



GOVERNING COUNCIL
90th session
Rome, 9 - 11 May 2011

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SUMMARY OF THE CONCLUSIONS

Item 1 on the agenda: Adoption of the agenda (C.D. (90) 1 rev.)

1. The Council adopted the agenda as proposed in document C.D. (90) 1 rev.

Item 2 on the agenda: Appointment of the First and Second Vice-Presidents of the Governing Council (C.D. (90) 1 rev.)

2. The Council renewed Professor Arthur Hartkamp's appointment as First Vice-President of the Governing Council and Professor Lyou Byung-Hwa's appointment as Second Vice-President, in both cases as from the end of the 90th session to the end of the 91st session of the Council.

Item 3 on the agenda: Reports

(a) Annual Report 2010 by the Secretary-General (C.D. (90) 2)

3. The Council took note of the Secretary-General's report on the activity of the Institute during 2010.

(b) Report on the Uniform Law Foundation

4. The Council took note of the report by the President of the Uniform Law Foundation, expressing its gratitude to him for his tireless efforts over the previous year to relieve pressure on the Institute's budget, and to the American Foundation for International Uniform Law and the U.K. International Uniform Law Foundation for their invaluable support in providing extra-budgetary funding for a number of the Institute's activities.

(c) Report of the Finance Committee

5. The Council took note of the report by the Chairman of the Finance Committee, and agreed to invite the President of UNIDROIT to consult the authorities of the host country regarding the status of its contribution to UNIDROIT.

Item 4 on the agenda: Principles of International Commercial Contracts - adoption of the 3rd edition ("UNIDROIT Principles 2010") and its promotion (C.D. (90) 3)

6. The Council adopted, by acclamation, the third edition of the Principles (to be known as "UNIDROIT Principles 2010") and authorised its publication and promotion world-wide. It also mandated the Secretariat to take the necessary steps to secure the formal endorsement of the UNIDROIT Principles 2010 by the United Nations Commission on International Trade Law (UNCITRAL).

Item 5 on the agenda: International Interests in Mobile Equipment

(a) *Implementation and status of the Cape Town Convention, Aircraft Protocol and Luxembourg Protocol (C.D. (90) 4(a))*

7. The Council noted the progress made in the implementation of the Depositary functions under the Convention and its Protocols, and mandated the Secretariat to draft an official letter to the Member States with regard to the options for organising a special event to commemorate the tenth anniversary of the adoption of the Convention.

(b) *Preliminary Draft Protocol on Matters specific to Space Assets to the Cape Town Convention (C.D. (90) 4 (b))*

8. The Council agreed to authorise the Secretariat to transmit the text of the revised preliminary draft Protocol established at the fifth session of the Committee, as a draft Protocol, to a diplomatic Conference (lasting a full two weeks) for adoption, in the first quarter of 2012, at a venue to be settled upon by the Council, in the light of the latest information available to it.

(c) *Preparation of other Protocols to the Cape Town Convention, in particular on matters specific to agricultural, mining and construction equipment (C.D. (90) 4(c))*

9. The Council noted the Secretariat's proposal to hold a forum on how to move forward on this Protocol, to be held immediately before or after other consultations in the second half of 2011.

Item 6 on the agenda: Transactions on transnational and connected capital markets

(a) *UNIDROIT Convention on Substantive Rules regarding Intermediated Securities: Follow-up work and promotion (C.D. (90) 5(a))*

10. The Council took note of the progress made in the revision of the draft Official Commentary to the Geneva Securities Convention and of the activities to promote the Convention.

(b) *Principles and Rules Capable of Enhancing Trading in Securities in Emerging Markets (C.D. (90) 5(b))*

11. The Council took note, with great interest, of the first steps and procedure envisaged by the Secretariat with a view to developing a future legislative guide on principles and rules capable of enhancing trading in emerging financial markets.

(c) *Principles and Rules on the Netting of Financial Instruments (C.D. (90) 5(c))*

12. The Council took note, with satisfaction, of the progress recorded by the Secretariat in connection with the preparation of principles and rules on the netting of financial instruments.

