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Chair: Mr. Manongi. (United Republic of Tanzania)

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The meeting was called to order at 10.05 a.m.

Agenda item 82: The rule of law at the national and international levels (*continued*) (A/69/181 and A/68/213/Add.1)

1. **Mr. Alzahravi** (Saudi Arabia) said that his Government was committed to the rule of law, which was the essential basis for human rights, peace and security and should be implemented in a manner consistent with the Charter of the United Nations. The laws of Saudi Arabia were based on the tenets of the Islamic sharia and the principles of shura, justice, equality and dignity, and the human rights of all without discrimination of any kind.

2. The diversity of legal traditions around the world demonstrated that there was no agreed definition of the rule of law. Therefore, the Organization's data collection activities should not lead to unilaterally determined indicators of the rule of law or classify States on that basis. Any such indicators must be discussed and agreed upon by Member States in full transparency. All States must also have equal opportunities to participate in the drafting of international law and should fulfil their treaty obligations and other commitments under customary international law. The selective application of international law should be avoided.

3. Saudi Arabia strove for peace and rejected practices that perpetuated oppression and injustice. It also condemned terrorism in all its forms and manifestations and opposed the unfair and slanderous identification of Islam with terrorism. The non-use of force or the threat of the use of force was the cornerstone of the rule of law at the international level. Saudi Arabia also encouraged States to make use of the mechanisms for the peaceful settlement of disputes established under international law, including the International Court of Justice, the International Tribunal for the Law of the Sea and international arbitration.

4. The application of unilateral measures had a negative impact on the rule of law and international relations. No country or group of countries had the right to deprive others of their legal rights for political reasons. The international community could not replace local authorities in the establishment or promotion of the rule of law at the national level; its role should be confined to providing support at the request of individual countries. International cooperation in that

regard should be based on common responsibility and should be consistent with international law.

5. **Ms. Randrianarivony** (Madagascar) said that the rule of law was a continuous process. The 2005 World Summit Outcome had stated that human rights, the rule of law and democracy were interlinked and mutually reinforcing and that they were core values of the United Nations. The promotion of the rule of law at the national and international levels, together with justice and good governance, should guide the actions of Member States. The high-level meeting on the rule of law held in September 2012 had emphasized the importance of democratic governance and respect for human rights; Governments were responsible for fulfilling their commitments in that regard.

6. Respect for the rule of law and effective human rights protection were vital for sustainable peace. In the newly established Fourth Republic, her Government had adopted a general State policy focused on governance and democracy, whose main objective was to establish sustainable development based on inclusive growth by restoring the rule of law and citizens' trust in the State, fighting corruption, trafficking and money-laundering, and reviving the economy.

7. As part of its efforts to strengthen the rule of law, her Government had taken steps to implement the provision of the Constitution that guaranteed the right of all to justice, irrespective of their financial means, and to ensure that the justice system was impartial, transparent and effective. Under a decree adopted in 2009, legal assistance offices were being set up in the country's courts of first instance, while legal information kiosks established both in those courts and in the appeal courts were not only helping improve access to justice but were also serving as a means of combating corrupt practices. Lastly, legal clinics were being set up, with the involvement of non-governmental organizations (NGOs), to disseminate information about rights, including human rights instruments, and to provide community dispute resolution through advice or conciliation.

8. **Mr. Absoul** (Jordan) said that his Government attached great importance to the exchange of national practices with regard to strengthening the rule of law through access to justice. It was right to draw a link between the rule of law and the three pillars of the United Nations system: peace and security, human rights and development.

9. His delegation appreciated the efforts of the International Law Commission to codify a framework for the rule of law. It also supported all activities to promote the rule of law at the international level through the peaceful settlement of disputes and the rule of international tribunals. Jordan had ratified at an early stage the Rome Statute governing the International Criminal Court, which had facilitated its entry into force. Efforts to promote the rule of law should include all countries and international organizations, taking into account cultural differences and the special circumstances of individual countries while respecting the principle of sovereign equality and avoiding politicization.

10. Jordan had long been implementing ambitious programmes to promote the rule of law at the national level as part of comprehensive reforms that included the establishment of new institutions such as an ombudsman's office, a committee for the promotion of integrity, the National Council for Human Rights and the Supreme Constitutional Court. Those reforms were aimed at facilitating access to justice by Jordanian citizens, guaranteeing their basic rights and promoting equality. The 2013 plan for the promotion of the national integrity system included the strengthening of the Audit Office and measures to prevent corruption. In 2007 the Government had developed a strategy to promote the integrity and stability of the justice system, which had increased the public's confidence in the system, improved the administration of justice through the use of electronic resources, enhanced judges' expertise and promoted links between partners in the litigation process. Steps were also being taken to reform the system of oversight through the assessment of judges' performance carried out by specially trained inspectors.

11. **Archbishop Auza** (Observer for the Holy See) said that his delegation had welcomed the endorsement of the rule of law set out in the Declaration of the High-level Meeting of the General Assembly on the Rule of Law at the National and International Levels. Despite the apparently universal commitment to the rule of law, disagreement about the definition of the term persisted. His delegation had endorsed a definition that was based on recognition of the inalienable dignity of the human person through fundamental elements of justice such as respect for the principle of legality, the presumption of innocence and the right to due process. In relations among States, the

rule of law meant respect for human rights and the equal rights of nations and compliance with customary international law, treaties and other sources of international law. That definition anchored the rule of law within the ultimate goal of all law, which was to guarantee the dignity of the human person and promote the common good.

12. His delegation would welcome increased attention, in the Committee's future debates on the rule of law, to the human person and society, because the rule of law depended not only on law enforcement infrastructure but also on social trust, solidarity, civic responsibility, good governance and moral education. The family, religious communities and civil society had a vital role to play in that regard. The allocation of public resources to integral human development should also be prioritized.

13. The Charter of the United Nations stood at the centre of the international framework governing the rule of law and established the obligation of States to promote universal respect for human rights and fundamental freedoms. All persons, in particular religious and ethnic minorities in the Middle East and other regions, must have equal recourse to the protections enshrined in the Charter through, inter alia, further elaboration of the responsibility to protect. Every State had the primary duty to protect its own population from grave and sustained violations of human rights and the consequences of humanitarian crises; if a State was unable to do so, the international community must intervene pursuant to the Charter and other international instruments. Provided that such action respected the principles underpinning the international order, it could not be interpreted as an unwarranted imposition or an infringement of sovereignty. His delegation also hoped that the recent alarming escalation of international terrorism would occasion a deeper study of how to reinforce the implementation of the common responsibility to protect people from all forms of unjust aggression.

