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REPORT
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<i>Summary</i>	<i>For the information of the Members of the General Assembly</i>
<i>Action to be taken</i>	<i>None</i>
<i>Related documents</i>	<i>None</i>

Contents

Item No. 1: Opening of the session by the Secretary-General and the Chair of the General Assembly 2020-2021	2
Item No. 2: Election of the Chair of the General Assembly 2021-2022	3
Item No. 3: Adoption of the agenda (A.G. (80) 1 rev.)	5
Item No. 4: Statement regarding the Organisation's activity in 2021 (A.G. (80) 2)	5
Item No. 5: Amendments to the Work Programme of the Organisation for the 2020-2022 triennium (A.G. (80) 3)	8
Item No. 6: Final modifications to the Budget and approval of the Accounts for the 2020 financial year (A.G. (80) 4)	9
Item No. 7: Adjustments to the Budget for the 2021 financial year (A.G. (80) 5)	10
Item No. 8: Arrears in contributions of Member States (A.G. (80) 6)	11
Item No. 9: Approval of the draft Budget for 2022 and observations submitted by Member States (A.G. (80) 7)	12
Item No. 10: Update on the compensation and pension scheme for UNIDROIT staff (A.G. (80) 8)	12
Item No. 11: Update on the implementation of whistle-blower and anti-retaliation policy (A.G. (80) 9)	13
Item No. 12: Any other business	13
APPENDIX I List of participants	14
APPENDIX II Annotated draft agenda	21

Item No. 1: Opening of the session by the Secretary-General and the Chair of the General Assembly 2020-2021

1. The 80th session of the General Assembly of the International Institute for the Unification of Private Law (UNIDROIT) was held in hybrid format on 9 December 2021 in Rome. A list of participants is included in Appendix I.

2. The *Secretary-General* welcomed all participants and proceeded to open the session. He then invited the *Chair of the General Assembly 2020-2021, Member of the UNIDROIT Governing Council Professor Jorge Sánchez Cordero Dávila (Mexico)* to take the floor.

3. The *Chair of the General Assembly 2020-2021* thanked the Secretary-General and welcomed the participants to the session. He invited Minister Plenipotentiary Stefano Zanini, Head of the Service for Legal Affairs, Diplomatic Disputes & International Agreements of the Ministry of Foreign Affairs and International Cooperation (Italy) to take the floor.

4. *Minister Plenipotentiary Stefano Zanini* thanked the Chair and presented a message from the Minister of Foreign Affairs and International Cooperation of Italy Luigi Di Maio. Honourable Luigi Di Maio expressed his gratitude to the President of UNIDROIT, Professor Maria Chiara Malaguti, for the invitation to address the General Assembly at its 80th session and congratulated her on the effective leadership of the Institute. He extended his appreciation to the Secretary-General, Professor Ignacio Tirado, and to all the staff of the Institute for their professionalism and dedication. Furthermore, in his message Honourable Luigi Di Maio recalled that, since its establishment almost a century ago, UNIDROIT had had a special relationship with Italy. Italy was particularly glad to host the Institute in the beautiful historical premises of Villa Aldobrandini, and its recent financial contribution to be devoted to the renovation of these premises confirmed Italy's continued commitment to supporting the Institute. He further noted that UNIDROIT had a solid track record in producing valuable tools for the modernisation and harmonisation of private law, especially commercial law. This was instrumental to ensuring legal certainty and creating a favourable environment for the promotion of trade, investment, and economic growth in an interconnected and digitalised world. Therefore, he saw UNIDROIT as an example of effective multilateralism, laying at the intersection between legal and economic diplomacy, two important drivers of Italy's foreign policy. Currently, the Italian Government was considering the possibility of adhering to some forward-looking instruments developed by the Institute, which they believed could bring tangible benefits to their economic system. Besides hosting the Institute, the Italian government was pleased to contribute to its work through the active participation of their experts and delegates and through the support provided to its capacity building activities. In this regard, he recalled their recent decision to fund the new UNIDROIT International Summer School 2022 on the instruments for the unification of private law, which would provide specialised training to judges, public lawyers, and legislative drafters from developing countries in particular. Noting that the strength of an international organisation ultimately depended on the degree of commitment of its membership, he highlighted that, with its current 63 members representing a variety of legal, economic and political systems, UNIDROIT had a truly global footprint. Concluding, he encouraged all present to continue promoting the broad dissemination of UNIDROIT's work. Finally, as a representative of the host country, he expressed his sincere appreciation to all the Member States of UNIDROIT for their constructive participation in the activities of the Institute.

5. The *Chair* thanked Minister Plenipotentiary Stefano Zanini for the kind words and asked to convey, on behalf of the General Assembly, warm regards to Honourable Minister Luigi Di Maio. He then welcomed all participants to the session and expressed his gratitude for the confidence they had placed in his country, and in him as an individual, to serve as Chair of the General Assembly. He had been particularly grateful to serve in the post of Chair for the important period 2020-2021 and expressed his appreciation to the Secretary-General for the work that UNIDROIT had undertaken over that past year.

