



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

**EN**

**GENERAL ASSEMBLY**  
**82<sup>nd</sup> session**  
**Rome, 14 December 2023**

UNIDROIT 2023  
A.G. (82) 4  
Original: English  
November 2023

**Item No. 6 on the agenda: Organisation's activity in 2023**

(memorandum prepared by the Secretariat)

<i>Summary</i>	<i>Review of the activities carried out by UNIDROIT in 2023 to implement the Work Programme adopted in 2022, including staffing and funding implications</i>
<i>Action to be taken</i>	<i>To take note of the resources allocated to carry out the current Work Programme</i>
<i>Related documents</i>	<a href="#"><u>UNIDROIT 2023 – A.G. (82) 7</u></a> ; <a href="#"><u>UNIDROIT 2022 – A.G. (81) 3</u></a>

## Introduction

1. The Work Programme of UNIDROIT for the 2023-2025 triennium covers a number of topics originally recommended by the Governing Council for inclusion in the Work Programme at its 101<sup>st</sup> session (Rome, 8-10 June 2022) and approved by the General Assembly at its 81<sup>st</sup> session (Rome, 15 December 2022) (see document [UNIDROIT 2022 – A.G. \(81\) 9](#), paras. 47-67).

2. The following criteria are applied to determine the level of priority assigned to the different activities in 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 (e.g., library, governance) or are otherwise necessary for its operation (e.g., management and administration). These functions are by their very nature “*high priority*”, which is why they are supported by a dedicated pool of human and financial resources.

3. The Work Programme for the 2023-2025 triennium currently includes the following activities with the priorities assigned by the General Assembly at its 81<sup>st</sup> session (Rome, 15 December 2022).

### A. Legislative activities

#### 1. Access to credit

##### 1.1 Protocols to the Cape Town Convention

- (a) Implementation of Rail and Space Protocols: high priority
- (b) Implementation of Protocol on Matters Specific to Mining, Agricultural and Construction Equipment: high priority
- (c) Preparation of other Protocols to the Cape Town Convention
  - (i) Ships and maritime transport equipment: low priority
  - (ii) Renewable energy equipment: low priority

##### 1.2 Development of a Model Law and Guide to Enactment on Factoring: high priority

1.3 Development of a Model Law and Guide to Enactment on Warehouse Receipts: high priority

1.4 Development of a Guide to Enactment for the UNIDROIT Model Law on Leasing: low priority

## **2. International Commercial Contracts**

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

(b) Formulation of Principles of Reinsurance Contracts: low priority

## **3. Private law and agricultural development**

(a) Development of an international guidance document on Collaborative Legal Structures for Agricultural Enterprises: high priority

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

## **4. Law and Technology**

(a) Digital Assets and Private Law: high priority

(b) Global Value Chains: Governance Issues and Digital Challenges: low priority

## **5. Capital Markets and Financial Law**

Bank Insolvency: high priority

## **6. Transnational civil procedure**

(a) Formulation of Best Practices for Effective Enforcement: high priority

(b) International Civil Procedure in Latin America: low priority

## **7. Cultural property**

Private Art Collections: medium priority

## **8. Sustainable Development**

(a) Legal Nature of Voluntary Carbon Credits: high priority

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

## **9. Exploratory work**

(a) Law Applicable to Cross-Border Holdings and Transfers of Digital Assets and Tokens

(b) Digital Transformation, Data Governance and Artificial Intelligence

(c) Private Law and Contemporary Health Research: Intellectual Property Issues in the Field of Personalised Medicine

(d) Standard-Essential Patents

(e) Access to Justice in Environmental Matters

## **B. Implementation and promotion of UNIDROIT instruments: high priority**

1. Depositary functions

2. Promotion of UNIDROIT instruments

**C. Non-legislative activities (UNIDROIT Academy): high priority**

1. UNIDROIT Library
2. Scholarship, Internship and Research Programme
3. Academic Projects
4. Academic Institutes
5. International Programme for Law and Development
6. Chair Programmes
7. Cooperation with academic institutions (MoUs)
8. Publications (Uniform Law Review and others)
9. Information resources and policy

4. This document offers a summary indication of action taken in 2023 to implement the legislative and non-legislative activities that appear on UNIDROIT's Work Programme. More detailed information will be provided in the Annual Report 2023, to be published in 2024.

5. Annexe I includes information, in monetary terms, on the allocation of resources to the various projects and activities of the Institute in the financial year 2023, on the basis of the Budget approved by the General Assembly at its 81<sup>st</sup> session (Rome, 15 December 2022). The Secretariat would invite the General Assembly to note the high work efficiency evinced, having achieved a tremendous amount of work with very limited resources. The most ambitious Work Programme in the history of the organisation is being implemented by the hard work of the members of the Secretariat, in close collaboration with experts from around the world who devoted their time and effort towards realising the Institute's mandate.

6. Annexe II, in turn, provides information on extra-budgetary contributions available to the Secretariat and their allocation to various activities in the year 2023.

## **A. LEGISLATIVE ACTIVITIES**

### **1. Access to credit**

#### **1.1 Protocols to the Cape Town Convention**

##### **(a) Implementation of the [Rail](#) and [Space](#) Protocols to the Cape Town Convention \*\*\***

7. At its 81<sup>st</sup> session in December 2022, the General Assembly confirmed the inclusion of the implementation of the Luxembourg Rail and the Space Protocol to the Cape Town Convention as a high-priority activity in the UNIDROIT Work Programme for the triennial period 2023-2025.

#### **Luxembourg Rail Protocol**

8. On 20 January 2023, Spain, which is already a Party to the Cape Town Convention and its Aircraft Protocol and a signatory of the Luxembourg Protocol since 2021, deposited its instrument of ratification of the Luxembourg Rail Protocol. With the ratification by Spain, the Rail Protocol reached the required number of contracting States for its entry into force.

9. The UNIDROIT Secretariat has continued to work in close cooperation with the Organisation for International Carriage by Rail (OTIF), the Co-Chairs of the Preparatory Commission, the Rail Working Group, the newly-appointed Registrar, and the contracting States to the Protocol to ensure the fulfilment of the other condition set out in Article XXIII(1) for the entry into force of the Protocol, i.e., the deposit by the Secretariat (OTIF) with the Depositary (UNIDROIT) of a certificate confirming that the International Registry is fully operational. To this end, the Secretariat has participated in an intense schedule of meetings to finalise the institutional framework for the operation of the International Registry, set up the Supervisory Authority, update the Registry Regulations ensuring their operability in the design of the International Registry, and monitor the timely development of the Registry.

10. As of 20 November 2023, the Supervisory Authority will be composed of the following States: Algeria, France, Gabon, Luxembourg, South Africa, Spain, Sweden, Türkiye, and the United Kingdom, in addition to the European Union as Regional Economic Integration Organisation (REIO) for the matters of its competence. The Secretariat is working towards a speedy finalisation of the composition of the Supervisory Authority with the nomination of the remaining member.

11. During the course of 2023, the Secretariat organised three special meetings of the Ratification Task Force, the composition of which was enlarged to additional States and interested intergovernmental organisations. The first was held on 23 and 24 January 2023 at the seat of UNIDROIT to introduce the newly-appointed Registrar and plan the institutional, technical, and policy steps related with the implementation of the Protocol. The second, held virtually on 29 August 2023, took place to monitor the steps towards implementation. The third meeting took place on 14 November 2023, with the primary objective of determining the Target Date for entry into force (provisionally set for 8 March 2024).

12. Furthermore, the Secretariat has continued to actively participate in several in-person and virtual conferences, seminars, and meetings to promote wider acceptance of the Protocol, including at UNIDROIT (such as through the International Programme for Law and Development), in various States (including workshops and governmental meetings organised by the Governments of India, Uzbekistan, and the Philippines), and in cooperation with other organisations (including Asia-Pacific Economic Cooperation (APEC) and the European Bank for Reconstruction and Development (EBRD)). More information on such events will be provided in the Annual Report 2023.

13. Finally, the Model Rules for the practical implementation of the Unique Rail Vehicle Identification System created by the Luxembourg Rail Protocol, which had been finalised in August 2022 by the Expert Group set up by the UN Economic Commission for Europe with active participation of the UNIDROIT Secretariat, were unanimously approved by the Inland Transport Committee of the United Nations at its 85<sup>th</sup> session in February 2023 and published as ECE/TRANS/2023/37. Since then, the UNIDROIT Secretariat participated in the first meeting of the Revisions Committee, chaired by the United Kingdom and held in Geneva from 30 August to 1 September 2023.

### **Space Protocol**

14. Pursuant to Resolution 1 of the Diplomatic Conference for the adoption of a Protocol to the Convention on International Interests in Mobile Equipment on Matters specific to Space Assets adopted on 9 March 2012, a Preparatory Commission was set up to act as Provisional Supervisory Authority for the establishment of the International Registry for Space Assets. In 2017, the Commission's members agreed to constitute a Sub-Group to reassess industry participation for the promotion and development of the Space Protocol. Since the publication of the Statement of Activities for the 81<sup>st</sup> session of the General Assembly, the Secretariat has continued to promote the Space Protocol and further develop a community of support for the instrument.

15. In terms of promotional activities, the UNIDROIT Secretariat virtually attended the Titan Brain Trust roundtable event organised by the SDA Bocconi School of Management SEE Lab in Baku, Azerbaijan on 3 October 2023, and the Courts of Space Working Group organised by the Dubai Future Foundation on 7 November 2023. The Secretariat also met with stakeholders, such as representatives of the European Centre for Space Law on 20 February 2023 and the Space Court Foundation on 21 September 2023, to discuss matters of cooperation, the promotion of the Space Protocol, and, more generally, raising awareness about the use of asset-based financing in the space sector.

16. On 15 February 2023, UNIDROIT signed a Memorandum of Understanding with the SDA Bocconi School of Management Space Economy Evolution Lab (SEE Lab) to strengthen promotion of the Space Protocol.

17. Additionally, several academic lectures were delivered on the Space Protocol, notably at the University of Michigan, the United States of America (12 April 2023); the UNIDROIT International Programme for Law and Development (5 to 7 July 2023); and the Sapienza University of Rome, Italy (7 July 2023). Moreover, a feature article entitled "Spacecraft financing: an international secured transactions regime for space assets" was published in the February 2023 edition of the Butterworths Journal of International Banking and Financial Law, and a book chapter entitled "The Space Protocol of the Cape Town Convention: A tool to promote greater commercialisation and private financing in the space sector" was also contributed to the Routledge Handbook of Commercial Space Law that was published in July 2023. More information will be available in the Annual Report 2023.

18. In terms of engagement with the United Nations, an update on the Space Protocol was delivered at the 62<sup>nd</sup> Session of the United Nations Office for Outer Space Affairs (UNOOSA) Committee on the Peaceful Uses of Outer Space (COPUOS) Legal Subcommittee, which took place between 20 and 31 March 2023. The Space Protocol was also highlighted as part of UNIDROIT's statement at the 66<sup>th</sup> Session of the UNOOSA General Assembly in Vienna, held between 31 May and 9 June 2023.

19. The Secretariat will continue to monitor developments in relation to the space sector and promote the Space Protocol pursuant to its mandate.

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

20. The fourth Protocol to the Cape Town Convention on Matters Specific to Mining, Agricultural and Construction Equipment (the “MAC Protocol”) was adopted at a Diplomatic Conference in Pretoria, South Africa on 22 November 2019. As consistent with the implementation of the other Cape Town Convention Protocols and Resolution 1 of the Diplomatic Conference Final Act, a Preparatory Commission was established to act as Provisional Supervisory Authority until the Protocol enters into force. The Preparatory Commission operates under the guidance of the Governing Council and General Assembly of UNIDROIT.

21. Throughout 2023, the Preparatory Commission continued to make progress regarding its three key responsibilities: (i) appointment of a Supervisory Authority, (ii) selection of a Registrar to operate the MAC Protocol International Registry, and (iii) preparation of a first edition of the International Registry Regulations.

22. Regarding the appointment of the Supervisory Authority, in 2021 the MAC Protocol Preparatory Commission requested that UNIDROIT consider whether it would accept the role of Supervisory Authority. The UNIDROIT Governing Council considered the matter at its 100<sup>th</sup>, 101<sup>st</sup> and 102<sup>nd</sup> sessions between 2021 and 2023. At its most recent (102<sup>nd</sup>) session in May 2023, the Governing Council decided by majority that it would be preferable for UNIDROIT to be designated as the MAC Protocol Supervisory Authority (16 Governing Council Members supported UNIDROIT becoming Supervisory Authority, whereas three Governing Council Members supported the establishment of a new international entity to be the Supervisory Authority, with UNIDROIT as its Secretariat). On this basis, the Governing Council (i) recommended to the General Assembly that UNIDROIT undertake the role of Supervisory Authority, and (ii) instructed the Secretariat to provide the General Assembly with material on the pros and cons of UNIDROIT being designated Supervisory Authority, as opposed to the establishment of a new international entity. The matter has now been transmitted to the General Assembly for consideration at this 82<sup>nd</sup> session.<sup>1</sup>

23. The Preparatory Commission established a Working Group to draft a request for proposals (RFP) for the selection of a Registrar. The RFP was published on 21 March 2022 and closed on 1 September 2022. Four bids were submitted in response to the RFP. An Evaluation Committee established by the Preparatory Commission assessed the bids according to the methodology set out in the RFP itself and submitted a report to the Preparatory Commission. The Preparatory Commission considered the Evaluation Committee’s report at its fifth session in November 2022. The Preparatory Commission approved the ranking of the four bidders as recommended by the Evaluation Committee and agreed to negotiate in sequence with the bidders in order of their ranking. The Preparatory Commission then established a negotiation team to undertake the contract negotiations on its behalf, including individuals with expertise in the technical aspects of building and operating a registry, as well as individuals with expertise in the evaluation of financial matters. The composition of the negotiation team was approved by the Preparatory Commission in February 2023. Upon the request of the Preparatory Commission, the Secretariat commissioned an independent evaluation of the preferred bidder’s financial proposal, with financial support from the MAC Working Group. Undertaken by consulting firm PWC and submitted to the Preparatory Commission in September 2023, the evaluation found that the preferred bidder’s financial proposal was satisfactory. Contract negotiations are now underway with the preferred bidder, with the intention of submitting the draft registry contract to the Preparatory Commission for consideration and approval at its sixth session in April 2024.

