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

Report of the Sixth Committee

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I. INTRODUCTION

1. At its 4th plenary meeting, on 24 September 1976, the General Assembly decided to include in the agenda of its thirty-first session the item entitled "Report of the United Nations Commission on International Trade Law on the work of its ninth session" and to allocate it to the Sixth Committee.

2. The Sixth Committee considered this item at its 32nd to 41st meetings, from 29 October to 11 November, and at its 68th meeting, on 9 December.

3. At the 32nd meeting, on 29 October, Mr. L. H. Khoo (Singapore), Chairman of the United Nations Commission on International Trade Law at its ninth session, introduced the Commission's report on the work of that session. 1/ The Sixth Committee also had before it a note by the Secretary-General (A/C.6/31/5 and Add.1) setting forth the comments on the Commission's report by the Trade and Development Board of the United Nations Conference on Trade and Development.

4. At the 68th meeting, on 9 December, 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 108 should include a summary of the main trends of opinion that were expressed during the debate.

II. PROPOSALS

5. At the 68th meeting, on 9 December, three draft resolutions were introduced on the item. Two of these (A/C.6/31/L.13 and A/C.6/31/L.14 and Corr.1) were introduced by the representative of the Philippines on behalf of the respective sponsoring delegations. The sponsors of draft resolution A/C.6/31/L.13 were Australia, Austria, the Netherlands, Nigeria, the Philippines, Singapore, Sri Lanka, Sweden, the United Kingdom of Great Britain and Northern Ireland and the United States of America, later joined by Finland, France, Greece, Indonesia, Italy and Japan. The sponsors of draft resolution A/C.6/31/L.14 were Austria, Czechoslovakia, Nigeria, the Philippines, Singapore, Sri Lanka and Yugoslavia, later joined by Finland, Indonesia and Kenya. The third draft resolution (A/C.6/31/L.17/Rev.1) was introduced by the representative of Sri Lanka on behalf of

1/ Official Records of the General Assembly, Thirty-first Session, Supplement No. 17 (A/31/17). 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).

Australia, Austria, Guyana, Iran, Mexico, Nigeria, Pakistan, Paraguay, the Philippines, Singapore, Sri Lanka, Trinidad and Tobago and Tunisia, later joined by Finland and Kenya.

III. DEBATE

6. The major 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 ninth session ^{2/} are summarized in sections A to K below. Sections A and B deal with general observations on the role and functions of the Commission and on its working methods, while sections C to K are devoted to the Committee's discussion on the specific topics considered by the Commission at its ninth session, as follows: international sale of goods (sect. C); international payments (sect. D); international legislation on shipping (sect. E); international commercial arbitration (sect. F); multinational enterprises (sect. G); liability for damage caused by products intended for or involved in international trade (sect. H); training and assistance in the field of international trade law (sect. I); future work (sect. J); and other business (sect. K).

A. General observations

7. Representatives were unanimous in stressing the importance of the Commission's work. It was the general view that the unification, harmonization and progressive development of international trade law serves to promote not only the development of equitable commercial and economic relations between developing and developed countries and between countries with differing social and economic systems but also the orderly growth of international trade. It was further observed by some representatives that since international commercial relations themselves play an important role in world peace and stability, any activity, such as UNCITRAL's work, which facilitates those relations cannot but itself contribute to such peace and stability.

8. Representatives were also unanimous in expressing their delegations' satisfaction with the progress made by the Commission and by its Working Groups in carrying out the Commission's work programme and commended especially the work done in producing the draft Convention on the Carriage of Goods by Sea and the UNCITRAL Arbitration Rules.

9. Many representatives urged the Commission to take account in its future work of the special needs of developing countries and also of the General Assembly resolutions regarding the establishment of a new international economic order.

^{2/} Official Records of the General Assembly, Thirty-first Session, Supplement No. 17 (A/31/17).

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

10. All representatives who touched on the matter commented favourably on the working methods followed by the Commission. Representatives noted particularly with approval the procedure whereby the Commission circulates draft legal texts prepared by its Working Groups to Governments and to interested international organizations for comment before adopting a final (draft) text. It was the general view that this practice enable the Commission to benefit from the broadest range of views in its preparation of texts.