6. Turning to the achievements of the Institute over the past year, he began by highlighting that UNIDROIT had made significant strides in implementing its triennial Work Programme 2020-2022, and that it had celebrated the 100th session of the Governing Council last September. He stated that significant progress had been made with respect to both substantive projects and institutional improvements. This progress had been made while continuously adapting to the COVID-19 Pandemic and a gradual return to in-person activities. Regarding substantive projects, he noted that a review of the Statement of the Organisation's activities demonstrated that important progress had been made across many different projects and topic areas under UNIDROIT's mandate. These included several categories of work. First, he addressed the implementation of Protocols to the Cape Town Convention which had celebrated its 20th anniversary in 2021. Spain had signed the Luxembourg Rail Protocol on 10 November 2021, and South Africa had begun preliminary steps toward ratification. On a related note, UNIDROIT had been appointed as an observer to the Courts of Space Working Group, established by the Dubai International Financial Centre Courts. The Institute had also obtained the status of a Permanent Observer at the United Nations Committee on the Peaceful Uses of Outer Space (UNCOPUOS). Furthermore, rapid progress had been made on the Preparatory Commission for the Protocol on Matters Specific to Mining, Agricultural and Construction Equipment, the MAC Protocol. Second, he highlighted that significant progress had been made under four ongoing high-priority projects, namely the joint UNCITRAL/UNIDROIT Model Law on Warehouse Receipts; Best Practices for Effective Enforcement; the Model Law on Factoring; and Digital Assets and Private Law. Third, he noted that the scope of two new projects had been refined, namely on the Legal Structure of Agricultural Enterprise and Bank Insolvency, for which the Governing Council had endorsed the proposal to assign high-priority status. Fourth, in terms of promotion of the Institute's instruments, he emphasised that promotion had continued despite travel restrictions, including the analysis of how the Principles of Reinsurance Contract Law and the Legal Guide on Contract Farming could address legal questions raised by the COVID-19 Pandemic. Fifth, he reported that the Institute had commemorated the 100th session of UNIDROIT's Governing Council, which had ended with an event on 27 September in Bologna celebrating its greatest achievements. During the celebration of the 100th session of the Council, UNIDROIT launched the Legal Guide on Agricultural Land Investment Contracts jointly with the International Fund for Agricultural Development (IFAD), the Guide on Best Practices for Electronic Collateral Registries by the Cape Town Convention Academic Project, and a brand new UNIDROIT website. Last but not least, he noted that 2021 had also seen the launch of the UNIDROIT International Summer School on 8 September 2021. The first edition of the Summer School would be organised in 2022 and a call for applications had already been issued. In concluding, the Chair expressed his gratitude to all the delegations for the opportunity to serve as Chair and thanked them for their support during this challenging year.

Item No. 2: Election of the Chair of the General Assembly 2021-2022

7. The *Chair of the General Assembly 2020-2021* recalled that it was for the delegations of Member States to elect a new Chair. He invited nominations from the General Assembly for the role of Chair of the General Assembly for 2021-2022, noting that the post of Chair of the General Assembly traditionally rotated among the four geographic regions of UNIDROIT. Accordingly, it was the turn of the European group to nominate the new Chair for the period of 2021-2022.

8. The *representative of Spain*, his excellency Ambassador Alfonso Dastis took the floor and, noting that the Government of Spain attached great importance to UNIDROIT and had actively participated in the development of its activities, nominated Italy as next Chair of the General Assembly in recognition of its unparalleled support of the Institute demonstrated over the past years. He emphasised that Spain and Italy stood united in their support of the work of UNIDROIT, and Italy's leadership would be particularly important in this decisive year for the Institute's Work Programme in many respects. More precisely, he highlighted the important implementation of the Cape Town Convention, particularly the Protocol on Matters Specific to Railway Rolling Stock, which Spain signed past November and was expecting to ratify within 2022. He also underlined the importance to

advance the new high priority projects that had been initiated under the 2020-2022 Work Programme. Finally, it was important to work on the proposals that would be submitted for the 2023-2025 Work Programme.

9. The *representative of Germany* supported the nomination of Italy in recognition of its remarkable contribution to UNIDROIT.

10. The General Assembly, by acclamation, appointed *Minister Plenipotentiary Stefano Zanini (Italy)* as the Chair of the General Assembly 2021-2022.

11. The *Chair of the General Assembly 2021-2022* stated that it was a deep honour for him to assume the Chairmanship of this honourable body on behalf of Italy. He expressed his gratitude to the membership for the confidence placed in him, and particularly to Spain for the nomination and also to Germany for seconding this motion. He assured his commitment to pursue the responsibilities as a Chair in the coming year. He further expressed his gratitude and appreciation to Professor Sánchez Cordero for his distinguished performance as previous Chair. Likewise, he expressed his appreciation for the President, Professor Maria Chiara Malaguti, Secretary-General, Professor Ignacio Tirado, Deputy-Secretary-General, Professor Anna Veneziano, and the entire staff of UNIDROIT for their professionalism and for the excellent preparation of today's session. He stated that it was a privilege to chair the Assembly almost 30 years after the last time Italy had chaired the General Assembly. He further emphasised that Italy and UNIDROIT had a special relationship which dated back to the funding of the Institute in 1926, which placed a great responsibility upon Italy to confirm and reinforce the country's strong support for the activities of the Institute.

12. Looking ahead to the Institute's work during the coming year, he underlined the continuation of many impactful projects under the 2020-2022 Work Programme, as well as the planning for the following triennium in 2023-2025. Regarding the ongoing projects, he began by highlighting that the year should see further work of dissemination of the MAC Protocol. He stated that much activity was required to expand countries' accession to this instrument and that Italy was preparing the grounds for their adhesion to the Protocol. Furthermore, he noted that other high priority projects would advance, and that he was particularly glad to see the Bank Insolvency Project among them, that had been proposed by the Bank of Italy. Special reference was also made by the Chair to the Model Law on Factoring, as well as to the Model Law, prepared jointly with UNCITRAL, on Warehouse Receipts, both to be submitted to the Governing Council in May 2023. He also noted the promising Best Practices for Effective Enforcement and Digital Assets projects. Moreover, the following year would see the preparation of the triennial Work Programme for the 2023-2025 period, to be proposed to the General Assembly at its 81st session in 2022. It was important for the Secretariat to receive support and proposals from the Member States for the future activities of the Institute. Furthermore, he explained that the following year would be the occasion for Italy to contribute financially to the first Summer School that would be dedicated to African countries and the formation of jurists. Finally, he noted that a technical agreement had been concluded between UNIDROIT and Italy concerning the funding for the renovation works to be conducted on the Villa Aldobrandini the following year. In concluding, the Chair once again thanked all participants for the confidence placed in him and opened the floor for comments.

13. The *representative of the United States of America* congratulated the Chair and Italy for the nomination. They also congratulated Professor Sánchez Cordero for his leadership during the important and challenging past year.

14. The *representative of Germany* congratulated Italy on the election and expressed gratitude for their availability, as well as for all their contributions that had just been mentioned. She seized the opportunity to thank Professor Sánchez Cordero for his contribution over a challenging period and expressed their appreciation for his work.

15. The *representative of South Africa* congratulated the Chair on his election and thanked Professor Sánchez Cordero for the work performed in very challenging times. He also expressed their gratitude and appreciation to UNIDROIT for its successful work despite these challenging times.

