



**UNIDROIT Foundation
Board of Governors Meeting
26th session
22 September 2021**

Foundation 2021
BG (26) – Doc. 2
September 2021

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 ad-hoc project taken up as an extension of its general commitment towards the UNIDROIT Library. These are as follows:

- A. Best Practices in Electronic Registry Design and Operations
- B. Economic Assessment of International Commercial Law Reform
- 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. As reported at the 24th Session of the Board of Governors, on 11 November 2019, 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). 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.'

3. As such, the UNIDROIT Foundation continues to support these projects, which now function under the auspices of the CTCAP.

4. The third project is in its infancy and is being maintained by the Foundation. The work on Library Digitisation remains an offshoot of the Foundation's general commitment towards the UNIDROIT Library.

5. This document provides details on the status of the first three projects, explains developments over the past 12 months, and notes the proposed future work envisaged.

A. Best Practices in Electronic Registry Design and Operations

Background

6. 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 in 2017. The project has been fully funded by Aviareto.

7. The BPER project has been 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.

8. 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 17th May 2016 (BG(17) 2 Add.). The second academic workshop as part of this project took place at the University of Oxford on 27 and 28 March 2017 and was reported on during BG19 on 29th 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 BG 23 on 7 May 2019 (BG (23) – Doc.2). The fourth workshop for this project took place in Rome and on Zoom and was reported on during BG 25 on 21 June 2021 (BG (25) – Doc.2).

9. An interim report on the Best Practices in Electronic Registries project prepared by researcher Aaron Cross on 22 April 2018 and was reported on during BG20 on 26th April 2018 (BG(20) Doc.3 rev).

Recent Developments

10. A Guide on Best Practices for Electronic Collateral Registries has been finalised with the support of a Consultant. This Guide will be launched on Friday, 24 September 2021, at a side-event to the 100th Anniversary of the UNIDROIT Governing Council.

Future Work and Funding

11. The fifth workshop for this project is scheduled to take place on 28th September 2021 in Cambridge and on Zoom. This workshop is being organised in conjunction with the Cape Town Convention Academic Conference, which will take place in Cambridge and on Zoom on 29-30 September 2021.

12. The fifth workshop will transition this project into a discussion on best practices for electronic companies registries. This workshop will examine the applicability to companies registries of the critical performance factors already identified by the project, as well as exploring additional areas of importance. Among other items, the workshop will explore issues related to the scope of work of a companies registry, adoption of new technologies and their impacts, issues of interoperability with other registries, and matters related to taxation.

13. Presently, the Foundation retains funding to deliver the fifth workshop for this project in September 2021. The Foundation has also recently secured a contribution of 25,000 Euros from Aviareto to continue this work.

B. Economic Assessment of International Commercial Law Reform

Background

14. 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 in 2017. Primary funding for this project was provided by AWG.

15. 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.

16. The first workshop for this project took place on 29th and 30th March 2016 at the University of Oxford and was reported on in BG 17 (BG(17) 2 Add.) on 17th May 2016. The second workshop for this project took place on 28th March 2017 at the University of Oxford and was reported on during BG19 on 29th 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 26th 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). The sixth workshop for this project took place on 8 September 2021 in Rome and on Zoom and was reported on during BG 25 on 21 June 2021 (BG (25) – Doc.2).

17. 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 26th April 2018 (BG(20) Doc.3 rev).

18. 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 July 2018. This economic assessment can be found at [this link](#).

Future Work and Funding

19. The Foundation, in collaboration with the CTCAP, is working towards producing a draft document setting out issues which require further consideration and elaborating upon all the elements within the framework. The Foundation will continue to work closely with the experts involved in this project to develop further input for the areas which require further consideration.

20. The Foundation presently retains enough funding for this project to organise the seventh workshop for this project in 2021. The Foundation also received a recent contribution of 10,000 USD to support this project from AWG.

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 Secretariat and the Foundation to bolster the progress of this project.

23. The Foundation has 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/>.

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 costs associated for maintaining the website for the Cultural Property Academic Project were paid by 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 document or project 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 also closely work in cooperation with the UNIDROIT Secretariat to formalise a forward work plan on how the Foundation can contribute to the Institute's work on Cultural Property.

b. Update on Other Activities and Administrative Items*UNIDROIT Alumni Association*

28. Over the last 12 months, the UNIDROIT Alumni Association has continued to grow. As of September 2021, the Association had 125 members who receive regular updates about UNIDROIT's activities, as well as invitations to attend UNIDROIT events.

29. The FELDENSMADRUGA-UNIDROIT Internship, which was launched in 2020 with support from a member of the Alumni Association, was renewed in 2021.

Other Activities

30. With support from Stibbe, the Foundation facilitated the UNIDROIT-COVID-19 Essay Competition in 2020-2021. This competition received over 80 contributions. The top 5 essays were presented at a webinar organised by UNIDROIT on 8 March 2021.

31. The Uniform Rule of Law Appeal (UROLA) has supported two commercial law internships at UNIDROIT through a donation to the Foundation.

Administrative Items

32. The Foundation is presently processing the registration with the Dutch Chamber of Commerce of Professor Maria Chiara Malaguti, President of the UNIDROIT Governing Council, as a Member of the Board of Governors of the Foundation.

33. Once this registration is completed, the Foundation will process Professor Arthur Hartkamp's request to step down from the Board of Governors. The Foundation reiterates its gratitude to Professor Hartkamp's contributions to the Foundation since its establishment.