11. Also commended by representatives was the Commission's practice, through its secretariat, of consulting and collaborating with other United Nations bodies and with intergovernmental organizations and international and regional non-governmental organizations which are engaged in work on topics of interest to the Commission. Representatives expressed the hope that the Commission would continue this very worthwhile practice.

12. A number of representatives recalled favourably the fact that it was the practice of the Commission and its Working Groups to proceed by consensus and to vote only if no consensus could be reached. In commending this decision-making process, several representatives stressed that it ensured that the uniform rules derived from the Commission's work would be generally acceptable.

C. International sale of goods

13. Many representatives stressed the importance to international trade of the law governing international sales and consequently the value of the work undertaken by the Commission's Working Group on the International Sale of Goods in revising the 1964 Hague Uniform Law on the International Sale of Goods (ULIS). Representatives expressed their satisfaction with the progress made in that regard, noting especially the fact that the Working Group had been able to complete work on a text of a draft convention which would be given final consideration by the Commission at its tenth session.

14. As regards the draft text itself, many representatives, though reserving their delegations' final position pending detailed study of its provisions, offered their preliminary assessment that the draft represented an improvement in many respects on the present ULIS. It was, however, also observed by some delegates that there were still some unresolved questions with regard to certain provisions of the draft text, while other delegates expressed some reservations on certain other provisions as they now stood. The general expectation was voiced nevertheless that these problems would be resolved when the Commission considered the draft text at its tenth session.

15. Many representatives welcomed the decision by the Commission to commence work on uniform rules on the formation and validity of contracts for the international sale of goods. Although a number of representatives expressed the

view that ideally the rules on formation and validity along with the revised ULIS should form part of a single sales convention, most representatives who addressed the issue thought that such an approach might cause great delay in adopting a convention and accordingly favoured the approach under which these two matters were to be treated separately and at different conferences of plenipotentiaries.

D. International payments

16. Several representatives noted that once the uniform law on international bills of exchange and international promissory notes being prepared by the Working Group on International Negotiable Instruments became part of the law of international trade it would represent a major contribution to international commercial transactions.

17. Some representatives expressed the hope that the Working Group would before long take up work on international cheques. Attention was also drawn to the need for the Working Group to maintain flexibility in its approach to the problems of international payments so as to take full account of continuing developments in this field, particularly those relating to electronic methods of data transmission and fund transfers.

E. International legislation on shipping

18. Representatives were unanimous in commending the work of the Commission and of its Working Group on International Legislation on Shipping in producing a draft Convention on the Carriage of Goods by Sea designed to replace the 1924 Brussels Convention on Bills of Lading and the 1968 Brussels Protocol thereto. All representatives who spoke favoured the convening at an early date of a conference of plenipotentiaries to conclude a new convention on the basis of the draft convention, though some emphasized that Governments ought to be given sufficient time to first study the text of the draft.

19. While reserving for a later period their final position on the substance of the provisions embodied in the draft convention, many representatives none the less expressed their preliminary views on the matter. Most representatives saw the draft convention as a significant improvement on the regulatory régime established by the Brussels Convention and the Brussels Protocol. It was noted in particular that the new draft reflected more accurately technological developments in modern maritime transport and would create a more equitable balance between the interests of the carrier, on the one hand, and those of the cargo-owner, on the other.

20. Other aspects of the new draft which received favourable notice by representatives were the provision on scope of application, which contemplates a convention of much wider scope than the Brussels Convention, the provisions relating to liability for delay, the limitation (prescription) provision and the provisions on jurisdiction (article 21), which permit the bringing of action in one of a number of alternative jurisdictions.

21. Several representatives expressed reservations with regard to the provision on liability for loss caused by fire (article 5 (4)). It was the view of these representatives that the burden in such a case to prove the carrier's fault or neglect should not be on the claimant, as this would be far too difficult, and often impossible; rather, as was the case with loss from other causes, it should be for the carrier to show that he had not been at fault or otherwise negligent. A number of representatives pointed out, however, that article 5 as a whole had been the subject of long and arduous debate within the Commission and its Working Group and that the present draft should, therefore, be seen as a necessary compromise between the interests otherwise at conflict with respect to the matter therein regulated. The fear was further expressed that some of the changes proposed might have an adverse effect on freight and other costs.

