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Chair: Mr. Mlynár (Slovakia)

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

Agenda item 173: Observer status for the International Trade Union Confederation in the General Assembly (A/74/292; A/C.6/74/L.4)

Draft resolution A/C.6/74/L.4: Observer status for the International Trade Union Confederation in the General Assembly

1. **Ms. Gasri** (France), introducing the draft resolution also on behalf of Germany and Turkey, said that Bangladesh, Belgium, Colombia, Croatia, Estonia, Finland, Iceland, Ireland, Mexico, Norway, Poland, Qatar, Romania, Senegal, South Africa and Sri Lanka had joined the sponsors. The request for observer status for the International Trade Union Confederation in the General Assembly had been submitted along with a parallel request for observer status for the International Organization of Employers submitted by Germany (A/74/291).

2. The Confederation's expertise in the world of work was well known and would bring significant value added to the work of the General Assembly. As an observer, the Confederation would help to mainstream the objectives of sustainable economic growth, solidarity, full employment and decent work throughout the work of the Assembly. It would also ensure that workers' voices were taken more fully into account in matters of fundamental importance to the Assembly, such as social justice, climate change, migration, women's empowerment and young people's place in society.

3. The Confederation was fully committed to the objectives of the United Nations. In particular, it was actively involved in the implementation, promotion and monitoring of the 2030 Agenda for Sustainable Development, having made a significant contribution to its elaboration. Moreover, at a time when the United Nations was seeking to expand its partnerships and deepen its dialogue with civil society in order to achieve its objectives on the ground, the Confederation was in a position to facilitate dialogue with trade unions at the national, regional and international levels. It represented 331 affiliated organizations in 163 countries, comprising 200 million workers, and had five regional organizations, based in Africa, Asia, Europe, Latin America and the Arab world. A closer relationship with trade unions would also be consistent with the efforts to reform the United Nations development system.

4. In its decision 49/426, the General Assembly had decided that the granting of observer status should be confined to States and to those intergovernmental organizations whose activities covered matters of

interest to the Assembly. While there was no question that the Confederation's activities covered matters of interest to the Assembly, it was not strictly speaking an intergovernmental organization. However, since 1994, the Assembly had been able to waive that requirement on an exceptional basis when justified by the importance and historical specificities of the candidate organization.

5. Indeed, the Confederation was an organization with a specific status that undoubtedly fell into that category. Along with Governments and the International Organization of Employers, it was one of the pillars of the tripartite structure of the International Labour Organization (ILO). Like the International Organization of Employers for the employers' group, the Confederation served as the secretariat of the workers' group in ILO. For the past 100 years, ILO had been able to bring together Governments, trade union representatives and employer organizations to work on an equal footing in setting international labour standards and overseeing their implementation. Significant social progress had been made in areas such as child protection, protection of migrant workers, anti-discrimination and gender equality, thanks to the tripartite dialogue, which was the strength of ILO and which the entire United Nations system should draw on even more in order to achieve greater solidarity and social justice.

6. It was therefore time for the Confederation's status to reflect its unique place in international governance and in the United Nations system. At its 335th session, held in March 2019, the Governing Body of ILO had supported the requests for observer status for the Confederation and the International Organization of Employers. Moreover, in its resolution 73/342, the General Assembly had encouraged "active dialogue and collaboration among the various bodies, funds, programmes and specialized agencies of the United Nations system, including representatives of employers' and workers' organizations, [...] with a view to strengthening policy coherence."

7. By granting observer status to the Confederation, the General Assembly would provide the institutional means for that mutually beneficial dialogue to take place.

8. **Mr. García López** (Spain) said that, after careful examination of the reasons for the request for observer status for the Confederation as well as for the International Organization of Employers, his delegation considered that, owing to a number of conditions and specificities, both organizations were particularly suited to sitting as observers in the General Assembly and making a valuable contribution to its work.

9. As the means through which workers and their organizations were represented in the tripartite governance structure of ILO, the International Trade Union Confederation was a constituent arm of ILO action. The Confederation had acquired a great deal of experience in promoting international cooperation and decision-making on public policies that protected workers and improved their conditions; in seeking a sustainable production model aimed at full employment; and in contributing to the development of international labour standards.

10. Its experience could only contribute positively to the efforts of the General Assembly to promote and monitor the implementation of the public policy component of the 2030 Agenda, which was clearly connected to the world of work. Indeed, the Confederation had contributed to the elaboration and implementation of the 2030 Agenda.

11. Spain was well aware that an organization must be intergovernmental in nature in order to qualify for observer status in the General Assembly, and also that the Confederation could not strictly be identified as such. However, the Confederation had a specific status as an integral part of the tripartite governance structure of ILO, and was thus in a unique position in terms of its mission to interact with the United Nations system, more so than other organizations that currently enjoyed observer status in the General Assembly.

12. For those reasons, and after careful thought, Spain considered that the very specific nature of the intimate and constitutive relationship that the Confederation had with ILO should militate in favour of it being granted observer status in the General Assembly.

13. **Ms. Ozgul Bilman** (Turkey) said that the granting of observer status to the Confederation would form a basis for constructive cooperation between the United Nations and the Confederation, which was an integral part of the tripartite structure of ILO and had made significant contributions to the work of the United Nations, in particular to address the current challenges faced by the Organization. Granting the Confederation observer status would benefit the United Nations and the international community as a whole.

14. **Ms. Pierce** (United States of America) said that, in its decision 49/426, the General Assembly had decided to limit eligibility for observer status “to States and to those intergovernmental organizations whose activities cover matters of interest to the Assembly.” The Confederation clearly fulfilled an important and unique role in relation to ILO, as the secretariat of the workers’ delegates in the tripartite structure. However, the Confederation was ineligible for observer status in the

General Assembly because it was not an intergovernmental organization. In particular, it was composed of trade unions, not States.

15. Through its resolution 71/156, the General Assembly had not intended to create a new, potentially limitless category of exceptionally “unique” organizations. On the contrary, in that resolution, the Assembly had emphasized that the eligibility criteria in decision 49/426 remained unchanged. The United States was concerned that additional exceptions would eventually render the Assembly’s decision meaningless, essentially changing the rule without debate on the merits of abandoning the criteria.

16. The United States supported the role of non-governmental organizations in the United Nations system, and noted that, in addition to its long-standing role in support of worker delegates to ILO, the Confederation had had a voice at the United Nations in New York since 2007 as a non-governmental organization in consultative status with the Economic and Social Council, which allowed it to participate in meetings of the Council and all its subsidiaries, as well as certain other United Nations bodies and meetings.

17. **Ms. Ponce** (Philippines) said that her delegation supported the granting of observer status to the Confederation.

18. **Ms. Melikbekyan** (Russian Federation) said that while her delegation respected the work of the Confederation, it believed that the Confederation was not an intergovernmental organization and hence did not meet the criteria set out in General Assembly decision 49/426 for the granting of observer status in the General Assembly. Nonetheless, since the Confederation was in consultative status with the Economic and Social Council, it could still participate in the activities of the United Nations even if it was not granted observer status in the General Assembly.

19. **Ms. Anderberg** (Sweden) said that both the Confederation and the International Organization of Employers were key actors for social dialogue at the global level and partners in implementing the 2030 Agenda for Sustainable Development. Like the International Organization of Employers, the Confederation collaborated closely with ILO, which enabled both organizations to contribute to the work of the General Assembly. Sweden therefore welcomed and supported the request for observer status for the Confederation.

