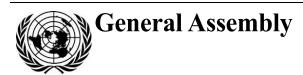
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#### Seventy-fifth session

Agenda item 78

# Report of the United Nations Commission on International Trade Law on the work of its fifty-third session

# Report of the Sixth Committee

Rapporteur: Mr. Solomon Korbieh (Ghana)

## I. Introduction

- 1. At its 2nd plenary meeting, on 18 September 2020, the General Assembly, on the recommendation of the General Committee, decided to include in the agenda of its seventy-fifth session the item entitled "Report of the United Nations Commission on International Trade Law on the work of its fifty-third session" and to allocate it to the Sixth Committee.
- 2. The Sixth Committee considered the item at its 15th and 19th meetings, on 10 and 19 November 2020. The views of the representatives who spoke during the Committee's consideration of the item are reflected in the relevant summary records. <sup>1</sup>
- 3. For its consideration of the item, the Committee had before it the report of the United Nations Commission on International Trade Law on the work of its fifty-third session (A/75/17).
- 4. At the 15th meeting, on 10 November, the Chair of the United Nations Commission on International Trade Law at its fifty-third session introduced the report of the Commission on the work of its fifty-third session.

### II. Consideration of draft resolution A/C.6/75/L.17

5. At the 19th meeting, on 19 November, the representative of Austria, on behalf of Austria, Belarus, Belgium, Canada, Colombia, Croatia, Czechia, Finland, France, Germany, Greece, Honduras, Hungary, India, Ireland, Italy, Lithuania, Malta, Montenegro, the Philippines, Poland, Portugal, Romania, Singapore, Slovakia, Spain, Sweden, Switzerland and the United Kingdom of Great Britain and Northern Ireland, introduced a draft resolution entitled "Report of the United Nations Commission on





<sup>&</sup>lt;sup>1</sup> A/C.6/75/SR.15 and A/C.6/75/SR.19.

International Trade Law on the work of its fifty-third session" (A/C.6/75/L.17) and announced that Argentina, Cyprus, Latvia, Lesotho, Luxembourg, the Republic of Korea, the Republic of Moldova and Ukraine had joined in sponsoring the draft resolution. Subsequently, Israel, Ecuador and Iceland also joined as sponsors of the draft resolution.

6. At the same meeting, the Committee adopted draft resolution A/C.6/75/L.17 without a vote (see para. 7).

#### III. Recommendations of the Sixth Committee

7. The Sixth Committee recommends to the General Assembly the adoption of the following draft resolution:

## Report of the United Nations Commission on International Trade Law on the work of its fifty-third session

The General Assembly,

Recalling its resolution 2205 (XXI) of 17 December 1966, by which it established the United Nations Commission on International Trade Law with a mandate to further the progressive harmonization and unification of the law of international trade and in that respect to bear in mind the interests of all peoples, in particular those of developing countries, in the extensive development of international trade,

Reaffirming its belief that the progressive modernization and harmonization of international trade law, in reducing or removing legal obstacles to the flow of international trade, especially those affecting developing countries, would contribute significantly to universal economic cooperation among all States on a basis of equality, equity, common interest and respect for the rule of law, to the elimination of discrimination in international trade and, thereby, to peace, stability and the well-being of all peoples,

Having considered the report of the Commission, 1

Reiterating its concern that activities undertaken by other bodies in the field of international trade law without adequate coordination with the Commission might lead to undesirable duplication of efforts and would not be in keeping with the aim of promoting efficiency, consistency and coherence in the unification and harmonization of international trade law,

Reaffirming the mandate of the Commission, as the core legal body within the United Nations system in the field of international trade law, to coordinate legal activities in this field, in particular to avoid duplication of efforts, including among organizations formulating rules of international trade, and to promote efficiency, consistency and coherence in the modernization and harmonization of international trade law, and to continue, through its secretariat, to maintain close cooperation with other international organs and organizations, including regional organizations, active in the field of international trade law.