Item No. 3: Adoption of the agenda ([A.G. \(80\) 1 rev.](#))

16. The Chair invited any comments on the revised draft agenda and proposed it for adoption.

17. *The General Assembly adopted the agenda as proposed* (see Appendix II).

Item No. 4: Statement regarding the Organisation's activity in 2021 ([A.G. \(80\) 2](#))

18. The *Chair* introduced the item and invited the Secretary-General to present the statement regarding the Organisation's activities in 2021.

19. The *Secretary-General* congratulated the Chair and expressed his gratitude to the exiting Chair of the General Assembly Professor Sánchez Cordero. He highlighted that it had been an absolute honour to have Professor Sánchez Cordero serving as a Chair during this difficult year and that he had shown availability and support for the Institute in an unparalleled manner. He emphasised that Professor Cordero had supported UNIDROIT for decades and was already part of the history of the Institute, expressing his -and the institution's- gratitude for Professor Cordero's service. Furthermore, the Secretary-General thanked the General Assembly for their support of the nomination of Italy and expressed particular satisfaction that Italy and Mr Zanini would act as Chair for the coming year, which would be an important year for UNIDROIT. Italy had been particularly supportive through many actions and highlighted the extraordinary generosity it had shown to the Institute concerning the support for the UNIDROIT Summer School and the very recent approval of a substantive amount of money for the restauration of Villa Aldobrandini. He was therefore extremely pleased with the Chairmanship of Italy and grateful for their support, and he thanked Minister Zanini for accepting to chair the Assembly.

20. The Secretary-General then proceeded to present document A.G. (80) 2, noting that it included a summary of UNIDROIT's activities and accomplishments over the year 2021. He began by stating that although the COVID-19 Pandemic had almost doubled the work and had made it more difficult, yet the results had been outstanding thanks to the leadership of the President, Professor Maria Chiara Malaguti, the extraordinary contribution of Deputy Secretary-General, Professor Anna Veneziano, and the hard, fine work of all legal officers and general staff of UNIDROIT, who had substantially increased their efforts during this difficult time. The Institute had been able to double the number of projects without increasing the budget. Currently, six new legislative projects were ongoing, which was twice the usual number of ongoing projects. Furthermore, without any additional expenses, the Secretariat had doubled the number of legal officers working at UNIDROIT, thanks to secondments funded by the Government of China as well as extra-budgetary contributions received among others from the Bank of Italy. During 2021, the Institute had celebrated the 100th session of the Governing Council, with the participation not only of the Institute's sister organisations and close partners, but also the most eminent law professors and former contributors to the Governing Council of UNIDROIT. He also referred to the institutional commitment in terms of increased compliance requirements and transparency, and noted that the Secretariat had seized the opportunity of less experts and travel costs to significantly improve the technological capabilities and infrastructure of the Institute to enhance the efficiency of the Institute's work.

21. With respect to legislative activities, the Secretary-General first addressed the work on secured transactions. He highlighted that the Luxembourg Rail Protocol had taken a step forward, with the focus that the international community had been placing on the environment, green energy and sustainability. Spain had signed the Protocol in 2021 and intended to ratify it in 2022. South

Africa had also expressed the intention to sign the Protocol, but COVID-19 had prevented them from coming to Rome. Furthermore, the work on the Protocol continued with two meetings of the Preparatory Commission, which discussed a new version of the Regulations and issued a mandate to negotiate possible amendments in the shareholding in the company that manages the registry of the Protocol.

22. Concerning the Space Protocol, the Secretariat also had continued promotional activities. In particular, UNIDROIT had strengthened its ties with UN Committee on the Peaceful Uses of Outer Space (COPUOS), having become a permanent observer thereto, and having signed a Memorandum of Understanding with the UN Office for Outer Space Affairs (UNOOSA) which was aimed at strengthening their cooperation.

23. Furthermore, work on implementing the MAC Protocol, adopted in November 2019, had continued. The Preparatory Commission had held several sessions and important progress had been made. This had included discussions concerning the appointment of a Supervisory Authority and the preparation of all the necessary documents for the selection of the entity that would take the position of registrar. Further, a first draft for the Regulations had also been completed. The Secretary-General also reported that the European Commission had presented a proposal to the European Council for the signature of the MAC Protocol, which would be an extraordinary step as it would allow the 27 Member States of the European Union (EU) to sign and ratify the Protocol. The Secretariat had previously received continued expressions of interest from EU Member States to sign the Protocol. The United States of America had already signed the Protocol in 2020. The fourth meeting of the Preparatory Commission had been scheduled for January 2022, and the tender for the registry would be issued in the coming months.

24. Remaining in the area of secured transactions, work had started on the Model Law on Warehouse Receipts, together with UNCITRAL, chaired by Governing Council Member Professor Eugenia Dacoronia. The first session of the Working Group on this project had taken place in December 2020, and two more sessions had followed in 2021. Substantive progress had been made, and several draft chapters had already been prepared. Two subgroups had been set up to substantially enhance the intersessional work, namely a subgroup on technology and a drafting committee, and ten meetings of the subgroups combined had been held during 2021. The Secretary-General explained that the Working Group had been granted an extension of the project duration for one year, as there was a strong divide between countries following the Geneva system and those following the approach adopted in the US Uniform Commercial Code. Both approaches had reached the same solutions, albeit in different ways, and the Working Group had found it challenging to bridge the gap between them in a way that ensured the compatibility with the legal traditions of all countries wishing to implement the Model Law.

25. Turning to the area of agriculture and private law, the Secretary-General stated that he would refer to the new project on Legal Structure for Agricultural Enterprise as part of the presentation of amendments to the Work Programme.

26. In the area of transnational civil procedure, the work on Best Practices for Effective Enforcement, under the leadership of Deputy Secretary-General Professor Anna Veneziano and the Chair of the Working Group, Ms Kathryn Sabo, had continued expeditiously, having gathered data and information from many different jurisdictions. This project had enormous potential for providing extremely useful solutions to countries, in particular those where enforcement was not efficient. A couple of Working Group sessions had taken place, and three subgroups had been created, respectively on enforcement of adjudicated claims, technology and enforcement, and enforcement of security rights. A third Working Group meeting had taken place the previous week, and the Secretariat expected a first draft for the best practices to be available in 2022.

