

**European Law Institute
3rd General Assembly
Vienna, 4-6 September 2013**

**Globalisation, legal identity and regional integration:
complementarity or conflict?**

Keynote speech by

*José Angelo Estrella Faria
Secretary-General, UNIDROIT*

Sir Francis,
Ladies and Gentlemen,

It is an honour and a great pleasure for me to deliver the keynote address at the third General Assembly of the European Law Institute.

I congratulate you all on what appears to have been a busy year with the preparation of various interesting projects. I know from my own experience how important this preparatory phase is and I admire the hard work of your Secretariat and the efficient support provided by the staff of the University of Vienna.

UNIDROIT followed closely and with keen interest the process of the establishment of ELI. We were particularly happy to see the convergence of the various original initiatives into one broadly inclusive institution which can now take pride in bringing together the best of European legal thinking. UNIDROIT was from the very beginning committed to cooperating with ELI and it is a privilege for me to share with you today some thoughts about the topics we have so far identified as suitable candidates for cooperation.

The world of international organisations is often perceived as an arena of endless turf fights and ring-fencing, where commitments to “cooperation” and mutual support are often little more than ritualistic professions of faith.

With its prominently European membership, and close historical ties to European legal circles, if UNIDROIT were to follow this pattern, we should see ELI as an inconvenient intruder.

I am in the happy position of being able to say that this is absolutely not the case, and that not only my own opinion but more importantly the entire working tradition of UNIDROIT coincide in dismissing such jealous fears as narrow-minded Pavlovian conditioning of international bureaucracy.

Despite its global character, UNIDROIT has always been open to the idea of regional legal harmonisation, and Article 1 of our Statute clearly states as one of our purposes the support of the harmonisation and coordination of the private law of “States and of groups of States”.

We have indeed carried out various projects that were obviously aimed at a limited number of States, such as the work that led to the adoption of the Convention on the Contract for the International Carriage of Goods by Road (CMR) under the auspices of the Economic Commission for Europe of the United Nations in Geneva in 1956 on the basis of a draft Convention transmitted by UNIDROIT to the UN/ECE four years earlier. But UNIDROIT’s main focus of activity is truly international legal harmonisation.

It is true that the growing legislative competence of the European Union has diverted the attention of many of our European member States to harmonisation projects done at Brussels, leaving the ministerial instances of some of them, in particular smaller European countries with few trade ties to other continents, only limited resources to follow global uniform law efforts. Yet this has not diminished our role, nor has it fundamentally

challenged truly international legal harmonisation. From our point of view, regional harmonisation efforts that involve deep and serious dialogue of legal traditions should be seen as a powerful tool to ease the way for broader harmonisation.

It is in line with this vision that we have welcomed the establishment of ELI. Of course, the focus of ELI's activities will remain that of evaluating and stimulating the development of EU law, legal policy and practice, and making proposals for the further development of the *acquis* and for the enhancement of EU law implementation by Member States. Nevertheless, two of its stated objectives have an obvious link to international legal harmonisation, namely: that ELI should "study EU approaches regarding international law and enhance the role that EU law could play globally, and that it should "conduct and facilitate pan-European research, in particular to draft, evaluate or improve principles and rules which are common to the European legal systems".

Against that background, I should now like to share with you some thoughts on these two objectives, and in doing so, address a matter of a more general nature, namely how an international organisation promoting worldwide legal harmonisation sees the relationship between its own work and the legal harmonisation process in Europe.

Modern international legal harmonisation is an activity that combines socioeconomic feasibility studies, comparative legal analysis, legislative drafting and intergovernmental negotiation. In other words, it is a hybrid of lawyering, technocracy and diplomacy.

The language of the three professions is sadly notorious for being at its best tactful, and at its worst plainly insincere and on average rather obscure. I am a lawyer by training, a technocrat by job description and a diplomat by necessity, but I shall try to spare you the worst of them as much as I can. Mutual trust and cooperation are still best served by open dialogue and a frank exchange of ideas, so you should expect me to be candid.

Global versus regional harmonisation: who does what?

Ten years ago, at a congress organised by my predecessor, Professor Herbert Kronke, to celebrate the 75th anniversary of UNIDROIT, Professor Jürgen Basedow described the early era of legal harmonisation, which lasted until after World War II, as “regionalism in disguise”. Indeed, despite their universal vocation and aspirations, the activities of bodies such as the Hague Conference on Private International Law and UNIDROIT “were confined to Europe for a long time.”

