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**Item No. 13 on the agenda: Draft Triennial Work Programme 2017-2019 –
Comments and suggestions received by the Secretariat**

(memorandum prepared by the Secretariat)

<i>Summary</i>	<i>Consideration of the comments and suggestions received by the Secretariat on the draft Work Programme for the 2017-2019 triennium</i>
<i>Action to be taken</i>	<i>To take note of the comments and suggestions</i>
<i>Related documents</i>	<i>UNIDROIT 2013 – C.D (92) 13</i>

1. Article 5(3) of the UNIDROIT Statute mandates the Governing Council to prepare the ground for the adoption by the General Assembly of the new triennial Work Programme by analysing comments and proposals submitted by member Governments and other entities with a view to formulating recommendations. The Secretariat has prepared a document containing comments on the proposed new Work Programme and suggestions for projects and activities to be included in the UNIDROIT Work Programme for the triennium 2017-2019 (cf. UNIDROIT 2016 – C.D.(95) 13).

2. The Secretariat has also prepared this document which contains (1) the justification of the proposal submitted by the Embassy of Mexico in Rome concerning a work proposal on private art collections (see also C.D. (95) 13, paras. 82 and 83 and Annex 1); (2) suggestions by the World Bank concerning a possible collaboration with UNIDROIT on some specific topics of the Work Programme.

3. *The Governing Council is invited to take note of the comments received by the Secretariat.*

ADDENDUM I – THE PRIVATE ART COLLECTIONS

Article attached to N.V. MEX - 0297 (see Annex 1 to C.D. (95) 13)

THE PRIVATE ART COLLECTIONS**UNIDROIT****September 15th 2015****by Jorge Sánchez Cordero****I. Introduction**

1. Commemorations of conventions serve a double purpose; they allow the balance between achievements and failures to be observed, but also they contribute to reflections on tasks still to be realized. This is precisely the case in the UNIDROIT Convention on Stolen or Illegally Exported Cultural Objects, which stands out as one of its greatest achievements. The approval of this convention was the result of a greatly complex process and it was necessary to overcome great challenges to achieve its inception. Nonetheless, with an open and cooperative spirit that has seldom been observed in a diplomatic conference, this convention was finally approved in Rome on June 24th, 1995.¹ The verdict of time has proven favorable to the convention and the new international cultural order has been strengthened with an instrument of great use. Using this universal tool's mechanism, the international community is better prepared to overcome the new challenges that it faces because of social unrest and controversial religious movements present at the beginning of the 21st century. This turmoil has put in jeopardy an important part of humanity's cultural heritage. Hence, the UNIDROIT Cultural Convention really is a great achievement, and its participants can feel genuinely proud of having served the international community so well.

2. A great deal of ink has flowed into well-structured analyses of this Convention. The endeavour should now be to begin from one of its most creative aspects and try to develop, after thorough analysis, the issues still pending.

II. The New Cultural Space.

3. One of these proposals is based on the findings that most of the legal literature has agreed upon; these are that in contrast to the UNESCO Convention of 1970, the UNIDROIT Convention confers to private collectors the active legal right to claim, within international jurisdictions, the return of stolen cultural objects. The cultural effect is predictable: a breaking of the cultural hegemony that the UNESCO Convention of 1970 conferred on national states by granting them the power to determine which objects, due to their cultural importance, should be protected. Through these means, the UNIDROIT Convention opened a space of cultural freedom that should be developed. The time has come to root this cultural freedom in a social realm. This is the starting point of this analysis, which is currently rich in questioning and enquiry, but lacking in answers.

4. Private collections are constantly increasing and their cultural and economic importance is forever becoming greater. This is especially the case if one considers that public resources are now scarcer than ever and, predictably, that they will become more so in the coming decades. Private collections are continuing to gain a huge share of the market without encountering any battles along the way.²

¹ <http://www.unidroit.org/instruments/cultural-property/1995-convention>

² Moustaira, Elina. *Art Collections, Private and Public: A comparative Legal Study*. Springer. Cham Heidelberg New York Dordrecht London. 2015. p. 47. This seminal book has been the source of inspiration of this article.

