REPORT
(prepared by the UNIDROIT Secretariat)

Introduction

1. The 75th session of the Finance Committee was held at the seat of UNIDROIT in Rome on 3 April 2014. The session was opened at 10.27 a.m. by the Chair of the Committee, Mr Wu Cong, representative of the People's Republic of China, who welcomed the members of the Committee and thanked them for their presence (for a complete list of participants, see the Appendix 1).

Item No. 1 on the agenda: Adoption of the agenda (F.C. (75) 1)

2. The agenda was adopted as proposed in document F.C. (75) 1.

Item No. 2 on the agenda: Draft Budget for 2015 – First estimates (F.C. (75) 2)

3. The Secretary-General introduced the Draft Budget for the 2015 financial year – first estimates (F.C. (75) 2). He indicated that the draft Budget contemplated nearly the same amount of income and expenditure as that of the previous year, with a slight decrease of € 794 in the expenditure budgeted for. Page 3 of the document indicated how the expected receipts: the largest item of receipts was represented by the contributions of the member States; a modest income was expected from bank interest: the organisation was not in a position to make long-term investments, given the nature of the activities of the organisation, and, at a low interest rate currently applied in the Euro zone, it had been agreed to keep investments at a realistic level for a couple of years: 25% interest rate on a checking account in the Eurozone could not be expected to yield more. Contributions for over-head expenses: this was the contribution of the International Labour Organization (ILO) for the use of their office in Villa Aldobrandini. It was a relatively stable figure which was calculated on the basis of their share of the palace. Sales of publications: earlier years had seen higher figures: the lower figure reflected the fact that the production of the Uniform Law Review had been out-sourced, the figure no longer showing the full sales of the Review. By out-sourcing the production of the Review, the organisation did not carry the full cost of the production of the Review, which had been taken over by the Oxford University Press (OUP). As regards publications produced under the copyright of experts (the Official Commentaries on the Cape Town Convention and Protocols and on the Geneva Securities Convention), in the first case the royalties were donated by the author to the Foundation, which then donated the royalties and any other income to the Institute. To record these sums as income of the Institute would be
incorrect, as they were donations. At the end of the year the documents to the General Assembly listed the voluntary contributions received by the organisation, including these donations which were used to fund the Scholarships Programme and other activities for which the regular budget did not provide.

4. The representative of Canada asked the Secretary-General for more information on the meetings envisaged for 2015, considering also the budget estimated therefore.

5. The Secretary-General drew the attention of the Committee to page 4 of document F.C.(75) 2, which contained a table of expenditure. Examining the different Chapters listed, it could be seen that no increase in expenditure was contemplated for Chapter 1 (Committees of experts). As regarded the € 88,000 under Article 4 of Chapter 1, it would be allocated to the convening of meetings under the Work Programme, as well as to the convening of meetings to promote the instruments adopted by the organisation. Thus, in 2014, in addition to the meetings of the Working Group developing a Legal Guide on Contract Farming, and to an anticipated meeting for discussions on a proposed Fourth Protocol to the Cape Town Convention on matters specific to agricultural, mining and construction equipment ("MAC" Protocol), in conjunction with the Governing Council session a symposium was being convened to celebrate twenty years of the Principles of International Commercial Contracts. By itself, that symposium would absorb a quarter of the whole budget available for 2014. For 2015 a similar meeting was being planned for the twentieth anniversary of the adoption of the Convention on Stolen or Illegally Exported Cultural Objects, which was one of the most important instruments developed by UNIDROIT in an area which was currently receiving a high degree of political attention by reason, firstly, of the recent reform of the EU Directive on the restitution of cultural objects, which to a large extent was based on the UNIDROIT Convention, secondly, of the discussions within UNESCO in the ambit of the Committee of States parties to the 1970 UNESCO Convention on the protection of cultural property, with was the public law pendant to the UNIDROIT private law Convention. The two Conventions went together and were promoted by both organisations together. In this connection UNIDROIT was planning at least two meetings of significant size to celebrate the two conventions. Again, this would absorb about 25% of the amount budgeted. Depending on the evolution of the work on the MAC Protocol, there would be one or two meetings of a Study Group: Study Groups were Groups of Experts convened by the Secretariat, which covered their travel and hotel expenses. For a meeting of ten to fifteen experts from different parts of the world, a cost of at least € 20,000 was estimated. This corresponded to what a Committee of Governmental Experts would normally cost the organisation: even if the organisation did not pay for the travel of delegates as that was paid by their Governments, a bigger meeting must be held at the Food and Agriculture Organization of the Unites Nations (FAO) for logistic reasons and FAO charged about € 20,000 per week. It was not anticipated that a Committee of Governmental Experts would be held on the MAC Protocol already in 2015. If two meetings of a Study Group were held, the cost would be € 40,000 on the MAC Protocol alone. Another € 20,000 would be allocated to meetings related to the Cultural Property Convention. There remained € 28,000 to allocate to two other projects, one being a project conducted in conjunction with the European Law Institute on the development of model rules of civil procedure for Europe which would implement the ALI/UNIDROIT Principles of Transnational Civil Procedure. The remainder would be allocated to the organising of any meeting of the Committee on emerging markets established by the diplomatic Conference held in Geneva in 2009 which was developing a legislative guide for rules enhancing trading in securities in emerging markets under the Geneva Convention.

