeria	25.X.1994

The following State has acceded to the Convention:

Hungary	7.V.1996
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The Convention entered into force between France, Italy and Nigeria on 1.V.1995 and on 1.XII.1996 for Hungary.

**7. Unidroit Convention on International Factoring**, opened to signature at Ottawa on 28.V.1988

The following States signed the Convention:

Ghana	28.V.1988
Guinea	28.V.1988
Nigeria	28.V.1988
Philippines	28.V.1988
United Republic of Tanzania	28.V.1988
Morocco	4.VII.1988
France	7.XI.1989
Czechoslovakia	16.V.1990
Finland	30.XI.1990
Italy	13.XII.1990
Germany	21.XII.1990
Belgium	21.XII.1990
United States of America	28.XII.1990
United Kingdom	31.XII.1990

The following States have ratified the Convention:

France (with reservation)	23.IX.1991
Italy	29.XI.1993
Nigeria	25.X.1994

The following State has acceded to the Convention:

Hungary	7.V.1996
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The Convention entered into force between France, Italy and Nigeria on 1.V.1995 and on 1.XII.1996 for Hungary.

**8. Unidroit Convention on Stolen or Illegally Exported Cultural Objects**, opened to signature at Rome on 24.VI.1995

The following States have signed the Convention:

Burkina Faso	24.VI.1995
Cambodia	24.VI.1995
Côte d'Ivoire	24.VI.1995
Croatia	24.VI.1995
France ( <i>ad referendum</i> )	24.VI.1995
Guinea	24.VI.1995
Hungary	24.VI.1995
Italy	24.VI.1995
Lithuania	24.VI.1995
Zambia	24.VI.1995
Georgia	27.VI.1995
Finland	1.XII.1995
Portugal	23.IV.1996
Paraguay	13.VI.1996
Switzerland	26.VI.1996
Romania	27.VI.1996
Pakistan	27.VI.1996
Netherlands (with declarations)	28.VI.1996
Peru	28.VI.1996
Bolivia	29.VI.1996
Senegal	29.VI.1996
Russian Federation	29.VI.1996

The Convention will enter into force when accepted by five Contracting States (see Article 12).

**B. INTERNATIONAL INSTRUMENTS IN FORCE ADOPTED UNDER THE AUSPICES OF OTHER ORGANISATIONS AND BASED ON UNIDROIT DRAFTS OR CONVENTIONS**

- 1. Convention on the Contract for the International Carriage of Goods by Road (CMR)**, adopted in Geneva in 1956 under the auspices of the Economic Commission for Europe of the United Nations. The Convention, which entered into force in 1961, is based on the draft Convention on the Contract for the International Carriage of Goods by Road (CMR) which was transmitted by Unidroit to the Economic Commission for Europe of the United Nations in 1952.

Contracting Parties: Austria, Belarus, Belgium, Bosnia-Herzegovina (succession), Bulgaria, Croatia (succession), Czech Republic (succession), Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Kazakhstan, Latvia, Lithuania, Luxembourg, Morocco, Netherlands, Norway, Poland, Portugal, Republic of Moldova, Romania, Russian Federation, Slovakia (succession), Slovenia (succession), Spain, Sweden, Switzerland, Tunisia, Turkey, United Kingdom, Uzbekistan and Yugoslavia.

- 2. UNESCO Convention of 1954 for the Protection of Cultural Property in the Event of Armed Conflict**, which entered into force in 1956. The Convention is based on the draft Unidroit completed in 1951.

