

### **Item Number 3 on the Agenda**

#### **Summary of UNIDROIT Foundation Activities**

##### **a. Updates on UNIDROIT Foundation Projects**

1. Presently, the Foundation has three existing substantive projects, and one fundraising project in support of the UNIDROIT Library. These are as follows:

- A. Best Practices in Electronic Registry Design and Operations (BPER)
- B. Economic Assessment of International Commercial Law Reform (EA)
- C. Cultural Property Academic Project
- D. Library Digitisation Project

2. The first two projects are well established and have made progress over the course of the past 12 months. The third project is being maintained by the Foundation until sufficient resources can be raised to undertake substantive work. The work on Library Digitisation is an ad-hoc fundraising project that supports a particular UNIDROIT activity.

3. In 2019, the administrative arrangements concerning the UNIDROIT Foundation's partners on the first two projects were altered. On 11 November, a Memorandum of Understanding was signed between the University of Cambridge, UNIDROIT, and the Aviation Working Group (AWG) relating to the Cape Town Convention Academic Project (CTCAP). Louise Gullifer, Ignacio Tirado, and Jeffrey Wool have been appointed as the Directors of the CTCAP which will function as a joint project of the University of Cambridge and UNIDROIT, with AWG as the founding sponsor. This Memorandum of Understanding denotes:

*'For administrative purposes, and to promote greater efficiency, the parties wish to bring within the ambit of the CTCAP the two closely related joint projects for (1) economic assessment of international commercial law reform, and (2) best practices in the design and operation of electronic registries (the related projects), and, without limiting their independent identities or scope of activities, the phrase 'CTCAP' herein shall include the related projects.'*

4. The MoU formalises the relationships between the Foundation's partners on matters that go beyond the BPER and EA projects. The MOU also formalises the close relationship that these projects have had with the CTCAP since their inception, which has been of great benefit to the projects. These administrative changes do not affect the UNIDROIT Foundation's position as one of the core partners delivering these projects. Practically, the new arrangement's only real impact on the Foundation is that future financial support for these projects from the AWG will be provided through the CTCAP rather than directly to the Foundation.

## **A. Best Practices in Electronic Registry Design and Operations**

### *Background*

5. The 'Best Practices in Electronic Registry Design and Operations' (hereinafter BPER) Project was started in 2015 as a partnership between the UNIDROIT Foundation and Harris Manchester College's Commercial Law Centre at Oxford University. The Global Business Law Institute at the University of Washington joined as a partner from 2017-2019. The project has been fully funded by Aviareto.

6. The BPER project is the first international initiative which identifies policy and technical best practices in the design and implementation of electronic registries. The project provides guidance to all parties creating, involved in, or using electronic systems, including in the e-business and e-commerce contexts. The project is closely tied to the Aircraft Protocol of the Cape Town Convention and its International Registry of Mobile Assets.

7. The first academic workshop as part of this project took place on 30-31 March 2016 at the University of Oxford and was reported on during BG17 on 17 May 2016 (BG(17) 2 Add.). The second academic workshop as part of this project took place at the University of Oxford on 27-28 March 2017 and was reported on during BG19 on 29 May 2017 (BG(19) Doc.4). The third workshop for this project took place at the UNIDROIT Headquarters on 8-9 April 2019 and was reported on during BG23 on 7 May 2019 (BG(23) – Doc.2).

### *Recent Developments*

8. The fourth workshop for the BPER Project had been scheduled to take place at the UNIDROIT Headquarters in Rome between 2-3 April 2020. As a result of the COVID-19 pandemic, this workshop has been postponed and is tentatively scheduled to take place on 9 September 2020 in Cambridge, in conjunction with the Cape Town Convention Academic Conference.

9. The fourth workshop will build upon the outcome of the third workshop held in April 2019 and move towards finalising the best practice guide for collateral registries. The workshop will assess the recommendations provided in the draft guide, and contrast them with existing industry practices in order to test the best practices against operating registries. It will also provide an opportunity to share international experiences in identifying common problems associated with the design and operation of electronic registries and further develop the project's framework for assessing best practice.

10. The Foundation has retained the services of a consultant for this project to produce the best practices guide for electronic collateral, and commercial registries.

### *Future Work and Funding*

11. The Foundation, in collaboration with the CTCAP and its other partners on this project, intends to conclude the work associated with developing a comprehensive guide for best practices of electronic collateral, and commercial registries in 2020. This final product was intended to be presented at the Cape Town Convention Academic Conference in September 2020. However, as a result of the postponement of the fourth workshop, it is likely that the work on electronic collateral, and commercial registries will be presented in 2021. This work may also serve as the basis for the development of additional guides on registries of different types and would be published alongside a general framework underpinning best practices for e-registries.