The period that followed was one of rising “universalism”. New organisations were established, including the United Nations Commission on International Trade Law (UNCITRAL), in 1966, and several other United Nations bodies. More countries outside Europe joined the Hague Conference and UNIDROIT, the number of ratifications or accessions to pre-existing treaties and conventions greatly increased, and new instruments were developed and gained worldwide acceptance.

Professor Basedow saw “the dawn of inter-regionalism”, as regional integration organisations, in particular the European Union, became increasingly active in the field of legal harmonisation.

Yet we have not seen a similar development anywhere else.

Member States of other regional groupings still resist creating supranational structures and remain parsimonious when carrying out legal harmonisation. This is still the case even in my own continent, despite the fact that South American scholars enthusiastically embraced the European supranational model. But our Governments did not. This means that to speak nowadays about conflicts between global and regional harmonisation still means primarily to speak about conflicts between global and European harmonisation.

One may think about the potential for material conflict between regional norms and provisions contained in international instruments, particularly troublesome when EU law covers the same subject matter already dealt with in an international convention ratified by EU member States. The literature on this question is abundant and various models have been suggested for solving or avoiding such conflicts. I do not propose to repeat them.

I would rather like to focus on two other aspects of this phenomenon, namely: the division of labour between regional and global organisations if there is such a thing and the negotiating process for a global instrument on behalf of a regional group, and how I think that an institution such as ELI can contribute to legal harmonisation from a global perspective.

Let me begin by saying that I do not think that it would be wise for an international organisation directly or indirectly to join the camp of either Euro-sceptics or Pan-European-warriors by trying to draw wider or tighter boundaries to the proper realm of European legal integration. It is for European policymakers and lawyers to decide how much uniform law the internal market needs. Representing an organisation with a strong European membership and being the custodian of treaties ratified by many of them, I would have reasons to worry that the development of new European instruments could empty some of our own of their practical significance.

Bureaucrats are jealous about their attributions, as children are of their sand castles. Unlike children, however, bureaucrats must have a feeling for *Realpolitik*. Political forces will eventually carry the day, and their dynamics sometimes lack rationality. In this pragmatic vein, I have some sympathy for those who, from a purely practical point of view, feel that the process of European integration should not be forever predicated on obligations negotiated long ago by European countries – sometimes even to solve a primarily European problem – but outside

the framework of European institutions simply because at that time no such institution or community competence existed. Public international law, if creatively read, is not necessarily an obstacle.

I do not mean by that to say that European variations are desirable or useful for every single field. Is a Common European Sales Law needed for the same types of contract that are already covered by the UN Convention on Contracts for the International Sale of Goods (CISG)? In its statement on the CESL ELI has cautiously – and wisely – chosen to avoid discussing this and other policy assumptions of the draft CESL, and I do not propose to do otherwise myself. I only note that views on this question remain deeply divided between supporters of the Commission's proposal and staunch opponents, such as the International Chamber of Commerce.

At the same time, however, I do not believe that there is a "proper realm" for global uniform law, as opposed to regional uniform law. It is true that in some cases the frequency of a particular type of transaction and the specific difficulties raised by legal disparity beyond the borders of a group of neighbouring countries may not justify the effort of developing a global legal standard through the heavy treaty-making process, which is the only tool that public international law offers us. In other cases, however, the intensity of global commerce may well call for a uniform solution in all continents. The 2001 Convention on International Interests in Mobile Equipment (also known as the "Cape Town Convention"), in particular as it is applied through its Aircraft and Rail Protocols, both already ratified by the European Union in addition to some EU member States, is a good example. European rules for security interests over equipment that is bound to move frequently outside the borders of EU member States could hardly make any sense. The EU Commission has wisely recognised that and has been a strong supporter of the Cape Town Convention.

Admittedly, I have illustrated my thoughts with two extreme examples. More often than not, the line between them is a fluid one.

The question of whether to make uniform law globally or regionally, in my view, is not one of dogmatic mutual exclusion, but primarily one of socioeconomic benefit. What is the value added by formulating regional norms for cross-border transactions where global law already exists or is likely to be developed? Does the need for a regional solution justify the added complexity and cost resulting from creating three parallel private law regimes for a particular situation: one for purely domestic, a second for European cross-border cases and a third regime for truly international transactions? This cost-benefit analysis, I believe, is already an integral part of the European law-making process, or at least it should be.

