VERBATIM RECORD OF THE FIRST MEETING OF DELEGATIONS OF AALCO MEMBER STATES HELD ON MONDAY, 2ND JULY 2007 AT 11:45 AM

His Excellency Mr. Narinder Singh President of the Forty-Fifth Session of AALCO in the Chair.

President: Distinguished Delegates I wish to inform that this Meeting is only for the Delegations of AALCO Member States. This meeting is not open for the Observer Delegations. So if there are any Observer Delegations here I would request them to leave the Meeting.

Adoption of Provisional Agenda and the Tentative Schedule of Meetings

President: Welcome back Excellencies and Distinguished Delegates. The first item we have on our agenda is the "**Adoption of Provisional Agenda and the Tentative Schedule of Meetings**". The Provisional Agenda and the Tentative Schedule of Meetings has already been distributed. If there are no comments may I take it as adopted. Yes, the agenda is adopted. Do I take it that we also agree to adopt the Schedule of Meetings as proposed by the Secretary-General? Yes, the Schedule of Meetings is also adopted.

Admission of Observers

President: We now move on to the next agenda item "Admission of Observers". As you are aware we have a number of Observer States, we also have several International Organization who would like to attend our Annual Session in the capacity of Observers. It is proposed that who are on our regular list of Observers be admitted as Observers for the current Session also. Any comments on this? Yes, it is adopted.

Election of President

President: We now come to the agenda item **"Election of President and Vice-President**". Yes, I see China seeking the floor. China you have the floor.

The Leader of Delegation of the People's Republic of China: Thank you Mr. President. Mr. President, the delegation of China has the honour to propose the election of Her Excellency Madam Brigitte Sylvia Mabandla, the current Minister of Justice and Constitutional Development of South Africa as the President of the Forty-Sixth Session of AALCO. Mr. President, please allow me to introduce the current position of Madam Brigitte Sylvia Mabandla. As we all know Madam Mabandla is the Minister for Justice and Constitutional Development of the Republic of South Africa, since April 2004. She is also the Member of Parliament of the Republic of South Africa, since 1994. She is the Member of the Executive Committee of African National Congress (ANC) and a Member of the Working Committee of the ANC. Her previous positions were the following: She was the Minister of Housing of the Republic of South Africa from February 2003 to April 2004. She was also Deputy Minister of Art, Culture, Science and Technology of the Republic of South Africa from April 1995 to February 2003. My delegation firmly believes that with the election of Madam Brigitte Mabandla as the President of the Forty Sixth Session of AALCO, the Forty-Sixth Session would be another great Session in the history of AALCO. I thank you Mr. President.

President: I thank the distinguished representative of the People's Republic of China. I now invite the Leader of Delegation of Kenya.

The Leader of Delegation of the Republic of Kenya: Thank you Mr. President. It's my pleasure, privilege and honour to second the nomination of Her Excellency Mrs. Brigitte Sylvia Mabandla, Minister for Justice and

Constitutional Development of the Republic of South Africa to be the President of the Forty-Sixth Session of Asian-African Legal Consultative Organization. Her Excellency's credentials are well known. Her active participation in the Freedom Struggle is well known and recorded. She has been very actively involved in matters dealing with legal affairs, both at academic levels and practical levels. She has been a key member of the Government of the Republic of South Africa, since April 1995, when she was appointed Deputy Minister of Art, Culture, Science and Technology, a position she held for about eight years, Minister of Housing for about one year and as has been stated by the distinguished delegate of the People's Republic of China, she has been the Minister for Justice and Constitutional Development of the Republic of South Africa since 9 April 2004. Politically, she has been a longstanding member of the National Executive Committee of the African National Congress. I have the honour to second her nomination, because, as I said earlier that history is about to be made, when she becomes the President of the Forty-Sixth Session of AALCO, she will become the first lady to assume that position. So we are lucky here in South Africa. History, I hope would be replicated in future. I second her nomination. Thank you.