<sup>1</sup> See [UNIDROIT 2023 – A.G. \(82\) 5](#).

24. Regarding the preparation of the first edition of the International Registry Regulations, a first draft was provided as part of the Request for Proposals published in June 2022. The Regulations will be updated during the contract negotiations with the preferred bidder, with the intention of submitting an updated draft to the Preparatory Commission at its sixth session in April 2024.

25. At its fifth session in November 2022, the Preparatory Commission decided to create a MAC Protocol Ratification Task Force (RTF) to support the implementation of the MAC Protocol. The RTF is an informal group of interested stakeholders that will meet on a regular basis to coordinate strategy and initiatives to promote and implement the MAC Protocol. The RTF is composed of (i) supportive Member States, (ii) supportive intergovernmental and international non-governmental organisations, (iii) the MAC Working Group (representing private sector stakeholders), (iv) the Registrar for the International Registry for MAC Equipment (once appointed), (v) the Supervisory Authority (once appointed), and (vi) the UNIDROIT Secretariat. Participation in the RTF is on a voluntary basis and there are no financial obligations for members. The RTF held its first session on 5 October 2023.

26. In 2023, UNIDROIT undertook the following initiatives to promote and implement the MAC Protocol:

- Presentation for Georgian legal experts on the operation and legal benefits of the Cape Town Convention and its Protocols (Rome, May 2023);
- Presentation to African legal experts of the UNIDROIT International Programme for Law and Development on how the MAC Protocol could provide legal and economic benefits for African States (Rome, July 2023);
- Workshop for the Indian Government on the legal and economic benefits of the MAC Protocol (New Delhi, July 2023);
- Policy Dialogue during the APEC Economic Committee on the benefits of the implementation of the MAC Protocol in the Asia-Pacific region (Seattle, August 2023);
- Presentation to the EBRD Legal Transition Team on how the Cape Town Convention and the MAC Protocol could support the EBRD's core work (London, September 2023);
- Presentation on how the MAC Protocol will support mechanisation and economic development at the United Nations Food and Agriculture Organization (FAO) Mechanization Conference (Rome, September 2023);
- Presentation of the legal and economic benefits of the MAC Protocol at an APEC Workshop on Secured Transactions Reform (Tokyo, October 2023);
- Regular virtual meetings with the MAC Working Group and other private sector stakeholders, including the Association of Equipment Manufacturers, the Committee for European Construction Equipment (CECE) and the European Agricultural Machinery Association (CEMA); and
- Bilateral assistance for States working on implementation of the MAC Protocol (India, Kenya, Mauritius, Papua New Guinea and Paraguay).

27. As of November 2023, five States (the Republic of Congo, the Republic of The Gambia, the Republic of Paraguay, the Federal Republic of Nigeria, and the United States of America) and one Regional Economic Integration Organisation (the European Union) have signed the treaty.



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

*(i) Ships and maritime transport equipment \**

28. Consistent with the low priority assigned to the project in the Institute's Work Programme for the 2023-2025 triennium, the Secretariat has continued to conduct research on the viability of a future Protocol on ships and maritime transport equipment and monitor recent developments in the field of shipping finance.

*(ii) Renewable energy equipment \**

29. Consistent with the low priority assigned to the project in the Institute's Work Programme for the 2023-2025 triennium, the Secretariat has continued to conduct research on the viability of a future Protocol on renewable energy equipment and monitor recent developments on renewable energy finance.

30. In September 2023, UNIDROIT held a technical discussion with the EBRD Sustainable Finance team at the EBRD Headquarters in London on how a Renewable Energy Protocol could support international investment in renewable energy projects. Also in September 2023, Dr Ole Boger delivered a presentation at the 12<sup>th</sup> Cape Town Convention Academic Conference in Cambridge, the United Kingdom, on how the asset-based approach of a future Renewable Energy Protocol to the Cape Town Convention could support the project-based finance approach utilised in the renewable energy sector.

**1.2 Development of a Model Law and Guide to Enactment on Factoring \*\*\***

31. The Model Law on Factoring (MLF) project was approved by the UNIDROIT General Assembly at its 78<sup>th</sup> session in December 2019 as a high-priority project for the 2020-2022 Triennial Work Programme. The MLF was adopted by the UNIDROIT Governing Council at its 102<sup>nd</sup> session (Rome, 10-12 May 2023). The MLF provides a complete, self-standing legal regime that facilitates factoring transactions. The instrument comprises a set of black-letter rules primarily aimed at States that have not yet fully implemented a modern, comprehensive secured transactions legal framework.

32. The UNIDROIT Model Law on Factoring is available in two official languages: English and French. Both the English and French versions were officially launched at the largest annual factoring and receivables finance industry stakeholder meeting: the FCI Annual Meeting in Marrakesh, Morocco on 30 October 2023. Several unofficial translations of the instrument are also currently being developed (Arabic, Chinese, Japanese and Spanish).

33. Following the publication of the MLF, UNIDROIT has adopted a four-part implementation and promotion strategy: (i) position the MLF as a core instrument that facilitates trade finance, access to credit and economic development; (ii) raise awareness about the MLF at relevant large, multilateral fora; (iii) support domestic implementation of the MLF; and (iv) ensure that the MLF is broadly accessible.

34. The MLF has already been recognised as one of three key pillars of the "Financial Inclusion in Trade Roadmap" (FIT) by the World Trade Board.<sup>2</sup> Launched in April 2023, the FIT is a framework designed to increase the participation of micro-, small- and medium-sized enterprises (MSMEs) in international trade. The FIT was developed as a collaborative project between the World Trade Board, the International Chamber of Commerce (ICC), the International Finance Corporation (IFC), the Bankers Association for Finance and Trade (BAFT), International Trade and Forfeiting Association (ITFA) and the FCI.

<sup>2</sup> The FIT is available at: <https://worldtradesymposium.com/sites/wts/files/file/2023-03/financial-inclusion-in-trade-roadmap-2023.pdf>.

35. The MLF has also already been acknowledged in the EBRD's *New Finance Support report* (May 2023), which proposes a strategy to address liquidity and working capital issues currently affecting MSMEs around the world.<sup>3</sup> As part of this strategy, the report recognises the MLF as a new international legal standard for receivables finance which can support access to credit for MSMEs in countries that implement the Model Law.

36. Following the adoption of the MLF, UNIDROIT has begun work on the development of a Guide to Enactment. The development of a Guide to Enactment of the MLF was approved as a high-priority project on the UNIDROIT Work Programme for the triennial period 2023–2025, as adopted by the UNIDROIT Governing Council at its 101<sup>st</sup> session in June 2022 and the UNIDROIT General Assembly at its 81<sup>st</sup> session in December 2022.

37. The Guide to Enactment will be developed using UNIDROIT's standard working methodology. The expert Working Group that developed the Model Law on Factoring itself has been renewed to also prepare the Guide to Enactment, under the Chairmanship of UNIDROIT Governing Council Member Professor Henry Gabriel. The first MLF Guide to Enactment Working Group session has been scheduled for 8 through 10 April 2024.

### **1.3 Development of a Model Law and Guide to Enactment on Warehouse Receipts \*\*\* (also related to work area n°3)**

38. The joint UNCITRAL/UNIDROIT Model Law on Warehouse Receipts (MLWR) project was approved by the General Assembly at its 79<sup>th</sup> session in December 2020 as a high-priority item in the 2020-2022 Work Programme ([A.G. \(79\) 10](#), paras. 40-47). At its 101<sup>st</sup> session in June 2022, the Governing Council authorised an extension of the project to prepare a Guide to Enactment of the Model Law ([C.D. \(101\) 21](#), para. 223), which was confirmed by the General Assembly at its 81<sup>st</sup> session in December 2022, when it renewed the mandate to continue and finalise work on the project as part of the Work Programme for 2023-2025 (see [A.G. \(81\) 9](#), paras. 48-67). The relevant background documentation concerning the MLWR project can be accessed on the dedicated [project page](#) on the UNIDROIT website.

39. Between December 2020 and March 2022, the UNIDROIT Working Group on a Model Law on Warehouse Receipts held four sessions to discuss matters relating to the drafting of the MLWR text. The fourth Working Group session was followed by the first in-person meeting of the Drafting Committee on 3 and 4 March 2022 to revise the preliminary draft MLWR based on the Working Group's discussions.

40. Taking place in hybrid format from 5 to 7 December 2022, the fifth session of the Working Group was not reflected in the report on the Organisation's activities for 2022 presented to the General Assembly at its 81<sup>st</sup> session. The Working Group considered the preliminary draft Model Law on Warehouse Receipts, which was composed of four chapters: Chapter I "Scope and general provisions", Chapter II "Issue of a warehouse receipt", Chapter III "Transfer of warehouse receipts", and a final chapter on "Application and transition of this Law". The Working Group also discussed drafting suggestions for Chapter IV "Rights and Obligations of the Warehouse Operator", considering each of the suggested articles to evaluate their appropriateness for inclusion in the Model Law. Furthermore, the Working Group considered two notes (on security rights and conflict-of-law issues, respectively) in order to decide which provisions (if any) should be included in the Model Law. An important point of discussion during the fifth session of the Working Group was the approach to be adopted in the Model Law with respect to single and dual warehouse receipt systems. The decision of the Working Group was to include an optional chapter dedicated to the

<sup>3</sup> The New Finance Report is available at: <https://www.ebrd.com/what-we-do/sectors/legal-reform/access-to-finance.html>.

dual system of warehouse receipts. The full report of the fifth session is contained in [Study LXXIII - W.G.5 - Doc. 6](#). This Working Group session was followed by the second in-person meeting of the Drafting Committee on 8 and 9 December 2022. During the meeting, the Committee revised the draft Model Law based on the discussion of the Working Group during its fifth session.

41. The sixth session of the Working Group took place in hybrid format from 1 to 3 March 2023. The Working Group considered the complete draft Model Law as revised following the fifth Working Group session and the subsequent written consultation. The draft Model Law text contained seven chapters: Chapter I “Scope and general provisions”, Chapter II “Issue of a Warehouse Receipt”, Chapter III “Transfers and other dealings”, Chapter IV “Non-negotiable Warehouse Receipts”, Chapter V “Rights and Obligations of the Warehouse Operator”, the optional Chapter VI “Pledge Bond”, and Chapter VII “Application of this Law”. The Working Group decided several outstanding issues relating to the content and structure of the Model Law. The full report of the sixth session can be accessed in [Study LXXXIII - W.G.6 - Doc 3](#).

42. Following the sixth Working Group session, another in-person meeting of the Drafting Committee was held on 6 and 7 March 2023 to revise the draft MLWR text to incorporate the decisions made by the Group. The draft Model Law text was then circulated to all members and observers of the Working Group for final comments, which were considered and incorporated as appropriate in the final draft.

43. The final version of the draft Model Law on Warehouse Receipts was presented to the Governing Council at its 102<sup>nd</sup> session from 10 to 12 May 2023 (available in the Annexe to document [C.D. \(102\) 4 rev.](#)). The Governing Council unanimously adopted the draft Model Law as presented and agreed to its submission to UNCITRAL for state negotiations and completion (see document [C.D. \(102\) 25](#), para. 80).

44. Following the approval of the draft Model Law by the UNIDROIT Governing Council, the text was submitted to UNCITRAL for intergovernmental negotiations, where it was assigned to Working Group I. From 25 to 29 September 2023 at its 40<sup>th</sup> session in Vienna, UNCITRAL Working Group I considered the draft Model Law over five consecutive days. Delegates and observers expressed their appreciation for the text prepared by the UNIDROIT Working Group and discussed the text article by article. Subsequently, the UNCITRAL Secretariat has started incorporating the outcome of the discussions in the Model Law text, before the text will be submitted again to Working Group I for consideration at its next meeting.

45. Furthermore, following the approval of the draft Model Law by the UNIDROIT Governing Council, the UNIDROIT Working Group began preparing a first draft of the Guide to Enactment for the Model Law. The draft Guide is currently organised into four parts: Part I introduces the purpose of the Guide; Part II provides an introduction to the Model Law itself; Part III provides article-by-article commentary on the Model Law provisions; and Part IV provides guidance to legislative and executive branches on the implementation of additional primary and secondary legislation.

46. The first session of the UNIDROIT Working Group to discuss the draft Guide to Enactment took place from 13 to 15 November 2023. The Group considered the complete draft Guide, which shall subsequently be shared with UNCITRAL for consideration at the 41<sup>st</sup> session of Working Group I from 5 to 9 February 2024. A second UNIDROIT Working Group session might be scheduled for early 2024 to finalise the Guide. It is envisaged that the final Model Law and Guide to Enactment will be submitted to both the UNCITRAL Commission and the UNIDROIT Governing Council for adoption at their respective sessions in mid-2024.