14. **Mr. Civili** (Observer for the International Development Law Organization) said that the International Development Law Organization (IDLO) had organized various round tables and workshops in 2014 with the support of several Governments, including those of Italy, Finland, the United Republic of Tanzania, Mexico and Afghanistan, on subjects such as the rule of law as a driver of economic opportunities, the threat of growing inequalities,

women's participation in the justice sector and the idea of "doing justice to sustainable development". It had also issued publications in some of those areas. In addition, the Director-General of IDLO had been invited to address the High-level Event of the General Assembly on the Contributions of Human Rights and the Rule of Law in the Post-2015 Development Agenda held in June 2014 and the Ministerial Dialogue of the High-Level Political Forum on Sustainable Development convened under the auspices of the Economic and Social Council in July 2014. IDLO had also been represented at the recent session of the United Nations Commission on International Trade Law (UNCITRAL) and had supported its host country, Italy, in the organization of an event at the Food and Agriculture Organization of the United Nations (FAO), "Achieving a transformative post-2015 development agenda: the contribution of the rule of law to equity and sustainability".

15. The policy advocacy of IDLO at such events was geared towards providing evidence, particularly from its technical cooperation work, of how advances in the rule of law at the national and international levels could contribute to the three pillars of sustainable development defined by the Rio Conference: economic growth, social development and environmental protection. IDLO also emphasized the importance of national ownership and the equal value of different legal systems, including traditional systems, consistent with human rights standards. IDLO was encouraged by the extent to which key elements of the rule of law, such as equal access to justice for all; the development of effective, accountable and transparent institutions; the provision of legal identity to all; and the promotion and enforcement of non-discriminatory laws and policies, were being seen within the United Nations as key elements of the drive for sustainable development. It also welcomed the selection of the subtopic "Sharing States' national practices in strengthening the rule of law through access to justice" for the Committee's current deliberations.

16. One of the main pillars of the IDLO work programme was the provision of support to States in furthering access to justice through grass-roots legal empowerment and capacity-building in the justice sector. Activities in that area focused on raising awareness of rights; promoting gender equality and upholding the rights of women and girls, including land rights; expanding legal services for poor and marginalized communities; and using the law to

advance the right to health. In Afghanistan, IDLO had helped to set up eight units to investigate and prosecute crimes of violence against women, which had registered 4,800 cases to date. The Government planned to open several more such units.

17. In all its activities, IDLO supported national policies and operated within the framework of international policy guidelines developed by the relevant United Nations institutions; whenever possible, it collaborated directly with those institutions. His delegation was pleased to note that many delegations had highlighted the priority accorded in government policies to reinforcing access to justice and had called for greater international assistance and exchange of experiences in that area. IDLO stood ready to contribute to such efforts.

18. The programme portfolio of IDLO had expanded rapidly since 2012 and was currently worth 80 million euros. IDLO would strive to maintain that level of activity for the remaining two years of its four-year strategy, both by consolidating its well-established post-conflict operations in Afghanistan, East Africa and Central Asia and by building a portfolio that was more balanced in terms of programme countries and thematic areas. Major priorities for 2015 would be programme development, aided by a generous contribution from the Netherlands and the establishment of a new branch office in The Hague, and increased efforts to support dialogue at the national, regional and global levels and build awareness of the rule of law and ways of maximizing its contribution to peace and sustainable development.

19. IDLO was in a healthy financial situation overall, but it continued to rely on a small number of donor countries, led by Italy and the Netherlands. It hoped that its performance record would lead to a broadening of its donor base. IDLO continued to widen its membership and to expand its engagement with both members and non-members. It looked forward to the Committee's further guidance in orienting its rule of law activities and strengthening its partnerships with the United Nations and the wider international community.

Agenda item 76: Report of the United Nations Commission on International Trade Law on the work of its forty-seventh session (A/69/17)

20. **Mr. Hahn** Choonghee (Republic of Korea), Chair of the United Nations Commission on International

Trade Law (UNCITRAL), introducing the Commission's report on the work of its forty-seventh session (A/69/17), said that the main achievement of the session had been the finalization and approval of a draft convention on transparency in treaty-based investor-State arbitration, which was being submitted to the General Assembly for adoption. In 2013 the Commission had adopted the UNCITRAL Rules on Transparency in Treaty-based Investor-State Arbitration, which were innovative in balancing the public interest in an arbitration involving a State with the interest of disputing parties in a fair and efficient resolution of their dispute. However, the Rules on Transparency applied, in principle, to the settlement of disputes arising under investment treaties concluded after 1 April 2014. The Commission had therefore decided to prepare a convention that would allow the Rules to apply to arbitrations arising under almost 3,000 investment treaties concluded before that date. The draft convention would give those States that wished to make the Rules applicable to their treaties an efficient and flexible mechanism to do so, without creating any expectation that other States would use it. It thus constituted a powerful instrument for enhancing transparency in investor-State dispute settlement in those States that chose to use it. During the Commission's session, the Government of Mauritius had offered to host a signing ceremony for the convention. Accordingly, and subject to the Assembly's approval, the draft convention provided for a signing ceremony to be held in Port Louis, Mauritius, on 17 March 2015.

21. Ensuring transparency in investor-State arbitration was important because investment was a significant tool for sustainable development, particularly for developing countries. At the same time, investor-State arbitrations were increasingly the subject of public-interest attention, particularly in those countries where significant foreign investments were common. He strongly urged such States to consider signing and becoming parties to the convention, which would support informed decision-making, meaningful public participation and fair outcomes in investor-State arbitrations.

22. The key element of the Rules on Transparency was to make relevant information available to the public through the establishment of a transparency repository. The Commission had once again expressed its strong and unanimous opinion that the UNCITRAL secretariat should fulfil that role, and the secretariat had already taken steps, on behalf of the Secretary-

General, to establish the repository. The dedicated page on the UNCITRAL website had been operational since 1 April 2014, the date on which the Rules had come into effect. However, in line with the request by some States that the secretariat should fulfil that additional mandate on a cost-neutral budgetary basis, the repository had been established as a pilot project funded entirely by voluntary contributions and was thus subject to the continued availability of resources. The European Union had undertaken to provide funding that would allow for the recruitment of the necessary project staff. In that regard, the Commission had recalled its own mandate to further the progressive harmonization and unification of the law of international trade by taking any action it deemed useful in order to fulfil its functions and had thus requested the secretariat to continue to operate the Transparency Registry, initially as a pilot project, and to seek the necessary funding.

