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Chair: Mr. Charles (Trinidad and Tobago)

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The meeting was called to order at 10 a.m.

Agenda item 81: Report of the United Nations Commission on International Trade Law on the work of its forty-eighth session (A/70/17)

- 1. Mr. Reyes Villamizar (Chair of the United Nations Commission on International Trade Law (UNCITRAL)), introducing the Commission's report on the work of its forty-eighth session ((A/70/17), said that the highlight of the session had been the consideration and provisional approval of the draft revised UNCITRAL Notes on Organizing Arbitral Proceedings and of parts of a model law on secured transactions. Initially adopted in 1996, the Notes had been designed to assist arbitration practitioners by providing an annotated list of matters on which an arbitral tribunal might wish to formulate decisions during the course of arbitral proceedings, including on a set of arbitration rules, language and place of arbitration. administrative support, cost confidentiality, conduct of hearings, the taking of evidence, and possible requirements for the filing or delivering of an award.
- In 2013, the Commission had decided to undertake work on the revision of the Notes, and in 2015 it had had before it the result of the deliberations by Working Group II (Arbitration and Conciliation) at its sixty-first and sixty-second sessions. It had been generally agreed that the revised Notes should retain the descriptive and non-directive characteristics reflecting a variety of practices; that they should preserve the principles underlying the 1996 Notes; that they must not impinge upon the beneficial flexibility of arbitral proceedings; and that they should not seek to harmonize disparate arbitral practices. It had further been confirmed that the revised Notes should maintain their general applicability to all types of arbitration and that references to technology and means of communication in the revised Notes would need to be updated using technology-neutral language. New topics included in the revised Notes concerned interim measures, joinder and consolidation (Note 19), reflecting the revisions to the UNCITRAL Model Law International Commercial Arbitration. UNCITRAL Arbitration Rules and recent arbitration practice.
- 3. During its forty-eighth session, the Commission had approved the draft revised Notes in principle and had requested its secretariat to revise and finalize them

- for adoption at its 2016 session. It had also held a discussion regarding future work in the area of international arbitration and conciliation. While there had been some support for undertaking work on concurrent proceedings, which had proven to be detrimental to investment practice and was thus a matter of particular interest to States, it had been widely felt that such work should be undertaken only after a thorough analysis of the issues. The Commission had therefore requested the secretariat to explore the topic further. There had also been support for work on a code of ethics/conduct for arbitrators. The suggestion had been made to explore the topic in a broad manner, including in the fields of commercial and investment arbitration, taking into account existing laws, rules and regulations and any standards established by other organizations. The secretariat had been requested to report to the Commission at a future session with a detailed analysis of the topic, including possible work.
- 4. It had further been agreed that Working Group II should commence work on enforcement of settlement agreements with the aim of promoting conciliation as a time- and cost-efficient alternative dispute settlement method. It had been argued that an instrument in favour of easy and fast enforcement of settlement agreements resulting from conciliation would contribute to the development of conciliation. The lack of a harmonized enforcement mechanism had been thought to be a disincentive for businesses to proceed with conciliation. Working Group II had therefore been requested to identify relevant issues and elaborate possible solutions, such as a convention, model provisions or guidance texts.
- 5. Turning to the UNCITRAL Rules on Transparency in Treaty-based Investor-State Arbitration and the United Nations Convention on Transparency in Treaty-based Investor-State Arbitration (Mauritius Convention on Transparency), he said that the key was to make relevant information available to the public. To that end, article 8 of the Rules provided for the establishment of a transparency repository. Over the past few years, the Commission had expressed its strong and unanimous opinion that the UNCITRAL secretariat should serve as the transparency repository, thereby sending a robust signal in support of transparency in investor-State treaty-based arbitration and the relevant UNCITRAL texts. In that context, it had heard a report on the steps

taken by the secretariat to establish and operate such a repository and the difficulties encountered.

- 6. The Commission had taken note of the view that the wording in General Assembly resolution 69/116 on the United Nations Convention on Transparency in Treaty-based Investor-State Arbitration might not constitute a strong enough mandate for the secretariat, as the General Assembly had not specifically "requested" the Secretary-General to establish and operate the transparency repository. The Commission had also taken note of the view that additional procedures contemplated in the Rules of Procedure of the General Assembly and in the Financial Regulations and Rules of the United Nations should have been followed despite the fact that the transparency repository was to be fully funded by voluntary contributions.
- On a more positive note, the secretariat had received confirmation from the Fund for International Development (OFID) of the Organization of Petroleum Exporting Countries (OPEC) of a grant of US\$ 125,000, in addition to the €100,000 commitment from the European Union, which would allow the secretariat to operate the project on a temporary basis until the end of 2016. The secretariat was currently formalizing the funding arrangements with the donors. Expressing its appreciation to the European Union and OFID for their commitments, the Commission had emphasized that the transparency repository should be fully operational as soon as possible, as it constituted a central feature of both the UNCITRAL Transparency Rules and the Mauritius Convention on Transparency by providing a consolidated, transparent and easily accessible global case record database for all investor-State arbitrations conducted pursuant to the Rules and the Convention.
- 8. He called on the Committee to endorse the Commission's recommendation to the General Assembly that the secretariat should be requested to establish and operate the transparency repository, in accordance with article 8 of the Rules, initially as a pilot project until the end of 2016, to be funded entirely by voluntary contributions, which would provide a clearer mandate for work to begin, without creating the impression that new regular budget resources were needed.
- 9. One of the key objectives of a modern secured transactions law of the type being prepared by Working Group VI (Security Interests) was to enhance certainty

- and transparency by providing for the registration of notices with respect to security interests in a public security interests registry. The Commission had considered and approved in principle the provisions of the draft model law that dealt with the registration of security interests notices, which should make it easier for it to consider and adopt the whole draft model law at its 2016 session. The draft model law would provide urgently needed assistance to States modernizing their secured transactions legislation with a view to potentially increasing access to lower-cost credit, to the benefit in particular of developing economies and small and medium-sized enterprises.
- The Commission had also decided that, as was common practice with all its model laws, the text should be accompanied by a guide to enactment to explain the thrust of its provisions to national legislators who were considering the draft model law for implementation. The Commission had emphasized the need for the secretariat to coordinate and cooperate with the International Institute for the Unification of Private Law (UNIDROIT), the World Bank Group, the European Commission, the Organization of American States and other international and regional organizations assisting States in preparing modernizing their legislation or developing local capacity in the area of security interests. Such cooperation and coordination would help avoid duplication of efforts and conflicts and ensure that the Commission's work on security interests was reflected to the maximum extent possible in the texts of other organizations.
- 11. Working Group I (Micro, Small and Medium-sized Enterprises (MSMEs)) had continued its work aimed at reducing legal obstacles encountered by such entities throughout their life cycle. Although those enterprises were important in economies the world over, work to reduce the barriers they faced was particularly relevant in developing countries. During the Working Group's sessions in November 2014 and April 2015, discussions had been held on legal issues relating to the simplification of incorporation procedures and the identification of practices for business registration. At its 2015 session, the Commission had again endorsed the mandate of the Working Group.
- 12. Working Group III (Online Dispute Resolution) had continued its work on preparing a uniform legal standard and a set of procedural rules for the resolution

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of low-value, cross-border, business-to-business and business-to-consumer disputes arising from electronic transactions. During its deliberations, fundamental differences between States, in particular on issues relating to whether binding pre-dispute arbitration agreements concluded with consumers were to be given effect under the Rules, had remained unresolved despite strenuous efforts to reach a consensus.