47. Over the course of 2023, UNIDROIT has undertaken several promotional activities to raise awareness about the MLWR project. A feature article entitled “A roadmap for legal reform: the future UNCITRAL/UNIDROIT Model Law on Warehouse Receipts” was published in the

August/September 2023 edition of the Butterworths Journal of International Banking and Financial Law. Moreover, the project was presented at various events, including the following:

- The annual lecture on “UNIDROIT & the UNIDROIT Principles of International Commercial Contracts” to postgraduate students of the International Training Centre of the International Labour Organization (ITC-ILO) in Turin on 5 and 6 April 2023;
- A presentation to a group of master’s students from Loyola University (Chicago, United States) visiting the Institute on 17 April 2023;
- A workshop for a delegation of Georgian Lawyers of Independent Profession at the Institute on 22 May 2023;
- A lecture to students as part of their master’s studies in international business law at the Sapienza University in Rome on 13 June 2023; and
- A presentation to African legal experts during the UNIDROIT International Law and Development Programme in Rome on 21 July 2023.

#### **1.4 Development of a Guide to Enactment for the UNIDROIT Model Law on Leasing \***

48. Consistent with the low priority assigned to the project in the Institute’s Work Programme for the 2023-2025 triennium and UNIDROIT’s other ongoing projects in the field of access to credit, the Secretariat did not begin substantive work on a Guide to Enactment for the UNIDROIT Model Law on Leasing in 2023.

## **2. International Commercial Contracts**

### **(a) UNIDROIT Principles of International Commercial Contracts and Investment Contracts \*\*\***

49. Upon recommendation of the Governing Council, the General Assembly at its 81<sup>st</sup> session (December 2022), included the project on the UNIDROIT Principles of International Commercial Contracts (UPICC) and Investment Contracts in the 2023-2025 Work Programme as a high-priority project. The project is undertaken in cooperation with the International Chamber of Commerce’s Institute of World Business Law (“the ICC Institute”).

50. The project aims at developing guidance to foster the modernisation and standardisation of international investment contracts. It will explore the interaction between the UPICC and common provisions in international investment contracts, and it will seek to address a number of recent developments in the area of international investment law, such as the need for standardisation and consistency and the increasing focus on corporate social responsibility and sustainability.

51. In the first months of 2023, two preparatory meetings took place between UNIDROIT and the ICC Institute. During these preparatory meetings, the project partners discussed the possible composition of the future Working Group on International Investment Contracts, the relevance of contract practice and arbitral awards for this project, and the possible scope and content of the future soft-law instrument.

52. The Governing Council at its 102<sup>nd</sup> session (May 2023) took note of the preparatory work that had been conducted by the Secretariat ([C.D. \(102\) 13](#)). On that occasion, it authorised the Secretariat to establish a Working Group on International Investment Contracts. Furthermore, considering the significant amount of interest this project had attracted, the Council granted the Secretariat flexibility to establish a Consultative Committee in addition to the establishment of the Working Group, to allow for wider participation of experts ([C.D. \(102\) 25](#)).

53. Accordingly, a Working Group on International Investment Contracts was established by the Secretariat in cooperation with the ICC Institute. The Working Group is currently composed of 24 individual experts and four institutional observers, and it is co-chaired by Ms Maria Chiara Malaguti (President of UNIDROIT) and Mr Eduardo Silva Romero (Chair of the ICC Institute). Furthermore, by Note Verbale of 18 September 2023, the Member States of UNIDROIT were invited to consider appointing a maximum of two experts to the Consultative Committee for this project.

54. The first session of the Working Group took place between 23 and 25 October 2023 at the Seat of UNIDROIT. The meeting was attended by 30 Working Group members and observers. During its first session, the Working Group discussed general matters, such as how the future soft-law instrument could draw upon the UPICC and the UNIDROIT/IFAD Legal Guide on Agricultural Land Investments Contracts, and how it would be useful to develop model clauses. The discussion then turned to the possible content of the future instrument, including aspects such as pre-contractual issues; rights and obligations of the parties to an international investment contract; change of circumstances; compensation and damages; and policy goals in the investment context, e.g., regarding sustainable development, responsible business conduct and human rights. At the end of the session, it was decided to establish thematic subgroups to advance the work on these aspects in the intersessional period. The next session of the Working Group on International Investment Contracts is scheduled for 13 to 15 March 2024 and will be hosted by the ICC Institute in Paris.

**(b) Formulation of Principles of Reinsurance Contracts \***

55. The project for the development of Principles of Reinsurance Contract Law (PRICL), led by the Universities of Zurich and Frankfurt (and formerly Vienna) and with participation of academics and practitioners from different jurisdictions, is aimed at the formulation of a “restatement” of existing global reinsurance law. UNIDROIT was invited to participate in the project, wholly funded by the participating universities and research institutions, to provide expertise on the UNIDROIT Principles of International Commercial Contracts.

56. The first part of the project, covering a General Part and Chapters on Duties, Remedies, Aggregation, and Allocation, was published online in December 2019, and can be found on the dedicated [website](#) of the project, together with translations in various languages and additional materials. The UNIDROIT General Assembly, at its 81<sup>st</sup> session in December 2022, upon recommendation of the Governing Council, adopted the continuation of the project for the Work Programme 2023-2025 with the same conditions as before, to complete the second part of the instrument by 2024.

57. The 11<sup>th</sup> PRICL Workshop was hosted by UNIDROIT from 25 to 27 January 2023. The Working Group discussed a draft on the rule on retention, a revised draft of the back-to-back clause, and a new draft on special termination. Particularly regarding the last topic, much attention was given to the relationship with general contract law as embodied by the UNIDROIT Principles of International Commercial Contracts.

58. The workshop was preceded by the eighth Annual Transatlantic Lecture on Insurance Law (ATILA), hosted by UNIDROIT and co-sponsored by UNIDROIT, the European Law Institute, and the PRICL Working Group, with participation of academics and practitioners from the insurance and reinsurance industries, who spoke about the potential benefits of the application of the PRICL in this sector.

59. From 14 to 16 July 2023, the 12<sup>th</sup> – and last – PRICL Workshop was held at the Max-Planck-Institute in Hamburg in memory of the late Professor Jürgen Basedow, a member of the PRICL Working Group who had been expected to host the 12<sup>th</sup> session. Participants discussed various draft sections including more advanced drafts on the “Period of Reinsurance Contract” and

“Retention”, as well as the next steps of the project (finalisation of the publication, translations, promotional activities, and participation in follow-up projects on the role of soft law in insurance).

### 3. Private Law and Agricultural Development

#### (a) Development of an international guidance document on Collaborative Legal Structures for Agricultural Enterprises \*\*\* (also related to work area n°8)

60. The development of the project on Collaborative Legal Structures for Agricultural Enterprises (LSAE) began during the 2020-2022 Work Programme, initially with a medium-priority level, which was extended to high-priority level in the 2023-2025 Work Programme by the UNIDROIT Governing Council (UNIDROIT 2022 – [C.D. \(101\) 21](#)) and General Assembly (UNIDROIT 2022 – [A.G. \(81\) 9](#)). The LSAE project is the third project undertaken in partnership with FAO and the International Fund for Agriculture Development (IFAD) in the field of private law and agricultural development. It is a follow-up from the Legal Guide on Contract Farming (finalised in 2015) and the Legal Guide on Agricultural Land Investment Contracts (finalised in 2020).

61. The purpose of this UNIDROIT/FAO/IFAD LSAE project is to develop guidance on “collaborative legal forms” that support smallholders and smaller enterprises to enhance sustainable agricultural development in agri-food supply chains and contribute to the transformation of agri-food systems by (i) increasing efficiency, (ii) facilitating access to market and finance, (iii) exploring innovation opportunities offered by digitalisation, and (iv) addressing power imbalances and remedies for unfair commercial practices. The challenges faced by agri-food supply chain leaders and larger enterprises are also considered, but the framing of the LSAE project is mainly focused on the challenges faced by actors operating in the midstream segment of the agri-food supply chain, beyond the production stage and in low- and middle-income countries. Three categories of “collaborative legal forms” are mainly considered: (i) multiparty contracts, (ii) cooperatives, and (iii) corporations.

62. Since the last session of the General Assembly, the Working Group held its third (8-9 May 2023) and fourth (8-10 November 2023) sessions. During the third session, the Working Group further discussed the list of topics and key concepts to be addressed in each of the chapters dedicated to the different collaborative legal forms analysed in the project. The Working Group revisited the notion of “collaboration”, deciding to slightly adapt it to: “a form of interaction among two or more parties with common objectives, overlapping needs, interrelated interests and/or shared risks that may be limited to exchanges of goods and services or imply an engagement in projects within a value chain, with or without shared resources”. Other matters examined during the third session included the issues of informality and semi-formality in agri-businesses. Lastly, the Working Group also decided to propose to the UNIDROIT Governing Council a new working title for the project: “Collaborative Legal Structures for Agricultural Enterprises”, as the previous title “Legal Structure of Agricultural Enterprises” did not reflect the content that was actually being developed. The Governing Council approved such recommendation during its 102<sup>nd</sup> session (UNIDROIT 2023 – [C.D. \(102\) 25](#)). The report of the third session is available in [Study LXXXC – W.G. 3 – Doc. 3](#).

63. In the fourth session of the Working Group, three draft discussion papers on multiparty contracts, cooperatives and corporations, as well as a Secretariat Report ([Study LXXXC – W.G. 4 – Doc. 2](#)) of the work conducted during the intersessional period, were presented and discussed. The deliberations mainly focused on further defining the purpose and target audience of the future legal guide and on a number of topics and questions included in each draft discussion paper. In relation to corporations, participants evaluated the alternative use of the term “companies” instead of “corporations” to accurately highlight the enterprises operating in the agri-food supply chain that would be considered in the LSAE project. The different taxonomy of legal forms for companies



operating in the agri-food chain, as well as their governance, management and separate legal personality feature, were also all discussed.

64. The Subgroup on cooperatives further introduced the definition of cooperatives as contained in the International Cooperative Alliance (ICA) Statement, and the Working Group agreed that the definition proposed could be retained for the purposes of the LSAE project. Participants also considered the classification of cooperatives according to the different economic activities and cooperatives' characteristics. In addition, the formation, membership, governance and management of an agricultural cooperative, as well as breach of cooperative obligations and membership responsibilities, were also among the topics discussed. The discussion related to multiparty contracts focused on further developing the topics related to execution of multiparty contracts in agriculture and remedies for breach of multiparty contracts. Lastly, during the fourth session of the Working Group, participants considered the need to develop a glossary and agreed upon an outline for the entire table of contents of the future legal guide.

65. The fifth session of the Working Group is scheduled to take place from 18 to 20 March 2024. The preparation of the LSAE guidance instrument is expected to require six Working Group sessions, followed by a period of consultations before the complete draft is submitted for adoption by UNIDROIT, FAO and IFAD in 2025. All background documentation and information regarding the Working Group sessions and its composition is available at the LSAE project's dedicated [webpage](#).

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

66. Upon recommendation of the Governing Council, the General Assembly included at its 81<sup>st</sup> session future work on the topic in the Institute's Work Programme for the 2023-2025 triennium. Consistent with the medium level of priority assigned to the project and UNIDROIT's other ongoing projects in the field of agriculture, the Secretariat did not begin substantive work on this project.

### **4. Law and Technology**

#### **(a) [Digital Assets and Private Law](#) \*\*\***

67. The project on Digital Assets and Private Law ("DAPL") was included in the UNIDROIT Work Programme for the 2020-2022 triennium in 2019. It was assigned high priority by the UNIDROIT General Assembly at its 79<sup>th</sup> session in 2020. Since then, the Secretariat assisted the DAPL Working Group and Steering Committee towards the development of a set of Principles and Commentary addressing the private law aspects of digital assets.

68. Since the Statement of Activities for the 81<sup>st</sup> session of the General Assembly, the Secretariat has continued to work towards the finalisation of the Principles on Digital Assets and Private Law ("DAPL Principles"), as well as their promotion.

69. On 10 January 2023, the UNIDROIT Secretariat launched an online public consultation, which was officially open for six weeks (until 20 February 2023) but continued to accept responses until 28 February 2023. The UNIDROIT Secretariat promoted the public consultation by, among other things: (i) setting up a dedicated public consultation webpage with an online form through which comments could be submitted on any part of the DAPL Principles; (ii) inviting all the members and observers of the DAPL Working Group to share the webpage with interested stakeholders; (iii) inviting all members of the Steering Committee to participate in the consultation and share the webpage with other interested stakeholders within their governments; (iv) inviting all UNIDROIT Correspondents, members of the UNIDROIT Alumni Association, and other interested stakeholders to contribute directly to the consultation; and (v) sharing the webpage through various other channels, including social media, and publishing an article on Trade Finance Global, as well as speaking about the consultation at events in different parts of the world.

70. The public consultation webpage was visited more than 4,500 times. After accounting for duplicates and spam, 44 different sets of comments were received. These included 341 individual comments, including a position paper from the European Association of Private International Law (EAPIL). A summary table including all of the comments received can be found in [Study LXXXII – W.G.8 – Doc. 4](#).

71. The eighth session of the DAPL Working Group was held in a hybrid format from 8 to 10 March 2023. The focus of this session was consideration of the comments received through the online public consultation, which the Working Group addressed on a principle-by-principle basis. As a result of these discussions, the Working Group decided to, *inter alia*, (i) include a reference to the “issuer” of the digital asset as part of the Principle 5 on applicable law, and (ii) expand several sections of the Commentary to clarify questions which had been raised as part of the online public consultation. The Working Group agreed that the draft instrument was close to finalisation, and that it should be considered for final approval in an *ad hoc* ninth Working Group session. It was also agreed that the Drafting Committee would undertake work to implement all remaining comments, as well as collect additional feedback from UNCITRAL and the Hague Conference of Private International Law (HCCH) in order to ensure consistency and finalise the text.

72. The ninth *ad hoc* session of the Working Group took place online on 5 April 2023. During this session, the Working Group reviewed the draft DAPL Principles and Commentary as presented by the Drafting Committee and discussed comments from Observers participating on behalf of UNCITRAL (specifically, on electronic transferable records, secured transactions, and insolvency), and HCCH (namely, on Principle 5, regarding private international law). Further, and among other matters, the Working Group approved changes to the Commentary, including sections related to private international law, custody, and the definition of “insolvency proceeding” in the Principles. The Working Group requested that the Drafting Committee implement a limited number of final comments and changes, after which the instrument could be presented to the Governing Council for adoption at its 102<sup>nd</sup> session.