23. Another important achievement in the field of international arbitration was the Commission's decision to publish the UNCITRAL Secretariat Guide on the New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards, which was an online database that was freely accessible and contained the most comprehensive resources currently existing, including case law and bibliographic references. Following the completion of work on the draft convention, the Commission had agreed that Working Group II (Arbitration and Conciliation) should begin work on revising and updating the UNCITRAL Notes on Organizing Arbitral Proceedings, which had been adopted in 1996. Since the Commission's session, the Working Group had met in Vienna, and the work on the Notes had been received with a great deal of interest from arbitral institutions, States and practitioners alike. It was expected that a revised version would be submitted to the Commission for adoption in 2015. The Working Group was also planning to consider whether work should be undertaken to address the question of cross-border enforcement of mediated settlement agreements.

24. Working Group I (Micro-, Small- and Medium-sized Enterprises (MSMEs)) had met for the first time in February 2014 with the aim of reducing the legal obstacles encountered by MSMEs throughout their life cycle. That work was particularly relevant to developing countries, where such enterprises played a key role in the economy. When the Commission had

decided to establish the Working Group in 2013, it had identified four main areas on which the Working Group could focus: first, guidance on simplified business start-up and operation procedures; second, effective access to financial services, including mobile payment systems; third, access to credit and alternative dispute resolution; and, fourth, the development of workable alternatives to formal insolvency processes. During the February session, preliminary discussions had taken place with respect to the legal issues surrounding the simplification of incorporation and the identification of best practices for business registration, both of which were expected to provide a basis for further work.

25. Working Group III (Online Dispute Resolution) was currently preparing draft procedural rules in relation to low-value cross-border disputes arising from electronic commerce transactions. Two different views had been expressed in the Working Group regarding the final stage of the process. In order to reconcile those views, a two-track system had been proposed, with one track culminating in arbitration and the other in a non-binding recommendation. The Commission had reaffirmed the Working Group's mandate and had asked it to continue to include in its deliberations the effects of online dispute resolution on consumer protection in developing and developed countries and also in countries in post-conflict situations.

26. Working Group IV (Electronic Commerce) had continued preparing draft provisions to enable the use of electronic transferable records. The provisions were aimed at facilitating the dematerialization of key commercial documents, such as bills of lading, promissory notes, cheques and warehouse receipts. The existing UNCITRAL texts on electronic commerce continued to attract regular interest on the part of States and had been adopted at a steady pace. Their relevance for facilitating the use of new technologies across all fields of trade required significant coordination work, which was carried out in conjunction with the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP) and the European Commission, among others. UNCITRAL had requested the secretariat to compile further information about possible future topics in that area, including identity management and cloud computing.

27. The Commission had noted the continuing work of Working Group V (Insolvency Law) to address cross-border insolvency of multinational enterprise

groups, which was an increasingly important issue and was occurring more frequently in the wake of the global economic crisis. Part of that work would focus on mechanisms to facilitate the conduct of multiple insolvency proceedings involving enterprise groups and their members. The Working Group would also focus on extending the obligations established for directors of companies under part four of the UNCITRAL Legislative Guide on Insolvency Law to directors that 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 Working Group had also been asked to consider developing a model law or legislative provisions on the recognition and enforcement of insolvency-derived judgements.

28. The Commission had taken note of the progress made by Working Group VI (Security Interests) on preparing a draft model law on secured transactions. It had been agreed that the draft model law should also address security rights in non-intermediated securities, such as shares of subsidiaries held directly by the parent company. Acknowledging the importance of modern secured transactions law for the availability and cost of credit and the need for urgent guidance to States, the Commission had requested the Working Group to expedite its work. The Commission had also noted the secretariat's efforts to coordinate its work in that area with other relevant organizations, for example with the World Bank on the preparation of a revised version of the World Bank Insolvency and Creditor Rights Standard, with the European Commission on the law applicable to third-party effects of assignments of receivables, and possibly with the International Institute for the Unification of Private Law (UNIDROIT), on a new protocol to the Convention on International Interests in Mobile Equipment on mining, agricultural and construction equipment.

29. With regard to future work, the Commission had recalled the resource constraints discussed at earlier sessions, both within the secretariat and in many member States. As a consequence, the Commission had reaffirmed the existing mandates and plans for future work of all six working groups and had decided not to undertake additional legislative activity in the coming year. With regard to proposed activities outside the existing working groups, the Commission had decided to hold colloquiums to mark the thirty-fifth anniversary

in 2015 of the United Nations Convention on Contracts for the International Sale of Goods and to explore possible future work in electronic commerce. It had decided not to undertake legislative development in the area of public-private partnerships, although that possibility would be further discussed at the next session.

30. Support activities to ensure the effective implementation and use of UNCITRAL texts constituted an important pillar of the Commission's work. The Commission had unanimously reaffirmed its general mandate to undertake technical assistance activities, pursuant to numerous resolutions of the General Assembly. It was widely felt that the Commission's sustained ability to fulfil that mandate through its secretariat was essential in order to facilitate the adoption of UNCITRAL texts, particularly in developing countries and in countries that were less familiar with the Commission's work. Nonetheless, the resources available in the Trust Fund for those activities were limited and were not sufficient to meet the increased number of demands from States for such assistance.

31. The ability of the UNCITRAL secretariat to respond to requests for technical assistance depended largely on contributions from States. The Commission had encouraged the secretariat to explore alternative financial resources so as to allow for more activities and to undertake joint activities, possibly through partnerships, given both the need for those activities and the lack of regular budget resources. He also appealed to all States, international organizations and other stakeholders to consider making contributions to the Trust Fund for that purpose and to assist the secretariat in identifying other sources of funding.

32. The UNCITRAL Regional Centre for Asia and the Pacific — the only UNCITRAL regional centre — was located in the city of Incheon in the Republic of Korea and had been expanding its activities. It had advanced trade law reforms in the region and had contributed at the policymaking level to the discussion on the nexus between trade law reforms based on uniform texts, regional integration, economic development as a catalyst for social stability and conflict prevention, and the rule of law. The Centre's growing presence in the region had been made possible by 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 called on States, particularly those in the region, to join in that endeavour, which was

based entirely on voluntary contributions. Recognizing that a regional presence was important for raising awareness of the Commission's work and, in particular, for promoting the adoption and uniform interpretation of UNCITRAL texts, other States had expressed their desire for similar centres in other regions. The secretariat continued to pursue consultations in that regard.