20. **Mr. Liu Yang** (China) said that his delegation had significant concerns about the Confederation’s positions

and activities and objected to the Confederation being granted observer status in the General Assembly.

Agenda item 174: Observer status for the Boao Forum for Asia in the General Assembly (A/74/293; A/C.6/74/L.5)

Draft resolution A/C.6/74/L.5: Observer status for the Boao Forum for Asia in the General Assembly

21. **Mr. Liu Yang** (China), introducing the draft resolution on behalf of the sponsors, said that the format of the draft resolution was consistent with the template for observer status requests.

22. The Boao Forum for Asia was a non-profit international organization with 29 initial countries, although membership was open to all States Members of the United Nations. The Forum strove to promote economic exchanges, interactions and cooperation within Asia, as well as between Asia and other parts of the world, providing a high-level venue for dialogue among Governments, businesses and academic leaders on economic, social, environmental and other issues of concern to Asia and the world at large.

23. The Forum worked actively with United Nations specialized agencies and major international economic organizations around the world. In 2019, it had signed a cooperation agreement with the Department of Economic and Social Affairs of the United Nations Secretariat and had partnered with the World Health Organization to organize the Global Health Forum, in order to advance their shared goals.

24. Based in Asia and with a global outlook, the Forum provided intellectual support for sustainable economic development in the region and actively promoted economic globalization. Its entire portfolio of activities was consistent with the purposes and principles of the United Nations in the socioeconomic fields.

25. China was convinced that granting the Boao Forum for Asia observer status in the General Assembly would strengthen long-term cooperation between the Forum and the United Nations. It would also promote cooperation among Asian countries in pursuit of the Sustainable Development Goals and facilitate the stable, inclusive and sustainable growth of the world economy.

26. **Ms. Ponce** (Philippines) said that the Forum worked on matters that were of interest to the General Assembly and hence met the criteria set out in the Assembly's decision 49/426 regarding the granting of observer status. As a platform for dialogue and to facilitate sustainable development and economic cooperation among Asian countries and between Asia

and the rest of the world, the Forum promoted cooperation with the United Nations in pursuit of the Sustainable Development Goals. It was also committed to safeguarding the international system with the United Nations at its core, and to upholding a rules-based, open, transparent, inclusive, just and equitable multilateral trading system. Its activities were consistent with the purposes and principles of the United Nations. Her delegation therefore requested that the draft resolution be given favourable consideration.

27. **Ms. Nguyen Quyen Thi Hong** (Viet Nam) said that the activities of the Boao Forum for Asia covered matters of interest to the General Assembly, including the promotion of regional economic exchange and integration and cooperation between Asia and other parts of the world to achieve peace, stability and prosperity. Since its inception, the Forum had been instrumental in providing a platform for discussion of many important economic and developmental issues among Governments, businesses and think tanks. Granting the Forum observer status would allow to deepen its cooperation with the United Nations system and its contribution to the implementation of the 2030 Agenda.

28. **Mr. Aung** (Myanmar) said that the Boao Forum for Asia had been founded with the aim of promoting economic integration in Asia. It served as a venue for dialogue to enhance cooperation in the region and between the region and the rest of the world. Myanmar had been one of its original founding countries. In its view, the functions and activities of the Forum covered matters of interest to the General Assembly and it therefore met the criteria set out in General Assembly decision 49/426. His delegation therefore supported the granting of observer status to the Forum.

29. **Ms. Sandoval** (Nicaragua) said that the Forum met the criteria for observer status in the General Assembly and that it was both important and appropriate for it to sit in the General Assembly as an observer. Its cooperation with the United Nations would greatly contribute to development and to the implementation of the 2030 Agenda in Asia and in the rest of the world.

30. **Mr. Poudyal** (Nepal) said that, since its establishment in 2001, the Boao Forum for Asia had become a very important platform for discussion and for sharing experiences on issues confronting the Asian region and beyond. Every year, Governments, businesses and academics held meetings and exchanged ideas in the Forum on a broad range of issues related to socioeconomic development, technology and innovation. As one of the founders of the Forum, Nepal participated regularly in its activities and believed it

could make a significant contribution to economic cooperation and development in Asia. Nepal urged all delegations to support the draft resolution.

31. **Ms. Chung** (Singapore) said that granting the Boao Forum for Asia observer status would be of mutual benefit to the Forum and the General Assembly. The objectives of the Forum included promoting and strengthening economic exchanges, interactions and cooperation within Asia as well as between Asia and other parts of the world. Those objectives and the activities of the Forum clearly covered matters of interest to the General Assembly and were aligned with the purposes and principles of the Charter of the United Nations. Thanks to its commitment to fostering deeper interactions and cooperation within Asia and beyond on various international issues, the Forum would be in a position to contribute constructively to the work of the General Assembly. Similarly, its presence and engagement as an observer in the work of the General Assembly could enhance its ability to carry out its functions. For those reasons, Singapore supported the request for observer status for the Forum in the General Assembly.

32. **Ms. Chea** (Cambodia) said that the activities of the Forum were aimed at promoting and deepening economic cooperation in the Asian region, which complemented United Nations activities. Granting the Forum observer status would enhance cooperation between the Forum and United Nations agencies and support Asian countries in their implementation of the 2030 Agenda. Cambodia would therefore greatly appreciate Member States' support of the draft resolution.

33. **Mr. Taufan** (Indonesia) said that through dialogue among Governments, businesses, experts and scholars on economic, social, environmental and related issues, the Forum aimed to promote robust, inclusive and sustainable growth of the Asian and world economies. Indonesia believed that the activities and objectives of the Forum were consistent with the purposes and principles of the United Nations and therefore supported the granting of observer status to the Forum.

34. **Mr. Phonekeo** (Lao People's Democratic Republic) said that his delegation also supported the granting of observer status to the Boao Forum for Asia, given the importance and relevance of the aims and activities of the Forum, which could contribute to the realization of the purposes and objectives of the United Nations and the implementation of the 2030 Agenda.

35. **Ms. Pierce** (United States of America) said that, in its decision 49/426, the General Assembly had decided to limit eligibility for observer status "to States and to

those intergovernmental organizations whose activities cover matters of interest to the Assembly." Under the terms of its charter, the Forum was a non-profit, non-governmental organization. According to article 7 of that charter, its members were individuals, corporations, non-profit organizations and other non-governmental organizations. While States could become "initial countries", and initial countries had a role in nominating individuals to the "initial members" category, States as such were not eligible for membership. It was therefore clear that the Forum was not an intergovernmental organization eligible for observer status in the General Assembly. Her delegation noted that under Chinese domestic law, the Forum was recognized as an intergovernmental organization. However, the Forum did not have legal personality under international law, which meant that it could not be considered an intergovernmental organization for the purposes of observer status in the General Assembly.

36. The General Assembly had not intended to create a new, potentially limitless category of exceptionally "unique" organizations. On the contrary, it had emphasized in its resolution 71/156 that the eligibility criteria set out in its decision 49/426 remained unchanged, and had reaffirmed those criteria at its the current session. The United States was concerned that additional exceptions would eventually render the General Assembly's decision meaningless, essentially changing the rule without debate on the merits of abandoning the criteria.

37. **Ms. Danish** (Saudi Arabia) said that her country had sponsored the draft resolution given its relationship with the People's Republic of China as well as the major role played by the Boao Forum for Asia in promoting economic cooperation between Asian countries and other regions of the world. The Forum was a platform for dialogue between eminent persons in politics, business and academia which sought to establish partnerships to address global challenges, thus contributing to the expansion of economic and trade opportunities in Asia.

