

**V. SUMMARY RECORD OF
THE SECOND MEETING OF
DELEGATIONS OF AALCO
MEMBER STATES
HELD ON MONDAY, 2ND JULY
2007 AT 03:00 PM.**

Her Excellency Mrs. Brigitte Sylvia Mabandla, President of the Forty-Sixth Session of AALCO in the Chair.

**Signing Ceremony of the
Agreement for the
Establishment of the
Regional Centre for
Arbitration in Nairobi,
Kenya**

1. The **President** invited for consideration of the item, Signing Ceremony of the Agreement on the Establishment of the Regional Centre for Arbitration in Nairobi.

2. The **President** invited Hon. Amos Wako, Attorney-General of Republic of Kenya for the signing ceremony of the Agreement establishing the fifth Regional Centre for Arbitration in Nairobi. The Secretary-General of AALCO and Attorney General of the Republic of Kenya signed the Agreement for the Establishment of the Regional Centre for Arbitration in Nairobi. The signed copies were exchanged.

3. **Hon. S. Amos Wako, Attorney-General of Republic of Kenya**, in his statement noted that the signing of this Agreement between the Government of the Republic of Kenya and AALCO was an important step towards the implementation of the 1994 recommendation of the Leaders of Delegations of AALCO Member States to establish international, independent and neutral arbitral

institutions under the auspices of AALCO in Nairobi.

5. He noted that this step demonstrated Kenya's recognition of the important work of AALCO in promoting the establishment of Regional Centres of Commercial Arbitration as a viable alternative to the traditional arbitration institutions in the developed countries. He also noted that as regional economic integration took root in the Eastern and Southern African sub-region, under both the East African Community and Common Market for Eastern and Southern Africa (COMESA), and as the inter-regional trade in goods and services expanded, more and more contractual disputes arising from commercial transactions, construction and infrastructure projects, engineering projects, banking and insurance, were expected.

6. The need to set up a regional institution to promote resolution of international commercial disputes outside the jurisdiction of national courts and to offer arbitration services within the region remained urgent, in view of the need to guarantee more stability, reliability and certainty in dispute settlement, particularly disputes arising from the conduct of international trade.

7. Kenya already had in place the necessary legal framework to cater to international and regional arbitration. He noted that Kenya was in the process of developing an appropriate institutional framework for the establishment of the Centre, through consultations with key stakeholders in Kenya, such as the Law Society of Kenya, the Chartered Institute of Arbitrators, the business community, and also within the sub-region.

8. He wished that the AALCO Secretariat would extend to them such assistance as may be appropriate for the establishment of a Regional Centre for Arbitration in Nairobi, Kenya. He was confident that the Regional Centre for Arbitration in Nairobi would open in the very near future, and it would be the AALCO's third Regional Centre for Arbitration in Africa.

9. The **Secretary-General** congratulated the Government of Kenya on the signing of the Agreement, which was a successful outcome within the Scheme of Settlement of Disputes. He noted that now there were three AALCO Arbitration Centres in Africa and two in Asia. This step would encourage the Asian and African countries to use the facilities offered by the five Centres established by AALCO. He added that the Agreement would give to the Centre an international dimension, privileges and immunities and independent status. He noted that hereafter, the Rules of the Centre and the appointment of the Director, had to be finalized and the Secretariat and other AALCO Centres would be there to render all possible help in the establishment of the Centre. He wished the Centre all success.

10. **The President** invited Dr. Xu Jie, Deputy Secretary-General to present the **Report on the AALCO's Centre for Research and Training**.

11. **Dr. Xu Jie, Deputy Secretary-General of AALCO**, while introducing the item "The Centre for Research and Training of the AALCO", which was elaborated in the Secretariat Document AALCO/46th/CAPE TOWN SESSION/2007/ORG 4, recalled that the Centre for Research and Training (CRT), functioning in the Secretariat

of AALCO since November 2001, was evolved from the 'Data Collection Unit' established in 1989. This transformation marked a new beginning in the efforts of the Secretariat towards undertaking research as well as training activities.

12. He noted that in pursuance of the resolution, RES/45/ORG.4 adopted at the Forty-Fifth Golden Jubilee Headquarters Session held in New Delhi (India, 2006), the following activities were undertaken by the Centre:

13. *First*, a one-day Meeting of Experts on "Emerging Issues on the UN Convention on the Law of the Sea" was held on 24th November 2006 in New Delhi. The Expert Meeting deliberated upon some of the emerging crucial issues pertaining to the UN Convention on the Law of the Sea. The Governments of Japan and the Republic of Korea financially supported the Meeting.

14. *Second*, since inception the Centre had made great efforts to provide Member States with more informative research studies entitled '*Special and Differential Treatment under WTO Agreements*', '*International Corruption: A Legal Analysis*', '*The Concept of International Terrorism*', and '*The United Nations Convention against Corruption: Rights and Obligations*' which were released during the earlier Sessions. In commemoration of the Golden Jubilee of AALCO, the Centre had brought out a commemorative volume of essays titled: '*Commemorative Essays on International Law*' that would be released later during the Session. Apart from these studies, the Centre was in the process of preparing a special study, namely: '*Definition of*

Aggression: an Analysis ', which would be published in near future.