33. As in previous years, the Commission had taken note of the continued work on the case law on UNCITRAL texts (CLOUT) system and the increasing volume of abstracts published. The Commission had noted that the CLOUT system and the digests of case law compiled from it were important for promoting awareness, harmonization and uniform interpretation and application of UNCITRAL texts. CLOUT was considered to be the third pillar of the Commission's work, complementing its legislative functions and technical assistance activity. It currently included over 1,400 abstracts of cases and comprised a network of 64 national correspondents appointed by 31 States, who assisted the secretariat in identifying case law to be reported and in preparing the abstracts. The abstracts were made available to the general public in the six official United Nations languages on the UNCITRAL website. In order to provide improved service to users, the secretariat was working on a major upgrade of the website. By facilitating access to decisions and arbitral awards from many jurisdictions, CLOUT was particularly useful for those with limited opportunities to develop knowledge and expertise on UNCITRAL texts. Furthermore, it contributed to the promotion of such texts since it demonstrated that they were being used and applied in different jurisdictions and that judges and arbitrators at different latitudes were contributing to their interpretation. Acknowledging the importance of the CLOUT system and the need for sustained resources to enhance its performance, the Commission had continuously appealed to member States to provide additional resources and to assist the secretariat in identifying appropriate sources of funding.

34. States around the world were increasingly looking to UNCITRAL texts when reforming or modernizing their international trade law regimes. During the forty-seventh session, the Commission had taken note of actions taken by States on UNCITRAL texts, which included the signature or ratification of treaties and the adoption of model laws. While many of those actions had been taken entirely at States' own

initiative, many had also been facilitated by the assistance of the UNCITRAL secretariat.

35. The coordination function, one of the Commission's key mandates, was increasingly important in view of the steadily growing number of initiatives in areas affecting international trade law. As in previous years, the secretariat had maintained a sustained involvement in initiatives of other organizations active 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 work, the secretariat had participated in the activities of, among others, UNIDROIT, the Hague Conference on Private International Law, the United Nations Centre for Facilitation of Procedures and Practices for Administration, Commerce and Transport (UN/CEFACT), the United Nations Conference on Trade and Development (UNCTAD), the United Nations Environment Programme (UNEP), the Organisation for Economic Co-operation and Development (OECD), the World Bank and the World Trade Organization (WTO). The secretariat had also participated in the United Nations Inter-Agency Cluster on Trade and Productive Capacity.

36. Since 2008, the Commission, at the invitation of the General Assembly, had continued to include in its reports comments on its current role in promoting the rule of law. Taking into account issues expected to be discussed at the sixty-ninth session, the Commission's comments in its latest report focused on its contribution to such dimensions of access to justice as normative protection, capacity to seek remedy and capacity to provide effective remedies. The comments had been informed by a panel discussion at the Commission's forty-seventh session that had been attended by experts from States, the United Nations Development Programme (UNDP) and multilateral development banks. The panel had discussed current reforms of civil justice and administrative review procedures related to enforcing contracts, the review of procurement decisions, the addressing of grievances arising out of insolvency or protection of security rights proceedings and specific needs of MSMEs in access to justice.

37. A rule of law briefing had allowed the Commission to keep abreast of progress made in the integration of its work into United Nations joint rule of law activities. Particular attention had been paid to the process leading to the formulation of the post-2015 development agenda. The Commission had heard

statements by Ms. Amina Mohammed, the Special Adviser on Post-2015 Development Planning; Ms. Irene Khan, Director-General of the International Development Law Organization; Mr. Edric Selous, Director of the Rule of Law Unit in the Executive Office of the Secretary-General; and Ms. Ursula Wynhoven, General Counsel of the Global Compact Office. It had been clear from the briefing that a sound regulatory framework for businesses, investment and trade was a powerful driving force in addressing many sustainable development challenges. The existence of such a framework largely conditioned the contribution of the private sector to sustainable development. Any post-2015 development agenda should send the clear message that States needed to pay more attention to the area of commercial law. In that context, equipping the United Nations with knowledge and tools to assist States in building capacity to put in place sound commercial law frameworks was considered essential. The Commission had therefore encouraged efforts towards better integration of its work into relevant United Nations programmes. In that respect, it had taken note of a draft guidance note of the Secretary-General on United Nations approaches to the promotion of rule-based commercial relations, which was intended to become an advocacy tool for the promotion of the work of UNCITRAL across the United Nations, particularly in United Nations country offices.

38. UNCITRAL was the core United Nations body in the field of commercial law and for almost five decades 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. The draft convention on transparency was just one example of the Commission's ability to translate the global policy agenda into legal norms that made international commercial law more efficient while addressing public interest concerns.

39. UNCITRAL had been faithfully carrying out its mandate with a small secretariat of only 14 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 for the vast amount of high-quality work produced by the

secretariat. He therefore called for delegations' strong support, in 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 his appeal to States to provide funding for such activities and to assist the secretariat in identifying additional resources.

40. In 2015, world leaders would agree on a new, transformative development agenda, with the promotion of sustained and inclusive economic growth as one of its overarching objectives. UNCITRAL could contribute, for example, by promoting an open, rules-based, non-discriminatory and equitable multilateral trading system. It must be ready to explain how its work constructively supported the objectives of the post-2015 agenda. Its working groups also needed to pay attention to the discussion under way in the General Assembly so that their work further supported those objectives. As the current Chair of UNCITRAL, his priority was to raise awareness of the Commission and its work, particularly with regard to the post-2015 development agenda discourse.

41. The member 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 UNCITRAL to continue its work, which ultimately benefited all States.

42. **Ms. Guillén-Grillo** (Costa Rica), speaking on behalf of the Community of Latin American and Caribbean States (CELAC), said that global trade was constantly evolving as a result of technological developments and the diversification of business activities. UNCITRAL faced the challenge of ensuring that its codification activities kept pace with those changes; for over 40 years, it had shown that, through determination and broad participation, it could make substantive progress towards the objective of modernizing and harmonizing international trade rules, which in turn facilitated the exchange of goods and services. The participation of CELAC member States in UNCITRAL and its working groups attested to their commitment to the Commission's work.

43. Referring to paragraphs 292-294 of the report concerning the date and place of future meetings, she said that the current practice of holding UNCITRAL sessions in New York and Vienna in alternate years made it easier for CELAC countries and those that did not have permanent diplomatic representation in Austria to participate. Every effort should be made to maintain that pattern, despite budget constraints, as broad participation enriched the Commission's debates and contributed to the achievement of substantive results.

44. **Ms. Köhler** (Austria) said that the approval of the draft convention on transparency in treaty-based investor-State arbitration constituted an important contribution to the development of harmonious international economic relations and to the strengthening of the rule of law. UNCITRAL played a key role in strengthening the rule of law in the field of international trade, and her delegation reiterated its call on the Commission to continue and further intensify its important work in that area. It also welcomed the progress made in the Commission's other areas of work.

45. **Mr. Adamov** (Belarus) said that his delegation welcomed the Commission's approval of the draft convention on transparency in treaty-based investor-State arbitration and its work on the preparation of a practical guide on the New York Convention.

