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**Item No. 5 on the agenda: Adoption of the Work Programme of the Organisation
for the 2023-2025 triennium**

(memorandum prepared by the Secretariat)

<i>Summary</i>	<i>Adoption of the draft Work Programme for the 2023-2025 triennium</i>
<i>Action to be taken</i>	<i>To take note of the proposed allocation of resources to carry out the Work Programme, to approve the insertion of new projects and to determine the priority to be assigned to each project</i>
<i>Related documents</i>	<u>UNIDROIT 2022 – C.D. (101) 4 rev.</u> ; <u>UNIDROIT 2022 – C.D. (101) 21</u> ; <u>UNIDROIT 2022 – C.D. (101) Misc. 2 rev.</u>

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Introduction

1. In accordance with Article 5(3) of the UNIDROIT Statute, the Governing Council, following the consideration of proposals for the new Work Programme for the triennial period 2023-2025 submitted by Member States, international organisations, and other institutions (see [UNIDROIT 2022 – C.D. \(101\) 4 rev.](#)), decided on recommendations to submit to the General Assembly for adoption at its 101st session (Rome, 8-10 June 2022). To this end, the Governing Council applied the following criteria to determine the level of priority to grant the different activities on the Work Programme:

- (a) Priority for allocation of meeting costs:
 - (i) “high priority” – projects that should take precedence over others;
 - (ii) “medium priority” – projects eligible for being initiated or advanced in the event that the costs of high priority projects turn out to be lower than anticipated (e.g., because the Secretariat obtains extra-budgetary funding), thus freeing resources under the regular budget; and
 - (iii) “low priority” – projects that should only be advanced after completion of other projects or on the basis of full extra-budgetary funding.
- (b) Priority for allocation of human resources:
 - (i) “high priority” – at least 70% of the time of the responsible officers;
 - (ii) “medium priority” – not more than 50% of the time of the responsible officers; and
 - (iii) “low priority” – not more than 25% of the time of the responsible officers.
- (c) Indispensable functions: Indispensable functions are those that are either imposed by the Statute of UNIDROIT or are otherwise necessary for its operation (e.g., management and administration). These functions, including depository functions, the promotion of UNIDROIT Instruments, the Library, Publications, as well as the Internships and Scholarship Programme are “high priority” by their very nature, which is why they are supported by a pool of human and financial resources especially dedicated for that purpose.

2. As a result of these considerations, the Governing Council agreed to recommend to the General Assembly that the following Work Programme be adopted for the 2023-2025 triennium with the indicated levels of priority. With regard to legislative activities, the recommended Work Programme includes the six ongoing projects approved with high priority under the 2020-2022 Work Programme, which will continue until their finalisation during the initial stages of the new triennium, as well as five proposals for new legislative activities.

3. In addition, the Governing Council invited the Secretariat to conduct exploratory work on four additional project proposals to be repropounded at a Governing Council future session, which have been added to this document merely for the General Assembly’s information. If, following the completion of the preparatory work, the Governing Council decided to propose their inclusion in the Work Programme, these proposals would be presented to this Assembly for consideration and approval at a later session.

A. Legislative activities**1. Secured Transactions**

Continuation of existing work:

- (a) Implementation of the Rail and Space Protocols to the Cape Town Convention: high priority
- (b) Implementation of the Protocol to the Cape Town Convention on Matters Specific to Mining, Agricultural and Construction Equipment: high priority
- (c) Preparation of further Protocols to the Cape Town Convention:
 - (i) Ships and maritime transport equipment: low priority
 - (ii) Renewable energy equipment: low priority
- (d) Development of a Model Law on Factoring: high priority
- (e) Development of a Model Law on Warehouse Receipts: high priority
- (f) Development of a Guide to Enactment of the UNIDROIT Model Law on Leasing: low priority

2. International Commercial Contracts

Continuation of existing work:

- (a) Formulation of Principles of Reinsurance Contracts: low priority

New work:

- (b) UNIDROIT Principles of International Commercial Contracts and Investment Contracts: high priority

3. Private Law and Agricultural Development

Continuation of existing work:

- (a) Preparation of an international guidance document on Legal Structure for Agricultural Enterprises: high priority

New work:

- (b) Development of an Agricultural Financing Legal Guide: medium priority

4. Law and Technology

Continuation of existing work:

- (a) Digital Assets and Private Law: high priority

New work:

- (b) Legal nature of Voluntary Carbon Credits: high priority

- (c) Global Value Chains: Governance issues and digital challenges: low priority
- (d) Digital transformation, data governance and artificial intelligence: exploratory work

5. Capital Markets and Financial Law

Continuation of existing work:

Bank Insolvency: high priority

6. Transnational Civil Procedure

Continuation of existing work:

- (a) Formulation of Best Practices for Effective Enforcement: high priority
- (b) International Civil Procedure in Latin America: low priority

New work:

- (c) Access to Justice in Environmental Matters: exploratory work

7. Cultural Property

Continuation of existing work:

Private Art Collections: medium priority

8. Sustainable Development

New work:

Development of a guidance document on Corporate Sustainability Due Diligence in Global Value Chains: medium priority

9. Private Law and Intellectual Property

New work:

- (a) Private Law and Contemporary Health Research: Intellectual Property issues in the field of Personalised Medicine: exploratory work
- (b) Standard-Essential Patents: exploratory work

B. Implementation and promotion of UNIDROIT instruments

1. Depositary functions
2. Promotion of UNIDROIT instruments

C. Non-legislative activities

1. UNIDROIT Library and Depositary Libraries
2. Information resources and policy

3. Internships and scholarships

4. Information, in monetary terms, on the allocation of resources to the various projects and activities of the Institute in the financial year 2022 is contained in the Secretary-General's summary of the Organisation's activity in 2022 (UNIDROIT 2022 – A.G. (81) 2).

5. The following paragraphs contain the decisions adopted by the Governing Council for projects and activities to be included in the UNIDROIT Work Programme for the 2023-2025 triennium following the suggestions submitted by the Secretariat on the basis of proposals received from Member States and academic and international organisations.¹ Annex I to this document includes all the proposals for inclusion in the Work Programme received before the relevant Governing Council session. In Annex II to this document comments on the work programme, and comments by the Secretariat to said comments can be found.

¹ The level of priority proposed by the Secretariat is indicated as follows: high * * * – medium * * – low *.

A. Draft UNIDROIT Work Programme for the 2023-2025 triennium: Legislative activities

1. Secured Transactions

(a) Implementation of the Rail and Space Protocols to the Cape Town Convention ***

6. During the 2023-2025 triennium, the Secretariat intends to continue its activity to promote and implement both the 2007 Luxembourg Protocol to the Convention on International Interests in Mobile Equipment on Matters specific to Railway Rolling Stock (Rail Protocol), and the 2012 Protocol to the Convention on International Interests in Mobile Equipment on Matters Specific to Space Assets (Space Protocol), pursuant to its institutional mandate.

7. In relation to the Luxembourg Rail Protocol, Spain and South Africa have both formally signed the treaty as a preliminary step towards ratification, the process of which is currently underway. During the 2023-2025 Triennium, the Secretariat will concentrate its efforts on enabling the entry into force and successful implementation of the Protocol upon the achievement of the fourth ratification. To this end, it will continue to cooperate with the Intergovernmental Organisation of the International Carriage by Rail (OTIF), the Chairs of the Preparatory Commission and the Ratification Task Force to complete the setting up of the institutional framework (including the Supervisory Authority) and to engage with the Registrar. It will also continue to actively promote the Protocol and to strengthen cooperation with other interested global and regional organisations.

8. In relation to the Space Protocol, during the 2023-2025 triennium, the Secretariat intends to continue to promote the Protocol through the activity of the Preparatory Commission and its Subgroup, as well as through participation at institutional events and conferences, in order to enhance awareness of the instrument and its potential benefits. The Secretariat also intends to continue working bilaterally with governments to further their understanding of asset-based financing in the space sector and to aid them in their domestic considerations of the Space Protocol.

9. *The Governing Council agreed to recommend to the General Assembly to maintain the implementation of the Rail and Space Protocols in the 2023-2025 Work Programme at its current high priority level.*

(b) Implementation of the Protocol to the Cape Town Convention on Matters Specific to Mining, Agricultural and Construction Equipment ***

10. The Protocol to the Cape Town Convention on Matters Specific to Mining, Agricultural and Construction Equipment (MAC Protocol) was adopted at a Diplomatic Conference in Pretoria, South Africa, in November 2019. The Governing Council included implementation of the MAC Protocol as a high priority project in the 2020-2022 Work Programme of the Institute.

11. Article XXIV of the MAC Protocol provides that two elements are required for its entry into force: (i) confirmation that the International Registry is fully operational; and (ii) five ratifications by States. Achieving these two elements will be UNIDROIT's focus between 2023-2025.

12. A Preparatory Commission for the Establishment of the International Registry for MAC Equipment pursuant to the MAC Protocol (MAC Preparatory Commission) has been created to undertake the activities required for the MAC Protocol to enter into force. The MAC Preparatory Commission has met on four occasions between 2020-2022 and has three key objectives: (a) selection of a Registrar to operate the MAC Protocol International Registry; (b) establishment of a

Supervisory Authority; and (c) preparation of the first edition of the International Registry Regulations. The work of the MAC Preparatory Commission has been assisted by two sub-groups, the MAC Regulations Working Group, and the MAC Registrar Working Group.

13. During the 2023-2025 triennium, it is proposed that the Secretariat continue to support the activities of the MAC Preparatory Commission in achieving its objectives in an efficient and effective manner. It is anticipated that the Registrar will be selected in early 2023 (as the tender process is already underway), a Supervisory Authority will be established in 2023, and the first edition of the Regulations will also be finalised in 2023. It is further anticipated that the Registry will be operational by 2024.

