

**STATEMENT BY DR. M. GANDHI, COUNSELLOR ON AGENDA ITEM 155 –  
REPORT OF THE UNITED NATIONS COMMISSION ON INTERNATIONAL  
TRADE LAW ON THE WORK OF ITS THIRTY-FIFTH SESSION IN THE SIXTH  
COMMITTEE ON SEPTEMBER 30, 2002**

Mr. Chairman,

As this is the first time my delegation is taking the floor at this session, I take this opportunity to congratulate you on your election as Chairman of the Sixth Committee and assure you of our full co-operation and support. I also congratulate other members of the Bureau on their election.

We are pleased to note that the 35<sup>th</sup> session of the Commission on International Trade Law has been a very productive one. We welcome the adoption of the Model Law of International Commercial Conciliation together with the draft guide to enactment and use by the United Nations Commission on International Trade Law (UNCITRAL) at its thirty-fifth session. The model law is designed to provide uniform rules in respect of the conciliation process.

Mr. Chairman,

Conciliation is increasingly being used in dispute settlement. It respects party autonomy and, being entirely consensual, it can foster amicable settlements. The uniformity and certainty offered by legislative rules prepared by the Commission, in particular, the precise legislative provision on commencement, confidentiality, evidentiary privilege and enforcement of settlement agreements will, we hope, lead to the increased use of conciliation.

The Commission also had before it the reports of the various Working Groups. The work of the new Working Groups on Insolvency Law and Security Interests, and Transport Law has been most opportune in

view of the relevant legislative initiatives underway at both national and international levels. The work undertaken by the Working Group on Secured Transactions and that on Insolvency Law are of particular importance to countries like India which are in the process of bringing their laws in conformity with international practice in respect of corporate law and governance.

Mr. Chairman,

India is considering the amendment of the Insolvency Law with a view to having a new statutory regime relating to rehabilitation or winding up of sick companies and to having a new institutional mechanism with consolidated jurisdiction put in place instead of the multiple forums that earlier exercised jurisdiction.

In respect of financial assets held by banks and financial institutions, India proposes to enact a new law allowing the enforcement of securities held by banks and financial institutions without intervention of Courts. The creation of a central registry for such transactions to ensure transparency is also contemplated. We believe that UNCITRAL's work is of crucial importance in providing States comprehensive and consistent guidance in this area.

Mr. Chairman,

My delegation notes with satisfaction that the Working Group on transport law will review the current practices and laws in the area of International Carriage of Goods by Sea. It is

our hope that gaps in the existing laws that hinder the free flow of goods and increase the cost of transactions will be identified and suitable solutions suggested.

Mr. Chairman,

The workload of the Commission has increased, resulting in a demand for the strengthening of the Commission's secretariat. We are convinced that it is necessary to ensure efficiency in the work of the Committee, considering the increased demand for uniform Trade Law Standards in a globalized economy. In view of this we feel that the option of reduction in the current programme of the work of UNCITRAL is neither realistic nor practicable. We therefore, support the recommendation for a significant strengthening of the UNCITRAL Secretariat within the bounds of resources available with the organization. We place on record the contributions made by UNCITRAL in areas facilitating electronic commerce, infrastructure development, modernization of legislation on government contracting and public procurement; as well as on facilitating

access to credit including cross-border credit.

Mr. Chairman,

We are concerned that the representation of the Asian group in UNCITRAL is inadequate and incommensurate with its 28.3% of the total membership of the UN today. My delegation fully supports the enlargement of the membership of the Commission, so as to allow more States to participate in and contribute to its work, besides making it a more representative body reflective of all legal traditions and economic systems, and enhancing its effectiveness. We believe that in order to be a truly representative body, the Commission must have additional membership from the Asian region on the basis of the principle of equitable geographical representation.

Thank you, Mr. Chairman.

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