Excerpts of statements made by Member States before the Sixth Committee of the UN General Assembly relating to the Advisory Centre

Background

On 14 October 2024, the Sixth Committee of the UN General Assembly took up the annual report of UNCITRAL ($\underline{A/79/17}$) noting that the Commission adopted the Statute of the Advisory Centre on International Investment Dispute Resolution in principle. A press release is available here: <u>https://press.un.org/en/2024/gal3721.doc.htm</u>

The following are the excerpts from the statements made by Member States before the 6th Committee of the of the UN General Assembly that make a reference to the Advisory Centre:

Argentina

"En particular, quisiéramos destacar la importancia de la labor de la Comisión en el seno del Grupo de Trabajo III (reforma de solución de controversias inversor-Estado), cuyos progresos se estiman de importancia para países como la Argentina, atento a nuestra vasta experiencia en las controversias inversor-Estado. En este sentido, expresamos nuestras felicitaciones a la Comisión por la adopción, en principio, del estatuto del Centro de Asesoramiento para la Solución de Disputas relativas a Inversiones. Esperamos que el grupo de trabajo continúe su labor sobre los elementos de reforma pendientes, de una manera satisfactoria y buscando el consenso más amplio posible."

Armenia

"In this respect Armenia welcomed the idea of establishing UNCITRAL Advisory Center on International Investment Dispute Resolution. The Center will assist small and developing states through capacity-building initiatives and foster their ability to effectively engage in international arbitration cases.

Armenia reiterates its interest in hosting the Advisory Center in Yerevan and stands ready to provide privileges and immunities according to the Statute and the Host Country agreement. We are looking forward to further active engagement and discussions at operationalization and inter-sessional meetings to finalize the legal framework that can pave the way to the functioning of the Center. To this end, we have proposed to convene an inter-sessional meeting in May 2025, in Yerevan."

Austria

"The past session also marked the adoption of the Statute of the Advisory Centre on International Investment Dispute Resolution and the approval of the Draft Toolkit on Prevention and Mitigation of International Investment Disputes. Austria welcomes these important deliverables of the ongoing reform process of Investor-State Dispute Settlement and looks forward to continuing the work on other reform options in Working Group III."

Belarus

"При этом наша делегация хотела бы отметить достигнутый Рабочей группой III за последние годы прогресс, в частности завершение работы над проектом устава консультационного центра по урегулированию международных инвестиционных споров и проектом методического пособия по предупреждению споров и примирению. Уверены, что имплементация принимаемых Комиссией текстов является ярким свидетельством успешной реализации мандата ЮНСИТРАЛ по прогрессивному развитию и гармонизации права международной торговли."

Canada

"It is with great satisfaction that Canada notes the adoption by the Commission of the Model Clauses on Specialised Express Dispute Resolution and the Model Law on Automated Contracting. We are also pleased with the adoption in principle of the Statute of an Advisory Centre on International Investment Dispute Resolution. We look forward to the Commission's progress on other aspects of its work on reform of investor-state dispute settlement."

Côte d'Ivoire

"Mon pays se réjouit à titre principal du projet de réforme entrepris par le Groupe de travail III relatif à la création d'un Centre Consultatif de Règlement des Différends Investisseurs Etats, dont le statut se trouve annexé au Rapport susmentionné.

La Côte d'Ivoire salue l'objectif de ce Centre qui consiste à fournir une assistance technique à ses membres et à mener des activités de renforcement des capacités en matière de règlement des différends relatifs à des investissements internationaux.

C'est pourquoi le Gouvernement ivoirien a décidé de se porter candidat pour accueillir le futur Centre Consultatif de Règlement des Différends Investisseurs-Etats dont la création est proposée par le Groupe de travail III.

Le Gouvernement ivoirien serait heureux d'accueillir le siège du futur Centre Consultatif de Règlement des Différends Investisseurs-Etats."

El Salvador

"De manera particular, mi delegación desea destacar la reciente aprobación de diversos documentos encaminados a esta labor, entre ellos la Ley Modelo de la CNUDMI y UNIDROIT sobre Resguardo de Almacenaje y la Ley Modelo sobre Contratación Automatizada. De igual manera, resaltamos la aprobación, en principio, del Centro de Asesoramiento sobre la Solución de Controversias Internacionales relativas a Inversiones, el cual es un paso trascendental para facilitar la resolución de disputas entre inversionistas y Estados, asegurando que los países en desarrollo puedan acceder a asesoramiento técnico y legal especializado, incluyendo en la fase de negociación de Acuerdos de Inversión, fomentando un entorno de inversión más seguro y atractivo para todos"

