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REPORT OF THE UNITED NATIONS COMMISSION ON INTERNATIONAL TRADE LAW ON THE WORK OF ITS ELEVENTH SESSION

### Report of the Sixth Committee

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#### I. INTRODUCTION

- 1. At its 4th and 5th plenary meetings, on 22 September 1978, the General Assembly decided to include in the agenda of its thirty-third session the item entitled "Report of the United Mations Commission on International Trade Law on the work of its eleventh session" and to ellocate it to the Sixth Committee.
- 2. The Sixth Committee considered this item at its 4th to 13th meetings, from 26 September to 6 October 1978, at its 22nd and 23rd meetings, on 17 and 18 October 1978, and at its 61st and 62nd meetings, on 1 and 4 December 1978.
- 3. At the 4th meeting, on 26 September, Mr. S. K. Date-Bah (Ghana), Chairman of the United Nations Commission on International Trade Law at its eleventh session, introduced the Commission's report on the work of that session. 1/ The Sixth Committee also had before it a report of the Secretary-General on the financing of symposia on international trade law (A/33/177) and notes by the Secretary-General concerning the United Nations Conference on the Carriage of Goods by Sea, held at Hamburg from 6 to 31 March 1978 (A/C.6/33/L.2) and the comments on the Commission's report by the Trade and Development Board of the United Nations Conference on Trade and Development (A/C.6/33/L.3).
- 4. During the debate in the Sixth Committee on agenda item 115, two further documents were placed before the Committee: a letter from the Permanent Representative of Austria concerning the venue of the United Nations Conference on Contracts for the International Sale of Goods (A/C.6/33/4) and a note by the United Nations Secretariat on the question of transfer to Vienna of the secretariat of the United Nations Commission on International Trade Law (A/C.6/33/CRP.1).
- 5. At the 62nd meeting, on 4 December 1978, the Rapporteur of the Sixth Committee raised the question whether the Committee wished to include in its report to the General Assembly on this item a summary of the main trends that emerged during the debate on the Commission's report. After referring to General Assembly resolution 2292 (XXII) of 8 December 1967 concerning publications and documentation of the United Nations, the Rapporteur informed the Committee of the financial implications of the question. At the same meeting, the Sixth Committee decided that, in view of the nature of the subject-matter, the report on agenda item 115 should include a summary of the main trends of opinion that were expressed during the debate.

<sup>1/</sup> Official Records of the General Assembly, Thirty-third Session, Supplement No. 17 (A/33/17). The presentation of the report was pursuant to a decision by the Sixth Committee at its 1096th meeting, on 13 December 1968 (see Official Records of the General Assembly, Twenty-third Session, Annexes, agenda item 88, document A/7408, para. 3).

#### II. PROPOSALS

- At the 61st meeting of the Committee, on 1 December, two draft resolutions (A/C.6/33/L.11 and Corr.2 and A/C.6/33/L.12 and Corr.1 were introduced by the representative of Turkey on behalf of the respective sponsoring delegations. The sponsors of draft resolution A/C.6/33/L.11 and Corr.2 were: Argentina, Austria, Bangladesh, Brazil, Bulgaria, Canada, Colombia, Congo, Czechoslovakia, Egypt, Finland, German Democratic Republic, Ghana, Hungary, Iran, Italy, Ivory Coast, Jamaica, Kenya, Morocco, Nigeria, Panama, Philippines, Poland, Romania, Singapore, Somalia, Spain, Sweden, Togo, Tunisia, Turkey and Yugoslavia, later joined by Chile, France, Greece, Guyana, Mongolia, Rwanda, Zaire and Zambia (for the text of the draft resolution, see para. 41 below, draft resolution I). The sponsors of draft resolution A/C.6/33/L.12 and Corr.1 were: Argentina, Austria, Bangladesh, Bulgaria, Canada, Colombia, Congo, Czechoslovakia, Egypt, Finland, German Democratic Republic, Ghana, Hungary, India, Indonesia, Iran, Italy, Ivory Coast, Jamaica, Kenya, Malaysia, Morocco, Nigeria, Norway, Pakistan, Panama, Philippines, Poland, Romania, Singapore, Somalia, Spain, Sweden, Tunisia, Turkey and Yugoslavia, later joined by Chile, Greece, Guyana, Mongolia, Rwanda, Uruguay, Zaire and Zambia (for the text of the draft resolution, see para. 41 below, draft resolution II).
- 7. For its consideration of draft resolution A/C.6/33/L.12, the Committee had before it a statement (A/C.6/33/L.13), submitted by the Secretary-General in accordance with rule 153 of the rules of procedure of the General Assembly, on the administrative and financial implications of the draft resolution.