Contracting Parties: Albania, Argentina, Armenia, Australia, Austria, Azerbaijan, Belarus, Belgium, Bosnia-Herzegovina, Brazil, Bulgaria, Burkina Faso, Cambodia, Cameroon, Côte d'Ivoire, Croatia, Cuba, Cyprus, Czech Republic, Dominican Republic, Ecuador, Egypt, Estonia, Finland, France, Gabon, Georgia, Germany, Ghana, Greece, Guatemala, Guinea, Holy

See, Hungary, India, Indonesia, Iran, Iraq, Israel, Italy, Jordan, Kyrgyz Republic, Kuwait, Lebanon, Libyan Arab Jamahiriya, Liechtenstein, Luxembourg, Madagascar, Malaysia, Mali, Mexico, Monaco, Mongolia, Morocco, Myanmar, Netherlands, Nicaragua, Niger, Nigeria, Norway, Oman, Pakistan, Panama, Peru, Poland, Qatar, Romania, Russian Federation, San Marino, Saudi Arabia, Senegal, Slovakia, Slovenia, Spain, Sudan, Sweden, Switzerland, Syrian Arab Republic, Tajikistan, Thailand, Tunisia, Turkey, Ukraine, United Republic of Tanzania, Uzbekistan, Yemen, Yugoslavia (Federal Rep. of) and Zaire.

3. **International Convention of 1961 for the Protection of Performers, Producers of Phonograms and Broadcasting Organizations**, adopted under the auspices of ILO, UNESCO and WIPO and which entered into force in 1964. The Convention is very largely based on the preliminary draft Convention for the Protection of Interpreting and Performing Artists, as well as of Manufacturers of Phonographic Records and other phonograms and on the preliminary draft Convention for the Protection of Radio Broadcasts.

Contracting Parties: Argentina, Australia, Austria, Barbados, Bolivia, Brazil, Bulgaria, Burkina Faso, Chile, Colombia, Congo, Costa Rica, Czech Republic, Denmark, Dominican Republic, Ecuador, El Salvador, Fiji, Finland, France, Germany, Greece, Guatemala, Honduras, Iceland, Ireland, Italy, Jamaica, Japan, Lesotho, Luxembourg, Mexico, Monaco, Netherlands, Niger, Nigeria, Norway, Panama, Paraguay, Peru, Philippines, Republic of Moldova, Saint Lucia, Slovakia, Slovenia, Spain, Sweden, Switzerland, United Kingdom, Uruguay and Venezuela.

4. **Hague Convention of 1958 on the Recognition and Enforcement of Decisions involving Obligations to support Minor Children** which entered into force in 1962. This Convention was prepared on the basis of the draft Convention on the Recognition and Enforcement abroad of Maintenance Obligations, a first draft of which had been drawn up by Unidroit in 1938 and work on which was completed in 1949 when it was transmitted to the Department for Social Affairs of the United Nations. After being revised by a United Nations committee of experts, the draft was recommended to States under a Resolution of the Economic and Social Council at its XVIIth session for use as a model in the drawing up of bilateral conventions or uniform laws for separate adoption by each State.

Contracting Parties: Austria, Belgium, Czech Republic, Denmark, Finland, France, Germany, Hungary, Italy, Liechtenstein, Netherlands, Norway, Portugal, Slovakia, Spain, Surinam, Sweden, Switzerland and Turkey.

5. **European Convention of 1962 on the Liability of Hotel-keepers concerning the Property of their Guests**, adopted under the auspices of the Council of Europe and which entered into force in 1967. The Convention is based on the draft uniform law on the hotelkeeper's liability for damage to or destruction or theft of his guests' property, the drafting of which was completed by Unidroit in 1934.

Contracting Parties: Belgium, Bosnia-Herzegovina, Croatia, Cyprus, France, F.Y.R. Macedonia, Germany, Ireland, Italy, Luxembourg, Malta, Slovenia and United Kingdom.

6. **Benelux Treaty of 1955 on Compulsory Insurance against Civil Liability in respect of Motor Vehicles**  
*and*

**European Convention on Compulsory Insurance against Civil Liability in respect of Motor Vehicles**, adopted in 1959 under the auspices of the Council of Europe, which entered into force in 1969. These two instruments are based on the draft uniform rules on the compulsory insurance of motorists, the drafting of which was completed by Unidroit in 1937.