- 13. At its 2015 session, the Commission had instructed the Working Group to continue its work on elaborating a non-binding descriptive document reflecting elements of an online dispute resolution process on which the Working Group had previously reached consensus, excluding the question of the nature of the final stage of the process (arbitration/non-arbitration). It had also been agreed that the Working Group would be given a time limit of one year, or no more than two Working Group sessions, after which its work would come to an end, whether a result had been achieved or not.
- Working Group IV (Electronic Commerce) continued preparing a model law on electronic transferable records aimed at facilitating the dematerialization of key commercial documents, such as bills of lading, promissory notes, cheques and warehouse receipts. The work on paperless trade facilitation conducted with the United Nations Economic and Social Commission for Asia and the Pacific and other international organizations had highlighted the importance of the model law in the implementation of electronic single-window facilities for import and export of goods. In anticipation of the completion of the current mandate of the Working Group, the Commission had received proposals suggesting that future topics could include the legal aspects of cloud computing, identity management, trust services and mobile commerce. The secretariat had been instructed to conduct preparatory work on those topics for future discussion at the Working Group level following the current work on electronic transferable records.
- 15. The Commission had noted the continuing work carried out by Working Group V (Insolvency Law) to address several topics relating to cross-border insolvency. The work on the insolvency of multinational enterprise groups raised relatively new, very complex issues that had not been widely considered by the international community or resolved in national laws. Accordingly, work would be carried

out in stages to ensure a broad understanding of the solutions being considered and to build consensus towards the elaboration of a text that would be widely accepted and implemented. Such a text, it had been suggested, would be a significant step in the development of cross-border insolvency law that could assist in maximizing value for creditors around the world.

- 16. Work was progressing well on the related topic of extending the obligations of directors of companies under part four of the Legislative Guide on Insolvency Law to directors who held a similar position in an enterprise group. The complexity of group operations and structures could sometimes have a significant impact on the behaviour of directors in periods of financial difficulty. The first draft of a legislative text on the recognition and enforcement of insolvency-related judgements, which took into account the work of other international organizations on the topic, in particular the Hague Conference on Private International Law, was also being considered.
- 17. With regard to legislative work, the Commission had reaffirmed the existing mandates of the six Working Groups and had agreed a number of future projects for them. It had decided not to carry out additional legislative activity in 2016, although possible future work in the area of public-private partnerships might be further discussed at that year's session. The Commission had expressed its appreciation for the support activities undertaken during its forty-eighth session and had requested the secretariat to continue with them to the extent that its resources permitted.
- 18. Pursuant to a request of the Commission, a number of events had been organized in 2015 to celebrate the thirty-fifth anniversary of the United Nations Convention on Contracts for the International Sale of Goods. A high-level panel on international sale of goods law had also been held during the Commission's fortyeighth session. The presentations and ensuing discussions at that event and at other events had highlighted the importance of the Convention as a treaty providing modern and equitable uniform law for the international sale of goods, as a legislative model for regional and national contract law reform, and as a pillar of lex mercatoria. The Commission had also noted the significance of the ongoing process of review and withdrawal by States of declarations made upon signing, acceding to or ratifying the Convention. Given the

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relevance of the topic for international trade law, the Commission had asked the secretariat to report periodically on developments in the area, in particular on promotional and capacity-building activities to support implementation of the Convention.

- 19. The Commission had considered possible mechanisms to celebrate the fiftieth anniversary of its founding at the end of 2016. Recalling two successful earlier congresses, held to mark its twenty-fifth and fortieth anniversaries, the Commission had instructed the secretariat to undertake preparatory work for the organization of a third congress, to be held in 2017. It had also been suggested that the event should be designed so as to promote the profile of UNCITRAL and enhance public awareness of its successful activities during its first fifty years of operation.
- Support activities to ensure the effective implementation and use of UNCITRAL texts were an important pillar of the Commission's work. At its forty-seventh the Commission session, unanimously reaffirmed the existence of a general mandate, stemming from numerous General Assembly resolutions, for the Commission to undertake technical assistance activities. It had been widely felt that the sustained ability to fulfil that mandate through the secretariat was essential to facilitate the adoption of UNCITRAL texts, in particular in developing countries and in countries less familiar with the Commission's work. While there was no doubt about the importance of technical assistance and cooperation in the promotion of UNCITRAL texts, financial resources available in the UNCITRAL Trust Fund for those activities were limited and not sufficient to meet increasing demands from States.
- 21. The ability of the UNCITRAL secretariat to respond to requests for technical assistance depended largely on contributions. The Commission had encouraged the secretariat to explore alternative financial resources to allow for more activities and to undertake joint initiatives, possibly through partnerships, given both the need for those activities and the lack of regular budget resources. He appealed to all States, international organizations and other stakeholders to consider making contributions to the Trust Fund and to assist the secretariat in identifying other sources of funding.
- 22. For many years, the General Assembly and the Commission had been calling for better integration of

- the UNCITRAL technical cooperation and assistance programme into development assistance, promotion of the rule of law, post-conflict reconstruction and other related activities of the United Nations system with a view to increasing the outreach of UNCITRAL standards, tools and expertise to intended beneficiaries in an effective and efficient manner and avoiding duplication of efforts, incoherence and uncoordinated approaches by donors engaged in commercial law reforms.
- 23. At its forty-eighth session, the Commission had considered a draft guidance note designed to achieve that goal. The secretariat had circulated a note verbale to all States containing a compilation of all comments received from States on the draft, together with a revised version. It had been understood that, if States could reach agreement on the revised text before or during consideration of the Commission's report in the Sixth Committee, the latter might wish to endorse the text so as to avoid delay in issuing the document. Otherwise, the matter might need to be brought back to the Commission at its 2016 session.
- 24. Since its establishment in 2012, the UNCITRAL Regional Centre for Asia and the Pacific had furthered trade law reform in the region. It had provided technical assistance and capacity-building to ensure legal uniformity and general economic stability, in close cooperation with other institutions active in trade law reform. The Commission had recognized that the growing relevance of the Centre and its innovative approaches had promoted the harmonization and modernization of international trade law standards. That had been particularly noticeable in the context of regional economic integration and cooperation frameworks, with tangible actions being undertaken in cooperation with the ASEAN Economic Community, Asia-Pacific Economic Cooperation (APEC), the Gulf Cooperation Council and the South Asian Association for Regional Cooperation.
- 25. The establishment of the Regional Centre, which was based entirely on voluntary contributions, had been made possible through generous financial and in-kind contributions from the Government of the Republic of Korea, and from regional private and public stakeholders for specific activities. He urged States, particularly those in the region, to support the call for the Centre to become a permanent regional office through assistance from States in the region and through the United Nations regular budget.