38. The largest businesses in Saudi Arabia participated in the meetings of the Forum every year in order to promote economic and political opportunities in the country. Granting the Forum observer status in the General Assembly could contribute to deeper cooperation in the long term between the Forum and the United Nations, and would enhance cooperation between Asian countries in their efforts to achieve the Sustainable Development Goals.

39. **Mr. Butt** (Pakistan) said that the Boao Forum for Asia was a non-profit international organization that

provided a high-level venue for dialogue among Governments, businesses and academic leaders in Asia and between Asia and other regions. The Forum strove to promote economic exchanges, interactions and cooperation within the region and beyond. Its activities covered matters of interest to the General Assembly, as required by the Assembly's decision 49/426. Pakistan therefore fully supported the draft resolution and called on Committee members to consider it favourably.

40. **Mr. Liu Yang** (China) said that his delegation had listened carefully to the statements made and was grateful to those delegations that had supported the request for observer status for the Boao Forum for Asia. Regarding the remarks made by the representative of the United States, it was true that, in its decision 49/426, the General Assembly had decided to grant observer status only to States and intergovernmental organizations whose activities covered matters of interest to the General Assembly. In practice, however, the International Committee of the Red Cross, the International Olympic Committee, the International Chamber of Commerce, the University for Peace and a number of non-governmental organizations had all been granted observer status.

41. The Forum focused on major issues relating to international and regional socioeconomic development and had put forward many proposals that were closely aligned with the work of the United Nations. Granting observer status to the Forum would therefore be consistent with the spirit of relevant General Assembly decisions. In addition, according to the charter of the Forum and the laws and regulations of China, the host country, the Forum had full legal personality. In 2005, the Government of China had signed a memorandum of understanding with the Forum, granting the latter treatment as an intergovernmental international organization, including by providing it with, inter alia, the requisite office, tax and entry/exit facilities.

42. China hoped that all delegations would give favourable consideration to the request.

Agenda item 77: Report of the United Nations Commission on International Trade Law on the work of its fifty-second session (A/74/17)

43. **Mr. Wisitsora-At** (Chair of the United Nations Commission on International Trade Law (UNCITRAL)), introducing the Commission's report on the work of its fifty-second session (A/74/17), said that the Commission had finalized seven texts in the following areas: public-private partnerships; enterprise group insolvency; secured transactions; and cloud computing contracts. One of the key achievements of

the session had been the finalization of those texts within two weeks rather than the usual three weeks, thanks to organizational adjustments by the Secretariat. It was widely considered that the fifty-second session would serve as a model for future sessions.

44. Other highlights of the session had included the Commission's updated work programme and the proposal of Israel and Japan to enlarge the Commission's membership. While the proposal had received broad support, it had been considered premature for it to be submitted to the Sixth Committee for consideration in 2019, since many issues remained open. The Commission had encouraged States to hold consultations on the proposal during the intersessional period and had requested that the Secretariat facilitate those consultations.

45. Turning to the texts finalized at the session, he said that the UNCITRAL Model Legislative Provisions on Public-Private Partnerships and the UNCITRAL Legislative Guide on Public-Private Partnerships had updated and consolidated the Commission's existing texts on privately financed infrastructure projects. The need to update those texts had arisen in response to a rapid evolution in public-private partnerships and the practices involved in their conclusion and implementation. New provisions and guidance had also been needed to strengthen anti-corruption safeguards in the light of the United Nations Convention against Corruption, and to address sustainable development issues in more detail, in particular climate change. Lastly, there had been a need to align the existing texts with more recent UNCITRAL texts on public procurement.

46. Key features of the two new UNCITRAL texts on public-private partnerships were better preparation and planning of projects; improved procedures for contract award and transparency in the selection of private partners; greater attention to addressing environmental risks and climate change through new mechanisms at project inception and through the life cycle of the project; and better appraisal of the long-term sustainability of public-private partnerships.

47. The new texts were relevant to the achievement of several Sustainable Development Goals, but especially Goal 9 and target 9.A, on resilient infrastructure, and Goal 12 and target 12.7, on sustainable procurement practices. In adopting the texts on public-private partnerships, the Commission had noted the plans of the European Bank for Reconstruction and Development and the Economic Commission for Europe to prepare a model law on public-private partnerships, and had

highlighted the need to avoid unnecessary duplication of work or inconsistency between the texts.

48. In the area of insolvency law, the Commission had adopted the UNCITRAL Model Law on Enterprise Group Insolvency and its Guide to Enactment. Those texts focused on the insolvency of multiple debtors that were members of the same enterprise group, which could be located in one or more jurisdictions. The Model Law allowed for insolvency proceedings relating to such debtors to be centralized to a certain degree, in particular through the planning proceeding; the group insolvency solution reached in the planning proceeding; the domestic and cross-border recognition or approval of the planning proceeding and group solution; and other measures to facilitate the resolution of enterprise group insolvency issues, including the possibility to treat foreign creditor claims in accordance with the law applicable to those claims.

49. The Commission had also adopted a text on the obligations of directors of enterprise group companies in the period approaching insolvency, to be added to part four of the UNCITRAL Legislative Guide on Insolvency Law, to cover the situation in which a director was appointed to, or held a managerial or executive position in, more than one enterprise group member and a conflict arose in discharging the obligations owed to the different members.

50. The UNCITRAL Model Law on Enterprise Group Insolvency and its Guide to Enactment were expected to contribute to the achievement of Sustainable Development Goal 8, which concerned the promotion of sustained, inclusive and sustainable economic growth.

51. In adopting those texts and assessing the ongoing work in the area of insolvency law, the Commission had underscored the importance of close coordination with the World Bank Group. The Commission had recalled the Insolvency and Creditor Rights Standard (the ICR Standard), which combined the World Bank Principles for Effective Insolvency and Creditor/Debtor Regimes and the recommendations made in the UNCITRAL Legislative Guide on Insolvency Law. Recognizing the role of the ICR Standard as a tool for evaluating and improving countries' insolvency regimes, the Commission had considered it important to ensure that the ICR Standard comprised all UNCITRAL insolvency texts, including those adopted at the fifty-second session.

52. In the area of security interests, the Commission had adopted the UNCITRAL Practice Guide to the UNCITRAL Model Law on Secured Transactions, a non-legislative text that described the types of secured transactions that creditors and other businesses could

undertake under the Model Law, and provided step-by-step explanations on how to engage in them. Parties involved in secured transactions should find the Practice Guide particularly useful in reducing the risk of loss arising from default of payment. The Practice Guide was expected to contribute to the achievement of Sustainable Development Goals 8 and 9, which addressed access to financial services, including by micro, small and medium-sized enterprises.

53. Lastly, the Commission had approved for publication the notes on the main issues of cloud computing contracts as notes by the Secretariat. The notes were a non-exhaustive source of information on drafting cloud computing contracts and built on current contractual practices, relevant technical standards and, where available, existing legislation, but were not themselves legislative in nature.

54. The preparation of a descriptive document of that nature had been considered by the Commission to be particularly useful for start-ups and micro, small and medium-sized enterprises, since such notes eliminated or significantly reduced the need for capital investment in information technology infrastructure. At the same time, micro, small and medium-sized enterprises could lack the expertise to assess the risks associated with entering into cloud computing contracts. The notes alerted the reader to those risks and suggested strategies to mitigate them at the pre-contractual stage and in the drafting of the contract. Given the nature and subject matter of the notes, the Commission had agreed that their publication as an online tool, in addition to the usual forms of publication, would ensure that they reached their intended audience in a more effective and accessible way. The notes were relevant to the achievement of Sustainable Development Goal 9, in particular target 9.C, which concerned access to information and communications technology.

