



**SUMMARY
OF THE CONCLUSIONS REACHED BY THE GOVERNING COUNCIL
AT ITS 84th SESSION**

(Rome, 18 to 20 April 2005)

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

The Governing Council adopted the provisional agenda as proposed by the Secretariat.

Item No. 2 on the agenda: Annual Report 2004

The Governing Council took note of the Secretary-General's report regarding the Institute's activities in 2003.

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

At the suggestion of the President the Governing Council appointed Mr Arthur Hartkamp and Mr Lyou Byung-Hwa as First and Second Vice-Presidents until the 85th session.

Item No. 4 on the agenda: Implementation of the Strategic Plan

The Council expressed its satisfaction with the way the Strategic Plan was gradually assuming the central role in the Secretariat's planning and encouraged the Secretariat to pursue that path.

Item No. 5 on the agenda: Principles of International Commercial Contracts

The Governing Council, after expressing its appreciation for the efforts made to promote the Contract Principles and monitor their use in practice, instructed the Secretariat to set up a new Working Group to continue work on the Principles. As to the topics to be dealt with by the new Working Group, they will be selected at the Council's forthcoming session on the understanding that there was already wide support for unwinding of failed contracts, plurality of debtors and creditors, illegality, conditions and termination of long-term contracts for cause.

Item No. 6 on the agenda: ALI/UNIDROIT Principles and rules of transnational civil procedure

The Council took note with satisfaction of the Secretariat's efforts to prepare a publication of this most innovative instrument and urged that the Secretariat actively pursue its promotion.

Item No. 7 (a) on the Agenda: Convention on International Interests in Mobile Equipment and Protocol on Matters Specific to Aircraft Equipment

The Council took note, with satisfaction, of progress that had been made in the implementation of the Convention and Protocol, and in the development and implementation of the Institute's depositary functions.

Item No. 7 (b) on the Agenda: International interests in mobile equipment – preliminary draft Protocol to the Cape Town Convention on Matters specific to Railway Rolling Stock

The Governing Council took note with satisfaction of the holding of the regional seminars and the “Cape Town Registry Workshop”, expressed its pleasure at the probable holding of a regional seminar in Africa and noted the efforts of the UNIDROIT and OTIF Secretariats to organise the diplomatic Conference. The Council further formally authorised the submission of the text of the preliminary draft Rail Protocol to a diplomatic Conference as and when a State offered to convene it.

Item No. 7 (c) on the Agenda: Preliminary draft Protocol on Matters specific to Space Assets to the Cape Town Convention

The Governing Council took note of the progress achieved by the Committee of governmental experts at its second session and of the success of the regional colloquium held in the Asia-Pacific region as of the special meeting arranged for satellite operators.

The Governing Council took note also of the extreme urgency of endowing the SWG with the resources needed to secure its continuing existence, at a time when its contribution was fundamental to the prosecution of the intergovernmental consultation process. In this context, the Governing Council noted with appreciation the key role played by Mr Carbone in securing the agreement of two leading Italian players in the commercial space industry to become sponsoring members of the SWG and took cognisance of the Secretariat’s call for Council members to lend their support in identifying other potential sponsoring members in their countries.

Item No. 8 on the Agenda: Preliminary draft Convention on Harmonised substantive Rules Regarding Securities held with an Intermediary

The Governing Council expressed its satisfaction with both the accelerated speed at which this most important project advanced and the excellent quality of the preliminary draft Convention.

Item No 9 on the Agenda – Uniform Rules Applicable to Transport

The Council took note of developments in the preparation of a Protocol to the 1956 Geneva Convention on Contracts for the International Carriage of Goods by Road.

Item No. 10 on the agenda: The Uniform Law Foundation

The Council noted developments aimed at making the Uniform Law Foundation operative.

Item No. 11 on the agenda: Status of implementation and promotion of UNIDROIT Conventions

The Governing Council took note of the information provided on the implementation of UNIDROIT instruments.

Item No. 12 on the agenda: Programme of Legal Co-operation

The Council took note with satisfaction of the activities as reported, thanked in particular the Government of Korea for its continuing support and reiterated its view that the Scholarship programme was a core element of the Institute’s efforts to promote its instruments and to reach out to developing countries and transition economies.

Item No. 13 on the agenda: Uniform Law Review/Revue de droit uniforme and other publications

The Council took note, with satisfaction, of the dynamic development that in particular the Uniform Law Review/ Revue de droit uniforme was undergoing as well as of the sales figures and the efforts made to produce further non-official language versions of the UNIDROIT Principles of International Commercial Contracts.

Item No. 14 on the agenda: The UNIDROIT web site and depositary libraries for UNIDROIT documentation

The Council took note, with satisfaction, of the ongoing efforts on the part of the Secretariat to disseminate knowledge about the Institute and its work at low cost, i.e. without employing, for the time being, expensive software and service providers.