46. Turning to the work of Working Group V, his delegation agreed that the UNCITRAL Legislative Guide on Insolvency Law needed to be updated in order to better meet the needs of MSMEs. That would have a positive impact on economic development in countries where MSMEs played an important role in the economy. Given its extensive experience in developing solutions for insolvency-related challenges, the Working Group was the appropriate forum for that work, which should take into account the key principles of insolvency law and the recommendations set out in the Legislative Guide. Mechanisms for addressing the insolvency of MSMEs should be fast, flexible and cost-efficient. His delegation also agreed with the Working Group's recommendation that it should be granted a mandate to develop a model law or model legislative provisions to provide for the recognition and enforcement of insolvency-derived judgements, in order to further the objectives of the UNCITRAL Model Law on Cross-Border Insolvency. Consideration should also be given to the possibility of forming a study group to consider whether there were inconsistencies in the current treatment of financial contracts in the Legislative Guide

on Insolvency Law and to provide a report to the Working Group with a view to deciding whether it should begin work on the treatment of financial contracts in insolvency proceedings.

47. His delegation attached importance to the work of Working Group VI on the preparation of a model law on secured transactions based on the recommendation of the UNCITRAL Legislative Guide on Secured Transactions and consistent with all texts prepared by the Commission in that area. The model law should be short and should be aimed at helping States to improve their national laws, an increasingly important task in the context of the continuing global economic downturn. His Government was in the process of reforming national legislation on collateral and credit in order to improve access to and reduce the cost of credit. It therefore fully supported the Commission's request that the Working Group should expedite its work on the model law. Since the Working Group was collating the experience of many countries and analysing the best approaches, the provisions being drafted were pragmatic and would be readily adapted by States with different legal traditions. His delegation also welcomed the involvement of United Nations agencies, intergovernmental organizations and NGOs, including the World Intellectual Property Organization (WIPO), the World Bank and the International Chamber of Commerce, in the preparation of the model law. A balanced approach should be taken so as not to stray too far from practical provisions that had proved to be effective.

48. With regard to possible future work, his delegation favoured consideration of the topics of public-private partnerships and public procurement, provided that that did not entail an excessive increase in the Commission's expenditure.

49. Lastly, he emphasized the Commission's important role in strengthening the rule of law at the national and international levels, which it was able to fulfil because of the practical, substantive and non-political nature of its work. That approach should serve as an example to other bodies in the United Nations system.

50. **Ms. Morris-Sharma** (Singapore) said that her delegation supported the repository function provided for under the Rules on Transparency, as it would improve access to the decisions of arbitral tribunals. Over time, that would enable States and investors to better understand the rules that governed the investment landscape and to make more informed

decisions. The online platform would allow convenient access to the information in the repository, irrespective of the user's geographical location. Nonetheless, some issues relating to the repository function still needed to be resolved. For example, it was not clear how pleadings and awards were to be redacted and what the extent of redactions would be when parties were unable to agree and when the tribunal was not available to provide a ruling. There were also possible issues relating to liabilities and costs. However, her delegation was confident that the issues would be resolved through practice.

51. Her delegation appreciated the work of the Commission and its working groups, and particularly commended the secretariat for its high-quality working papers. However, as stated repeatedly in the report on the forty-seventh session, there were numerous demands on the secretariat and on the Commission in general. Noting the call made at that session for consideration of the possibility of redeploying resources within the secretariat, she said that it was imperative to optimize the use of the Commission's scarce resources. That applied not only to the secretariat but also to the working groups.

52. At the forty-seventh session, consideration had been given to whether certain working groups that had completed the work for which they had initially been established should continue their activities, including in cases where they had asked for mandates to work on different aspects of the same subject. Since resources were finite, extending the lifespans of certain working groups would mean neglecting many other areas in which the law urgently needed to be harmonized. The Commission must exercise greater control over its working groups and prioritize the subjects that each one was to address. Her delegation also questioned whether every matter needed to be referred to a working group. In some cases, it would be more appropriate for the secretariat to carry out the required work in consultation with experts. One example was the drafting of soft-law texts such as notes or guides on completed UNCITRAL texts, which could then be considered and approved by the Commission without the need to establish costly working groups.

53. Her delegation was also concerned about duplication of work. Subjects dealt with by one working group should not be addressed by another working group, as that would not only be a waste of resources but could also lead to different outcomes and

thus a failure to harmonize the law. For example, it had been proposed that the recently established Working Group on MSMEs should also work on electronic commerce, insolvency law and security interests, subjects already being addressed by other working groups. The Commission and its secretariat should therefore consider carefully how work could be streamlined. It was safe to assume that each working group would take account of all interests, in particular those of developing countries and MSMEs.

54. The United Nations Convention on Contracts for the International Sale of Goods was one of the Commission's major achievements. Singapore was a party to it and had incorporated it into its national law. Preparations were under way for an event in Singapore on 23 and 24 April 2015 to mark the thirty-fifth anniversary of the Convention and to promote it. Her delegation looked forward to welcoming those who would be attending the event.

55. **Ms. Melikbekyan** (Russian Federation) said that UNCITRAL was making an important contribution to the progressive development of international law, the application of the rule of law and the settlement of commercial disputes. In carrying out its mandate to further the harmonization and unification of the law of international trade, the Commission must ensure that the regulatory framework was in line with current requirements, without undermining economic stability.

56. The significant number of UNCITRAL texts that were successfully being applied in practice attested to the importance of the Commission's work. Her delegation welcomed the completion of the draft convention on transparency in treaty-based investor-State arbitration, which would allow the Rules on Transparency to be applied to disputes under treaties concluded before the entry into force of the Rules. Her delegation looked forward to seeing the practical implementation of the Rules.

57. The use of electronic means in international trade was a particularly topical issue. In that connection, she was pleased to inform the Committee that on 1 August 2014 the Russian Federation had become a party to the United Nations Convention on the Use of Electronic Communications in International Contracts.

58. The colloquium to be held in 2015 to mark the thirty-fifth anniversary of the United Nations Convention on Contracts for the International Sale of Goods would provide an opportunity for a comprehensive review of

practical experience with regard to the interpretation and application of the Convention.

59. **Mr. Nonomura** (Japan) said that his delegation welcomed the start of work by Working Group I on the legal questions surrounding the simplification of incorporation of MSMEs, which was critical to economic development in general but was particularly important for new entrepreneurs in developing economies. His delegation also welcomed the finalization and approval of the draft convention on transparency in treaty-based investor-State arbitration, which constituted an effective response to public criticism about the lack of transparency in such situations.

60. His delegation would continue to participate actively in the work on online dispute resolution relating to cross-border electronic transactions and looked forward to further progress in that area. Electronic transferable records would help to promote entrepreneurship and trade in the future. Japan had already enacted legislation in that field and could therefore contribute to the discussion.