14. Additionally, the Secretariat, in coordination with the MAC Working Group, will continue to promote the MAC Protocol and support governments in their efforts to sign and ratify the treaty. The Secretariat will focus on assisting those States who have demonstrated a strong interest and commitment to expeditiously ratifying the Protocol, in order for the treaty to receive the five ratifications required for its entry into force. The Secretariat will continue to undertake this promotional work in collaboration with partner organisations such as the World Bank and UNCITRAL, liaising with established regional organisations such as the European Union (EU) and the Organisation of American States (OAS), and utilising relevant fora such as the Asia-Pacific Economic Cooperation (APEC) to maximise effectiveness.

15. *The Governing Council recommended to retain the project in the 2023-2025 Work Programme at its current high priority level.*

(c) Preparation of further Protocols to the Cape Town Convention

*(i) Ships and maritime transport equipment **

16. Since the early stages of its development, there has been a longstanding view that there would be merit in extending the application of the Cape Town Convention through a protocol specific to ships and maritime transport equipment (Maritime Protocol). However, due to concerns expressed by some parts of the maritime law community, the development of a Maritime Protocol has not progressed.

17. The Governing Council has continuously expressed support for the development of a Maritime Protocol, but only on the basis that there was sufficient industry support for the instrument to be successful. As such, the Maritime Protocol has been designated as a low priority project since 2013. In recent years and as consistent with the project's low priority status, the Secretariat has undertaken a range of activities to determine whether there may be increasing industry support for the development of a Maritime Protocol, including; (i) participation in events organised by the African Shipowners Association; (ii) engagement with peak bodies such as the *Comité Maritime International* (CMI) and the Bureau of International Containers (BIC); and (iii) monitoring of developments in other fora, such as the CMI's International Working Groups on Ship Financing Security Practices and Financing of Shipping Containers, and UNCITRAL project on the preparation of an instrument on the judicial sale of ships, currently being undertaken by Working Group VI.

18. While there does not seem to have been a significant change in the parts of the maritime law community not favourable to a Maritime Protocol to the Cape Town Convention, there have been some recent legal and economic developments that may increase the attractiveness of a Maritime Protocol. Specifically, (i) increasing use of leasing arrangements for ships, (ii) increasing need for finance to refit ships to meet environmental regulations or acquire low-carbon emission ships, and (iii) uncertainties in the legal regime governing legal rights in shipping containers might provide an

opportunity for UNIDROIT to further engage with relevant stakeholders to determine whether there may renewed interest in the development of a Maritime Protocol.

19. Should the Maritime Protocol project be retained in the 2023-2025 Work Programme as a low priority project, the Secretariat would continue to monitor the developments described above, renew consultations with the IMO, CMI, BIC and other stakeholders, and consider the Protocol's potential economic impact in order to study further the Protocol's feasibility.

20. At the end of the 2023-2025 Work Programme, it is anticipated that the Rail Protocol, and possibly also the MAC Protocol, will have entered into force. As such, if the Maritime Protocol is retained as a low priority project for the 2023-2025 Work Programme, there may be an opportunity to increase the priority of the Maritime Protocol in the future, should the circumstances warrant such a decision.

21. *The Governing Council agreed to recommend maintaining the preparation of a Protocol to the Cape Town Convention on matters specific to ships and maritime transport equipment in the 2023-2025 Work Programme as a low priority activity.*

*(ii) Renewable energy equipment **

22. At its 95th session (Rome, May 2016), the Governing Council agreed to include the preparation of a Protocol to the Cape Town Convention on matters specific to renewable energy equipment (Renewable Energy Protocol) in the 2017-2019 Work Programme as a low priority project ([C.D. \(95\) 15](#)). At its 98th session (Rome, May 2018), the Governing Council retained the Renewable Energy Equipment Protocol as a low priority project for the Institute's 2020-2022 Work Programme.

23. Consistent with its low priority status, throughout 2020–2022 the Secretariat has conducted research and monitored developments to further determine the viability of a future Protocol on renewable energy equipment. UNIDROIT has engaged an Australian law firm (Auxlaw) to provide pro bono assistance on this project.

24. Recent international developments have only increased the potential importance of a future Renewable Energy Protocol. The 2021 United Nations Climate Change Conference (COP 26) sought to build upon commitments made under the Paris Agreement in transitioning to 'net zero' by 2050. A stated goal of COP 26 was to 'mobilise finance' and engage with private and public sector financial institutions to deliver USD \$100 billion in annual funding to assist developing countries in their transition to renewable energy sources and greener economies. Several additional agreements and initiatives brokered by various countries and private sector entities were also negotiated during COP 26, including the Glasgow Financial Alliance for Net Zero (GFANZ), under which 450 financial institutions undertook to set targets to reach net-zero by 2050, in accordance with the United Nations 'Race to Zero' Campaign.

25. Notwithstanding the significant international momentum behind combatting climate change, significant challenges remain. In 2021, the International Energy Agency reported that existing emission reduction targets would only achieve 20% of the reductions required to achieve 'net zero' by 2050, which can only be achieved if investments in clean energy are more than tripled over the coming decade. A commitment to achieving 'net zero' will expand the market for wind turbines, solar panels, lithium-ion batteries and fuel cells to over \$US1 trillion each year by 2050.

26. It appears that the Cape Town Convention could provide a potential international solution to address some of the legal issues constraining the availability of finance for renewable energy projects. However, further consultations are required to determine whether the Cape Town Convention's international asset-based secured financing framework is the most appropriate vehicle to address these issues.

27. Should the Renewable Energy Protocol be retained as project in the 2023-2025 Work Programme, the Secretariat would (i) engage with peak international bodies regarding the financing initiatives negotiated at COP 26 (including GFANZ), and (ii) undertake consultations with the renewable energy industry, financiers and manufacturers of renewable energy equipment. To obtain further information on the viability of a Renewable Energy Protocol, the Secretariat would develop and distribute a private sector questionnaire. It is anticipated that the proposed activities could be achieved while retaining the low priority status assigned to the project.

28. *The Governing Council recommended to the General Assembly to retain the preparation of a Protocol to the Cape Town Convention on matters specific to Renewable Energy Equipment on the Triennial Work Programme 2023-2025 as a low priority activity.*

(d) Model Law on Factoring ***

29. At its 98th session in May 2019, the UNIDROIT Governing Council approved the development of a Model Law on Factoring (MLF) as a high priority project for the Institute's 2020-2022 Work Programme, on the basis of a proposal submitted by the World Bank. It is suggested that General Assembly consider retaining the MLF as a high priority project on the Institute's 2023-2025 Work Programme, in order to (i) finalise and publicise the MLF, and (ii) develop a complementary document to assist States in its implementation.

30. As consistent with the Institute's established working methodology, the MLF is being developed by a Working Group composed of international legal experts representing different legal systems and chaired by Governing Council Member Professor Henry Gabriel. The MLF Working Group has held six meetings between 2020 - 2022. UNIDROIT also conducted a public consultation on the draft MLF between July and October 2022, which received over two hundred comments on the draft instrument. The MLF will be submitted to the Governing Council for final adoption at its 102nd session (May 2023) and will then be published in both English and French before the end of 2023.

31. Once the MLF has been published, the Secretariat proposes that there be a limited promotion campaign in partnership with private sector stakeholders and regional fora. It is suggested that a comprehensive implementation campaign should not be undertaken until a complementary guidance document has been prepared.

32. Over the past two years, the Working Group has identified a number of matters that would be difficult to address in the MLF itself, but would be of significant importance for implementing States. The Working Group has identified over 60 such matters, including terminology issues, the treatment of digital currencies, the relationship between the MLF and other domestic laws, and further explanation of a range of substantive issues. To address the identified issues and to ensure that States have sufficient guidance in implementing the MLF, the Working Group has suggested that a Guide to Enactment be developed to accompany the MLF. Without the development of a Guide to Enactment, there is a risk that the MLF will not be effectively implemented by enacting States, which will reduce its utility as a harmonising instrument for domestic regulation of factoring at a global level. Therefore, it is suggested that the Guide to Enactment could be developed by the same experts that currently comprise the MLF Working Group, with the involvement of the international, regional and intergovernmental organisations currently observing the Working Group. It is anticipated that the Guide to Enactment could be developed more expeditiously than the MLF itself, over a period of two or maximum three meetings between 2024 and 2025.

33. *The Governing Council decided to recommend retaining the Model Law on Factoring as a high priority project in the Institute's 2023-2025 Work Programme, in order to allow for (i) the finalisation and adoption of the Model Law itself, and (ii) the preparation of a Guide to Enactment for the Model Law.*

(e) Model Law on Warehouse Receipts ***

34. Following a request for joint work from the United Nations Commission on International Trade Law (UNCITRAL), the General Assembly approved the inclusion of the joint UNCITRAL/UNIDROIT Model Law on Warehouse Receipts Project at its 79th session in December 2020 as a new item with high priority status in the 2020/2022 Work Programme (see document [A.G. \(79\) 10](#), paras. 40-47). The project is designed as a joint UNCITRAL/UNIDROIT project consisting of two phases. First, UNIDROIT leads the joint preparatory work through a UNIDROIT Working Group that develops a first comprehensive draft model law text, which will subsequently be submitted for intergovernmental negotiations through an UNCITRAL Working Group.

35. Following the approval of the project, the UNIDROIT Secretariat set up a Working Group which has held four sessions over the 2020-2022 period. In parallel, intense intersessional work has been carried out by thematic subgroups as well as the Drafting Committee, which has prepared the drafting suggestions for the future Model Law.

36. At the 100th session of the Governing Council in September 2021, it was recognised that notwithstanding the intense working schedule of the Working Group, additional time would be needed to ensure completion of the Model Law text, considering the additional theoretical complexity of the project. Therefore, upon the Secretariat's proposal, the Council authorised the extension of the project for one more calendar year, with the presentation of the first complete draft Model Law text at its 102nd session, in May/June 2023 ([C.D. \(100\) B.24](#), para. 101).

