

Statement by Pakistan on Agenda Item 75  
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Trade Law (UNCITRAL) on the work of its fifty - ILIWK VHVLRQ  
(17 October 2022)

Mr. Chair,

My delegation takes this opportunity to appreciate the work done by the United Nations Commission on International Trade Law (UNCITRAL) during its 55<sup>th</sup> session and takes note of the report contained in document A/77/17.

2. Pakistan has been a member of the Commission and its Working Groups over the years and acknowledges efforts made by Member States and Secretariat for productive negotiations and their positive results in the harmonization of

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Convention on the Judicial Sale of

Mr. Chair,

6. With respect to Working Group I, Pakistan recognizes the importance of reducing legal obstacles faced by micro, small and medium-sized enterprises (MSMEs) throughout their life cycle, particularly in developing economies.

7. We are pleased with the progress made by the Working Group I. We hope that the future text Future Text is to provide guidance on the adoption or reform of domestic legal frameworks to facilitate access to credit in particular of micro and small enterprises (MSEs) also in light of the difficulties that many of them around the world are currently facing and may continue to face in the future as a result of financial, environmental and other crisis, such as climate change or the coronavirus disease (COVID-19) pandemic that occur locally or globally. While its main focus is on MSEs, the Future Text should not completely exclude medium-sized ones and clarify, as appropriate, the different provisions and policy measures applicable to them.

Mr. Chair,

8. Pakistan continues to be engaged in Working Group III's consideration of the reform of Investor -State dispute settlement (ISDS). We would like to recall

mandate to work on the possible reform of investor-

It was also agreed by consensus that the system of ISDS raises myriad concerns and merits reform.

9. Besides structural and non-structural reforms, states also agreed by other reform options, including alternatives to ISDS, to resolve investor-state disputes, exhaustion of local remedies, and counterclaims and issues including damages, impacts on non- parties, and regulatory chill. The concerns underlying these so called

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10. The Working Group-III is now moving towards its delivery phase. It is our understanding that the revised 38 329.35 u T Q qs-4(i)57(i)5ro4(l)5( 595.25 842 )-12

11. With respect to the future work of WG -III, my delegation will continue to highlight the following points:

- First, the issue of damages, in particular, has so far, not been accorded the central place in the reform process that it deserves. This approach is curious. The size of damages awarded in recent years against States has been at the forefront of critiques of investment arbitration and involves many procedural dimensions. This is the primary focus of the ISDS reform process. The result is a system that critics allege favors investor claimants and places considerable burdens on developing states. For the sake of the legitimacy of the global ISDS system, we believe that any meaningful reform must strike a balance between rights and obligations of the States on the one hand and of the investors on the other.
- Second, the notional work plan should fully take account of the limited resources available to developing States, as well as technical difficulties that they face, which restrict their effective participation in informal sessions.
- Third, we believe that the adoption of possible reform elements on the so  
  
developing countries to be considered early by the Working Group and could prevent a more holistic and balanced approach to investor-State dispute settlement reform.

The UNCITRAL launched its ISDS reform project to strengthen the case for serious and broad action. Therefore, the deficiencies in the workplan need to be addressed in the subsequent sessions of the Commission on priority.

I thank you

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