5. Each society has an interest in preserving works of art, in learning from them and in making them accessible to scholars for study, as well as to the public for education and enjoyment.³ These elements construct public interest.⁴

III. The Private Collections.

6. Initially, private collectors were preeminent people in their respective countries. Some who stood out were Peggy Guggenheim, Charles Saatchi, Henri Nannen and the Ludwig marriage. In addition to private collectors, new field players emerged, mostly financial agencies, such as JP Morgan Chase and Deutsche Bank, just to mention some.

7. As well stated by the distinguished scholar Elina Moustaira, in her seminal book "Art Collections, Private and Public: A comparative Legal Study"⁵, private collections are the daughters of our time. It is safe to say that they reflect a changing mentality about the significance of the collections of art that move to and from different cultural alternatives, and serve as confirmation that they currently move in relation to economic choices.

8. In the art of collectors, there exist some very clear differences. There are those collectors who value the aesthetics of the work, whose decision is fundamentally based on their aesthetic joy. In their collections, quality prevails over quantity. At the other extreme, there are the collectors who view art as a commercial investment. Their criteria are based on speculation, or using art as a refuge during financial turmoils. The collections have turned into an important financial asset, as well as a source of the hoarding of art as an expression of identity. The initial difficulties are rooted in the very notion of the collector.⁶

9. In another perspective the private collections of cultural objects have been, and still are, greatly controversial, oscillating between two extremes. One of these is considered a fundamental axis in the constitution of cultural heritage, especially in the countries where the commercial art market flourishes. The other is the countries of origin that maintain that it is precisely the collectors who are the catalysts for the destruction of their cultural heritage. These two postures appear to be totally irreconcilable.

10. The debate must, however, be considered within different cultures. Only by analysing each different context can the different arguments and their meanings be understood.

11. Distinguished jurists have postulated that both the economic and cultural values are social constructions and that between them exists a clear link in which the collector is considered as one of the major players in the art market.⁷ The collectors figure as one of the most relevant economic agents in their paradigm and they determine to a great degree the viability and sustainability of artistic production. The function of the collectors is to carry out an aesthetic valuation, derived from a process of social construction in each market. However, the legitimacy of this valuation is of ongoing controversy.⁸

³ Fischer, Cornelia. Partner oder Kontrahenten. Eine rechtliche Untersuchung der Zusammenarbeit öffentlicher Museen und privater Kunstsammler. Nomos Verlagsgesellschaft. Baden Baden. Germany. 2012. p. 24

⁴ Merryman, John Henry. The Public interest in Cultural Property. 77 Cal. L. Rev. 339 (1989). p. 346

⁵ Moustaira, Elina. Supra note 2.

⁶ Moustaira, Elina. Supra note 2 p. 7

⁷ Merryman, John Henry. Supra note 4

⁸ Moustaira, Elina. Supra note 2

IV. The Legal Issues.

12. A comparative study of different legal systems proves that there is not a specific legally recognised regime for private collections and less so for contemporary art.⁹ Some provisions, although they exist, are completely dispersed.

13. The main concerns center around the laws and obligations that are specific to the collector: the care and preservation of their collection;¹⁰ the borrowing of their objects for exhibitions; and the taxation for possession or sale of their collections, amongst others.

i. Private and Public Collections.

14. To elucidate who is a collector in this context, it is foremost necessary to ascertain the basic difference between private and public collections. The motivation for the creation of private collections varies considerably: philanthropy, social status, relationships with prestigious museum institutions, or through bequests, amongst many others.¹¹ Some collectors even feel that they are no more than the fortunate, but if only provisional, trustees of certain works of art, having no right to deprive others who appreciate beautiful objects as much as they do themselves.¹² This has created a clear convergence between both notions: private collections tend to have an institutional character, as does the museumisation and public access of these collections.

