



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

**EN**

**FINANCE COMMITTEE**  
**66<sup>th</sup> session**  
**Rome, September/October 2009**

UNIDROIT 2009  
A.G. Comm. Finances (66) 5 rev.  
Original: English/French  
October 2009

**Item No. 6 on the Agenda: Draft Budget for the financial year 2010**

(prepared by the UNIDROIT Secretariat)

<i>Summary</i>	<i>Explanation of the proposed expenditure and receipts under the draft Budget for 2010 and the proposed contributions of member States</i>
<i>Action to be taken</i>	<i>Formulation of opinion to be transmitted to the General Assembly at its 65<sup>th</sup> session (Rome, 2 December 2009)</i>
<i>Related documents</i>	<i>None</i>

(omissis)

**APPENDIX I**

**DRAFT BUDGET FOR 2010**

## RECEIPTS (in Euro)

	Budget 2009	Budget 2010
<b>Estimated balance on 1 January</b> <sup>1</sup>	80,000.00	<i>90,000.00</i>
<b>Chapter 1: Contributions of member States</b>		
Art. 1 (Italian Government) <sup>2</sup>	265,000.00	<i>197,000.00</i>
Art. 2 (Other member States) <sup>3</sup>	1,778,700.00	1,825,250.00
Extra-statutory contribution from United Kingdom <sup>4</sup>	65,450.00	56,500.00
<b>Chapter 2: Other receipts:</b>		
Art. 1 (Interest)	5,000.00	5,000.00
Art. 2 (Contributions to overhead expenses) <sup>5</sup>	12,000.00	<i>15,000.00</i>
Art. 3 (Sale of publications) <sup>6</sup>	49,700.00	<i>48,975.00</i>
<b>Chapter 3: Various receipts</b> <sup>7</sup>	30,000.00	30,000.00
<b>Total of receipts</b>	<b>2,285,850.00</b>	<b>2,267,725.00</b>

### EXPLANATORY NOTES TO THE DRAFT BUDGET- RECEIPTS

1. The balance that the Secretariat would anticipate being carried over from the financial year 2010 is predicated on the assumption of the Institute making economies.
2. This receipt is an estimate of the Secretariat based on the contribution of the Italian Government in 2009.
3. The Secretariat has calculated this receipt on the basis of a unit of contribution amounting to € 2,450, identical to that of 2009. This receipt includes the contributions of two new member States, i.e. Indonesia and Saudi Arabia.
4. This receipt is based on an offer of extra-statutory contribution made by Ms Sandby-Thomas, member of the UNIDROIT Governing Council, on behalf of the Government of the United Kingdom (cf. § 5 and 16 of the document).
5. This receipt represents the contribution to overhead expenses made by the Office for Italy and San Marino of the International Labour Organization in return for use of certain services connected with the use of parts of its premises.
6. This receipt includes the sale of the Uniform Law Review as well as the sale of other publications of the Institute.
7. These receipts are contributions from private donors for some activities of the Institute, i.e. the databases.