In any event, by looking beyond the power struggles between member States and European institutions, a body such as ELI can play an important role in advising European institutions and member States on the expected impact of prospective EU legislation in areas already covered by international instruments or that are likely to become the subject of international harmonisation in the future.

Regional players at the global level: do's and don'ts

So much for the static relationship between international and European legal harmonisation. Let us now turn to the impact of regional harmonisation on the global negotiating process. This is an area less accessible to those who have not personally taken part in multilateral negotiations, and where I speak on the basis of my own experience. My thoughts here are stimulated by one of ELI's objectives, namely to enhance the role that EU law could play globally, for instance, in drafting international instruments or model rules.

To the extent that the EU assumes exclusive competence over certain areas of law, European institutions also claim the authority to negotiate international uniform law instruments with States outside their region. In the future, this trend may affect the international rule-making

process in a manner not yet anticipated. It suffices to note that, with the transfer of legislative competence on court jurisdiction and private international law from the member States to the Union under the Brussels and Rome regulations, combined with the competences of the Union in the field of judicial cooperation in civil matters under the Maastricht Treaty, the statute of the Hague Conference on Private International Law had to be amended in 2007 to allow the European Commission to join the organisation as a full member. My predecessor, in his far-sightedness, stimulated a debate at UNIDROIT about the desirability for the EU to become a fully-fledged member of my Organisation. At the time, the idea prompted a chilling reaction from our European member States. Whether this attitude is likely to change in the near future, belongs to the realm of speculation.

Be that as it may, this development has two facets. One is the impact that it may have on the standing of European legal traditions in the world. The second is the international rule-making process itself.

Few – if any – modern legal systems have not benefitted from the inspiration provided by European legal thinking, even if the way the world relates to European legal traditions is no longer dictated exclusively by path dependency and the remains of colonial domination. Apart from the few jurisdictions with a truly mixed common law/civil law background, even fairly homogeneous legal systems – such as my own – have indeed looked at various sources to develop their laws, without regard to traditional boundaries between “common law” and “civil law” or between “Germanic” and “Romanist” sources.

It is a paradox of the harmonisation process that it aims at removing differences, but derives its acceptability from diversity. European legal traditions remain highly influential in the world, and I have invariably witnessed, in international negotiations, how closely Latin America, Africa and Asia follow legal developments in Europe. The quality of international negotiations on private law questions would be greatly

diminished if their constituencies lost the benefit of the current wealth of time-tested solutions of European legal families sharing their experiences in international negotiations.

Global uniform law-making bodies, such as UNIDROIT, would therefore welcome the establishment of mechanisms whereby successful regional harmonisation might best be combined with global efforts. Conversely, we would deeply regret it, if in the future we were to forever lose the independently expressed voices of individual European countries, to see them replaced with a rigid litany of intensely negotiated EU provisions to which the other countries of the world are no longer able to relate. The great European legal traditions – sometimes so jealous to affirm their identity that they resist implementing the same uniform law instruments that they help negotiate – may themselves regret if their transcendence were one day to be reduced to the legislative supplement of the Official Journal of the EU.

Of course, we are not there yet. Looking from the outside, and with the dose of optimism indispensable for doing my job, I dare to say that I see no reason why such an extreme scenario should be taken for granted as an inevitable consequence of European integration.

Indeed, the recent negotiation of the UNIDROIT Convention on Substantive Rules for Intermediated Securities, which was adopted in Geneva on 9 October 2009, provides a good example of how to achieve a positive interplay between European Institutions (in this case, the European Commission and the European Central Bank) and individual European member States. That Convention deals with an immensely complex area of the law which is made even more intractable by the variety of legal theories that qualify the nature of the rights of investors in the securities held on their behalf by financial intermediaries, by inconsistent rules governing the relationship between investors and issuers and how those rights are protected from the effects of the insolvency of intermediaries. No less than four profoundly different main systems for securities holding exist in Europe alone, each of them

with various country-specific particularities. Each of these systems, in turn, has inspired various countries around the world whose capital markets developed more recently.