#### III. DEBATE

8. The main trends of opinion expressed in the Sixth Committee on the report of the United Nations Commission on International Trade Law on the work of its eleventh session 2/ are summarized in sections A to G below. Sections A and B deal with general observations on the role and functions of the Commission and on its working methods, while the remaining sections are devoted to the Committee's deliberations on the specific topics considered by the Commission at its eleventh session, as follows: international sale of goods (sect. C); international payments (sect. D); programme of work of the Commission (sect. E); training and assistance in the field of international trade law (sect. F); and other business (sect. G).

#### A. General observations

9. Representatives stressed the importance of the Commission's work. The view was generally shared that the work of the Commission which was directed to the unification, harmonization and progressive development of the law relating to

 $<sup>\</sup>frac{2}{\text{Official Records of the General Assembly, Thirty-third Session, Supplement No. 17 (A/33/17).}$ 

international trade helped to remove obstacles to the growth of such trade on equitable terms and encouraged the development of trade policies that took into account the interests of all States. The legal rules prepared by the Commission were acceptable to States with different economic, social and legal systems and at different stages of economic development. It was also noted that facilitation of international trade relations served to promote friendly relations among States, thus fostering international understanding and co-operation.

- 10. Representatives expressed their satisfaction with the progress made thus far by the Commission, its working groups and the Commission's secretariat in carrying out the Commission's work programme, as shown by the number of highly significant legal texts which the Commission had completed since its establishment. The draft Convention on Contracts for the International Sale of Goods which the Commission had placed before the General Assembly at its current session 3/ was a further important example of the progress achieved by the Commission.
- 11. It was noted with satisfaction that, based on preparatory work by the Commission, the United Nations Convention on the Carriage of Goods by Sea had been adopted at Hamburg on 31 March 1978. The hope was expressed that the new Convention would find wide acceptance within a short period of time. Some representatives stated that their Governments were now studying the provisions of the Convention with a view to ratification or accession.
- 12. Many representatives urged the Commission to place particular emphasis in its work on the special needs of developing countries and on the implementation of the goals of the new international economic order as outlined in the resolutions of the General Assembly on that subject. These representatives expressed their full support of the Commission's decision to include in its new programme of work the item entitled "Legal implications of the new international economic order . One representative expressed some reservations regarding this decision.

# B. Working methods of the United Nations Commission on International Trade Law

- 13. Representatives expressed continued approval of the working methods employed by the Commission and its working groups. It was noted that to a substantial extent the progress achieved by the Commission was attributable to the efficiency of such working methods. The importance of preparatory studies and research by the secretariat of the Commission was also noted.
- 14. There was general agreement that the Commission had a mandate to co-ordinate the work of organizations engaged in the unification of one or more areas of international trade law, and that the mandate extended to organizations both within and outside the United Nations system. Representatives stressed the need for the Commission to strengthen its efforts, mainly through its secretariat, aimed

<sup>3/ &</sup>lt;u>Ibid.</u>, chap. II, sect. B.

at co-ordinating the work of other organizations, in order to avoid costly duplication of work and for the sake of increased efficiency.