22. Some representatives pointed out the problems of State sovereignty raised by State-owned commercial vessels in the context especially of the acquisition of jurisdiction over such vessels by a foreign court through legal arrest, as contemplated in article 21, paragraph 2 (a) of the draft Convention. A number of representatives also expressed their delegations' preferences with regard to the contents of article 6 (limitation of carrier's liability) and of the Final Clauses. The prevailing sentiment among representatives, however, was that these questions were best left for resolution at the Conference of Plenipotentiaries.

23. In welcoming the work done so far on shipping legislation, representatives of developing countries noted that most of the carrying capacity in maritime transport was controlled by developed countries and that it was therefore desirable to ensure that the economic interests of developing countries would be duly taken into account in any convention on the carriage of goods by sea. Accordingly, these representatives stressed the need to look beyond the legal aspects of the carriage of goods by sea to its economic and shipping trade aspects.

24. Several representatives commented on the valuable contribution made by the United Nations Conference on Trade and Development (UNCTAD) to the work on shipping legislation and expressed the hope that the collaboration which existed between the Commission's secretariat and the secretariat of UNCTAD would extend to secretariat services at the Conference of Plenipotentiaries.

F. International commercial arbitration

25. Stressing the crucial role played by arbitration in the settlement of disputes arising in international commerce, representatives generally welcomed the issuance of the UNCITRAL Arbitration Rules. The Rules, it was stated, would not only facilitate ad hoc commercial arbitration for parties who choose them, but would by the mere fact of existence as UNCITRAL rules encourage resort to arbitral proceedings in the resolution of commercial disputes.

26. Representatives uniformly associated themselves with the Commission's decision to invite the General Assembly to recommend the use of the UNCITRAL Arbitration Rules in the settlement of disputes arising in the context of international

commercial relations, particularly by reference to the UNCITRAL Arbitration Rules in an arbitration clause in commercial contracts.

27. Commenting on the UNCITRAL Arbitration Rules themselves, many delegates expressed satisfaction with their optional character. It was noted with approval that the Rules had been produced by the Commission, not in the usual form of a draft convention, but in the much simpler and less costly form of model rules for parties, requiring no international convention or national legislative enactment. It was suggested that this was a method which the Commission might possibly wish to employ with respect to its future projects, whenever appropriate.

28. The view was expressed that it might have been advisable for the Commission to have consulted Governments before final formulation of the UNCITRAL Arbitration Rules inasmuch as Governments themselves often were parties to commercial arbitration. It was pointed out, however, that the Rules though intended merely for optional use by parties, had been formulated only after extensive consultations with the regional commissions and with centres of international commercial arbitration. It was also observed that the Rules had been considered at the seventeenth session of the Asian-African Legal Consultative Committee, held at Kuala Lumpur from 30 June to 5 July 1976, at which the decision was taken to recommend the use of the UNCITRAL Arbitration Rules in the settlement of disputes arising in the context of international commercial relations. 3/

29. It was recalled that the Asian-African Legal Consultative Committee had noted the absence of major centres of arbitration in developing countries and the hope was expressed that Governments and commercial interests would assist in the establishment of regional centres of arbitration in developing countries.

30. A number of representatives, noting that the UNCITRAL Arbitration Rules are intended for use in ad hoc arbitration only, expressed the hope that even arbitral institutions might find them useful.

G. Multinational enterprises

31. Many representatives, drawing attention to the impact of the activities of multinational enterprises on the economy of their host countries, particularly developing countries, stressed the need for international regulation of such activities. It was noted that the Commission could play an important role in this connexion.

32. Most representatives who spoke on this subject recalled favourably the Commission's decision taken at its eighth session to maintain the subject of multinational enterprises on its agenda. Some representatives suggested that the Commission should take the initiative in embarking on work on this subject. Others, however, pointed out the difficulties which could be created by such a

3/ That decision is reproduced as an annex to document A/CN.9/127.

step inasmuch as the Commission on Transnational Corporations had been created specifically to deal with these matters.

33. Some representatives noted that the Commission had already communicated to the Commission on Transnational Corporations its readiness to consider any issues of a legal nature that the latter might wish to refer to it, and urged collaboration between the two Commissions.

