



**PERMANENT MISSION OF THAILAND
TO THE UNITED NATIONS**

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**Statement
by
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**before the Sixth Committee
of the 76th Session of the United Nations General Assembly**

**Agenda item 80
Report of the United Nations Commission on International Trade Law
on the Work of its Fifty-fourth Session**

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1. On behalf the Thai delegation, let me express our gratitude to the Chair of UNCITRAL, H.E. Mr. Philbert Abaka Johnson, Chairman of the fifty-fourth session of UNCITRAL, who oversaw the adoption of six UNCITRAL texts. Such a productive outcome is also owed in large part to the Working Groups and the UNCITRAL Secretariat, and we commend them for their commitment and exemplary work.

2. Thailand has long been a committed member of UNCITRAL. Throughout the years, we have used our utmost effort to contribute to the tasks assigned to the working groups. Broad contribution of Member States and participants is important to constructively shape the progressive development in international trade law and help ensure that the outcome texts will be properly balanced leading to wide-ranging acceptance.

Madam Chair,

3. In 2002, we witnessed an important step taken to enlarge UNCITRAL membership from 36 to 60 seats. The way the number of seats was distributed among the regional groups bore testament that Members were not only seeking to broaden participation in general but were also very much concerned with promoting more equitable geographical representation.

4. The Commission's decision this year to recommend another enlargement of its membership is another step forward to increasing awareness, visibility and acceptability of UNCITRAL and its work. However, as we take a step forward in broadening participation, we must ensure a forward momentum on all essential aspects. In this regard, Member States have thus agreed on the need to also consider ways to promote equitable geographical representation with a view to taking further actions as necessary. On our part, we are ready to engage with Member States on ways to enhance the representative character of UNCITRAL at the earliest opportunity.

Madam Chair,

5. Thailand is very pleased with the Commission's achievements over the past year. The adoption of the UNCITRAL Legislative Guide on Limited Liability Enterprises (Working Group I) will certainly help to reduce the legal obstacles faced by MSMEs in their life cycle. MSMEs are particularly important in developing economies, including Thailand which has over 3 million MSMEs. We believe that this Legislative Guide will enhance MSMEs' competitiveness which is especially crucial in this challenging domestic and global economic environment that is constantly evolving due to the pandemic. Moreover, the UNCITRAL Legislative Recommendations on Insolvency of Micro and Small Enterprises (Working Group V) complements this work by providing for expedited insolvency proceedings with simplified mechanisms tailored to the needs of MSEs. Indeed, the complexity and cost of normal insolvency proceedings may not suit the context of MSEs where debtors have limited access to financing.

6. We also welcome very much Working Group II's continued commitment to advancing efficient and cost-effective resolution of international commercial disputes. The relevant texts adopted this year, especially the UNCITRAL Mediation Rules and Expedited Arbitration Rules, constitute an important step in that regard and will help long-term commercial relationships to weather through the challenging years ahead. Mediation has gradually become more common in Thailand. In 2019, the Dispute Mediation Act has come into force authorising Thai courts to enforce settlement agreements. As demand for alternative dispute resolution grows, Thailand will consider how our arbitration and mediation rules could be further developed based on the UNCITRAL texts. Thailand also hopes to be able to accede to the United Nations Convention on International Settlement Agreements Resulting from Mediation (Singapore Convention) in the near future.

7. For the tasks undertaken by Working Group III on the reform of investor-state dispute settlement (ISDS) system, Thailand welcomes all reform efforts, be it systemic or incremental, to develop a legitimate, predictable and balanced ISDS system. As the discussions in the Working Group so far have demonstrated, States' concerns regarding the current mechanism vary in scope and severity. In this light, Thailand looks forward to seeing an outcome that is grounded on an inclusive, accessible and transparent process with options for reform that will effectively address concerns, while being careful not to cause

more fragmentation to the investment regime. The suites of options should include means to promote the use of alternative dispute resolution mechanisms, rules on ethical requirements for arbitrators to ensure their independence and impartiality as well as other issues pertinent to ISDS proceedings such as third-party funding, calculation of damages, and the possibility for the establishment of an advisory centre for investment law to assist developing countries. In addition, Thailand would like to emphasise once again that discussions on ISDS reform should not be limited to procedural matters. We believe that part of the problem stems from divergences in the interpretation of common substantive standards found in international investment agreements. Therefore, we support any reform efforts aimed at increasing clarity of substantive standards and entrenching a State's right to regulate. Thailand stands ready to constructively participate in the deliberation process in the upcoming meeting in November this year.

8. With Thailand's rapid digital transformation, we have greatly benefited from the work of Working Group IV on identity management and trust services. In 2019, the Electronic Transactions Act has established the validity of digital identification and authentication systems for the purposes of identity verification. Lastly, we wish to applaud the work of Working Group IV on Judicial Sale of Ships. Thailand believes that the adoption of an instrument on the Judicial Sale of Ships would immensely benefit international trade by promoting legal certainty on the international effects of judicial sales of ships.

Madam Chair,

9. Thailand is confident in UNCITRAL's capacity and its roles as a core legal body in the development of international trade law. We wish to continue being part of UNCITRAL and look forward to receiving the valuable support for the candidature of Thailand for the next term.

I thank you.

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