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Item No. 3 on the agenda: Reports

(b) Report on the activities of the UNIDROIT Foundation

(prepared by the Secretariat)

<i>Summary</i>	<i>Update of the activities of the UNIDROIT Foundation</i>
<i>Action to be taken</i>	<i>The Governing Council is invited to take note of the activities of the UNIDROIT Foundation</i>

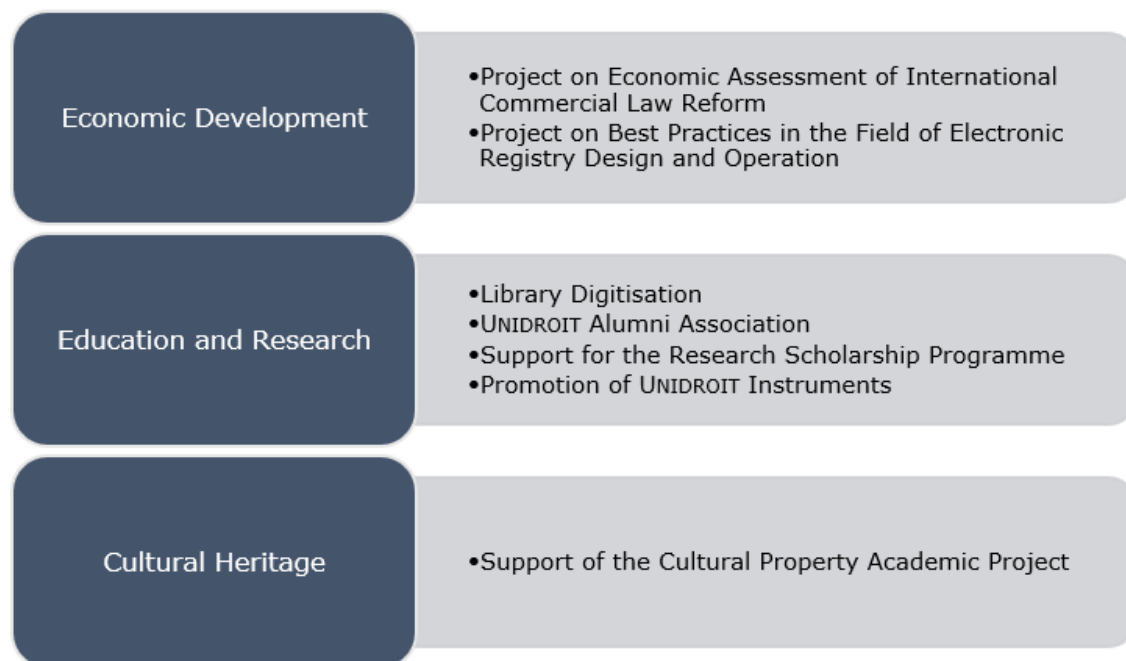
I. BACKGROUND

1. Established in 1996, the UNIDROIT Foundation (hereinafter referred to as 'the Foundation') is a Dutch not-for-profit organisation that supports UNIDROIT's mission by (i) promoting UNIDROIT instruments, (ii) facilitating complementary research, (iii) organising seminars and other educational programs, (iv) developing best practice information systems and other reference materials, and (v) fundraising. The Foundation's operations are centred on identifying projects, raising funds, and carrying out activities that are complementary to and supportive of the core work of UNIDROIT. The Foundation's website is available at <https://unidroitfoundation.org/>.

2. The Foundation is overseen by a Board of Governors, who are appointed consistent with the Foundation's Statute (see Annexe I for a list of the Board of Governors of the Foundation). The Board of Governors are assisted by members of the Secretariat (Mr William Brydie-Watson and Mr Hamza Hameed) in the execution of their duties, and are advised by two Senior Counsellors.

II. ACTIVITIES

3. The Foundation's activities are divided into three thematic categories: A. Economic Development; B. Education and Research; and C. Cultural Heritage. Work within these categories is delivered either through specific projects, or promotional activities. A summary of the Foundation's ongoing activities is as follows:



A. Economic Development

4. The Foundation's work on Economic Development consists of two substantive projects conducted under the auspices of the [Cape Town Convention Academic Project \(CTCAP\)](#), which is a joint partnership between UNIDROIT and the University of Cambridge, with the Aviation Working Group (AWG) as the Founding Sponsor.