President: I thank the distinguished representative of Kenya. I do not see any comments from the floor. So I take it that we all agree that Mrs Brigitte Sylvia Mabandla would be the President of AALCO for the Forty-Sixth Annual Session and declare her elected.

Election of Vice-President

President: We now take up the election of the Vice President of the Forty-Sixth Annual Session. South Africa you have the floor.

The Leader of the Delegation of the Republic of South Africa: Thank you. Mr. President. I am honoured on behalf of the

delegation of the Republic of South Africa to propose for the election for the office of the Vice-President of the Forty-Sixth Session of AALCO the name of Mr. Eddy Pratomo who is currently holding the position of the Director-General of the Legal and Treaties Bureau in the Ministry of Foreign Affairs, Republic of Indonesia. He has many and varied achievements, I may mention a few. Recently, he was the Deputy Chief of Mission in the Embassy of Republic of Indonesia in London. During the 1990s, he was the head of the Political Division of the Permanent Mission of the Republic of Indonesia to the United Nations in Geneva. In late 1980s, he was the Head of the Economic and Social Division of the Permanent Mission of the Republic of Indonesia the United Nations at Headquarters in New York. I am therefore deeply honored to move for the election of Mr. Eddy Pratomo as Vice-President of the Forty-Sixth Session of AALCO, who is very ably suited for the post. Thank you.

President: Thank you South Africa. Any other delegation that would like to take the floor. I give the floor to Brunei Darussalam.

The Leader of Delegation of Brunei Darussalam: Thank you Mr. President. Brunei Darussalam supports the nomination. Thank you.

President: Thank you Brunei. I see there is no other Member wishing to speak. So I declare Mr. Eddy Pratomo elected as Vice-President of the Forty-Sixth Session of AALCO. I congratulate Mrs. Mabandla on her election as President and Mr. Eddy Pratomo on his election as Vice-President of the current Session. I now invite the President designate to come over to the dias and conduct the proceedings of this Session.

The newly elected President Her Excellency Mrs. Brigitte Sylvia Mabandla assumes her seat on the dias.

President: Your Excellency Mr. Narinder Singh, outgoing President of AALCO. Your

Excellency Dr. Wafik Kamil, Secretary-General of AALCO, Hon'ble Ministers of Member States of AALCO, Excellencies, Distinguished Delegates, Special Invitees, Ladies and Gentlemen, first of all I would like to thank Mr. Narinder Singh the outgoing President of AALCO for his able leadership. Through your dedication and vision, AALCO had enjoyed a successful year, in achieving cooperation between Asian and African States and I congratulate you for that. I look forward to working with Secretary-General Amb. Dr. Kamil and the Staff of the Secretariat of AALCO. In the short period of time that we had for preparing for this Session, we are in awe of the professionalism we encountered of the AALCO Secretariat. I am quite confident that the distinguished Ministers present there, particularly from Africa would help me in persuading more African countries to join the AALCO. This is not only an important professional body, but also a platform for friendship and solidarity. I wish the Conference every success and will try to the best of my abilities to ensure that the Session is a fruitful one and during South Africa's Presidency of AALCO, I would do all that is in my capacity to promote the work, ideals, and interests of all AALCO Member States.

Report of the Secretary-General on the work of the Asian-African Legal Consultative Organization

President: May I now invite the Secretary-General Amb. Dr. Kamil to present his Report on the work of the Organization.

Secretary-General: Thank you. Madam President, Hon'ble Ministers, Excellencies, Distinguished Delegates, Ladies and Gentlemen, Madam President, allow me to begin by expressing my warm congratulations to you on your election as the President of the Forty-Sixth Session of AALCO. It would be not out of place for me to mention that your election this morning marks a new beginning for AALCO, in first year after its Golden Jubilee, and it is for the first time that a woman has been elected as President of our Organization, after fifty one years of having been established. Congratulations, Madam.