- 1. Takes note with appreciation of the report of the United Nations Commission on International Trade Law;
- 2. Commends the completion of the Legal Guide to Uniform Legal Instruments in the Area of International Commercial Contracts (with a focus on sales) prepared by the secretariat of the Commission in coordination with the Hague Conference on Private International Law and the International Institute for the Unification of Private Law:
- 3. Welcomes the entry into force on 12 September 2020 of the United Nations Convention on International Settlement Agreements Resulting from Mediation (Singapore Convention on Mediation), adopted by the General Assembly in its resolution 73/198 of 20 December 2018, and invites Governments and regional

<sup>1</sup> Official Records of the General Assembly, Seventy-fifth Session, Supplement No. 17 (A/75/17).

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economic integration organizations that have not yet done so to consider becoming a party to the Convention;

- 4. Notes with satisfaction the renewed commitment from the European Commission to provide funding for a period of three years, which allows the operation of the repository of published information under the Rules on Transparency in Treaty-based Investor-State Arbitration,<sup>2</sup> and that the Commission reiterated its strong and unanimous opinion that the secretariat of the Commission should continue to operate the transparency repository, which constitutes a central feature both of the Rules on Transparency and of the United Nations Convention on Transparency in Treaty-based Investor-State Arbitration (Mauritius Convention on Transparency);<sup>3</sup>
- 5. Requests the Secretary-General to continue to operate, through the secretariat of the Commission, the repository of published information in accordance with article 8 of the Rules on Transparency, as a continuation of the project until the end of 2023, to be funded entirely by voluntary contributions, and to keep the General Assembly informed of developments regarding the funding and budgetary situation of the transparency repository;
- 6. Takes note with interest of the progress made by the Commission in its work in the areas of micro-, small and medium-sized enterprises, dispute settlement, investor-State dispute settlement reform, electronic commerce, insolvency law and the judicial sale of ships,<sup>4</sup> and encourages the Commission to continue to move forward efficiently to achieve tangible work outcomes in those areas;
- 7. Notes with interest the decisions of the Commission as regards its planned work in the areas of warehouse receipts, railway consignment notes and legal issues of the digital economy, and notes a new date for a colloquium on applicable law in insolvency proceedings which was postponed owing to the coronavirus disease (COVID-19) pandemic;<sup>5</sup>
- 8. Takes note of the proposal for future work by the Commission in the aftermath of the COVID-19 pandemic submitted at the session by Japan on the stocktaking of dispute resolution in the modern context, and that the Commission requested its secretariat to commence research on issues identified in the proposal, noting their relevance to digital economy and COVID-19-related developments in the area of dispute resolution;
- 9. Also takes note of the proposal submitted at the session by the Russian Federation, co-sponsored by Armenia and Viet Nam, to update the work programme of the Commission in the light of the COVID-19 pandemic, and that the Commission requested its secretariat to commence exploratory work on matters of international commercial law related to overcoming the consequences of the global pandemic and other large-scale emergencies that create impediments to international trade referred to in the proposal;
  - 10. Notes the endorsement by the Commission of the Incoterms 2020 rules;<sup>6</sup>
- 11. Endorses the efforts and initiatives of the Commission, as the core legal body within the United Nations system in the field of international trade law, aimed at increasing coordination of and cooperation on legal activities of international and regional organizations active in the field of international trade law, including on legal

<sup>&</sup>lt;sup>2</sup> Ibid., Sixty-eighth Session, Supplement No. 17 (A/68/17), annex I.

<sup>&</sup>lt;sup>3</sup> Resolution 69/116, annex.

<sup>&</sup>lt;sup>4</sup> See Official Records of the General Assembly, Seventy-fifth Session, Supplement No. 17 (A/75/17), part two, chaps. IV-IX.

<sup>&</sup>lt;sup>5</sup> Ibid., chap. X, sect. C.

<sup>&</sup>lt;sup>6</sup> Ibid., part one, chap. V.

issues relating to the digital economy as reaffirmed by the Commission at its fifty-third session, and at promoting the rule of law at the national and international levels in this field, and in this regard appeals to relevant international and regional organizations to coordinate their activities with those of the Commission, to avoid duplication of efforts and to promote efficiency, consistency and coherence in the modernization and harmonization of international trade law;