European Union

"Turning to the work of Working Group III, the European Union and its Member States would like to underline the importance of continuing to make progress in the Investor-State Dispute Settlement (ISDS) reform in accordance with the revised workplan agreed in 2021. We welcome in this regard the adoption in principle of the Statute of the Advisory Centre on International Investment Dispute Resolution. The Centre will be open to membership by States and regional economic integration organisations. It will provide much needed capacity building, technical assistance and legal representation services in international investment dispute resolution to least developed and developing countries in priority, thereby contributing to the rule of law. We also welcome the approval by the Commission of the draft toolkit on prevention and mitigation of international investment disputes. We already shared comments on the toolkit and stand ready to contribute again, as appropriate, to assist in its further development.

We now need to focus on the significant work that lies ahead of us. The EU and its Member States look forward to the first meeting dedicated to the preparatory work for the operationalisation of the Centre that will take place in Thailand on 2-4 December. Progress is also required with regard to further pressing structural reforms such as the establishment of a standing mechanism including first instance and appellate tribunals as well as the multilateral instrument to implement the reforms. The EU and its Member States will also continue to engage in intersessional meetings of Working Group III. In that regard, we would like to express our satisfaction with the organisation of inter-sessional meetings, also available for online participation, giving delegates a unique occasion to engage and exchange ideas on the reforms and work programme of Working Group III and provide "food for thought" for future sessions. The 7th intersessional meeting of Working Group III took place in Brussels, Belgium in March 2024 and allowed for fruitful discussions on how a standing mechanism and the Advisory Centre could contribute to better access to justice."

Finland

"During this year's session, the Commission finalised and adopted the Model Law on Warehouse Receipts accompanied by a Guide to Enactment. The Commission also finalised and adopted the Model Clauses on Specialised Express Dispute Resolution. Furthermore, the Commission finalized and adopted in principle the Statute of an Advisory Centre on International Investment Dispute Resolution. It also considered and adopted the Model Law on Automated Contracting. These texts are soundproof of the Organisations ability to deliver.

Working Group III (Investor-State Dispute Settlement, ISDS) continued constructive and productive work to reform Investor State Dispute Settlement. In particular, the Working Group completed its important work on the Statute of the Advisory Center on International Investment Dispute Resolution, which was approved in principle at the fifty-seventh session of the Commission in New York. Informal inter-sessional meetings continued to be very useful. The Nordic countries take this opportunity to commend the Working Group for its progress and look forward to actively contributing to its important work."

France

"Ensuite, concernant la réforme du règlement des litiges en matière d'investissement, ce sujet constitue un axe d'attention majeur pour la France et pour l'Union européenne dans son ensemble. Nous saluons l'adoption « en principe » par la Commission du statut du Centre consultatif sur le règlement des différends relatifs à des investissements internationaux.

Dans la perspective de la mise en œuvre de cette réforme, je souhaite saisir cette occasion pour rappeler l'expression d'intérêt de Paris pour accueillir le siège ou un bureau régional du Centre consultatif que j'ai déjà évoqué. Cet organe sera chargé d'aider les pays qui le souhaitent à participer au mieux aux procédures de règlement des litiges entre Etats et investisseurs. Nous pensons que notre proposition s'inscrit parfaitement dans l'approche multipolaire et de partenariat Nord/Sud prônée depuis le début des travaux."

Ghana

"In that regard, I wish to highlight the country's efforts towards the successful negotiations of the Draft Statute of the Advisory Centre, which was adopted during last the Commission session here, in New York and Ghana's readiness to host the headquarters of the Advisory Centre for the resolution of International Investment Disputes in Accra."

Iran

"With respect to the "Statute of the Advisory Centre on International Investment Dispute Resolution", the UNCITRAL took an important step in reforming investor-State dispute settlement by adopting the Statute of the Advisory Centre. Once operational, it is expected that the Center provide crucial legal services in investor-State dispute settlement and to enhance the capacity of developing countries to handle international investment disputes, upon request. We note the importance of the general principle stipulated in the draft statute of the Center requiring that it shall be independent and free from undue external influence, including from its donors.

Based on the draft statute for the Advisory Centre on International Investment Dispute Resolution, there are also several key principles guiding its operations such as Independence and Impartiality, Focusing

on Developing Countries and Least Developed Countries, Capacity Building, Comprehensive Legal Support and Technical Assistance. These principles aim to create an independent, effective, and accessible resource for developing countries to navigate international investment disputes while promoting capacity building and knowledge sharing."