37. Based on the Governing Council's authorisation of the extension, two additional Working Group sessions are scheduled, on 5-7 December 2022 and 1-3 March 2023 respectively. Furthermore, two in-person meetings of the Drafting Committee following the Working Group sessions are envisaged, as well as a continuation of the regular remote meetings of the Committee to advance with the redaction and revision of the provisions.

38. Moreover, as the Secretariat had already prospected in its proposal to the Governing Council at its 100th session in September 2021 ([C.D. \(100\) B.7](#), para. 3), the Working Group deems the drafting of a Guide to Enactment instrumental to the adequate implementation and use of the Model Law. Such a complementary text would not only be necessary to explain the provisions included in the Model Law to legislators seeking domestic implementation, but also to provide guidance on the preparation of subsidiary legislation required to implement the Law. The latter aspect is of particular importance with regard to electronic warehouse receipts, for which the technical aspects involving technological changes might be more appropriately addressed in subsidiary legislation in order to ensure flexibility for the legislator to adapt to new developments. Specifically, the Model Law would be sent to UNCITRAL in May 2023, after approval by the UNIDROIT Governing Council, to proceed with two more sessions of the Working Group dedicated to the preparation of the Guide to Enactment, which would be submitted to the Governing Council in May 2024, and subsequently submitted to UNCITRAL for separate approval. This sequence would allow the two institutions to work in parallel.

39. The Governing Council authorised at its 101st session the proposed extension of the project for an additional calendar year in order to prepare a Guide to Enactment of the Model Law. It was agreed that, in light of the joint nature of the project, the drafts of both the Model Law and the Guide to Enactment would be taken to UNCITRAL for intergovernmental negotiation and approval at the Commission ([C.D. \(101\) Misc. 2 rev.](#), paras 27 et seq.).

40. *The Governing Council agreed to recommend to the General Assembly to retain the formulation of a Model Law on Warehouse Receipts in the 2023-2025 Work Programme as a high priority project until its final completion, expected in 2023, and to approve the drafting of a Guide to Enactment, to be completed during 2024.*

(f) Guide to Enactment of the UNIDROIT Model Law on Leasing *

41. At its 98th session in May 2019, the UNIDROIT Governing Council approved the development of a guide to enactment to the UNIDROIT Model Law on Leasing as a low priority project for the Institute's 2020-2022 Work Programme, on the basis of a proposal submitted by the World Bank. As consistent with the low priority assigned to the project and due to competing priorities, no substantive work was undertaken on this project between 2020 and 2022.

42. The practical need for the development of a guide to enactment for the Model Law on Leasing remains. In particular, implementing States require further guidance regarding how the Model Law on Leasing aligns with other, more recent secured transactions instruments that have been adopted, including the UNCITRAL Model Law on Secured Transactions and the MAC Protocol.

43. *The Governing Council recommended that this project be retained on the Institute's 2023-2025 Work Programme as a low priority.*

2. International Commercial Contracts

(a) Formulation of Principles of Reinsurance Contracts *

44. The project on the "Formulation of Principles of Reinsurance Contracts" (PRICL) was included in the 2017-2019 Work Programme of UNIDROIT upon a proposal of a group of scholars of the Universities of Zurich, Frankfurt and Vienna, supported by an international team of experts and advised by representatives of the global insurance and reinsurance markets. The project's purpose is to formulate a "restatement" of existing global reinsurance law. As the project was financially self-sufficient, it was classified among the low priority activities of the Work Programme.

45. The PRICL – First Part (black-letter rules and comments) were presented to the Governing Council at its 98th session (Rome, 8-10 May 2019) and subsequently published. In 2018, the project leaders received funding for a second triennium to address the remaining topics (Back-to-back-cover; Non-contractual liability clauses; Termination and recapture; Limitation periods). Due to the connections between a number of these topics and the UPICC, and the desirability of this second part of the PRICL to continue referring to the UPICC both in the general choice-of-law clause and in the specific black-letter rules and comments, the PRICL Working Group asked UNIDROIT to continue its involvement under the same conditions as before (i.e., in-kind contribution through participation in the biannual Working Group meetings). The continuation of the project for the Work Programme 2020-2022 was approved by the UNIDROIT Governing Council at its 98th session in 2019, and adopted by the General Assembly at its 78th session in the same year.

46. Due to the suspension of the in-person activity of the PRICL Working Group during the pandemic period, however, the project could not be finalised within the projected timeframe. The PRICL Working Group has been authorised to use the funding for one additional year, with the likelihood of a further extension of another year in order to conclude the project within 2024.

47. *The Governing Council agreed to recommend that the General Assembly retain the project at the current low level of priority and to authorise the participation of the Secretariat in the project under the same conditions as before, to ensure its completion during the course of the 2023-2025 Triennium.*

(b) UNIDROIT Principles of International Commercial Contracts and Investment Contracts ***

48. The Secretariat received a proposal for inclusion in the 2023-2025 Work Programme from the International Chamber of Commerce's Institute of World Business Law (ICCWBO) to conduct a joint project on investment contracts. The proposal was to explore how investment contracts (i.e., contracts executed between sovereign States or their controlled entities) and private investors can be modernised, harmonised, and standardised, particularly in light of the UNIDROIT Principles of International Commercial Contracts (UPICC) and ICC standards.

49. In 2013, the Institute considered conducting work on the UNIDROIT Principles of International Commercial Contracts (UPICC) and investment contracts as a category of long term-contracts. Ultimately, however, the revision of the UPICC – leading to the current 2016 version – was limited to several key issues concerning long-term contracts in general, leaving specific considerations for investment contracts, for the time being, aside². Based on the proposal of the ICCWBO, and in light of the developments described in the next paragraphs, the Secretariat proposed to consider conducting work on the UPICC and investment contracts during the next Work Programme.

50. International investment law has undergone deep reforms over the past few years. Many States have adopted a 'new generation' of International Investment Agreements (IIAs) that impose conditions on foreign investors regarding corporate social responsibility and sustainability standards. Furthermore, there is a trend of integrating or reflecting new policy developments in investment treaties, thereby expanding their scope beyond the traditional focus on investment protection. This trend is expected to continue going forward. Investment treaties are anticipated to have a potential growing role in contributing to sustainable development and responsible business conduct, the protection of human rights, the fight against climate change, inequalities, digitalisation, and other topical matters. These developments make the question of how to strike a balance between principles regarding the promotion and protection of investment, on the one hand, and principles regarding the protection of general (societal and environmental) interests, on the other hand, more pertinent than ever. Traditional provisions in investment treaties on Fair and Equitable Treatment and the right to regulate of host States on matters of general interest nowadays often have a much more articulated formulation than in the past.

51. Public attention has also increased for investment policies and disputes, with a call for greater transparency and a push for stronger involvement of the local community in certain areas. At the same time, the case law resulting from the growing amounts of legal claims in the area of investment law is by no means uniform, since treaty and contract provisions are interpreted on a case-by-case basis by domestic courts and arbitral tribunals. The circumstance that arbitral decisions are often confidential further reduces the predictability of the outcome of disputes.

52. Possible new approaches to the drafting of IIAs are being assessed by other international organisations, and UNCITRAL is conducting work on a reform of investor-State dispute settlement. However, the abovementioned developments strongly affect not only investment treaties but also investment contracts, since these are generally negotiated and agreed with treaties as background rules. The provisions in investment treaties typically apply to a wide range of investments, and are often formulated in the form of broad standards rather than precise obligations, which makes it crucial to be more specific in the investment contract. In addition to domestic legislation and investment treaties, investment contracts could also be seen as an instrument to address developments in policy trends. However, no systematic work has been undertaken so far on issues

² It is worthy of note that the Governing Council never rejected work on the topic. Since there were limited resources -and limited time to finish the work on long-term contracts- the decision was simply to concentrate on the general matters.

to be addressed at contractual level to cope with the new requirements of international investment law.

53. In the meantime, the COVID-19 pandemic has bluntly demonstrated the impact that worldwide, unforeseen events can have on economies, making the performance of contracts in extreme circumstances highly uncertain if not altogether impossible. Global flows of foreign direct investment have been severely hit. The pandemic has challenged current thinking on investment policies and, at the same time, may lead to increased competition between States trying to strengthen their national economies post-COVID. In light of this, the Governing Council was asked to consider whether there is now momentum to conduct work on the UPICC and investment contracts. The UPICC may be used in investment contracts as in any other type of international commercial contract, i.e. as rules of law governing the contract, as a means of interpreting or supplementing international uniform law instruments, and as a means to interpret and supplement domestic law. In fact, the case of using the UPICC for investment contracts may be even stronger than for other contracts, since foreign investors may prefer the application of the UPICC over the law of the host State. Indeed, arbitral tribunals have referred to the UPICC in investment dispute cases on numerous occasions throughout the years.

54. Work by UNIDROIT on the UPICC and investment contracts could help strengthen the contractual framework for international investments and to account for newly developed investment treaty policies at contractual level in a uniform manner. For instance, there may be merit in assessing and clarifying the ability of the host State to invoke hardship or the force majeure exception in case regulatory change is spurred by public interest considerations. The potential relevance of the principle of legitimate expectations and investor due diligence in such cases may also be assessed, as well as the link with the obligation to act in good faith and the relationship with contractual safeguards in investment agreements, such as 'stabilisation' or 'adaptation' clauses. Further clarifying the UPICC in the specific context of investment contracts would contribute to transparency and standardisation, which is becoming even more relevant in light of the increased focus on investments by small and medium-sized enterprises, and may further promote the application of the UPICC in investment contracts and disputes. Moreover, work in this area would be in line with UNIDROIT'S objective to contribute to the achievement of the UN Sustainable Development Goals.