12. Presently, the Foundation retains sufficient funding to deliver the fourth workshop for this project in September 2020. The Foundation will require additional funding to further progress the project following the fourth workshop.

## **B. Economic Assessment of International Commercial Law Reform**

### *Background*

13. The 'Economic Assessment of International Commercial Law Reform' project (hereinafter EA project) was started in 2015 as a partnership between the UNIDROIT Foundation and Harris Manchester College's Commercial Law Centre at Oxford University. The Global Business Law Institute at the University of Washington joined as a partner from 2017-2019. Primary funding for this project was provided by the AWG.

14. Upon establishment, the following three objectives were set for this project:

- i. To research, collect, and assess information relating to the production of economic benefits of international commercial law reform (hereinafter ICLR), centred on the core EA elements;
- ii. To develop guidelines for governmental economic impact and cost-benefit analysis of ICLR;
- iii. To produce a framework document on the economic assessment of ICLR, which would be a resource for those involved in initiating, working on, or considering becoming a party to an ICLR instrument. That would include, most importantly, for use at the inception and early stages of an ICLR initiative.

15. The first workshop for this project took place between 29-30 March 2016 at the University of Oxford and was reported on in BG17 (BG(17) 2 Add.) on 17 May 2016. The second workshop for this project took place on 28 March 2017 at the University of Oxford and was reported on during BG19 on 29 May 2017 (BG(19) Doc.4). The third Workshop for this project took place on 13-14 September 2017 at the University of Oxford and was reported on during BG20 on 26 April 2018 (BG(20) Doc.3 rev). On 1 December 2017, a seminar was held in connection to this project on *Legal and Political Risk in Global Business* at the University of Washington Global Business Law Institute. This was reported on during BG20 on 26 April 2018 (BG(20) Doc.3 rev). The fourth and fifth workshops for this project took place at the UNIDROIT Headquarters in Rome on 8-9 October 2018 and 10-11 April 2019 respectively. They were reported on during BG 23 on 7 May 2019 (BG (23) – Doc.2).

16. Under this project, the Foundation collaborated with the MAC Working Group to support the production of an economic assessment of the MAC Protocol. The MAC Working Group provided the funding for the project and the Foundation administered the economic assessment. The final economic assessment was delivered in August 2018. This economic assessment can be found at [this link](#).

### *Recent Developments*

17. The sixth workshop for the EA Project was scheduled to take place in at the UNIDROIT Headquarters in Rome between 31 March – 1 April 2020. As a result of the COVID-19 pandemic, this workshop has been postponed and is tentatively scheduled to take place on 8 September 2020 in Cambridge, in conjunction with the Cape Town Convention Academic Conference.

18. Building upon the outcomes of the fifth workshop in April 2019, the sixth workshop will further develop a 'Draft Guide to the Framework for the Economic Assessment of International Commercial Law Reform' and will focus on identifying the methodology

involved in applying the variables of the Framework to undertake an economic assessment. It will also closely examine existing ongoing issues within the Framework's variables.

#### *Future Work and Funding*

19. The Foundation, in collaboration with the CTCAP and experts involved in the project, is working towards producing a draft skeletal document elaborating upon all the elements within the framework and identifying issues which require further consideration.

20. The Foundation presently retains enough funding for this project to organise the sixth workshop in September 2020. Moving forward, AWG funding for this project will be provided through a grant managed by the CTCAP. The Foundation will seek to raise additional funding to support this project.

### **C. Cultural Property Academic Project**

#### *Background*

21. A project relating to Cultural Property was proposed in 2015. When proposed, the following activities were set as the objectives of the project:

- i. Provide grants to students working on the law of cultural property and on the improvement of its protection,
- ii. Organise seminars for young museum curators on provenance research and the acquisition of tainted objects,
- iii. Organise international conferences on cultural property issues and the dangers of destruction of the national heritage,
- iv. Develop a platform for an International Society for the Protection of Cultural Property (yet to be founded).

22. Due to a lack of personnel resources and funding, the project remained a low priority for the Foundation. However, there has been renewed interest on behalf of the Foundation's Board to bolster the progress of this project.

23. The Foundation initially developed the website for the Academic Project related to the 1995 UNIDROIT Convention on Stolen or Illegally Exported Cultural Objects. The website is currently available at <http://1995unidroitcap.org/> and its content is managed by UNIDROIT.