Japan

"Japan welcomes the recent progress made by Working Group III despite the difficulties posed by the pandemic. In particular, Japan would like to congratulate UNCITRAL on the adoption in principle of the Statute of the Advisory Centre on International Investment Dispute Resolution. We recognize the desire of many countries to establish a comprehensive and improved ISDS mechanism. Japan believes that a fair and effective ISDS contributes to a stable investment environment, and as a Member State that has long been committed to the task of ISDS reform, Japan intends to continuously and fully engage in the Working Group III discussions on this topic, while ensuring that ISDS reform will be achieved in an inclusive manner and that no country is left behind."

Malaysia

"Malaysia takes note that the United Nations Commission on International Trade Law (UNCITRAL), during its fifty-seventh session held from 24 June until 12 July 2024, had considered and adopted several significant legal instruments. In particular, these instruments are:

- i. The model law on Warehouse Receipts under Working Group I;
- ii. The model clauses on Specialised Express Dispute Resolution with accompany explanatory notes under Working Group II;
- iii. The Statute of Advisory Centre on International Investment Dispute Resolution under Working Group III; and
- iv. The model law on Automated Contracting with the guide to enactment of the model law under Working Group IV.

Malaysia welcomes the recent establishment of an Advisory Centre on International Investment Dispute Resolution by the Commission. The establishment of the Advisory Centre will provide States with support and assistance in the area of international investment dispute resolution, through the provision of representation services and the enhancement of the capacity of States in preventing and handling international investment disputes, in particular, least developed countries and developing countries. Malaysia is optimistic that the operations of the Advisory Centre will take place smoothly. Please be assured that Malaysia will provide necessary support to the Advisory Centre."

Pakistan

"Pakistan welcomes the significant progress achieved during the 57th session, particularly the finalization and adoption of key instruments including, (i) the UNCITRAL model law on Warehouse Receipts ; (ii) the Statute of Advisory Centre on International Investment Dispute Resolution; (iii) UNCITRAL Model clauses on Specialised Express Dispute Resolution and; (iv) the UNCITRAL Model Law on Automated Contracting.

Regarding UNCITRAL's Working Group III, which has been leading the efforts on Investor-State Dispute Settlement (ISDS) reform since 2017, Pakistan welcomes the progress made toward establishing the Advisory Centre on International Investment Dispute Resolution. Once operational, this Centre will offer essential legal services, including training and representation, to bolster the capacity of States, particularly developing economies, in managing investment disputes. We are hopeful that the Advisory Centre will play a vital role in providing legal counsel on critical issues such as the regulation of third-party funding, the right of States to regulate foreign investments, counterclaims by

States, and the assessment of damages in arbitral awards, ensuring they are based on actual investments and their fair market value."

Panama

"En este contexto, la República de Panamá, así como en su momento apoyó la adopción del Código de Conducta para Árbitros y otros documentos valiosos para el buen desarrollo de las controversias relativas a inversiones, que incluyen las disposiciones modelo y las directrices de la CNUDMI sobre mediación, en esta ocasión se siente muy honrada en apoyar la adopción del Estatuto del Centro de Asesoramiento sobre la Solución de Controversias Internacionales relativas a Inversiones.

La República de Panamá confía en que, una vez puesto en marcha, el Centro servirá, no solo para apoyar la capacitación de los Estados para prevenir y resolver controversias internacionales relativas a inversiones, sino también para brindar asistencia a los Estados miembros, particularmente aquellos países en vías de desarrollo y otros menos adelantados, en relación con procesos que traten controversias internacionales relativas a inversión; incluyendo temas como la evaluación preliminar del caso, la selección de mediadores y árbitros, la preparación de declaraciones, alegatos y pruebas, e incluso la participación en las audiencias, bajo las instrucciones del equipo de defensa interno del país en cuestión.

De igual forma, la República de Panamá apoya el inicio de las discusiones sobre la operacionalización del Centro que tendrá lugar en la ciudad de Bangkok, Tailandia a inicios del mes de diciembre. Al respecto, debemos indicar que Panamá cree en la conveniencia de que además de contar con una sede central para el Centro de Asesoramiento, se establezcan oficinas regionales en Asia, África y Latinoamérica, lugares donde mayormente se encontrarán los usuarios del Centro. Para ello, se deberán analizar las ventajas logísticas que pueda tener un determinado país para albergar una oficina regional de esta magnitud."

Paraguay

"En particular, el Paraguay celebra la reciente adopción en principio del Estatuto del Centro de Asesoramiento sobre la Solución de Controversias Internacionales relativas a Inversiones. Este documento representa un paso significativo en la consolidación de un marco más equitativo y accesible para la resolución de controversias en el ámbito de las inversiones internacionales, especialmente para los países en desarrollo.