55. Should the General Assembly agree with the Governing Council's recommendation to include a project on the UPICC and investment contracts in the 2023-2025 Work Programme, various approaches might be considered. One option would be to consider preparing a "Legal Guide to the Use of the UNIDROIT Principles of International Commercial Contracts in Investment Contracts", which would provide guidance to parties on how they might adapt or supplement the UPICC to meet the special needs of investment contracts. In addition to the Legal Guide, the project could seek to prepare *model clauses* reflecting the provisions most commonly used in practice, and in accordance with the UPICC. For this exercise, the experience of the ICCWBO in drafting model clauses would be paramount. Other, more far-reaching options would be a revision of the UPICC or the preparation of a supplement to the current edition of the UPICC, containing black letter rules and comments specifically addressing issues of relevance in the context of investment contracts.

56. It is the Secretariat's view that this proposal constitutes a unique opportunity to join forces with the ICCWBO and put together the theoretical and practical expertise of both organisations for the analysis of a topic which could substantially benefit from the knowledge of UPICC and ICC instruments, as well as of international customary law. Moreover, the partnership could allow access to ICC awards on disputes arising out of investment disputes, an extraordinary resource -for years beyond the reach of UNIDROIT - that may prove of particular interest for this project and for UPICC more generally. Further, the Secretariat, together with the ICCWBO, is exploring the possibility of sharing the costs of a working group.

57. The Governing Council, at its 101st session, agreed on the importance of the topic and its direct linkage with previous work of the Institute, and welcomed the partnership with the ICCWBO.

58. *The Governing Council agreed to recommend the inclusion of this project in the 2023-2025 Work Programme to the General Assembly with high priority.*

3. Private Law and Agricultural Development

(a) *Preparation of an international guidance document on Legal Structure of Agricultural Enterprises* ***

59. Following the adoption of the UNIDROIT/FAO/IFAD Legal Guide on Contract Farming and the UNIDROIT/IFAD Legal Guide on Agricultural Land Investment contracts, the Legal Structure of Agricultural Enterprises (LSAE) was proposed as the third project to be developed under the tripartite partnership with the Food and Agriculture Organization of the United Nations (FAO) and the International Fund for Agricultural Development (IFAD) in the area of private law and agricultural development. The LSAE project was recommended for inclusion in the 2020-2022 Work Programme by the Governing Council, at its 98th session, and was approved by the General Assembly at its 78th session.

60. The development of the LSAE project began in 2020, with the preparation of a feasibility study presented during the 99th session of the Governing Council, followed by a consultation webinar jointly organised with the partner organisations FAO and IFAD in 2021. The feasibility study and the report of the Webinar can be found at the LSAE project's dedicated [website](#). During its 100th session, the Governing Council agreed to raise the project's priority, from medium to high priority. The General Assembly approved the proposed recommendation, amending the 2020-2022 Work Programme at its 80th session in 2021.

61. Consistent with the high level of priority, over the course of 2022, the Working Group for the preparation of the LSAE guidance document was constituted with 11 expert members and more than 16 observer institutions. The Working Group is chaired by the Governing Council member Justice Ricardo Lorenzetti and coordinated by Professor Fabrizio Cafaggi (Judge at the Council of State Italy and Professor at the University of Trento and LUISS). Two Working Group sessions were held in 2022 (23-25 February and 2-4 November), and three intersessional meetings took place on 16 June and 22, 30 September 2022.

62. Through the lens of collaboration, the purpose of this project is to provide potential solutions to issues regarding, among others: contractual or asset incompleteness; issues related to unfair market practices; the impact of sustainability requirements and digitalisation on individual and collective agricultural enterprises. The project focuses its analysis on three categories of instruments aimed at promoting efficient commercial collaboration between actors involved in global value chains: (i) contracts, including bundle of contracts and multiparty contracts, (ii) companies, with or without limited liability, and (iii) cooperatives. The target audience are legal professionals representing smallholders and agri-MSMEs enterprises operating in the midstream segment of the supply chains and in low- and middle-income countries.

63. Given the initial stage of the project, the UNIDROIT Secretariat proposed to the Governing Council, during its 101st session, to carry over the activities concerning the LSAE project to the new Work Programme 2023-2025. According to the Secretariat proposal, the prospective guidance document could be developed over five Working Group sessions in the 2022-2024 period, followed by a period of consultations before submitting the complete draft for adoption by UNIDROIT, FAO and IFAD.

64. *The Governing Council agreed to recommend that the General Assembly retain the project in the 2023-2025 Work Programme at high priority, until its final completion, expected in 2024 (C.D. (101) 21, para. 247).*

(b) Development of an Agricultural Financing Legal Guide **

65. On 10 December 2021, the Government of the United States submitted a proposal for inclusion in the 2023-2025 Work Programme of a Legal Guide on Agricultural Financing. The idea behind the proposal is to take stock of existing best practices on agricultural financing and to offer, in one instrument, a coherent, full framework to promote the development of the agricultural sector. While existing guides concentrate on specific transactions, the added value of this project would be to include a comprehensive analysis of the various transactions throughout the entire supply chain in agriculture, in one instrument. Further, this type of Guide would shed light on which of the existing best practices should be used for each type of transaction, with a special focus on the less sophisticated stakeholders.

66. The proposal suggests that the future Guide: (i) provides a comprehensive description of the transactions more often used to access finance, with especial reference to asset-based financing and leases, a stock-taking exercise which could be useful especially in less developed jurisdictions; (ii) offer a list of existing best practices and standards following current practices in the distribution of agricultural commodities; (iii) identify the relevant standards for each transaction/part of the chain and present an explanation on how the different standards can work together along the supply chain; and (iv) spot gaps in existing instruments and create the foundation for possible future standards where needed.

67. An important aspect of this proposal is its presentation of the broader picture of the agricultural supply chain, allowing the direct linkage of the project with existing UNIDROIT projects, such as the one on Legal Structure of Agricultural Enterprises (LSAE). In that sense, this proposal is a follow-up or complementary work of LSAE. Moreover, this type of guide could enhance and complement the use of other UNIDROIT instruments, such as the Model Law on Leasing (2008), the Model Laws on Factoring and Warehouse Receipts, or even the use of the MAC Protocol to the Cape Town Convention. Further, the instrument would offer guidance in the joint use and interpretation of other key international instruments concerning access to finance, such as UNCITRAL's Model Law on Secured Transactions.

68. While the project could potentially be very valuable for both for legislators/government officials and private sector stakeholders, it might be especially relevant as a "user guide" of international standards in access to finance. As such, it can help enhance the understanding and the use of previous UNIDROIT instruments, and improve consistency with other relevant standards. Further, it can help identify areas where additional work may be required, allowing UNIDROIT's line of work on private law and agriculture to continue its development. In light of the content of the instrument to be drafted, and consistent with the proposal, a possibility would be to partner up with relevant organisations in the sector: either a fourth joint project with FAO and IFAD, or another project with the World Bank Group. Should the General Assembly agree to support this project, the Secretariat would initiate contacts to identify a possible partner in due course.

69. *The Governing Council agreed to recommend that the General Assembly include the project on agricultural financing in the 2023-2025 Work Programme with medium priority. There was agreement that work should commence after the finalisation of the ongoing project on Legal Structure of Agricultural Enterprises, and could take place in collaboration with UNCITRAL, the World Bank Group, FAO, and IFAD.*

4. Law and Technology

(a) **Digital Assets and Private Law** ***

70. As part of 2020-2022 Triennial Work Programme, the 78th Session of the General Assembly approved the creation of a Working Group with the objective to develop a legal instrument containing principles and legislative guidance in the area of private law and digital assets. Consistent with its mandate, over the course of the 2020-2022 triennium, the Working Group has met on six occasions, with a Drafting Committee for the project having met on 12 occasions. Progress reports and drafts of the instrument have been shared with the UNIDROIT Governing Council at its 100th Session ([C.D. \(100\) B.9](#)) and its 101st Session ([C.D. \(101\) 7](#)).

71. Over the course of its work, the Working Group has developed a draft text with Legal Principles on Digital Assets and Private Law, which is accompanied by a detailed Commentary on each Principle. This draft text provides legislative guidance to policymakers and other stakeholders in the digital asset economy on private law issues which should be considered when preparing domestic rules on digital assets, or when offering services related to them. In this regard, the Principles contain sections on Scope and Definitions, Private International Law, Control, Transfer, Custody, Secured Transactions, Enforcement, and Insolvency. At its Sixth Session (Rome and Zoom, 31 August – 2 September 2022), the Working Group further refined the draft Principles with the aim to conduct an industry consultation in early 2023. The consultation will invite industry participants, as well as other stakeholders to comment on the draft and ensure that the Principles prepared will benefit the digital asset economy once adopted.

72. In order to support the work of the Working Group, and keeping in mind the high interest in this area from UNIDROIT Member States from around the world, a Steering Committee was established to support the work of this project. This Steering Committee reports to the Governing Council, with its activities having been noted at the Council's 101st Session ([C.D. \(101\) 7](#)). The Steering Committee was called upon to comment on the Principles in February-April 2022. As part of this, 24 experts from 14 countries and one Regional Economic Integration Organisation commented on the Draft. The Steering Committee was invited to submit a second round of comments between November-December 2022. The input received during the second consultation will be incorporated into the draft Principles at the Working Group's Seventh Session (Rome and Zoom, 19-21 December 2022).

73. Additionally, the Working Group has also organised several ad hoc workshops focussing on different topics, including digital twins, digital assets and enforcement, and the notion of control. Furthermore, the Secretariat has been involved in promotional activities relating to the project by means of participation in various international conferences and fora, all of which can be found in the documents mentioned above.