1. Best Practices in Electronic Registry Design and Operations

5. The Best Practices in Electronic Registry Design and Operations (hereinafter 'BPER') Project was started in 2015 as a partnership between the Foundation and Harris Manchester College's Commercial Law Centre at Oxford University.

6. The BPER project is a pioneering initiative on the international scene which identifies policy and technical best practices in the design and implementation of electronic registries. The project provides guidance to all parties creating, involved in, or using electronic registry systems, including in the e-business and e-commerce contexts.

7. The BPER project will present the guide on best practices for the design and operation of electronic collateral registries at a launch event to be held on the last day of the Governing Council's 100th session in September 2021. The guide has been prepared by Dr Marek Dubovec, Executive Director of the Kozolchyk National Law Center in consultation with the experts involved in the project which have met four times.

8. The BPER project group will meet for its fifth workshop on 28 September 2021. It is expected that the project will shift its focus to an examination of companies and land registries, with a focus on technology and modern developments in their design and operation.

2. Economic Assessment of International Commercial Law Reform

9. The Economic Assessment of International Commercial Law Reform project (hereinafter 'EA project') was started in 2015 as a partnership between the Foundation and Harris Manchester College's Commercial Law Centre at Oxford University. It is an inter-disciplinary project with involvement from national governments, international organisations, the private sector, legal scholars, and economists.

10. The project has three objectives:

- a. To research, collect, and assess information relating to the production of economic benefits as a result of international commercial law reform (hereinafter ICLR);
- b. To develop guidelines for governmental economic impact and cost-benefit analysis of ICLR;
- c. To produce a framework on the economic assessment of ICLR, which would be a resource for those involved in initiating, working on, or considering becoming a party to an ICLR instrument.

$$\underline{\mathbf{EI}} = [(\underline{\mathbf{A}} + \underline{\mathbf{B}} + \underline{\mathbf{C}}) \times \underline{\mathbf{D}}] - \underline{\mathbf{E}}$$

WITH CONFIDENCE LEVEL FROM __ [INSERT 1-5]

Where –

- **EI** is economic impact
- **A** is the net, direct impact of the new rules, rather than those applicable in the absence of reform, applied ex ante or ex post
- **B** is the net, impact of the new rules as a network, that is, the existence of international rules, applied ex ante or ex post
- **C** is the net, systemic, including developmental, impact of the new rules, rather than those applicable in the absence of reform, applied ex ante or ex post
- **D** is the extent, measured from 1 to 0, that the new rules have been or will be effectively applied by courts and authorities
- **E** is the expected (ex ante) or actual (ex post) net cost of creating and transitioning to the new rules. E does not increase over time

*The analytic framework: -

- does not address the question of how the relevant impacts will be distributed
- does not address the non-quantifiable impacts of retaining or changing existing rules
- would be applied and compared with other law reform options which seek the same objective

11. Under this project, the Foundation collaborated with the MAC Working Group to support the production of an economic assessment of the MAC Protocol. The MAC Working Group provided the funding for the project and the Foundation administered the economic assessment. The final economic assessment was delivered in August 2018 and can be found at [this link](#).

12. Six workshops for the project have been held at the University of Oxford and UNIDROIT. Executive summaries for these can be accessed at the [Foundation's website](#). The seventh workshop for the EA Project will take place in the fourth quarter of 2021. The seventh workshop will focus on finalising the methodology involved in applying the variables of the Framework and further develop the Draft Guide to the Framework.

B. Education and Research

13. The Foundation's work on Education and Research comprises efforts towards supporting the UNIDROIT Library, UNIDROIT's Internship and Research Scholarship Programme, and Promoting UNIDROIT Instruments.

1. Supporting the UNIDROIT Research Scholarship Programme

14. Since its establishment, the Foundation has donated over €275,000 to UNIDROIT in support of the Research Scholarship and Internship Programme. This has largely been raised through the royalties received from the Official Commentaries to the Cape Town Convention and its Protocols by Sir Roy Goode, which he graciously donated to the Foundation.