27. With regard to international commercial contracts, substantial work had been undertaken on reinsurance contracts and a note was approaching completion on the COVID-19 Pandemic and reinsurance contracts. A group of experts had contributed to this work, which was composed of highly reputed universities specialised in reinsurance, and had been extended for an additional period, with no cost envisaged for the Institute.

28. Concerning leasing and factoring, the work on the Model Law on Factoring had continued to develop. Two Working Group sessions had taken place in 2021 and three subgroups had been created on conflicts, transition provisions, and the registry, respectively. Six draft chapters had been completed, and the preceding week had seen the fourth session of the Working Group. The Secretary-General was pleased to report that progress was being made and the instrument would be completed as planned.

29. Turning to the project on Bank Insolvency, the Secretary-General remarked that he would refer to this new project as part of the presentation of amendments to the Work Programme.

30. Lastly, the Secretary-General addressed the project on Digital Assets and Private Law, noting that it was one of the Institute's signature projects. Under the Chairmanship of Professor Hideki Kanda, the Working Group on Digital Assets had received so much interest that it had been decided, in agreement with the Governing Council, to duplicate the formal structure of the Working Group by creating a Steering Committee to channel information received from countries and regions around the world. The amount of progress that the Working Group had made in the past year was extraordinary with over 3 sessions of the Working Group, 3 special workshops, and 24 meetings of the four subgroups that had been convened during 2021. The meetings of the Working Group on Digital Assets brought together almost 50 members.

31. Concerning the implementation and promotion activities of the Institute, the Secretary-General was pleased to report that the Republic of Kyrgyzstan and Zambia had ratified the Cape Town Convention and the Aircraft Protocol, increasing the number of Contracting Parties to 84 for the Convention and 81 for the Protocol, which made it one of the most successful commercial law treaties to date. In terms of promotion of UNIDROIT instruments, he highlighted that UNCITRAL had endorsed the 2016 version of the UNIDROIT Principles of International Commercial Contracts, and that the Legal Guide on Agricultural Land Investment Contracts had been co-published by UNIDROIT and IFAD in September 2021.

32. Finally, the Secretary-General addressed the launch of the UNIDROIT Summer School. The Summer School was aimed at providing a stable platform whereby the Institute would be able not only to bring legal officers, judges, and government officials to Rome to become acquainted with the instruments of transnational law and those of UNIDROIT in particular, but also to create a network of ambassadors of UNIDROIT in represented countries. This would allow rendering the Institute's instruments more adapted to the needs of low and middle-income countries, and would also reinforce UNIDROIT presence in those countries.

33. Following the Secretary-General's report, the *Chair* gave the floor to the President of UNIDROIT.

34. The *President* welcomed all participants and expressed her gratitude to Professor Sánchez Cordero for all the support provided, and to Minister Zanini for having accepted to support the Institute in the future. She highlighted the strong activity in the library and the internship programme. Among others, the Institute had begun to organise the 100th anniversary with a number of activities. The President referred to a booklet that had been distributed to all participants of the General Assembly and explained that it included letters with dedications received by the founder of the Institute, Vittorio Scialoja, between the end of the 19th century and the last century. She added that the Institute had published the booklet with some of the most significant dedications, such as

by Alfredo Rocco and Orlando Rosa, entirely financed with extra-budgetary funds. This would be the first of a long series of publications leading up to the 100th anniversary of UNIDROIT in 2026.

35. The *Chair* thanked the President for the gift and expressed his emotion. He then thanked the Secretary-General for his report and opened the floor for questions or comments.

36. The *representative of Argentina* congratulated Minister Zanini for the nomination as Chair and thanked Professor Sánchez Cordero for the work over the past year. He highlighted the importance of the Institute's work on digital assets and private law, and recorded the interest of their country in the development of this issue.

37. The *representative of South Africa* stated that it was a pleasure to learn about the Summer School initiative, especially for African countries. Conveying support for this initiative and expressing gratitude to the Government of Italy for the funding of the first Summer School edition, he urged all members to assist in promoting this initiative and make it a success. Furthermore, the representative congratulated the Institute on its contribution to interpret the UNIDROIT Principles in light of the COVID-19 Pandemic.

38. The *representative of the Russian Federation* congratulated the Chair on the nomination. Indicating high interest in the work done in the area of digital assets and private law, she suggested a potential further prioritisation of this work, noting that the Institute's work ought to be coordinated with that carried out by other international organisations, such as the World Intellectual Property Organization (WIPO), UNCITRAL, and the Hague Conference of Private International Law.

39. The *representative of Germany* thanked the Institute, the Secretary-General, and the entire team for the fact that the Institute had never stopped being operational and for the remarkable work done despite the ongoing Pandemic.

40. *The General Assembly took note of the Statement regarding the Organisation's activity in 2021.*

Item No. 5: Amendments to the Work Programme of the Organisation for the 2020-2022 triennium ([A.G. \(80\) 3](#))

41. The *Chair* invited the Secretary-General to present the amendments to the Institute's 2020-2022 Work Programme that had been recommended by the Governing Council at its 100th session in September 2021. He stated that this document would require approval by the General Assembly.

42. The *Secretary-General* noted that this document referred to two projects that were already part of the Work Programme and the recommended amendments concerned the upgrading of priority for these projects.

43. First, he drew the participants' attention to the project on Legal Structure of Agricultural Enterprises, noting that it constituted the Institute's third joint project together with the United Nations Food and Agriculture Organization (FAO) and IFAD. He highlighted that this project had a strong economic component and that it had been giving a dynamic look both horizontally and vertically to enterprises in the agricultural sector and to the agribusiness sector from the supply chain standpoint. The idea behind the project was to provide legal best practices for an area where economics were very pronounced, and where legal support was necessary to ensure that economic exchanges happened in an environment of legal certainty. He reported that substantial work had been conducted prior to reaching an upgrade of the status. Among other actions, and in addition to preparatory work by the Secretariat, a workshop had been conducted in June 2021 together with the partner organisations, which had greatly contributed to the document that had been finally adopted by the Governing Council. The Governing Council had granted the Secretariat the mandate to set up

a Working Group, chaired by Governing Council member Professor Ricardo Lorenzetti, member of the Argentinian Supreme Court and an expert in the subject matter. The last months had been devoted to refining the project's scope even further.