**EXPENDITURE (in Euro)**

	<b>2009</b>	<b>2010</b>
<b>Chapter 1 – Reimbursement of expenses</b>		
Art. 1 (Governing Council and Permanent Committee) <sup>1</sup>	55,000.00	50,000.00
Art. 4 (Auditor)	3,500.00	3,500.00
Art. 5 (Committees of Experts) <sup>2</sup>	65,000.00	65,000.00
Art. 6 (Official journey of representatives and staff) <sup>3</sup>	28,000.00	28,000.00
<b>Total</b>	<b>151,500.00</b>	<b>146,500.00</b>
<b>Chapter 2 – Salaries and allowances</b>		
Art.1 (Salaries of Categories A, B and C staff and consultant) <sup>4</sup>	1,305,000.00	1,307,875.00
Art. 2 (Remuneration for occasional collaborators) <sup>5</sup>	20,000.00	20,000.00
<b>Total</b>	<b>1,325,000.00</b>	<b>1,327,875.00</b>
<b>Chapter 3 – Social security charges</b>		
Art. 1 (Insurance against disablement, old age and sickness) <sup>6</sup>	390,000.00	390,000.00
Art. 2 (Accidents' insurance) <sup>7</sup>	8,500.00	8,500.00
<b>Total</b>	<b>398,500.00</b>	<b>398,500.00</b>
<b>Chapter 4</b>		
<b>Compensation retired members of staff<sup>8</sup></b>	<b>2,500.00</b>	<b>2,500.00</b>
<b>Chapter 5</b>		
<b>Publications' printing costs<sup>9</sup></b>	<b>31,500.00</b>	<b>31,500.00</b>
<b>Chapter 6 – Administrative expenses</b>		
Art. 1 (Stationery)	21,000.00	21,000.00
Art. 2 (Telephone, fax and Internet) <sup>10</sup>	30,000.00	28,000.00
Art. 3 (Postage) <sup>11</sup>	25,000.00	25,000.00
Art. 4 (Entertainment and representation)	4,650.00	4,650.00
Art. 5 (Interpreters)	27,500.00	27,500.00
Art. 6 (Miscellaneous)	6,700.00	6,700.00
<b>Total</b>	<b>114,850.00</b>	<b>112,850.00</b>
<b>Chapter 7 – Maintenance costs</b>		
Art. 1 (Electricity) <sup>12</sup>	14,500.00	12,500.00
Art. 2 (Heating)	20,000.00	20,000.00
Art. 3 (Water)	7,000.00	7,000.00
Art. 4 (Insurance of premises)	11,500.00	11,500.00
Art. 5 (Office equipment) <sup>13</sup>	24,000.00	22,000.00
Art. 6 (Upkeep of building, local taxes) <sup>14</sup>	20,000.00	20,000.00
Art. 7 (Labour costs) <sup>15</sup>	27,000.00	27,000.00
<b>Total</b>	<b>124,000.00</b>	<b>120,000.00</b>
<b>Chapter 9 - Library</b>		
Art. 1 (Purchase of books) <sup>16</sup>	92,000.00	82,000.00
Art. 2 (Binding)	9,000.00	9,000.00
Art. 3 (Software)	22,000.00	22,000.00
<b>Total</b>	<b>123,000.00</b>	<b>113,000.00</b>
<b>Chapter 10</b>		
<b>Promotion of UNIDROIT instruments</b>	<b>5,000.00</b>	<b>5,000.00</b>
<b>Chapter 11</b>		
<b>Legal co-operation programme<sup>17</sup></b>	<b>10,000.00</b>	<b>10,000.00</b>
<b>Total ordinary expenditure</b>	<b>2,285,850.00</b>	<b>2,267,725.00</b>

**EXPLANATORY NOTES TO THE DRAFT BUDGET - EXPENDITURE**

1. This sum is designed to cover the travel and subsistence expenses incurred by the members of the Governing Council and of the Permanent Committee in their attendance of the sessions of those bodies, to be held in spring 2010. A slight reduction is predicated on the assumption that some members of the Council will generously take care of their own expenses, and that all the members of the Council will try to make efforts to reduce their travel expenses.
2. This sum is designed to cover the expenditure that will be incurred by the Institute in organising the meetings of the committees of experts and other meetings associated with the current projects of the Institute. The Secretariat wishes to note that it makes every effort to obtain external financing to cover part of these expenses, and that many meetings are hosted with either complete or partial funding of the organisers, be this the case of the member Governments that kindly host diplomatic conferences for negotiation of draft UNIDROIT Conventions, or of institutions that kindly host sessions of UNIDROIT working groups and committees designed to build broader consensus around the Institute's drafts. In 2010 the Secretariat has planned the 5<sup>th</sup> and final session of the Working Group for the preparation of a 3<sup>rd</sup> edition of the UNIDROIT Principles of International Commercial Contracts as well as the 4<sup>th</sup> (and hopefully final) session of the Committee of governmental experts for the preparation of a draft Protocol to the Convention on International Interests in Mobile Equipment on Matters specific to Space Assets. Other meetings will be organized according to the Work Programme 2009-2011.
3. This sum is designed to cover the travel and subsistence expenses incurred by representatives of the Institute, members of staff and collaborators in connection with official travel on behalf of the Institute, in all cases other than those covered by Chapter 10 (Promotion of UNIDROIT instruments). These missions are accomplished for a number of purposes, whether to further awareness of the Institute's work in general and, where appropriate, to encourage accession to the Statute of the Institute, to attend meetings organised by the Institute's sister Organisations, the Hague Conference on Private International Law and the United Nations Commission on International Trade Law, or in respect of the Institute's ongoing work.
4. This Article covers the salaries and allowances of the Secretary-General, the two Deputy Secretaries-General, four full-time and one part-time professional members of staff, eight full-time and one part-time Category B administrative, secretarial and Library members of staff, three full-time Category C members of staff, as well as the salary of a consultant.