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- 26. The Commission had again expressed its appreciation for the continued work of the secretariat on the case law on UNCITRAL texts (CLOUT) system and the increasing volume of published case law summaries. Those abstracts were made available free of charge on the UNCITRAL website in the six official United Nations languages. The Commission had expressed its continuing belief that CLOUT and the digests of case law compiled from it were important tools for promoting uniform interpretation of UNCITRAL texts. The CLOUT system complemented the Commission's legislative functions and technical assistance activity by facilitating access to decisions and arbitral awards from jurisdictions worldwide, in particular for members of the legal and judicial communities with limited opportunity to develop knowledge and expertise on UNCITRAL texts. It also contributed to the promotion of such texts, since it demonstrated that the texts were being used and applied in different jurisdictions and that judges and arbitrators at different latitudes were contributing to their interpretation. To date, CLOUT included case law from 62 jurisdictions.
- 27. The Commission had welcomed the upgraded CLOUT database, which had resulted in a more user-friendly interface that allowed for a faster and more detailed search of material. It had also taken note that new national correspondents had been appointed and that the network of correspondents that assisted the secretariat in identifying meaningful case law to be reported and in preparing the abstracts had been composed of 73 experts representing 35 countries. The Commission had appealed to all States to assist the secretariat in its search for available funding.
- 28. States around the world continued to look to UNCITRAL texts when reforming or modernizing their international trade law regimes. During its forty-eighth session, the Commission had taken note of actions on UNCITRAL texts taken by States at all levels of economic development, in all geographic regions and with an array of legal systems, including the signing or ratification of treaties and adoption of model laws. While many of those actions had been based entirely on the initiative of each State, many had also been facilitated through the assistance provided by the UNCITRAL secretariat.
- 29. In response to a request by the Hague Conference on Private International Law to consider recommending the use of the Principles on Choice of

- Law in International Commercial Contracts (Hague Principles), the Commission had recognized that the Principles promoted party autonomy and reinforced choice of law in international commercial contracts, thus complementing a number of UNCITRAL texts. The Commission had therefore commended the use of the Hague Principles by courts and arbitral tribunals as a model for national, regional, supranational or international instruments and to interpret, supplement and develop rules of private international law.
- 30. The UNCITRAL secretariat was also actively involved in initiatives of other international organizations in the field of international trade law, both within and outside the United Nations system. With the aim of sharing information and expertise and avoiding duplication of effort, the secretariat had participated in expert groups, working groups and plenary meetings of UNIDROIT, the Hague Conference, the United Nations Conference on Trade and Development (UNCTAD), the World Bank, the Organization for Economic Cooperation Development (OECD), the World Trade Organization (WTO) and several other international bodies.
- 31. As invited by the General Assembly in its resolution 69/123, the Commission had commented in its report on the role of its multilateral treaty-making processes in promoting and advancing the rule of law. It had reinforced its conviction, endorsed by the General Assembly, that the promotion of the rule of law in commercial relations should be an integral part of the broader agenda of the United Nations to promote the rule of law at the national and international levels. Its conclusions were contained in paragraphs 318-324 of its report (A/70/17).
- 32. The Commission had taken note of the positive developments relating to UNCITRAL in the formulation of the post-2015 development agenda and had requested retaining and if possible strengthening them in subsequent stages of the negotiation, adoption and implementation of that agenda, in particular in the indicators and targets that would accompany the Sustainable Development Goals. A major development since the UNCITRAL session had been the adoption of the Addis Ababa Action Agenda, in which the role of UNCITRAL in promoting the rule of law in the field of international trade law had been duly acknowledged by States.

- 33. The Commission had brought to the attention of the General Assembly issues related to its treaty processes requiring attention, including the need to achieve increased participation of all countries in the rule-formulating work of UNCITRAL in order to encourage acceptance of that work; the need to further develop coordination mechanisms among the various rule-formulating bodies in the field of international trade law at the international and regional levels; the need to achieve greater representation in the work of UNCITRAL of professional associations, arbitral institutions and other end users from underrepresented regions and groups of countries; and the need to increase the participation of States in the development, implementation and application of treaties.
- 34. UNCITRAL was the core United Nations body in the field of commercial law and for almost half a century had been committed to providing a legal environment that fostered international trade. Its impact on development, peace and stability through the harmonization and modernization of international trade law had been repeatedly acknowledged by the General Assembly. Over the years, UNCITRAL and its working groups had developed highly effective working methods and a negotiation culture that was both efficient and inclusive.
- 35. UNCITRAL had been faithfully carrying out its mandate with a small secretariat of only fourteen lawyers and half a dozen support staff, essentially the same as in the 1970s. It was tackling current work programmes to the best of its ability and was unanimous in its appreciation of the vast amount of high-quality work produced by the secretariat. He therefore called for the strong support of both the Sixth and the Fifth Committees, for the provision of the resources necessary to enable UNCITRAL to thrive and do more. A number of the Commission's projects, including the transparency repository, technical assistance activities and the CLOUT system, relied heavily or entirely on extrabudgetary resources. He therefore reiterated the Commission's appeal to States to provide funding for such activities and to assist the secretariat in identifying additional resources.
- 36. Ensuring transparency in investor-State arbitration stemmed from the significance of investment as a tool for sustainable development, particularly for developing countries, but it was also true that investor-State arbitrations were increasingly the subject of public interest. The Convention on

- Transparency in Treaty-based Investor-State Arbitration provided States that wished to make the UNCITRAL Rules on Transparency applicable to their existing treaties with an efficient and flexible mechanism to do so. The Rules, which took effect on 1 April 2014, were procedural provisions which established a degree of transparency in treaty-based investor-State arbitrations. He urged States to consider signing and becoming parties to the Convention, which would promote informed decision-making, meaningful public participation and fair outcomes in investor-State arbitrations.
- 37. At its seventieth session, the General Assembly would agree on a new development agenda and take decisive action to set the world on course for inclusive, sustainable development. The pivotal role of trade in that regard had been widely recognized, an area in which UNCITRAL could make an important contribution by furthering an open, rule-based, non-discriminatory and equitable multilateral trading system. UNCITRAL must show how its work helped in meeting the goals of the post-2015 development agenda, and its working groups must remain attuned to the discussions in the General Assembly so that their efforts contributed to achieving those objectives. As the Chair of UNCITRAL in 2015, he had made it his highest priority to raise awareness of UNCITRAL and its work, in particular with regard to the post-2015 development agenda.
- 38. Lastly, the members States were the true "shareholders" of UNCITRAL and had a direct interest in maximizing the return on their investment in the modernization and harmonization of international law. He therefore sought their continued participation in and support for UNCITRAL and its activities. The ever-increasing importance of international trade and the accelerating pace of economic globalization required the Commission to continue to expand its work, which ultimately benefited all States.
- 39. **Mr. Fornell** (Ecuador), speaking on behalf of the Community of Latin American and Caribbean States (CELAC), said that the desirability of establishing a dedicated international body responsible for promoting, enacting, monitoring and implementing UNCITRAL treaties, mentioned in paragraph 316 of the report (A/70/17) should be considered with caution, particularly with regard to the scope and functioning of treaty monitoring and implementation, as it could distort the nature and objectives of UNCITRAL. The