6. Turning to the other items of expenditure of the draft Budget, the Secretary-General indicated that no increase was proposed for Article 1 of Chapter 1: the exact figure for the Governing Council was always seen in the Accounts at the end of the year, as it depended on where the members of the Governing Council came from. The Governing Council elected in
December 2013 remained a Council with a majority of European members, so no dramatic changes in terms of cost was to be expected for 2015. No increase was expected for the other items of that Chapter. For Chapter 2 (Salaries and allowances) a decrease was expected under Article 1 (Salaries of Categories A, B and C staff and consultant), which was mainly due to the anticipated level of the two new staff members currently being recruited for the two positions currently open. It was anticipated that the new staff members would be recruited at a lower level than that reached by the staff members that had left – this was the policy of the organisation when a staff member retired at a high level, in which case recruitment to replace that staff member was at a lower level than the staff member who had retired. No change was expected for Article 2 (Remuneration of occasional collaborators). Article 3 (Tax reimbursement) was an item that had been introduced to cover the case of a citizen of the United States of America being hired, as that person would be liable to pay income tax in the USA. As regarded Chapter 3 (Social security charges), even if lower expenditure was expected for the Salaries, a slightly higher sum was expected for social security charges, because the staff member who had left had had separate pension and health insurance policies, at a cost lower than the pension and health scheme that covered most other UNIDROIT staff members. The other articles under this Chapter would not have any increases. The same applied to the Administrative Expenses (Chapter 4). In this case the organisation benefited from the fact that the items were nearly all supplies sold by commercial suppliers and inflation has been low in Europe in recent years. Furthermore, the competition between suppliers had made it possible to keep the allocation for office supplies, printing, etc. low. Therefore no increases were proposed. It was instead necessary to propose increases in Chapter 5 (Maintenance costs), specifically in Article 1 (Electricity), Article 2 (Heating) and Article 6 (Upkeep of the building and public services). In past years, in particular for the first two items, the Institute had consistently been asked to pay additional sums to cover actual consumption, so now the figures reflected the actual amounts spent. No changes were proposed for the Library (Chapter 6). All in all, the Budget was within the limits of 2014.

7. The Chair thanked the Secretariat for its efforts in reducing costs and keeping them low.

8. The representatives of Canada and France expressed the appreciation of their Governments for the efforts of the Secretariat to contain costs and to keep the Budget at the level of the 2014 Budget.

9. The representative of Japan expressed the hope that the efforts to cut expenditure would continue also in coming years.

10. Summarising the discussion, the Chair stated that the Committee thanked the Secretariat for preparing the Budget and thanked the members of the Committee for their comments.