Contracting Parties to the 1959 Convention: Austria, Denmark, Germany, Greece, Norway and Sweden.

7. **European Convention on Establishment of 1955**, adopted under the auspices of the Council of Europe and which entered into force in 1965. The Convention is based on the draft Convention on the reciprocal treatment of nationals as between member States of the Council of Europe, the drafting of which was completed by Unidroit in 1951.

Contracting Parties: Belgium, Denmark, Germany, Greece, Ireland, Italy, Luxembourg, Netherlands, Norway, Sweden, Turkey and United Kingdom.

8. **Protocol No. 1 concerning Rights in rem in Inland Navigation Vessels** annexed to the 1965 Convention on the Registration of Inland Navigation Vessels which was adopted under the auspices of the Economic Commission for Europe of the United Nations and to which Austria, France, Luxembourg, Netherlands, Switzerland and Yugoslavia are Contracting Parties. The Protocol is based on the draft Convention concerning rights in rem in boats in inland navigation, the drafting of which was completed by Unidroit in 1960. The Convention and Protocol No. 1 entered into force in 1982.

The Contracting Parties to Protocol No. 1 are Austria, France, Luxembourg, Netherlands, Switzerland and Yugoslavia.

9. **Protocol No. 2 on Attachment and Forced Sale of Inland Navigation Vessels** annexed to the 1965 Convention on the Registration of Inland Navigation Vessels, adopted under the auspices of the Economic Commission for Europe of the United Nations. The Protocol is based on the draft Protocol on attachment and forced sale of inland navigation vessels, the drafting of which was completed by Unidroit in 1962. Protocol No. 2 entered into force in 1982.

The Contracting Parties to Protocol No. 2 are Austria, France, Luxembourg and Yugoslavia.

10. **United Nations Convention on Contracts for the International Sale of Goods**, adopted at Vienna in 1980 and which entered into force in 1988. This Convention is based on the Convention relating to a Uniform Law on the Formation of Contracts for the International Sale of Goods (ULFIS) and the Convention relating to a Uniform Law on the International Sale of Goods (ULIS), adopted at The Hague at a diplomatic Conference in 1964 (Sections A 1 and 2 above).

Contracting States: Argentina, Australia, Austria, Belarus, Bosnia and Herzegovina, Belgium, Bulgaria, Canada, Chile, China, Cuba, Czech Republic, Denmark, Ecuador, Egypt, Estonia, Finland, France, Georgia, Germany, Guinea, Hungary, Iraq, Italy, Lesotho, Luxembourg, Mexico, Netherlands, Norway, Republic of Moldova, Poland, Romania, Russian Federation, Slovakia, Slovenia, Spain, Sweden, Switzerland, Syrian Arab Republic, Uganda, Ukraine, United States of America, Uzbekistan, Yugoslavia and Zambia.

11. **Convention on the Contract for the International Carriage of Passengers and Luggage by Road (CVR)**, adopted in Geneva in 1973 under the auspices of the Economic Commission for Europe of the United Nations. The Convention is based on the draft Convention on the Contract for the International Carriage of Passengers and Luggage by Road (CVR), the drafting of which was completed by Unidroit in 1969. The Convention entered into force in 1994.

Contracting Parties: Bosnia-and-Herzegovina (succession), Croatia (succession), Czech Republic (succession), Latvia, Slovakia (succession) and Yugoslavia.

**C. INTERNATIONAL INSTRUMENTS NOT YET IN FORCE ADOPTED UNDER THE AUSPICES OF OTHER ORGANISATIONS AND BASED ON UNIDROIT DRAFTS**

1. **Convention relating to the Limitation of the Liability of Owners of Inland Navigation Vessels (CLN)**, adopted in Geneva in 1973 under the auspices of the Economic Commission for Europe of the United Nations. The Convention is based on the draft Convention relating to the Limitation of the Liability of Owners of Inland Navigation Vessels (CLN), the drafting of

which was completed by Unidroit in 1970. The Russian Federation is the sole Contracting State.