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Organization faced growing challenges in the codification of international trade law. The volume and characteristics of international trade were changing constantly due to ongoing technological developments and the diversification of business activities, and that meant that the Commission's work should follow the evolution of trade activities as closely as possible.

- 40. Although developments in trade tended to outpace codification efforts, the Commission had shown in its more than 40 years of existence that, through determination, broad participation and inclusiveness, it could make substantive progress on modernizing and harmonizing international trade rules and contribute to the establishment of clear rules for the exchange of goods and services. The active participation by States members of CELAC in the Commission's working groups attested to the commitment of CELAC to the Commission's objectives.
- 41. Referring to paragraphs 384 to 386 of the report concerning the date and place of future meetings, he said that the tradition of holding UNCITRAL sessions in New York and Vienna in alternate years made it easier for many countries to participate, in particular developing countries or those that did not have permanent diplomatic representation in Austria. Broad participation enriched the Commission's debates and contributed to the achievement of substantive results.
- 42. **Ms. Mejía Vélez** (Colombia) said that in 2013, as part of Working Group I (Micro, Small and Mediumsized Enterprises (MSMEs)), Colombia had proposed its model law on simplified joint stock companies as a way of promoting the development of a normative framework that would facilitate the incorporation and operation of business entities. In Colombia, most business entities were simplified joint stock companies. They were governed by a simple legal regime which regulated relations between stockholders and other participants in the company and the issue of limited liability.
- 43. The model law facilitated the creation of new businesses by expediting the incorporation process. Based on a combination of common law and civil law, it had resulted in the creation of more than 200,000 companies in the first five years since its implementation, which in turn had helped to bring more businesses into the formal economy, create jobs, improve access to financial products, such as loans and

investments, and promote the financial inclusion of businesses.

- 44. In connection with Working Group III (Online Dispute Resolution), Colombia reiterated its proposal to use chargebacks as a practical and effective private enforcement mechanism to facilitate cross-border e-commerce transactions between consumers involving an electronic payment instrument. Her delegation welcomed the progress made by the Commission in the harmonization and progressive unification of international trade law, including the establishment of a code of ethics for arbitrators, transparency in investor-State treaty-based arbitration, transaction agreements to facilitate conciliation, and electronic single-window facilities.
- 45. **Mr. Spresor** (Belarus), while commending the Commission for its work on the review of the UNCITRAL Notes on Organizing Arbitral Proceedings, said that the distribution of costs between parties and the question of interim measures needed further consideration. Working Group II should examine as a priority the issue of concurrent proceedings in the context of investment arbitration, since the spread of that phenomenon might lead to fragmentation in arbitration practice and undermine confidence in that form of investment dispute settlement.
- 46. Belarus was in favour of a broad and consistent approach to the application of international agreements that would take into account all legal systems and the interests of all States. It supported the transparency repository and was pleased that its operation was assured until the end of 2016 through voluntary contributions. However, the repository should be funded on a regular basis. His delegation endorsed the draft model law on secured transactions and called on the secretariat to organize seminars, presentations and outreach activities to accompany the guide to enactment of the model law.
- 47. The Commission should continue its efforts to ensure legal certainty in the area of electronic commerce, given its growing importance and the positive impact of new technologies on the commercial activities of most businesses and consumers. His delegation agreed with the cautious and incremental approach taken by Working Group V to questions relating to cross-border insolvency and encouraged UNCITRAL to coordinate its work with that of other bodies, including UNCTAD, the International Centre

for Settlement of Investment Disputes (ICSID) and the Permanent Court of Arbitration. Belarus also welcomed the role played by observers in the Commission's work, thus ensuring participation by the greatest number of stakeholders and organizations and enabling the approaches of national arbitral bodies and businesses to be taken into account. In that connection, it called for a broader representation of organizations from its region among UNCITRAL observers.

- 48. Belarus stressed the importance of Commission's efforts to analyse and mainstream national best practices in the implementation of UNCITRAL conventions and other instruments, and welcomed the work of the Commission's national correspondents. UNCITRAL contributed to ensuring the primacy of the rule of law in international trade relations through the elaboration of international treaties, model laws and other legal standards. It also played an important role as a multilateral forum for harmonizing approaches and disseminating best practices and uniform application of legal standards. Its activities in the field of the rule of law could serve as a model for other United Nations bodies.
- 49. As a member of UNCITRAL starting in 2016, Belarus would do its utmost to promote the ongoing elaboration of rules of international trade law; it called on the Commission to play a more active role in providing advisory and technical assistance and developing needs-based strategies, as exemplified by the activities of the UNCITRAL Regional Centre for Asia and the Pacific. It would be useful to establish similar bodies in other regions.
- 50. With regard to future work, it was necessary to clarify the opinion of States and businesses on the relevance of the new topics proposed for consideration. To that end, working methods must be improved by intensifying cooperation with States and conducting a preliminary expert analysis of the topics proposed. It would be useful to include the issues of public-private partnerships and public procurement as new topics on the Commission's agenda in the near future.
- 51. **Mr. Hahn** Choonghee (Republic of Korea) said that, notwithstanding the attention paid to the pivotal role of international commercial activities in reducing poverty and promoting sustainable development, there was still a lack of emphasis on the legislative framework for cross-border trade and investment. UNCITRAL had provided a sensible solution to