74. *The Governing Council, at its 101st session, agreed to recommend to the General Assembly to maintain this project in the 2023-2025 Work Programme at high priority level, with the goal of conducting an industry consultation and finalising the instrument in 2023.*

(b) **Legal nature of Voluntary Carbon Credits** ***

75. In response to the call for proposals for the 2023-2025 Work Programme, the Secretariat received a proposal from the International Swaps and Derivatives Association (ISDA), which was supported by the Government of Paraguay, to undertake a project on the Legal Nature of Voluntary Carbon Credits (VCCs). The proposed project was in line with the Institute's portfolio of work in the area of sustainable development. It was recalled that the concept of carbon credits was introduced by the Kyoto Protocol (1997) to the United Nations Framework Convention on Climate Change with

the purpose of reducing greenhouse gases (GHG) emissions into the atmosphere and that the Paris Agreement (2015) had included carbon trading as one of the cornerstones to mitigate GHG emissions at every level of economic activity across domestic and international supply chains. Further, the proposal noted that carbon credits were mostly issued by public authorities, and many countries and regions had detailed rules in place for their issuance, transfer, quality, and other regulatory matters. This had led to the creation of many important carbon markets, including the EU, Switzerland, USA, UK, China, Mexico, etc. However, besides the highly regulated markets of mandatory carbon credits, there was also a market for VCCs that mostly involved private actors, who were unsupervised and functioned under inconsistent requirements.

76. The Taskforce for scaling the use of VCCs had identified a deficiency regarding a lack of legal certainty in trading VCCs, including, but not limited to: (i) how ownership rights in VCCs, as fungible instruments, could be created and transferred; (ii) what type of security could be taken and enforced; (iii) how VCCs could be treated following an insolvency (including concerning netting); (iv) conflicts-of-laws rules, including jurisdiction and applicable law in case of insolvency and when there was a cross-border element; (v) clarification of legal positions when intermediaries were involved; or the (vi) creation and enforcement of security arrangements over VCCs. It was noted that the issues presented were similar in nature to those which were addressed by UNIDROIT's Geneva Securities Convention, and the ongoing UNIDROIT project on Digital Assets and Private Law.

77. During the 101st Session, the Governing Council offered full support to doing work on this project, noting the importance of UNIDROIT undertaking a project which addresses climate change, is in line with sustainable development, and evident synergies with the UNIDROIT Project on Digital Assets and Private Law. It was recognised that, in addition, it would be important to involve experts in the areas of environmental law, carbon trading, and capital markets.

78. *The Governing Council agreed to recommend to the General Assembly the inclusion of a project to analyse the private law aspects and determine the legal nature of VCCs in the 2023-2025 Work Programme, with high priority. The Council also noted the need for coordination and involvement of other international organisations.*

(c) Global Value Chains: Governance Issues and Digital Challenges *

79. In a letter dated 27 January 2022, the European Law Institute (ELI) formally expressed its interest in conducting a joint project with UNIDROIT on "Global Value Chains: Governance Issues and Digital Challenges" ([C.D. \(101\) 4 rev](#), section B.6, and Annexe 7). The project would address the challenges posed by the development of new structures of governance of the supply chain, starting with the role of contracts not only as essential building blocks but also as governance tools. This project would analyse a variety of contract-based governance models that create more complex relationships among participants, such as networks, multi-party contracts, and collaborative or associative schemes. Further, this project would consider how digital technology and the surge of the data economy affect Global Value Chains (GVCs), in particular by considering how new organisational and governance architectures are provided through centralised and decentralised models, such as platforms and Distributed Ledger Technologies (DLT).

80. This project would consider whether existing contract principles and uniform law instruments provide sufficient regulation for such new models, in relation to a variety of issues such as, for example, the allocation of liability along the chain, the enforcement of contractual rights affecting third parties and, more generally, the effectiveness of contractual remedies, the need to consider how to integrate non-commercial issues such as Corporate Social Responsibility, and the impact of the new structures created by technology, particularly in relation to governance mechanisms. Online dispute resolution (ODR) may also be considered as it plays a primary, albeit not exclusive, role in settling disputes in GVCs under platform, network or DLT-based models.

81. The Secretariat and the Governing Council acknowledged the synergies of this project not only with instruments already adopted (e.g., UPICC and the Legal Guide on Contract Farming), but also with other ongoing projects (e.g., Legal Structure of Agricultural Enterprises and, to a lesser extent, Digital Assets and Private Law). The proposed project could be developed as a guidance document to apply the UPICC to GVCs, the development of a set of new principles for GVCs, and/or the elaboration of model clauses for the contracts underpinning the governance structure of data-based/-driven GVCs.

82. *The Governing Council decided to recommend the inclusion of this project in the 2023-2025 Work Programme with low priority, and with the possibility of conducting exploratory work, jointly with the ELI, to further define the scope and the expected outcomes.*

(d) Digital transformation, data governance and artificial intelligence

83. A proposal from the European University of Rome was received to conduct work on “Digital transformation, data governance and artificial intelligence”. The proposal highlighted the increasing role of new technologies, artificial intelligence (AI) and big data in practically all areas of society, making express reference to the legal debate concerning civil liability for damages caused by AI-based technologies that were able to self-train and operate without human intervention. The proposal identified an area where the application of AI tools and big data had received less attention so far: the organisation and management of corporations. It was argued that AI systems and cloud computing services may facilitate the collection, analysis and storage of business information, and insights gained through data analysis and predictive technologies could help businesses define their corporate strategies. Furthermore, the proposal underscored how business intelligence technologies may be useful for corporate reporting and compliance purposes.

84. The proposed project would focus on AI and corporation management, investigating the opportunities and implications of new technologies in the corporate context, and to develop global standards that would address legal issues through a combination of corporate law, data law and information technology law. It was recalled that several other international organisations were already undertaking work in the area of AI. While the proposal raised interest, it was considered excessively broad in its initial formulation. Additional work and further refinement would be necessary for the project to be included in the Work Programme.

85. *The Governing Council did not provide a recommendation to the General Assembly for inclusion of this project in the Work Programme but agreed to exploratory work taking place, if possible, in the period leading to the 102nd session of the Council in 2023. The Secretariat intends to continue monitoring developments in this area and report to the Governing Council accordingly.*

5. Capital Markets and Financial Law

Bank Insolvency* **

86. The project on Bank Insolvency aims to develop international guidance on how to effectively address the failure of small and medium-sized banks. It is undertaken in cooperation with and with the support of the Financial Stability Institute of the Bank for International Settlements (BIS). The project was included in the 2020-2022 Work Programme in December 2019 ([A.G. \(78\) 12](#), paras. 44 and 51). Upon recommendation of the Governing Council, the General Assembly allocated a high priority status to the project at its 80th session in December 2021 ([A.G. \(80\) 10](#), paras. 44 and 46). Accordingly, a Working Group was established at the end of 2021, composed of ten members and

more than thirty observers, including the IMF, the World Bank, and central banks, banking supervisors, resolution authorities and deposit insurers from all over the world.

87. The first session of the Working Group was held on 13-14 December 2021. On that occasion, among others, the Working Group decided to establish three thematic Subgroups to advance the work on the project during the intersessional period. Subgroup 1 addresses matters relating to the scope of the future instrument and definitions, objectives of the liquidation process, institutional arrangements and operational aspects. Subgroup 2 focuses on grounds for opening insolvency proceedings, preparatory actions, tools and funding. Subgroup 3 examines aspects of creditor hierarchy, the treatment of financial contracts, group and cross-border issues as well as safeguards for stakeholders of the failing bank. The second session of the Working Group took place on 11-13 April 2022, and its deliberations mainly focused on the Reports prepared by the three Subgroups.

88. The third session of the Working Group took place on 17-19 October 2022, and was kindly hosted by the Single Resolution Board in Brussels. The fourth session of the Working Group is expected to take place end-March 2023 at the premises of the BIS Financial Stability Institute in Basel. The fifth session would take place in autumn 2023, likely followed by a sixth session early-2024. It is anticipated that intense intersessional work will continue to take place throughout the duration of the project. Consultations are envisaged to be held before submitting the final draft Legislative Guide to the Governing Council for adoption in 2024.

89. *The Governing Council agreed to recommend that the General Assembly maintain the high priority level of the project during the 2023-2025 Work Programme.*

6. Transnational Civil Procedure

(a) Formulation of Best Practices for Effective Enforcement ***

90. The project on Best Practices for Effective Enforcement (BPÉE) was included in the 2020-2022 Work Programme by the General Assembly ([A.G. \(78\) 12](#), paras. 41 and 51, and [A.G. \(78\) 3](#)), confirming the recommendation of the Governing Council ([C.D. \(98\) 17](#), para. 245). At the second meeting of its 99th session on 23-25 September 2020, the Governing Council approved the proposed scope of the project, confirmed the high priority status assigned to it and authorised the establishment of a Working Group ([C.D. \(99\) B.21](#), paras 57-58).

91. The UNIDROIT Secretariat set up a Working Group chaired by Governing Council Member Ms Kathryn Sabo. The Working Group was invited to consider the current challenges for effective enforcement, and the most suitable solutions (procedures, mechanisms) to overcome them. It was agreed that the goal of the project would be to draft best practices designed to improve the effectiveness of enforcement combating excessive length, complexity, costs, and lack of transparency, while at the same time ensuring a sufficient protection of all parties involved. Such best practices should consider the impact of modern technology on enforcement, both as an enabler of suitable solutions and as a potential source of additional challenges to be addressed.