Despite the fact that the EU had already exercised some legislative competence in this area, notably through the Financial Collaterals Directive, the European legal experts, which represented the majority of the negotiating delegations, were all free to participate and expose their views, with tactful, non-intrusive coordination on the part of the European Commission and the Central Bank. The result was a highly fruitful debate, and for many countries an extraordinary learning process. We have been happily able to see again the same high level of dialogue during the recent negotiations on the UNIDROIT Principles on the Operation of Close-Out Netting Provisions, which were adopted by the UNIDROIT Governing Council at its 92nd session, on 9 May 2013. This, again, without prejudice to the existence of EU legislation in the area. The result was a process which to some extent helped our European member States clarify their positions in view of the upcoming reform of European rules on netting of financial instruments, while at the same time providing other negotiating countries with useful advice to shape their own laws. In both cases, the UNIDROIT negotiations served, so to speak, as a laboratory for the later development of European law, thus allowing European policy makers to become aware of the boundaries within which future European legislation should move if Europe wants its legislation to keep pace with the trends of a truly globalised industry.

However, there is also a precedent for the opposite situation, where dialogue is reduced to a soliloquy, where all nuances and variety of European legal thinking are silenced by the flat common denominator that the EU institutions and member States were capable of agreeing to in the relevant field; and where European delegates sit in a conference room, listening silently to perorations in defence of an *acquis communautaire*, which – however hardly fought for – is seldom equally compelling for countries like Australia, Brazil, China, India, Japan, Russia or South Africa, which might have much rather heard, for example, how

this or that European country would have dealt with the particular problem within its own legal tradition.

The high degree of centralisation that is meaningful – indeed indispensable – in situations where the European institutions are called to represent a collective interest of the Union, such as in trade negotiations at the WTO, may not necessarily be needed – or may even be undesirable - in many a private law context. Finding the appropriate balance between cohesion and autonomy is, in my experience, still a challenge for the EU and its member States when acting in a global context.

Through an institution such as ELI, and contacts with their colleagues in other continents, European scholars can play an important role in raising awareness of the European institutions and EU Governments about the worldwide authority of European legal traditions and devising mechanisms whereby such authority may continue to be fully felt at global harmonisation projects.

This is not a criticism of either the quality of European legislation or the talent of the staff of the European institutions. From a purely pragmatic point of view, one must recognise that it is much easier to reach consensus at the global level when such an important group of States representing such a variety of legal traditions arrives in the room with a common position. But even then, the rest of the world – after all, more than 2/3 of it in terms of economic output and population - would appreciate hearing from the European lawyers how the product of EU harmonisation operates within the context of their own legal systems, rather than being asked to sign off on the dotted line of any given EU Directive.

This brings me to my last point on this general subject, which is the impact of EU law on the outcome of international negotiations and its influence on shaping the substance of transnational law.

The existence of EU legislation has always been heavily influential in all the international negotiations I have had the privilege to participate in. After all, it is nearly impossible to simply dismiss the law in force in a block of 28 countries representing about 23% of the world's GDP. Nevertheless, this does not mean that EU law is necessarily the starting point of all international negotiations or a suitable benchmark for the rest of the world. There are many reasons for that.

Firstly, there are the well-known intricacies and vagaries of the EU legislative process, and the pressure put on all involved parties to achieve political compromise, often leading to imprecise drafting and elastic wording (incidentally – and ironically –, two characteristics for which our own work at the global level is relentlessly and mercilessly criticised by national lawyers). Secondly, the very purpose of European legislation, and the balance of powers it represents, may limit its relevance as a world model.

It would be impolite for me to prove the first point by pronouncing myself on the need for boosting the legislative capacities of the European institutions. Here I am conveniently helped by a statement of the ELI Council member and former Vice-President of the European Parliament, Diana Wallis, who described the EU law-making process as a *“multi-directional tug-of-war; [...] that could certainly benefit from more legislative science [...] and external assistance from an organisation like the European Law Institute.”*

Improved drafting and systematic use of explanatory materials, including comparative law analysis may help. Here, again, the existence of an European institution with strong ties to academia and the legal profession and especially devoted to evaluating and stimulating the development of EU law can be immensely resourceful from the point of view of global legal harmonisation and could contribute to “enhance the role EU law could play globally”, to use ELI's own words.

However, better legislation in Europe will not alter its nature as legislation that is primarily conceived to facilitate the functioning of the common market within the context of a unique institutional set-up – including supranational enforcement and regulatory mechanisms – which is hardly transplantable outside the EU.

This limitation of purpose and finality of EU law is accompanied by a double limitation of representativeness, which is my second point. Even after the last wave of accessions, the EU remains a block of medium-to-high per capita income countries, and the legal needs of its internal market are radically different from the needs imposed by the socioeconomic reality of the lower income countries of the developing world. Admittedly, this is more a matter of concern for the United Nations than it is for UNIDROIT, since our non-European membership is – but for a few exceptions – limited to the bigger economies of the other continents.