- various cross-border transactions. Its mandate extended to the establishment of enabling environments for rule-based business, investment and trade as critical elements for conflict prevention, post-conflict reconstruction and promotion of the rule of law and governance in commercial relations.
- 52. His delegation had worked to ensure that the importance of a harmonized and modernized international commercial law framework for achieving the Sustainable Development Goals had been reflected in the outcome document of the third International Conference on Financing for Development adopted in Addis Ababa in July 2015. That text marked the first time that an outcome document of a major United Nations conference had acknowledged the relevance of the Commission's work in the implementation of the international development agenda.
- 53. Micro, small and medium-sized enterprises, which accounted for most of the economic activities in developing countries, had limited experience with cross-border trade and access to legal advice. Recent efforts by UNCITRAL to provide States with the necessary platform to achieve economic diversification, financial inclusion and resilience to economic crises could facilitate commercial activities, especially cross-border activities, while reducing transaction costs and commercial risks. Among the achievements of UNCITRAL in 2015 was the adoption of the United Nations Convention on Transparency in Treaty-based Investor-State Arbitration. Transparency in legal settlement procedures was crucial to the rule of law, good governance, predictability and accountability.
- 54. As a sponsor of the UNCITRAL Regional Centre for Asia and the Pacific, the Republic of Korea would continue to assist the Centre in disseminating the Commission's model laws and heightening awareness of its many achievements.
- 55. **Ms. Kalb** (Austria) commended the Commission for bringing to the attention of the General Assembly matters relating to UNCITRAL multilateral treaty processes in promoting and advancing the rule of law, in particular the need to increase awareness across the United Nations system of the relevance of the Commission's work in promoting the rule of law and development. Austria was a firm advocate of the Commission's work on technical cooperation and assistance in the field of international trade law reform and development. It recognized the need to strengthen

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support for States, upon their request, in the fulfilment of their respective international obligations through enhanced technical assistance and capacity-building.

- 56. Her delegation endorsed the Secretary-General's efforts to ensure greater coordination and coherence between United Nations entities and with donors and recipients, and welcomed the draft guidance note on strengthening United Nations support to States to implement sound commercial law reforms, contained in a note by the Secretariat on the topic (A/CN.9/845). It hoped that all States would approve the draft guidance note. The United Nations Convention on Transparency in Treaty-based Investor-State Arbitration, together with the Transparency Rules, contributed to the enhancement of openness in treatybased investor-State arbitration, the dissemination of knowledge about peaceful dispute proceedings, and the strengthening of the rule of law.
- 57. Her delegation commended the UNCITRAL secretariat for its efforts to operationalize the repository of published information under the Rules on Transparency. Austria would continue to support UNCITRAL, including through the Trust Fund, in assisting developing countries that participated in the Commission's work.
- Mr. Dietz (Australia) said that the implementation of uniform and modern standards for international trade law would help reduce barriers to international commerce and investment. His delegation welcomed the opening for signature of the United Nations Convention on Transparency in Treaty-based Investor-State Arbitration and reiterated the importance of ensuring transparency in treaty-based investor-State arbitration. Australia continued to work with the UNCITRAL Regional Centre for Asia and the Pacific and the UNCITRAL National Coordination Committee for Australia (UNCITRAL Coordinator) which had been appointed in September 2013 to manage and promote UNCITRAL-related work in the country.
- 59. His Government had co-hosted an inaugural UNCITRAL-Australia seminar with the Regional Centre for Asia and the Pacific and the UNCITRAL Coordinator on 21 May 2015 in Canberra. Attended by federal judges, legal professionals and academics, the seminar had highlighted the importance of ongoing cooperation with UNCITRAL and other international and regional organizations, such as the Hague Conference on Private International Law and the

- International Institute for the Unification of Private Law, on the harmonization of private law internationally. Australia had also participated in the seminar organized by the UNCITRAL Regional Centre for Asia and the Pacific entitled "Rule-based trade: a legal roadmap for the South Pacific", held on 24 and 25 September 2015 in Port Moresby. All those events would undoubtedly contribute to the development of the legal frameworks that underpinned trade and investment in small island developing States in the Pacific.
- 60. **Ms.** Sathyananth (India) welcomed Commission's unanimous view that the secretariat should undertake, initially as a pilot project, the core functions of a transparency repository. Her delegation also appreciated the Commission's approval in principle of the Notes on Organizing Arbitral Proceedings; its agreement to commence work on the topic of enforcement of settlement agreements resulting from conciliation and mediation; and its request to the secretariat to explore the topics of concurrent proceedings in investment arbitration and a code of ethics/conduct for arbitrators. Her delegation also welcomed the Commission's approval of the report of the Committee of the Whole on the model law on secured transactions, including the public registry system, and the agreement to entrust Working Group VI with the preparation of the guide to enactment of the model law.
- 61. Her delegation appreciated the Commission's efforts to promote the uniform interpretation and application of its legal instruments, including the Convention on the Recognition and Enforcement of Foreign Arbitral Awards (New York Convention), and agreed that CLOUT and the digests of case law were important tools in that regard. India reiterated the importance of technical cooperation and assistance for developing countries, specifically in matters relating to the adoption and use at national level of UNCITRAL texts. It encouraged the Commission to continue to provide such assistance to the broadest extent possible and to improve its outreach, in particular to developing countries.
- 62. **Ms. Oberman** (Israel) recalled that a joint United States-Israeli proposal endorsing the development of an instrument for the enforcement of international settlement agreements, modelled on the New York Convention, had been submitted to Working Group II. Her delegation encouraged additional work in that

direction and hoped that the Working Group would ultimately decide to draft a convention to promote the use of cross-border settlement agreements and, by so doing, advance international trade.

- 63. Her delegation welcomed the Commission's decision in 2015 to instruct Working Group III to focus on a document on online dispute resolution proceedings, consistent with proposals that had been put forward by the delegations of Israel, the United States, Honduras and Colombia. She hoped that an effective and meaningful online dispute resolution instrument could be developed to promote cross-border online trade. Her delegation viewed favourably the preparatory work being undertaken in the fields of cloud computing, identity management and mobile commerce within Working Group IV. The international community had much to gain from the development of legal instruments in those areas.
- 64. Her delegation appreciated the excellent work carried out thus far by Working Group V on the crossborder insolvency of multinational enterprise groups. Israel was currently in the process of reforming its insolvency legislation, and aspects involving international cooperation were largely based upon the UNCITRAL Model Law on Cross-Border Insolvency. Her delegation welcomed the progress made in the elaboration of a draft model law on secured transactions and looked forward to the upcoming work on an accompanying guide for its enactment.
- 65. Israel was confident that the draft guidance note on strengthening United Nations support to States to implement sound commercial law reforms would increase awareness within the United Nations of the significance of sound commercial law reforms and of the use of internationally accepted commercial law standards, in particular those generated from the work of UNCITRAL. The secretariat's balanced approach during the preparation of the guidance note would contribute significantly to its practical implementation. Her delegation commended UNCITRAL for posting its news feed through *Tumblr* and reiterated its call for the Commission to make increased use of social media to reach out to the broader public.
- 66. **Ms. Morris-Sharma** (Singapore) said that her country was a party to the United Nations Convention on Contracts for the International Sale of Goods and had incorporated the Convention into its domestic legal order. Together with the UNCITRAL secretariat, the

