



UNITED NATIONS COMMISSION ON INTERNATIONAL TRADE LAW, *Yearbook*, Volume I. United Nations Publication. Sales No. E. 71. V.1. Price \$ 5.00.

REGISTER OF TEXTS OF CONVENTIONS AND OTHER INSTRUMENTS CONCERNING INTERNATIONAL TRADE LAW. Volume I. United Nations Publication. Sales No. E. 71. V. 3. Price \$ 4.00.

THE TWO volumes under review are the first publications of the United Nations Commission on International Trade Law (UNCITRAL) established in 1968. The commission acts as a kind of a counterpart to the International Law Commission (ILC). What the latter is to public international law the former is to private international law. This reviewer has had the opportunity to observe the working of the UNCITRAL from its inception and has no difficulty whatsoever in saying that its output is likely to be greater and faster than the ILC. It is not intended to make any odious comparison between the two bodies. The purpose, on the other hand, is to bring out the fact that in transnational commercial transactions nations seem to realize the need for cooperation more easily than in political contacts. The delegations belonging to the centrally-planned economies and to the so-called free market economies speak the same language and seem to understand each other much better in the UNCITRAL than in the ILC. In fact, it was on the suggestion of the Hungarian delegation that the United Nations General Assembly established the UNCITRAL.

The movement towards unification and harmonization of private international law had until recently proceeded on private initiative or was undertaken by non-governmental and inter-governmental organizations of very limited membership or authority. It suffered the further handicap of involving only a small degree of participation of many of the developing countries. In the field of transnational trade of a private character it gained the further odium of alleged organised exploitation by big business. National laws on the subject naturally were parochial, and international instruments, products of powerful commercial interests as they were, favoured them. The conditions negated the idea of promoting friendly relations between nations and certainly were not ideally suited to favour the extensive development of international trade.

Voices were raised in the United Nations Conference on Trade and Development (UNCTAD) that divergencies arising from the laws of different states in matters relating to international trade constituted one of the obstacles to the development of world trade. On the establishment of the UNCITRAL the task of harmonizing such laws was entrusted to it. The terms of reference of the commission (section II, paragraph 8) were the furtherance of the progressive harmonization and unification of the law of



international trade by :

- (a) Coordinating the work of organizations in this field and encouraging cooperation among them ;
- (b) Promoting wider participation in existing international conventions and wider acceptance of existing model and uniform laws ;
- (c) Preparing or promoting the adoption of new international conventions, model laws and uniform laws and promoting the codification and wider acceptance of international trade terms, provisions, customs and practices, in collaboration, where appropriate, with the organizations operating in this field ;
- (d) Promoting ways and means of ensuring a uniform interpretation and application of international conventions and uniform laws in the field of the law of international trade, *etc.*

Under paragraph 9 the commission was to bear in mind the interests of all people, "particularly those of developing countries, in the extensive development of international trade". Paragraph 11 authorised the commission to consult with or request the services of any international or national organization, scientific institution and individual expert, on any subject entrusted to it, if it considered such consultation or services might assist it in the performance of its functions.

The United Nations Secretary-General has assisted the UNCITRAL by making available to it reports on different subjects under its consideration. The commission has selected four subjects for priority treatment, namely, international sale of goods, international payments, international commercial arbitration, and international shipping legislation. The work of the commission in the area of international sale of goods is principally directed to the examination of the Hague Convention of 1964 relating to a uniform law on the International Sale of Goods. It has established a working group with the aim of ascertaining which modification of this uniform law might render it capable of wider acceptance by countries of different legal, social and economic systems or, as an alternative, whether it would be necessary to elaborate a new text for this purpose. Under the same priority topic two other aspects are being examined : general conditions of sale and standard contracts ; time-limits and limitations (prescription). The idea is that impediments to international trade resulting from divergencies in the law could be overcome not only through uniform laws but also through appropriate general conditions of sale which might be voluntarily adopted by the parties. The purpose of the second project is to provide uniform rules relating to the period within which claims arising out of the international sales transactions may be presented to a tribunal.

Under the rubric 'international payments' the commission is seriously engaged in evolving measures for the harmonization and unification of the law relating to negotiable instruments, which include cheques, bills of exchange and promissory notes. At its fifth session the commission has



established a working group for the preparation of a final draft of uniform rules. Other pending projects in the field of international payments before the commission include uniform customs for documentary credits (letters of credit) and various types of bank guarantees. Work on these projects is being carried out in cooperation with the International Chamber of Commerce. Another project concerns the diversity in the legal rules applicable to security interests in goods and the effect of this diversity in limiting the use of such security devices in the international transactions. The commission has appointed a special *rapporteur* to investigate problems arising in connection with the application and interpretation of the existing conventions on international commercial arbitration. The final report of this *rapporteur* was expected to be submitted at its fifth session. The commission also has a working group for the consideration of the rules and practices concerning international shipping legislation. This working group has chosen bills of lading, including the rules contained in the International Convention for the Unification of Certain Rules of Law relating to Bills of Lading for urgent consideration. It has made considerable progress in the field.

The first volume of the *Yearbook* under review covers the work of the commission in its first three sessions. The publication of the *Yearbook* is intended to serve the purpose of making the work of the commission widely known and more readily available beyond the forum of the U.N. It has succeeded in this objective eminently by providing the reports of the Secretary-General on these highly technical fields and giving crisp and accurate summaries of the debates in the commission.

The first volume of the *Register of Texts of Conventions and other Instruments Concerning International Trade Law* makes available the almost inaccessible documentation on international trade law. The volume includes the texts of conventions and other instruments in the fields of the international sale of goods and international payments. A second volume of the *Register* is expected to be published soon setting forth the texts and conventions and other instruments in the fields of international commercial arbitration and international legislation on shipping. Students of international trade law will look forward to the appearance of the successive volumes of both the *Register* and the *Yearbook*.

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