55. In addition to finalizing those texts, the Commission had taken note of the progress made by its six working groups in developing new texts. It had confirmed that Working Group I should continue preparing a legislative guide on an UNCITRAL limited liability organization that addressed the particular needs of micro, small and medium-sized enterprises; that Working Group II should continue its work on expedited arbitration; that Working Group III should continue work on reform of the investor-State dispute settlement system; that Working Group IV should proceed with the preparation of an international instrument on legal issues related to identity management and trust services in the online environment; that Working Group V should continue work towards a text on a simplified insolvency regime; and that Working Group VI should continue

preparing an international instrument on the judicial sale of ships.

56. The Commission had expressed its appreciation for the inclusiveness and transparency of the work carried out by Working Group III and for the financial and other support provided by France, Germany, Switzerland and the European Union that had allowed the Secretariat to organize intersessional meetings of the Working Group in different regions.

57. Concerning future work, the Commission had noted that the next topic for Working Group I, in its work on legal issues faced by micro, small and medium-sized enterprises throughout their business life cycles, would be access to credit based on the comprehensive framework for secured transactions. In addition, given its central and coordinating role within the United Nations system for legal issues related to the digital economy and digital trade, the Commission had requested that the Secretariat continue its exploratory work on those issues and to expand the scope of that work to include high-tech-related disputes. The Commission had also requested that the Secretariat continue its preparatory work on warehouse receipts. Several States had also submitted proposals for possible future work. In response, the Commission had agreed to hold a colloquium on civil asset tracing and recovery, and a colloquium on applicable law in insolvency proceedings, and had requested the Secretariat to start exploratory work on railway consignment notes.

58. The Commission's work programme also included a wide range of non-legislative activities. Two of the most significant were the Case Law on UNCITRAL Texts (CLOUT) system; and technical assistance activities, including those carried out by the UNCITRAL Regional Centre for Asia and the Pacific. The consideration of those matters had led to important Commission decisions, which were expected to have a beneficial impact on the promotion, uniform interpretation and application of UNCITRAL texts.

59. The Commission had noted that, although the website of the CLOUT system had been hosted on a mobile-friendly platform since October 2018, the Secretariat was facing a number of difficulties in migrating the CLOUT database to that platform and in overcoming technical limitations with respect to CLOUT search functionality. The Commission had requested the Secretariat to implement measures for rejuvenating and expanding the CLOUT network, while preserving its fundamental features of multilingualism and free access. One such measure was the establishment of a steering committee that would ensure a closer connection between States and CLOUT. The

Commission had encouraged States to appoint representatives to that committee. Another measure was to establish CLOUT partnerships, in which partner organizations would be expected to monitor and report on developments related to UNCITRAL texts, undertake UNCITRAL-related promotional activities, and disseminate materials online and in local languages.

60. The Commission continued to encourage the Secretariat to take a strategic approach to the delivery of technical assistance activities. In 2019, it had requested the Secretariat to intensify its capacity-building activities with a focus on the judiciary, in cooperation with relevant international organizations where necessary. The World Bank Group was interested in working with the Commission to deliver training on the ICR Standard for judges from developing countries.

61. The Commission had acknowledged that the ability of the Secretariat to carry out technical assistance and capacity-building activities depended on the support of all stakeholders and had expressed its gratitude to States and organizations that had made voluntary contributions to UNCITRAL trust funds. Indonesia, the Republic of Korea and the Commercial Finance Association Education Foundation had contributed to the Trust Fund for UNCITRAL Symposia, while Austria, the European Union, the Swiss Agency for Development Cooperation and the German Agency for International Cooperation had contributed to the Trust Fund for Granting Travel Assistance to Developing States Members of UNCITRAL.

62. While encouraging the Secretariat to explore sources of extrabudgetary funding for the delivery of non-legislative activities, the Commission had emphasized the need for the Secretariat to remain neutral and independent. As in 2018, the fifty-second session had featured a round table on technical assistance, during which States and international organizations had discussed their experience with the use and implementation of UNCITRAL texts.

63. Since 2008, the Commission had, in response to the General Assembly's invitation, been transmitting to that body comments on its role in promoting the rule of law, drawing on a note by the Secretariat on the subject and the deliberations at the session on the Commission's legislative and non-legislative programmes. Those materials explained the contribution of the Commission's texts and its ongoing work to promote the rule of law and achievement of the Sustainable Development Goals.

64. The objectives that had motivated the General Assembly to establish the Commission 53 years prior were as relevant currently as they had been at that time,

and even more so in the light of evolving business practices, the digital revolution and the potentially disruptive effects of new technologies. Those developments called for sustained attention to the harmonization and modernization of international trade law, since when such modernization did not occur or occurred in a disharmonized way, international trade suffered.

65. International trade was often referred to as an engine for development. Indeed, the contribution of international trade to economic growth and sustainable development was undeniable. However, that engine needed proper care. The Commission made an important contribution to that end, but it also needed good care in order to be able to continue carrying out its mandate.

66. The Commission's achievements at its fifty-second session would not have been possible without the hard work and dedication of delegates, observers and the Secretariat. He appealed to all concerned to continue to support the Commission.

67. **Ms. Gauci** (Observer for the European Union), speaking also on behalf of the candidate countries Albania, Montenegro, North Macedonia, Serbia and Turkey; the stabilization and association process country Bosnia and Herzegovina; and, in addition, Georgia, the Republic of Moldova and Ukraine, said that the European Union and its member States welcomed the results achieved by the Commission at its fifty-second session, especially in the areas of arbitration and mediation, insolvency law and security interests.

68. Traditional investor-State dispute settlement presented many challenges and should be reformed; many countries were already taking action to do so. The European Union considered that, where dispute resolution involved public matters, a standing body and a multilateral approach appeared best suited to addressing all the issues at stake. The work carried out by Working Group III in identifying underlying issues and concerns with the current system was encouraging and should continue, as the Working Group had reached the third stage of its mandate, which concerned the development of relevant solutions. The European Union welcomed the decision to allocate an additional week of conference time to the Working Group in the first half of 2020. Given that investor-State dispute settlement reform represented a heavy workload, additional time was needed to ensure the best use of resources and the achievement of results within a reasonable time frame.

69. Considering the significant advantages that the Commission presented in terms of transparency, openness and accessibility, the European Union and its member States called on all countries, international

organizations and observers to participate actively in the discussions of the working groups. In that connection, the European Union had contributed to the Trust Fund for Granting Travel Assistance to Developing States Members of UNCITRAL in an effort to make the process as inclusive as possible; it encouraged other actors to make similar contributions. With the active engagement of all countries and interested organizations, the European Union and its member States continued to hope that a satisfactory outcome could be reached in a reasonably timely manner in the discussions in the working groups.

70. **Ms. Nyrhinen** (Finland), speaking on behalf of the Nordic countries (Denmark, Finland, Iceland, Norway and Sweden), said that, in an increasingly economically interdependent world, the importance of rules-based cooperation could be not over-emphasized. The Commission continued to play a key role in harmonizing and modernizing international trade law and its efforts to cooperate closely with relevant bodies and organizations was greatly appreciated by the Nordic countries. As a member of the Commission, Finland would be participating actively in the working groups.