**Item No. 3 on the agenda: First review of the Accounts of the financial year 2013 (F.C. (75) 3)**

11. The Secretary-General informed the Committee that the financial year of the Institute closed on 28 February. Thus, in the past, as the Finance Committee met in late March or early April, it had found itself looking into the figures for the Budget of the following year without knowing what the financial performance for the year before had been. An effort was therefore made to make the Accounts available for the first meeting of the Finance Committee, so that it would have a more realistic view of the financial situation. Overall the Accounts for the year 2013 showed that slightly less than anticipated had been spent. The amount not spent was not as significant as the savings in 2012, when the savings had been € 75,000. The high savings in 2012 had been due to staff movements: the Deputy Secretary-General had been recruited that year, and as it had been possible to find excellent talent in Italy to fill that position, the high expenditure budgeted for
(someone with children and expatriation allowance) had not been necessary. The savings in 2012 had been carried over to the Budget of 2013. As decided by the Finance Committee, this amount had been kept at the disposal of the Secretariat for 2014. The overall amount available to the Secretariat (€ 89,390.42) was indicated on page 10 of the Accounts. This sum was the total surplus of two consecutive financial years. He drew the attention of the Finance Committee to the Auditor’s report for the year 2013, which showed that the Institute had a full Working Capital Fund as it had not been necessary to draw from that fund in 2013, and also because of the success attained in retrieving arrears in member States’ contributions. He drew attention to the table of contributions which showed that there were very few countries that still owed the Institute any arrears. Moving to receipts, the summary of the receipts showed that the only case in which they had been less than anticipated was for the sale of publications. Otherwise receipts matched any unexpected shortfall. The tables on pages 5 to 9 gave the details and showed that in most Articles of the Budget the expenditure was slightly lower than anticipated, On two items – Reimbursement of the expenses of the Governing Council and Salaries and allowances - savings were slightly higher, in the case of the Governing Council because of cancellation of travel and in the case of the salaries because a staff member had left before the end of the year. This meant that the year closed with the credit indicated on page 10, i.e. € 14,180.02, which, added to the cash balance at the beginning of the year (i.e. € 75,210.40), led to the overall amount of € 89,390.42.

12. The Secretary-General illustrated how the Secretariat proposed to use the surplus of € 89,390.40. He referred to paragraph 2 of document F.C.(75) 3, which referred to the 74th session of the Finance Committee in which the Secretary-General had been authorised to use any surplus balance carried over from the 2012 financial year which might be shown at the closing of the 2013 Accounts to cover certain expenditure. He had been asked to report to the Committee on any expenditure made in accordance with such authorisation. The first expenditure related to the cost of hiring an expert to review the compensation package offered by UNIDROIT. The Institute had a fairly cumbersome, and in the view of every expert he had spoken with contradictory and not particularly clear, system of remuneration which had resulted from a partial combination of one international system with an ad hoc system, with the consequence that the organisation had a general service staff with a salary scale inspired by the OECD/NATO salary scale without being identical with it and provided for half the steps in the OECD scale, subject to the UNIDROIT Regulations which provided for 3% yearly increases. As regarded the professional staff, in principle the remuneration scale of the Co-ordinated Organisations (OECD) was adopted; however, for more than thirty years it had been the practice in UNIDROIT to use a prerogative of the General Assembly provided for by the Regulations, i.e. to deduct 20% of any yearly increase in salaries approved by the OECD. The consequence was that over time, the salaries had been eroded. When there was long-serving staff that had reached the peak of their step and were being paid X, and it was necessary to hire someone new, that person might be hired at a level that was formally lower than the level of the longer-serving staff member, but had a higher salary. As long as no one was moving or retiring, this was not a problem, but when it was necessary to fill positions, the organisation found itself in this rather perplexing situation. This was only one of the discrepancies. There was also the question of the overall cost of the system, etc. The Finance Committee had asked him to try to keep the cost of any such study as low as possible. Quotes from three experts had been sought, and the lowest had been a pro bono offer, with only travel expenses covered. A first draft had been received and the expert had been asked a number of questions. That report was not before the Committee, but even if it proved necessary to cover more travel expenses, in the end the study would have cost less than € 3,000. Before the Committee was a study produced by the International Service on Remunerations and Pensions of the Co-ordinated organisations on the possibility of establishing an alternative new pension system in UNIDROIT. They had produced the study at a cost of € 6,000. The overall expenditure on that item would thus be less than € 10,000. Left to spend were roughly € 79,000 and what the Secretariat would propose, was to use that sum not to cover any running expenses, not to cover any project, but to use it to cover
expenditure for matters that had long been neglected and for which there normally was not a special item in the Budget, i.e. the refurbishing of some of the office space, the up-grading of computer and other equipment, the up-grading of telecommunications equipment, the installing of air conditioning in some offices of the palace, and the dealing with the problems of the heating and temperature control equipment in the large meeting room in the library which had proved to be more problematic than expected. It was further necessary to change the switchboard which dated back to the 1980’s. For the air conditioning an expenditure of between € 25,000 and € 30,000 might be expected. The remainder would be proposed as expenditure for other similar items. Furthermore, some office equipment was very old and did not meet current standards and should be replaced. No structural changes or repairs to the building would be undertaken, as this came under the remit of the host country. If the Committee authorised the Secretariat to proceed as he had indicated, it would receive a full report on how the funds had been used at its next session.