92. Since the beginning of its activity, the Working Group has met for four sessions, facilitated by an intense intersessional activity conducted virtually and supported by the Secretariat. The first session, held on 30 November–2 December 2020, focused on the more precise determination of the scope of the project, as well as on methodology and organisational issues, and discussed a specific document on the impact of technology in enforcement. The second session took place on 20–22 April 2021, and its deliberations focused on the detailed Reports prepared by Subgroup 1 on “post-adjudication” enforcement; Subgroup 2 on enforcement of security rights (with inclusion of draft best practices); and Subgroup 3 on the impact of technology on enforcement. The third session of the

Working Group, held on 29-30 November and 1 December 2021, addressed specific issues including enforcement of monetary claims by third party debt orders and tentative best practices regarding the impact of automation, charging orders on land, revised draft best practices on security rights over receivables, on the disposition of collateral and on variation by parties of the rules regarding realisation of the collateral, as well as a first discussion on enforcement on digital assets.

93. At the second meeting of the Governing Council's 100th session, held on 22-24 September 2021, it was recognised that notwithstanding the intense working schedule of the Working Group, additional time would be needed to ensure its completion.

94. Two Working Group sessions were planned for 2022: the fourth session was held on April 26-28 and discussed a first set of draft best practices regarding enforcement by way of authority, a position paper on enforcement on digital assets, based on research conducted in cooperation with the Digital Assets and Private Law Working Group, a document regarding best practices on on-line auctions, and substantive and practical issues regarding the way forward for the activities of the subgroups and the Working Group in general. It was preceded by several intersessional meetings and two consultation Workshops dedicated to the impact of technology on enforcement proceedings (respectively, on 19 January and 8 March 2022), and it was followed by a joint Digital Assets and Private Law – Best Practices for Effective Enforcement projects Workshop held on 10 June 2022.

95. The fifth session of the Working Group is scheduled for 12-14 December and is expected to discuss an advanced set of best practices accompanied by explanatory comments. The sixth session of the Working Group is planned for 14-16 March 2023. It is envisaged that work be continued throughout 2023 with a view of presenting a finalised draft to the Governing Council at its 103rd session in 2024.

96. *The Governing Council agreed to recommend retaining the project in the 2023-2025 Work Programme as a high priority activity until its completion, expected in 2024.*

(b) International Civil Procedure in Latin America *

97. In 2019, the Department of International Law of the Organisation of American States (OAS) formally expressed its interest in exploring joint work with UNIDROIT concerning international civil procedure. Drawing from informal exchanges and conversations, and consistently with the specific geographical mandate of the proponent, the work was meant to focus on the Latin American jurisdictions and would be similar to previous work conducted by UNIDROIT together with the American Law Institute (2004 ALI-UNIDROIT Principles of Transnational Civil Procedure) and particularly the joint work with the European Law Institute (now published as the 2020 ELI-UNIDROIT Model European Rules of Civil Procedure) that adapted the ALI-UNIDROIT Principles to the European regional dimension.

98. The Governing Council, at its 98th session (Rome, 8-10 May 2019) recommended the introduction of the project in the Work Programme with a low priority status, pending conclusion of the ELI-UNIDROIT project, in view of the higher priority awarded to the project on Principles of Effective Enforcement and considering the generality of the proposal that needed further consultation. The recommendation was adopted by the General Assembly at its 78th session (12 December 2019).

99. During the 2020-2022 Work Programme period, the Secretariat received further expressions of interest on this project. Possible synergies with the Italian-Latin American International Organisation (IILA) were also discussed during meetings between the UNIDROIT President and Secretariat and the IILA Secretary General.

100. *The Governing Council agreed to recommend that the General Assembly keep the project in the Work Programme 2023-2025 with a low priority status, and authorised the Secretariat to continue to conduct further consultations subject to availability of resources.*

(c) Access to Justice in Environmental Matters

101. The University of Macerata (Italy) presented a proposal for UNIDROIT to work on “Access to Justice in Environmental Matters” (C.D. (101) 4 rev, section B.9, and Annexe 10). A preliminary study identified the existence of marked differences between national legal regimes and the challenges to access justice by individuals and relevant stakeholders in environmental matters, especially in cross-border cases. While some countries allow legal actions by individuals, other jurisdictions limit standing to sue to competent national authorities. Furthermore, class actions may or may not be possible, and nongovernmental organisations (NGOs) may or may not have legal standing.

102. The proposal underlined that the United Nations Economic Commission for Europe (UNECE) Convention on Access to Information, Public Participation in Decision-Making and Access to Justice in Environmental Matters (Aarhus Convention) was a step in the right direction, as it conceded several rights to individuals with regard to the environment. However, more granular, concrete rules would be needed to move towards a desirable international harmonisation. Therefore, the project’s purpose would be the development of a Model Law (or comparable instrument) on access to justice in environmental matters to address not only issues regarding legal standing and collective redress mechanisms, but also key issues regarding jurisdiction, judicial models (e.g., civil versus administrative courts, specialised chambers) and types of damages (e.g., compensation or *restitutio ad integrum*).

103. The potential value of the project in remedying environmental damage through effective judicial mechanisms was acknowledged. UNIDROIT’s expertise in the area of civil procedure and enforcement could be particularly helpful in designing a global framework on access to justice in environmental matters. However, further consultations would need to be undertaken with other organisations and relevant stakeholders in order to understand the degree of interest and possibility of establishing partnership with other relevant organisations in the field of environmental law.

104. *The Governing Council did not provide a recommendation to the General Assembly for inclusion of this project in the Work Programme but agreed that exploratory work could be conducted to further specify the scope of this project. A more defined proposal could be reassessed by the Governing Council at a future session. The Secretariat will continue to monitor developments in this area.*

7. Cultural Property

Private Art Collections* *

105. Since the inclusion of the topic in the 2017-2019 Work Programme as a low priority activity, UNIDROIT has gathered information and conducted research on the subject to better understand how the Institute might lend its expertise on the topic. Various studies have been conducted and UNIDROIT has also organised or hosted conferences in cooperation with partners of the 1995 UNIDROIT Convention Academic Project (UCAP).

106. The Secretariat has identified the subject of orphan objects as the one in need of transnational legislative attention. The need to work on a definition of orphan objects, the role of the

provenance, the legal status of the orphan objects in art collections, and the definition of a due diligence when acquiring orphan objects have been earmarked as issues that could conform the scope of the project. The scope is very much in line with the 1995 UNIDROIT Convention on Stolen or Illegally Exported Cultural Objects, in particular on aspects concerning proof and the role of databases, as well as time limitations of claims concerning orphan objects. Following discussions and consultations, consensus was reached, subject to the identification of sufficient resources, to upgrade the project and begin work with a reduced Working Group. A first online meeting of an Exploratory expert group was held in September 2022 for a preliminary discussion on the selected topics.

107. *The Governing Council agreed to recommend an upgrade of the project to the General Assembly to medium priority in the 2023-2025 Work Programme. The project would be supported by the Fondation Gandur pour l'Art and the Art-Law Centre of the University of Geneva.*

8. Sustainable Development

Development of a guidance document on Corporate Sustainability Due Diligence in Global Value Chains **

108. The Secretariat received a proposal from the International Development Law Organisation (IDLO) and from the European Bank of Reconstruction and Development (EBRD) on the topic of Corporate Sustainability Due Diligence in Global Value Chains.

109. The proposal is to be contextualised in the growing concern for the protection of human rights and environmental standards along international value chains. While the growth of international value chains has brought economic benefits, experience has shown that it may also have negative externalities.

110. The United Nations Guiding Principles for Business and Human Rights³, adopted in 2011, offered a first global standard to ensure respect for human rights in the business context. Recognising only partial implementation of this non-mandatory framework,⁴ governments have increasingly been looking at converting these soft law principles into binding law.⁵ In recent years, efforts have turned to national legislation requiring corporate sustainability due diligence by companies headquartered and/or operating within the relevant jurisdiction.⁶ The scope, requirements, extent of liability, and enforcement of due diligence laws have evolved considerably, but most of these legislations have a core set of elements in common: size of covered companies, type of liability, extent of harm, scope of control, type of enforcement, and choice of law. Questions remain around how courts will enforce these laws, since they include novel legal definitions of accountability. Governments⁷, bar

³ United Nations Guiding Principles for Business and Human Rights (2011), available at https://www.ohchr.org/documents/publications/guidingprinciplesbusinessshr_en.pdf.

⁴ See, e.g., the findings of the World Benchmarking Alliance, measuring global companies on their human rights performance, at <http://www.worldbenchmarkingalliance.org/publication/chrp>.

⁵ See National Action Plans on Business and Human Rights, <https://globalnaps.org> (map of countries that have not passed a NAP, have other non-state initiatives, are developing one, or published one).

⁶ See, e.g., European Coalition for Corporate Justice's comparative analysis of mandatory human rights and environmental due diligence laws (France, Germany, Norway) and legislative proposals (Netherlands, Austria, Belgium) in Europe, <https://corporatejustice.org/wp-content/uploads/2022/03/Corporate-due-diligence-laws-and-legislative-proposals-in-Europe-March-2022.pdf>.

⁷ E.g., U.K. Government Civil Service issued the guide "Tackling Modern Slavery in Government Supply Chains" (September 2019) to support the 2015 Modern Slavery Act. Guide available at https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/830150/September_2019_Modern_Slavery_Guidance.pdf.

associations⁸, and law firms have started to provide guidance and model clauses for contracts with suppliers of goods and services to support compliance. However, to date most of this guidance has focused on limited geographic compliance. More recently, the European Commission has adopted a proposal for a Directive on corporate sustainability due diligence which aims to foster sustainable and responsible corporate behaviour throughout global value chains.⁹

111. Notwithstanding the evolution and recent efforts, the legal landscape remains scattered. Most jurisdictions do not have value chain due diligence legislation in place, while those that do have laws that diverge considerably in scope and approach. Gaps and ambiguity obfuscate how companies may ensure adequate and effective due diligence. In view of this situation, UNIDROIT's assistance in harmonisation may prove extremely impactful and timely. On a general level, deviations across countries curtail corporate compliance and increase operational costs for all parties. These deviations include legal definitions (e.g. scope of control, type of enforcement) but also extend to coverage by sector (e.g. extractives or textiles) or human rights issues. This may be especially pertinent as countries with value chain due diligence requirements consider how to address climate change and, in particular how to achieve the Paris Agreement goals of mitigation of Greenhouse Gas emissions in the immediate future.