44. As to the second project on Bank Insolvency, the Secretary-General emphasised that this project was reviving the Institute's work on banking law, which had been abandoned for decades but had resurged in the light of its practical importance. He explained that the project had been initiated at the request of the Bank of Italy and the European Banking Institute. The project concerned no element of bank insolvency with a strong systemic risk component, given that there were already plenty of regulatory standards in that respect, but was rather concentrating on the smaller banks, the non-systemic banks, in the absence of any guidance worldwide as how such banks ought to be treated in case of insolvency. While a variety of practices existed for liquidation worldwide, results were not always suitable and thus the project aimed to fill this vacuum. The project work was going to be undertaken in partnership with the Financial Stability Institute – Bank for International Settlements and the Basel institutions leading the work on banking law. A first workshop had taken place in the summer of 2021, with the participation from the International Monetary Fund (IMF), the World Bank, and several central banks from all over the world. The workshop had confirmed the need for the project, and ideas had been identified allowing the Secretariat to prepare an Issues Paper, which had been presented to the Governing Council in September. The first Working Group meeting would take place during the week following the General Assembly, with the participation of central banks and the main multilateral financial institutions. The project was promising to be at least as successful as the Digital Assets project. The Secretary-General concluded that the Secretariat was grateful to have been given the possibility to conduct this project by the Governing Council and hoped that the General Assembly would confirm this proposal.

45. The *Chair* thanked the Secretary-General for the presentation and opened the floor for comments.

46. *The General Assembly approved the recommended amendments to the current Work Programme for the 2020-2022 triennium.*

Item No. 6: Final modifications to the Budget and approval of the Accounts for the 2020 financial year ([A.G. \(80\) 4](#))

47. The *Chair* invited the Chair of the Finance Committee to make some introductory remarks on this agenda item.

48. The *Chair of the Finance Committee* congratulated the Secretariat for all the work done over the past year in a safe and secure manner. He then shared the summary of the discussion of the Finance Committee which had taken place in hybrid format on 4 November 2021, noting that the Committee had examined the documents that the General Assembly was going to discuss. He reported that the Committee had expressed itself in favour of approving the final modifications to the budget and accounts for 2020, commending UNIDROIT for ending with a surplus. Furthermore, the Committee had welcomed the information provided on adjustments to the budget 2020 which it considered balanced. The Finance Committee had also taken note of the generous voluntary contributions, including contributions from Italy, the Bank of Italy, China, IFAD, Sir Roy Goode, the Cape Town Convention Academic Project, and others, as well as of the extremely generous in-kind contributions, especially from world-renowned commercial law experts. Similarly, the Committee had taken note of the arrears, which were significant, and had asked the Secretariat to work with Member States to establish a plan to eliminate the arrears. He stated that the Committee had recommended the General Assembly to approve the budget for the year 2022. Finally, they had welcomed the Secretary General's update on the new staff compensation and pension package and congratulated the Secretariat on quick action to establish a policy to protect whistle-blowers and deter retaliation, highlighting the importance of confidentiality for whistle-blowers.

49. The *Chair* thanked the Chair of the Finance Committee for the report. He then invited the Secretary-General to address the final modifications to the Budget and approval of the Accounts for the 2020 financial year.

50. The *Secretary-General* thanked the Chair of the Finance Committee for his introduction, considerations and generally for his work. He then presented document A.G. (80) 4 regarding the final modifications to the Budget and approval of the Accounts for the 2020 financial year. He noted that the accounts had already been reviewed twice by the Finance Committee. The accounts continued to be positive notwithstanding the existence of arrears, and that the Institute had not only been able to stay within the budget, but also to increase the buffer, having saved over € 45,000.00 during the year. If added to the € 332,000.00 which had been carried over from previous years, that constituted a buffer in the accounts of € 378,137.00. He emphasised that this was the result of the Secretariat's austere fiscal policy, which sought additional sources of financing dedicated to specific projects wherever possible, which it accounted for in a transparent manner. However, he underlined that even though the Working Capital Fund was stable at about € 368,000.00, that sum accounted only for about two months of expenditure, and thus Member States' contributions were crucial.

51. The *Chair* thanked the Secretary-General for the presentation of the document and opened the floor for comments.

52. The *representative of Canada* congratulated the Chair on the nomination, and thanked the Chair of the Finance Committee for his report. The representative expressed her gratitude to the Secretary-General for the careful management and use of UNIDROIT's funds and approved the final modifications to the Budget and Accounts for 2020.

53. The *representative of Japan* thanked the Secretary-General for the explanation of the budget and conveyed their approval of the final modifications to the Budget and Accounts for the 2020 financial year.

54. The *representative of Germany* expressed their approval of both the final modifications to the 2020 Budget and Accounts and the adjustments to the Budget for the 2021 financial year (item 7).

55. The *representative of South Africa* commended UNIDROIT for the very prudent fiscal management and underlined how well the Institute managed its funds. They supported the suggested final modifications to the budget.

56. The *Secretary-General* thanked the representatives for their support and assured that the Institute would continue this path in moving forward.

57. *The Chair concluded that the General Assembly had approved the final modifications to the Budget and Accounts for the 2020 financial year and that the Secretary-General had discharged his responsibility for the management of the 2020 financial year in accordance with Article 38(5) of the Regulations.*

Item No. 7: Adjustments to the Budget for the 2021 financial year ([A.G. \(80\) 5](#))

58. The *Chair* noted that the General Assembly was responsible for approving any adjustments to the Budget for the current financial year and invited the Secretary-General to present the related document.

59. The *Secretary-General* referred to document A.G. (80) 5 and explained that it was presented to the Finance Committee session in the autumn every year. The document was meant to enhance transparency in the financial activity and to allow both the Finance Committee and the General

Assembly to observe the dynamic development of expenditure and receipts during the year. The budget had been updated based on the progress made since January until November, based on the actual expenditures up to that moment, and therefore allowed the members to calibrate any developments. He noted that the COVID-19 Pandemic had restricted the travel of both experts and staff members, which had allowed the Institute to make some savings. These savings had mostly been used to strengthen the Institute's infrastructure and technological capacity, which would allow them to work over the coming years at a lower cost. There had been no need to resort to the use of the buffer pursuant to Art. 38(4) of the Regulations. He noted that the rest of the adjustments to the budget were self-explanatory, but he would be glad to answer any questions.