13. The representative of Austria thanked the Secretary-General for the detailed report on the need for repair and changes. Austria supported the proposed action, which of course had to stay within the limits of the budgetary surplus. Staying within this limit would allow only what was really necessary. What the Secretary-General had mentioned as to air conditioning in the Roman heat, the switchboard and the furniture were all very important items.

14. The representative of Brazil supported the comments made by the representative of Austria.

15. The representative of Canada asked for confirmation as to what the Secretariat was requesting: was authorisation for the expenditure indicated by the Secretary-General being asked for here and now, the expenses being examined by the Committee once made, at its next session, or were the members of the Committee being asked to return to their capitals to consider the expenditure which would then be authorised at the next session of the Committee?

16. The Secretary-General referred to Article 38(4) of the Regulations as adopted in 2012, which read:

"4. – If the accounts show, at the close of the financial year, any residual balance made up of the difference between revenue on the one hand, and expenditure and liabilities on the other hand, the Secretary-General may propose to the Finance Committee:

(a) to use the surplus for any purpose other than the original allocation, in particular when the surplus results from the recovery of arrears owed to the Institute by member Governments, or from savings made or other economy gains achieved by the Secretariat;

(b) to record the surplus as revenue in the next financial year, thus reducing assessed contributions of member Governments, in particular when the surplus resulted from an overestimation of expenditure. “

The provision referred to the use of the surplus for any purpose other than the original allocation, and the reading of the Secretariat was that the Finance Committee would be invited to approve in principle the type of expenditure for which the surplus would be used, which was non-recurrent, non-project related and non-salary-related expenditure, but not to review and approve each procurement decision. The report would then indicate the expenditure that had been made, and the process for incurring the expenditure. It had for example been the practice of the Secretariat get at least three cost estimates for any expenditure in excess of € 10,000. In the case of an off-the-shelf purchase there would be a notice inviting procurement proposals only for expenditure in excess of € 50,000. Here, there was not a single item that would fulfil this requirement.

17. The representative of Switzerland agreed that it made more sense to talk of the type of expenditure or of how to use the surplus. He pointed out that the various Reserve Funds did not contain many funds, a fact he had noticed already in the 2013 Budget. Would it make sense to put some of the surplus funds into a Reserve Fund for the future, for less favourable situations? Or did the Secretary-General prefer the Finance Committee to keep those Funds empty as at present?
18. The Secretary-General stated that it was an interesting question, but one which would require some thinking. The UNIDROIT Regulations contemplated only one fund, the Working Capital Fund, they did not contemplate a Reserve Fund. Personally he would think that it would be wise for an organisation to cover expenditure for normal wear and tear of equipment, for which the organisation must be prepared to incur expenditure. He stated that if the Finance Committee in principle authorised the Secretariat to use the surplus for the type of expenditure indicated, he did not expect much to be left at the end, because a figure such as the one available was quickly spent. That said, perhaps a Fund could be constituted in the future.

19. The Finance Committee took note of the Accounts of the financial year 2013 and authorised the Secretariat to use the surplus as indicated by the Secretary-General for urgent repairs to UNIDROIT premises, air conditioning and switchboard, as well as to replace old office furniture and equipment.

**Item No. 4 on the agenda: Review of the compensation and social security package offered to UNIDROIT staff (F.C. (75) 4)**

20. Before giving the floor to the Secretary-General, the Chair recalled the history of this agenda item. The idea to review the compensation package offered by UNIDROIT, including salaries, health insurance and pensions, had been raised at an informal meeting of the Finance Committee in June 2013. It had been supported by members at the 74th session of the Finance Committee on 26 September 2013. They were very pleased to have the report distributed with respect to the proposed pension insurance scheme, which was just one of the reports as it focussed specifically on the pension scheme. Subsequently there would be a report on the salary scheme.