Como bien se señaló dentro el Grupo de Trabajo III, existe una necesidad imperiosa de prestar capacitación, apoyo y asistencia en materia de solución de controversias internacionales relativas a inversiones. Creemos que este centro, con sus servicios de asistencia técnica y creación de capacidades, junto con el apoyo y asesoramiento jurídicos, contribuirá al fortalecimiento del Sistema

Asimismo, aprovecho la oportunidad para reafirmar el interés del Paraguay en ser sede del Centro de Asesoramiento y en reiterar la disposición de nuestra delegación en colaborar activamente en la implementación de este centro. Igualmente, consideramos de manera positiva la eventual creación de centros regionales que faciliten el acceso a estos servicios en diversas partes del mundo, lo que fortalecerá la capacidad de los países en desarrollo para resolver controversias internacionales relativas a inversiones de manera justa y eficaz."

Perú

"En cuanto al Grupo de Trabajo III, dedicado a la Reforma del Sistema de Solución de Controversias entre Inversionistas y Estados, resulta ser de especial importancia dada la presencia en el Perú de flujos de inversión extranjera y a la necesidad de reformar el actual sistema de solución de controversias. Al respecto, el Perú resalta la finalización y aprobación en principio del Estatuto del Centro de Asesoramiento sobre la Solución de Controversias Internacionales relativas a Inversiones."

Philippines

"We welcome the adoption in principle of the Statute of the Advisory Centre on International Investment Dispute Resolution. We thank the Chairperson and the Rapporteur, Mr. Shane Spelliscy (Canada) and Natalie Yu-Lin Morris-Sharma (Singapore), respectively, for their valuable roles in steering the Working Group III, in their personal capacities, to reach a conclusion on this work.

The Philippines supports the establishment of the Advisory Centre as its creation is of fundamental importance to the interests of developing states and we commit to be a part of the State-led intergovernmental process towards its operationalization."

Sierra Leone

"The delegation of Sierra Leone welcomes the progress and outcomes considered and concluded by the Commission as detailed in its report. These include the consideration and adoption of the text of the draft model law on Warehouse Receipts; model clauses on Specialised Express Dispute Resolution, provisions on Automated Contracting, the statute of the Advisory Centre on International Investment Dispute Resolution, and the noting of the draft Toolkit on prevention and mitigation of international investment disputes which will continue to evolve with the contribution of member states, regional economic integration organisations (REIOs) and other interested parties. We also note the progress report of the working groups and the Commission's work programme.

We commend the laudable progress on the legislative agenda of the Commission in the reporting period. Noting the broad mandate of Working Group III on reform of investor state dispute settlement, Sierra Leone welcomes the adoption of another reform element; the draft statute of Advisory Centre on International Investment Dispute Resolution. We look forward to continued preparatory work involved in the operationalisation of the Centre. We thank Thailand, hosts of the upcoming intersessional meeting to be held 2-4 December 2024 where issues to be addressed include the negotiating of the criteria for location of the headquarters and regional offices.

We therefore reiterate our support for the Advisory centre or a regional office to be situated in Africa, with emphasis on accessibility and knock-on effect on the development of jurisprudence and capacity on the continent. This is consistent with our delegation's position of future proofing the text and formulating language premised on principles of inclusion, fair and equitable distribution and for sustainable development. We will continue to approach other elements on procedural and cross-cutting issues, the standing mechanism and appellate mechanism and a multilateral instrument based on these principles."

Singapore

"Singapore reaffirms our strong support for the Commission, which continues to make important contributions to strengthening the rules-based multilateral system. In this regard, I would like to make four points on the work of the Commission at its 57th session:

Fourth, Singapore congratulates the Commission on the in principle adoption of the Statute of the Advisory Centre on International Investment Dispute Resolution. The Advisory Centre will provide the necessary support to States requiring assistance in navigating all stages of the investor-State dispute settlement ("ISDS") process. More importantly, the Centre will assist States to build capacity to lead, prevent, and manage ISDS disputes on their own in the longer term. Singapore stands ready to participate in Working Group III's future work to deliver the remaining ISDS reform solutions according to its workplan."

South Africa

"Regarding the efforts to reform investor-State dispute settlement, we are grateful that the Advisory Centre Statute has been adopted in principle. In the area of investor State dispute resolution, the Centre will offer vital legal services and representation. The services to be offered by the Centre would be extremely helpful to developing and least developed countries, especially for African States which have increasingly been referred to international arbitration by investors, and the high expenses associated with resolving such disputes.