- Government of Singapore had organized commemoration event in 2015 at which academics and practitioners from around the world had shared their views on the use of the Convention at the national, regional and global levels. The event had helped to promote the adoption of that instrument. For the purpose of trade facilitation, commercial parties should be encouraged not to disapply the Convention in their agreements on the transnational sale of goods. In that connection, Singapore was pleased that UNCITRAL had kept up its programme of conferences, meetings and workshops over the past 35 years to generate awareness of the Convention, and supported continued efforts in that direction.
- 67. With regard to the UNCITRAL Rules on Transparency in Treaty-based Investor-State Arbitration, Singapore had consistently supported the publication of all awards and decisions of arbitration tribunals, to enable States and investors to better understand the rules governing the investment landscape and to make more informed decisions. Singapore continued to endorse the idea of a neutral online repository, which would make for convenient access to information, regardless of a country's geographical location. It supported the Commission's recommendation to the General Assembly to request the secretariat to establish and operate the repository.
- 68. With regard to the conduct of UNCITRAL meetings, although efforts had been made to optimize the use of the Commission's scarce resources in response to its numerous demands, challenges remained. At its forty-seventh session, the Commission had been unable to complete its consideration of the report of the discussions on the work of Working Group III while the participants in those discussions had been present. Her delegation hoped that that highly unsatisfactory situation would not recur. Furthermore, the lifespans of the working groups should not be extended indefinitely, as that would be at the expense of other areas where harmonization of the law was required.
- 69. Experts from Singapore currently chaired Working Group II and Working Group III. As in the past, Singapore would continue to support the secretariat in promoting UNCITRAL texts and help other States implement them. To ensure the Commission's continued success, coordination mechanisms among the various rule-formulating bodies must be further developed, and all countries must step

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their participation in UNCITRAL. The Commission's mandate could only be carried out with effectively input different from backgrounds; Singapore therefore urged all States to send experts to the meetings of the working groups. States should not use the UNCITRAL process to insist that their domestic preferences should be the norm for the entire international community, but should work constructively on achieving consensus.

- 70. Mr. Sawada (Japan) said that his delegation understood the importance of reducing the legal obstacles which micro, small and medium-sized enterprises faced throughout their life cycle, in particular in developing economies, and would continue to contribute to the discussion by sending its corporate experts on those questions to the meetings of the relevant working group on the topic. His delegation was pleased to note that the Commission had agreed on new mandates for Working Group II concerning international arbitration and conciliation. It hoped that the need for coordination of the existing national legislation of individual States on the enforcement of settlement agreements would be taken into account.
- 71. Japan also appreciated that the Commission had decided to continue its work on concurrent proceedings and the code of ethics/conduct for arbitrators, and would contribute to those studies. His delegation was pleased that the Commission had finally agreed to continue its work on elaborating a non-binding descriptive document reflecting elements of an online dispute resolution process, and would continue to participate actively in that effort. It hoped that the text could be finalized within one year.
- 72. His delegation expected Working Groups IV and VI to complete their projects during the forty-ninth session of the Commission and hoped that new model laws would be adopted. Working Group V should also continue its efforts to develop cross-border insolvency law.
- 73. **Ms. Sornarajah** (United Kingdom) said that her delegation was pleased to participate in efforts by Working Group I to increase the number of small businesses registering as limited companies. A model law on incorporation would ensure greater transparency by providing an opportunity to see the information which such small businesses registered, thereby helping to combat corruption and financial crime. Her country was pleased to be among the first

- tranche of States to sign the UNCITRAL Convention on Transparency in Treaty-based Investor-State Arbitration when it opened for signature. The conclusion of that Convention had been a significant achievement for Working Group II and would play an important role in ensuring that investment arbitration proceedings were more open and transparent. With regard to Working Group IV, her delegation welcomed the decision to continue drafting a model law on electronic transferable records and looked forward to the Working Group starting consideration of the proposal on identity management at a future date.
- 74. At the Commission's forty-seventh session, the mandate of Working Group V had been broadened to three projects: developing model law provisions on the cross-border insolvency of multinational enterprise groups; elaborating legislative guidance on the obligations of directors of enterprise group companies in the period approaching insolvency; and drafting a legal text on the recognition and enforcement of insolvency-related judgements. All three topics were complex, and work on the first topic had taken precedence in working group sessions. Group insolvencies were the most economically significant cross-border insolvency proceedings, and recent cases had underlined the importance of that work.
- 75. Mr. Keokajee (Thailand) said that his country was currently enhancing its insolvency regime to bring it into line with international standards, and was facilitating the insolvency procedure for micro, small and medium-sized enterprises. It was also elaborating the legislation needed to become a party to the United Nations Convention on Contracts for the International Sale of Goods. The draft guidance note on strengthening United Nations support to States to implement sound commercial law reforms would serve as an important tool for States implementing commercial law reforms, especially developing countries such as Thailand.
- 76. The development of new forms of international commercial activities and the integration of information technology in business transactions had made the work of UNCITRAL more relevant than ever. Thailand appreciated the role and achievements of UNCITRAL as the core legal body of the United Nations system harmonizing and unifying international trade law and promoting international trade and investment.

- 77. Thailand commended the UNCITRAL Regional Centre for Asia and the Pacific for its efforts to provide adoption technical assistance on the implementation of UNCITRAL rules and was ready to cooperate with the Centre in raising awareness of UNCITRAL and its work and activities in the region. The Government of Thailand and the Centre had co-hosted a workshop in Bangkok in 2015 on the United Nations Convention on Contracts for the International Sale of Goods and the United Nations Convention on the Use of Electronic Communications in International Contracts.
- 78. The Government of Thailand and the Centre would also co-host a high-level meeting with ASEAN in April 2016 to address the role of international trade law in achieving the goals of the ASEAN Economic Community Blueprint. That meeting would provide an opportunity for States members of ASEAN to update their progress towards harmonizing international trade law and meeting the goals of the ASEAN Economic Community and would create political momentum for the adoption of UNCITRAL texts. It would also be a forum for government officials, policymakers and practitioners from Asia and other invited countries to share experiences in that regard.
- 79. Thailand would end its term as a member of UNCITRAL in 2016 but would present its candidature for re-election for the period 2016-2022. Thailand reiterated its support for the progressive modernization and harmonization of international trade law as a means of reducing legal obstacles to the flow of international trade and encouraging economic cooperation, thereby contributing to international peace, stability and well-being.
- 80. **Mr. Bailen** (Philippines) said that his Government was in favour of a fair, stable and predictable legal framework propitious to inclusive, sustainable and equitable development, economic growth and employment. It therefore welcomed the role played by UNCITRAL in promoting the rule of law through multilateral treaties in the areas of international trade, financing and investments. Through its guides, model laws and other instruments and its work on the harmonization and modernization of trade law, UNCITRAL could assist countries in developing a rule-based environment in which commercial activities could flourish