Item 7 on the agenda: Third Party Liability for Global Navigation Satellite Systems (GNSS) Services (C.D. (90) 6)

13. The Council took note of reiterated expressions of interest in the project and encouraged the Secretariat to continue its consultations with representatives of interested Governments, international Organisations, industry and other stakeholders, with a view to ascertaining the level of potential support for the project, defining its possible scope and clarifying its essential features.

Item 8 on the agenda: Model law on Leasing - Follow-up and promotion (C.D. (90) 7)

14. The Council took note of the progress recorded by the Secretariat over the past year in implementation both of the UNIDROIT Model Law on Leasing and of the programme of seminars for promotion of the Model Law approved by the Council at its 89th session.

Item 9 on the agenda: International Protection of Cultural Property (C.D. (90) 8)

(a) *UNIDROIT Convention on Stolen or Illegally Exported Cultural Objects – implementation, status and promotion*

15. The Council took note of the efforts of the Secretariat to promote the Convention. It further requested the President of UNIDROIT to proceed with convening a follow-up committee in accordance with Article 20 of the 1995 Convention and mandated the Secretariat to look for extra-budgetary contributions to supplement the financing necessary to convene the committee.

(b) *Preparation of Model Legislative Provisions on the Protection of Cultural Property*

16. The Council took note of the state of advancement of the work on drafting model legislative provisions on the protection of cultural property and reiterated its support for the project. The provisions on State ownership of undiscovered cultural objects with explanatory guidelines are expected to be completed in 2011.

Item 10 on the agenda: Private law and development (C.D. (90) 9)

(a) *Private law aspects of agricultural financing*

(b) *Guidelines for a legal framework for social enterprises (or for a certain type of social enterprise)*

17. The Council took note with appreciation of the preliminary research conducted by the Secretariat and confirmed its interest for the general subject of "Private Law and Development". The Council encouraged the Secretariat, in particular, to continue its consultations with the interested international organisations in identifying areas in which UNIDROIT could make a meaningful contribution to improving the legal framework for agricultural investment and production.

Item 11 on the agenda: Legal co-operation programme (C.D. (90) 10)

18. The Council took note of the information supplied by the Secretariat, in particular in respect of the research scholarships programme, and expressed its gratitude to the scheme's donors. Members of the Council and the Secretary-General decided to renew their personal contribution to the programme with a view to funding one research grant in 2012.

Item 12 on the agenda: Correspondents (C.D. (90) 11)

19. The Governing Council noted the need for pursuing its discussion on the functions of correspondents, the length of their mandate, their geographical distribution and ways to breathe new life into the existing network.

Item 13 on the agenda: Library (C.D. (90) 12)

20. The Council took note of the progress made by the Secretariat, in particular the steps taken to enhance co-operation with other institutions in an effort to optimise available resources.

21. The Governing Council reaffirmed the importance of the Library to support the scientific, research and technical cooperation programmes of the Secretariat and agreed on the need to develop a specific plan for enhancing its acquisition and collection strategy. The Council took note, with appreciation, of the offer of one member State to fund a study for that purpose.

Item 14 on the agenda: Uniform Law Review/Revue de droit uniforme and other publications (C.D. (90) 13)

22. The Council took note of the progress made in respect of the Uniform Law Review and other publications. The Council agreed on the usefulness of the Uniform Law Review as a tool for promoting the work of UNIDROIT and raising awareness about its achievements.

23. The Council requested the Secretariat to develop a strategy to ensure that the Uniform Law Review maintained the highest scientific standards, while being produced and distributed at a cost that was commensurate with the publicity to the Institute and the intangible benefit to the academic and professional world.

Item 15 on the agenda: The UNIDROIT Web Site and Depository Libraries for UNIDROIT documentation (C.D. (90) 14)

24. The Council took note of the progress made in expanding the web site and confirmed its importance as a valuable means of disseminating and promoting UNIDROIT's activities.