112. Commercial contracts have become an essential vehicle to comply with corporate sustainability due diligence in global value chains, and changes to contract law have raised many legal questions, which may benefit from UNIDROIT's expertise in legal harmonisation in particular in the fields of contract and commercial law. These include but are not limited to the following: how to define "control" in the value chain, the question of whether liability covers reporting obligations or extends to quality, and what should be considered the industry "standards" for due diligence efforts. As companies begin to adapt and comply with these legislations, greater clarity and uniformity across approaches in different countries is needed to assist in the fulfilment of the laws' goals.

113. UNIDROIT could contribute to harmonisation in this field through the development of different instruments. A first option could be for UNIDROIT to issue commentary showing how the UPICC and the UPICC model clauses relate to value chain due diligence. In light of the novelty and importance of these issues, whether or not this could be addressed as a separate part of the UPICC, in the form of an Annexe, could also be considered. This possibility could be linked with the type of instrument that results from the recommended project on the UPICC and investment contracts.

114. A second possible instrument to consider would be a Compliance Guide and set of Model Clauses. A global guide to compliance could address the differences across national legislative approaches and could provide a harmonised solution for companies with global reach. Such a guide could also target supply partners in countries trading with parent companies covered by these laws. Such an effort could take the form of a guide or commentary together with model clauses for value chain due diligence. To illustrate, specific guidance could be provided for the incorporation of climate- and net zero-related clauses into commercial agreements to help companies limit environmental

⁸ E.g., the American Bar Association's "Contractual Clauses Project" has published two versions of the Model Contract Clauses (MCC 1.0 / MCC 2.0) for Human Rights, see Snyder and Maslow, *Balancing Buyer and Supplier Responsibilities: Model Contract Clauses to Protect Workers in International Supply Chains*, Version 2.0, American Bar Association (2021), pp. 4-6, available at https://www.americanbar.org/content/dam/aba/administrative/human_rights/contractual-clauses-project/mccs-full-report.pdf. Another example is the Japanese Bar Association, which published a guide to compliance with corporate social responsibility provisions in Japan, citing international standards that may apply to Japanese corporations. See, for example, Japan Federation of Bar Associations, *Guidance on Human Rights Due Diligence* (2016), available at https://www.nichibenren.or.jp/library/en/document/data/150107_guidance.pdf.

⁹ See European Commission, *Just and sustainable economy: Commission lays down rules for companies to respect human rights and environment in global value chains* (2022), at https://ec.europa.eu/commission/presscorner/detail/en/ip_22_1145.

risks and deliver climate-friendly solutions by ensuring that business partners adhere to environmental regulations and emission standards.

115. Lastly, UNIDROIT could consider developing Legislative Guidance, possibly in the form of a Model Law. Much of the legislative work on this topic has been developed in Europe. Further, domestic legislative efforts in Latin America and the Caribbean are in the early advocacy or drafting stages. Ultimately, UNIDROIT's assistance in providing legislative guidance for due diligence legislation may be useful in preventing a scenario where European countries are seen as imposing human rights, social and environmental laws on their trading partners, as opposed to a shared effort toward common goals. Proposed core elements may include the following: scope of control; corporate risk management; extent of harm; type of liability; enforcement; choice of law.

116. UNIDROIT is well suited to undertake this project because of its experience with the UPICC and other previous contract law-based instruments in the area of agriculture (Legal Guide on Contract Farming and Legal Guide on Agricultural Land Investment Contracts). Moreover, the topic is in line with the current ongoing work on the Legal Guide on Agricultural Enterprises, which is focused on the value chain, and has potential synergies with other proposals for the new Work Programme, with particular regard to those concerning the UPICC.

117. During the 101st session of the Governing Council, the Council expressed its appreciation for the topic and for the project proposal overall, highlighting its practical importance, topicality, and direct relationship with the Sustainable Development Goals and other UNIDROIT instruments and projects.

118. *The Governing Council agreed to recommend to the General Assembly the inclusion of the proposed project in the 2023-2025 Work Programme with medium priority and invited the Secretariat to conduct exploratory work on the topic. The type of instrument is to be defined at a later stage, following the result of the exploratory work and further discussions within the Council.*

9. Private Law and Intellectual Property

(a) Private Law and Contemporary Health Research: Intellectual Property issues in the field of Personalised Medicine

119. UNIDROIT received a proposal from the World Intellectual Property Organization (WIPO) concerning the development of a Legal Guide on Intellectual Property (IP) issues in the field of personalised medicine. This proposal is based on the rapid technological and research developments in the health sector, enabling and accelerating a shift towards 'personalised medicine', which, in short, could be defined for these purposes as the bespoke medical treatment and disease prevention based on individuals' characteristics such as DNA¹⁰. There seems to be consensus by experts at international level in that such tailor-made medical treatment is the certain -near- future of medicine. It is not only a way to improve chances of prevention and patient care, but a mechanism to save a substantial amount of resources.

120. This emerging medical model has great potential, but also raises important legal questions, especially given the use of sensitive human materials, new technologies, and the wide range of actors involved in the development of personalised medicine (patients, hospitals, laboratories, research

¹⁰ For a technical definition of personalised medicine, see European Council Conclusion on personalised medicine for patients (2015/C 421/03), available here: [https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52015XG1217\(01\)&from=EN](https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52015XG1217(01)&from=EN)). Further, see the information provided by the International Consortium on Personalised Medicine, which includes over 30 counties and regional entities (available here: <https://www.icpermed.eu/en/icpermed-about.php>).

institutions, pharmaceutical companies, healthcare informatics experts, data banks) which are often based in different jurisdictions, in disparate contexts and with diverging levels of sophistication.

121. In its proposal, WIPO provides examples of legal issues specifically in the field of intellectual property (IP), for instance regarding IP rights management and licensing, trade secrets and patents. WIPO's expertise and involvement in a future project would allow for a detailed consideration of such IP aspects.

122. Many of the legal issues arising in the field of personalised medicine are closely intertwined and would merit a detailed analysis from several legal perspectives. For instance, contract law is relevant given that the relationship between the actors involved is generally governed by contracts. A general question that arises is how to most efficiently govern the chain of relationships between the various actors and the consequences of this complex chain on matters such as performance, enforcement and liability. Furthermore, there would be merit in exploring jurisdictions' approaches to the qualification of human materials from a property law perspective and possible implications for the use of such resources in the development of personalised medicine. In addition, the subject matter of contractual arrangements in the field of personalised medicine – for instance, the transfer of genetic materials – gives rise to important questions relating to data protection.

123. A collaboration between WIPO and UNIDROIT would allow for a comprehensive identification and consideration of key IP issues, on the one hand, and broader private law issues, on the other, arising in this emerging field within the health sector – which could play a crucial role in the advancement of personalised medicine on a global scale. This proposal could constitute an opportunity to begin a new line of work for the Institute, and to do it (i) with a topic of theoretical complexity and extraordinary potential practical relevance; and (ii) together with the world's leading organisation in the field of IP. The possible synergies of joint work between both institutions is evident.

124. The Governing Council decided not to include a project on personalised medicine in the new Work Programme for the time being. Reservations were expressed by members of the Governing Council about the broad scope of the proposed project and about medicine being a highly regulated area that involved issues of public law, with substantial differences across jurisdictions. It was also noted that UNIDROIT did not have a specific expertise in this field and that the treatment of personal data was a sensitive matter. Overall, the Governing Council considered that the scope for the project should first be clarified, together with WIPO, whereby it was suggested to focus on aspects of IP law and specific private law matters (e.g., contractual arrangements) that were in line with UNIDROIT's expertise.

125. *The Governing Council, at its 101st session, did not provide a recommendation to the General Assembly for inclusion of this project in the Work Programme but expressed interest in the topic. The Council invited the Secretariat to conduct exploratory research together with WIPO to further define the scope of possible joint work in the period leading to the next session of the Council.*

(b) Standard-Essential Patents

126. In addition to its proposal on IP issues in the field of personalised medicine, the WIPO has expressed interest in conducting exploratory work together with UNIDROIT in the area of standard-essential patents (SEPs), that is, patents that protect technology essential for a standard.

127. Many standards rest on cutting-edge technologies. For example, in the mobile communications sector, 5G and WiFi networks rely on an array of technologies to work. Many standard-setting bodies allow companies and individuals to patent their technical contributions to a standard, leading to the creation of SEPs. Patent owners, in turn, must commit to license the

protected technology to others that may wish to use the standard. In other words, companies implementing the standard need to obtain a license from the patent owner to make use of the protected technology. Such licensing needs to take place on fair, reasonable and non-discriminatory (FRAND) terms.

128. The rapid development and increasing importance of technology leads to a continuously growing number of SEPs. At the same time, in the absence of an applicable international framework, many legal questions surrounding SEPs have not yet been answered. Questions arise in the field of IP, but also touch upon other fields of law, including contract law, property law, competition law and private international law. Apart from the different interpretations of the concept of FRAND, relevant open issues concern, for instance, the legal nature of the declaration of the patent owner vis-à-vis the standard-setting organisation and the consequences of a transfer of a patent on existing licensing agreements (e.g., whether this would lead to a transfer of the licenses or require new licenses). Given that standards and technologies are used globally, while patents and enforcement are territorial, issues of jurisdiction and applicable law are key as well.