71. The Commission had made significant progress in the field of insolvency law with the adoption of the UNCITRAL Model Law on Enterprise Group Insolvency and a text on the obligations of directors of enterprise group companies in the period approaching insolvency. The Nordic countries recognized the valuable work carried out by Working Group V (Insolvency Law) and intended to take part in its work.

72. Important progress had also been made by Working Group III (Investor-State Dispute Settlement Reform), which had performed its tasks efficiently and constructively and had identified a clear need for reform of the current investor-State dispute settlement system. Given that the objectives of the reform reflected rule of law principles such as legitimacy, independence, openness, expertise, predictability and cost efficiency, the Nordic countries looked forward to a holistic reform of the system. They greatly valued the work carried out by the Working Group to date and would continue to support the reform.

73. Working Group II (Dispute Settlement) had continued its valuable work in the field of arbitration and conciliation and had taken up issues related to expedited arbitration. Its work to date had had an important impact on the development of international arbitration and would most likely continue to do so. The Nordic countries appreciated the work carried out by Working Group I (Micro, Small and Medium-sized Enterprises) and looked forward to continuing the

discussions on the draft legislative guide on an UNCITRAL limited liability organization aimed at reducing the legal obstacles faced by micro, small and medium-sized enterprises throughout their life cycle. They would closely follow the work of Working Group VI (Judicial Sale of Ships) and the discussions in Working Group IV (Electronic Commerce) on legal issues relating to identity management and trust services.

74. **Mr. Kanu** (Sierra Leone) said that his delegation commended the Commission and the Secretariat on the finalization and adoption of a number of legislative and non-legislative texts in important fields of commerce. Having reformed its legal framework on secured transactions in 2014, Sierra Leone recognized that a practice guide could be useful not only to States that had adopted the UNCITRAL Model Law on Secured Transactions, but also to States that had adopted similar regimes on secured transactions.

75. Dispute settlement was critical in cross-border commerce. Sierra Leone noted with interest the mandate given to Working Group II to take up issues relating to expedited arbitration, and agreed that the Working Group should focus on improving the efficiency of arbitral proceedings, which would result in the reduction of their cost and duration. It was important, however, not to give too much weight at the current stage to consideration of whether there should be a differentiation between commercial and investment arbitration in the scope of its work. Its output was expected to be reflected in the UNCITRAL Arbitration Rules, which could be used for both commercial and investment arbitration.

76. His delegation welcomed the Commission's decision to allocate an extra week of conference time to Working Group III (Investor-State Dispute Settlement Reform) to deliberate on that important issue before its next session. It commended the Member States that had submitted written comments on the reform options; as a Government-led, inclusive and transparent process, the reform process would only be enhanced by a high number of quality submissions by States.

77. While recognizing that the Working Group was the more appropriate forum in which to discuss the Working Group's work, his delegation deemed it important to make comments on the progress report of the Working Group in the Sixth Committee, given that investor-State arbitral awards posed a significant threat to States' economic well-being and stability.

78. Sierra Leone appreciated the rationale for the decision to elaborate and develop multiple potential reform solutions simultaneously, and to propose

solutions in parallel without distinguishing between incremental and systemic reforms. His delegation had expressed its preference for systemic or structural reform, but also noted the value in considering the "low-hanging fruit" option preferred by others. His delegation remained concerned about a lack of diversity in the investor-State dispute settlement mechanism, and a lack of plurality in the deliberations owing to a lack of expertise and/or financial resources. The work being carried out, whether on the establishment of advisory centre(s), on the selection of tribunal members or on the development of a code of conduct, should not make it impossible to ensure diversity or to include non-traditional participants in the process. There must also be a regional approach to any reformed investor-State dispute settlement mechanism.

79. On plurality in the debate, his delegation commended the Government of Guinea, the Secretariat and the International Organization of la Francophonie on their organization of the third regional intersessional meeting on investor-State dispute settlement reform in Conakry in September 2019, which had also doubled as a capacity-building workshop. Sierra Leone noted with concern the threat posed by skyrocketing arbitral awards to the stability of developing States. Investor-State dispute settlement reform was no longer an economic or commercial issue, but one with implications for political and social stability, especially with respect to natural resource governance.

80. The absence of a number of Commission members at the session, as noted in paragraph 5 of the Commission's report (A/74/17), was regrettable. His delegation therefore called on the Secretariat to seek means to encourage full participation, given the importance of cross-border commerce to all States Members of the United Nations, especially developing States. While the primary obligation to participate rested with the members of the Commission, especially given the competitive process that led to membership, the Commission's work and working methods could be likened to those of the International Law Commission; the mandate to further the progressive harmonization and unification of international trade law should be all-embracing, to forestall the pursuit of a single doctrinal perspective. Full participation also contributed to the acceptance and use of UNCITRAL products.

81. With regard to active participation in the work of Working Group III, the Commission rightly noted in its report the germane issue of ensuring that developing States were able to participate effectively and that their enhanced participation depended heavily on the financial resources available to them. In order to address the recognized financial constraints facing those States,

Sierra Leone would put forward a proposal to extend the Trust Fund for Granting Travel Assistance to Developing States Members of UNCITRAL to cover participation by non-member States in the work of the Working Group. His delegation looked forward to cooperation of the Sixth Committee in that regard and commended Members States, development agencies and international organizations for their contributions to the Trust Fund.

82. The Commission also noted in the report that the majority of applicants for its internship programme came from the regional group of Western Europe and Other States, and that the Secretariat was experiencing difficulties in attracting candidates from African and Latin American countries, as well as candidates with fluent Arabic language skills. The Commission had requested the Secretariat to review whether internships of short duration might encourage more candidates from underrepresented regions to apply. The internship programme was critical to capacity development and must be considered part of the Commission's strategic technical assistance activities.

83. His delegation had noted with keen interest the proposal by Israel and Japan on enlarging the Commission's membership reproduced in the Commission's report (A/74/17). The work of the Commission, in particular the work of Working Group III, continued to be of interest to States. That trend reinforced the need for an inclusive approach to the formation of rules that would eventually govern an interdependent global economy. As argued in the report, it was important to increase the Commission's membership, owing to the understanding that a member State would be better placed than a non-member State to mobilize resources for the purpose of preparing for and engaging in the Commission's discussions.

84. **Ms. Chung** (Singapore) said that, as uncertainty in the international enforceability of settlement agreements resulting from mediation was often cited as a challenge to the use of mediation, the adoption of the United Nations Convention on International Commercial Settlement Agreements Resulting from Mediation (Singapore Convention on Mediation) marked a milestone, in that it would enable mediated settlement agreements to be invoked and enforced across borders. Her Government was pleased that 51 countries had signed the Convention, thus confirming that the instrument was considered highly relevant to international trade law. Singapore urged States that had not yet done so to sign the Convention.

85. Her delegation welcomed the adoption of the UNCITRAL Model Law on Enterprise Group

Insolvency and its Guide to Enactment, which complemented the UNCITRAL Model Law on the Recognition and Enforcement of Insolvency-Related Judgments and its guide to enactment, all instruments that would ensure that insolvency regimes reflected the current borderless nature of business operations. It also welcomed the adoption of the UNCITRAL Legislative Guide on Public-Private Partnerships, which would be of assistance to policymakers in their efforts to reform or enact laws to facilitate the implementation of infrastructure projects with the involvement of the private sector.