15. It is safe to say that public museums respond to national regulations, which are exclusive of essential private collections. Private museums, in this analysis, qualify as private collections. It must be pointed out as well, that in the last decades we have observed a clear transition from private museums to public ones. This movement has had the principal effect of metamorphosis of a system of ownership that passes private property into public ownership.¹³

ii. The Function of the State.

16. The displaying of private collections is an experience that started a long time ago. In fact, museums have seen the benefits of private collections. In this way, the German, Wilhelm von Bode, at the time director of the Museums of Berlin, had the initiative to form the Kaiser Friedrich Museum Association, which significantly enriched these museums.¹⁴ Also in Germany, due to the grave economic crisis after the First World War, the interaction between public museums and private collectors blossomed into an interesting partnership.

17. In the second part of the 20th century, a debate arose about the notion of freedom. This was of great importance to public museums and determined their link with the collectors. In this respect it is noteworthy that after the Second World War Germany elaborated, a new constitution, which ensured and fostered the liberty of art.¹⁵

18. It is also in this era that the link between public museums and private collections intensified. They became firmly involved in the debate of liberty and the sovereignty of the State to determine the course of exhibitions and as a consequence the orientation of education. The link, however, is extremely complex. The conditions that the private collectors aimed to impose on the public

⁹ Moustaira, Elina. Supra note 2 p. 8

¹⁰ Moustaira, Elina. Art Collections. Springer Cham, Heidelberg, New York, Dordrecht, London. 2015. p. 21

¹¹ Moustaira, Elina. Supra note 2

¹² Merryman, John Henry. Supra note 4

¹³ Moustaira, Elina. Supra note 2

¹⁴ Fischer, Cornelia. Supra note 3

¹⁵ <https://www.bundestag.de/grundgesetz>

museums were the duration of lending contracts, the maintenance of the collections, and the costs of transportation, amongst other features. One of the most famous cases is that of the collection of the Foundation of the German energy consortium, E.on. displayed in the Museum of Düsseldorf, Germany. It was for a great time considered as a paradigmatic case in the cooperation between a city hall and the industry. At the end of the relationship, the Museum Director did not hesitate in denouncing the grave interferences of this foundation in the artistic management of the museum.¹⁶ Worse still, it demonstrated the search for power on the part of the private collectors, who with it would not only determine the aesthetic considerations, but also what could be considered as art.

19. In this complex relationship between the private collectors and the museums, the latter became more vulnerable when they did exhibit extensive collections. This was the case of Helga and Walter Lauffs' collection, which had been lent to the Kaiser Wilhelm Museum in Krefeld, Germany, a collection of close to five hundred works of art.¹⁷ The dependency of the Museums on these large collections was apparent.

20. Other considerations that are deemed relevant should be taken into account. The function of the state in the exhibition of private collections in public museums must be limited to avoid any kind of censure.¹⁸

21. The arrangement of munificence also encourages this approach; this legal mechanism has had different legal expressions. In this context, it is worth mentioning the case of Sir Denis Mahon (1910-2011), who through his Charitable Fund ¹⁹ in the United Kingdom agreed to share his collection with six British Museums. These were The National Gallery of Scotland, in Edinburgh; The National Gallery of London; The Ashmolean Museum in Oxford; The Fitzwilliam Museum in Cambridge; The Birmingham Art Gallery; and the Newsam House Temple in Leeds.²⁰ The importance of this bequest was that Sir Mahon obliged the museums to give free access to the exhibits while also guaranteeing that none of his collected works could be sold. Another example is that of the Barnes Collection in Philadelphia, which after a "reinterpretation" of Barnes' will, can now be housed in an impressive museum in the city.²¹

iii. From Private Collections to Public Collections.