### C. International sale of goods

- 15. Noting the central position occupied by the law of sale in international trade law, representatives were unanimous in commending the Commission for the successful completion of its work on a draft Convention on Contracts for the International Sale of Goods. There was general agreement that the draft Convention constituted an excellent basis for the adoption of a convention on the subject.
- 16. Representatives agreed with the recommendation of the Commission that the General Assembly should convene, as early as practicable, a conference of plenipotentiaries to conclude, on the basis of the draft Convention approved by the Commission, a Convention on Contracts for the International Sale of Goods. Representatives were also agreed that the conference should be authorized to consider the desirability of preparing a protocol to the 1974 Convention on the Limitation Period in the International Sale of Goods, which would harmonize its provisions with those in the Convention on Contracts for the International Sale of Goods as it may be adopted by the conference.
- 17. Representatives were unanimous in their support for the Commission's decision to integrate the draft Convention on the International Sale of Goods adopted at the Commission's tenth session and the articles on the formation of contracts adopted at the Commission's eleventh session, in a single integrated text, namely, the draft Convention on Contracts for the International Sale of Goods.
- 18. Many representatives supported the Commission's recommendation that the conference considering the draft Convention on Contracts for the International Sale of Goods should be convened for a period of five weeks, with the possibility of extending the conference for a further week if necessary. The view was also expressed that the conference should be convened for a definite period of four or five weeks, without provision for a possible extension, and that the conference should complete its work at one session. It was suggested that the conference should be held in 1980. Representatives observed that all documentation for the conference should be sent to Governments and interested international organizations for comments well in advance of the date to be set for the conference. The representative of Austria stated that his Government would welcome it if the conference were held in Vienna in view of the fact that the transfer of the International Trade Law Branch to Vienna should be completed by that time (see A/C.6/33/4).
- 19. Most representatives spoke in favour of the Commission's decision to request the Secretary-General to prepare draft provisions concerning implementation, reservations and other final clauses for the draft Convention on Contracts for the International Sale of Goods. The view, however, was also expressed that such provisions should be drafted by the States participating in the conference and not by the Secretary-General.

- 20. Most representatives who spoke on the point supported the Commission's decision that the final clauses prepared by the Secretary-General for the draft Convention on Contracts for the International Sale of Goods should allow Contracting States to ratify or accede to part I of the draft Convention (dealing with the sphere of application and general provisions), together with either part II (dealing with rules as to the formation of contracts) or part III (containing the rules governing the obligations of buyers and sellers), if they were not ready to accept both part II and part III of the draft Convention. However, the view was also expressed that permitting ratification of parts of the draft Convention did not serve the interest of harmonizing the law governing international sales and would create uncertainty. It was stated that the final clauses should include a provision to the effect that, where both parties to the contract had their places of business in States that were parties to regional conventions that dealt with the matters covered in the draft Convention, the provisions of such regional conventions could be applied to that contract.
- 21. All the representatives found the text of the draft Convention on Contracts for the International Sale of Goods generally acceptable. A number of representatives made preliminary observations regarding the provisions of the draft Convention, while other representatives reserved the substantive comments of their Governments until the diplomatic conference.
- 22. Representatives noted favourably that the draft Convention avoided the use of legal concepts known only in certain legal systems and, in that respect, was therefore acceptable to all legal systems. It was also noted that the text of the draft Convention was adapted to the current practical requirements of international trade, that it reduced the number of cases that had to be settled by the national law of one of the parties, and represented an equitable balance between the interests of sellers and buyers. However, the view was also expressed that the draft Convention should take greater account of the particular interests of developing countries.
- 23. A number of representatives stated that the text of the draft Convention contained on some points ambiguous and unclear provisions which should be modified at the diplomatic conference. Thus, regarding the scope of the draft Convention, both the view that it might be too restrictive and the view that it might be too broad, were expressed. Questions were also raised concerning the inclusion in article 6 of the concept of "good faith"; a number of representatives stated that the concept was unclear and that an internationally acceptable definition of the term was lacking. Several representatives suggested that the principle of "fair dealing" be incorporated in article 6.
- 24. Concern was also expressed with respect to the recognition in article 8 of existing trade usages as this introduced an element of uncertainty into contractual relations and was unduly favourable to the industrialized countries which had developed these usages and were more familiar with them. Representatives also noted their reservations with regard to the compromise embodied in article 12, paragraph 1, which provided that the contract quantity and price could be "fixed implicitly"; they stated that price was one of the most important aspects of a contract and that, at the least, the cases where price could be set "implicitly" should be restricted and clarified.

## D. International payments

- 25. Many representatives noted the continuing progress of the work by the Commission's Working Group on International Negotiable Instruments in its preparation of a draft Convention on International Bills of Exchange and International Promissory Notes. The hope was expressed that the Working Group would complete its work on the draft in the near future.
- 26. Several representatives stated their support for the Commission's decision that the uniform provisions governing international bills of exchange and international promissory notes should be set forth in the form of a convention rather than in the form of a uniform law.