- 12. *Reaffirms* the importance, in particular for developing countries, of the work of the Commission concerned with technical cooperation and assistance in the field of international trade law reform and development, and in this connection:
- (a) Welcomes the initiatives of the Commission towards expanding, through its secretariat, its technical cooperation and assistance programme, in that respect encourages the Secretary-General to seek partnerships with State and non-State actors to increase awareness about the work of the Commission and facilitate the effective implementation of legal standards resulting from its work, and notes with appreciation the organization by the secretariat of the "UNCITRAL Latin American and Caribbean Days" ("UNCITRAL LAC Days") in partnership with Latin American and Caribbean Governments and regional universities, aimed at promoting awareness and encouraging the study and discussion of Commission texts;
- (b) Expresses its appreciation to the Commission for carrying out technical cooperation and assistance activities and for providing assistance with legislative drafting in the field of international trade law, and draws the attention of the Secretary-General to the limited resources that are made available in this field;
- (c) Expresses its appreciation to the Governments whose contributions enabled the technical cooperation and assistance activities to take place, and appeals to Governments, the relevant bodies of the United Nations system, organizations, institutions and individuals to make voluntary contributions to the United Nations Commission on International Trade Law trust fund for symposiums and, where appropriate, for the financing of special projects and otherwise to assist the secretariat of the Commission in carrying out technical cooperation and assistance activities, in particular in developing countries;
- (d) Reiterates its appeal to the United Nations Development Programme and other bodies responsible for development assistance, such as the World Bank and regional development banks, as well as to Governments in their bilateral aid programmes, to support the technical cooperation and assistance programme of the Commission and to cooperate with the Commission and coordinate their activities with those of the Commission in the light of the relevance and importance of the work and programmes of the Commission for the promotion of the rule of law at the national and international levels and for the implementation of the international development agenda, including the achievement of the 2030 Agenda for Sustainable Development;<sup>7</sup>
- (e) Recalls its resolutions stressing the need to strengthen support to Member States, upon their request, in the domestic implementation of their respective international obligations through enhanced technical assistance and capacity-building, welcomes the efforts of the Secretary-General to ensure greater coordination and coherence among United Nations entities and with donors and recipients, and notes the conclusion of the memorandums of understanding with China, Saudi Arabia, Singapore and Hong Kong, China, to support technical assistance activities in relation to Commission texts and international trade law;

<sup>7</sup> Resolution 70/1.

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- 13. Recalls the importance of adherence to the rules of procedure and methods of work of the Commission, including transparent and inclusive deliberations, taking into account the summary of conclusions as reproduced in annex III to the report on the work of its forty-third session, requests the Secretariat to issue, prior to meetings of the Commission and of its working groups, a reminder of those rules of procedure and methods of work with a view to ensuring the high quality of the work of the Commission and encouraging the assessment of its instruments, and recalls in this regard its previous resolutions related to this matter;
- 14. Commends the Commission for the temporal adjustments made in the methods of work of the Commission in order to advance its work to the extent possible in the light of prevailing travel restrictions owing to the COVID-19 pandemic on the participation of delegations at sessions of the Commission and its working groups, which demonstrates the adaptability and resilience of the Commission and its secretariat in such exceptional circumstances as well as the fruitful efforts to preserve transparency, inclusiveness, flexibility, multilingualism, effectiveness and equality in carrying out its work;
- 15. Welcomes the activities of the United Nations Commission on International Trade Law Regional Centre for Asia and the Pacific, in the Republic of Korea, towards providing capacity-building and technical assistance services to States in the Asia-Pacific region, including to international and regional organizations, expresses its appreciation to the Republic of Korea and China, whose contributions enabled continuing operation of the Regional Centre, notes that the continuation of the regional presence relies entirely on extrabudgetary resources, including but not limited to voluntary contributions from States, welcomes expressions of interest from other States in hosting regional centres of the Commission, and requests the Secretary-General to keep the General Assembly informed of developments regarding the establishment of regional centres, in particular their funding and budgetary situation;
- 16. Appeals to Governments, the relevant bodies of the United Nations system, organizations, institutions and individuals to make voluntary contributions to the trust fund established to provide travel assistance to developing countries that are members of the Commission, at their request and in consultation with the Secretary-General, in order to enable renewal of the provision of that assistance and to increase expert representation from developing countries at sessions of the Commission and its working groups, necessary to build local expertise and capacities in those countries to put in place a regulatory and enabling environment for business, trade and investment;
- 17. Decides, in order to ensure full participation of all Member States in the sessions of the Commission and its working groups, to continue, in the competent Main Committee during the seventy-fifth session of the General Assembly, its consideration of granting travel assistance to the least developed countries, at their request and in consultation with the Secretary-General, and notes the contributions from France, the European Union and the Swiss Agency for Development and Cooperation to the trust fund, which would facilitate the participation of representatives of developing States in the deliberations of Working Group III;
- 18. Takes note of the proposal for the enlargement of the membership of the Commission submitted by Israel and Japan at the fifty-second session of the Commission, of the progress made through the consultations organized by Japan during the intersessional period and of the willingness of Japan to organize further