H. Liability for damage caused by products intended for or involved in international trade

34. Several representatives commented favourably on the Commission's decision to explore the desirability and feasibility of elaborating uniform rules on this subject applicable on a global level. It was noted in this connexion that the Commission expected to have before it at its tenth session a report of the Secretary-General which should aid it in its decision as to a future course of action.

35. Several representatives drew attention to a number of regional unification schemes already in progress in parts of the world and stressed the urgency of action on a global level which, according to some, was the preferred solution.

I. Training and assistance in the field of international trade law

36. The Committee was unanimous in stressing the great importance of this aspect of the Commission's work. It was observed that the Commission's training and assistance programme was not only a good way of publicizing its work and generating world-wide interest in the field of international trade law, but had also the important objective of helping to create expertise in the field globally. For this reason, it was further observed, the Commission's training and assistance activities were an essential complement to its work of elaborating uniform rules inasmuch as such rules could only be effectively implemented world-wide if there were available in each State persons who were familiar with the rules.

37. Many representatives commented favourably on specific aspects of the Commission's training and assistance programme during the past year. Appreciation was expressed, especially by representatives of developing countries, to Governments which had contributed materially towards that programme.

38. A number of delegates noted with appreciation the arrangement whereby the United Nations Institute for Training and Research (UNITAR) had agreed to include, whenever feasible, the subject of international trade law in the curriculum of its regional seminars in international law. It was urged in this connexion that this UNITAR programme be extended to all parts of the world.

39. Unanimous support was expressed for the projected Second UNCITRAL Symposium on International Trade Law scheduled to take place in 1977 in connexion with the

Commission's tenth session. Noting that lack of sufficient funds was threatening cancellation of the symposium, many representatives thanked those Governments which had already made or pledged voluntary contributions towards sponsoring candidates from developing countries and urged other Governments in a position to do so to give financial support to this cause.

40. The suggestion was made that consideration should be given to financing the Commission's training and assistance programme, of such importance to developing countries, out of the regular budget of the United Nations rather than to continue relying on voluntary contributions whose availability could not be assured.

41. The representative of Belgium, discussing the Commission's programme of training and assistance in the field of international trade law, announced that his Government planned to renew for 1977 its two fellowships in international trade law tenable at an institution of higher learning in that country.

J. Future work

42. Most representatives, noting with satisfaction the fact that the Commission had completed or soon would complete work on the items on its priority list of projects and was in the process of reviewing its long-term programmes, stressed the importance of such long-term planning.

43. Representatives also commended the Commission's efforts to solicit suggestions from Governments and interested international organizations with regard to its long-term work programme and urged Governments to come forward with their views.

44. A number of suggestions were made by representatives as to items for possible inclusion in the Commission's work programme. Among these were measures to implement the principles of the new international economic order in the field of international trade law and measures designed to give greater protection to the interests of developing countries in international trade; the problems, when States or State organs engage in commercial activities, of distinguishing between the State as a trading entity and the State as a sovereign entity; legal aspects of multimodal transportation; and contracts for various forms of economic relations other than sales contracts.

45. There was general satisfaction with the agenda and arrangements for the tenth session of the Commission. Representatives noted with appreciation that the tenth session of the Commission would be held in Vienna, at the invitation of the Government of Austria, and thanked that Government for its hospitality.

K. Other business

46. Representatives who spoke unanimously endorsed the Commission's recommendation that States Members of the United Nations, but not members of the Commission, be allowed, where they so request, to attend meetings of the Commission and its Working Groups as observers.

47. Representatives also expressed support for the Commission's recommendation, contained in paragraph 76 of its report, regarding the commencement and expiration of the term of office of members of the Commission.

IV. DECISION

48. At its 68th meeting, on 9 December, the Sixth Committee adopted by consensus draft resolutions A/C.6/31/L.13, A/C.6/31/L.14 and Corr.1 and A/C.6/31/L.17/Rev.1 (see para. 49 below, draft resolutions I, II and III).