Item 16 on the agenda: The Uniform Law Data Base (C.D. (90) 15)

25. The Council took note, with appreciation, of the efforts made by the Secretariat to redimension the objectives of the Uniform Law Data Base. The Council confirmed the decision it had taken, at its 89th session, that UNIDROIT should provide text search, case law and bibliographical information on instruments prepared by the Institute, while treatment of

instruments prepared by other organisations should be limited to the provision of links to websites that published their texts and status of implementation.

26. The Council also agreed that the level of information to be provided on instruments adopted by other organisations on the basis of work carried out by UNIDROIT (such as the Convention on the Contract for the International Carriage of Goods by Road-CMR) needed to be reconsidered and that, in view of its limited resources, UNIDROIT should no longer maintain the caselaw section in respect of the CMR.

Item 17 on the agenda: Strategic Plan – Methods of work of the Governing Council
C.D. (90) 16)

27. The Governing Council took note, with appreciation, of the report of the informal working group established by the Council, at its 89th session (Rome, 10-12 May 2010) to review the findings and suggestions for updating or redefining the Organisation's strategic objectives that were contained in a memorandum of the Secretary-General. The Council requested the Secretariat to prepare a revised version of the Strategic Plan, taking into account the Council's deliberations.

General considerations

28. The Governing Council stressed the invaluable role played by UNIDROIT as an independent intergovernmental Organisation with a uniquely broad mandate in the area of private law harmonisation, while recalling at the same time the importance of cooperation and coordination with other international organisations.

29. The Governing Council agreed that UNIDROIT should affirm and strengthen its role as a forum for the development of high-quality uniform rules, norms and principles on the basis of a carefully defined and sharply focused Work Programme that took into account its relative advantages and expertise of the organisation, and that avoided both unnecessary duplication of efforts underway elsewhere and inefficient dispersion of its scarce resources.

Working methods of the Governing Council

30. The Governing Council generally agreed on the desirability of involving all member States in the assessment of the progress made in the implementation of the Work Programme.

31. The Council decided to make systematic use of the authority given to it by article 16 of the UNIDROIT Regulations to request representatives of member Governments that have no nationals sitting on the Council to attend its meetings in a consultative capacity.

32. The Governing Council requested the Secretariat to make the documentation for sessions of the Governing Council available to all member States prior to the relevant session.

Item 18 on the agenda: Preparation of the draft budget for the 2012 financial year
(C.D. (90) 17)

33. The Council generally approved the draft budget for the 2012 financial year and commended the Finance Committee and the Secretariat for having launched the process of revising the contributions chart of UNIDROIT. The Council appealed to its members to assist the Secretariat in that process.

34. In that connection, the Council agreed to submit to the General Assembly a proposal for a set of new regulations introducing progressive reductions in the amount of expatriation allowance payable to staff members that may be appointed after 1 January 2012.

Item 19 on the agenda: Procedure for the selection and appointment of a Deputy Secretary General

35. The Council agreed that, subject to the outcome of the ongoing reclassification process, the Secretariat should take the necessary steps to organise, later in the year, an open international competition for the selection of a Deputy Secretary-General under the guidance and responsibility of a Sub-committee of the Permanent Committee that would report back to the Council for final approval.

Item 20 on the agenda: Date and venue of the 91st session of the Governing Council
(C.D. (90) 1 rev.)

36. The Governing Council agreed that its 91st session would be held from 7 to 9 May 2012 in Rome.

ANNEX**RESOLUTION**

adopted by the Governing Council at its 90th Session on 11 May 2011

THE GOVERNING COUNCIL,

RECOGNISING the constant and active support of Italy in the promotion of UNIDROIT and its activities;

EXPRESSING its gratitude to the Government of Italy for the generous contributions, financially and in kind, provided throughout the years;

NOTING that the current financial downturn and its impact on public finances have led the Government of Italy, in the years 2009 and 2010, to reduce its statutory contribution;

INVITES

the President to explore with the Government of Italy the possibility of restoring its contribution to the level at which it was set in the year 2008, of expressing such contribution as a percentage of the total ordinary expenditure of the Institute or as a number of units of contribution to the UNIDROIT budget and of including this expenditure among the obligatory expenses of the budget of the Italian State.