15. *Third*, in accordance with the assigned mandate, the website of the AALCO had been significantly modified, upgraded and updated in order to make it more user-friendly, interactive and informative. As part of its revitalization process, a new domain name of www.aalco.int had been assigned to the website recently. In this context, he requested all the Member States to provide electronic (email) address and Uniform Resource Locator (URL) of the Ministry and the Officials in charge of AALCO. This would facilitate in improving communications between the Secretariat and its Member States.

16. Finally, one of the primary and key objectives of the Centre, as stipulated in resolution RES/40/ORG.4, was to organize training programmes for officials from Member States on various international law issues. As AALCO had entered into a number of cooperation agreements with UN and its specialized agencies and other international organizations. AALCO's future plan within the CRT was to organize training courses with each of these Organizations on relevant subjects. These training programmes would be held with the trilateral cooperation of the Organization concerned, AALCO Secretariat and the Member States wishing to send their officials to attend these courses. In this direction, the Secretariat had prepared a draft proposal for the training programmes.

17. Further, in order to materialize all these plans, he noted that the CRT should be placed in a financially sound position. While the infrastructure was provided by the Government of India

in the new Headquarters Building, the operational cost of the CRT was still dependant on the regular budget of the AALCO. However, the regular budget was itself facing many difficulties due to non-payment of the contributions by some Member States, and non-revision of the scale of contribution of AALCO for many years. Keeping this in view, the Forty-Fifth Session of AALCO, by the resolution RES/45/ORG.4, had established the 'Research and Training Fund' 'to promote and strengthen Research and Training under the CRT, to which voluntary contributions could be made by the Member States, with a view to providing a sustainable financial basis to the Centre to undertake its mandated activities'.

18. On behalf of the Secretariat he requested the Member States to adequately fund the CRT 'Research and Training Fund' in order to facilitate its future activities effectively. He also welcomed Member States to provide the Secretariat with necessary directions and recommendations regarding research topics as well as specific training programmes and they could also suggest topics of common interest and concern for conducting in-depth research studies.

19. The Meeting then took up for consideration the "**Report on the AALCO's Permanent Headquarters Building**". The **President** invited Amb. S.R. Tabatabaei, Deputy Secretary-General to present his report on the topic.

20. **Amb. Tabatabaei, Deputy Secretary-General of AALCO**, highlighted the progress report on the Headquarters Building and said that during the Forty-Fifth Session, the Member States realizing that some of the works had been pending and some

technical requirements needed completion, had requested the Secretary-General to expedite, in coordination with the concerned authorities of the Government of India, the total completion of the building in order to enable the Secretariat to shift to its Permanent Headquarters. Accordingly, the Secretary-General and the Deputy Secretaries-General had been reviewing the progress in the work and convened regular meetings with the concerned officials of the Ministry of External Affairs (MEA) and the Central Public Works Department (CPWD), in order to expedite the completion of the building. He noted that all the works were in the final stages and it was hoped that the completed building would be ready for shifting soon.

21. Highlighting the progress he noted, that the Construction of Ramp was initiated at the specific request of the Secretary-General to make the Headquarters Building more functional. The Government of India generously granted 20 lakhs Rupees for this purpose. This amount was in addition to the overall Project sum of Rs. 7.785 crores. Clearance for the construction of the ramp was granted by the New Delhi Municipal Corporation (NDMC) on 30 June 2006. The construction began on December 2006 and was completed on 15 February 2007.

22. As regards the Furnishing of the Headquarters Building, including Conference Hall, he recalled that ten percent of the total allocated amount that was Rs. 1.2 Crores was allocated. With this amount, the Government of India would be furnishing only the Office Block. The MEA had already called for Tenders for procurement of furniture and the process would be

completed simultaneously along with other pending works.

23. Regarding the furnishing of the Secretary General's Residence, he said that it was the sole responsibility of the Secretariat. An understanding was reached between the Government of India and the Secretary-General whereby some furnishing of the Residence (kitchen) would also be undertaken from the budget allocated for the furnishing of the office block. This was made possible by reducing some of the furnishing requirements for the office block.

24. In this context, he noted that most of the electrical/electronic and other requirements, other than furnishing of the Office Block, which the Secretariat is bound to incur, would have to be covered from the regular budget of the Organization. Keeping in view the heavy burden on the Organization and the financial situation, the Secretary-General urged and welcomed from the Member States appropriate support on a voluntary basis.

25. Finally, he said that the MEA was currently in the process of applying for the Completion Certificate for the Building to the NDMC. After getting the completion certificate, the MEA would apply for the electricity, water and sewage connections. The Government of India was making all efforts to get these connections simultaneously with the completion certificate in order to avoid delay.

The Second Meeting of the Delegations concluded and thereafter the President invited General Statements from Member States.