61. With regard to insolvency law, his delegation welcomed the fact that priorities had been set for the future work of Working Group V. A model law on secured transactions, to be prepared by Working Group VI, would be an important new instrument. At the same time, duplication of the work of other organizations in that area should be avoided.

62. **Mr. Madimi** (India) said that the legal texts prepared by the Commission in a number of important areas of private international law were directly relevant to the commercial transactions of individuals, corporations and States. His delegation welcomed the finalization and approval of the draft convention on transparency in treaty-based investor-State arbitration and supported the Commission's recommendation that the General Assembly should adopt the draft convention at the current session and authorize a signing ceremony to be held in Port Louis, Mauritius, in March 2015. Nonetheless, he reiterated his delegation's position that it would have preferred an opt-in provision to an opt-out provision regarding the applicability of the draft convention to investment treaties concluded before April 2014. His delegation also suggested that the convention should be named after the city of signing, as had been the practice in the past.

63. His delegation appreciated the Commission's efforts to promote the uniform interpretation and

application of UNCITRAL legal texts, including the New York Convention, and agreed that CLOUT and the digests were an important tool in that regard. It also reiterated the importance of technical cooperation and assistance to developing countries, especially in matters relating to the adoption and use of UNCITRAL texts at the national level, and encouraged the secretariat to continue to provide such assistance as widely as possible and to improve its outreach, particularly to developing countries.

64. **Mr. Belaid** (Algeria) said that his delegation welcomed the finalization of the draft convention on transparency in treaty-based investor-State arbitration and particularly commended the efforts of Working Group II in the preparation of the draft. It agreed with the Commission's opinion that the UNCITRAL secretariat should fulfil the role of a repository of published information under the Rules on Transparency and noted with appreciation the steps taken by the secretariat to meet the demands of the Commission in respect of the repository function. It also welcomed the upgrade of the UNCITRAL website and the establishment of the Transparency Registry page. It appreciated the offer made by the Government of Mauritius to host a ceremony for the signing of the convention once it had been adopted by the General Assembly.

65. With regard to the progress made by the Commission's other working groups, he welcomed the start of preliminary discussions in Working Group I on reducing the legal obstacles encountered by MSMEs, particularly in developing economies, with a focus on the legal questions surrounding the simplification of incorporation; the substantial progress made in the field of online dispute resolution, in particular on the text of Track II of the procedural rules on cross-border electronic transactions; the establishment within Working Group V of an open-ended informal group to consider the feasibility of developing a convention on international insolvency issues and to study the issues faced by States with respect to adoption of the UNCITRAL Model Law on Cross-Border Insolvency; and the completion by Working Group VI of the first reading of the draft model law on secured transactions.

66. Lastly, he highlighted the important role played by UNCITRAL in advancing the rule of law in commercial relations, in particular through its standards in the areas of transparency, equity, respect for human rights and access to justice. His delegation shared the Commission's conviction 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.

67. **Ms. Shanker** (Canada) said that the draft convention on transparency in treaty-based investor-State arbitration would constitute an important addition to the investor-State dispute resolution framework. Her delegation welcomed the establishment of the repository of published information in that area. With regard to future work, her delegation supported the Commission's decision to consider the feasibility and possible form of work in the area of enforcement of international settlement agreements resulting from conciliation proceedings. It also shared the view that MSMEs might benefit from the development of rules specifically tailored to their needs and was therefore closely following the Commission's work on simplified incorporation and registration aimed at reducing the legal obstacles encountered by MSMEs throughout their life cycle.

68. The Commission's work on online dispute resolution had been challenging because of the decision to include consumers within the scope of the work. It was important to ensure that the rules protected consumers, and to examine alternatives to arbitral awards as means of ensuring effective implementation of online dispute resolution outcomes. Most existing online dispute resolution systems did not rely on binding arbitration and enforcement under the 1958 New York Convention in order to implement outcomes, but rather used alternatives such as chargebacks, trustmarks and vendor deposits.

69. UNCITRAL occupied a unique position in the development of uniform rules in the area of electronic commerce. Her delegation was pleased at the support expressed by most States for its proposal with regard to legal issues affecting cloud computing ([A/CN.9/823](#)) and would offer every assistance to the secretariat as it compiled information on the subject. Her delegation noted the progress of the Commission's current work on insolvency of enterprise groups and its decision to take up work on the recognition and enforcement of insolvency-derived judgements following the completion of the current project.

70. The Commission's approach to secured transactions would be useful in facilitating access to credit, and her delegation was pleased to see that work

to prepare a model law on the matter was nearing completion. Lastly, her delegation was pleased that a broad discussion on planned and possible future work had figured prominently on the Commission's agenda for its forty-seventh session, as such discussions enabled the Commission to make informed decisions on matching priorities with resources. Similar discussions should be held in future years.

71. **Mr. Joyini** (South Africa) said that, by establishing a mechanism for the application of the Rules on Transparency to existing investment treaties, the draft convention on transparency in treaty-based investor-State arbitration would better reflect the public-interest nature of disputes arising under such treaties. The draft convention provided for various means of applying the Rules and thus gave parties significant flexibility in crafting their commitments to transparency. If widely accepted, it would do much to reform investor-State arbitration under existing treaties and address concerns that, despite the adoption of the Rules on Transparency, important issues of public interest were too frequently decided behind closed doors.

72. Investment law was an emerging discipline and should be approached with extreme caution. In November 2013, his Government had published a draft promotion and protection of investment bill as part of an overhaul of the regulatory framework for foreign investment in South Africa. Some commentators had applauded the Government for seeking to rebalance the rights and responsibilities of States and investors. The bill established transparency and certainty in the domestic investment regime and provided for adequate protection for all investors, including foreign investors. It was motivated by a widely shared concern that bilateral investment treaties and the international system of investor-State arbitration inhibited the ability of Governments to enact legislation and regulatory measures aimed at promoting public policy objectives in areas such as public health, environmental protection and social equality.

73. **Mr. Won Hoshin** (Republic of Korea) said that transparency in investor-State arbitration was crucial to the rule of law, good governance, predictability and accountability, all of which were essential factors in sustainable development. The newly approved draft convention made international trade law efficient while addressing growing public interest concerns and was a good example of the Commission's ability to shape global legal norms. His delegation also welcomed the

Commission's other achievements at its forty-seventh session, including the publication of the UNCITRAL Secretariat Guide on the New York Convention.

74. His delegation was a strong supporter of UNCITRAL and its current work programmes. The establishment of six working groups was an efficient method of work; his delegation welcomed the progress they had made and their discussions on possible future work and undertook to participate actively in their efforts. The UNCITRAL secretariat was integral to the Commission's achievements; despite its small staff and shortage of budgetary resources, it had made great efforts to coordinate meetings and sponsor colloquiums and moot competitions, in addition to its work in other areas such as the establishment of the transparency repository, technical assistance activities and the CLOUT system.

