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**GOVERNING COUNCIL
102nd session
Rome, 10-12 May 2023**

UNIDROIT 2023
C.D. (102) Misc.2
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SUMMARY CONCLUSIONS

Note of the Secretariat: This summary of conclusions follows the order of items as included in the original agenda. It does not follow the order of the oral discussion, which was altered to adapt to the time schedule.

Item 1 on the agenda: Adoption of the annotated draft agenda ([C.D. \(102\) 1 rev.](#))

1. The Governing Council adopted the agenda as proposed in document C.D. (102) 1 rev.

Item 2 on the agenda: Appointment of first and second Vice Presidents of the Governing Council ([C.D. \(102\) 1 rev.](#))

2. The Governing Council appointed Mr Arthur Hartkamp, Doyen of the Council, as First Vice President, and Mr Jorge Sánchez Cordero Dávila as Second Vice President, both of whom would serve in these positions until its 103rd session.

Item 3 on the agenda: Reports

(a) Annual Report 2022 ([C.D. \(102\) 2](#))

3. The Governing Council took note of the Secretary-General's report on the main features of the legislative and non-legislative work of the Institute during 2022, expressed its satisfaction with the enormous achievements attained, and commended the Secretariat for the hard, high-quality work deployed during the year.

(b) Report on the UNIDROIT Foundation ([C.D. \(102\) 3](#))

4. The Governing Council took note of the report by the President of the UNIDROIT Foundation, thanked the Foundation for its continued support and asked to remain duly informed of the Foundation's activities.

Item 4 on the agenda: Adoption of Draft UNIDROIT instruments

(a) Model Law on Warehouse Receipts ([C.D. \(102\) 4 rev.](#))

5. The Governing Council took note of the progress made on the joint UNCITRAL/UNIDROIT Model Law on Warehouse Receipts Project since its 101st session, as well as of the proposed next steps concerning the drafting of the Guide to Enactment. The Council unanimously adopted the final version of the draft Model Law on Warehouse Receipts, as presented in the Annexe to document C.D. (102) 4 rev., agreeing that it was ready for submission to UNCITRAL for state negotiations and completion.

Furthermore, the Council authorised the Secretariat to finalise the review of the French language version of the draft Model Law.

(b) Model Law on Factoring ([C.D. \(102\) 5](#))

6. The Governing Council adopted the UNIDROIT Model Law on Factoring, requesting that the Secretariat undertake final proofing in order for both English and French language versions of the instrument to be published within 2023. The excellent quality of the instrument was highly commended. Furthermore, the Governing Council mandated the Secretariat to design and execute a promotion and implementation campaign for the UNIDROIT Model Law on Factoring. The Council also requested that the Model Law on Factoring Working Group begin work on the UNIDROIT Model Law on Factoring Guide to Enactment.

(c) Principles on Digital Assets and Private Law ([C.D. \(102\) 6](#))

7. The Governing Council approved the UNIDROIT Principles on Digital Assets and Private Law. Special appreciation was expressed towards all Members and Observers of the Working Group, as well as to the Steering Committee established for the development of the Project. Following approval, the Council mandated the Secretariat to work towards the final publication of the instrument, to commence the process of preparing the instrument in French, and to promote the instrument in different jurisdictions to facilitate its implementation.

Item 5 on the agenda: Ongoing legislative activities carried over from the 2020-2022 Work Programme

(a) Best Practices for Effective Enforcement ([C.D. \(102\) 7](#))

8. The Governing Council took note of the important progress made by the Working Group on Best Practices for Effective Enforcement since the Governing Council's 101st session.

(b) Bank Insolvency ([C.D. \(102\) 8](#))

9. The Governing Council took note of the impressive progress made by the Working Group on Bank Insolvency since the Governing Council's 101st session and agreed to provide the Secretariat with flexibility to continue the project for an additional year, if needed, to finalise the Legislative Guide.

(c) Legal Structure of Agricultural Enterprises ([C.D. \(102\) 9](#))

10. The Governing Council took note of the developments relating to the joint UNIDROIT/FAO/IFAD project for the preparation of a Guide on the Legal Structure of Agricultural Enterprises, and agreed with the proposal to change its working title to "Collaborative Legal Structures for Agricultural Enterprises", to reflect the content that was actually being developed.

(d) Private Art Collections ([C.D. \(102\) 10](#))

11. The Governing Council took note with satisfaction of the progress made since the upgrading of the project with a focus on orphan objects to medium priority. It welcomed the Memorandum of Understanding signed with the *Fondation Gandur pour l'Art* and the Art-Law Centre of the University of Geneva, and endorsed the preparatory work done.

(e) Principles of Reinsurance Contracts ([C.D. \(102\) 11](#))

12. The Governing Council took note of the Secretariat's report on the status of the project on the Principles for Reinsurance Contracts and the good progress made to date, nearing finalisation.

Item 6 on the agenda: Proposal for Joint Work: HCCH-UNIDROIT Project on Law Applicable to Cross-Border Holdings and Transfers of Digital Assets and Tokens ([C.D. \(102\) 12](#))

13. The Governing Council welcomed the proposal to conduct joint work with the Hague Conference on Private International Law (HCCH) on a project related to the Law Applicable to Cross-Border Holdings and Transfers of Digital Assets and Tokens. The Council approved the commencement of joint preparatory and exploratory work in this area, in the form that is necessary to present - if determined as feasible and desirable - a full proposal at the next session of the Governing Council.