15. In 2021 the Foundation has raised over €5,000 to support the UNIDROIT Research Scholarship and Internship Programme. This support includes the provision of funding for specialised internships:

- a. FELDENSMADRUGA-UNIDROIT Internship: Funded by the Brazilian law firm FELDENSMADRUGA, this internship will provide an opportunity to a Brazilian individual to conduct a three-month funded internship with the UNIDROIT Secretariat in Rome in 2021.
- b. UNIDROIT-UROLA International Commercial Law Internships: Funded by the Uniform Rule of Law Appeal through its CEO, Prof. Don Wallace, Jr, these internships will provide two individuals the opportunity to conduct short paid internships on commercial law issues with the UNIDROIT Secretariat in Rome in 2020-2021.
- c. UNIDROIT Alumni Association Grant: Through membership fees collected by the UNIDROIT Alumni Association (detailed below), one individual from a developing country will be awarded a grant to conduct a funded internship with the UNIDROIT Secretariat in Rome in 2021.

2. UNIDROIT Alumni Association

16. In 2020, the Foundation facilitated the launch of the UNIDROIT Alumni Association. The Association is a platform dedicated to the distinguished guests which have been welcomed to UNIDROIT as part of its research scholarship, internship, and independent research programmes since 1993. The Association provides alumni an opportunity to network on a global scale and keep up to date with UNIDROIT news and events from across the world. It is overseen by UNIDROIT (due to its close association with the Scholarship and Internship Programme) and managed by the Foundation. Mr Hamza Hameed is responsible for managing the Association.

17. Members of the association receive a range of benefits, including quarterly newsletters with updates on the activities of UNIDROIT, notifications about upcoming events and conferences organised by UNIDROIT and its partners in different parts of the world, and access to closed groups on Facebook and LinkedIn where they can exchange with other members of the Association as well as members of the UNIDROIT Secretariat. The annual membership fee for the Association is 50 Euros for lawyers, jurists, academics, and others, and 25 Euros for young professionals and students (under the age of 35). Proceeds from the Association go towards supporting the UNIDROIT Internship and Research Scholarship Programme to allow more young professionals and students from developing countries to undertake their legal research at UNIDROIT.

18. As of 23 June 2021, the Alumni Association has 130 members.

3. UNIDROIT COVID-19 Essay Competition

19. In 2020, as part of its mission to conduct activities which support the promotion of UNIDROIT instruments, and in the context of the COVID-19 crisis, the Foundation organised an essay competition inviting interested individuals to submit manuscripts in English between 2000-3000 words (excluding footnotes and references) examining the impact and usefulness of UNIDROIT instruments either during the COVID-19 pandemic, or in the post COVID-19 economy. The essay competition was sponsored by the international law firm Stibbe. The competition received over 80

contributions. The top five essays were presented at a webinar organised by UNIDROIT on 8 March 2021 and the winners were invited to submit their papers for consideration by the Uniform Law Review.

4. UNIDROIT Library Digitisation

20. The Foundation maintains an initiative to support the UNIDROIT Governing Council's decision taken at its 95th Session in 2016 to commence in-house digitisation of all copyright free material present in the UNIDROIT Library.

C. Cultural Heritage

21. The Foundation's Board has also expressed an interest in supporting UNIDROIT's work in the field of the protection of cultural heritage. The Foundation initially developed the website for the Academic Project related to the 1995 UNIDROIT Convention on Stolen or Illegally Exported Cultural Objects. The website is currently available at <http://1995unidroitcap.org/> and its content is now managed by UNIDROIT.

22. The Foundation intends to expand its support of UNIDROIT in this area in the future.

III. ACTION TO BE TAKEN

23. *The UNIDROIT Secretariat invites the Governing Council to take note of the activities of the UNIDROIT Foundation.*

ANNEXE I**Board of Governors of the Foundation:**

- Jeffrey Wool (*President*)
- Don Wallace, Jr. (*Vice-President*)
- Kurt Siehr (*Secretary*)
- Ignacio Tirado (*Treasurer*)
- Maria Chiara Malaguti
- Alban Caillemer du Ferrage
- Antonio De Palmas
- Louise Gullifer
- Marcello Gioscia
- Arthur Hartkamp
- Carla Sieburgh

Senior Counsellors to the Foundation:

- Michael Farley
- Marco Nicoli

Managers of the Foundation:

- William Brydie-Watson
- Hamza Hameed