75. His delegation shared the Commission's view 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 and welcomed the participation of representatives of the Rule of Law Unit, the World Bank Group and the Global Compact Office, among others, in the panel discussion at the Commission's forty-seventh session. As had been mentioned during the discussion, UNCITRAL standards and tools had an important role to play in the promotion of transparency, accountability and access to information. The Commission's mandate also extended to the establishment of enabling environments for rule-based business, investment and trade as critical elements for conflict prevention, post-conflict reconstruction and the promotion of rule of law and governance in commercial relations. Integration of the Commission's work into broader United Nations activities would benefit end-users of UNCITRAL standards. At the same time, the implementation of modern private law standards in international trade was essential for advancing not only good governance but also sustained economic development. Respect for the rule of law was also a key factor in that regard, and the UNCITRAL regulatory framework for businesses, investment and trade was a powerful driving force in addressing many sustainable development challenges.

76. The UNCITRAL Regional Centre for Asia and the Pacific, which was sponsored by his Government, had hosted a conference on an enabling environment for

micro-business and creative economy and the Second Annual Arbitration Asia-Pacific Conference, both of which had provided an opportunity for expert discussion of international rules in the Asia-Pacific region and for the promotion and dissemination of UNCITRAL texts and other relevant information. His Government would continue to support the Regional Centre.

77. UNCITRAL could play a leading role in tackling the challenges of the global economic downturn by setting standards in international trade law and promoting transparency and international cooperation. His delegation endorsed the view that the member States were the true “shareholders” of UNCITRAL and welcomed their active participation in its work and their voluntary contributions to support it. His delegation would continue to support the Commission’s work to the fullest extent possible.

78. **Ms. Hamilton** (United States of America) said that the draft convention on transparency in treaty-based investor-State arbitration built upon the previous development of the Rules on Transparency by providing a convenient tool for the application of the Rules to arbitrations occurring under thousands of existing investment treaties, without having to amend each treaty separately. Her delegation therefore encouraged all States to consider becoming parties to the convention. Her delegation also commended the efficiency of the Commission’s work on the draft convention, which had been completed in approximately 12 days of negotiations, and hoped that that pace could be replicated for other instruments in the future.

79. It was noteworthy that the Commission had begun efforts, through Working Group I, to develop legal instruments that would help States encourage the growth of MSMEs. Working Group II, following its completion of the draft convention on transparency, was now working on updating the UNCITRAL Notes on Organizing Arbitral Proceedings and would consider a United States proposal, set out in document [A/CN.9/822](#), to develop a new treaty on the enforcement of mediated settlement agreements with the aim of promoting the use of mediation to settle commercial disputes in the same way that the New York Convention promoted the use of international arbitration. Her delegation also noted the work programmes of the other working groups.

80. Her delegation was pleased that the Commission had continued its consideration of whether changes

were needed to the processes by which it developed its work programmes. Several issues merited further discussion: how to avoid the creation of permanent or semi-permanent working groups that continued to propose extensions of their own mandates; whether the number of working groups should be reduced from six to five; how to balance legislative activity with other uses of resources; and how best to pursue partnerships with other organizations. Her delegation encouraged others to continue considering those issues over the coming year and at the Commission’s next session.

81. The coming year promised to be a productive one for UNCITRAL, as several of the working groups were poised to complete their current work and submit it for review by the Commission. Her delegation looked forward to continued collaboration not only with other members of the Commission but also with all the NGOs and other observers that provided valuable input into the Commission’s work.

82. **Mr. Clarke** (United Kingdom) said that his delegation had been pleased to participate in the work of Working Group II on the draft convention on transparency in treaty-based investor-State arbitration and welcomed the Commission’s finalization in July of the draft convention, which would promote transparency in the international investment protection system. His delegation continued to support the UNCITRAL secretariat in its fulfilment of the role of transparency repository.

83. His delegation had also been pleased to participate in the discussions in Working Group V on possible topics for future work and to contribute to the progress it had made on its current mandate to develop principles for facilitating the cross-border insolvency of multinational enterprise groups. The Commission had agreed that work on that topic should continue, together with the development of a text on the obligations of directors of enterprise group companies in the period approaching insolvency, a topic which his delegation had proposed. The Commission had also agreed that the other priority for Working Group V should be to develop a model law or model legislative provisions on the recognition and enforcement of insolvency-derived judgements, which his delegation had also supported. Those projects would result in important additions to the existing UNCITRAL insolvency texts.

84. **Mr. Heumann** (Israel) said that his delegation was pleased to be involved in the work of the Commission

and of its working groups. It welcomed the approval of the draft convention on transparency in treaty-based investor-State arbitration and the important clarifications set out in the reports of Working Group II.

85. His delegation continued to support the efforts of Working Group III to create practical online dispute resolution rules for low-value, high-volume cross-border transactions. Those rules should adequately address both the need to allow for binding awards to be issued and the concerns of certain States regarding the compatibility of such a mechanism with applicable domestic legislation. His delegation also valued the discussions in Working Group IV on cross-border insolvency of multinational enterprise groups and insolvency of MSMEs, both of which were particularly relevant issues for Israel and, doubtless, for many other countries too.

86. His delegation welcomed the new topics that were being addressed by the Commission and those on which future work was being contemplated, including the enforcement of international settlement agreements; the creation of an enabling environment for MSMEs; electronic transferable records; cloud computing; identity management; the use of mobile devices in electronic commerce; and single window facilities. All of those topics demonstrated the Commission's continued relevance in dealing with emerging and cutting-edge issues in international trade law.

87. More generally, UNCITRAL would benefit from greater use of information technology tools for communication between government experts, where appropriate, and between the Commission and the broader public. In particular, increased use of social media could expand the Commission's visibility, reach and influence. His delegation favoured greater integration of such tools into the Commission's day-to-day activities. Lastly, he commended the dedication of the UNCITRAL secretariat, which was crucial to the success of the Commission's work.

88. **Mr. Zamora Rivas** (El Salvador) said that it had been an honour for a representative of his country to serve as Rapporteur at the Commission's forty-seventh session. His delegation welcomed the progress made by all the working groups, in particular Working Group II with regard to the finalization of the draft convention on transparency in treaty-based investor-State arbitration. It also welcomed the Commission's decision to mandate Working Group II to undertake the

revision of the UNCITRAL Notes on Organizing Arbitral Proceedings, which would facilitate the work of the relevant professionals and help to promote internationally recognized good practices in that area. The work of Working Group I on creating a favourable legal environment for MSMEs would help to promote economic development, investment, business activity and employment.