V. RECOMMENDATIONS OF THE SIXTH COMMITTEE

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

DRAFT RESOLUTION I

Arbitration Rules of the United Nations Commission on International Trade Law

The General Assembly,

Recognizing the value of arbitration as a method of settling disputes arising in the context of international commercial relations,

Being convinced that the establishment of rules for ad hoc arbitration that are acceptable in countries with different legal, social and economic systems would significantly contribute to the development of harmonious international economic relations,

Bearing in mind that the Arbitration Rules of the United Nations Commission on International Trade Law have been prepared after extensive consultation with arbitral institutions and centres of international commercial arbitration,

Noting that the Arbitration Rules were adopted by the United Nations Commission on International Trade Law at its ninth session 4/ after due deliberation,

1. Recommends the use of the Arbitration Rules of the United Nations Commission on International Trade Law in the settlement of disputes arising in the context of international commercial relations, particularly by reference to the Arbitration Rules in commercial contracts;

2. Requests the Secretary-General to arrange for the widest possible distribution of the Arbitration Rules.

4/ Official Records of the General Assembly, Thirty-first Session, Supplement No. 17 (A/31/17), chap. V, sect. C.

DRAFT RESOLUTION II

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 ninth session, 5/

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, and its resolution 3108 (XXVIII) of 12 December 1973, by which it increased the membership of the Commission, 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 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,

Noting with appreciation that the United Nations Commission on International Trade Law has completed, or soon will complete, work on many of the priority items included in its programme of work,

Noting further that, under resolutions 2205 (XXI) and 3108 (XXVIII), a State elected as a member of the United Nations Commission on International Trade Law takes office on 1 January of the year following its election, and that its term of office expires on 31 December of the last year of the period for which it was elected,

Bearing in mind that much of the substantive work of the United Nations Commission on International Trade Law is carried out in its Working Groups which usually meet during the months of January and February prior to the regular annual session of the Commission, and that inconvenience is caused to the work of the Commission because vacancies occurring in the membership of Working Groups as at 31 December cannot be filled till the next regular annual session of the Commission,

5/ Official Records of the General Assembly, Thirty-first Session, Supplement No. 17 (A/31/17).

Taking into account the fact that Governments of Member States which are not members of the United Nations Commission on International Trade Law have on occasion expressed the wish to attend sessions of the Commission and of its Working Groups as observers and the opinion of the Commission expressed in paragraph 74 of its report on the work of its ninth session that it is in the interest of the Commission's work that such States, not members of the Commission, be given the opportunity to participate in its work as observers,

Bearing in mind that the Trade and Development Board of the United Nations Conference on Trade and Development, at its sixteenth session, took note with appreciation of the report of the United Nations Commission on International Trade Law, 6/

1. Takes note with appreciation of the report of the United Nations Commission on International Trade Law on the work of its ninth session;
2. Commends the United Nations Commission on International Trade Law for the progress made in its work and for its efforts to enhance the efficiency of its working methods;
3. Notes with satisfaction the completion of the draft Convention on the Carriage of Goods by Sea, 7/ and the adoption by the Commission of the Arbitration Rules of the United Nations Commission on International Trade Law;
4. Further notes with satisfaction that a draft convention on the international sale of goods has been prepared by a working group of the United Nations Commission on International Trade Law and that this draft convention has been transmitted to Governments and interested international organizations for their comments;
5. Welcomes the decision of the United Nations Commission on International Trade Law to hold a second international symposium on international trade law in connexion with its tenth session in 1977 and, in view of the fact that the symposium is financed by voluntary contributions, appeals to Governments to contribute to the costs of the symposium;
6. 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;

6/ A/31/15, vol. II (TD/B/637), para. 268.

7/ Official Records of the General Assembly, Thirty-first Session, Supplement No. 17 (A/31/17), chap. IV, sect. C.

(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;

(d) Maintain liaison with the Commission on Transnational Corporations with regard to the consideration of legal problems that would be susceptible of action by it;

(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;

7. Calls upon the United Nations Commission on International Trade Law to continue to take account of the relevant provisions of the resolutions of the sixth and seventh special sessions of the General Assembly that laid down the foundations of the new international economic order, bearing in mind the need for United Nations organs to participate in the implementation of those resolutions;

8. Invites the Commission on Transnational Corporations, if it identifies specific legal issues in its programme of work that would be susceptible to action by the United Nations Commission on International Trade Law, to refer such issues to the United Nations Commission on International Trade Law for its consideration;

9. Welcomes the decision of the United Nations Commission on International Trade Law to review, in the near future, its long-term programme and, in this connexion, requests the Secretary-General to invite Governments to submit their views and suggestions on such a programme;

