

## **Ladies and gentlemen, distinguished delegates,**

Let me begin my brief speech with a quote of Nassim Nicholas Taleb: “No peace proceeds from bureaucratic ink. If you want peace, make people trade, as they have done for millennia. They will be eventually forced to work something out.”

As I look around the room I see this work: professionals sitting here who have ears to hear the concerns of the market, and the proposed solutions. Who notice best practices, and develop their own systems along the main principal structures of law and economics. We are here in Singapore as a result of professional and human cooperation, celebrating the birth of a convention that will hopefully bring the actors of the international economy closer to each other.

A State, in order to offer competitive conditions on the international economic stage, must, through bilateral and multilateral negotiations, approximate its system to the others. International legal harmonization can be considered successful when legal entities operating in two different countries enter into a legal relationship without being confused by the differences of their legal systems. As a direct consequence, their fear of business losses diminishes and their risk appetite increases.

It should be emphasized that we have to talk not only about economic but also legal risks. If we look at UNCITRAL's work, we can see that it has been dealing with dispute resolution for decades, alongside other major topics. Instruments such as the 1958 New York Convention or the Singapore Convention, which is now opening for signature, help States to make their legal systems interoperable for economic actors who want an award or agreement to be enforced. Undoubtedly, the guarantee of enforceability of a right is one of the most serious confidence-building factors that a State can offer to legal entities.

We can see that a State, even within its borders, can only elaborate sound regulations in all aspects if they are preceded by consultations and impact assessments - quite obviously, the case cannot be otherwise with international sources of law. Globalization is a factual element of the international economic reality, and we have to take into account that there are risks alongside the benefits of global integration. Strengthening the positive effects and mitigating the negative ones require international cooperation and effort, for which there is no realistic alternative: any regulation will result in the intensification of the extreme, unfavourable phenomena of the globalization process and increase the risk of developing international trade relations based on raw disparities.

Multilateral consultation is essential to reduce disparities between developing countries and to make good use of the relative competitiveness gains achieved by emerging partners. One of the strengths of UNCITRAL's activities is that unbalanced results derived from different economic situations are less pronounced, so there is no conflict between the Member States as regards participation and application of the constituted law. This sentiment also fosters trust between States, which can further strengthen the realisation of the organisation's commercial goals.

I am convinced that States, intergovernmental and non-governmental organizations with membership and observer status that are represented at the meetings of UNCITRAL working groups, make every effort with their presence and professional remarks to ensure that international trade law, even if not based on consensus, builds its institutions on values and

principles that everyone can share. As a result, we are able to build trust between legal entities by providing predictability and security through harmonized legislation.

Where does the power of UNCITRAL lay? High standards, good organisation, overall high turnout - all these virtues and attributes help the organization to become an increasingly indispensable force of international trade as a determining force of cohesion. The advantage is that we can find a large number of both mandatory and non-binding sources of law, so that legal entities are free to create the most appropriate legal environment for them. The Singapore Convention and the Model Law on the Recognition and Enforcement of International Mediation Agreements is a prime example of this duality.

The two legal sources were drafted by UNCITRAL working group II by three years of work. The multilateral nature of its working group is underlined that each of its sessions were attended by at least forty Member States and also twenty Observer States. Also adding the participating intergovernmental and non-governmental organizations, it can be said that arguments and could widely appear in the drafting process. Nowadays, mediation procedures are gaining ground, but it is precisely at these times that we need to prove the reliability of the alternative procedures. The Singapore Convention plays a big role in this. I hope that, following the footsteps of the abovementioned New York Convention already with 160 States Parties, it will on its own grow into another successful instrument in the coming years.  
Thank you for your attention.