86. Her delegation commended the Commission for the continuation of work on investor-State dispute settlement reform and would continue to participate constructively in that process. It welcomed the Commission's recognition of the importance of micro, small and medium-sized enterprises and looked forward to the completion of work on the draft legislative guide on an UNCITRAL limited liability organization.

87. Lastly, her delegation looked forward to future developments in the insolvency area, particularly on applicable law in insolvency proceedings, which would be instrumental in promoting a coordinated approach to choice of law in cross-border insolvency cases.

88. **Ms. Ponce** (Philippines) said that her delegation supported the important role played by the Commission in the promotion of the rule of law in international trade, financing and investment. It welcomed the adoption of the UNCITRAL Model Legislative Provisions on Public-Private Partnerships with an accompanying legislative guide, the UNCITRAL Model Law on Enterprise Group Insolvency and its Guide to Enactment, the UNCITRAL Practice Guide to the UNCITRAL Model Law on Secured Transactions, and a text on the obligations of directors of enterprise group companies in the period approaching insolvency.

89. Her delegation commended Working Group I for the progress made in its work on micro, small and medium-sized enterprises. Her Government recognized such enterprises as big drivers of the economy and thus considered it necessary to assist them and to make them globally competitive. In that connection, it supported the Commission's work on reducing the legal obstacles faced by such enterprises throughout their life cycles, particularly in developing economies. Her delegation continued to be engaged in the work of Working Group III on reform of the investor-State dispute settlement system. While the Working Group's mandate centred on the procedural aspects of the system, rather than on the underlying investment protection standards, a balance must be struck between the rights and obligations of

States and those of investors in any reform of the system.

90. Her delegation noted with interest the scheduled colloquium on civil asset tracing and recovery and the colloquium on applicable law in insolvency proceedings, and supported the proposal submitted by Japan and Israel for enlargement of the membership of the Commission. Lastly, the Philippines had signed the Singapore Convention on Mediation and encouraged other countries and regional economic organizations to do likewise.

91. **Mr. Verdier** (Argentina) said that the Commission helped to create an environment conducive to the development of trade and investment among States by proposing common texts and concepts that brought predictability to international trade law. Argentina not only participated actively in the Commission's work but had also ratified the various instruments it had adopted. It supported the enlargement of the membership of the Commission, provided that the principle of equitable geographic representation was respected.

92. His delegation welcomed the progress made by Working Group I (Micro, Small and Medium-sized Enterprises) on the draft legislative guide on an UNCITRAL limited liability organization, which aimed to reduce the legal obstacles faced by micro, small and medium-sized enterprises throughout their life cycles. That support was based largely on the understanding that freedom of form and freedom of contract should be guiding principles for limited liability entities. Argentina supported the work of Working Group II (Dispute Settlement), the aim of which was to devise an expedited and effective dispute settlement mechanism, which would allow small and medium-sized enterprises to use a procedure that was currently not available to them owing to the exorbitant cost of arbitration.

93. Argentina would continue to support the work of Working Group III on investor-State dispute settlement reform and welcomed the organization of regional meetings during the intersessional period. Lastly, it welcomed the adoption of the UNCITRAL Model Legislative Provisions on Public-Private Partnerships with an accompanying legislative guide, the UNCITRAL Practice Guide to the UNCITRAL Model Law on Secured Transactions, and the UNCITRAL Model Law on Enterprise Group Insolvency.

94. **Mr. Dixon** (United Kingdom) said that his delegation continued to support Working Group I and its work to develop standards that would reduce the legal obstacles faced by small businesses. It supported the efforts of Working Group II to improve the efficiency of arbitral proceedings. Although the United Kingdom did

not sign the Singapore Convention on Mediation, it was currently considering whether it should apply the Convention. His delegation continued to participate in the work of Working Group III on investor-State dispute settlement and welcomed the Secretariat's continued support and the approach it had taken in considering the views of stakeholders. The Commission's expertise made it ideally suited to hosting discussions on that important issue.

95. His delegation continued to support Working Group IV (Electronic Commerce), as it recognized the increasing importance of that work in the creation of an aligned and interoperable global market for electronic identity and trust services in order to facilitate digital trade. The Government of the United Kingdom had recently introduced its electronic identity scheme, which allowed for the cross-border transmission of verified electronic identities within the European Union for use in public sector services. It continued to work towards recognizing equivalent forms of electronic identity and authentication on a global scale, ensuring that the forms were secure, trustworthy and easy to use across borders.

96. His delegation was pleased to participate in the work of Working Group V on insolvency law and welcomed the progress made in its work on the insolvency of micro, small and medium-sized entities and the adoption of the model law provisions on multinational enterprise group insolvency. It also welcomed the Commission's decision to allocate time, from the next two sessions of the Working Group, for a colloquium on asset tracing and recovery, and a colloquium to consider applicable law in insolvency proceedings. The United Kingdom continued to support the efforts of Working Group VI as it explored the need for, and the development of, an international instrument on the judicial sale of ships.

97. **Mr. Hwang**, Woo Jin (Republic of Korea) said that, as part of the consideration of investor-State dispute settlement reform by Working Group III, his delegation had submitted a document outlining the modalities of future discussions, additional topics for the Working Group's discussions, and suggestions relating to a standing mechanism for the settlement of international investment disputes. It was pleased that the discussions had been constructive and hoped that they would lead to a fruitful solution.

98. The Republic of Korea was honoured to have been selected to host the first regional office of the Commission, the UNCITRAL Regional Centre for Asia and the Pacific, and had provided financial and human resource support to ensure that the Centre was able to

fulfil its mandate. Since its establishment, the Centre had allowed the Commission to expand its influence in the region and to achieve its goals relating to the study and dissemination of international trade law. The aims of the Centre were to provide capacity-building and technical assistance for States in the region, and to support public, private and civil society initiatives that helped to promote international trade and development. His Government would continue to provide support for the operation of the Centre.

99. **Mr. Milano** (Italy) said that his delegation commended the Commission for the assistance it provided to States to help them adapt their laws to the changing needs of the contemporary world, including taking into account new technologies and paying special attention to micro, small and medium-sized enterprises, and for its contribution to sustainable development. The Commission had been able to adapt to the continuous changes in the world and to offer tools to domestic lawmakers that helped them to offer common solutions for the common good.

100. **Mr. Simcock** (United States) said that his delegation was pleased that the Commission had been able to adopt a number of new guides and legal instruments in 2019. One such instrument was the UNCITRAL Model Legislative Provisions on Public-Private Partnerships and an accompanying legislative guide, which would help to better promote the sound management of such partnerships, with its emphasis on enhancing transparency, fairness, and sustainability, while reducing the risk of corruption and the misuse of public funds. Another such instrument was the UNCITRAL Practice Guide to the UNCITRAL Model Law on Secured Transactions, which his delegation hoped would serve as a useful reference for individuals and businesses looking for practical, actionable advice on how to operate and structure transactions under the Model Law.

101. His delegation was also pleased that the Commission had adopted the UNCITRAL Model Law on Enterprise Group Insolvency and its Guide to Enactment. It hoped that the Model Law would contribute to the establishment of harmonized national enterprise group insolvency laws that protected and maximized the value of the assets and operations of enterprise groups and their members, while also providing appropriate protection to creditors. The updated UNCITRAL Legislative Guide on Insolvency Law was a welcome development to address the obligations of directors of enterprise group companies in the period approaching insolvency.