2. **Convention on the Contract for the International Carriage of Passengers and Luggage by Inland Waterway (CVN)**, adopted in Geneva in 1976 under the auspices of the Economic Commission for Europe of the United Nations. The Convention is based on the draft Convention on the Contract for the International Carriage of Passengers and Luggage by Inland Waterway (CVN), the drafting of which was completed by Unidroit in 1972. The Russian Federation is the sole Contracting State.
3. **European rules for investment funds**, which were in 1972 recommended by the Committee of Ministers of the Council of Europe as a model law for the member States of the Council of Europe. The rules are based on the preliminary draft model law on investment funds, Unidroit's drawing up of which was completed in 1969.
4. **European Convention providing a Uniform Law on Arbitration**, adopted in 1966 under the auspices of the Council of Europe. The Convention is based on the preliminary draft uniform law on arbitration in private law matters in international relations, Unidroit's drawing up of which was completed in 1954. The sole Contracting State is Belgium.
5. **European Convention of 1973 on Civil Liability for Damage caused by Motor Vehicles**, adopted under the auspices of the Council of Europe. The Convention is based on the draft of a uniform law on the civil liability of motorists, Unidroit's drawing up of which was completed in 1938. No State has ratified this Convention.
6. **United Nations Convention on International Multimodal Transport of Goods**, adopted in Geneva in 1980. The origin of the Convention is to be found in the draft Convention on Contracts for the Combined International Carriage of Goods, Unidroit's drawing up of which was completed in 1965. The Unidroit draft also provided one of the bases for the draft Convention on the International Combined Carriage of Goods (TCM), drawn up at a round table convened by Unidroit at the request of the Economic Commission for Europe of the United Nations in 1969 and 1970, which was itself revised at meetings convened jointly by the Intergovernmental Maritime Consultative Organisation (IMCO) and the Economic Commission for Europe of the United Nations. The Contracting States are Chile, Georgia, Malawi, Mexico, Morocco, Rwanda, Senegal and Zambia.
7. **Convention on Civil Liability for Damage caused during Carriage of Dangerous Goods by Road, Rail and Inland Navigation Vessels (CRTD)**, adopted in Geneva in 1989 under the auspices of the Economic Commission for Europe of the United Nations. The Convention is based on the draft articles for a Convention on civil liability for damage caused during carriage of dangerous goods by road, rail and inland navigation vessels, Unidroit's drawing up of which was completed in 1986. No State has ratified this Convention.
8. **United Nations Convention on the Liability of Operators of Transport Terminals in International Trade**, adopted in Vienna in April 1991. The Convention is based on the preliminary draft Convention on Operators of Transport Terminals, Unidroit's work on which was completed in 1983. Georgia is the only State which has ratified the Convention.

**D. EUROPEAN COMMUNITY DIRECTIVE BASED ON A PRELIMINARY DRAFT UNIDROIT CONVENTION**

**Council Directive 93/7/EEC of 15 March 1993 on the return of cultural objects unlawfully removed from the territory of a Member State.**

**E. UNIFORM RULES PUBLISHED BY THE INTERNATIONAL CHAMBER OF COMMERCE AND BASED ON A DRAFT UNIDROIT CONVENTION**



**Uniform Rules for a Multimodal Transport Document** first published by the International Chamber of Commerce in 1973 and subsequently revised. The origin of the Rules is the same as that of the United Nations Convention on International Multimodal Transport of Goods (see above Section C. 6.).

**F. INTERNATIONAL INSTRUMENTS BASED ON PRELIMINARY STUDIES PREPARED BY UNIDROIT**

**1. European Convention on Products Liability in regard to Personal Injury and Death of 27 January 1977**

No State has ratified this Convention.

**2. Resolution (78)3 on Penalty Clauses in Civil Law adopted by the Committee of Ministers of the Council of Europe on 20 January 1978.**

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