## E. Programme of work of the Commission

- 27. Most representatives commented favourably on the new programme of work of the Commission, and many of them noted with particular satisfaction the inclusion therein of the item "Legal implications of the new international economic order". These representatives noted that the implementation of the new international economic order was of great importance to the developing countries, that work on its legal aspects had to be undertaken expeditiously, and that the Commission was the best equipped body to do this work. Several representatives noted that the Asian-African Legal Consultative Committee had suggested that this item be included in the work programme of the Commission. Fowever, the view was also expressed that the Commission was a technical body dealing with legal issues only and that questions connected with the new international economic order were still highly political, controversial and in the process of evolution.
- 28. Several representatives expressed support for the decision of the Commission to establish a Working Group which would consider, based on preliminary studies by the Secretariat, possible issues connected with the new international economic order that the Commission might take up. Some representatives, however, expressed the view that it had been premature to establish a Working Group, in light of the Commission's practice of referring subjects to working groups only after preparatory studies by the Secretariat and a Commission decision that the subject was suitable and the preparatory work was sufficiently advanced. One representative stated that, since a decision had already been taken, his Government would reserve further comment on the creation of this Working Group until the issuance of the preliminary studies by the Secretariat.
- 29. The view was expressed that the Commission's success in meeting the objectives of its first work programme was, to a large extent, due to the fact that the work was directed to specific, concrete topics and that the Commission was concerned solely with the legal aspects of these topics. It was stated further that the Commission should continue to function as a strictly legal body focusing on specific, technical subjects which can be completed within a reasonable period of time.
- 30. During the debate in the Sixth Committee a number of subjects were suggested

by one or more representatives for possible inclusion in the new work programme of the Commission. The suggested topics included: legal rules for the protection of developing countries in the context of the operations of transnational corporations; elimination of discrimination in trade relations; questions of international public trade law; preparation of a code of international trade law; transfer of technology and a general system of preferences for developing countries. Suggestions were also made regarding the priority to be given to the subjects included in the Commission's new work programme; several representatives stated that priority should be given to work related to the new international economic order. The view was expressed that international payments and arbitration were suitable high priority topics. There was also support for giving priority to the work on international trade contracts.

## F. Training and assistance in the field of international trade law

- 31. Representatives stressed the importance which their respective States attached to the training and assistance activities of the Commission and noted the necessity that technical expertise in international trade law should become available world-wide. Representatives were agreed that symposia on international trade law organized by the Commission were very useful in giving specialized training to jurists, particularly from developing countries, and should therefore be continued. It was regretted that the second symposium, which the Commission intended to hold in connexion with its tenth session, had to be cancelled due to insufficiency of the voluntary contributions received from Covernments to defray its costs.
- 32. Many representatives expressed support for the funding of symposia organized by the Commission from the regular budget of the United Nations to the extent that voluntary contributions did not prove to be adequate to ensure attendance by the requisite minimum of participants so as to make the symposia worthwhile. The representatives of the Federal Republic of Germany and Sweden stated that their respective Governments would make voluntary contributions to meet the expenses of future symposia. The representative of the Federal Republic of Germany indicated that the contribution of his Government would be conditional upon the making of contributions by Governments of other industrialized States.
- 33. The view was also expressed that UNCITRAL symposia on international trade law should be financed exclusively from voluntary contributions. It was further suggested that voluntary contributions to the United Nations Programme of Assistance in the Teaching, Study, Dissemination and Wider Appreciation of International Law could be used for this purpose.
- 34. A number of representatives noted with appreciation the offers by Belgium and Poland of fellowships in international trade law for academic and practical studies in their respective countries. It was stated that other countries should consider offering similar fellowships for young jurists from developing countries.