Item 7 on the agenda: Update on certain high-priority projects on the 2023-2025 Work Programme

(a) UNIDROIT Principles of International Commercial Contracts and Investment Contracts ([C.D. \(102\) 13](#))

14. The Governing Council took note of the preparatory work undertaken by the Secretariat in cooperation with the International Chamber of Commerce's Institute of World Business Law for the project on the UNIDROIT Principles of International Commercial Contracts (UPICC) and International Investment Contracts. The Council authorised the Secretariat to establish a Working Group and granted it flexibility to establish a consultative committee (similar to the one set up, as Steering Committee, in the Digital Assets project) if deemed convenient.

(b) Legal nature of Voluntary Carbon Credits ([C.D. \(102\) 14](#))

15. The Governing Council welcomed the update from the Secretariat regarding the preparatory work as well as the exploratory, consultative workshop organised in collaboration with the World Bank Group and the International Swaps and Derivatives Association (ISDA) on the topic. The urgency with which this issue needed to be addressed, as expressed by the World Bank and generally by participants in the workshop, was noted and underscored, and the establishment of a Working Group to examine the Legal Nature of Voluntary Carbon Credits was welcomed. The Council also considered the coordination in this area with other international organisations.

Item 8 on the agenda: International Interests in Mobile Equipment

(a) Implementation and status of the Cape Town Convention and the Aircraft Protocol (oral presentation)

16. The Governing Council took note of the activities undertaken regarding the Cape Town Convention and the Aircraft Protocol.

(b) Implementation and status of the Luxembourg Rail Protocol and of the Space Protocol ([C.D. \(102\) 15](#))

17. The Governing Council noted the updates provided by the Secretariat as to the recent activities undertaken to implement the Luxembourg Rail Protocol and the Space Protocol, in particular welcoming the Secretariat's report that the Luxembourg Rail Protocol was expected to come into force in late 2023.

(c) Implementation and status of the Protocol on Matters specific to Mining, Agricultural and Construction Equipment (MAC Protocol) ([C.D. \(102\) 16](#))

18. The Governing Council noted the progress towards the implementation of the MAC Protocol to the Cape Town Convention.

(d) Appointment of a Supervisory Authority for the MAC Protocol registry ([C.D. \(102\) 17](#))

19. While both options were deemed legally possible, the majority of the Governing Council agreed that it would be preferable for UNIDROIT to undertake the role of Supervisory Authority of the international registry to be established under the MAC Protocol, rather than establish a new international entity to undertake the Supervisory Authority role with UNIDROIT as its Secretariat, and requested that the matter be transmitted to the UNIDROIT General Assembly for consideration at its 82nd session in December 2023, with a recommendation from the Governing Council that UNIDROIT undertake the role of Supervisory Authority.

Item 9 on the agenda: *International Protection of Cultural Property: Implementation and status of the 1995 Convention* ([C.D. \(102\) 18](#))

20. The Governing Council congratulated the Secretariat for the growing number of States Parties to the 1995 UNIDROIT Convention on Stolen or Illegally Exported Cultural Objects and took note of the activities undertaken and partnerships developed for its promotion with appreciation.

Item 10 on the agenda: *Promotion Strategy for UNIDROIT Instruments* ([C.D. \(102\) 19](#))

21. The Governing Council took note of the Secretariat's report on the activities undertaken to disseminate UNIDROIT's instruments since the Governing Council's 101st session and of the new promotion strategy and future activities proposed, in particular for the UNIDROIT Principles of International Commercial Contracts and the UNIDROIT/FAO/IFAD Legal Guide on Contract Farming.

Item 11 on the agenda: *UNIDROIT Correspondents* ([C.D. \(102\) 20](#))

22. The Governing Council took note of the Secretariat's report on the steps undertaken to implement the Plan for action adopted in 2022 and commended the Secretariat for the work done. The Council agreed to appoint a new Correspondent from South Africa, as recommended by the Permanent Committee for Correspondents.

Item 12 on the agenda: *UNIDROIT Academy* ([C.D. \(102\) 21](#))

23. The Governing Council took note of developments in all the activities of the UNIDROIT Academy, including: Academic Projects; Academic Institutes; International Programme for Law and Development; Chair Programmes; Library and the Scholarship, Internship and Research Programme; Cooperation with academic institutions; and Publications, and expressed its support for the Secretariat's initiatives in these fields.

Item 13 on the agenda: *Communications strategy and social media outreach* ([C.D. \(102\) 22](#))

24. The Governing Council took note of the activities of the Secretariat and commended the Communications and Outreach Strategy.

Item 14 on the agenda: Administrative matters**(a) Reappointment of the Secretary-General for a second term ([C.D. \(102\) 1 rev.](#))**

25. The Governing Council expressed its gratitude to Professor Ignacio Tirado and unanimously recommended his reappointment as Secretary-General.

(b) Appointment of a Special Committee to update the UNIDROIT Regulations ([C.D. \(102\) 23](#))

26. The Governing Council approved the proposal to constitute a Special Committee to update the UNIDROIT Regulations.

(c) Preparation of the draft Budget for the 2024 financial year ([C.D. \(102\) 24](#))

27. The Governing Council considered the draft Budget for the 2024 financial year, agreed to deem it drafted in accordance with Art. 11.4 of the Statute, and authorised the Secretariat to transmit it to Member States without amendments.

Item 15 on the agenda: Date and venue of the 103rd session of the Governing Council ([C.D. \(102\) 1 rev.](#))

28. The Governing Council agreed that its 103rd session could be held on 8-10 May 2024, subject to the Secretariat's confirmation.