



INTERNATIONAL INSTITUTE FOR THE UNIFICATION OF PRIVATE LAW  
INSTITUT INTERNATIONAL POUR L'UNIFICATION DU DROIT PRIVE

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**SUMMARY**  
**OF THE CONCLUSIONS REACHED BY THE GOVERNING COUNCIL**  
**AT ITS 78<sup>th</sup> SESSION**

(Rome, 12-16 April 1999)

*Item No. 1 on the agenda: Adoption of the agenda*

The Governing Council adopted the provisional agenda as proposed by the Secretariat with the change suggested to link in part the discussion on points 7 and 21 on the agenda.

*Item No. 2 on the agenda: Report on the Activity of the Institute during 1998*

The Governing Council approved the Secretary-General's Report on the Activity of the Institute during 1998.

*Item No. 3 on the agenda: Appointment of the First and Second Vice-Presidents*

On the suggestion of the President, the Governing Council appointed Mr Roland Loewe and Mr Byung-Hwa Lyou as First and Second Vice-President respectively until the 79<sup>th</sup> session.

*Item No. 4 on the agenda: Appointment of the members ad honorem of the Governing Council*

The Governing Council appointed the following persons members *ad honorem*: Mr Charles Dlamini (South Africa), Mr. E. Allan Farnsworth (United States of America), Mr Yasuo Hamasaki (Japan), Ms Tsvetana Kamenova (Bulgaria), Mr. Vicente Marotta Rangel (Brazil), Mr Jörg Pirrung (Federal Republic of Germany), Mr Alan Rose (Australia), Mr. Leif Sevón (Finland) and Ms Zhang Yejiao (People's Republic of China).

*Item No. 5 on the agenda: Appointment of the members of the Permanent Committee*

The Governing Council appointed Mme Collaço, Mme Trahan, Mr Loewe, Mr Goode and Mr Sen members of the Permanent Committee. It also decided that, in the absence of Mr Sen, Mr Lyou would be his replacement for the present session.

*Item No. 6 on the agenda: Transnational rules of civil procedure*

The Council requested the President of UNIDROIT to set up, together with the Director of the American Law Institute, a Study Group composed of representatives of different legal systems with the task of exploring the possibility of drawing up general principles of civil procedure as a first step in the preparation of transnational rules of civil procedure.

*Item No. 7 on the agenda: Uniform rules applicable to transport*

The Governing Council decided that the Secretariat would reply to the Economic Commission for Europe and to the IRU to the effect that UNIDROIT, having promoted the CMR Convention, wished to participate in the work. Mr Putzeys was entrusted with the task of representing UNIDROIT within the IRU and the Economic Commission for Europe and of submitting a report on the work in course to the Council at its next session.

*Item No. 8 on the agenda: Model law on franchising*

The Council took note of the progress made on the model law on franchising. It agreed that the model law should for the time being concentrate on disclosure. It also agreed that the Secretariat should prepare a background study relating to other areas to which the model law might subsequently be extended for submission to the Council.

*Item No. 9 on the agenda: Status of implementation and promotion of UNIDROIT Conventions*

The Governing Council took note of the information concerning the action taken or envisaged by certain Governments with a view to accession to UNIDROIT Conventions. It requested the Secretariat to request the Governments of its member States to report in writing any action taken or envisaged on this matter and to submit the results of this enquiry to the Council before the next session.

*Item No. 10 on the agenda: Principles of International Commercial Contracts*

The Governing Council noted with satisfaction the information communicated by the Secretariat and expressed its best wishes to the Working Group for every success in its work. It also approved the addition of the following text as a footnote to Paragraph 2 of the Preamble of the Principles:

“Parties wishing to provide that their agreement be governed by the Principles might use the following words, adding any desired exceptions or modifications:

“This contract shall be governed by the UNIDROIT Principles (1994) [except as to Articles ...]”

Parties wishing to provide in addition for the application of the law of a particular jurisdiction might use the following words:

“This contract shall be governed by the UNIDROIT Principles (1994) [except as to Articles ... ], supplemented when necessary by the law of [jurisdiction X]”.

If such a clause is used together with an arbitration clause, the parties should take care to ensure that the two clauses are not incompatible.”

*Item No. 11 on the agenda: International interests in mobile equipment*

1. The Council decided that Council members should do all in their power for future Joint Sessions to encourage their Governments to send delegations with an appropriately broadly based range of expertise, in particular expertise regarding all the different categories of mobile equipment covered by the preliminary draft Convention and the technical aspects of registration systems.

