

Remarks of Mr. Renaud SORIEUL

UN Commission on International Trade Law (UNCITRAL)

[Opening greeting, to be adjusted.]

I am very pleased to be here with you today at this Global Conference on Sustainable Transport to consider together a number of matters of pressing importance that will help us to achieve global transport systems that are sustainable, clean, safe, reliable and accessible to everyone. Transport is, of course, a key enabler of inclusive economic and social growth, which will help us move together to a future where sustainable development is a global reality.

As you may know, the UN Commission on International Trade Law, or UNCITRAL, is the core legal body of the United Nations system in the field of private international and commercial law. UNCITRAL was established by the U.N. General Assembly in 1966 – in fact, we will celebrate our 50th anniversary through a Congress in July 2017 held in conjunction with our annual Commission session.

By way of general background, UNCITRAL's mission is to contribute to the modernisation and harmonisation of international commercial law. We prepare, and promote the use of, international conventions, model laws, legislative guides and other rules and standards, including contractual rules and educational material, in areas of law our member States identify as key to a smooth flow of commercial transactions, with the goal to reduce the barriers faced by commercial parties engaging in cross-border business activities, to fill gaps where an absence of laws might create legal and commercial uncertainty, and to reduce the costs that inevitably result from the lack of legal interoperability between domestic legal systems and commercial practices.

How is UNCITRAL's work relevant to our discussions at this global conference? I should immediately point out that UNCITRAL texts and legal standards do not all focus on transport. However, they are often used in international and domestic law reform efforts, and many of them can be used to strengthen the essential links between transport and international trade. Such law reform efforts send positive signals to commercial partners and to potential foreign investors and can be expected to enhance cross-border trade generally.

A number of UNCITRAL's instruments are particularly relevant to the consideration of how to achieve sustainable transport and enhanced economic growth for everyone.

For example, in a more general commercial sense, the UN Convention on Contracts for the International Sale of Goods is intended to provide a modern, uniform and fair regime for contracts for the international sale of goods and currently enjoys broad acceptance, as it was ratified by over 80 States Parties and potentially covers about 75 per cent of world

trade in goods. As another example, UNCITRAL's numerous texts on dispute settlement may also be of interest in the context of this Global Conference, as they regulate mechanisms that can be key in the fast and efficient resolution of cross-border commercial disputes. These texts include model laws on commercial arbitration and conciliation, as well as the UN Convention on Transparency in Treaty-based Investor-State Arbitration and the New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards. In that field of dispute resolution, I am pleased to salute the recent decision by this country to enact the UNCITRAL Model Law on International Commercial Arbitration, which sends a very positive signal.

Other UNCITRAL instruments may be of more direct interest in light of the issues we are discussing here this weekend. For instance, UNCITRAL has prepared legal standards relating to procurement and infrastructure development which have been the basis for recent legal reforms in this region, including model laws on public procurement and the procurement of goods, construction and services, as well as a legislative guide on privately financed infrastructure projects. These instruments are all intended to enhance a State's ability to effectively and efficiently manage major infrastructure projects such as those required for the creation of sustainable transport systems.

But unquestionably the UNCITRAL text which most directly touches upon the creation of sustainable transport systems is the UN Convention on Contracts for the International Carriage of Goods Wholly or Partly by Sea, better known as the "Rotterdam Rules."

The Rotterdam Rules provide a key lynchpin for cross-border trade and international transport by establishing a uniform and modern legal regime for the door-to-door multimodal transport of goods. It should go without saying that international traders of all kinds need an efficient and reliable means of ensuring that their goods reach their customers. Of course, this is particularly the case for businesses that have inland manufacturing or production centres, or that are based in largely landlocked States, or where delivery points for customers are far from any international port of call. A major obstacle to cross-border business has been the need for such enterprises to enter into a series of separate contracts of carriage covering each different leg of the transport of their goods to their customers, in effect, for each of the road, rail, air and maritime transport legs. To overcome that obstacle, the Rotterdam Rules establish a uniform regime governing the rights and obligations of shippers, carriers and consignees under a single door-to-door contract of carriage, provided that it includes an international sea leg. What that means for individual traders is that instead of requiring a separate contract of carriage for each means of transport for their goods – by road, rail, air or ship – and which is each governed by a separate legal regime -- commercial parties can instead enter into a single multimodal contract of carriage for door-to-door transport – i.e. from its place of production at an inland point of origin into its customer's hands at an inland destination. Moreover, that

door-to-door multimodal transport will be subject to a single unified legal regime under the Rotterdam Rules, thus providing not only commercial certainty, but legal certainty as well.

In addition, the Convention also provides a specific legal regime for new developments that have occurred in transport since the adoption of earlier purely maritime transport conventions. One such innovation is the recognition of the need for legal rules to accommodate the phenomenal growth of modern container transport. Since its inception just 60 years ago, container transport now accounts for the movement of over 90% of the world's manufactured goods. Rules for other modern developments are also included in the Convention, such as those enabling the use of electronic transport documents, or bills of lading.

In summary, the uniform rules contained in the Rotterdam Rules can be expected to enhance legal certainty, improve efficiency and commercial predictability in multimodal door-to-door carriage of goods, and to reduce legal obstacles to the flow of international trade among States, regardless of their geographic location. These improvements will certainly assist in promoting inclusive economic growth and sustainable development for cross-border traders around the world.

Of course, it would be my pleasure to discuss with you any of the UNCITRAL instruments in which you may be interested, and I look forward to our consideration of other matters touching upon the creation of sustainable transport for the benefit of all. Thank you for your attention.