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Seventy-fourth session Agenda item 77 Report of the United Nations Commission on International Trade Law on the work of its fifty-second session

## **Resolution adopted by the General Assembly on 18 December 2019**

[on the report of the Sixth Committee (A/74/423)]

## 74/182. Report of the United Nations Commission on International Trade Law on the work of its fifty-second 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 wellbeing of all peoples,

Having considered the report of the Commission,<sup>1</sup>

*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

<sup>&</sup>lt;sup>1</sup> Official Records of the General Assembly, Seventy-fourth Session, Supplement No. 17 (A/74/17).





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;<sup>1</sup>

2. Commends the Commission for the finalization and adoption of the Model Legislative Provisions on Public-Private Partnerships with an accompanying legislative guide,<sup>2</sup> the Model Law on Enterprise Group Insolvency and its guide to enactment,<sup>3</sup> the Practice Guide to the United Nations Commission on International Trade Law Model Law on Secured Transactions<sup>4</sup> and a text on the obligations of directors of enterprise group companies in the period approaching insolvency,<sup>5</sup> to be added to part four of the Legislative Guide on Insolvency Law of the United Nations Commission on International Trade Law;<sup>6</sup>

3. Also commends the Commission for the finalization of the Notes on the Main Issues of Cloud Computing Contracts prepared by the secretariat and for approving them for publication, including in the form of a mobile device-friendly online tool;<sup>7</sup>

4. *Welcomes* the signing ceremony, held in Singapore on 7 August 2019, for 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 economic integration organizations that have not yet done so to consider becoming a party to the Convention;

5. Notes with satisfaction the contributions from the Fund for International Development of the Organization of the Petroleum Exporting Countries and from the European Commission, which allow the operation of the repository of published information under the Rules on Transparency in Treaty-based Investor-State Arbitration,<sup>8</sup> and that the Commission reiterated its strong and unanimous opinion that the secretariat of the Commission should continue to operate the transparency and of the United Nations Convention on Transparency in Treaty-based Investor-State Arbitration (Mauritius Convention on Transparency);<sup>9</sup>

6. *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 pilot project until the end of 2020, 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 based on its pilot operation;

<sup>&</sup>lt;sup>2</sup> Ibid., chap. III, sect. C, and annex I.

<sup>&</sup>lt;sup>3</sup> Ibid., chap. VI, sect. A, and annex II.

<sup>&</sup>lt;sup>4</sup> Ibid., chap. IV, sect. C.

<sup>&</sup>lt;sup>5</sup> Ibid., chap. VI, sect. B.

<sup>&</sup>lt;sup>6</sup> United Nations publication, Sales No. E.13.V.10.

<sup>&</sup>lt;sup>7</sup> Official Records of the General Assembly, Seventy-fourth Session, Supplement No. 17 (A/74/17), chap. VIII, sect. C.

<sup>&</sup>lt;sup>8</sup> Ibid., Sixty-eighth Session, Supplement No. 17 (A/68/17), annex I.

<sup>&</sup>lt;sup>9</sup> Resolution 69/116, annex.

7. *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>10</sup> and encourages the Commission to continue to move forward efficiently to achieve tangible work outcomes in those areas;

Notes with interest the authorization for the Secretariat to hold a colloquium on civil asset tracing and recovery and a colloquium on applicable law in insolvency proceedings, with the goal of advancing the exploratory work on those topics, as well as other decisions taken by the Commission on future work, notes that the Commission agreed to request the Secretariat to proceed with its preparatory work on warehouse receipts and to convene a colloquium with other organizations having relevant expertise, with a view to considering the questions of scope and nature of work discussed at the fifty-second session and possibly advancing the preparation of initial draft materials, to conduct exploratory and preparatory work on legal issues which relate to the digital economy and digital trade, including on dispute resolution in relation to high-technology disputes, and to start exploratory work on railway consignment notes, as well as to start preparing draft materials on access to credit for micro-, small and medium-sized enterprises,<sup>11</sup> and further notes that the Commission will further consider the draft United Nations Commission on International Trade Law mediation rules<sup>12</sup> and the draft United Nations Commission on International Trade Law notes on mediation<sup>13</sup> at its next session, in 2020, following further comments and consideration from States and other interested relevant organizations, and any appropriate revisions to the draft texts;

9. *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 issues relating to the digital economy, 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;

10. *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 in that regard the round table on technical assistance held during the fifty-second session of the Commission, which brought together governmental and intergovernmental organizations active in international development assistance to explore synergies and discuss ways to further cooperate with the secretariat of the Commission in implementing sound reforms of international trade law;

(b) Expresses its appreciation to the Commission for carrying out technical cooperation and assistance activities and for providing assistance with legislative

<sup>&</sup>lt;sup>10</sup> See Official Records of the General Assembly, Seventy-fourth Session, Supplement No. 17 (A/74/17), chap. XV, sect. A.