102. The United States noted with satisfaction that the Commission had taken into consideration a number of suggestions made in prior years to improve its working methods and had become more efficient. As a result, its latest session had been well organized and more streamlined. His delegation looked forward to the Commission's continued efforts to structure its agenda and meetings in order to maximize both efficiency and effectiveness, and also looked forward to continuing its productive engagement with the Commission. It welcomed the planned discussions on the appropriate size and composition of the Commission's membership and hoped that the discussions would focus on ensuring that the Commission was able to maintain and improve upon its ability to develop and promote effective, usable instruments that supported stable and predictable outcomes for the United States and for the world.

103. **Ms. Cerrato** (Honduras) said that her delegation commended all the Commission's working groups for the work accomplished during the session, and welcomed the adoption of the Singapore Convention on Mediation, which Honduras had signed. The Convention reflected the recognition of the value of mediation in international trade, as it was being used more and more as an alternative to judicial proceedings. Honduras also welcomed the adoption of the UNCITRAL Model Legislative Provisions on Public-Private Partnerships with an accompanying legislative guide, the UNCITRAL Practice Guide to the UNCITRAL Model Law on Secured Transactions, and the UNCITRAL Model Law on Enterprise Group Insolvency and its guide to enactment.

104. Honduras had adopted a number of laws that reflected the content of some of the Commission's texts, including laws governing the development of micro, small and medium-sized enterprises, conciliation and arbitration, electronic signatures and electronic trade. It was also one of the first countries to sign the United Nations Convention on the Use of Electronic Communications in International Contracts.

105. **Mr. Singto** (Thailand) said that the Commission played an indispensable role in the modernization and harmonization of international trade law and in the establishment of a universal, rules-based, open and non-discriminatory multilateral trading system that could become an important engine for inclusive economic growth and poverty reduction. His delegation commended the Commission for adopting the UNCITRAL Model Legislative Provisions on Public-Private Partnerships and the UNCITRAL Legislative Guide on Public-Private Partnerships, which would assist States in establishing their respective domestic institutional frameworks for the development, award

and implementation of successful public-private partnership projects.

106. Thailand welcomed the adoption of the UNCITRAL Practice Guide to the UNCITRAL Model Law on Secured Transactions, which provided comprehensive guidance to States, particularly those with developing and transitional economies, for the reform and modernization of their secured transaction laws. His delegation also commended Working Group V for its work leading to the adoption of the UNCITRAL Model Law on Enterprise Group Insolvency and its Guide to Enactment, a valuable addition to the UNCITRAL Model Law on Cross-Border Insolvency and the UNCITRAL Legislative Guide on Insolvency Law. Crucially, the Model Law on Enterprise Group Insolvency highlighted the need for cross-border recognition as well as cooperation and coordination among the States concerned in cross-border insolvency cases involving enterprise groups. In that connection, his delegation was also pleased to see the adoption of an additional section of part four of the UNCITRAL Legislative Guide on Insolvency Law addressing the obligations of directors of enterprise group companies in the period approaching insolvency.

107. Given its belief in the importance of investor-State dispute settlement reform, Thailand welcomed the significant progress made by Working Group III on the issue. It believed, however, that successful reform must be practical and must benefit as many States as possible, and that the approach taken by the Working Group in allowing multiple reform options to be developed at the same time was the right one. Drawing from its own experience, Thailand believed in the need for dispute prevention, as fewer investment disputes meant fewer investor-State dispute settlement problems. To that end, it fully supported the Working Group in exploring reform tools that promoted capacity-building and enhanced knowledge-sharing in a coordinated manner.

108. Lastly, Thailand commended the UNCITRAL Regional Centre for Asia and the Pacific, with which it had had a long and productive partnership, for its work in raising awareness and disseminating knowledge and information on international trade standards and norms, particularly those elaborated by the Commission, and also in providing capacity-building and technical assistance for developing countries in the region.

109. **Ms. Kalb** (Austria) said that her delegation commended the Commission for the adoption of the UNCITRAL Model Legislative Provisions on Public-Private Partnerships with an accompanying legislative guide, the UNCITRAL Model Law on Enterprise Group Insolvency and its Guide to Enactment and other texts.

It welcomed the progress made in other areas of the Commission's work, in particular regarding investor-State dispute settlement reform. The Commission, which had always been a transparent and open forum that addressed challenges and concerns in a consensual manner, was the ideal forum for the consideration of that issue. Her delegation also took note of the progress made by Working Group IV (Electronic Commerce) and the strengthening of the work programme on micro, small and medium-sized enterprises. Austria commended the Commission and its secretariat for revamping the Case Law of UNCITRAL Texts (CLOUT) system, particularly in light of its impact on the structuring of technical assistance and capacity-building.

110. Austria welcomed discussions on enhancing the efficiency of the work of the Commission and commended the Commission for the new arrangements concerning the duration of its sessions, in order to make the best use of the time available to the Commission and its working groups. As strengthening the rule of law through the Commission's efforts was essential for achieving the Sustainable Development Goals, Austria strongly supported the work of the Commission concerning technical cooperation and assistance in the reform and development of international trade law.

111. **Mr. Umasankar** (India) said that his delegation commended the Commission for adopting the UNCITRAL Model Legislative Provisions on Public-Private Partnerships and the UNCITRAL Legislative Guide on Public-Private Partnerships, which would help countries to adopt laws establishing the procedures for the approval, awarding and implementation of public-private partnership projects. It was also pleased with the adoption of the UNCITRAL Model Law on Enterprise Group Insolvency, which would be a valuable addition to the UNCITRAL Model Law on Cross-Border Insolvency.

112. India noted with satisfaction the adoption of the UNCITRAL Practice Guide to the Model Law on Secured Transactions, which would be of immense value for contractual, transitional and regulatory matters and for the financing of micro businesses. It also welcomed the work of Working Group VI on the judicial sale of ships and took note of the ongoing discussions aimed at improving the efficiency and quality of arbitral proceedings, with a view to reducing the cost and duration of proceedings. His delegation commended the progress made in the work of Working Group III on investor-State dispute settlement reform.

113. India had signed the Singapore Convention on Mediation, which would help to strengthen the

international dispute resolution framework and facilitate the enforcement of mediated settlement agreements amongst signatory countries. India appreciated the value of the CLOUT system in promoting the uniform interpretation of UNCITRAL texts and welcomed the proposal for enhancing CLOUT and creating a CLOUT community. It appreciated the work of the national correspondents of the CLOUT system, who played an important role in providing information on the use and implementation of UNCITRAL texts. India had already nominated its national correspondents for the system.

114. **Ms. González López** (El Salvador) said that her delegation commended the Commission for the adoption of the UNCITRAL Model Law on Enterprise Group Insolvency and its Guide to Enactment, the UNCITRAL Legislative Guide on Public-Private Partnerships and the UNCITRAL Model Legislative Provisions on Public-Private Partnerships. The development and protection of public-private partnerships was an important issue for the productive and economic development of El Salvador. As an observer in the Commission, El Salvador had participated actively in the work of the different working groups and in the preparatory work leading to the adoption of legislative and non-legislative instruments that would undoubtedly contribute to the harmonization of international trade law.

115. **Mr. Machida** (Japan) said that, given the importance of reducing the legal difficulties faced by micro, small and medium-sized enterprises throughout their lifecycles, particularly in developing economies, his delegation was pleased with the substantive discussions that had taken place in Working Group I on that topic. His delegation took note of the adoption of the Singapore Convention on Mediation and attached great importance to the ongoing work of Working Group II on expedited arbitration. Japan hoped that Working Group III (Investor-State Dispute Settlement Reform) would follow the work sequence stipulated in its mandate without prejudice to the final outcome, and that it would conduct its discussions in an inclusive manner. It was also essential that the Commission's work be based on the facts related to the current investment arbitration system.