21. The Secretary-General recalled that the report referred to was document F.C.(75) 4, which was one half of the issue, i.e. the social security, the other issue was the compensation package and the two went together, it was hard to look at one without looking at the other. For the compensation package experts had been identified in late 2013, and he had had discussions with the expert selected in January. He had recently received a first draft on which he had had a number of questions that he had asked the expert to clarify, so the document had not been distributed to the Committee at this meeting. He suggested that it would make sense for the Finance Committee to consider the two documents together, when the second one became available. Basically, the issue was how to have a salary scale that was (a) comparable to others - was too much or too little being paid, did the Institute pay well or did it not pay well, were the salaries competitive. What applied at present was not comparable anymore to any other system for the reasons he had already explained. The salary scale had to be comparable, but it also had to be (b) economically and financially reasonable, something that would not entail requests for additional funding from member States. The third aspect was that it had to be something that was simple to manage: UNIDROIT was too small an organisation for a cumbersome system and unlike the United Nations it was not possible for it to have an entire division dealing only with the pay role, or hundreds of personnel officers only deciding on the placement of people. The expert had come up with a number of options and the implications of some had to be clarified with the expert. The options ranging from simply taking over one or other system to developing a completely separate system for UNIDROIT, or even mixing elements of two systems into a UNIDROIT-specific system. Most of the international organisations in Rome followed the United Nations system as they were part of the UN, but others, which were not part of the UN, had their own system, for example the International Development Law Organisation (IDLO). Turning to the document before the Committee, he stated that it had been prepared by the International Service for Remunerations and Pensions of the Co-ordinated Organisations (ISRP), which was the body that provided this type of service for all the co-ordinated organisations. The reason UNIDROIT did not have a system of its own was that when it had decided to take over the OECD salaries the OECD did not have a pension system. At the time UNIDROIT had decided not to follow the UN pay and pension system and had
joined the Italian system for most of its staff members instead, the exception being those that did not follow the Italian system, with the consequence that staff members followed completely different social security systems, some being able to retire under better conditions than others. Perhaps there was no solution for this, but the study prepared suggested one possible avenue, which would not have an immediate impact, it was something that could only be implemented slowly and for the future, for future staff members. For staff members that had twenty or so years of contributions paid into the Italian system, either the member States gave them the money to buy them out of the Italian system, which he supposed member States would not be prepared to do, or they got the Italian system to transfer their contributions into another system, which he supposed to be equally unlikely. He would therefore have to accept that the staff members’ acquired rights would have to be preserved and they would stay in their system or they would risk losing the contributions they had paid. Any new system would have to be for new staff, but eventually, in time, everyone would be under the same system. Member States might ask why this was being looked at now, if there was no urgency, and his reply would be that there certainly was no urgency, and there certainly was no personal interest of anyone involved, but like all questions of no urgency they tended to be neglected and at a certain point it was necessary to start looking at them. In the past five years he had had difficulties retaining three staff members who had left because of the difficulty of finding proper social security coverage for them. It was particularly an issue for non-Europeans. For European staff members the situation was relatively less complicated because if they enrolled in the Italian system they would benefit from the bilateral transfer agreements between the Italian system and the other European systems. That was not available for every single country of the world, which made it more difficult for some to join the system. Also, unlike some of the features of the proposal before them, under the system currently in place to acquire a right to any benefit a staff member had to pay at least twenty years of contributions. That meant that if someone joined UNIDROIT for a particular project, or for five year, and then left, unless that person was going to a country that had a transfer agreement with Italy, those five years of contribution would be lost, because even if the person turned 67, he/she would not be able to get anything from the Italian State, not even a pro rata pension, because the minimum years of contribution were twenty. It might take some time for States to consider this question. He suggested that the Chair might wish to consider whether some form of informal discussion again on this question might be beneficial, rather than having an open full-fledged discussion.

22. The Chair asked the Secretary-General when he expected the report on the salary scheme to be complete.

23. The Secretary-General indicated that he expected the replies to his questions to come from the expert within a couple of weeks, so by May that report should be available and could be circulated informally.

24. The representative of France stated that France supported the putting in place of a system which was as close as possible to the system of the other co-ordinated organisations: the importance of having a coherent, clear and equitable system for all staff members could only be stressed. However, in the document by the ISRP, on one point only, which did not refer to the document as a whole, there was a problem. The ISRP invited the organisation to apply the NPS, the new pension scheme, which was a system that globally would not present any problems, if it were not for one particular aspect, i.e. that of the fiscal adjustment system, which in effect corresponded to a fiscal niche which provided for fiscal reimbursement by the host State of the organisation of 50% of the taxes paid by the persons retiring from the organisation. France was working on the Co-ordinating Committee on Remunerations (CCR), and also on the Councils of each of the organisations, to ensure that this system was adopted no more, as it had significant consequences for the public finances of some member States, inter alia France. Therefore, while supporting the initiative of examining this question, France invited UNIDROIT, in the context of the informal work which would be initiated and in which it would be happy to participate, to take inspiration from the third pension scheme of the Council of Europe which had been adopted very
recently and which permitted having a scheme that did not provide for this fiscal adjustment scheme.