2. The Council, while congratulating all concerned in the work accomplished to date, urged them to redouble their efforts, in particular through advancement of work on the preliminary draft Rail and Space Protocols, with a view to ensuring that the project was not taken over by aviation interests.

3. The Council decided that Council members should use their good offices to urge their Governments to press I.C.A.O. to extend the projected duration of the Second Joint Session.

4. The Council decided to authorise the Secretariat, in the event of a Third Joint Session being held prior to its own 79<sup>th</sup> session and such good progress being made there as to render possible the convening of a diplomatic Conference toward the end of 2000 or the beginning of 2001, to ask Council members in writing for their provisional opinion as to the desirability of the convening of such a Conference, such opinion being however subject to confirmation at its 79<sup>th</sup> session.

5. The Council approved the Secretariat's proposal for the submission of such additional preliminary draft Protocols as might be submitted by the Rail and Space Working Groups prior to the Council's 79<sup>th</sup> session to steering and revisions committees, to be modelled on that established for the finalisation of the preliminary draft Convention and the preliminary draft Aircraft Equipment Protocol in June 1998.

*Item No. 12 on the agenda: Appointment of correspondents of the Institute*

The Governing Council appointed the following persons correspondents of the Institute: Ms Katharina BOELE-WOELKI (Germany/Netherlands), Mr Bijan IZADI (Iran), Ms Aida KEMELMAJER de CARLUCCI (Argentina), Mr Mikko J. KÖNKKÖLÄ (Finland), Mr Karl KREUZER (Germany), Mr. Avelino LEON STEFFENS (Chile), Ms Lyndel V. PROTT (Australia), Mr Julio César RIVERA (Argentina), Mr Giorgio SCHIAVONI (Italy) and Mr Hervé SYNDET (France).

*Item No. 13 on the agenda: Programme of Legal co-operation*

The Governing Council noted with satisfaction the information communicated by the Secretariat and confirmed the report of the Scholarships Sub-Committee of the Council.

*Item No. 14 on the agenda: Situation of the Library*

The Governing Council took note of the information provided by the Secretariat on the state of the Library and its members agreed to take the necessary steps in their respective countries to try to obtain supplementary resources.

*Item No. 15 on the agenda: Uniform Law Review and other publications*

The Governing Council noted with great satisfaction the information provided on this subject.

*Item No. 16 on the agenda: The UNIDROIT website*

The Governing Council took note with satisfaction of the work carried out on the web site (applause) and agreed that the Secretariat in consultation with the Governing Council member who was Chairperson of the relevant Study Group would decide at what stage UNIDROIT drafts should be posted on the UNIDROIT Internet web site.

*Item No. 17 on the agenda: Centre for Comparative and Foreign Law Studies*

The Governing Council took note with satisfaction of the report of the Director of the Centre for Comparative and Foreign Law Studies on its activities since the last Council session.

*Item No. 18 on the agenda: Preparation of the draft budget for the 2000 financial year*

The Governing Council noted the information provided by the Secretariat on this point and expressed its concern with respect to certain member States' call for strict observance of the nominal zero growth principle which risked jeopardising UNIDROIT's activities. The Council adopted Resolution 78 (1) which would be submitted to the Finance Committee with a view to the

adjustment of the budget for the financial year 2000 which will subsequently be submitted to the General Assembly for approval.

*Item No. 19 on the agenda: Modification of the Regulations of the Institute*

The Governing Council decided not to discuss this matter in plenary as the Sub-Committee considered the situation was not ripe. It decided to postpone discussion to another Council session.

*Item No. 20 on the agenda: Date and place of the 79<sup>th</sup> session of the Governing Council*

The Governing Council stated that its 79<sup>th</sup> session would be held outside of Rome and that the plenary session would begin on Monday 10 April 2000. The place of the session would be communicated as soon as possible.

*Item No. 21 on the agenda: The Uniform Law Database*

The Council decided that work on the data base on uniform law (UNILAW) should start immediately. It also decided that the management of the data base should be entrusted to the Uniform Law Foundation, but stressed that the data base was and remained a project of UNIDROIT.

*Item No. 22 on the agenda: The Uniform Law Foundation*

The Council decided to re-appoint Messrs Hartkamp, Mádl, Siehr and Wallace to the Board of the Foundation. In addition, it decided to appoint Mr Goode and Mr Putzeys as new members.