116. With regard to Working Group IV (Electronic Commerce), his delegation recognized the importance of the current work on identity management and trust services to support online digital transactions in international trade, and hoped that the Working Group would continue to pay due attention to the principle of technology neutrality as it advanced in its work. Japan congratulated Working Group V for completing its work on the UNCITRAL Model Law on Enterprise Group

Insolvency and its Guide to Enactment, well as the text on the obligations of directors of enterprise group companies in the period approaching insolvency, to be added to part four of the UNCITRAL Legislative Guide on Insolvency Law.

117. His delegation looked forward to further progress on the examination of issues relevant to the insolvency of micro, small and medium-sized enterprises. It was also pleased that Working Group VI had finalized its work on the UNCITRAL Practice Guide to the UNCITRAL Model Law on Secured Transactions, and looked forward to the Working Group making progress on its work on the judicial sale of ships.

118. Japan was honoured to have initiated, jointly with Israel, the discussions on the enlargement of the Commission's membership, and it was pleased that the idea had received broad support. It commended the Commission for having encouraged its member States to consult with each other and with other interested States on the proposal during the intersessional period, and for having requested the UNCITRAL secretariat to facilitate those consultations. For its part, Japan had already launched a process of informal consultations with all permanent missions in Vienna, and counted on the active participation and strong support of all States Members of the United Nations in that process.

119. **Ms. Al-Farhan** (Kuwait) said that Kuwait continually updated its commercial and economic laws in order to keep pace with changes in the rules governing international trade. The Government was partnering with the private sector with a view to developing the national infrastructure. Those partnerships were overseen by the Kuwait Authority for Partnership Projects, which sought to leverage the private sector to promote market competition and encourage creativity, while preserving the public good. The Authority had recently announced partnerships in such areas as energy, water, sanitation, education, public health, transport, communications, real estate and solid waste management.

120. Kuwait was pressing for the adoption of a global financial regime and was striving to become a leader in the comprehensive development of legislation on electronic commerce. In 2014, the Government had adopted a law on electronic transactions on the basis of the UNCITRAL Model Law on Electronic Commerce and on similar laws in Arab and Western States. In 2015, it had adopted a law on combating cybercrime.

121. In order to strengthen the principle of the rule of law, it was essential to bolster the role of the Commission in the area of international trade. The Commission's programme of work should be intensified

with a view to improving international economic relations. In particular, action should be taken to support the work of Working Group II (Dispute Settlement). Kuwait had benefited from its membership of the Commission and hoped to contribute to its work with a view to resolving economic disputes and developing global trade and laws on electronic commerce.

122. **Ms. Ruhama** (Malaysia) said that her delegation had considered with much interest the work of Working Group III on investor-State dispute settlement and looked forward to the possible reform options to be proposed. Malaysia and other members of the Association of Southeast Asian Nations were currently assessing the possible need for similar reform within their regional platform.

123. **Ms. Matos** (Bolivarian Republic of Venezuela) said that her delegation welcomed the progress made in the work of all the working groups, including the adoption of the UNCITRAL Model Legislative Provisions on Public-Private Partnerships with an accompanying legislative guide, the UNCITRAL Practice Guide to the UNCITRAL Model Law on Secured Transactions, the UNCITRAL Model Law on Enterprise Group Insolvency and its Guide to Enactment, and the UNCITRAL Legislative Guide on Insolvency Law, which addressed the obligations of directors of enterprise group companies in the period approaching insolvency. All those instruments would help to strengthen the Commission's legal framework. The Bolivarian Republic of Venezuela was a signatory to the Singapore Convention on Mediation.

124. **Mr. Alanazi** (Saudi Arabia) said that, in view of the expanding and diversifying nature of global trade, his Government had established the Saudi Centre for Commercial Arbitration in order to provide a more comprehensive options in arbitration cases. The Centre had formed strategic partnerships with such entities as the International Centre for Dispute Resolution, the international division of the American Arbitration Association, in order to benefit from its best practices and expertise.

125. Saudi Arabia was a party to the 1958 Convention on the Recognition and Enforcement of Foreign Arbitral Awards (New York Convention). Its arbitration regime was based on the UNCITRAL Model Law on International Commercial Arbitration and allowed for a broad range of options with regard to the applicable law, rules, place and language of hearing and composition of the panel in arbitration cases. Awards were appealable only on the grounds of invalidity and could be enforced promptly and effectively. The Saudi Centre for Commercial Arbitration offered professional,

transparent and swift alternative dispute resolution services inspired by the Islamic sharia and consistent with international standards. The Centre helped raise awareness of alternative dispute resolution to create a safe investment environment that would attract domestic and foreign investment. Its ambition was to be the preferred choice for alternative dispute resolution services in the region by 2030.

126. His Government had adopted a policy to ensure that the country's arbitration sector was staffed by Saudi Arabian nationals, that arbitration was a national priority, and that the justice system was integrated with other government sectors. The policy was also meant to facilitate business and attract foreign investment. Saudi Arabia had signed the Singapore Convention on Mediation. Its commercial regime was being overhauled with a view to fostering sustainable development and employment, improving the business environment, empowering women economically, boosting competitiveness and promoting small and medium-sized enterprises.

127. **Ms. Horbachova** (Ukraine) said that her delegation considered the work of the Commission on removing the legal obstacles to cross-border commerce highly important and was committed to contributing to that work. Ukraine had signed the Singapore Convention on Mediation out of conviction that the Convention would enhance the role of mediation as an alternative to arbitration in the settlement of international commercial disputes, and would generally have a positive impact on the development of international trade.

128. **Ms. Mulenga** (Zambia) said that her Government believed that alternative dispute settlement mechanisms were essential for the speedy and fair resolution of commercial disputes and for enhanced foreign direct investment in the country. Accordingly, it had amended the Constitution to oblige courts to seek to promote alternative forms of dispute resolution in their exercise of judicial authority. Other pieces of legislation had also been adopted to advance the use of alternative dispute settlement mechanisms; Zambia had signed a number of international conventions that promoted such mechanisms.

129. Her Government took note of the Singapore Convention on Mediation and the UNCITRAL Model Law on International Commercial Mediation and International Settlement Agreements Resulting from Mediation, which both had the potential to enhance the cross-border enforceability of mediated settlements. Zambia would like to be part of the international community's effort to adopt progressive dispute

resolution initiatives that were in line with its national policy and that enhanced trade and development. Her delegation was committed to an objective and well-intentioned consideration of the UNCITRAL Legislative Guide on Key Principles of a Business Registry, the UNCITRAL Model Law on Cross-Border Insolvency and the UNCITRAL Model Law on Recognition and Enforcement of Insolvency-Related Judgments and its guide to enactment. It recognized that streamlined and simplified registration procedures reduced the burden of registration and business costs, and were an incentive for investment, trade and growth.

130. The Government of Zambia supported the calls for a transboundary law on insolvency and was committed to initiating discussions with the relevant stakeholders with a view to transposing the Commission's instruments into its national laws. However, the country currently required further technical assistance and capacity-building with respect to conventions, model laws and legislative guides developed by the Commission, to help boost the competence and knowledge of practitioners and make mediation more reliable and more predictable as a means of resolving international contractual disputes.

The meeting rose at 1 p.m.