My delegation, in this regard, fully endorses the call to have the Headquarters of this Advisory Centre, in Africa."

Thailand

"The Commission has taken several important steps that will further facilitate modern trade and investment practices as well as positively shape the future landscape of the global economy. Allow me to highlight the following points.

Fourth, my delegation congratulates the Commission for adopting, in principle, the draft statute of an advisory centre on international investment dispute resolution. The draft statute is a first and important step towards the establishment of an advisory centre, which will provide legal services and technical assistance concerning investor-State dispute settlement (ISDS), for least developed and developing countries. We also welcome the Commission's endorsement of an informal process, involving States and regional economic integration organizations, to facilitate the preparatory work on the Advisory Centre's establishment. In this regard, Thailand is proud to host the meeting on the Advisory Centre Operationalization (AC-OP) in Bangkok from 2 - 4 December this year. All States Members of the United Nations are invited to this meeting.

Thailand has expressed **our strong interest to host the Advisory Centre in Bangkok**. We believe that Bangkok, with its strategic location and proximity to various arbitration centers, its excellent infrastructure, including connectivity infrastructure, and its ability to provide modern conveniences at reasonable cost, is in the best position to support effective delivery of the Advisory Centre's services. We hope to be entrusted with this honour."

Uganda

"We note with appreciation the decisions and important work done by the Commission as detailed in its report. These include, inter alia, the finalization and approval of the; UNCITRAL/UNIDROIT Model Law on Warehouse Receipts, the finalization and approval of UNCITRAL Model Clauses on Specialized Express Dispute Resolution (SPEDR); the Statute of the Advisory Centre on International Investment Dispute Resolution and UNCITRAL Model Law on Automated Contracting; and the progress report of the working groups.

The finalization of the Statute of the Advisory Centre on International Investment is an important step towards laying out concerns regarding ISDS and pointing to some of the challenges some States face as a result of how the system currently operates, including, inter alia, concerns pertaining to the duration - including chances of re-litigation - costs of arbitration, cost allocation and arbitral awards, third-party funding, arbitrators' independence and expertise, powers exercised by tribunals, transparency, counterclaims, concurrent proceedings and multiplicity of cases, measures to address frivolous and nonmeritorious claims, as well as the absence of any mechanism that guarantees the consistency, coherency and predictability of the awards. It is important to continue discussing these issues.

As we move towards implementation of the advisory center statute, any future activities to be based on broad participation of developing and developed countries, and to be complemented by capacity-building programmes and activities."

United Kingdom of Great Britain and Northern Ireland

"We welcome the positive strides made across various reform options, particularly the Commission's adoption, in principle, of the draft statute for the Advisory Centre on International Investment Dispute Resolution this July. This marks a significant milestone in the Working Group's efforts to achieve meaningful reforms, building on last year's adoption of the Code of Conduct for Arbitrators. These achievements reflect the continued dedication of the Working Group and provide strong prospects for success in the years ahead."

United States

"The Commission also adopted, in principle, the Statute of an Advisory Centre on International Investment Dispute Resolution. The advisory centre aims to provide training, support, and legal assistance with regard to international investment dispute resolution and to enhance the capacity of countries in preventing and handling international investment disputes, in particular least developed countries and developing countries."

Viet Nam

"Viet Nam welcomes the adoption in principle of the Statute of the Advisory Center on International Investment Dispute Resolution, as well as the progress made regarding the toolkit for the prevention and mitigation of international investment disputes. We continue to prioritize ISDS reform to address concerns related to the inconsistency and unpredictability of ISDS mechanisms, along with issues surrounding the appointment of arbitrators, their impartiality and objectivity, and other procedural matters. Viet Nam believe that 2 the primary objective of the discussions at Working Group III is not only to identify solutions for reforming the Investor-State Dispute Settlement regime but also to facilitate and promote more responsible investments while advancing sustainable development."

Zambia

"Working Group III on Reform Elements in Investor-State Dispute Settlement introduced the Advisory Centre on Investor State Dispute Settlement. The Advisory Centre will level the playing field for developing and least-developing countries as host states for foreign direct investment through providing technical assistance for dispute settlement and dispute avoidance.

The Centre when operationalized, will also offer developing countries and least-developed countries capacity-building opportunities and advisory services at affordable annual fees. Membership of the Centre will be available to both States and regional economic integration organizations. My delegation is optimistic that the Advisory Centre will play a pivotal role in ensuring that the Investor-State disputes will be resolved in a more cost-effective and balanced manner."