24. The 1995 UNIDROIT Convention Academic Project ('UCAP') seeks to assist scholars, students, practising lawyers, judges, other government officials, as well as art market players, such as art collectors, dealers, auction houses and museums by providing information about the 1995 UNIDROIT Convention. UCAP is meant to increase the awareness and knowledge about the 1995 UNIDROIT Convention and it aims at promoting and linking pertinent (inter)national research made by entities and Universities holding courses in the field of cultural heritage law, in particular on the 1995 UNIDROIT Convention.

#### *Recent Developments*

25. In 2019, the management of the UCAP website, including the costs associated with its maintenance, were transferred to UNIDROIT. The Foundation continues to provide minimal technical support as required for the upkeep of this website.

#### *Future Work and Funding*

26. The Foundation will endeavour to raise additional funds for this project with the intent to complete the following tasks:

- i. Initiate a substantive project on Cultural Property. At first, this will likely involve an exploratory study that considers what kind of material could be developed by the Foundation that would be of most value in enhancing UNIDROIT's work in the Cultural Property field;
- ii. Promote the 1995 Convention on Stolen or Illegally Exported Objects through the UCAP.

27. The Foundation will work in close cooperation with the UNIDROIT Secretariat on how the how the Foundation can contribute to the Institute's work on Cultural Property.

**b. Update on the Implementation of the Fundraising and Outreach Strategy 2019-2020**

28. Following the comments received at the 23<sup>rd</sup> Meeting of the Foundation's Board of Governors, the Foundation staff correspondingly amended the Fundraising and Outreach Strategy 2019-2020 and circulated a finalised version to the Board on 3 September 2019 (attachment 1 to this document).

29. Subsequently, preliminary work has been undertaken by the Senior Counsellors of the Foundation to implement this Strategy. The Senior Counsellors have contacted Board Members on an individual basis to identify areas where additional work can be done to raise funds for the Foundation.

30. The Senior Counsellors have proposed the following draft 'Positioning Statement' for the Foundation, which could be utilised when approaching potential partner organisations:

*'Since its founding in 1926, UNIDROIT has become the voice of international private and commercial law that helps States achieve sustainable development, conduct commerce, and ultimately help build prosperity among nations. It does this through education, scholarship, and creation of legal instruments for use by policy makers, private entities and others to advance the use of international law and legal conventions in a common language.*

*Supporting its work is the UNIDROIT Foundation, founded in 1996. It was created to solicit and receive funds from non-profit organisations and other sources that advance the work of UNIDROIT. Funds may be unrestricted for general use of the foundation, or designated to specific projects such as library digitisation and preservation, scholarships, internships, and other projects approved by UNIDROIT which complement the advancement of uniform law.*

*A list of priority projects and sponsorship opportunities are available upon request. Funds may also be contributed to support other projects preferred by funding entities in consultation with the Foundation.'*

31. Board Members are invited to comment on the Positioning Statement.

32. The Senior Counsellors are invited to share their plans for fundraising at the Foundation in 2020.

**c. Update on ongoing Administrative matters**

33. In 2019, the Foundation:
- i. Received confirmation from the Dutch Tax Authorities regarding its tax-exempt status for the financial years 2016 and 2017. The accounts for the 2018 financial year were submitted to the Dutch Tax Authorities accordingly.
  - ii. Completed the registration with the Dutch Chamber of Commerce of Ignacio Tirado and Louise Gullifer as Members of the Board of Governors.
  - iii. Completed the deregistration with the Dutch Chamber of Commerce of the late Alberto Mazzoni as a Member of the Board of Governors.
  - iv. Confirmed the re-appointments on the Board with the Dutch Chamber of Commerce of Jeffrey Wool, in his capacity as President of the Foundation; Don Wallace, in his capacity as Vice-President of the Foundation; Marcello Gioscia; Claude Brandes; Georges Affaki; Arthur Hartkamp and Alban Caillemer du Ferrage.
34. The Foundation is presently in the process of transferring its Dutch bank account to the name of Ignacio Tirado, as its treasurer. The account was previously in the name of Jose Angelo Estrella Faria, who previously served as the Foundation's treasurer.
35. Board Members are invited to note these administrative updates.