<sup>&</sup>lt;sup>11</sup> Ibid., sect. C.

<sup>&</sup>lt;sup>12</sup> A/CN.9/986.

<sup>&</sup>lt;sup>13</sup> A/CN.9/987.

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>14</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 capacitybuilding, and welcomes the efforts of the Secretary-General to ensure greater coordination and coherence among United Nations entities and with donors and recipients;

11. *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,<sup>15</sup> 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;

12. Notes that the Commission, during its fifty-second session, welcomed improvements in the organization of that session made by the Secretariat pursuant to a joint comprehensive proposal concerning the methods of work of the Commission submitted by several Member States at the fifty-first session of the Commission<sup>16</sup> and confirmed its understanding that two-week sessions would generally be sufficient and that the duration of each annual session was to be determined on a case-by-case basis depending on the expected workload;<sup>17</sup>

13. 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

<sup>&</sup>lt;sup>14</sup> Resolution 70/1.

<sup>&</sup>lt;sup>15</sup> Official Records of the General Assembly, Sixty-fifth Session, Supplement No. 17 (A/65/17).

<sup>&</sup>lt;sup>16</sup> Ibid., Seventy-third Session, Supplement No. 17 (A/73/17), chap. XVIII, sect. A.

<sup>&</sup>lt;sup>17</sup> Ibid., Seventy-fourth Session, Supplement No. 17 (A/74/17), paras. 316 and 331.

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;

14. 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;

15. 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-fourth 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 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;

16. *Takes note* of a proposal for the enlargement of the membership of the Commission submitted by Israel and Japan at the fifty-second session of the Commission,<sup>18</sup> and that the Commission encouraged its member States to consult with each other and other interested States on the proposal during the intersessional period and requested the Secretariat to facilitate those intersessional consultations;<sup>19</sup>

17. *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;

18. Notes the role of the Commission in promoting the rule of law, respective discussions in the Commission at its fifty-second session,  $^{20}$  and the comments transmitted by the Commission, pursuant to paragraph 20 of General Assembly resolution 73/207 of 20 December 2018, highlighting the relevance of its current work and of the texts finalized and adopted at the fifty-second session of the Commission to the promotion of the rule of law and the implementation of the Sustainable Development Goals;<sup>21</sup>

19. Notes with satisfaction that, in paragraph 8 of the declaration of the highlevel 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

<sup>&</sup>lt;sup>18</sup> Ibid., para. 311.

<sup>&</sup>lt;sup>19</sup> Ibid., para. 315.

<sup>&</sup>lt;sup>20</sup> Ibid., chap. XX.

<sup>&</sup>lt;sup>21</sup> Ibid., sect. B.

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;

20. 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;

21. Reiterates its request to the Secretary-General, in conformity with resolutions of the General Assembly on documentation-related matters,<sup>22</sup> 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 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>23</sup>

22. *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;

23. *Recalls* paragraph 48 of its resolution 66/246 of 24 December 2011 regarding the rotation scheme of meetings between Vienna and New York;

24. *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;

25. 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;

<sup>&</sup>lt;sup>22</sup> Resolutions 52/214, sect. B, 57/283 B, sect. III, and 58/250, sect. III.

<sup>&</sup>lt;sup>23</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.

26. Welcomes the continuing work of the Secretariat on digests of case law related to Commission texts, including their wide dissemination, as well as the 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<sup>24</sup> and the successful coordination between that website and the CLOUT system;

27. *Recalls* its resolutions affirming the importance of high-quality, userfriendly and cost-effective United Nations websites and the need for their multilingual development, maintenance and enrichment,<sup>25</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 guidelines.<sup>26</sup>

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<sup>&</sup>lt;sup>24</sup> www.newyorkconvention1958.org.

<sup>&</sup>lt;sup>25</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.

<sup>&</sup>lt;sup>26</sup> See resolution 63/120, para. 20.