It is, however, in the representation of legal families that the picture changes dramatically. Within the EU, civil law jurisdictions outweigh by far the common law in terms of number of countries and population. As we know, the civil law tradition is also the most widely spread around the world in terms of the number of jurisdictions, population and territories it covers, but the forces at the global level come much closer to a balance through the presence of a large number of countries with predominant or exclusive common law influence, including several of the G-20 member countries, such as Australia, Canada, India and the United States. Furthermore, many large economies of the world, even if predominantly influenced by civil law, have either been open to other sources of inspiration (such as Japan), or underwent socioeconomic developments that produced legal systems with unique features (such as China and the Russian Federation), not to mention countries with direct religious influence (Indonesia, Saudi Arabia).

Awareness of this balance is particularly important at a time when we finally seem to be turning the page on the sterile and misleading debate on legal origins and when the World Bank itself admits the deficiencies of the *Doing Business* report. The civil law does not need to become a cult object to be vindicated. This will come naturally. The superficiality of claims of intrinsic superiority of one or the other legal family, and the fallacy of numeric ranking of legal systems have been abundantly demonstrated. We should look forward to turning this page, rather than stirring it up again with transatlantic clashes of legal cultures.

This also means, however, that, even when of the highest quality, EU law is not more "transplantable" than the rules of any other legal system, and that, even as a model, it is not useable elsewhere without more or less extensive adaptation.

Nevertheless, EU law is already one of the main sources of reference in international private law negotiations and this role would only expand as the process of intra-European harmonisation were to evolve further toward the creation of a truly European private law. The impact of such legislation at the multilateral level might be further enhanced by the existence of "pan-European research", in particular in the form of "principles and rules which are common to the European legal systems", as ELI proposes to promote.

From the point of view of an international organisation, the supportive role of a regional institution such as ELI could be twofold: on the one hand, as a "clearing house" for expertise in particular topics, thereby facilitating the contact between the international organisation and the domestic experts in a given topic within its area. On the other hand, the identification of principles or rules common to the region's legal systems may be instrumental in easing the way to broader harmonisation.

I would like to conclude my remarks by explaining briefly what I mean by this in the light of one of the candidates for cooperation between ELI and UNIDROIT, namely: the ELI-UNIDROIT joint project on transnational civil procedure.

The ELI-UNIDROIT joint project on transnational civil procedure

Following a proposal made by Professor G. C. Hazard Jr., then Director of the American Law Institute (ALI), and on the basis of a feasibility study prepared by Professor Rolf Stürner, the UNIDROIT Governing Council at its 78th (1999) session decided to set up a joint ALI/UNIDROIT Study Group for the preparation of Principles and Rules of Transnational Civil Procedure. The Group was composed of eminent scholars, judges and practicing lawyers from Argentina, Brazil, France, Germany, Italy, Japan, South Africa, Switzerland, the UK and the US. The Working Group held its first session in 2000 and met another three times at yearly intervals for a one week session.

From the outset it was decided to concentrate on the preparation of principles rather than detailed rules for the adjudication of disputes arising from international commercial transactions. It was also agreed to focus on the "core" procedure, beginning with the statement of claims and ending with the final judgment, and to deal only incidentally with the basis of jurisdiction and the recognition and enforcement of judgments since these questions were already the subject of other international instruments. Finally the envisaged "Principles of Transnational Civil Procedure" would not stand alone but were intended to be supplemented by the rules of procedure of the forum, thus facilitating their acceptance by national legal systems and administration by judges and lawyers.

The Working Group concluded its work in May 2003 with the adoption of the draft Principles of Transnational Civil Procedure. The final version of the draft Principles of Transnational Civil Procedure was adopted by the UNIDROIT Governing Council at its 83rd session in April 2004. The accompanying Rules of Transnational Civil Procedure were

not reviewed or adopted by UNIDROIT, but were published together with the "Principles of Transnational Civil Procedure", as a Reporters' study, as an example of a possible implementation of the Principles in a particular jurisdiction.

The fact that the *ALI/UNIDROIT Principles of Transnational Civil Procedure* were from the beginning conceived to accommodate local adaptation prompted me to invite ELI to consider formulating European rules under the Principles. Given the nature of the partnership between UNIDROIT and the ALI, as co-authors of the original instrument, ELI was the natural choice for us as a partner for this particular initiative.