Item No. 15 on the agenda: The Uniform Law Data Base

The Council took note of developments in the setting up of a data base on Uniform Law and of the request of the Secretariat for assistance in the preparation of summaries for cases to be inserted in the data base.

Item No. 16 on the agenda: Situation of the library

The Council noted, with satisfaction, the outstanding efforts Ms Maxion was making so as to maintain the worldwide reputation of the UNIDROIT Library notwithstanding ever scarcer funding.

Item No. 17 on the agenda: Appointment of correspondents of the Institute

The Council decided that the Secretary-General should write a brief letter to all correspondents who had not recently replied to the Secretariat's communications pointing out that the Secretariat would assume agreement with their being erased from the list if they did, again, not respond to this letter.

Item No. 18 on the agenda: Preparation of the draft budget for the 2006 financial year

The Governing Council took note of the Secretariat's estimates for receipts and expenditure for the 2006 financial year and of the reactions of the Sub-committee of the Finance Committee thereto.

The Governing Council further took note with appreciation of the offer by the Government of the United Kingdom of a donation of £ 50,000 toward the cost of an open competition to fill the post of Deputy Secretary-General.

Item No. 19 on the Agenda: Appointment of a Deputy Secretary-General

The Governing Council decided that the Institute should accept the United Kingdom's generous offer and organise an open international competition under the guidance and responsibility of a Sub-committee of the Permanent Committee that would report back to the Council.

Item No. 20 on the Agenda: Preparation of the Work Programme for the 2006/2008 triennium

The Governing Council agreed that at least one of the two outstanding Cape Town protocols – most likely the Protocol on Matters specific to Railway Rolling Stock – needed to be adopted by a diplomatic Conference before significant resources could be devoted to the proposed protocol on agricultural equipment.

With respect to the question which additional chapters to the Principles of International Commercial ought to be given priority, the Council - Messrs Boggiano, Carbone, Elmer, Gabriel, Harmathy, Inglese, Komarov, Soltysinski, Sturlese, Verderera and Zhang and Ms Trahan having taken the floor – concluded that, in view of the general selection criteria, the following five topics listed in paragraph 18 of document C.D. (84) 19 rev.2 should be recommended to the new Working Group and the General Assembly: unwinding of failed contracts, illegality, plurality of debtors and creditors, conditions and termination of long-term contracts for cause. Proposals to turn the Working Group's attention also to certain specific types of contract did not find support. At the request of Ms Trahan, the Council asked Mr Bonell, to prepare, for the next session, a paper on the issue of how best to deal with topic of "ethics in international contracts".

The Council, moreover, decided that the new Working Group should be made up according to established criteria and that it should follow the working methods adopted by the groups that had prepared the 1994 and the 2004 editions. The Co-ordinator of the Working Group was asked to conduct further preliminary research and to report back to the Council at its 85th session. Only at that point in time would a precise circumscription of the topics to be treated be possible.

The Council furthermore decided that the offer submitted by Mr Ron DeKoven, London (UK), a Correspondent of UNIDROIT, to fund work on a model law on leasing should be accepted on the understanding, however, that no additional resources could be devoted to that project by the Institute.

At the request of Mr Carbone and the Italian Government, the Council asked the Secretary-General to explore to what extent UNIDROIT could continue to be involved in work on multimodal transport be it directly be it in co-operation with other intergovernmental Organisations.

Finally, the Council decided that the projects on the "reserve list" for the previous triennium, i.e. items 7-11 as listed in Annex I of document C.D. (84) 19 rev.2, are to be deleted from the Work Programme.

With respect to the non-legislative activities connected with the unification of law the Council decided to continue the programme of legal co-operation for developing countries and transition economies consisting of, firstly, the research scholarship programme and, secondly and subject to the availability of extra-budgetary funding, legal assistance related to specific areas of law reform.

The Council furthermore decided to devote the necessary resources to the Institute's publications, first and foremost the Uniform Law Review/Revue de droit uniforme.

Lastly, the Council instructed the Secretariat to continue working on the data base on uniform law (UNILAW).

Item No. 21 on the Agenda: Revision of the Regulations concerning the election of the Governing Council

The Governing Council agreed that the ad hoc Committee was right to see its terms of reference as being strictly limited to the seeking of a solution to the specific problem referred to it, namely the failure of any African candidate to secure election to the Council at the 57th session of the General Assembly, held in Rome on 28 November 2003.

The Council accordingly endorsed the recommendations of the ad hoc Committee for the amendment of Article 7(5) of the Regulations of the Institute.

It further agreed that Article 7(4) of the same Regulations should be deleted and replaced by a rule providing for the holding of a further ballot in the event of a tie for the 25th seat on the Council.

Item No. 24 on the agenda: Date and Place of the 85th session of the Governing Council

The Council agreed that its 85th session would be held from 8 to 10 May 2006 in Rome.