60. The *Chair* opened the floor for further comments and noted that the representative of Germany had already expressed their approval of the adjustments to the Budget.

61. The *representative of Canada* expressed their content with the adjustments to the budget for the 2021 financial year. She underlined that the improvement of the available technology had been necessary and that they were happy to support the expenditure.

62. *The Chair concluded that the General Assembly had taken note of the expected level of receipts and expenditure for the 2021 financial year and approved the adjustments to the Budget, as set out in the Appendix.*

Item No. 8: Arrears in contributions of Member States ([A.G. \(80\) 6](#))

63. The *Chair* noted the importance of this agenda item and invited the Secretary-General to provide an update to the General Assembly regarding the status of arrears.

64. The *Secretary-General* noted that the document reflected the outstanding contributions for the period 2013 to 2020. The arrears that had accumulated over the years were bordering € 600,000.00, which constituted over 20 percent of the Institute's budget. He emphasised the importance for the Institute that arrears be settled and countries comply with their duties in this regard, and encouraged governments of Members States who had not been able to pay to consult with the Secretariat. He noted that the amounts required were very low, in consideration of the output that the Institute produced, and that the Secretariat would appreciate assistance from countries that paid their contributions regularly in supporting the claim for the payment of outstanding arrears.

65. The *Chair* seconded the Secretary-General in highlighting the importance of contributions and joined the appeal to work jointly with the Secretariat to resolve this problem. He then opened the floor for comments.

66. The *representative of Germany* stated their strong support for the efforts of the Secretariat to reduce arrears in contributions through dialogue with the governments concerned. She expressed concern that contribution arrears of almost € 600,000.00, along with a presumably even higher amount in 2021, endanger the tremendous and excellent work of an international organisation like UNIDROIT which had only modest financial resources. Germany offered their support to the Secretariat whenever Member States should be made aware that the Statutes provided for sanctions for arrears spanning several years and, if necessary, use should be made of this option.

67. *The Chair concluded that the General Assembly had taken note of the Secretariat's report on arrears.*

Item No. 9: Approval of the draft Budget for 2022 and observations submitted by Member States ([A.G. \(80\) 7](#))

68. The *Chair* invited the Secretary-General to present the draft Budget for the year 2022, and noted that the General Assembly was responsible for approving the Budget.

69. The *Secretary-General* referred to document A.G. (80) 7, stating that there were no major changes in comparison to the budgets of previous years. Like the previous year, the Secretariat had received two Notes Verbales, from the governments of both Brazil and Argentina, providing motivated request to continue the suspension of their reclassification upwards in the scale of contributions, which had been reflected in the documents prepared for the Finance Committee. He stated that the Secretariat understood the requests by both countries in the light of the difficulties caused by the current situation.

70. Concerning the Budget, he underlined that the budget was therefore slightly lower than the previous year. Turning to the expenditure foreseen for 2022, the Secretary-General drew the participants' attention to page 6 of document A.G. (80) 7 which indicated an increase of almost € 20,000.00 for expert committees and an increase of about 10,000.00 for travel costs. He explained that those estimations were too cautious. These chapters had been lowered in the 2021 budget because of the COVID-19 Pandemic, when travel was not possible, adding that the budget of 2020 was already very low in terms of expenditure in these chapters given that many projects had almost been already finalised by that time, which implied less expenditure. In addition, only three projects had been ongoing at the time, compared to six ongoing projects at the moment. Hence, the budget for 2022 for experts and travel reflected a traditional scenario of three ongoing projects in their final stages. Therefore, he already indicated that the Secretariat might require the use of the buffer for experts and travel in 2022, in which case it would submit a corresponding request to the Finance Committee. The Secretary-General underlined that this would not require additional contributions, but merely the use of savings for furthering the Institute's mandate to work on legislative activities.

71. The *Chair* thanked the Secretary-General and opened the floor for comments.

72. The *representative of Canada* thanked the Secretary-General for the high level of transparency with which financial matters were managed. They approved the draft budget and took note of the possibility that the use of additional funds might be required over the course of the coming year.

73. *The Chair concluded that the General Assembly had approved the Budget for the 2022 financial year.*

Item No. 10: Update on the compensation and pension scheme for UNIDROIT staff ([A.G. \(80\) 8](#))

74. The *Chair* invited the Secretary-General to present the update on the implementation of the compensation and pension scheme for UNIDROIT staff.

75. The *Secretary-General* noted that this document included a report from the Committee for the Administration of Funds in the Appendix. Concerning compensation, he reported that there had been no updating of salary scales for four general staff of the Institute since April 2019, in accordance with the United Nations salary scales that the Institute used as reference. Conversely, the salary for the legal officers was updated in January 2021. The Institute might need to modify the budget based on an update of the salary scale according to the United Nations scale as applicable to general staff when it would occur. As for the pension fund, the Institute was currently still under the threshold of ordinary management and thus there was no investment policy to assess, while that threshold was likely to be reached in 2022.

76. The *Chair* thanked the Secretary-General and opened the floor for any comments.

77. *The Chair concluded that the General Assembly took note of the Secretariat's update regarding the implementation of the compensation and pension scheme applicable to UNIDROIT staff.*

**Item No. 11: Update on the implementation of whistle-blower and anti-retaliation policy
(A.G. (80) 9)**

78. The *Chair* invited the Secretary-General to report on the whistle-blower and anti-retaliation policy.

79. The *Secretary-General* recalled that this document referred to one of the new compliance documents that UNIDROIT was introducing during 2021 and that the present version had been approved by the Governing Council. He explained that, while the document was fit for application, it was still work in progress in view of the fact that part of the whistle-blower and anti-retaliation policy required specific allocation of sanctions for breach, and the consequences of breach were to be regulated in the Regulations. The Regulations were being revised more broadly and a reference to the policy would be included to complete the policy. Therefore, the Secretariat would be grateful for the non-objection of the General Assembly to be able to start applying the policy forthwith, while it would continue to refine and complete it. The policy would be represented with amendments as appropriate to the General Assembly in 2022.

