

Your excellences,

Ladies and Gentleman,

As the world becomes more and more interconnected through international trade relations, issues such as building trust and enabling the international trade are becoming one of the top priorities for the governments around the world. But globalization of markets is accompanied with increased potential for transnational business disputes.

International business relations are particularly vulnerable and carry much greater potential for conflicts than domestic exchanges. The factors responsible for added uncertainty include economic, financial, political, legal and interpersonal factors.

One can freely state that today's business world is about risk. Those who can accept risk – and manage the downside – will be rewarded. In international contracts, dispute resolution often is or should be the single most important consideration in deciding whether a particular risk is one to accept. The value of the contract may ultimately reside in how any disputes arising out of it will be resolved.

The parties acting internationally are frequently subject to several jurisdictions. The multiplicity of laws can lead to a delicate situation that someone is confronted with mutually exclusive obligations. For that purpose, participants in international business transactions need uniform regulation, imposing equal limitations and obligations on everyone. Such equal obligations are best realized through multilateral instruments, since a system of multilateral treaties generates more uniform and more easily identifiable rules. On the other hand, bilateral method of international regulation, although allows more flexibility and freedom of action for the states, is not adequate for handling of global problems, such as global warming, human rights, fight against poverty, fight against terrorism, facilitating global trade etc. Bilateral treaties are very often creating competing obligations and enable the states to pick and choose their international commitments. In brief, multilateralism promotes an international rule of law and serves as the building block for an international order in which interests of all states including the weaker ones are better served. North Macedonia is a small, landlocked and developing country. It is therefore very supportive of multilateral efforts made within international organisations, as decisions taken in a multilateral framework have proven to be more democratic, inclusive, strong and sustainable. Furthermore, we have a firm desire to accede European Union, which has a longstanding commitment to international cooperation

and the rules-based international order with the United Nations at its core. Our country is a member of the major international conventions created in the auspices of the UN and/or UNCITRAL in the area of private dispute resolution, such as the New York Convention on Recognition and Enforcement of Foreign Arbitral Awards of 1958 and the European Convention on International Commercial Arbitration of 1961. North Macedonia is also member of the Washington Convention on the Settlement of Investment Disputes between States and Nationals of Other State of 1965 created within World Bank.

By signing Singapore Convention, Republic of North Macedonia confirms again that it strongly supports alternative dispute resolution. On the domestic level we have already prepared a New Act on mediation, in order to facilitate mediation, as a faster, less expensive form of dispute resolution, especially in the area of resolving business disputes.

We expect that the Singapore Convention will promote the use of mediation for the resolution of cross-border commercial disputes, because it will allow countries to enforce mediated settlements across borders, a piece of the “mediation puzzle” that has so far been missing. This instrument will enable to overcome a significant barrier to the willingness of some companies to use mediation, by providing for an efficient cross-border mechanism for giving legal effect to mediated settlement agreements. In brief this new Convention offers the opportunity to close the “enforcement gap”.

This is important for all large and small economies, as they all have investments outside country borders and they understand the significance of making sure that there are international rules-based mechanisms for dealing with disputes in international commercial trade.

Therefore, we have decided to demonstrate our firm support for this instrument of international law created under the auspices of UNCITRAL, by being one of the first signatory states.

I’m using this opportunity to give my compliments to the UNCITRAL Secretariat and to all the people involved in the creation of the Convention for their excellent work and remarkable result. Today’s signing ceremony of Singapore Convention is also contribution to “the expansion of the rule of law in international relations”, which as former UN Secretary General Kofi Annan said, “has been the foundation of much of the political, social and economic

progress achieved in recent years. Undoubtedly, it will facilitate further progress in the new Millennium.”

By the interest shown from states for this signing event, we can rightfully hope that jurisdictions worldwide will widely ratify and implement the Singapore Convention, and thereby usher us in a brighter future based on the multilateral rules-based order for dispute resolution.

Thank you for the attention!