73. The DAPL Principles were presented to the UNIDROIT Governing Council for approval at the Council’s 102<sup>nd</sup> session held in Rome, Italy from 10 to 12 May 2023. The Governing Council approved the UNIDROIT DAPL Principles and expressed special appreciation towards all members and observers of the Working Group, as well as to the Steering Committee. 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.

74. Following adoption by the Governing Council, the Principles were presented and discussed before the Digital and Decentralized Finance Study Group of the Financial Services Agency of Japan. The project was also presented at the Ministry of Foreign Affairs of India and discussed with Government officials and experts from the region. In accordance with its mandate, on 4 October 2023, the UNIDROIT Secretariat launched the final publication of the [DAPL Principles](#) at its seat in Rome, Italy. The DAPL Principles launch event was widely attended and featured keynote addresses by UNIDROIT Governing Council Member Professor Hideki Kanda, Chair of the DAPL Principles Working Group, and by Professor Louise Gullifer, Chair of the DAPL Principles Drafting Committee. Presentations describing the practical workings of the Principles were also delivered by distinguished members of academia and the legal profession. Institutional support was showcased by both public and private stakeholders, including by representatives of the International Monetary Fund, the Association of Global Custodians, and the Italian Association of Joint Stock Companies (ASSONIME). Observers from public institutions, such as the European Banking Authority and the European Securities and Markets Authority, also contributed to the event. Further, the Secretary General of the HCCH, Mr Christophe Bernasconi, congratulated UNIDROIT on completing this important project and spoke about the possible complementary HCCH-UNIDROIT Joint Project on the Law Applicable to Cross-Border Holdings and Transfers of Digital Assets and Tokens.



75. The UNIDROIT DAPL were presented at the Conference on Digital Vulnerability and European Private Law held in Ferrara on 15 and 16 June 2023, in a panel on the Global Challenges Facing Digital Vulnerability, with participation of representatives of various other international institutions, including the HCCH and UNCITRAL. In addition, on 7 and 8 November 2023, the DAPL Principles and their potential to reduce legal uncertainty were presented and discussed at the fifth Shanghai International Arbitration Forum.

76. Finally, the Secretariat is currently finalising the French version of the DAPL Principles.

#### **(b) Global Value Chains: Governance issues and Digital Challenges \***

77. Consistent with the low priority assigned to the topic in the Institute's Work Programme for the 2023-2025 triennium, the Secretariat did not initiate work on this topic.

### **5. Capital Markets and Financial Law**

#### Bank Insolvency \*\*\*

78. The project on Bank Insolvency was included in the Institute's 2020-2022 Work Programme in December 2019. Upon recommendation of the Governing Council, the General Assembly allocated a high-priority status to the project at its 80<sup>th</sup> session in December 2021 ([A.G. \(80\) 10](#), paras. 44 and 46). At its 81<sup>st</sup> session, the General Assembly agreed to continue the project with high priority during the 2023-2025 Work Programme ([A.G. \(81\) 9](#), paras. 55 and 67).

79. The aim of the Bank Insolvency project is to develop international guidance covering the key aspects of bank liquidation frameworks for non-systemic banks. The project is undertaken by UNIDROIT in cooperation with and with the support of the Bank for International Settlements' (BIS) Financial Stability Institute (FSI). The project continues to attract great interest from stakeholders across jurisdictions. The Working Group on Bank Insolvency, chaired by Governing Council Member Ms Stefania Bariatti, now consists of ten members and 40 institutional observers, including international and regional organisations, central banks, banking supervisors, bank resolution authorities and deposit insurers from all over the world.

80. At the third Working Group session, hosted by the Single Resolution Board (Brussels, Belgium) in October 2022, it was agreed that the future instrument should take the form of a Legislative Guide, addressed to legislators and policymakers seeking to reform or refine their bank liquidation regime. Furthermore, the Working Group had decided to establish a Drafting Committee to develop a first preliminary draft of the future Guide based on the discussions and input collected thus far.

81. The fourth session of the Working Group was hosted by the FSI (Basel, Switzerland) on 29 through 31 March 2023. The deliberations mainly focused on the preliminary (confidential) draft Legislative Guide prepared by the Drafting Committee with the support of the FSI and the UNIDROIT Secretariat. Each draft chapter contained: (i) an introduction to the subject-matter; (ii) a discussion of the main issues, including a comparative analysis of how such issues were dealt with across jurisdictions; and (iii) proposed guidance. Most chapters also contained a set of concrete draft Recommendations to legislators, for consideration by the Working Group. Furthermore, the Working Group received, as a background document, a detailed Report with an analysis of the responses to a survey on bank liquidation frameworks in 17 jurisdictions. The discussions during the fourth session were guided by a Secretariat's Report with questions for discussion.

82. In the intersessional period, the Drafting Committee met twice (virtually) and conducted a significant amount of work to update and further develop the draft chapters in line with the outcome of the fourth Working Group session. Between August and September 2023, the draft

chapters were submitted to the three thematic Subgroups that had been established for this project, for input and feedback. Following the consultations in the Subgroups, the drafters revised the draft chapters in cooperation with the UNIDROIT Secretariat and the FSI, which consolidated them into a (confidential) Master Copy.

83. The fifth session of the Working Group took place between 17 and 19 October 2023 at the seat of UNIDROIT. The main object of the deliberations was the draft Legislative Guide (Master Copy), which consists of ten chapters: (i) Introduction, (ii) Institutional Arrangements, (iii) Procedural and Operational Aspects of the Liquidation Procedure, (iv) Preparation and Cooperation, (v) Grounds for opening Bank Liquidation Proceedings, (vi) Liquidation Tools, (vii) Funding, (viii) Creditor Hierarchy, (ix) Group Dimension, and (x) Cross-Border Aspects.

84. The sixth session of the Working Group is scheduled to take place from 4 to 6 March 2024. Following that session, the Secretariat anticipates sending the draft Legislative Guide to the Governing Council and asking for authorisation to organise a targeted consultation. It is envisaged that one final Working Group session would take place in the autumn of 2024, during which consultation feedback could be addressed as appropriate, following which the final draft Legislative Guide could be submitted to the Governing Council for adoption in 2025.

85. During 2023, work on the Bank Insolvency project was presented in a series of fora, including: (i) a workshop held at the Institute of Economic and Monetary Studies of the Bank of Japan as part of the Asia-Pacific Regional Committee (APRC) International Conference on 30 May 2023; (ii) a roundtable discussion with distinguished insolvency experts organised by the Insolvency Law Academy in India on 2 July 2023; (iii) a presentation to Indian policymakers, lawyers and industry experts during a [seminar dedicated to the work of UNIDROIT in New Delhi, India](#) on 3 July 2023 and [a roundtable discussion with senior government officials](#) on 4 July 2023; (iv) a presentation to African legal experts during the UNIDROIT International Programme for Law and Development in Rome on 6 July 2023; (v) a lecture to students as part of their master's studies in international business law at the Sapienza University in Rome on 21 July 2023; (vi) an online discussion as part of Jindal Global Law School's (India) second edition of the Insolvency Law Working Paper Series, organised in collaboration with the Insolvency Law Academy and INSOL India, on 5 September 2023; and (vii) a joint UNIDROIT-EBRD workshop held in London on 25 September 2023.

## **6. Transnational Civil Procedure**

### **(a) Formulation of [Best Practices for Effective Enforcement](#) \*\*\* (also related to work area n°4)**

86. The project on Best Practices for Effective Enforcement was included in the 2020-2022 Work Programme at the 78<sup>th</sup> session of the General Assembly ([A.G. \(78\) 12](#), paras. 41 and 51, and [A.G. \(78\) 3](#)). At the second meeting of its 99<sup>th</sup> session, held in September 2020, the Governing Council approved the proposed scope of the project, confirmed its high-priority status, and authorised the establishment of a Working Group, chaired by Governing Council Member Ms Kathryn Sabo ([C.D. \(99\) B.3](#) and [C.D. \(99\) B.21](#), paras. 57-58). The continuation of the project was approved for the 2023-2025 Work Programme at the 81<sup>st</sup> session of the General Assembly.

87. At its fifth session, held in December 2022, the Working Group agreed to set up a Drafting Committee to review the draft best practices on which an agreement on policy had been attained. The Drafting Committee started its work in January 2023 and continued its work throughout the year, with hybrid sessions around the sixth Working Group session in March, email exchanges, and virtual meetings. Additional hybrid meetings are planned around the seventh Working Group session at the end of November.

88. The sixth session of the Working Group was held in hybrid format from 14 to 16 March 2023. The Working Group addressed several documents: draft best practices on “Secured creditor’s right to obtain possession of tangible collateral after default”, on “Realisation of the value of the collateral”, and on “Information regarding debtor’s assets” in the part on enforcement by way of authority, for which the Drafting Committee had provided revised documents; further sections in the part on enforcement by way of authority, in particular on “Enforceable instruments” and on “Electronic registers”; a complete set of revised draft best practices on enforcement on digital assets (with comments), resulting from the input provided in intersessional meetings and further coordination with the Chair of the Digital Assets and Private Law Drafting Committee; a position paper on a special expedited procedure for resolution of disputes in extra-judicial enforcement; and a presentation on the (then) draft Guidelines for judicial e-auctions for the Commission for the Efficiency of Justice of the Council of Europe.

89. In the intersessional period, the Secretariat assisted the Chair and the Working Group with the setting up of several virtual meetings of subgroups of the project. It also prepared support research and documentation on various topics, including online auctions, enforcement on digital assets, and organisational aspects of enforcement.

90. During the course of 2023, the project was discussed by the Secretariat on several occasions, including: the APEC Economic Committee Workshop session on “International Instruments Landscape to Facilitate Trade, Contract Enforcement, and APEC Online Dispute Resolution Framework” on 14 June 2023; a workshop for governmental officials co-organised with the Government of India on 3 and 4 July 2023; and a workshop co-organised with EBRD on 25 September 2023. It was also the object of conferences and lectures, including at the UNIDROIT International Law and Development Programme, sponsored by the Italian Ministry of Foreign Affairs and Cooperation, and for a group of Georgian lawyers on an official visit to UNIDROIT in June 2023. More information will be available in the Annual Report 2023.

91. The seventh session of the Working Group is planned for 29 November through 1 December 2023 and is expected to approve the most advanced draft best practices with comments and continue to discuss the remaining drafts, with a view to preparing a complete set of core draft provisions by the first quarter of 2024 and then proceeding to consultations.

#### **(b) International Civil Procedure in Latin America \***

92. Upon recommendation of the Governing Council, the General Assembly confirmed the inclusion in the Work Programme 2023-2025 of possible future work on the topic, with low priority, subject to further consultation with the Organization of American States (OAS) and availability of resources.

93. Consistent with the low level of priority assigned to the project, the Secretariat has merely continued to monitor developments in this area, also in conjunction with the promotion of the ELI-UNIDROIT European Model Rules for Civil Procedure, which were translated into Spanish in 2022.

## 7. Cultural Property

### [Private Art Collections](#) \*\*

94. The Governing Council, at its 101<sup>st</sup> session in May 2022, supported the Secretariat's request to upgrade the priority of the project on Private Art Collections from low to medium priority, and that the work would focus on orphan objects as part of the Institute's Work Programme for 2023-2025. The General Assembly, at its 81<sup>st</sup> session on 15 December 2022, endorsed these recommendations. The project is supported by the *Fondation Gandur pour l'Art* and the Art-Law Centre of the University of Geneva, with which UNIDROIT has concluded a Memorandum of Understanding.

95. A first online meeting of an Exploratory Expert Group was convened on 12 September 2022 for a preliminary discussion on the selected topics, and it was also decided that informal subgroups on definitions, collectors, and the art market should meet to discuss certain issues in further depth in advance of a subsequent meeting. Pursuant to that decision, an informal subgroup met in Rome at the Seat of UNIDROIT (and online) on 3 March 2023 to discuss the definition of "orphan objects", as all agreed that providing a clear definition would reassure collectors, museums, dealers, and auctioneers when handling objects lacking provenance.

96. The second meeting of the Exploratory Expert Group met in Rome (and online) on 29 and 30 March 2023. It discussed the proposed definition submitted by the subgroup as well as the reports presented by two groups of stakeholders. The first report was the result of interviews with collectors, and the second report reflected a point of view of the art market. They both explained the difficulties faced with orphan objects in their collections (in publishing, in putting on the market for transactions, etc.) and their suggestions on how to respond.

97. The Secretariat is currently working on defining the composition of the Working Group, including both experts and observers, the first meeting of which is envisaged for early 2024.

## 8. Sustainable Development

### (a) [Legal Nature of Voluntary Carbon Credits](#) \*\*\* (also related to work area n°4)

98. In June 2022, at its 101<sup>st</sup> session, the Governing Council recommended the inclusion of a project on the Legal Nature of Voluntary Carbon Credits (the "VCCs project") in the 2023-2025 Work Programme, with high priority. The Governing Council's recommendation was endorsed by the UNIDROIT General Assembly at its 81<sup>st</sup> session with unanimous support.

99. On 27 March 2023, the UNIDROIT Secretariat held a First Consultative Exploratory Workshop in collaboration with the World Bank Group and the International Swaps and Derivatives Association (ISDA), at ISDA's headquarters in London. A preliminary background paper was prepared by the Secretariat to guide the discussion. The workshop was attended by 24 participants from international organisations, as well as members of the private sector and academia, industry representatives and members of the UNIDROIT Secretariat. The purpose of the workshop was that of identifying current issues in the VCC field and delineating the scope of the project.