22. Different legislations favor the transition of private collections to museums through diverse contractual means such as donations, long-term loans, or bequests. Another of the relevant aspects is, therefore, without a doubt the conservation of objects that make up a private collection. Apart from the "moral right" ²² in the field of copyright law, which helps to protect the work of the artists, it is not easy to identify any regulations relating to the obligation of owners to maintain the integrity and quality of the objects they own.²³

23. Hence, the real difficulty is to exercise the right of ownership. It could be suggested that in this aspect the differences between the common law and the civil law systems may re-emerge. These differences are merely superficial ²⁴; the attitude of the collectors in the countries with a tradition of common law, in general, considers that they are custodians of works of art, whose

¹⁶ Fischer, Cornelia. *Supra* note 3 p. 29

¹⁷ Fischer, Cornelia. *Supra* note 3. p. 32

¹⁸ Moustaira, Elina. *Supra* note 2 p. 50

¹⁹ https://www.nationalgalleries.org/media/_file/press_releases/Sir_Denis_Mahon_collection_press_release.pdf

²⁰ Moustaira, Elina. *Supra* note 2 p. 53

²¹ Anderson, John. *Art held Hostage. The Battle over the Barnes Collection*. W.W. Norton and Company. New York. London. United States of America. 2013. p. 85

²² Moustaira, Elina. *Supra* note 2 p. 21

²³ Moustaira, Elina. *Supra* note 2. p. 22

²⁴ Moustaira, Elina. *Supra* note 2 p. 22

obligation is clear – to preserve them for the benefit of future generations.²⁵ In this way, California²⁶ and Massachusetts,²⁷ in the United States, are two good examples. Both have clear provisions in their legislation that oblige the owners to preserve the cultural objects in their collections for the benefit of the public.

24. Some scholars have suggested that the best way to proceed is exploring the notion of stewardship and that of cultural custody.²⁸ The model should be that of the responsible collector who does not destroy nor conceal his treasures, this under the model of the trustee. Collectors have long embraced the idea that owners of cultural treasures are only temporary custodians. They realize that the conservation of objects that make up private collections requires a high level of expertise, that which could well be provided by public museums. This could additionally ensure an important synergy between private and public collections in institutions that house cultural objects of previous generations.²⁹

25. This analysis avoids the discussion of moral right or *droit moral* being regulated in copyright legislation. It is worth mentioning that the difference in this aspect between common law and civil law systems is more conceptual than pragmatic, especially if one considers the voices and opinions of leading scholars on the matter. The same reasoning is also valid for Resale Royalties, Resale Rights or *Droit de Suite*.

26. One of the touchiest issues relates to the collection of archaeological goods. The legislation of the countries of origin is highly restrictive of the exportation of cultural objects, especially archaeological ones. To this effect, the mechanisms they have created in their legislations are those of inalienability, imprescriptibility and indefeasibility. Although in the countries of destination these elements are not easily recognisable, no less certain is the fact they present serious problems, especially with the bequests that prohibit the deaccessioning of the objects housed there. This is the case in the Barnes Collection, in the United States and the collection of Sir Dennis Mahon, in the United Kingdom. The latter deserves a special mention, not only for Mahon prohibiting the sale of any of the objects in his collection, but also for the passing of the *Charities Act of 2006*.³⁰ The act prohibits the institutions from removing access to these cultural objects, thus national collections and university collections were classified as charitable institutions.³¹

27. The interrelation between private collections and public museums is always governed by private law, as is the case with German law.³² The links between the museums and the collectors are and must continue to be under private law.³³ These relationships have demonstrated enormous versatility.³⁴ It is sufficient to mention only a few cases that have transcended national borders, such

²⁵ Moustaira, Elina. *Supra* note 2 p. 22

²⁶ The Californian Legislature declared and found in Section 989 of its Civil Code in Section 989 that there is a public interest in preserving the integrity of cultural and artistic creations. In <http://leginfo.ca.gov/cgi-bin/displaycode?section=civ&group=00001-01000&file=980-989>

²⁷ Section 85S Chapter 231 of the General Laws states that the general court hereby finds and declares that the physical alteration or destruction of fine art, which is an expression of the artist's personality, is detrimental to the artist's reputation, and artists therefore have an interest in protecting their works of fine art against such alteration or destruction; and that there is also a public interest in preserving the integrity of cultural and artistic creations. In <https://malegislature.gov/Laws/GeneralLaws/PartIII/TitleII/Chapter231/Section85S>

²⁸ Sax, Joseph. L. *Playing darts with a Rembrandt: Public and Private Rights in Cultural Treasures*. University of Michigan Press. Ann Arbor. 1999. United States of America.

