

STATEMENT BY  
THE REPRESENTATIVE OF JAPAN  
ON THE REPORT OF THE UNITED NATIONS COMMISSION ON  
INTERNATIONAL TRADE LAW ON THE WORK OF ITS 52<sup>nd</sup> SESSION

SIXTH COMMITTEE  
21 OCTOBER 2019  
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Mr. / Madame Chair,

At the outset, I would like to [congratulate you on your assumption of the chair of the Sixth Committee, and to] express confidence that we will achieve positive results during this session under your able leadership.

In addition, I would like to express my gratitude to the Chair of the United Nations Commission on International Trade Law (UNCITRAL) for presenting the report of the Commission on the work conducted during its fifty-second session. I would also like to extend my sincere appreciation to the important role played by the Secretariat of UNCITRAL.

Mr. / Madame Chair,

I would like to comment briefly on the work of UNCITRAL during its fifty-second session.

**(1) Working Group I (Micro, Small and Medium-sized Enterprises)**

With respect to Working Group I, Japan recognizes the importance of reducing legal difficulties faced by micro, small and medium-sized enterprises (MSMEs) throughout their lifecycles, particularly in developing economies. We are pleased with the substantive deliberations taking place in the Working Group, and will continue to contribute to the discussion through our corporate experts in this field.

**(2) Working Group II (Dispute Settlement)**

As for Working Group II, Japan would firstly like to take note of the finalization and adoption of the UN Convention on International Settlement Agreements Resulting from Mediation and the model law at the seventy-third session of the General Assembly.

Second, in regard to the Working Group's new topic regarding expedited

arbitration, Japan attaches great importance to the work in progress and remains fully committed to actively take part in the discussions. Japan hopes to collaborate further with all participants of the Working Group so as to achieve further progress on this topic.

**(3) Working Group III (Investor-State Dispute Settlement Reform)**

On Working Group III, Japan hopes that the Working Group will follow the work sequence stipulated in the mandate without prejudice to the final outcome and conduct discussions in an inclusive manner. Japan emphasizes that the Commission's work should be based on the facts related to the current investment arbitration system.

**(4) Working Group IV (Electronic Commerce)**

With regard to Working Group IV, Japan recognizes the importance of the current work of the Working Group on the topics of identity management (IdM) and trust services to support online digital transactions in international trade.

Japan hopes that the Working Group continues to pay due attention to the principle of technology neutrality as it advances its work.

**(5) Working Group V (Insolvency Law)**

As for Working Group V, Japan congratulates the completion by the Working Group, and the subsequent finalization and adoption by the Commission, of the UNCITRAL Model Law on Enterprise Group Insolvency and its guide to enactment as well as the 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.

We look forward to further progress on the topic of the insolvency treatment of MSMEs.

**(6) Working Group VI (Secured Transaction (-2018), Judicial Sale of Ships (2019-))**

On Working Group VI, Japan is pleased that the UNCITRAL Practice Guide to the UNCITRAL Model Law on Secured Transactions was finalized and adopted at the fifty-second session of the Commission.

Japan looks forward to the progress to be made by the Working Group on its new work regarding judicial sale of ships.

**(7) Enlargement of UNCITRAL Membership**

Mr. / Madame Chair,

Japan would like to take this opportunity to draw your attention to its initiative on the enlargement of UNCITRAL's membership. It was a great honor for Japan to have

initiated, jointly with Israel, discussions on this issue during the fifty-second session of the Commission. Japan would like to extend its sincere gratitude to member States of the Commission and other interested States for sharing their productive inputs on our proposal aimed at enlarging UNCITRAL membership.

The global economy has become increasingly interdependent as never before. Correspondingly, the Commission's work has become ever more important. The most recent activities of the Commission include those aimed at establishing or improving legal frameworks designed for, inter alia, further enhancing the digital economy, achieving expedited proceedings in arbitration, reforming the ISDS system, reducing obstacles faced by MSMEs, and assisting recovery of value from troubled businesses through international insolvency processes. It should be underlined that the Commission's work is important not only to facilitate international trade and investment but also to achieve peace, security and good governance. In order to further improve the effectiveness of the Commission, we are convinced that broader participation in the work of the Commission will be essential.

As such, Japan is grateful for the broad support that was expressed for the idea in general to enlarge the membership of the Commission at its fifty-second session. Japan also commends the Commission for having encouraged its member States to consult with each other and other interested States on the proposal during the intersessional period and for having requested the Secretariat of UNCITRAL to facilitate those intersessional consultations at the same session.

For its part, Japan has already launched a process of Vienna-based informal consultations and has invited all Permanent Missions in Vienna to take part to discuss salient issues pertaining to the enlargement of the Commission's membership. The first informal consultation was held on the 24<sup>th</sup> of last month, where important proposals were made and views were exchanged constructively. Japan counts further on the active participation and the strong support of all member States of the United Nations in this process and hopes that this open and transparent process will lead to a successful outcome. In this connection, Japan also expects that, upon receipt, the United Nations General Assembly will be prepared to adopt the Commission's recommendation to this effect.

In conclusion, I would like to express our deep appreciation for the Commission's contribution in promoting the progressive harmonization and unification of international trade law. Japan, as a member of the Commission since its inception, remains strongly committed to participate actively in its work.

I thank you, Mr. / Madame Chair.