- 81. In line with its advocacy of alternative dispute resolution, the Philippines supported the draft revised UNCITRAL Notes on Organizing Arbitral Proceedings, which were flexible, descriptive and non-directive, reflecting the diversity of practices among the Commission's member States. His delegation looked forward to the completion of the guide to enactment of the draft model law on secured transactions and hoped that it could be adopted at the Commission's fortyninth session. One of the initiatives of the UNCITRAL Regional Centre for Asia and the Pacific aimed at raising awareness of the Commission's work on promoting the adoption and uniform interpretation of UNCITRAL texts in the region had been a workshop on UNCITRAL instruments and the ease of doing business, held in Clark Field, Philippines, on 3 February 2015. In that connection, the Philippines was working to become a party to the United Nations Convention on Contracts for the International Sale of Goods and the United Nations Convention on the Use of Electronic Communications in International Contracts.
- 82. Micro, small and medium-sized enterprises generated the bulk of economic activities in many developing countries, including the Philippines. His delegation supported the contribution of Working Group I to reducing the legal obstacles which such enterprises encountered throughout their life cycle and endorsed its discussions on the elaboration of a legal simplified incorporation and business registration. Concerning Working Group II, his delegation welcomed the work undertaken by the secretariat on the enforcement of settlement agreements resulting from international commercial conciliation/mediation. It anticipated that future work on concurrent proceedings in investment arbitration, which was of particular interest to the Philippines, would proceed in a similar fashion.
- 83. The **Philippines** followed closely the contributions of the other working groups in the equally important areas of electronic commerce and online dispute resolution. It was particularly interested in recommendations on how the draft rules on online dispute resolution could respond to the needs of developing countries and countries in post-conflict situations and on how arbitration could render online dispute resolution more effective. Lastly, the transparency repository, which could be an accessible global case record database for investor-State arbitration conducted pursuant to the rules developed

by UNCITRAL, should be made fully operational as soon as possible.

- 84. Mr. Zappalá (Italy) said that the manner in which the Commission and its working groups addressed complex and at times divisive topics was an example of how an in-depth and technical examination could lead to positive results based on a consensual approach and dialogue, including with nongovernmental actors. Italy continued to contribute to the work of UNCITRAL and its working groups, by participating actively in the sessions with experts from public and private institutions. At the forty-eighth session, two Italian legal experts had chaired working groups on topics of relevance to the modernization of international trade law. The topics dealt with in Working Groups I and IV were particularly relevant and could play a role in promoting the implementation of the 2030 Agenda for Sustainable Development and achieving prosperity for all, big and small.
- 85. His delegation welcomed the decision by the Commission to have those Working Groups continue their work; it took note of the work of the other working groups and remained ready to engage in constructive dialogue and consultations to iron out differences and reach satisfactory outcomes.
- 86. Mr. Shi Xiaobin (China) said that the fortyeighth session of UNCITRAL had set the direction and guiding principles for the working groups in the next stage of their endeavours and had provided guidance at macro and technical levels for the ongoing formulation of UNCITRAL rules, thereby helping to promote the unification of international trade law and the development of international trade. In the areas of arbitration, insolvency and security, the new rules formulated by the Commission would serve as an important reference for States in elaborating and improving their domestic legislation. His delegation was satisfied with the achievements of the Commission at its current session and urged it to continue its discussions on the items on its agenda so as to further the unification of international trade law.
- 87. His delegation had participated fully in the drafting of legal instruments by various UNCITRAL working groups. In formulating its domestic legislation, his Government had used the content of relevant UNCITRAL model laws and legislative guides as a reference and had actively publicized and disseminated the results of the Commission's work in

- China. His delegation continued to attach great importance to cooperation in advancing the unification of international trade law and the development of international trade.
- 88. Mr. Simonoff (United States of America) said that UNCITRAL had had another successful year in heightening awareness of its instruments. In the context of Asia-Pacific Economic Cooperation aimed at improving the initiatives environment in the Asia-Pacific region, the valuable efforts by States members of UNCITRAL and the secretariat to bring attention to the benefits of using UNCITRAL instruments as a means of encouraging economic growth could serve as a model for other regions. The Convention on Transparency in Treatybased Investor-State Arbitration would serve as a convenient tool for applying transparency measures, such as open hearings, publication of key arbitration documents and participation by third parties, to arbitration under thousands of existing investment treaties. All States should consider becoming parties to the Convention.
- 89. UNCITRAL had decided to commence work on the enforcement of mediated settlement agreements, a project which could be a valuable tool for promoting the use of mediation to settle cross-border commercial disputes. His delegation hoped that the instrument being elaborated would encourage the growth of mediation in the same way that the New York Convention had promoted the use of arbitration. His delegation was pleased that several long-term UNCITRAL projects were nearing completion, including work on the model law on secured transactions and on online dispute resolution, a project which should result in a non-binding, descriptive document reflecting elements of an online dispute resolution process.
- 90. UNCITRAL was working to complete an instrument that would facilitate the use of electronic transferable records and was beginning to explore issues related to identity management and cloud computing. It was continuing its efforts to develop legal instruments that would help States encourage the growth of micro, small and medium-sized enterprises, starting with the issue of simplified incorporation. It was also moving ahead with its work on enterprise group insolvency issues and a model law on the recognition and enforcement of insolvency-related judgements.

- 91. All those projects could result in instruments that significantly assisted the development of international commercial law. However, for them to have their greatest effect, UNCITRAL needed broad participation in all its working groups so that the resulting instruments would meet the needs of countries from all regions and legal cultures. His delegation encouraged States to participate in as many working group sessions as possible.
- 92. Ms. Sarenkova (Russian Federation) said that UNCITRAL was one of the most important mechanisms for promoting the progressive development of international law and ensuring the rule of law and had made an invaluable contribution to improving the effectiveness of commercial dispute settlement. It also played a unique role in the harmonization and unification of international trade law, an area that was growing dynamically. It was therefore important to ensure that the normative framework was in harmony with the demands of the times without undermining the stability of economic relations. The Commission's leading work in supporting high legal standards in trade was confirmed by its impressive repository of instruments that were being successfully applied in practice.
- 93. Her delegation took note of the 2015 colloquium to mark the thirty-fifth anniversary of the adoption of the United Nations Convention on Contracts for the International Sale of Goods, an event which had underscored the Convention's status as a key instrument for facilitating international trade. The Russian Federation endorsed the steps taken to establish a transparency repository, using voluntary funds, as an experiment which would help ensure implementation of the Convention on Transparency in Treaty-based Investor-State Arbitration and the Rules on Transparency. Her delegation would follow that experimental project with interest.
- 94. The Russian Federation welcomed the renewed consideration of the topic of enforcement of settlement agreements resulting from international commercial conciliation. The preparatory discussions in the Commission had highlighted the differing approaches to the topic, including with regard to the formulation of the results. Her delegation was pleased, however, that work on the topic would continue. Discussions on a draft guidance note on strengthening United Nations support to States to implement sound commercial law reforms had fallen well short of consensus. Her