The salaries and allowances of Category A members of staff, pursuant to a decision taken by the General Assembly at its 36<sup>th</sup> session, held in Rome on 12 December 1983, follow the Salaries Scales of the Co-ordinated Organisations, albeit with increases being reduced by an amount equal to 20% and delayed in their application by six months, whereas the salaries and allowances of Categories B and C members of staff follow a scheme, involving amendment of Articles 41 and 67 of the Regulations, approved by the General Assembly at its 38<sup>th</sup> session, held in Rome on 28 November 1985. Under this scheme, the salaries and allowances of Categories B and C members of staff are closely modelled on the Salaries Scales of the Co-ordinated Organisations, albeit on a considerably reduced scale.
5. In recent years this Article has essentially covered the Secretariat's needs for external technical support, for the updating and maintenance of the Institute's stock of computers and software or for special collaborations in transcription of materials.
6. This Article covers the insurance of all Categories A, B and C members of staff against disablement, old age and sickness. With a few exceptions, all members of staff are insured for these purposes with the Italian social security system (I.N.P.S.).

7. This Article covers the insurance of all Categories A, B and C members of staff against accidents with a private Italian insurance company.
8. This Chapter covers the payments made to certain retired members of staff to cover the periods, in the past, during which they were not covered for social security purposes. As time goes on and the members of staff in question become fewer and fewer in number, it will be possible to reduce expenditure under this Chapter. Currently, it covers the payments made to only two retired members of staff.
9. This Chapter is designed to cover the cost of printing both the four issues of the *Uniform Law Review* that appear annually and of some official documents of the legislative instruments of the Institute. In 2010 the Secretariat envisages the publication of the Official Commentary to the Convention on substantive rules regarding intermediated securities and of the French versions of the Official Commentary to the Capetown Convention and the Aircraft Protocol (revised edition), of the Official Commentary to the Luxembourg Rail Protocol and of the Official Commentary to the Model Law on Leasing.
10. This Article includes the cost for telephone, fax and the Internet. The slight reduction takes in account the efforts made by the Secretariat on adopting systems capable of entailing savings, although the special needs of the Institute (reliability of the communications, recourse to public IPs for the Library catalogue, the website and the databases, as well as for some on-line services, like Westlaw) oblige it to select high level solutions.
11. This Article covers expenditure for posting the Institute's correspondence and publications, including the publications sold by the Institute, which produce receipts. The Secretariat has entered an agreement with "Poste Italiane" which will permit important savings in the cost of posting the *Uniform Law Review*.
12. The small reduction in this Article is based on the adoption of a more efficient system of lighting in the headquarters of the Institute, in particular in the Library.
13. The Secretariat considers that in 2010 it is possible to envisage a small reduction in the expenses included in this Article.
14. This Article covers also the local taxes, which the Institute is held to pay since the headquarters agreement only exempts the Institute from national taxes.
15. This Article covers the cost of the two cleaners and the company which occasionally looks after the garden. None of these are members of staff: they are all outside contractors.
16. This Chapter covers the cost of acquisitions for the Library's stock of books and the maintenance of its subscriptions to law journals, as well as the cost of binding. The Secretariat is currently seeking to obtain private donations aimed at compensating the reduction in Article 1 of this Chapter. It has to be added that the publication of the *Uniform Law Review* permits the Library to count on exchanges (170 publications) and on complimentary copies sent by the publisher and/or the author wishing to see a book-review published in the *Review*, and that the Library has received gifts from private donors.
17. This Chapter covers the cost of the Institute's contribution to its scholarships programme for lawyers from developing countries and countries engaged in the transition to a market economy. Some other scholarships are provided by special contributions of member States or of private donors.