89. El Salvador had benefited from the Commission's work and was committed to participating in it. In conjunction with the UNCITRAL secretariat, it had organized a second training seminar on international trade law, held in San Salvador in November 2013, which had served to disseminate UNCITRAL texts among national institutions and civil society and to promote their use. The seminar had also focused on the topics of cross-border insolvency and online dispute resolution. In addition, El Salvador had recently adopted a law on secured transactions that drew on UNCITRAL texts relating to security interests and had co-hosted the Regional Capacity-Building Seminar on Secured Transactions Reform held in San Salvador in May 2014 under the Organization of American States (OAS)/Canadian International Development Agency (CIDA) Cooperation Plan. UNCITRAL experts had taken part in the Seminar and had made recommendations for the implementation of the secured transactions regime in El Salvador. Further technical assistance in that regard would greatly help to bring national law into line with international standards, which in turn would improve the country's performance in international trade.

90. **Ms. Randrianarivony** (Madagascar), noting that the report before the Committee emphasized the importance of international trade in the post-2015 development agenda and the fact that Governments should be equipped with knowledge and tools to be able to fully utilize trade in order to tackle development challenges, said that her Government was currently endeavouring to revive the country's economy by guaranteeing investment security through simplified procedures and fiscal incentives and by taking steps to create jobs, boost agriculture and tourism and combat poverty. Notable successes had been achieved: laws had been adopted on commercial enterprises and business transparency, investment, arbitration and combating corruption and money-laundering.

91. Madagascar had deposited its instrument of ratification of the United Nations Convention on

Contracts for the International Sale of Goods at the 2014 treaty event and was currently considering a law on electronic commerce and electronic signatures. Her Government appreciated the training workshop for judges that had been provided by UNCITRAL experts; a further workshop on economic diplomacy would be held in Madagascar in October 2014 in conjunction with the International Trade Centre in Geneva and UNDP.

92. **Mr. Bailen** (Philippines) said that his Government was in favour of stable legal frameworks that helped to promote inclusive and sustainable development, economic growth and employment. It therefore supported UNCITRAL, which was well placed to contribute to the post-2015 development agenda in the area of international trade and investment and could help countries to develop a rules-based environment for commercial activities through its guides, model laws and other instruments. His delegation would support the adoption by the General Assembly of the draft convention on transparency in treaty-based investor-State arbitration and was pleased to note that Working Group II would next undertake the revision of the UNCITRAL Notes on Organizing Arbitral Proceedings and consideration of the issue of enforcement of international settlement agreements resulting from conciliation proceedings.

93. MSMEs accounted for most of the economic activity in many developing countries and should be helped to engage in trade at the international level by reducing the various legal obstacles they faced. His delegation supported the work of Working Group I in that regard and its preliminary discussions on the development of a legal text on simplified incorporation and business registration. At the same time, it supported the call by the delegation of Singapore for the Working Group to streamline its work on MSMEs in order to avoid duplicating the efforts of the other working groups. His delegation followed the work of the other working groups in the areas of public procurement, electronic commerce and online dispute resolution with keen interest and was particularly interested in recommendations on how the draft rules on online dispute resolution could respond to the needs of developing countries and those in post-conflict situations, and how arbitration could render online dispute resolution more effective.

94. The Philippines also looked forward to learning from and contributing to the Commission's work relating to public-private partnerships, which were an important

alternative for securing resources for development. Indeed, the establishment of such partnerships was one strategy identified by his Government to achieve inclusive growth through infrastructure and development projects. It encouraged collaboration between the public and private sectors to achieve shared growth and development goals by utilizing the advantages of private-sector initiatives, coupled with efficient and accelerated provision of public services.

95. His Government supported the UNCITRAL Regional Centre for Asia and the Pacific in its efforts to promote the adoption and uniform interpretation of UNCITRAL texts in the region. The Philippines Department of Justice had co-sponsored a workshop on UNCITRAL texts on electronic commerce and sale of goods held in Manila in October 2013. As the Chair of the Asia-Pacific Economic Cooperation Forum (APEC) for 2015, the Philippines looked forward to helping promote UNCITRAL texts as tools for fostering business among APEC members.

96. **Mr. Katota** (Zambia) said that his delegation welcomed the Commission's finalization and approval of the draft convention on transparency in treaty-based investor-State arbitration, which constituted a milestone in the Commission's work of progressive harmonization of international trade law. His delegation looked forward to the adoption of the convention by the General Assembly at the current session.

97. The MSME sector was a major engine of economic growth and a prime source of income in developed and developing countries alike. His delegation therefore attached particular importance to the Commission's efforts to develop a legal text on simplified incorporation and business registration aimed at reducing the legal obstacles encountered by MSMEs throughout their life cycle, which included lack of access to credit, inadequate managerial and technical skills, low levels of education, poor market information and lack of access to technology. The promotion of MSMEs, especially in the informal sector, was a means of achieving sustainable development that was particularly suited to Zambia and other developing countries. In August 2013, the Common Market for Eastern and Southern Africa (COMESA) had adopted a draft regional policy strategy aimed at increasing the number of MSMEs in the region by promoting an enabling environment for their operations and related infrastructure development and improving their technological and production

capacity. The strategy also provided for the establishment of an MSME fund at the regional and country levels and the allocation of a minimum percentage of all public procurements in member States to MSMEs. COMESA had also developed a simplified cross-border trade regime, with simplified certificates of origin and customs documents and a common list of qualifying goods; MSMEs were being encouraged to take advantage of it.

98. In its resolution 68/106, the General Assembly had appealed for voluntary contributions to the Trust Fund established to provide travel assistance to developing countries that were members of the Commission in order to increase expert representation from developing countries at sessions of the Commission and its working groups. Bearing in mind the Commission's important role in the harmonization and codification of trade law, his delegation encouraged Member States to provide extrabudgetary funding.

99. **Mr. Hahn** Choonghee (Republic of Korea), Chair of the United Nations Commission on International Trade Law, said that he had taken due note of all the issues raised during the debate and expressed appreciation for the degree of commitment shown by Committee members to the work of UNCITRAL. He agreed that more outreach activities were needed in order to raise awareness of the importance of the Commission's work, particularly in the light of developments in areas such as electronic commerce and online dispute settlement. With regard to the scarcity of resources and the issue of duplication of effort among the working groups, he undertook to maximize efficiency by exploring complementary ways of working and paying due attention to the mandate of each working group and the time frames allocated. Lastly, it was important to position the work of UNCITRAL effectively both in the Organization's rule of law activities and in the broader context of the post-2015 development agenda, since international trade was recognized as one of the most important engines of economic growth and sustainable development.

The meeting rose at 1 p.m.