<sup>8</sup> Official Records of the General Assembly, Sixty-fifth Session, Supplement No. 17 (A/65/17).

<sup>&</sup>lt;sup>9</sup> Ibid., Seventy-fourth Session, Supplement No. 17 (A/74/17), para. 311.

consultations, and that the Commission encouraged its member States to continue to consult with each other and other interested States on the proposal during the intersessional period and requested the Secretariat to continue to facilitate those intersessional consultations;

- 19. Endorses the conviction of the Commission that the implementation and effective use of modern private law standards in international trade are essential for advancing good governance, sustained economic development and the eradication of poverty and hunger and 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, including through the Rule of Law Coordination and Resource Group, supported by the Rule of Law Unit in the Executive Office of the Secretary-General;
- 20. *Notes* the role of the Commission in promoting the rule of law, respective discussions in the Commission at its fifty-third session, <sup>10</sup> and the comments transmitted by the Commission, pursuant to paragraph 20 of General Assembly resolution 74/191 of 18 December 2019, highlighting the relevance of its current work to the promotion of the rule of law and the implementation of the Sustainable Development Goals;<sup>11</sup>
- 21. Notes with satisfaction that, in paragraph 8 of the declaration of the high-level meeting of the General Assembly on the rule of law at the national and international levels, adopted by consensus as resolution 67/1 of 24 September 2012, Member States recognized the importance of fair, stable and predictable legal frameworks for generating inclusive, sustainable and equitable development, economic growth and employment, generating investment and facilitating entrepreneurship and, in this regard, commended the work of the Commission in modernizing and harmonizing international trade law and that, in paragraph 7 of the declaration, Member States expressed their conviction that the rule of law and development were strongly interrelated and mutually reinforcing;
- 22. Also notes with satisfaction that, in paragraph 89 of the Addis Ababa Action Agenda of the Third International Conference on Financing for Development, adopted by the General Assembly by consensus as resolution 69/313 of 27 July 2015, States endorsed the efforts and initiatives of the Commission, as the core legal body within the United Nations system in the field of international trade law, aimed at increasing coordination of and cooperation on legal activities of international and regional organizations active in the field of international trade law and at promoting the rule of law at the national and international levels in this field:
- 23. Recalls its resolution 74/276 of 1 June 2020, in which it decided to convene the special session of the General Assembly on challenges and measures to prevent and combat corruption and strengthen international cooperation in 2021, and notes the request from the Commission to the Chair of the Commission at its fifty-third session, other members of the Bureau of that session, States and its secretariat to take appropriate steps to ensure that the Commission's contribution to the implementation of the international anti-corruption agenda is duly acknowledged in an outcome document of that special session;
- 24. Reiterates its request to the Secretary-General, in conformity with resolutions of the General Assembly on documentation-related matters, 12 which, in particular, emphasize that any invitation to limit, where appropriate, the length of documents should not adversely affect either the quality of the presentation or the

<sup>10</sup> Ibid., Seventy-fifth Session, Supplement No. 17 (A/75/17), part one, chap. XI.

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<sup>11</sup> Ibid., chap. III, para. 25.