100. An [update](#) on the status of the VCCs project, drawing on the conclusions of the First Consultative Exploratory Workshop as well as on the Secretariat's own research, was presented in May 2023 to the UNIDROIT Governing Council at its 102<sup>nd</sup> session (Rome, 10-12 May 2023). On this occasion, the Governing Council confirmed the Secretariat's authorisation to establish a Working Group, in collaboration with the World Bank Group, tasked with developing an international law instrument to provide guidance on the legal nature and other private law aspects of VCCs.

101. On 11 July 2023, a Second Exploratory Consultative Workshop was held at the World Bank Group's offices in Vienna. This second workshop was attended by 28 participants, including experts from international organisations, development banks, academia and the private sector, as well as representatives from the UNIDROIT Secretariat. Building on the work of the prior workshop, the participants considered a number of issues related to the private law treatment of VCCs, including but not limited to the legal nature of VCCs, as well as issues relating to their ownership and transferability. The workshop closed with the participants noting that next steps would be delineated in coordination with the UNCITRAL Secretariat, in particular in light of UNCITRAL's 56<sup>th</sup> Commission Session held in Vienna between 3 and 21 July 2023, and with the HCCH in relation to issues of applicable law.

102. The first session of the Working Group on the Legal Nature of Voluntary Carbon Credits was held at the seat of UNIDROIT in Rome from 10 to 12 October 2023. The Working Group is composed of members selected for their expertise in the fields of carbon credit trading, environmental law, property law, contract law, secured transactions, and digital technology. During this first meeting, the Working Group considered the matters raised in an [Issues Paper](#) prepared by the UNIDROIT Secretariat, in consultation with UNCITRAL's Secretariat and with the assistance of the World Bank Group. The Issues Paper raised several matters for the Working Group's attention, including fundamental questions as to the legal nature of VCCs and related topics, such as VCC issuance, transferability, and retirement, as well as matters relating to secured transactions and collateralisation, the role of custodians and other intermediaries, the treatment of VCCs in the case of insolvency, as well as the project's relationship with the [UNIDROIT DAPL Principles](#).

103. The project was presented and discussed in several international fora. By way of example, it was presented at the World Bank-hosted event "Innovate 4 Climate" in Bilbao (Spain) on 23 May 2023. It was also presented at the second meeting of the European Law Institute (ELI) project on "[Climate Justice – New Challenges for Law and Judges](#)" on 6 July 2023; during a briefing session for the Aviation Working Group organised by UNIDROIT on 1 August 2023; and during consultations with the EBRD addressing, among other matters, cooperation on projects of mutual interest in the area of sustainable development, which were held in London on 25 September 2023.

104. The Secretariat is preparing for the next session of the Working Group, envisaged to take place in early 2024.

**(b) Development of a guidance document on Corporate Sustainability Due Diligence in Global Value Chains \*\***

105. Upon recommendation of the Governing Council, the General Assembly included future work on the topic of Corporate Sustainability Due Diligence in Global Value Chains in the Institute's Work Programme for the 2023-2025 triennium at its 81<sup>st</sup> session. Consistent with the medium level of priority assigned to the project, the Secretariat has undertaken research and prepared a draft agenda and discussion paper for a first exploratory workshop envisaged for early 2024.

**9. Exploratory work**

**(a) Law Applicable to Cross-Border Holdings and Transfers of Digital Assets and Tokens**

106. At the 102<sup>nd</sup> session of the Governing Council, the UNIDROIT Secretariat and the Permanent Bureau of the HCCH agreed to elaborate a proposal to HCCH's Council of General Affairs and Policy (CGAP) to conduct exploratory work regarding a possible HCCH-UNIDROIT Joint Project on Law Applicable to Cross-Border Holdings and Transfers of Digital Assets and Tokens ([C.D. \(102\) 12](#)). The Joint Project would build on the recently-approved DAPL Principles, and in particular on Principle 5, which establishes private international law rules. Although the Principle provides clear

guidance on issues of applicable law to digital assets, according to UNIDROIT's and HCCH's experts, it would benefit from further development and additional elements to complement and supplement UNIDROIT's work, with a view to providing useful transactional instruments to stakeholders of the digital economy. The Joint Project should look into issues related to additional connecting factors, different types of transactions, linked assets, and should generally provide a more detailed approach to issues of applicable law with regard to digital assets. The Governing Council welcomed the proposal to conduct joint exploratory work with the HCCH in this area, with a view to present - if deemed feasible and desirable - a full proposal at the next session of the Governing Council.

107. In light of the above, the HCCH and UNIDROIT Secretariats organised two sessions with the participation of experts designated by both organisations, including experts who were already involved in the DAPL Principles project. The first exploratory session took place on 12 June 2023 at the HCCH in the Hague. There, the experts discussed a draft Scope Paper prepared by the HCCH Secretariat that was meant to delimit thematic areas for further discussion, such as definitions, technology neutrality, the relevance of party autonomy, characterisation, connecting factors and internationality, contractual aspects, applicable law, jurisdiction, award recognition and enforcement. Based on the results of the discussion, the UNIDROIT Secretariat organised a second exploratory meeting from 2 to 4 October 2023 at its seat in Rome. During this second meeting, the two Secretariats and the preparatory group of experts discussed an Iterated Issues Paper prepared on the basis of the experts' opinions, while a compilation of further written submissions by the experts provided the background for discussion. According to the experts' input and the HCCH and UNIDROIT's priorities, the main areas of work would include issues concerning law applicable to "linked assets", explore additional connecting factors, and consider certain contractual aspects, as well as limited considerations of proprietary and contractual torts.

108. In accordance with the HCCH's Permanent Bureau, the result of the joint preparatory work will be presented to the HCCH's CGAP. Should the paper include a proposal to undertake the joint project, and the CGAP agree to provide the mandate, a similar, coordinated proposal will be submitted to UNIDROIT's Governing Council at the forthcoming session in 2024.

### **(b) Other exploratory work**

109. Upon recommendation of the Governing Council, the General Assembly, at its 81<sup>st</sup> session, included in the Institute's Work Programme for the 2023-2025 triennium exploratory work on four additional topics, namely: (i) Digital Transformation, Data Governance and Artificial Intelligence; (ii) Private Law and Contemporary Health Research: Intellectual Property Issues in the Field of Personalised Medicine; (iii) Standard-Essential Patents; and (iv) Access to Justice in Environmental Matters. Consistent with the low level of priority assigned to these topics and UNIDROIT's other ongoing projects, the Secretariat did not begin related exploratory work.

## **B. IMPLEMENTATION AND PROMOTION OF UNIDROIT INSTRUMENTS \*\*\***

### **1. Depositary functions**

110. UNIDROIT is the Depositary for the 2001 Cape Town Convention and its Protocols (Aircraft 2001, Rail 2007, Space 2012 and Mining, Agriculture and Construction 2019) and for the 2009 Geneva Securities Convention. Depositary functions include, *inter alia*: providing assistance to States that contemplate becoming Parties to the Conventions and Protocols, as well as 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. UNIDROIT also maintains a specific Depositary section on its website for the relevant instruments.

111. As Depositary for the Cape Town Convention and its Protocols, UNIDROIT also prepares reports as to how the international regime established by this Convention operates in practice. For this purpose, the Depositary considers the reports of the Supervisory Authority concerning the functioning of the international registration system. The next Depositary Report will cover the years 2020-2022 and take into account the Sixth Report of the Supervisory Authority concerning the functioning of the international registry system for the same reporting period prepared by ICAO and issued on 12 October 2023.

112. During the course of the year, Cyprus and Iraq deposited their instruments of accession to both the Cape Town Convention and the Aircraft Protocol, bringing the number of Contracting Parties to 86 for the Convention, and 83 for the Aircraft Protocol. Additionally, on 20 January 2023, Spain ratified the Luxembourg Rail Protocol, which has not yet entered into force. Information on the status of these instruments can be found on [UNIDROIT's website](#) as well as in other sections of this document.

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

## **2. Promotion of [UNIDROIT Instruments](#)**

### **(a) Cape Town Convention and Aircraft Protocol**

114. The Cape Town Convention and its Aircraft Protocol continued to be strongly promoted and presented in 2023 at several events with participation of the Secretariat.

115. For example, they were featured at a special workshop on UNIDROIT instruments organised by the Government of India in New Delhi on 3 July 2023, with participation of a UNIDROIT delegation led by the Secretary-General, and followed by ministerial meetings which included discussion on the implementation of the Aircraft Protocol in India.

116. They were also discussed at a special seminar dedicated to implementation in Italy, held at UNIDROIT on 8 June 2023 in cooperation with LUISS University, with participation of institutional and industry representatives.

117. They were further promoted and discussed in various other fora, including the 12<sup>th</sup> Annual Cape Town Convention Academic Project Conference that took place at the University of Cambridge on 27 and 28 September 2023, with in-depth presentations focusing in particular on the implementation of, and compliance with, the Convention and its Aircraft Protocol.

118. The CTCAP conference was preceded by two dedicated moot courts organised at the University of Cambridge among Cambridge and Oxford students.

119. Moreover, the Cape Town Convention and the Aircraft Protocol were the object of several lectures and seminars with participation of the Secretariat, including the second edition of the International Law and Development Programme directed to high-level jurists from several African States, held in Rome (specifically on 26 and 27 June), and the section of the International Business Law Master co-organised with Sapienza University in Rome. More information will be provided in the Annual Report 2023.

### **(b) UNIDROIT Principles of International Commercial Contracts (UPICC)**

120. During 2023, the UPICC were promoted by the UNIDROIT Secretariat through the organisation of, and participation in, several conferences for academics and practitioners, including:



- The 21<sup>st</sup> Biennial Meeting of the International Academy of Commercial and Consumer Law, held at Bar Ilan University, Israel from 9 to 12 July 2023 (with a presentation on the added value of various UNIDROIT instruments, including the UPICC, for the global supply chain);
- The 14<sup>th</sup> Conference of Transnational Commercial Law Teachers, organised by Governing Council Member Professor Henry D. Gabriel at Elon University in Greensboro (North Carolina, United States), on 5 and 6 October 2023 (with presentations on the application of the UPICC as soft law, the UPICC in Latin America, and on global supply chains and the UPICC); and
- The International Bar Association (IBA) 2023 Annual Conference in Paris, held from 29 October to 2 November, with participation in a panel on “Unpredictable events in international trade: force majeure and hardship clauses under the UNIDROIT Principles and ICC standard clauses”, organised by the IBA International Commerce and Distribution Committee and Litigation Committee.

Moreover, the first workshop organised by the UNIDROIT Nordic Law Centre is planned for December 15 (on the interpretation of international contracts).

121. The UPICC were further the object of several lectures and seminars with participation of the UNIDROIT Secretariat, including:

- The annual lecture on “UNIDROIT and the UNIDROIT Principles of International Commercial Contracts” to postgraduate students of the International Training Centre of the International Labour Organization (ITC-ILO) in Turin, Italy on 5 and 6 April 2023;
- A lecture for the master’s programme in international business law at LUISS University in Rome, Italy on 5 May 2023;
- A conference on the UPICC co-organised by Özyeğin University and UNIDROIT in Istanbul, Türkiye on 16 May 2023;
- A workshop for a delegation of Georgian Lawyers of Independent Profession on 22 May 2023, with a presentation on the practical application of the UPICC in Georgia;
- The International Programme for Law and Development (specifically, on 20 June with an interactive lecture in the morning and a special seminar on case law in the afternoon, and on 23 June with a presentation on the judicial application of the UPICC in South Africa); and
- A lecture to students as part of their master’s programme in international business law at the Sapienza University in Rome, Italy on 15 and 16 June 2023.

More information on promotional activities in relation to the UPICC is provided in the Annual Report 2023.

### **(c) UNIDROIT/FAO/IFAD Legal Guide on Contract Farming**

122. Over the years, UNIDROIT has continued to seek opportunities to promote the [Legal Guide on Contract Farming](#), which was jointly developed with FAO and IFAD. The Secretariat expects the collaboration of representatives of FAO and IFAD, and relies on former Working Group members and observers, for the dissemination of this instrument. During the course of 2023, the UNIDROIT/FAO/IFAD Legal Guide on Contract Farming (LGCF) was presented at a number of events to relevant governmental and academic institutions, the following being representative examples:



- A presentation to a group of master's students from Loyola University (Chicago, United States) visiting the Institute on 17 April 2023;
- A seminar on "Women and food safety" organised by the Pontifical Gregorian University (Rome, Italy) on 22 May 2023;
- A lecture for students during the master's programme in international business law at the Sapienza University (Rome, Italy) on 22 June 2023;
- A presentation during the UNIDROIT International Programme for Law and Development on 22 June 2023; and
- A presentation at a capacity development workshop for the Cambodian Ministry of Agriculture organised by the International Institute for Sustainable Development on 15 November 2023.

More information on promotional activities regarding the Legal Guide will be available in the 2023 Annual Report.

123. During the 102<sup>nd</sup> session of the Governing Council (10-12 May 2023), the Secretariat proposed a new and more strategic approach to the promotion of the LGCF in specific jurisdictions (UNIDROIT 2023 - [C.D. \(102\) 19](#)). To implement an award received from the United Rule of Law Appeal (UNIDROIT 2019 - [C.D. \(99\) B.2](#)), the Secretariat proposed to explore the possibility of partnering with local (and non-local) associations, universities, and other intergovernmental organisations undertaking technical assistance work in different parts of the world, with field experience in implementing agricultural development projects on the ground. In particular, UNIDROIT would consider establishing an MoU with the International Development Law Organization (IDLO), with which the Secretariat had discussed modalities to jointly implement a project specifying the LGCF guidance for the particular context of selected African economies, drawing on UNIDROIT's legal expertise and IDLO's experts on the ground.