25. The representative of Canada stated that Canada was in favour of finding a solution to the problems indicated by the Secretary-General and would be happy to participate in the discussions that would follow to arrive at a satisfactory solution.

26. The Chair suggested having an informal meeting to have more details on the two reports, as they were co-ordinated and had to be read together. He invited the Secretariat to fix a date and to send information to members.

27. The Secretary-General tentatively proposed 19 June. The meeting was called an "informal meeting" for two reasons, because then normally there be no interpretation service, the discussion would not be recorded and no report would be produced. If there was any interest of member States and it was considered indispensable to have interpretation, then that could be arranged. He suggested that at this stage it would be best if the meeting, with or without interpretation, could be just an open discussion and not one that would necessarily produce a formal report, because they were at a very early stage at it would probably not be necessary to have too much formality.

28. The Chair observed that usually in informal meetings a simplified procedure was followed. He asked the Secretary-General whether it would be possible to invite the two experts to make presentations.

29. The Secretary-General suggested that he would get in touch with both of the experts - the ISRP and the consultant who was writing on the salaries - so both could come to explain what they were suggesting and to answer questions.

30. The Chair concluded that the Finance Committee took note of the document prepared by the Secretariat and also of the comments and information provided by members.

Item No. 5 on the agenda: Any other business

31. The Chair of the Finance Committee drew the attention of the members to the Resolution made by the General Assembly at its 71st session by which the member States agreed to adopt a new classification of the member States in the Contributions Chart. The Finance Committee was mandated to review in 2014 the current methodology of classification of member States in the Contributions Chart. In conformity with the conclusion of the General Assembly meeting, he asked the members of the Finance Committee for their comments on this point.

32. The representative of Canada stated that the position of Canada regarding the finances in general, was that it was aiming for a freeze on increases in expenditure, even if it was necessary for the organisation to be able to continue to carry out its functions and to be well managed.

33. The Chair suggested that they open the procedure on these specific issues to the other members of the Committee, through informal consultations.

34. With no other business to conduct, the Chair closed the meeting at 13:33 pm.
APPENDIX 1

List of participants

Ms Gerda Vogl (Austria)
Mr João Paulo Tavares (Brazil)
Mr Marc-Antoine Dumas (Canada)
Mr Wu Cong (China)
Ms Amélie Duranton (France)
Mr Marco Acquaticci (Germany)
Mr Korosh Jafari (Iran)
Mr Fernando Pallini Oneto di San Lorenzo (Italy)
Ms Yukiko Constantinescu (Japan)
Mr Evgeny Egorov (Russian Federation)
Ms Lorea Arribalzaga (Spain)
Mr Marcus Rothén (Switzerland)

UNIDROIT Secretariat

Mr José Angelo Estrella Faria (Secretary-General)
Ms Anna Veneziano (Deputy Secretary-General)
APPENDIX 2

Comments submitted by the United States of America following the Meeting

Since I was unable to attend the discussion, the U.S. comment to the draft report is as follows.

"Regarding paragraph No. 21 in the draft report [paragraph 18 in the final report], the U.S. recognizes the importance of this issue and is ready for further discussion to find an appropriate solution and workable system. In general, reimbursement of tax on pensions is not a benefit that the U.S. supports. As such, the U.S. does not support a pension system that has a tax reimbursement component based on member state subsidization of benefits. Accordingly, we will work to find a solution that allows adoption of a pension scheme that relies on sound investments and appropriate levels of contribution by both the employee and the Institute in order to ensure adequate benefits upon retirement. Specifically, we would be very interested in learning about other small International Organizations who have pension schemes in place and the possibility of those systems serving as a model in the establishment of UNIDROIT’s pension scheme. The U.S. agrees with the documented French statement about the goal of having a “coherent, clear and equitable system for all staff members” and is specifically interested in learning more from the French delegation regarding the Council of Europe’s recently adopted pension scheme. Similarly, the U.S. would be happy to participate in an informal discussion upon issuance of the two reports.”