²⁹ Merryman, John Henry. *Supra* note 4

³⁰ <http://www.legislation.gov.uk/ukpga/2006/50/contents>

³¹ Moustaira, Elina. *Supra* note 2 p. 90

³² Moustaira, Elina. *Supra* note 2 p. 50.

³³ Moustaira, Elina. *Supra* note 2. p. 49

³⁴ Fischer, Cornelia. *Supra* note 3 p. 39

as the Thyssen Bornemisza collection in Madrid³⁵ or the equally interesting Beyeler Museum, in Basel, created by the Swiss artist Ernst Beyeler.

iv. The Public Access.

28. One of the most controversial aspects in our time is the public access to private collections. A consensus exists that it was in the Renaissance that the first collections started, especially because of the nobleness and absolutist sovereignty. The accumulation of artwork quickly transformed into to a suitable means of demonstrating power. In every aristocratic residence deserving this name, was a collection.³⁶ The aristocracy therefore assumed a function of patronage, and this link between nobleness and the artist has survived for a long time.

29. However, the French Revolution of 1789 greatly altered the significance of art and culture. The postulation of individual freedom led to a liberal conception of the State. A great number of the royal palaces, amongst them the Louvre, were converted into public art museums. It is in this era in where royal heritage, nobleness and clergy were given a new significance.³⁷ The growing weakness of the aristocracy and the clergy allowed many individuals to gain direct benefits and form collections of great importance. Included in these are the Wallraf, Hübsch, Lysversberg and Boisserée collections.³⁸ Even the narrative of the visual arts mutated; it went from depicting aristocratic themes to ones informing about human progress.

30. Another of the many consequences was the new social function of the museums and their conception in the organization of the State. This was the outset for the assuming of cultural responsibility on the part of the State, not only in France but also in a large part of Europe. In Europe arose the notion of the Cultural State.

31. The creation of the British Museum in 1753 and the Louvre was followed by many others. In Munich, between 1816 and 1830 they constructed the Glyptoteca, and in Berlin, between 1824 and 1828, they constructed the Ancient Museum, as well as the New Museum (1843 – 1855). The common ground shared in the different conceptions of the museums, was the educational function served by exhibiting art works and relevant cultural objects, something that continues to this day.

32. The access of the public to private collections is on the current cultural agenda.³⁹ Public museums offer a highly significant space to private collections. The social perception of the connection of private and public collections varies enormously.⁴⁰ On the one hand, it assures public access to private collections, something that helps to overcome some inconsistencies in the legislation in where it is determined if some of the privately owned objects form part of the national heritage and simultaneously whether their exportation is impeded.⁴¹ There is, nonetheless, some reluctance; although the exhibiting of private collections in public museums allows for the possibility of public access to art works that had previously been out of their reach, exposure to contemporary art could influence the art market, with substantial economic benefits for the collectors.⁴²

33. In this form, the collection belonging to the German Hans Grothe, exhibited in the Duisburg Museum, is important. Some time after the exhibition, he sold various works with a considerable

³⁵ Boletín Oficial del Estado No. 224. III Section. P. 72006; véase también http://www.boe.es/diario_boe/txt.php?id=BOE-A-1993-15901

³⁶ Fischer, Cornelia, *Supra* note 3 p. 23

³⁷ Fischer, Cornelia. *Supra* note 3 p. 23

³⁸ Fischer, Cornelia, *Supra* note 3. p. 24

³⁹ Moustaira, Elina. *Supra* note 2. p. 7

⁴⁰ Moustaira, Elina. *Supra* note 2 p. 49

⁴¹ Moustaira, Elina. *Supra* note 2 p. 51

⁴² Moustaira, Elina. *Supra* note 2 p. 49

profit. This collection ended up being sold to Sylvia and Ulrich Ströher.⁴³ Displayed in the Bonn Art Museum, it was removed because the museum could not comply with the requirements of the new owners. The case of the Lauffs family is also a clear example of a direct benefit of artworks now with the predicate “exhibitionally correct”. The profits made from the sale in Sotheby’s auction house and in galleries were substantial.

