



# PHILIPPINES

## STATEMENT

### **Item 79 – Report of the United Nations Commission on International Trade Law on the work of its 50th session**

**Sixth Committee, 72nd session of the United Nations General Assembly  
09 October 2016, Trusteeship Council Chamber  
United Nations Headquarters, New York**

Thank you, Mr Chairman.

We wish to thank UNCITRAL for its report on its milestone 50th session, held in Vienna last summer.

The Philippines supports fair, stable and predictable legal frameworks for generating inclusive, sustainable and equitable development, as well as economic growth and employment. We are committed to supporting UNCITRAL's important role in promoting the rule of law in the global development agenda, particularly in the areas of international trade, financing and investments. Through its guides, model laws and other instruments, and its continuing work in the harmonization and modernization of trade law, UNCITRAL can assist countries in developing a rules-based environment for commercial activities to flourish and for people to reap its benefits.

The past year has been another productive year for UNCITRAL. The 50th session featured the three-day Congress on Modernizing International Trade Law to Support Innovation and Sustainable Development, which brought together leaders in the field of international trade law – practitioners, judges, academics, international officials and other experts. The substance and format of the congress allowed the diverse participants to explore new directions in cross-border commerce, and discuss the opportunities that UNCITRAL should seize in helping manage new development issues and fostering innovation through the modernization of international trade law.

On Working Group III, the Philippines pays close attention to the development of standards on transparency, including the UNCITRAL Rules on Transparency in Treaty-based Investor-State Arbitration (Transparency Rules) and the United Nations Convention on Transparency in Treaty-based Investor-State Arbitration which provides a mechanism for the application of the Transparency Rules. This Convention will enter into force on 18 October.

We welcome the milestone decision to entrust Working Group III with a broad mandate to work on the possible reform of investor-State dispute settlement (ISDS). Despite the diversity of views offered, the mandate was decided by consensus. For example:

- First, they considered the desirability of reform, requesting the working group to develop and recommend relevant solutions to the Commission.
- Second, the Commission agreed that the working group deserves broad discretion in discharging its mandate, but that its proposed solutions should be designed taking into account the work of relevant international organizations, as well as the flexibility of each State as to whether and to what extent it wishes to adopt the relevant solutions.
- Third, they affirmed that deliberations will be government-led, consensus-based and be fully transparent, while benefiting from the widest possible breadth of available expertise from all stakeholders, in line with the UNCITRAL's established process.

Mr Chairman, the Philippines commends the progress made by Working Group I on Micro-, Small- and Medium-sized Enterprises, on the two topics on its current work agenda, namely, (1) the creation of a simplified business entity, and (2) the key principles of business registration. Both topics involved the preparation of a legislative guide "aimed at reducing the legal obstacles faced by micro, small and medium-sized enterprises throughout their life cycle and, in particular, those in developing economies". In this regard, we look forward to the completion of the draft legislative guide on key principles of a business registry, for possible adoption at the 51st session next year.

We note that following the adoption of the UNCITRAL Model Law on Secured Transactions at the Commission's 49th session last year, Working Group VI on Security Interests has also completed its work on the guide to enactment of the UNCITRAL Model Law on Secured Transactions. We look forward to its publication, alongside the Model Law.

The Philippines also continues to support the mandate given by the Commission to Working Group IV on Electronic Commerce to take up work on the topics of identity management and trust services, as well as of cloud computing, after the completion of the work on the draft model law on electronic transferable records.

We look forward to the working group's report in future sessions on the updates on the preparatory work on these two topics, including with respect to their feasibility, in parallel and in a flexible manner.

Finally, the Philippines reaffirms its support for UNCITRAL's Regional Center for Asia and the Pacific. We commend the leadership and commitment of Mr. Joao Ribeiro in raising the profile of UNCITRAL in the region, and for his efforts towards the promotion,

adoption, and uniform interpretation of UNCITRAL texts in the region and the rest of the world. We are particularly pleased with the center's initiatives in strengthening information, knowledge and statistics through briefings, workshops, seminars, publications, social media and information and communications technologies, including in regional languages.

Thank you, Mr Chairman.