124. Through this type of legal support, country-specific legal guides on contract farming would be developed in accordance with several Sustainable Development Goals (SDGs) and would offer a contextualised discussion of the practical and legal issues involved in contracts for the production and marketing of agricultural commodities. With the agreement conceived by the Governing Council, the Secretariat envisages to start implementing this initiative in 2024.

#### **(d) UNIDROIT/IFAD Legal Guide on Agricultural Land Investment Contracts**

125. With a view to promoting the second legal guide developed under the tripartite partnership with the Rome-based intergovernmental organisations working in the field of agricultural development, the UNIDROIT/IFAD [Legal Guide on Agricultural Land Investment Contracts](#) (ALIC Legal Guide) was presented in various events over the course of 2023, including at:

- A seminar on "Women and food safety" organised by the Pontifical Gregorian University in Rome, Italy on 22 May 2023;
- The master's programme in international business law, organised by the Sapienza University in Rome, Italy on 22 June 2023;
- The UNIDROIT International Programme for Law and Development on 4 July 2023;
- A briefing session for the Aviation Working Group organised by UNIDROIT on 1 August 2023; and
- The Rome Water Dialogue 2023, hosted by FAO in Rome on 4 October 2023.

**(e) ELI-UNIDROIT Model Rules of European Civil Procedure**

126. Over the course of 2023, the Model Rules were promoted on various occasions, including during the International Programme for Law and Development on 29 June 2023 and at the International Association of Lawyers (UIA) International Congress held in Rome in October 2023. More information will be available in the Annual Report 2023.

**(f) UNIDROIT Convention on Stolen or Illegally Exported Cultural Objects and UNESCO-UNIDROIT Model Provisions on State Ownership of Undiscovered Cultural Objects**

127. The UNIDROIT Secretariat is often asked to offer technical assistance in connection with the 1995 Convention and in respect of the 2011 UNESCO-UNIDROIT Model Provisions on State Ownership of Undiscovered Cultural Objects, owing, among other things, to the upsurge in trafficking in cultural objects and the adoption of several declarations or recommendations calling States to become a Party to the 1995 Convention. In 2023, the G20 on Culture – with which UNIDROIT was associated – held in Varanasi (India) adopted a declaration inviting States to fight against illicit traffic in cultural property and become Party to the relevant international conventions, among which the 1995 UNIDROIT Convention.

128. UNIDROIT's excellent collaborative links with other organisations active in the field of cultural property have, in recent years, done much to compensate for the limited funds available. UNIDROIT is regularly involved in attending national and regional capacity-building seminars on the fight against illicit traffic in cultural property (e.g., regional and national seminars organised at the specific request of countries in order to improve their understanding of the 1970 UNESCO and 1995 UNIDROIT Conventions in view of accession); in 2023, UNIDROIT participated in such seminars in Brazil, Comoros, Ethiopia, India, Israel, Latvia, Qatar, Saudi Arabia and Türkiye, as well as for a group of Eastern, Central and Western African countries.

129. At the institutional level, UNIDROIT is also developing and pursuing its close collaboration with several organisations in this field, such as the European Union, the Council of Europe, INTERPOL, the World Customs Organisation (WCO), the International Centre for the Study of the Preservation and Restoration of Cultural Property (ICCROM) – both in Rome and in Sharjah (United Arab Emirates), NATO, the International Council of Museums (ICOM) and the Antiquities Coalition.

130. UNIDROIT also pursued its cooperation with the African Union and ECOWAS to assist African States in strengthening their legal framework to protect their heritage, and several African States have become and are becoming Parties to the 1995 UNIDROIT Convention.

131. The Academic Project on the 1995 Convention (UCAP) is attracting institutional and individual partners to raise awareness about UNIDROIT's instruments in this field (e.g., among universities, the judiciary, practising lawyers, etc.). Several conferences and lectures were organised on UNIDROIT's instruments on the international protection of cultural objects together with, among other institutions, the International Law Association (ILA) and the International Academy of Comparative Law (IACL).

**C. NON-LEGISLATIVE ACTIVITIES (UNIDROIT ACADEMY) \*\*\***

**1. UNIDROIT Library**

132. In 2023, Work progressed on the digitisation project of the Library. The Library's electronic collection was enriched by a total of 480 digitised titles, comprising the Chiomenti Collection and the collection of comparative law, and the addition of monographs and pamphlets, in particular, from the Scialoja Collection.

133. On the occasion of UNIDROIT's "Ricordando Gino Gorla" event, which was organised by UNIDROIT President Maria Chiara Malaguti, Professor Maurizio Lupoi donated numerous volumes from Professor Gorla's collection. The Institute expresses its gratitude for the generous and precious donation, which is very enriching for the Library.

134. Furthermore, the Library has begun the cataloguing and digitising of the important collection donated to the Library in June 2021 by Professor Achille de Nitto, consisting of about 700 publications, mostly in the form of pamphlets, excerpts from various Italian reviews, in particular law reviews, and collective works, between the last decades of the nineteenth century and 1930s.

135. Additionally, Professor Giuditta Cordero-Moss (University of Oslo, Norway) and her family agreed to make a donation to the UNIDROIT library consisting of part of the library (around 11,000 volumes) of Professor Franco Cordero, her late father and famous Italian academic, as well as other bibliographical sources in the area of private law of the Nordic legal systems.

136. In 2023, work continued on the upgrade of the Library's list of law reviews, and scanned articles were added to the Library's online collection. Thanks to a fruitful collaboration programme with the non-profit association "Help", two interns, Mr Carlo della Fazia and Mr Riccardo della Fazia, have digitised library materials under the supervision of the staff of the Library.

137. Contemporaneously, thanks to the very generous donation to the UNIDROIT Foundation by the Dutch Foundation "Largesse", it was possible to draft a project to strengthen the UNIDROIT Library, not only with regard to acquisition policy and upgrading of the collection, but also towards accelerating the Library's digitisation project and modernising the Library's premises, including new technical equipment and optimising space for researchers and interns. Thanks to the donation, it was possible to expand the Library, hence several rooms have been arranged and renovated in the main building of Villa Aldobrandini to host not only the precious Cordero/Cordero-Moss collection, but also the Library's collection of private law from the countries of Northern Europe, thereby contributing toward reinforcing the Institute's position as a leading comparative law research centre. The Secretariat decided to create a research institute in the context of the UNIDROIT Academy, inviting the rest of the Nordic countries and their academic and legal institutions to participate: the UNIDROIT Nordic Law Centre.

138. Moreover, the Library received donations in kind from the Max Planck Institute for Comparative and International Private Law (Hamburg, Germany), from the Department of Private Law of the University of Oslo, and from Professor Meiling Huang of ZUEL University in China. Professor Huang arranged a very important donation of contemporary Chinese books on Chinese private law. Finally, as in previous years, the Library received donations from researchers from all over the world.

## **2. Scholarship, Internship and Research Programme**

139. The UNIDROIT Scholarship, Internship and Research Programme is an important tool to promote UNIDROIT's work and related research in the field of international and comparative law.<sup>4</sup> UNIDROIT's Scholarship, Internship and Research Programme welcomes law students and academics from around the world to work with the Secretariat on the Institute's Work Programme or undertake complementary legal research in the UNIDROIT Library.

140. Since 2014, this Programme has been entirely funded by voluntary contributions, relying on the benevolence and generosity of its sponsors, which include, amongst others, the Ministry of

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<sup>4</sup> For a full presentation of the Scholarship, Internship and Research Programme, including a list of current and former guests, see: <https://unidroit.org/research-and-internships>.

Commerce of the People's Republic of China (MOFCOM), the UNIDROIT Foundation, Members of the Governing Council, the UNIDROIT Alumni Association, the Madruga law firm (Brazil), and the Transnational Law and Business University (TLBU).

141. UNIDROIT received a record 262 internship applications and 57 scholarship applications for 2023. During 2023, the Institute welcomed 172 participants in the Scholarship, Internship and Research Programme. Specifically, UNIDROIT welcomed 67 interns and 23 scholars from 28 countries. Of the 67 interns, 13 were granted modest stipends for the duration of their internships. Of the 23 scholars, 13 were granted stipends for the period of their research. Additionally, 80 researchers from 19 countries undertook research stays in the UNIDROIT Library. In addition, Ms Diletta Lenzi was selected from a field of 27 candidates as the 2023 Sir Roy Goode Scholar.

### **3. Academic Projects**

#### **Cape Town Convention Academic Project**

142. The Cape Town Convention Academic Project (CTCAP) is a joint undertaking between UNIDROIT and the University of Cambridge Faculty of Law, under the auspices of the Centre for Corporate and Commercial Law (3CL), and with the Aviation Working Group as its founding sponsor. Professor Ignacio Tirado (UNIDROIT), Professor Louise Gullifer (University of Cambridge), and Professor Jeffrey Wool (Aviation Working Group) serve as the Directors of CTCAP, which was originally founded in July 2011 by the University of Oxford and the University of Washington, in collaboration with UNIDROIT.

143. The primary objective of CTCAP is to facilitate and further the academic study and assessment of the Cape Town Convention and its Protocols. It does this by providing a comprehensive, digitised and searchable repository (<https://ctcap.org/>) of relevant documents and publications. Additionally, from time to time, CTCAP issues annotations to the Official Commentary on the Convention and the Aircraft Protocol in order to provide further guidance on specific issues relevant to practitioners and researchers of the Cape Town Convention. It also publishes the Cape Town Convention Academic Journal and organises the annual Cape Town Convention Academic Project Conference (currently at the University of Cambridge, having previously taken place at the University of Oxford and at UNIDROIT). Finally, CTCAP also oversees two related projects: the Economic Assessment of International Commercial Law Reform (EA) Project and the Best Practices in the Field of Electronic Registry Design and Operation (BPER) Project. These projects further complement research on the Cape Town Convention and transnational law in general. A third project, on the Implementation of and Compliance with Transnational Commercial Law Instruments, will begin in 2024.

144. The 12<sup>th</sup> Annual Cape Town Convention Academic Project Conference took place at Jesus College, University of Cambridge (and on Zoom) on 27 and 28 September 2023.<sup>5</sup> The Conference had 153 registered participants, 88 of which attended in person, with the rest participating via Zoom. The Conference's focus was on Enforcement and Dispute Resolution in relation to the Cape Town Convention. As always, the conference was highly interactive, with each session including ample opportunity for questions and debate.

145. In 2023, the CTCAP also launched the Cape Town Convention International Moot Programme ("CTC moot court"). The CTC moot court was established to familiarise students and judges with the Cape Town Convention in the context of complex hypothetical fact patterns and provide students with educational exercises involving these instruments in a simulated judicial setting. The CTC moot court is a strictly academic exercise, and has no effect, in any other context,

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<sup>5</sup> The Programme from the 12<sup>th</sup> Cape Town Convention Academic Project can be found at <https://ctcap.org/wp-content/uploads/2023/09/CTCAC-2023-Programme-26.09.23.pdf>.

on the analysis of points of law or the interpretation of CTC provisions. The first CTC moot court sessions were held on 26 September 2023 between students from Oxford and Cambridge Universities and were judged by Justice Zacaroli and Professor Riz Mokal. Further moot courts are being organised across the world, including in Singapore, Malaysia, Canada and Kenya.

#### **4. Academic Institutes**

Queen Mary University of London (QMUL)/UNIDROIT Institute for Transnational Commercial Law

146. The QMUL/UNIDROIT Institute for Transnational Commercial Law was originally founded in 2016 through a concordat between QMUL and UNIDROIT, at the initiative of Professor Sir Roy Goode and former UNIDROIT President Professor Alberto Mazzoni. Following a process of revitalisation and relaunch of the activities of the Institute, a new concordat was signed on 9 February 2023 in a ceremony which took place at Queen Mary's Centre for Commercial Law Studies (CCLS) in London and remotely, and which was attended by guests from academia and legal practice, as well as representatives from UNIDROIT and QMUL. The concordat provides for renewed governance, with Professor Rosa Lastra (Sir John Lubbock Chair in Banking Law at QMUL/CCLS) and Professor Anna Veneziano (UNIDROIT Deputy Secretary-General) as Co-Directors, Dr Franziska Arnold-Dwyer as Deputy Director, Professor Sir Roy Goode as Founding Director and Honorary Chair of the Institute, and UNIDROIT Secretary-General Professor Ignacio Tirado as member of the Executive Board. The Executive Board appointed the new Advisory Board of the Institute, with participation of eminent international academics and practitioners. The Advisory Board met on 14 June 2023 to discuss the programme of activities of the Institute and will meet again on 7 February 2024.

147. The Institute co-organised or co-sponsored several activities in 2023, including i) a special event celebrating Sir Roy Goode's 90<sup>th</sup> birthday, entitled "Transnational Commercial Law in the New Millennium", held on 8 May, with presentations highlighting Professor Goode's contribution to the activities of the CCLS and to the instruments developed by UNIDROIT over the years; and ii) a Symposium on "Financial Institutions in Distress: Recovery, Resolution, Recognition", organised by UNIDROIT on 20 October.

148. Planned activities include a Workshop on Digital Assets and Private Law organised by CCLS in London on 8 February 2024, presentations on UNIDROIT instruments to QMUL students, planning for the inclusion of a teaching module on Transnational Commercial Law with focus on international financing, and a workshop on reinsurance contract law for early 2025.