129. *The Governing Council did not provide a recommendation to the General Assembly for inclusion of this project in the Work Programme but agreed with the proposed course of action, allowing the Secretariat to explore, together with WIPO and with limited resources, potential work in the SEPs area in the period leading to a future session of the Council. A full proposal for inclusion in the 2023-2025 Work Programme may be presented by the Secretariat at a later date, should exploratory work result in a positive assessment concerning the drafting of an international instrument on the subject matter.*

B. Draft Work Programme for the 2023-2025 triennium: Implementation and promotion of UNIDROIT instruments

1. Depositary functions ***

130. UNIDROIT is the Depositary for the Cape Town Convention and its Protocols and for the Geneva Securities Convention. Depositary functions include, inter alia: providing assistance to States that contemplate becoming Parties to the Conventions and Protocols (e.g. on the procedure to follow and by drafting documents such as model instruments of ratification, declarations memorandum, etc.); informing all Contracting States of each new signature or deposit of an instrument of ratification; acceptance, approval or accession, of each declaration made in accordance with the Convention and Protocols, of the withdrawal or amendment of any such declaration and of the notification of any denunciation. Such functions also involve providing the Supervisory Authority and the Registrar with a copy of each instrument, declaration or withdrawal or amendment of a declaration, and of each notification of denunciation. UNIDROIT also maintains a specific Depositary section on its website for the relevant instruments.

131. As Depositary of the Cape Town Convention and its Protocols, UNIDROIT also prepares reports as to how the international regime established by this Convention has operated in practice. For this purpose, the Depositary considers the reports of the Supervisory Authority concerning the functioning of the international registration system.

132. These functions should be regarded as indispensable and, as such, as high priority activities for the purpose of allocation of human and financial resources.

2. Promotion of UNIDROIT instruments ***

133. Similarly, the promotion of all UNIDROIT instruments should be regarded as indispensable and, as such, as high priority activities for the purpose of allocation of human and financial resources. In view of available resources and strategic priorities of the Institute, the Secretariat will rely heavily on partnerships with other organisations and prioritise its promotion activities where necessary.

134. In relation to the promotion of the UPICC specifically, the Secretariat received a proposal for a joint project with the University of Roma Tre on Contractual Change of Circumstances from the Department of Law of Roma Tre University, in the framework of their cooperation agreement with UNIDROIT. The project aims at producing a non-legislative document focusing on the law and practice of specific contracts in selected jurisdictions and subsequent comparison with the UPICC. The University will fully support the project financially and administratively, incurring no burden on the Institute's resources.

C. Draft Work Programme for the 2023-2025 triennium: Non-legislative activities

1. UNIDROIT Library and Depository Libraries ***

(a) Cooperation and resource sharing

135. The Institute's cooperation strategy with other Roman and non-Roman libraries should be further pursued and intensified. In times of general budget shortages for libraries, cooperation and resource sharing is of the utmost importance. The aim is to continue a series of regular library meetings in order to strengthen inter-library cooperation and networking and to improve library services at a time when almost all institutions are economising with respect to library expenses.

(b) Catalogue enrichment, databases, digitisation

136. During the 2023-2025 triennium, particular attention will be given to enriching the electronic catalogue and expanding the availability of electronic databases. In the age of e-books, Internet bookstores and similar services, the demands on library catalogues have fundamentally changed. Users have come to expect, in addition to the bibliographic information, further additional information such as orientation and guidance in the selection of literature. With the so-called catalogue enrichment, the UNIDROIT Library can offer their users crucial added value: direct and free access to additional information about titles found, paired with additional research enabled by the full text search in the table of contents.

137. In addition to intensifying cooperation with other libraries and to offer readers a large quantity of research materials, the UNIDROIT Library will continue its strategy in the 2023-2025 triennium to give particular attention to enriching the electronic catalogue with bibliographical references and open access resources, as well as expanding the availability of electronic databases.

138. UNIDROIT currently subscribes to various electronic resources that cover several civil law, common law and mixed jurisdictions: HeinOnline, West Law International, OneLegal (Giuffrè) and Beck Online. In addition, in recognition of their importance for the Institute's scientific work, the Library holds a subscription to Lexis Nexis France, which covers in particular French law and offers legislative materials from non-English-speaking countries. The provision of additional databases, especially in areas of Spanish law, would make a significant contribution to improving research conditions for the Secretariat's staff, scholars and independent visiting researchers.

139. The digitisation project is part of the Library's overall strategy and has multiple objectives: to protect and preserve the original text and to improve the visibility, access to and usage for readers from over the world. In the 2023-2025 triennium, the Secretariat therefore intends to continue with the challenging project of the digitisation of library materials. Research libraries are increasingly called upon to collect, manage, and preserve digital assets, in particular with the digitisation of the 598 monographs of the "Chiomenti collection" (donated to the Library by Prof. Chiomenti) and the "Scialoja collection" which was donated to the UNIDROIT Library by Professor Achille De Nitto in 2021. Thanks to the advanced technical equipment that has been available to the UNIDROIT Library since 2018 (i.e. book scanners, special software for processing digital objects, etc.), the digitisation can be carried out directly in the UNIDROIT Library.

(c) Acquisition Policy

140. Another priority action for the library in the 2023-2025 triennium will be the development of a more focused acquisition policy. The expansion of the UNIDROIT Library's holdings has unfortunately been hampered by steady increases in the price of publications and a chronic lack of resources. Fortunately, thanks to the very generous donation of the 'Stichting Largesse' Foundation, in the 2023-2025 triennium it will be possible to acquire an important quantity of new titles (monographs and e-books) and to upgrade intensively the Library's collection. With a donation of € 50.000, the Library would update its physical collection by purchasing books in the main areas of comparative and international private law (e.g., contract law, property law, insolvency law, civil codes) and in the fields of law that form the subject of UNIDROIT's 2023-2025 Work Programme. The Library aims at expanding the e-collection considerably in the next years, in particular by purchasing licenses for the electronic version of key books that are part of the Library's existing collection and purchasing new e-books.

(d) Strengthening the UNIDROIT Library Project

141. Due to the growing amount of library materials over the many years of its existence, the Library is in need of expansion. The UNIDROIT building is able to host additional collections but funding is needed to renovate and transform office and storage spaces into a proper Library. Fortunately, thanks to the generous donation of 'Stichting Largesse' it will be possible to entirely recreate Library spaces and equipment: With the donation of € 200,000 the Library will be able to renovate existing office and storage spaces into Library space (this relates to expenses including flooring, painting, installation of internet, heating/air-conditioning, and other renovation works) as well as expand and digitise the library's collection. Purchase plans are in place for the acquisition of compactor shelves to store physical books and furniture such as bookcases, desks, chairs and desk lamps.

2. Information resources and policy ***

Uniform Law Review and other publications

142. The Publications programme of the Institute is aimed at making the work of the Institute and its products better known world-wide. While the products of the Institute are published as monographs in one or more of the official languages of the Institute, the Uniform Law Review publishes articles of interest to the Institute and its work, frequently dealing explicitly with the instruments adopted by the Institute.

143. In June 2012, an agreement was signed with Oxford University Press (OUP), under which OUP took over the publication of the Uniform Law Review starting with volume XVIII (2013). The

initial agreement was for a period of five years, which was tacitly renewed in 2018. A new contract for successive three-year periods, which introduced certain modifications, was concluded in 2022. The modifications include the adoption of an electronic system designed to facilitate the management of the Review, including the peer review system (ScholarOne). The Review is available in three formats: print only, online only, or both print and online. Contributions submitted to the Review for publication are subject to peer review, meaning that they are reviewed by experts in the field before they are accepted. The yearly Publisher's Reports indicate that while subscriptions to the paper copy of the Review have decreased, subscriptions to the electronic version – in particular when the Review is part of the collection subscriptions offered by OUP – have increased steadily. Worthy of note is that the electronic version has extensive world-wide distribution in that more than 800 recipients in developing countries benefit from free or discounted subscriptions.

144. Monographs published by UNIDROIT are linked to, or the product of, specific projects of the Institute. Thus, 2022 saw the publication of the fifth edition of the Official Commentary on the Convention on International Interests in Mobile Equipment and Protocol thereto on Matters specific to Aircraft Equipment. All Official Commentaries are authored by Professor Sir Roy Goode. An electronic version of the Official Commentary and Aircraft Protocol is being prepared.

145. In 2017 the fourth edition of the Principles of International Commercial Contracts 2016 was published in English and French. Translations into Spanish, Chinese, Japanese, Korean, Romanian, Russian, or Turkish have followed. Translations into Arabic, Latvian, Persian, and Portuguese are underway and are expected to be published in 2023. The importance of the Principles and their increased use is evidenced also by the cases decided, both by domestic courts and arbitral tribunals, and reported on in the UNILEX database. UNILEX is regularly fed with case reports submitted by correspondents. As of October 2022, the UNILEX database listed 322 cases from 38 different countries and five international bodies, as well as on 229 arbitral awards.

146. In 2021 the English version of the Legal Guide on Agricultural Land Investment Contracts was published. The French version was finalised in 2022 and is expected to be published in the coming months. Similarly, the English version of the ELI/UNIDROIT Model European Rules of Civil Procedure was published in 2021 and the French version, which was finalised in 2022, is expected to be published in the coming months. Other monographs will be published as they are finalised.

3. Scholarship, Internship and Research Programme***

147. UNIDROIT's Scholarship, Internship and Research Programme is an important tool for promoting UNIDROIT's work and related research in the field of international and comparative law.¹¹ The Programme is comprised of several different initiatives that facilitate opportunities for legal professionals at various stages of their careers to visit UNIDROIT to work or conduct research. It currently has five current initiatives: Scholarship and Research; Internships; the Sir Roy Goode Scholarship; Secondments; and Cooperation with Academic Institutions. In particular UNIDROIT's internship programme hosts a number of interns each year to participate in the work of the Secretariat, who are generally expected to conduct research on specific aspects of the selected subject and assist members of staff.

¹¹ For a full presentation of the Research Programme and the Internship Programme, including a list of current and former guests see: <https://unidroit.org/research-and-internships>.