34. This calls into the question the patronage of the private art collectors and settles the museums in direct competition with art galleries and auction houses,⁴⁴ with the specific difference that they benefit from the museum authority.

35. Notwithstanding these arguments, there is also another reason to promote the exhibition of private collections. That is to say, the presentation of new artists that were unknown to museums and society. In many occasions, private collections specialise in topics that are outside of the focus of the museums.

IV. Conclusion.

36. A cultural system is a social construction in which different protagonists converge on a paradigm, one that consists of a series of principles and attitudes that shape the form in which the protagonists think and act. Two contrary paradigms are easily distinguishable, and in this case, the intervention of the State proves decisive. One of these paradigms finds its roots in collective and individual responsibility. Here social structure is horizontal and power is dispersed amongst the different advocates. In the other paradigm, power is irremediably hierarchical and concentrated within the government. It is fully dependent on public funds. These paradigms, however, seldom exist in a completely pure form. Most of them can be characterized either as publicly oriented with private variations or as fundamentally private with public variations.⁴⁵ In these cultural systems is important to find common ground in order to elaborate uniform rules that would give certainty to private art collections.⁴⁶

37. One of the other controversies is the debate about the freedom of art that the State must guarantee and foster. The private link between public and private actors of law must be inserted in the constellation of this freedom.⁴⁷ The predicate “exhibitionally correct” is an important ingredient that must be considered in the links between public museums and private collections, dominated by private law, but which are highly complex.⁴⁸

38. Paraphrasing Victor Hugo (1802-1885) a French author, in his *Note sur la destruction des monuments*, it can be stated that there exist two aspects in a work of art: its use and its beauty. Its use appertains to the owner, but its beauty pertains to all of us.

⁴³ Fischer, Cornelia,. Supra note 3 p. 28

⁴⁴ Fischer, Cornelia,. Supra note 3 p. 196

⁴⁵ Moustaira, Elina. p. 16

⁴⁶ Merryman, John Henry. Supra note 4

⁴⁷ Bundestag’s Conclusions, December 15th. 2005. BT-Drucks. 16/96

⁴⁸ Fischer, Cornelia, Supra note 3 p. 199

ADDENDUM II – WORLD BANK SUGGESTIONS
Attachment to E-mail communication of 5 February 2016 ¹

TOPIC IDEAS FOR COLLABORATION
between the World Bank and UNIDROIT

1. The following are some topic ideas (in no particular order) for potential collaboration between UNIDROIT and the World Bank Group during UNIDROIT'S next triennial Work Programme 2017-2019:
2. The establishment of good practices for making the process for the cross-border enforcement of contracts more efficient and less lengthy. New principles could aim at reducing the number of actors and agencies (e.g. courts, Ministry of Justice, Ministry of Foreign Affairs, embassies) that need to be directly engaged during attempts to enforce contracts across borders, as well as the use of common templates and electronic request and response options. The good practices could apply irrespective of the civil or common law nature of a legal system.
3. In light of the massive infrastructure financing needs around the globe, project bonds have become increasingly popular. Project bonds generally rely on securitization-type structures. Nonetheless, and particularly in emerging markets, there is often an absence of adequate securitization-related legal frameworks. To this end, the establishment of a set of key principles that could form the basis of securitization laws, together with a commentary, would be enormously helpful.
4. The establishment of a set of good practice recommendations in respect of civil procedure codes, with the aim of increasing system efficiency, transparency and user access. Such recommendations would promote the utilization of good practices, especially those identified in the enforcing contracts indicator of Doing Business (i.e. processing timelines, electronic filing, small claims courts, etc.).
5. The use of "Big Data"/ "Alternative Data" and financial technology is a global phenomenon which has growing significance in the financial services context, with both benefits and risks for the data subjects of such services and new thinking around the legal and regulatory frameworks related to credit infrastructure. There is a need for a review / harmonization of international principles, standards and/or national laws and regulations on data protection, which should take into account the very specific volume, velocity, variety and characteristics of Big Data, as well as the need for the veracity, accuracy and quality of data. This would allow, on the one hand, businesses (be it financial sector providers or tech companies) to take advantage of this data and offer better services at a lower costs; and on the other hand, it would allow for more protection of data subjects' data/private information. In fact, these issues are particularly acute in the financial services context given that reliance on Big Data has the potential to affect credit eligibility, credit history and credit scores, as well as raising the potential for the mis-selling of financial services.
6. The topic of security interests is a major area where the World Bank Group may be able to collaborate with UNIDROIT. For example, we could strengthen collaboration on the fourth protocol to the Cape Town Convention on the financing of mining, agricultural and construction equipment, with particular emphasis on the collateral registry. Possible amendments to the Cape Town Convention