80. The *Chair* thanked the Secretary-General for the update and opened the floor for any comments.

81. *The representative of the United States of America* thanked the Secretariat, the Secretary-General, the Finance Committee, the Governing Council, and everyone who had been involved in the development of the draft policy. He highlighted that this was a priority of the United States Government, and praised the leadership of the Secretary-General. Recognising that UNIDROIT was a small and well-managed organisation, they noted that this policy was merely needed to bring UNIDROIT in line with best practices across multilateral organisations. Therefore, the United States registered their non-objection.

82. *The Chair concluded that the General Assembly had taken note of the new whistle-blower and anti-retaliation policy, and that no rejection of immediate application of the policy pending amendments to the Regulations had been recorded.*

Item No. 12: Any other business

83. The *Chair* transitioned to the final item on the agenda and opened the floor for interventions regarding any other matters.

84. *In the absence of any interventions, the Chair thanked the General Assembly for their trust placed in him to chair the meeting and expressed deepest appreciation to his predecessor and his excellent work. Furthermore, he expressed his appreciation for the President, the Secretary-General, the Deputy Secretary-General, and the entire staff of UNIDROIT for their excellent preparation of this General Assembly and their assistance during the session, as well as to the interpreters for their support during the session. The Chair then declared the session closed.*

APPENDIX I**LIST OF PARTICIPANTS**80th session of the General Assembly**ARGENTINA / ARGENTINE**

Mr Alejandro LUPPINO
Counsellor
Ambassy of Argentina in Italy

AUSTRALIA / AUSTRALIE

Mr Angus MINNS
Second Secretary
Ambassy of Australia in Italy

AUSTRIA / AUTRICHE*(remotely)*

Mr Amadeus FALTHEINER
First Secretary
Embassy of Austria in Italy

BELGIUM / BELGIQUE*Excused***BULGARIA / BULGARIE***(remotely)*

Mr Rossen ROUFEV
Counsellor
Head of Political Affairs Office
Embassy of Bulgaria in Italy

BRAZIL / BRESIL

Mr Eduardo BRIGIDI DEL MELLO
First Secretary
Embassy of Brazil in Italy

Ms Isadora LORETO
Second Secretary
Embassy of Brazil in Italy

CANADA*(remotely)*

Ms Saba ZARGHAMI
Counsellor and Head of the Political and
Economic section
Embassy of Canada to Italy

Ms Kathryn SABO
Deputy Director General & General Counsel
(International Private Law Team)
Constitutional, Administrative and
International Law Section
Department of Justice Canada
Ottawa

CHILE / CHILI

Mr René ORTEGA
Consul
Embassy of Chile in Italy

CHINA / CHINE	Ms HU Rui Third secretary Economic and Commercial Office Embassy of the People's Republic of China in Italy
CROATIA / CROATIE (remotely)	Mr Igor SURDICH First Secretary Embassy of the Republic of Croatia
REPUBLIC OF CYPRUS / RÉPUBLIQUE DE CHYPRE	Ms Kypriani STAVRINAKI Counsellor Embassy of the Republic of Cyprus to Italy
CZECH REPUBLIC / REPUBLIQUE TCHÈQUE	Ms Veronika KUBÍKOVÁ Deputy Director Department of European and International Law Ministry of Industry and Trade Prague
DENMARK / DANEMARK	<i>Excused</i>
ESTONIA / ESTONIA	<i>Excused</i>
FINLAND / FINLANDE (remotely)	Mr Teemu LAAKKONEN First Secretary Embassy of Finland in Italy
FRANCE (remotely)	Mme Stéphanie FELIX Magistrat de liaison en Italie et à Malte
GERMANY / ALLEMAGNE (remotely)	Mrs Michaela GASTINGER Second Secretary Embassy of the Federal Republic of Germany in Italy
HOLY SEE / SAINT-SIÈGE (remotely)	Mr Paolo PAPANTI-PELLETIER Juge Tribunal de la Cité du Vatican Secrétairerie d'État de la Cité du Vatican
HUNGARY / HONGRIE (remotely)	Ms Alexandra KOPÁCSI-JEZSÓ Attaché Embassy of Hungary in Italy
	Ms Zsuzsanna DEGRELL Legal Advisor Ministry of Justice <i>Budapest</i>

INDONESIA / INDONESIE
(remotely)

Ms Agnes ROSARI DEWI
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Multilateral Section
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IRELAND / IRLANDE
(remotely)

Ms Caitríona DE BÚRCA
First Secretary
Embassy of Ireland in Italy

ITALY / ITALIE

Mr Stefano ZANINI
Minister
Head - Service for Legal Affairs
Diplomatic Disputes & International
Agreements
Ministry of Foreign Affairs and International
Cooperation

Mr Luigi RIPAMONTI
Service for Legal Affairs
Diplomatic Disputes & International
Agreements
Ministry of Foreign Affairs and International

JAPAN / JAPON
(remotely)

Mr Masamichi YAMASHITA
First Secretary
Embassy of Japan in Italy

LATVIA / LETTONIE

Ms Nellija REINICĀNE
Counsellor
Deputy Head of Mission
Embassy of the Republic of Latvia

(remotely)

Ms Elīna PLAUDE
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Ministry of Justice

LITHUANIA / LITUANIE
(remotely)

Mr Darius ŽILYS
Head
International Cooperation and Human
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Vilnius

LUXEMBOURG
(remotely)

Mme Sabrina COPPI
Cheffe de Mission adjointe
Ambassade du Grand-Duché de
Luxembourg en Italie

MALTA / MALTE
(remotely)

H.E. Mr Carmel VASSALLO
Ambassador
Embassy of Malta in Italy

MEXICO / MEXIQUE

H.E. Mr Carlos García de ALBA
Ambassador
Embassy of Mexico in Italy

Dr. Jorge Sánchez Cordero Dávila
External Adviser on Private international
Law
Office of the Legal Adviser
Ministry of Foreign Relations

Mr Mauricio GUERRERO
Minister
Embassy of Mexico in Italy

NETHERLANDS / PAYS-BAS

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Embassy of the Kingdom of the Netherlands
in Italy