### G. Other business

- 35. Representatives were agreed that the venue of the Commission's sessions should continue to be rotated annually between New York and Geneva. Once the Commission's secretariat was established in Vienna, the venue of the Commission sessions held in Europe might be changed from Geneva to Vienna.
- 36. Concerning the question of transfer from New York to Vienna of the Commission's secretariat, the International Trade Law Branch in the Office of Legal Affairs, some representatives expressed the view that the General Assembly had already decided the question by virtue of its resolution 31/194 of 22 December 1976 and that the decision of the Assembly should not be reconsidered by the Sixth Committee. Other representatives noted however the Commission's concern that the question of transfer should not have a harmful effect on the quality of its work and were of the opinion that the question was a proper one for consideration by the Sixth Committee.
- 37. Many representatives noted that the preparatory studies and research carried out by the Cormission's secretariat were highly important for the Commission's work and that the Commission's success to date was to a considerable extent attributable to the high quality of the preparatory work by its secretariat. These representatives considered it essential that the Commission's secretariat have at its disposal adequate research materials, facilities and documentation in Vienna as of the time of its transfer, and that in particular a proper legal reference library would have to be established for the use of the Commission's secretariat. The view was expressed that the timing of the transfer be reconsidered so that it would take place when the needed legal reference library and adequate research facilities were completed and available for use by the International Trade Law Branch in Vienna.
- The representative of Austria announced that his Government would contribute \$150,000 for the acquisition of books and other materials by the legal reference library to be established in Vienna for the International Trade Law Branch. He also stated that a United Nations expert would supervise this acquisition and would ensure that the facilities would be available at the time of the transfer. His Government would ensure that research material already existing in Austrian institutions would be made available to the Commission's secretariat. The Under-Secretary-General for Administration and Management outlined the steps that the Secretary-General was planning in order to facilitate the transfer. He noted in particular that the Secretary-General intended to seek the concurrence of the Advisory Committee on Administrative and Budgetary Questions in reallocating, from appropriations already voted, up to \$100,000 to supplement the Austrian Government's contribution and that the Secretary-General was also seeking authority for the establishment of a post of law librarian, with necessary clerical-secretarial support, to be in charge of the establishment and assembly of the reference library and of its management thereafter. Several representatives commented favourably on the statements by the representative of Austria and the Under Secretary-General for Administration and Management.

#### IV. DECISIONS

39. At its 62nd meeting, on 4 December, the Sixth Committee adopted by consensus draft resolution A/C.6/33/L.11 and Corr.2 (see para. 41 below, draft resolution I) and draft resolution A/C.6/33/L.12 and Corr.1 (see para. 41 below, draft resolution II).

40. With reference to draft resolution A/C.6/33/L.11 and Corr.2, an explanation of vote after the vote was made by the representative of Israel. In connexion with draft resolution A/C.6/33/L.12 and Corr.1, an explanation of vote before the vote was made by the representative of China, and explanations of vote after the vote by the representatives of Belgium, France, the Federal Republic of Germany, Israel, the Metherlands, the Union of Soviet Socialist Republics, the United Kingdom of Great Britain and Morthern Ireland and the United States of America.

## V. RECOMMENDATIONS OF THE SIXTH COMMITTEE

41. The Sixth Committee recommends to the General Assembly the adoption of the following draft resolutions:

### DRAFT RESOLUTION I

Report of the United Nations Commission on International Trade Law

The General Assembly,

Having considered the report of the United Nations Commission on International Trade Law on the work of its eleventh session, 4/

Recalling its resolution 2205 (XXI) of 17 December 1966, by which it established the United Nations Commission on International Trade Law and defined the object and terms of reference of the Commission, its resolution 3108 (XXVIII) of 12 December 1973, by which it increased the membership of the Commission, and its resolution 31/99 of 15 December 1976, by which Governments of Member States not members of the Commission were entitled to attend as observers the sessions of the Commission and its Working Groups, as well as its previous resolutions concerning the reports of the Commission on the work of its annual sessions,

Recalling also its resolutions 3201 (S-VI) and 3202 (S-VI) of 1 May 1974, 3281 (XXIX) of 12 December 1974 and 3362 (S-VII) of 16 September 1975,

Reaffirming its conviction that the progressive harmonization and unification of international trade law, in reducing or removing legal obstacles to the flow of international trade, especially those affecting the developing countries, would

<sup>4/</sup> Official Records of the General Assembly, Thirty-third Session, Supplement No. 17 (A/33/17).

significantly contribute to universal economic co-operation among all States on a basis of equality and to the elimination of discrimination in international trade and, thereby, to the well being of all peoples,

Having regard for the need to take into account the different social and legal systems in harmonizing the rules of international trade law,

Stressing the usefulness and importance of organizing symposia for promoting better knowledge and understanding of international trade law and, especially, for the training of young lawyers from developing countries in this field,

Moting with appreciation that the United Nations Commission on International Trade Law has completed, or soon will complete, work on most of the priority items included in its original programme of work, and has examined the programme of its future work,