Roma Tre-UNIDROIT Centre for Transnational Commercial Law and International Arbitration

149. On 22 September 2023, UNIDROIT and Roma Tre University School of Law hosted an event to celebrate the constitution of the Roma Tre-UNIDROIT Centre for Transnational Commercial Law and International Arbitration, which aims at promoting research and academic scholarship on transnational commercial law and international arbitration. At the event, Co-directors Professor Maria Chiara Malaguti (President of UNIDROIT) and Professor Giacomo Rojas Elgueta (Professor of Private Law at Roma Tre University School of Law) presented the Centre's structure and objectives to a limited number of guests coming from public institutions, academia, business organisations and law firms. The event followed the tenth annual University of Roma Tre-UNIDROIT Annual International Arbitration Lecture, which was delivered by Alexis Mourre on the topic "The UNIDROIT Principles as a Tool for the Internationalisation of Contracts by Arbitral Tribunals". The Annual Lecture had over 250 registered participants, of which over 100 attended in person, with the rest participating via Zoom.

## **5. UNIDROIT International Programme for Law and Development**

150. At the 100<sup>th</sup> session of the Governing Council, the Secretariat proposed to organise the first edition of the UNIDROIT International Summer School, sponsored by the Italian Ministry of Foreign Affairs and International Cooperation, in 2022 ([C.D. \(100\) B.22](#)), which was then held in a hybrid format from 20 June to 22 July 2022. Thanks to the success of the first edition, a new grant from the Italian Government was received for the organisation of the second edition, which took place from 5 June to 7 July 2023 under a new name, “UNIDROIT International Programme for Law and Development” (IPLD), to reflect the broader purpose of the initiative, which, even in its first edition, went well beyond a summer course.

151. The 2022 edition was attended by a total of 22 participants from 13 African countries (Algeria, Cameroon, Democratic Republic of the Congo, Egypt, Ghana, Kenya, Malawi, Mauritania, Mauritius, Nigeria, South Africa, Tanzania, and Tunisia), of which 12 were female and 10 male. The 2023 edition was attended by 22 African judges, legal drafters and public lawyers from 17 countries (Algeria, Burkina Faso, Burundi, Cameroon, Egypt, Ghana, Kenya, Liberia, Malawi, Mauritania, Mauritius, Nigeria, Somalia, South Africa, Tanzania, Uganda, and Zambia), of which 11 were female and 11 male.

152. The two editions have included lectures, presentations and discussions of case studies from world-renowned experts in each field, who had often participated in the elaboration of the instruments presented. In particular, the role of transnational law and UNIDROIT’s instruments in different fields were addressed, with an emphasis on instruments with the potential to foster economic development in Africa. Moreover, the Secretariat was honoured by the contribution to the 2023 edition of the Embassy of South Africa, which hosted a reception for IPLD participants at the Residence of its Ambassador in Rome.

153. In October 2023, the Secretariat initiated the procedure to obtain the sponsorship of the Italian Ministry of Foreign Affairs and International Cooperation to organise a third edition of the IPLD for 2024, in the context of a wider strategy aimed at consolidating the programme and ensuring its continuity in the medium term on a multi-year basis. The new edition, still focused on Africa, would pursue the aim of reaching a greater number of countries, as well as strengthening the ties with those countries whose representatives took part in previous editions. The consolidation of the programme on a multi-year basis is aimed at institutionalising the network of the “alumni” and progressively extending the initiative to other regions over the years. UNIDROIT’s Secretariat is most grateful to Mr Marco Nicoli (UNIDROIT Foundation), who successfully led and managed the entire initiative as Director of the IPLD in coordination with the Secretariat staff, and who has decided to retire.

## **6. Chair Programmes**

154. The UNIDROIT Joint Chair Programmes form part of a new approach of the Secretariat to bolster technical knowledge and expertise in certain areas of the Institute’s work. Through the appointment of experts for periods of one year (or more, depending on the specific terms of reference of the Chair Programme), the Institute can receive highly specialised advice without a need to resort to external experts. This adds capacity and stability to the Secretariat’s workforce. Two Chair Programmes have been implemented so far: (i) the UNIDROIT-Bank of Italy Chair Programme and (ii) the UNIDROIT-Italian Ministry of Foreign Affairs Chair Programme.

155. Following the successful UNIDROIT-Bank of Italy Chair Programme in 2021, the Bank of Italy agreed to facilitate another joint Chair Programme in 2023 in support of UNIDROIT’s project on Bank Insolvency. The Chair Holder may also be asked to assist the Secretariat with UNIDROIT’s new projects on the Legal Nature of Voluntary Carbon Credits and on Law Applicable to Cross-Border Holdings and Transfers of Digital Assets and Tokens. Following a public call for applications,

Professor Iacopo Donati was recruited as the new UNIDROIT-Bank of Italy Chair. Professor Donati holds a PhD in Corporate Law from the Sapienza University in Rome and has focused in subsequent research on insolvency law and bank failure management. He started with the Secretariat in mid-November 2023 for a period of twelve months.

156. The UNIDROIT-Italian Ministry of Foreign Affairs Chair Programme is funded by the Directorate General for Development Cooperation (*Direzione Generale per la Cooperazione allo Sviluppo* – DGCS) of the Italian Ministry of Foreign Affairs and International Cooperation (*Ministero degli Affari Esteri e della Cooperazione Internazionale* - MAECI). The purpose of this programme is to involve a senior or mid-career professor or researcher with expertise in private law and agricultural development to assist in the development of the legal guides produced in partnership with FAO and IFAD. Over the course of 2023, the Secretariat continued to work with Dr Keni Muguongo Kariuki, a Kenyan lawyer and political economist with a PhD from the School of Oriental and African Studies of the University of London. It is expected that Dr Kariuki will continue collaborating with the Secretariat in 2024, and additional experts may be involved under the UNIDROIT-MAECI Chair Programme.

## **7. Cooperation with academic institutions under Memoranda of Understanding**

157. Over the course of 2023, the Secretariat expanded and deepened cooperation with its institutional partners, in particular academic institutions, aiming to promote research in the areas of private law, commercial law, and the unification of law, as well as UNIDROIT's instruments and ongoing projects. To this end, numerous Memoranda of Understanding were concluded with universities and other institutions. The agreements envisage joint activities, including the co-organisation of events, research projects, and study programmes, as well as the promotion of UNIDROIT's Scholarship, Internship and Research Programme. More details of the activities that were undertaken under the framework of such agreements will be presented in the Annual Report 2023.

158. Since the beginning of 2023, cooperation agreements have been signed with the following institutions:

- Özyeğin University in Istanbul (Türkiye) on 18 January 2023;
- Faculty of Law and Social Sciences of the National University in Asunción (Paraguay) on 30 January 2023;
- Centre for Commercial Law Studies of Queen Mary University of London (United Kingdom) on 9 February 2023;
- Space Economy Evolution Lab of the SDA Bocconi School of Management (Italy) on 15 February 2023;
- European Law Institute (ELI) on 23 February 2023 (building upon an already-existing Memorandum of Understanding signed by the two institutions nine years prior);
- Al-Najah National University of Palestine on 17 April 2023;
- Biblioteca civica di Cuneo / Fondazione Polo del '900 (Italy) on 8 May 2023;
- Faculty of Law, Criminal Justice and Public Administration of the University of Lausanne (UNIL, Switzerland) on 6 June 2023;
- Korea Legislation Research Institute (KLRI) on 14 June 2023;
- Acquedotto Pugliese S.p.A. (AQP) on 22 June 2023;
- Sovereign Order of Malta (SMOM) on 28 June 2023;
- Insolvency Law Academy (India) on 2 July 2023; and
- University of Bari Aldo Moro (Italy) on 19 July 2023.

## 8. Publications (including the Uniform Law Review)

159. In early 2023, the electronic version of the fifth edition of Sir Roy Goode's Official Commentary on the Convention on International Interests in Mobile Equipment and Protocol Thereto on Matters Specific to Aircraft Equipment ("Aircraft Commentary"), with the valuable addition of internal and external links throughout the volume, was made available for purchase. In the final quarter of 2023, Sir Goode was working with UNIDROIT to conclude a revised fifth and final edition of the Aircraft Commentary, to be published in 2024. Simultaneously, Sir Goode was also preparing a third edition of his Official Commentary on the Convention on International Instruments in Mobile Equipment and Protocol Thereto on Matters Specific to Railway Rolling Stock ("Rail Commentary"), envisaging a publication date for both print and digital versions around the time of the Rail Protocol's expected entry-into-force in early 2024.

160. In the autumn of 2023, UNIDROIT published the French and English editions of the Model Law on Factoring (MLF) and the first English edition of the Principles on Digital Assets and Private Law (DAPL). As of October 2023, agreements were already being concluded for Arabic and Mandarin Chinese translations of the MLF, along with a Korean translation of the DAPL Principles. Furthermore, in November 2023, UNIDROIT published *Ricordando Gino Gorla*, a collection of essays (largely in Italian) in honour of the late, great comparative jurist Gino Gorla, building upon the oral tributes paid by numerous scholars and practitioners at a UNIDROIT event of the same title from October 2022.

161. As regards the Uniform Law Review, in September 2022 a new agreement was concluded with OUP, the publisher of the Review, which introduced a certain number of modifications to the agreement that had been concluded in 2013, the major one being the introduction of a new online method for submission and treatment of articles (the "ScholarOne" submission system). The reason for this was that following the Covid-19 pandemic, OUP had found that they had to introduce the ScholarOne system earlier than they had planned. Among the main features of the ScholarOne system are author submission via an internet site rather than by e-mail; online peer reviews; automated delivery and alerting to production; and automatic e-mail alerting of due dates for all users (including the Editorial Board). This development is part of a general development which publishers have to introduce to remain competitive. Reviews are increasingly being made available electronically, at times only electronically.

## 9. Information resources and policy

### Social media

162. The purpose of UNIDROIT's social media presence is to:

- Raise UNIDROIT's public profile and online awareness about its current projects;
- Promote upcoming events and encourage participation from relevant stakeholders;
- Allow researchers, visiting professionals, interns, and other stakeholders to connect with each other and maintain a connection with UNIDROIT;
- Serve as a dynamic channel to communicate with the global community interested in UNIDROIT's work; and
- Allow UNIDROIT to widely advertise vacancies and opportunities for internships and scholarships.

163. UNIDROIT currently maintains accounts on LinkedIn (2016), Facebook (2016), Twitter (2018) and YouTube (relaunched in 2019). UNIDROIT's presence on YouTube was relaunched in 2019 to promote videos of expert presentations made at the Institute by international legal experts and visiting scholars, as well as to share promotional videos about UNIDROIT instruments and



events. Pursuant to a regularly updated internal social media strategy, the Secretariat shares the following types of content through its various social media channels:

- Updates relating to projects;
- Notable anniversaries of signatures, ratifications, accessions and entries into force of UNIDROIT instruments in States, under the #UNIDROITanniversaries hashtag;
- UNIDROIT events (past and upcoming);
- External events relevant to UNIDROIT's work (e.g., international moot courts utilising UNIDROIT instruments);
- UNIDROIT attendance at other international meetings;
- Profiles of scholars and interns;
- Internship and scholarship opportunities;
- Library news;
- Webinars;
- History of the Institute;
- Announcements of partnerships with other organisations;
- Sharing relevant content from the social media accounts of partner organisations; and
- Monthly themes to promote certain projects.

164. Additionally, the Secretariat actively works with universities, affiliated international organisations, and individuals involved in UNIDROIT's work in order to cross-mention each other in social media posts, further promote these activities and increase the Institute's digital engagement and reach. All content posted generally includes images or videos taken at UNIDROIT or copyright-free images. Additionally, all content posted channels the audience back to the UNIDROIT website, thereby increasing the number of visitors on the website and allowing for more visibility of UNIDROIT's work.

165. Over the years, the Secretariat has benefitted from attending the "Social Media Roundtable" organised every six months by the United States Mission to the UN Agencies in Rome. These meetings bring together social media managers from international organisations based in Rome (FAO, IFAD, WFP, IDLO, UNIDROIT, ICCROM, etc.) to discuss best practices in social media management, effective strategies, and to improve social media coordination. This forum has allowed the Institute to benefit from the professional social media expertise of larger organisations to improve its own social media practices.

### **Performance indicators**

166. As of 5 November 2023, UNIDROIT had 29,333 (up from 24,085 in 2022) followers on LinkedIn, 5,800 (up from 5,300 in 2022) followers on Facebook, 2,247 (up from 1,941 in 2022) followers on Twitter, and 557 (up from 419 in 2022) subscribers on YouTube. The UNIDROIT social media channels continue to be the largest source of referrals to the UNIDROIT website, after direct clicks and search engines. Particularly on LinkedIn, an increase of 18% has been observed in terms of engagement and comments by followers. In 2023, posts made by UNIDROIT on all its channels collectively were delivered to people's feeds over one million times.