PARAGUAY
(remotely)

Mr Miguel DIONISI BATTILANA
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Embassy of Paraguay in Italy

POLAND / POLOGNE
(remotely)

Ms Dorota ŚCIŚLEWSKA
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Embassy of the Republic of Poland

Ms Agnieszka HOPPEN-KLIKOWICZ
Political-Economic Office
Embassy of the Republic of Poland

PORUGAL
(remotely)

Mr Francisco FERREIRA VIANA
Trainee
Embassy of Portugal in Italy

REPUBLIC OF KOREA / RÉPUBLIQUE DE CORÉE
(remotely)

Ms BAEK Minjee
Second Secretary
Ministry of Foreign Affairs
Seoul

Mr LEE Jaechan
Judge
Judicial Policy Research Institute (JPRI)
Seoul

Ms LEE Yura
Second Secretary
Embassy of the Republic of Korea to Rome

ROMANIA / ROUMANIE
(remotely)

Ms Catalina CONSTANTIN
Deputy Permanent Representative of
Romania to the UN Organisations in Rome

RUSSIAN FEDERATION / *FÉDÉRATION DE RUSSIE*
(remotely)

Mr Aleksandr POLTORAKEVICH
Head
Division of the Russian Federation
Representation
in the International Trade Law
Organisations
Legal Department
Ministry of Economic Development
Moscow

Ms Yulia DRAGUNOVA
Leading Advisor
Division of the Russian Federation
Representation
in the International Trade Law
Organisations
Legal Department
Ministry of Economic Development
Moscow

Mr Nikita ABRAMOV
Attaché
Ministry of Foreign Affairs
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SAN MARINO / *SAINT-MARIN*

H.E. Ms Daniela ROTONDARO
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Embassy of the Republic of San Marino

SAUDI ARABIA / *ARABIE SAOUDITE*
(remotely)

Mr Nawaf AL SHIBANI
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Royal Embassy of Saudi Arabia in Italy

SERBIA / *SERBIE*
(remotely)

Ms Dragana BLAGOJEVIC
Second Secretary
Embassy of the Republic of Serbia in Italy

Ms Jelena CERANIC PERISIC
Professor Dr.
Chair
Scientific Council of the Institute of
Comparative Law
Belgrade

SLOVAKIA / *SLOVAQUIE*
(remotely)

Ms Maja ČARNI PRETNAR
Undersecretary
Ministry of Justice of the Republic of
Slovenia
Ljubljana

SLOVENIA / *SLOVÉNIE*

Excused

SOUTH AFRICA / AFRIQUE DU SUD (remotely)	Mr Andre SMIT Advisor State Law Adviser (International Law) Office of the Chief State Law Adviser Department of International Relations and Cooperation's (DIRCO) <i>Pretoria</i>
SPAIN / ESPAGNE	H.E. Mr Alfonso DASTIS Ambassador Embassy of the Kingdom of Spain in Italy
	Mr Moisés MORERA MARTÍN First Secretary Embassy of the Kingdom of Spain in Italy
SWEDEN / SUÈDE	Ms Maria ÅKERLUND DE FRANCISCO Counsellor Embassy of Sweden in Italy
SWITZERLAND / SUISSE	Ms Julie MEYLAN First Secretary Embassy of Switzerland in Italy
TUNISIA / TUNISIE	Mme KRIMI Habiba Conseiller des Affaires Étrangères Ambassade de Tunisie à Rome
TURKEY / TURQUIE (in person)	Mr Hasan Enes MABOÇOĞLU Second Secretary Embassy of Turkey in Italy
UNITED STATES OF AMERICA / ÉTATS-UNIS D'AMÉRIQUE (remotely)	Mr Samuel ROTHENBERG Alternate Permanent Representative U.S. Mission to the UN Agencies in Rome
UNITED KINGDOM / ROYAUME-UNI (remotely)	Ms Elisabetta MAGGI European Affairs Officer Economic, Social and Trade Policy Team British Embassy Rome
	Mr Ian THOMPSON Policy Advisor Department for International Trade
URUGUAY (remotely)	Mrs Imelda SMOLČIĆ-TIRIBOCCHI Chargé d'affaires a.i. Minister Counsellor Embassy of Uruguay in Italy

VENEZUELA
(remotely)

H.E. Ms Haifa Aissami MADAH
Ambassador
Embassy of Bolivarian Republic of
Venezuela in Italy

Mr José Angel BUCARELLO
Alternate Ambassador
Embassy of Bolivarian Republic of
Venezuela in Italy

APPENDIX II**ANNOTATED DRAFT AGENDA**

1. Opening of the session by the Secretary-General and the Chair of the General Assembly 2020-2021
2. Election of the Chair of the General Assembly 2021-2022
3. Adoption of the agenda (A.G. (80) 1 rev.)
4. Statement regarding the Organisation's activity in 2021 (A.G. (80) 2)
5. Amendments to the Work Programme of the Organisation for the 2020-2022 triennium (A.G. (80) 3)
6. Final modifications to the Budget and approval of the Accounts for the 2020 financial year (A.G. (80) 4)
7. Adjustments to the Budget for the 2021 financial year (A.G. (80) 5)
8. Arrears in contributions of Member States (A.G. (80) 6)
9. Approval of the draft Budget for 2022 and observations submitted by Member States (A.G. (80) 7)
10. Update on the compensation and pension scheme for UNIDROIT staff (A.G. (80) 8)
11. Update on implementation of whistle-blower and anti-retaliation policy (A.G. (80) 9)
12. Any other business.

ANNOTATIONS**Item No. 1 – Opening of the session**

85. The 80th session of the General Assembly will be held on 9 December 2021 at the seat of UNIDROIT. The meeting will start at 10.00 CET.

Item No. 2 – Appointment of the Chair of the General Assembly 2021-2022

86. Member of the UNIDROIT Governing Council Professor Jorge Sánchez Cordero Dávila (Mexico) chaired the General Assembly for the period 2020-2021. The General Assembly observes the practice of yearly rotation among the geographic regions into which UNIDROIT's membership is divided in accordance with Article 7(7) of the UNIDROIT Regulations. This session it will be for the European group to nominate the Chair for the period 2021-2022.