- 1. Takes note with appreciation of the report of the United Nations Commission on International Trade Law on the work of its eleventh session;
- 2. Takes note of the successful conclusion of the United Nations Conference on the Carriage of Goods by Sea, held at Hamburg, upon the invitation of the Federal Republic of Germany, from 6 to 31 March 1978, which has resulted in the adoption of the United Hations Convention on the Carriage of Goods by Sea, 1978 (Hamburg Rules);
- 3. <u>Commends</u> the United Mations Commission on International Trade Law for the progress made in its work and for its efforts to enhance the efficiency of its working methods;
- 4. Notes with satisfaction the approval by the United Nations Commission on International Trade Law of the draft Convention on Contracts for the International Sale of Goods 5/ and endorses the Commission's decision to integrate the draft Convention on the Formation of Contracts with the draft Convention on the International Sale of Goods into a single text to be entitled "draft Convention on Contracts for the International Sale of Goods":
- 5. <u>Takes note</u> of all items in the list of subject-matters for the Commission;
- 6. Reminds the United Nations Commission on International Trade Law of its earlier call, contained in paragraph 6 of Ceneral Assembly resolution 32/145 of 16 December 1977, to take account of the relevant provisions of the resolutions adopted by the Assembly at its sixth and seventh special sessions and notes, as a response to such call, the inclusion in the proposed work programme of the item entitled "Legal implications of the new international economic order" and the decision of the Commission to establish a working group on this matter;

<sup>5/</sup> Ibid., chap. II, sect. B.

- 7. Recommends that the United Nations Commission on International Trade Law should:
  - (a) Continue its work on the topics included in its programme of work;
- (b) Continue its work on training and assistance in the field of international trade law, taking into account the special interests of the developing countries;
- (c) Maintain close collaboration with the United Nations Conference on Trade and Development and continue to collaborate with international organizations active in the field of international trade law and strengthen its efforts at co-ordinating the work of such organizations in the interest of the unification and harmonization of international trade law and to this end take such steps as may be required;
- (d) Continue to maintain liaison with the Commission on Transnational Corporations with regard to the consideration of legal problems that would be susceptible of action by the United Nations Commission on International Trade Law:
- (e) Continue to give special consideration to the interests of developing countries and to bear in mind the special problems of land-locked countries;
- (f) Keep its programme of work and working methods under review with the aim of further increasing the effectiveness of its work;
- 8. Expresses the view that the United Nations Commission on International Trade Law should continue to hold symposia on international trade law;
- 9. Appeals to all Governments and to organizations, institutions and individuals to consider making financial and other contributions that would make possible the holding of a symposium on international trade law during 1980, as envisaged by the United Nations Commission on International Trade Law, and authorizes the Secretary-General to apply towards the cost of the United Nations Commission on International Trade Law symposia, in whole or in part, as may be necessary to finance up to fifteen fellowships for participants in the said symposia, voluntary contributions to the United Nations Programme of Assistance in the Teaching, Study, Dissemination and Wider Appreciation of International Law not specifically earmarked by the contributors to some other activity within the Programme;
- 10. Expresses its confidence that the Secretary-General, in carrying out the transfer of the International Trade Law Branch to Vienna in accordance with General Assembly resolution 31/194 of 22 December 1976, will ensure that conditions and facilities exist for the proper accomplishment of its functions;
- 11. Requests the Secretary-General to forward to the United Nations Commission on International Trade Law the records of the discussion at the thirty-third session of the General Assembly on the Commission's report on the work of its eleventh session.

#### DRAFT RESOLUTION II

# United Nations Conference on Contracts for the International Sale of Goods

The General Assembly,

Recalling its resolution 2205 (XXI) of 17 December 1966 by which it established the United Nations Commission on International Trade Law and defined the object and terms of reference of the Commission,

Also recalling its resolution 32/145 of 16 December 1977 by which it deferred until its thirty—third session a decision as to the appropriate time for convening a conference of plenipotentiaries on the international sale of goods and the terms of reference of such a conference,

Having considered chapter II of the report of the United Mations Commission on International Trade Law on the work of its eleventh session, which contains the text of a draft Convention on Contracts for the International Sale of Goods. 6/