It is well known that substantive business law is only one component of a country's legal system, and that its modernisation and harmonisation by itself is no guarantee of economic benefit. The investment made in modernising substantive business law may be nullified if the inefficiency of procedural law stimulates breaches of contract and increases litigation. This is why, as one of the candidates for the ELI Council election has said, any harmonisation concentrating on the substantive law only "stops half way or even earlier."

Judicial inefficiency may result from many factors, such as insufficient human and financial resources, unsatisfactory management practices or inefficient rules of civil procedure. Whatever its causes, judicial inefficiency generates a high cost both in terms of public expenditure and direct transaction costs for the private sector. Furthermore, court inefficiency distorts the operation of contract rules and leads to indirect transaction costs, for example by encouraging futile litigation or inducing inefficient dispute settlement, both serving to discredit the legal system.

Arbitration is increasingly used as an alternative to provide more expeditious and professional settlement of commercial disputes, and UNCITRAL has a remarkable record of achievements to facilitate and promote out-of court dispute settlement methods. However, arbitration cannot and will not displace the judiciary, in particular for purely

domestic transactions. It is unrealistic to expect that arbitration and mediation will significantly decongest the courts. Judiciary efficiency remains, therefore, a major point of concern.

The idea would be to develop the 2004 ALI/UNIDROIT Principles of Transnational Civil Procedure and produce model European Rules of Civil Procedure by taking into account a wide range of pertinent European sources. I sense that such a set of rules could be immensely influential not only within the EU, in particular in support of the efforts of several new EU member States to improve their domestic court proceedings, but also at the global level. It could become a distinct and tangible contribution of ELI to the international promotion of the rule of law. At the same time, it is clear that a set of European Rules of Civil Procedure as we envisage, even if it may look ambitious, remains a limited project in a vast area in which many useful and interesting projects can be developed, by ELI or others.

Other topics for possible cooperation might include particular legal issues related to long-term contracts, an area to which some believe that the UNIDROIT Principles of International Commercial Contracts could be usefully expanded, or an analysis of the reception of a modern secured transactions regime, such as the one set forth in the Cape Town Convention, in European legal systems, in particular in Continental jurisdictions.

Ladies and gentlemen,

I accepted your honourable invitation fully aware of my double outsider quality amidst your ranks: as the representative of a non-European organisation and as a national of a non-European country.

UNIDROIT's interest in seeing ELI grow and thrive encourages me here to overstep the boundaries I had set for myself and to conclude my remarks with a few words on the prospects for your Institution. Allow me to begin by restating my position, if that was not sufficiently clear:

to the extent that it is wished by Europe, deeper European legal harmonisation is a reality that the non-European countries and organisations must take into account. Every step likely to help this process co-exist with and further enhance global legal harmonisation is to be welcomed. The creation of ELI is one of them.

The objectives that ELI set for itself are ambitious, but judging by the broad support it has found among academia, courts, practitioners, government and European Institutions, I am confident that ELI has all the conditions to meet the challenges it will face.

The American Law Institute (ALI), too, was created with ambitious objectives, namely "to promote the clarification and simplification of the law and its better adaptation to social needs, to secure the better administration of justice, and to carry on scholarly and scientific legal work." The magnitude of these tasks, when the work began could not be overestimated, given the state of uncertainty and complexity of the common law at that time. However, within a few years the ALI was able to establish its firm presence in the American legal landscape. In its decisive initial years, ALI not only benefitted from a generous endowment by the Carnegie foundation but also from continued support through the University of Pennsylvania Law School and the engagement of Dean Draper Lewis. Nearly 90 years after the creation of the ALI there can be no doubt that through its Restatements ALI has become a major source of legal authority.

It may be too early to predict the future of ELI. Much will depend on how firmly it establishes itself in its initial years. I place on record my hope that ELI will not underestimate the need for stability and continuity and for avoiding unnecessary disruption in its work, and that it will find ways to establish durable foundations and sustainable administrative support, without which its projects would suffer and no institutional memory would be created.

Looking forward, as we do, to a fruitful cooperation with a strong and effective ELI in the years to come, I hope that ELI will lay the path for stable, sustained growth.

I thank you for your attention and wish you, with your newly elected council, a fruitful conclusion of your assembly and a good start into your third year of activities.