¹ These comments were received at a time in which the draft work programme (C.D. 95(13)) had already been prepared for circulation thus have not been reflected in the abovementioned document.

could involve adding provisions related to insolvency and the rights of secured creditors, in particular the rights of secured creditors to retrieve their security after the declaration of insolvency; due notice that should be provided to them; the insolvency administrator's obligation to protect the encumbered assets etc.

7. The World Bank Group has been very active in supporting reform in the field of security interests on intangible assets and the use of securities as collateral. Collaboration with UNIDROIT on this topic could involve exploring amendments to the 2009 Geneva Convention on the Use of Intermediated Securities in order to bring aspects of it in line with contemporary lending practices, while at the same time ensuring the protection of the investor public.

8. Contract farming is an area of great interest for the World Bank Group. In this field, possible collaboration could take the form of further developing supply chain financing and secured agricultural financing practices.

9. In view of the World Bank Group's close involvement in the adoption of the 2015 Model Law on Leasing, this particular area could serve as a great opportunity for collaboration. One particular action involves refining the commentary to the Model Law, as clients have indicated that they would welcome a more analytical and example-based commentary. Additionally, we might be able to undertake several joint actions in order to further promote the Model Law, such as: (a) translating it into several additional languages, other than English and French; (b) conducting seminars/regional workshops to promote the use of the Model Law in various jurisdictions; and (c) carrying out impact assessments of the jurisdictions that have adopted the Model Law. Regarding the substantive provisions of the Model Law, we could explore further aligning it with UNIDROIT's secured transactions initiatives and particularly collateral registries (for example, the priority of security interests under the Cape Town Convention).

10. In the field of contract law, a proposal for collaboration could be to review the 2010 Principles of International Commercial Contracts, to consider including provisions regarding the treatment of these contracts in insolvency proceedings, or the impact of insolvency proceedings on the rights of the parties, in particular with respect to early termination and set-off.

11. Within the theme of the harmonization of procedural rules (such as the Transnational Principles of Civil Procedure), UNIDROIT and the World Bank Group could collaborate in relation to insolvency proceedings, for example through the creation of a more specialized version of the principles that focuses on court conduct during the course of an insolvency case. An additional issue is out-of-court workouts. This initiative could take the form of "General Principles of Debt Restructuring" and would set out principles to facilitate debt restructurings between parties located in different jurisdictions (and who therefore cannot rely on out-of-court workout-related regulations issued by national authorities, such as central banks).

12. The preparation of basic principles and a commentary, or a model law, for the promotion and development of micro, small and medium enterprises (MSMEs) in national legal frameworks. Such principles would be particularly useful for emerging markets and could discuss issues such as: (a) definitions of MSMEs; (b) the establishment of an MSME agency and/or regulator; (c) the establishment of an MSME registry; (d) the establishment of MSME professional association or council; (e) details in relation to logistical incentives (such as access to training, land use, enhanced procurement assistance, tax benefits) and funding incentives available to MSMEs; (f) provision for a grievance mechanism.