#### **d. Launch of the UNIDROIT Alumni Association**

##### *Background*

36. In 2019, UNIDROIT suggested that, as part of the Foundation's longstanding support for the Institute's scholarship and internship programme, the Foundation consider approaching former interns and scholars to provide future support for the programme. Following consultations with the Senior Counsellors of the Foundation, UNIDROIT approved the establishment of the UNIDROIT Alumni Association. The Association is a platform dedicated to the distinguished guests which have been welcomed to UNIDROIT as part of its research scholarship, internship, and independent research programmes. The Association serves to create a network to effectively leverage knowledge and provide opportunities for intellectual exchange in the global community which has been created through these programmes since 1993. The Alumni Association is overseen by UNIDROIT (due to its close association with the scholarship and internship programme) and managed by the Foundation. Mr Hamza Hamed (Assistant Manager of the UNIDROIT Foundation and Legal Consultant at UNIDROIT) is responsible for managing the Association.

37. In September 2019, the Foundation tasked an intern, Ms Annette Acosta, to build a database containing details regarding the guests which had been welcomed to UNIDROIT since 1993. Her research was assisted by members of the UNIDROIT Staff (with particular thanks to Ms Laura Tikanvaara) who provided access to archived files and emails to build this database.

38. In December 2019, a survey was circulated to a small sample of recent interns and scholars to seek feedback on the concept of the Alumni Association. This survey received 46 responses, all of which expressed a strong interest in joining such an initiative. The survey gathered important data relating to its ideas on the benefits the Association could offer, and the Membership Fee it should charge.

39. Upon completion of the database, invitations to join the Alumni Association were sent out in January 2020.

##### *Operation of the Alumni Association*

40. This Association provides alumni an opportunity to network on a global scale and keep up to date with UNIDROIT news and events from across the world. All members of the association receive the following benefits:

- Quarterly newsletters with updates on the activities of UNIDROIT.
- Notifications about upcoming events and conferences organised by UNIDROIT and its partners in different parts of the world.
- Notifications on vacancies, consultancies, and other research opportunities at UNIDROIT.
- Access and discounts to UNIDROIT Publications online.
- Invitation to join closed groups on Facebook and LinkedIn where they can exchange with other members of the Association as well as members of the UNIDROIT Secretariat.
- Priority access to UNIDROIT's library ahead of public or non-institutional visitors.
- A personalised UNIDROIT Alumni Association membership card.
- Personal @unidroitalumni.org email address.
- The possibility of additional involvement with UNIDROIT's work.
- Invitations to UNIDROIT Alumni Association events.
- Promotion of Alumni success stories on UNIDROIT's social networks.

41. The annual membership fee for the Association is 50 Euros for lawyers, jurists, academics, and others, and 25 Euros for young professionals and students (under the age of 35 on 1 January 2020). Incoming researchers, scholars, and interns are given a free one-year membership to the Association.

42. Proceeds from the Association go towards supporting the UNIDROIT Internship and Research Scholarship Programme to allow more young professionals and students from developing countries to come to Rome and undertake their legal research. Members of the Association were also informed that they may send their books to the UNIDROIT Library where they could be made available to researchers and that they may also contact the Foundation directly if they wanted to sponsor named scholarships at the Institute.

#### *Results*

43. In January 2020, 743 invitations were successfully sent; 144 email addresses were found to be non-functional; and email addresses for 227 individuals could not be found.

44. As of 20 April 2020, 124 alumni have formally expressed an interest to join the Association, with **88** alumni having successfully made payments and joined the Association. The Alumni Association has collected **3,075 Euros** in annually recurring membership fees and **540 Euros** in one-time contributions.

45. One member of the Alumni Association, Mr Antenor Madruga, offered to sponsor an internship at UNIDROIT for a Brazilian individual. This was finalised and the Association, through the Foundation, collected a donation of **3000 Euros** to inaugurate the FELDENSMADRUGA-UNIDROIT Internship in 2020.

46. Through the aforementioned contributions, the Foundation will donate an additional 3000 Euros to UNIDROIT in 2020 to provide an UNIDROIT Alumni Association grant to one applicant in the course of its regular Internship Programme.

#### *Next Steps*

47. In March 2020, the Foundation tasked an intern, Mr Carlo Venturi, to examine the incorrect and missing email addresses from the database and find additional contact details for these individuals. Once this research is completed, new invitations will be sent out in an effort to expand the Association to 125 active individuals by the end of 2020.

48. Subject to the global situation around COVID-19, and the availability of funding, the Foundation, with UNIDROIT's support, may host an annual gathering of members of the Association in Rome in December 2020.

49. Board Members are invited to note the establishment and initial results of the Alumni Association.