Noting that the Commission considered and adopted the draft Convention, taking note of observations and comments submitted by Governments and by international organizations,

Reaffirming its conviction that the progressive harmonization and unification of international trade law, in reducing or removing legal obstacles to the flow of international trade, especially those affecting the developing countries, would significantly contribute to universal economic co-operation among all States on a basis of equality and to the elimination of discrimination in international trade and, thereby, to the well-being of all peoples,

Convinced that the adoption of a convention on contracts for the international sale of goods which would take into account the different social, economic and legal systems of States and remove existing uncertainties and ambiguities regarding the rights and obligations of buyers and sellers, would contribute considerably to the harmonious development of international trade,

- 1. Expresses its appreciation to the United Nations Commission on International Trade Law for the valuable work done in preparing a draft Convention on Contracts for the International Sale of Goods;
- 2. Decides that an international conference of plenipotentiaries shall be convened in 1980 at the location of the International Trade Law Branch, or at any other suitable place for which the Secretary-General may receive an invitation, to consider the draft Convention on Contracts for the International Sale of Goods

 $<sup>\</sup>underline{6}/$  Official Records of the General Assembly, Thirty-third Session, Supplement No. 17 (A/33/17).

prepared by the United Mations Commission on International Trade Law and to embody the results of its work in an international convention and such other instruments as it may deem appropriate;

- 3. Also decides that the United Nations Conference on Contracts for the International Sale of Goods should consider the desirability of preparing a Protocol to the Convention on the Limitation Period in the International Sale of Goods, adopted at New York in 1974, which would harmonize the provisions of that Convention with those of the Convention on Contracts for the International Sale of Goods as it may be adopted by the Conference;
- 4. Refers to the Conference the draft Convention on Contracts for the International Sale of Goods approved by the United Nations Commission on International Trade Law, together with draft provisions concerning implementation, reservations and other final clauses to be prepared by the Secretary—General;
  - 5. Requests the Secretary-General:
- (a) To circulate the draft Convention on Contracts for the International Sale of Goods, together with a commentary and draft provisions concerning implementation, reservations and other final clauses to be prepared by the Secretary-General, to Governments and interested international organizations for comments and proposals;
- (b) To convene the Conference for a period of five weeks in 1980, with the possibility of extension for up to a further week if necessary, at any of the places mentioned in paragraph 2 above;
- (c) To arrange for the preparation of summary records of the proceedings of the plenary meetings of the Conference and of meetings of committees of the whole which the Conference may wish to establish, and for the publication of the official records of the Conference;
  - (d) To invite all States to participate in the Conference;
- (e) To invite representatives of organizations that have received a standing invitation from the General Assembly to participate in the sessions and the work of all international conferences convened under its auspices in the capacity of observers, to participate in the Conference in that capacity in accordance with Assembly resolutions 3237 (XXIX) of 22 November 1974 and 31/152 of 20 December 1976;
- (f) To invite representatives of the national liberation movements recognized in its region by the Organization of African Unity to participate in the Conference in the capacity of observers in accordance with General Assembly resolution 3280 (XXIX) of 10 December 1974;
  - (g) To invite the United Mations Council for Mamibia to participate in the

Conference in accordance with paragraph 3 of General Assembly resolution 32/9  $\rm E$  of 4 Movember 1977;

- (h) To invite the specialized agencies, the International Atomic Energy Agency as well as interested organs of the United Nations and interested international organizations to be represented at the Conference by observers;
- (i) To draw the attention of the States and other participants referred to in subparagraphs (d) to (h) above to the desirability of appointing among their representatives persons specially competent in the field to be considered;
  - (j) To place before the Conference:
  - (i) All comments and proposals received from Governments and interested international organizations;
  - (ii) An analytical compilation of such comments and proposals prepared by the Secretary-General;
  - (iii) Draft provisions concerning implementation, reservations, other final clauses;
  - (iv) All relevant documentation and recommendations relating to methods of work and procedure  $\boldsymbol{\beta}$
  - (k) To arrange for adequate staff and facilities for the Conference;
- (1) To ensure that the necessary arrangements are made for the effective participation in the Conference of the representatives referred to in subparagraphs (e) and (f) above, including the requisite financial provisions for their travel expenses and per diem;
- 6. Decides that the languages of the Conference shall be those used in the General Assembly and its Main Committees.