<sup>&</sup>lt;sup>12</sup> Resolutions 52/214, sect. B, 57/283 B, sect. III, and 58/250, sect. III.

substance of the documents, to bear in mind the particular characteristics of the mandate and functions of the Commission in the progressive development and codification of international trade law when implementing page limits with respect to the documentation of the Commission; <sup>13</sup>

- 25. Requests the Secretary-General to continue the publication of Commission standards and the provision of summary records of the meetings of the Commission, including committees of the whole established by the Commission for the duration of its annual session, relating to the formulation of normative texts;
- 26. Recalls paragraph 48 of its resolution 66/246 of 24 December 2011 regarding the rotation scheme of meetings between Vienna and New York;
- 27. Stresses the importance of promoting the use of texts emanating from the work of the Commission for the global unification and harmonization of international trade law, and to this end urges States that have not yet done so to consider signing, ratifying or acceding to conventions, enacting model laws and encouraging the use of other relevant texts;
- 28. Commends the Commission for holding a series of online panels during the first part of its fifty-third session to discuss the connection between the work of the Commission and the economic consequences of the COVID-19 pandemic, and notes that several legislative tools that the Commission has developed can play an important role in assisting States in mitigating the effects of the measures required to control the pandemic, as well as in their economic recovery efforts; <sup>14</sup>
- 29. Also commends the Commission for inviting States to consider adopting Commission instruments capable of mitigating the disruption of international trade and business caused by necessary response measures to the COVID-19 pandemic by making it possible to conduct business transactions and transmit and use documents by using electronic means, as well as Commission instruments that may particularly support micro-, small and medium-sized enterprises by facilitating simplified business registration, reducing the cost of financing business transactions and helping in the restructuring or orderly liquidation of distressed businesses, or to promote effective settlement of commercial disputes, <sup>15</sup> and appeals to Governments to adopt such Commission instruments, as appropriate;
- 30. Notes with appreciation the work of the Secretariat on the system for the collection and dissemination of case law on Commission texts in the six official languages of the United Nations (the CLOUT system), notes the resource-intensive nature of the system, acknowledges the need for further resources to sustain and expand it, in this regard welcomes the renewed efforts by the Commission and its secretariat towards building partnerships with interested institutions, and appeals to Governments, the relevant bodies of the United Nations system, organizations, institutions and individuals to assist the secretariat of the Commission in raising awareness as to the availability and usefulness of the CLOUT system in professional, academic and judiciary circles and in securing the funding required for the coordination and expansion of the system and the establishment, within the secretariat of the Commission, of a pillar focused on the promotion of ways and means of interpreting Commission texts in a uniform manner;
- 31. Welcomes the continuing work of the Secretariat on digests of case law related to Commission texts, including their wide dissemination, as well as the

<sup>&</sup>lt;sup>13</sup> See resolutions 59/39, para. 9, and 65/21, para. 18; see also Official Records of the General Assembly, Fifty-ninth Session, Supplement No. 17 (A/59/17), paras. 124–128.

<sup>&</sup>lt;sup>14</sup> See Official Records of the General Assembly, Seventy-fifth Session, Supplement No. 17 (A/75/17), part one, chap. XIII.

<sup>15</sup> Ibid., chap. III, para. 27.

continuing increase in the number of abstracts available through the CLOUT system, in view of the role of the digests and the CLOUT system as important tools for the promotion of the uniform interpretation of international trade law, in particular by building local capacity of judges, arbitrators and other legal practitioners to interpret those standards in the light of their international character and the need to promote uniformity in their application and the observance of good faith in international trade, and notes the satisfaction of the Commission with the performance of the New York Convention website 16 and the successful coordination between that website and the CLOUT system;

32. Recalls its resolutions affirming the importance of high-quality, user-friendly and cost-effective United Nations websites and the need for their multilingual development, maintenance and enrichment, <sup>17</sup> commends the fact that the website of the Commission has been migrated to a mobile device-friendly platform and that it continues to be published simultaneously in the six official languages of the United Nations, and welcomes the continuous efforts of the Commission to maintain and improve its website, and to enhance the visibility of its work by utilizing social media features in accordance with the applicable.

<sup>16</sup> www.newyorkconvention1958.org.

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<sup>&</sup>lt;sup>17</sup> Resolutions 52/214, sect. C, para. 3; 55/222, sect. III, para. 12; 56/64 B, sect. X; 57/130 B, sect. X; 58/101 B, sect. V, paras. 61–76; 59/126 B, sect. V, paras. 76–95; 60/109 B, sect. IV, paras. 66–80; and 61/121 B, sect. IV, paras. 65–77.