10. Decides that:

(a) The term of office of those members of the United Nations Commission on International Trade Law whose term would expire on 31 December 1976 is extended till the last day prior to the beginning of the regular annual session of the Commission in 1977 and the term of office of those members of the Commission whose term would expire on 31 December 1979 is extended till the last day prior to the beginning of the regular annual session of the Commission in 1980;

(b) Commencing with the elections to membership of the United Nations Commission on International Trade Law at the thirty-first session of the General Assembly, all States elected to membership shall take office at the beginning of the first day of the regular annual session of the Commission immediately following their election and their terms of office shall expire on the last day prior to the opening of the seventh regular annual session of the Commission following their election;

(c) Governments of Member States that are not members of the United Nations Commission on International Trade Law are entitled, where they so request, to attend the sessions of the Commission and its Working Groups as observers;

11. Requests the Secretary-General to forward to the United Nations Commission on International Trade Law the records of the discussions at the thirty-first session of the General Assembly on the report of the Commission on the work of its ninth session.

DRAFT RESOLUTION III

United Nations Conference on the Carriage of Goods by Sea

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,

Having considered chapter IV of the report of the United Nations Commission on International Trade Law on its ninth session 8/ which contains draft articles for a convention on the carriage of goods by sea,

Noting that the United Nations Commission on International Trade Law considered and adopted the draft articles taking note of observations and comments submitted by Governments, by the Working Group on International Shipping Legislation of the United Nations Conference on Trade and Development and by international organizations,

Taking note with appreciation of the comments of the Trade and Development Board of the United Nations Conference on Trade and Development that the revision of the law on Carriage of Goods by Sea involves consideration, not only of legal but also of economic and shipping trade aspects, and that these aspects be given due consideration at the Conference,

Being convinced that international trade is an important factor in the promotion of friendly relations among States and that the adoption of a convention on the carriage of goods by sea which would take into account the legitimate interests of all States, particularly those of the developing countries, which would remove such uncertainties and ambiguities as exist in the rules and practices relating to bills of lading and which would establish a balanced allocation of risks between the cargo owner and the carrier, would contribute 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 having prepared draft articles for a convention on the carriage of goods by sea;

2. Decides that an international conference of plenipotentiaries shall be

8/ Ibid., Supplement No. 17 (A/31/17).

convened in 1978 in New York, or at any other suitable place for which the Secretary-General may receive an invitation, to consider the question of the carriage of goods by sea and to embody the results of its work in an international convention and such other instruments as it may deem appropriate;

3. Refers to the conference the draft articles for a convention on the carriage of goods by sea 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;

4. Requests the Secretary-General:

(a) To circulate the draft Convention on the Carriage of Goods by Sea together with 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 United Nations Conference on the Carriage of Goods by Sea for an appropriate period in 1978 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;

(d) To invite all States to participate in the United Nations Conference on the Carriage of Goods by Sea;

(e) To invite representatives of organizations which 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, in accordance with General Assembly resolution 3237 (XXIX) of 22 November 1974;

(f) To invite representatives of national liberation movements recognized in its region by the Organization of African Unity, in the capacity of observers, in accordance with General Assembly resolution 3280 (XXIX) of 10 December 1974;

(g) To invite the specialized agencies, the International Atomic Energy Agency as well as interested organs of the United Nations and interested regional intergovernmental organizations to be represented at the Conference by observers;

(h) To draw the attention of the States and other participants referred to in subparagraphs (d) and (g) above to the desirability of appointing as their representatives persons specially competent in the field to be considered;

(i) To place before the Conference:

- (i) All comments and proposals received from Governments;
- (ii) Working and background papers which may be received from the United Nations Commission on International Trade Law, the United Nations Conference on Trade and Development and other interested international organizations, taking into consideration the legal, economic and shipping trade aspects of the draft Convention;
- (iii) Draft provisions concerning implementation, reservations, other final clauses and all relevant documentation and recommendations relating to methods of work and procedure;
- (j) To ensure that all relevant documentation for the Conference will be distributed to all participants in the Conference at the earliest possible date;
- (k) To arrange for adequate staff and facilities required for the Conference bearing in mind the fact that the legal, economic and shipping trade aspects of the carriage of goods by sea should receive due consideration at the Conference.