**ANNEXE I****Expenditure in Implementation of Work Programme  
(estimate by 31 December 2023)**

		Priority level	Regular budget
<b>A.</b>	<b>Legislative Activities</b>		
<b>1.</b>	<b>Access to credit</b>		
<b>1.1</b>	<b>Protocols to the Cape Town Convention</b>		
	<b>(a) Implementation of Rail and Space Protocols to the Cape Town Convention</b>	***	
	Staffing costs Professional staff (Ch. 2.1, 3.1)		33,031.20
	General services (Ch. 2.1, 3.1)		46,104.00
	Official journeys (Ch. 1.5)		1,727.23
	<b>Total</b>		<b>80,862.43</b>
	<b>(b) Implementation of MAC Protocol</b>	***	
	Staffing costs Professional staff (Ch. 2.1, 3.1)		61,639.80
	General services (Ch. 2.1, 3.1)		8,128.80
	Official journeys (Ch. 1.5)		0.00
	<b>Total</b>		<b>69,768.60</b>
	<b>(c) Preparation of other Protocols to the Cape Town Convention</b>	*	
	Staffing costs Professional staff (Ch. 2.1, 3.1)		0.00
	General services (Ch. 2.1, 3.1)		0.00
	Committees of Experts (Ch. 1.4)		0.00
	<b>Total</b>		<b>0.00</b>
<b>1.2</b>	<b>Development of Model Law and Guide to Enactment on Factoring</b>	***	
	Staffing costs Professional staff (Ch. 2.1, 3.1)		22,821.00
	General services (Ch. 2.1, 3.1)		2,709.60
	Official journeys (Ch. 1.5)		5,388.10
	Meeting costs Committees of Experts (Ch. 1.4)		0.00
	<b>Total</b>		<b>30,918.70</b>
<b>1.3</b>	<b>Development of a Model Law and Guide to Enactment on Warehouse Receipts</b>	***	
	Staffing costs Professional staff (Ch. 2.1, 3.1)		18,900.60
	General services (Ch. 2.1, 3.1)		8,128.80
	Committees of Experts (Ch. 1.4)		21,269.56
	Official journeys (Ch. 1.5)		
	<b>Total</b>		<b>48,298.96</b>
<b>1.4</b>	<b>Development of a Guide to Enactment for the UNIDROIT Model Law on Leasing</b>	*	
	Staffing costs Professional staff (Ch. 2.1, 3.1)		0.00
	General services (Ch. 2.1, 3.1)		0.00
	Official journeys (Ch. 1.5)		
	Committees of Experts (Ch. 1.4)		0.00
	<b>Total</b>		<b>0.00</b>
<b>2.</b>	<b>International Commercial Contracts</b>		
	<b>(a) UNIDROIT Principles of International Commercial Contracts and Investment Contracts</b>	***	
	Staffing costs Professional staff (Ch. 2.1, 3.1)		37,332.00
	General services (Ch. 2.1, 3.1)		25,071.00
	Official journeys (Ch. 1.5)		10,548.11
	Committees of Experts (Ch. 1.4)		11,017.05
	<b>Total</b>		<b>83,968.16</b>

<b>(b) Formulation of Principles of Reinsurance Contracts</b>		*
Staffing costs	Professional staff (Ch. 2.1, 3.1)	7,716.60
	General services (Ch. 2.1, 3.1)	3,408.00
	Committees of Experts (Ch. 1.4)	0.00
	Official journeys (Ch. 1.5)	0.00
<b>Total</b>		<b>11,124.60</b>
<b>3. Private Law and Agricultural Development</b>		
<b>(a) Development of an international guidance document on Collaborative Legal Structures for Agricultural Enterprises</b>		***
Staffing costs	Professional staff (Ch. 2.1, 3.1)	72,269.40
	General services (Ch. 2.1, 3.1)	16,216.80
	Committees of Experts (Ch. 1.4)	7,196.47
<b>Total</b>		<b>95,682.67</b>
<b>(b) Development of an Agricultural Financing Legal Guide</b>		**
Staffing costs	Professional staff (Ch. 2.1, 3.1)	0.00
	General services (Ch. 2.1, 3.1)	0.00
	Committees of Experts (Ch. 1.4)	0.00
<b>Total</b>		<b>0.00</b>
<b>4. Law and Technology</b>		
<b>(a) Digital Assets and Private Law</b>		***
Staffing costs	Professional staff (Ch. 2.1, 3.1)	47,476.40
	General services (Ch. 2.1, 3.1)	10,838.40
	Committees of Experts (Ch. 1.4)	12,751.00
<b>Total</b>		<b>71,065.80</b>
<b>(b) Global Value Chains: Governance Issues and Digital Challenges</b>		*
Staffing costs	Professional staff (Ch. 2.1, 3.1)	0.00
	General services (Ch. 2.1, 3.1)	0.00
	Official journeys (Ch. 1.5)	0.00
<b>Total</b>		<b>0.00</b>
<b>5. Capital Markets and Financial Law</b>		
<b>Bank Insolvency</b>		***
Staffing costs	Professional staff (Ch. 2.1, 3.1)	57,243.00
	General services (Ch. 2.1, 3.1)	19,624.80
	Official journeys (Ch. 1.5)	2,407.79
	Committees of Experts (Ch. 1.4)	22,445.54
<b>Total</b>		<b>101,721.13</b>
<b>6. Transnational Civil Procedure</b>		
<b>(a) Formulation of Best Practices for Effective Enforcement</b>		***
Staffing costs	Professional staff (Ch. 2.1, 3.1)	48,464.40
	General services (Ch. 2.1, 3.1)	46,104.00
	Committees of Experts (Ch. 1.4)	15,018.00
<b>Total</b>		<b>109,586.40</b>

<b>(b) International Civil Procedure in Latin America</b>		*
Staffing costs	Professional staff (Ch. 2.1, 3.1)	0.00
	General services (Ch. 2.1, 3.1)	0.00
	Committees of Experts (Ch. 1.4)	0.00
<b>Total</b>		<b>0.00</b>
<b>7. Cultural Property</b>		
<b>Private Art Collections</b>		**
Staffing costs	Professional staff (Ch. 2.1, 3.1)	77,052.00
	General services (Ch. 2.1, 3.1)	4,054.20
	Official journeys (Ch. 1.5)	0.00
<b>Total</b>		<b>81,106.20</b>
<b>8. Sustainable Development</b>		
<b>(a) Legal Nature of Voluntary Carbon Credits</b>		***
Staffing costs	Professional staff (Ch. 2.1, 3.1)	57,874.40
	General services (Ch. 2.1, 3.1)	14,892.60
	Official journeys (Ch. 1.5) & Committees of Experts (1.4)	8,701.68
<b>Total</b>		<b>81,468.68</b>
<b>(b) Development of a guidance document on Corporate Sustainability Due Diligence in GVCs **</b>		
Staffing costs	Professional staff (Ch. 2.1, 3.1)	0.00
	General services (Ch. 2.1, 3.1)	0.00
	Committees of Experts (Ch. 1.4)	0.00
<b>Total</b>		<b>0.00</b>
<b>9. Exploratory Work</b>		
<b>(a) Law applicable to Cross- Border Holdings and Transfers of Digital Assets and Tokens</b>		
Staffing costs	Professional staff (Ch. 2.1, 3.1)	4,800.00
	General services (Ch. 2.1, 3.1)	12,988.80
	Official journeys (Ch. 1.5)	0.00
<b>Total</b>		<b>17,788.80</b>
<b>(b) Digital Transformation, Data Governance and Artificial Intelligence</b>		
Staffing costs	Professional staff (Ch. 2.1, 3.1)	0.00
	General services (Ch. 2.1, 3.1)	0.00
	Official journeys (Ch. 1.5)	0.00
<b>Total</b>		<b>0.00</b>
<b>(c) Private Law and Contemporary Health Research: IP Issues in the field of Personalised Medicine</b>		
Staffing costs	Professional staff (Ch. 2.1, 3.1)	0.00
	General services (Ch. 2.1, 3.1)	0.00
<b>Total</b>		<b>0.00</b>
<b>(d) Standard-Essential Patents</b>		
Staffing costs	Professional staff (Ch. 2.1, 3.1)	0.00
	General services (Ch. 2.1, 3.1)	0.00
	Official journeys (Ch. 1.5)	0.00
<b>Total</b>		<b>0.00</b>

<b>(e) Access to Justice in Environmental matters</b>		
Staffing costs	Professional staff (Ch. 2.1, 3.1)	0.00
	General services (Ch. 2.1, 3.1)	0.00
	Official journeys (Ch. 1.5)	0.00
<b>Total</b>		<b>0.00</b>
<b>B. Implementation and promotion</b>		
<b>(1) Depositary Functions</b>		***
Staffing costs	Professional staff (Ch. 2.1, 3.1)	40,713.60
	General services (Ch. 2.1, 3.1)	4,054.20
<b>Total</b>		<b>44,767.80</b>
<b>(2) Promotion of UNIDROIT Instruments</b>		***
Staffing costs	Professional staff (Ch. 2.1, 3.1)	98,341.80
	General services (Ch. 2.1, 3.1)	21,912.00
Consultation/promotion	Official journeys (Ch. 1.5)	34,548.26
Conference costs	Committees of Experts (Ch. 1.4)	398.54
	Sponsorship (Ch. 1.5)	2,501.54
Postage	Postage (Ch. 4.3)	4,061.20
<b>Total</b>		<b>161,763.34</b>
<b>C. UNIDROIT Academy (Non legislative activities) ***</b>		
Staffing costs	Professional staff (Ch. 2.1, 3.1)	123,901.10
	General services (Ch. 2.1, 3.1)	330,223.60
Purchasing	Purchase of books, legal journals, binding, software (Ch. 6)	128,562.64
<b>Total</b>		<b>582,687.34</b>
<b>Membership, institutional cooperation and governance</b>		
Staffing costs	Professional staff (Ch. 2. 1, 3.1)	89,787.90
	General services (Ch. 2.1, 3.1)	39,260.30
Conference costs	Interpretation/technical services (Ch. 1.5)	11,896.66
	GC and PC (Ch. 1.1)	53,194.91
Consultation / promotion	Official journeys (Ch. 1.5)	12,230.84
	Committees of Experts (Ch. 1.5)	
	Representation (Ch. 1.7)	4,812.00
<b>Total</b>		<b>157,987.70</b>
<b>Administration, support services and building management</b>		
Staffing costs	Secretary-General and Professional staff (Ch. 2. 1, 3.1)	37,360.80
	General services (Ch. 2.1, 2.2, 3.1)	301,003.10
	Auditor (Ch. 1.4)	2,601.93
	Porter Lodge (Ch. 2.1)	10,000.00
	Utilities, Maintenance costs, Labour costs (Ch. 5)	139,533.12
	Compensation for retired members of staff (Ch. 3.3)	931.86
	Accident insurance (Ch. 3.2)	8,786.93
	Administration costs (Ch. 4.1, 4.2, 4.3, 4.4, 4,5)	28,608.93
<b>Total</b>		<b>528,826.67</b>
<b>TOTAL</b>		<b>2,359,393.98</b>

## ANNEXE II

## UNIDROIT Information on Extrabudgetary Contributions in 2023

Principles on Netting of Financial Instruments	€	Initial Balance	Receipts*	Expenditure **	Balance ***
<b>Receipts</b>					
Donor Association of German Banks		281.39			281.39
<b>Expenditure</b>					
<b>Total</b>	€	<b>281.39</b>	<b>0.00</b>	<b>0.00</b>	<b>281.39</b>
<b>UROLA - Prize</b>	€	<b>Initial Balance</b>	<b>Receipts*</b>	<b>Expenditure **</b>	<b>Balance ***</b>
<b>Receipts</b>					
Donor United Rule of Law Appeal - Prize		8,799.56			8,799.56
<b>Total</b>	€	<b>8,799.56</b>	<b>0.00</b>	<b>0.00</b>	<b>8,799.56</b>
<b>Promotion of UNIDROIT Instruments</b>	€	<b>Initial Balance</b>	<b>Receipts*</b>	<b>Expenditure **</b>	<b>Balance ***</b>
<b>Receipts</b>					
Donor UNIDROIT Foundation		15,002.60		6,619.02	8,383.58
<b>Expenditure</b>					
<b>Total</b>	€	<b>15,002.60</b>		<b>6,619.02</b>	<b>8,383.58</b>
<b>Cape Town Convention Academic Project</b>	€	<b>Initial Balance</b>	<b>Receipts*</b>	<b>Expenditure **</b>	<b>Balance ***</b>
<b>Receipts</b>					
Donor CTCAP		72,752.33	98,648.93	76,660.75	94,740.51
<b>Total</b>	€	<b>72,752.33</b>	<b>98,648.93</b>	<b>76,660.75</b>	<b>94,740.51</b>
<b>Research Scholarship Programme / Secondments / IPLD</b>	€	<b>Initial Balance</b>	<b>Receipts*</b>	<b>Expenditure **</b>	<b>Balance ***</b>
<b>Receipts</b>					
Donor Scholarship General Fund		25,462.57	19,695.21	43,417.50	1,740.28
Sir Roy Goode Scholarship		25,019.09	0.00	13,360.03	11,659.06
People's Republic of China		64,333.56	18,000.00	26,952.41	55,381.15
International Programme for Law and Development		7,753.37	100,000.00	89,440.37	18,313.00
<b>Expenditure</b>					
<b>Total</b>	€	<b>122,568.59</b>	<b>137,695.21</b>	<b>173,170.31</b>	<b>87,093.49</b>

<b>UNIDROIT Library</b>	€	<b>Initial Balance</b>	<b>Receipts*</b>	<b>Expenditure **</b>	<b>Balance ***</b>
<b>Receipts</b>					
Donor Various Italian Law Firms		10,113.99			10,113.99
<b>Expenditure</b>					
Purchase of books and journals					
<b>Total</b>		<b>10,113.99</b>	<b>0.00</b>	<b>0.00</b>	<b>10,113.99</b>
<b>MAECI</b>	€	<b>Initial Balance</b>	<b>Receipts*</b>	<b>Expenditure **</b>	<b>Balance ***</b>
<b>EC FUND</b> Private Law and Agriculture		<b>88,736.43</b>		<b>30,645.36</b>	<b>58,091.07</b>
<b>PALAZZO ALDOBRANDINI WORKS</b>		<b>735,600.00</b>			<b>735,600.00</b>
<b>BANCA D'ITALIA</b> UNIDROIT-Bank of Italy Chair Programme (Bank Insolvency)	€		<b>25,000.00</b>		<b>25,000.00</b>
<b>UNIDROIT FOUNDATION</b> Library Project	€		<b>162,000.00</b>	<b>96,171.64</b>	<b>65,828.36</b>
<b>GRAND TOTAL</b>	€	<b>1,053,854.89</b>	<b>423,344.14</b>	<b>383,267.08</b>	<b>1,093,931.95</b>

Estimated total receipts as at 25 September 2023 including any amounts carried over

\* from 2022

\*\* Estimated expenditure as of 25 September 2023

\*\*\* Estimated balance as of 25 September 2023