- delegation had serious doubts as to the utility of the latest version of the document, since it proposed a significant departure from the Commission's tried and trusted working methods.
- 95. **Ms. Fariheen** (Malaysia) said that her delegation supported the work on the draft revised UNCITRAL Notes on Organizing Arbitral Proceedings and would continue to provide input on the topic. The draft revised Notes should remain descriptive and non-directive in reflecting a variety of practices. Those characteristics would be crucial to their provisional approval. Preserving the general nature of the draft revised Notes would not only ensure their general applicability to any procedural issues that might arise, but would also help promote their universal acceptability, irrespective of the type of arbitration involved.
- 96. With regard to draft Note 6 (Information relating to the arbitration; possible agreement on confidentiality; transparency in treaty-based investor-State arbitration), there was no uniform approach to the balance that needed to be struck in preserving confidentiality and transparency in arbitral proceedings. Given the different possible types of arbitration proceedings imaginable, the text adopted would work only if it was drafted to take into account the circumstances of each case, along with the fundamental principle of party autonomy. Note 6 should be discussed with great care by Working Group II, bearing in mind that sensitive and confidential information could not be disclosed in arbitration proceedings.
- 97. With regard to draft revised Note 18 (Multiparty arbitration), divergent interests remained, with some parties opting for arbitration and others seeking relief by other means. More discussion was needed on that issue, and also on the question of joinder and consolidation of claims (draft revised Note 19), which required the consent of all parties. Both the substance and the wording of the draft revised Notes should be considered carefully, with input from all States members of UNCITRAL.
- 98. **Mr. Medina Mejías** (Bolivarian Republic of Venezuela) welcomed the Commission's efforts to submit recommendations and texts designed to strengthen the legal order of States and urged it to continue working to promote international commercial relations. It took note of the questions relating to arbitration and conciliation and in particular the

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finalization and approval of the Rules on Transparency in Treaty-based Investor-State Arbitration. Structural reform of the system of international investment arbitration and bilateral investment treaties was of vital importance, given the fundamental differences between private arbitration and international investment arbitration, the latter involving sovereign States. His delegation therefore drew attention to the public interest implications of an international investment arbitration system and urged the Committee to refer the topic to the International Law Commission for consideration.

99. It was important start a debate within the United Nations on international investment arbitration and other related topics, including the abuse of the system by vulture funds which initiated litigation against States in the hope of winning astronomical awards; the masking of corporate identities in investment treaties through the establishment of foreign corporate entities for the sole purpose of treaty shopping, to exploit the benefits of the international investment arbitration process; the proliferation of decisions that were sometimes taken without any basis in public international law; the inconsistency of certain decisions owing to the non-codification of the case law derived from such awards; and decisions which amounted to legislation within sovereign States by placing limitations on the awards that could be granted in those States.

100. His delegation highlighted the need for a just, transparent and stable legal framework for international investment arbitration and bilateral investment treaties in order to promote development, economic growth and inclusive, sustainable and equitable employment, bearing in mind that the rule of law and development were inextricably linked.

101. Mr. Reves Villamizar (Chair of the Commission on International Trade Law) thanked the delegations which had expressed appreciation for the legal instruments elaborated by UNCITRAL with a view to achieving a greater harmonization of international commercial law and promoting international commercial activities. International trade must be based on rules that were sufficiently modern and flexible to allow for contractual freedom and freedom of choice for interested parties. He expressed gratitude to all the delegations that had supported the Commission's work during the forty-eighth session.

General statements on requests for observer status

102. **Ms. Dieguez La O** (Cuba) said that the granting of observer status in the General Assembly must continue to be guided by the criteria set out in General Assembly decision 49/426, namely that such status must be confined to intergovernmental organizations whose activities covered matters of interest to the Assembly. In that connection, there was general agreement in the Committee that it was not possible to decide whether to grant an organization such status unless a copy of its constitutive instruments and information on its objectives and membership were available.

103. The granting of observer status was a subject of great importance for the Organization and should not be treated as a mere formality. It should be anticipated that several requests for the granting of observer status could not be introduced and discussed appropriately at one meeting. It was also possible that some of the smaller delegations might not be present at the meeting in question because they had to attend other events taking place simultaneously within the United Nations. The Secretariat should therefore ensure that the requests were considered according to the agreed schedule, and not on an ad hoc basis, and that they were scheduled in such a way that allowed delegations time to coordinate their participation and consult with their capitals if necessary.

104. Mr. Fernandez Valoni (Argentina), recalling the two criteria set by General Assembly decision 49/426 for the granting of observer status and stressing that the Committee must have all necessary elements in order to give proper consideration to such requests, said that when the Committee's programme of work had been adopted, it had been agreed that requests for observer status would include the constitutive instruments of the requesting organizations. His delegation would therefore like the Community of Democracies, the International Civil Organization and the Union for the Mediterranean, which had requested observer status, to submit their constitutive instruments and other relevant documents to the Committee. It would also be useful to have another round of discussions to consider those requests.

Agenda item 168: Observer status for the Cooperation Council of Turkic-speaking States in the General Assembly (A/66/141 and A/C.6/70/L.4)

Draft resolution A/C.6/70/L.4: Observer status for the Cooperation Council of Turkic-speaking States in the General Assembly

105. **The Chair** recalled that, at its sixty-ninth session, the General Assembly had decided to defer a decision on the request for observer status for the Cooperation Council of Turkic-speaking States in the General Assembly to its seventieth session (General Assembly decision 69/527).

106. Mr. Abdrakhmanov (Kazakhstan), introducing the draft resolution on behalf of Azerbaijan, Kyrgyzstan, Turkey and his own country, said that the Cooperation Council clearly met the two criteria set out in General Assembly decision 49/426 for the granting of observer status in the General Assembly: it was an intergovernmental organization, and it covered matters of interest to the General Assembly. All relevant information in the statutory documents on the activities of the Cooperation Council had been provided in line with that decision. In its statutory documents, the Council's member States embraced the principles enshrined in the Charter of the United Nations.

107. The main purposes of the Council were strengthening mutual confidence among the parties, maintaining peace and security in the region and beyond, coordinating actions to combat international terrorism, separatism, extremism and transborder crimes, and creating favourable conditions for trade and investment, economic growth, social and cultural development, promotion of the rule of law, good governance and the protection of human rights.

108. The Council aimed to build on the geographical and cultural affinities shared by its member States to create the synergy needed for the promotion of goodneighbourly relations and the enhancement of peace, stability and prosperity in Central Asia and the Caucasus. It operated through annual meetings of Heads of State, ministers and working groups. In 2015, the Council had intensified its interaction with various agencies of the United Nations system, including UNESCO and the United Nations Development Programme. The Council was eager to be granted observer status and to continue to cooperate with the

United Nations on implementing the 2030 Agenda for Sustainable Development.

The meeting rose at 1 p.m.

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