At the very outset, on behalf of Member States and my own behalf, I would earnestly like to profoundly thank Your Excellency for hosting the Forty-Sixth Annual Session of AALCO in this beautiful city of Cape Town. It was only because of your firm determination and commitment to the ideals and objectives of AALCO, that, despite joining AALCO recently, your Government readily agreed to convene this Session dedicated promote Asian-African to solidarity on international law matters. Your inspiring leadership, wisdom, progressive vision and excellent command over international law issues would. I believe certainly leave an indelible mark during the term of your Presidency on the work of the Organization and it would be able to attain much greater heights. The Cape Town Session itself. I am quite confident would prove to be a momentous one, as under your energetic leadership and constant guidance, the host Government Committee has left no stones unturned to make it a historic success.

On behalf of my colleagues in the Secretariat and on my own behalf, I would like to assure you of our full co-operation in all your endeavors to promote the work of the AALCO, during the term of your Presidency and also to make this Session a grand success.

I also take this opportunity to congratulate Excellency, Mr. Eddy Pratomo on his election as the Vice-President of this Session. Together, with Madam President, I am quite confident Your Excellency would strive to ensure the accomplishment of the objectives of this Session.

Madam President, I seize this occasion to express my deep gratitude to all the Member States for reposing confidence in me. Their kind support and co-operation is valuable for me in discharging my duties up to their satisfaction. I assure you all that I would continue to work with greater zeal and sincerity throughout the rest of my tenure.

Madam President, it is indeed an honour and a duty for me to summarize the main aspects of my Report contained in document AALCO/46th/CAPE TOWN SESSION /2007/ORG 1. The Report covers the activities of AALCO till April 2007 and was sent for the consideration of Member States, on 16th of May, therefore I shall be brief in highlighting its salient features.

Madam President, the substantive agenda of the Organization, contains at present as many as fifteen items. In order to ensure focused and fruitful deliberations on the topics, the policy of rationalization of agenda has been adopted since the Seoul Session in 2003. This policy of rationalization of agenda has been found to be extremely useful and we may say now it has become a useful tradition for AALCO to divide its agenda into deliberated and nondeliberated items.

Building upon this policy, Madam President, for the Forty-Sixth Session, as endorsed by the Leader of Delegations in their first meeting this morning, the Session would have detailed deliberations on 9 items. Therefore, I humbly invite Member States and Observers, who wish to do so, to give their comments/observations regarding the following non-deliberated items either in their General Statements or in a Written Form handed over to the Secretariat that could later be included in the Report of the Forty-Sixth Session. The non-deliberated items for this Session are: International Terrorism; Legal Protection of Migrant Workers; Extraterritorial Application of National Legislation: Sanctions Imposed Against Third Parties; Environment and Sustainable Development; and Report on the work of UNCITRAL and other International Organizations in the field of International Trade Law. The Secretariat has prepared briefs on all these items that were distributed with the briefs related to deliberated items.

Madam President, allow me to recall the useful contribution made by the Drafting Committee in our last four Sessions. Such a Committee was constituted for the first time in the Seoul Session (2003) and since then it has become an integral and important part of the work of the Sessions. The preparation of the Summary Report and Resolutions by the Committee has gone a long-way in further improving our work. The Open-ended Drafting Committee meets either before or after the General Meetings and based upon its thorough and careful work, this Session, would adopt on the concluding day the Summary Report and the Resolutions as final documents. So we look forward towards constituting later in the day a Drafting Committee, headed by a Senior Official from the host Government with participation open to all the delegates to facilitate its work. I humbly request the Leader of Delegations to nominate one or two members from their Delegations to this Committee, to help in the preparation of the documents that would come out as the result of this Conference. The names of these delegates nominated to the Drafting Committee can be handed over to the Secretariat.

After this brief summing up of the nondeliberated items, as well as about the Drafting Committee, allow me Madam President, to draw the attention of this august body on some of the activities undertaken by the Organization since the Forty-Fifth Session.

Madam President, for our Organization, to contribute more effectively in international legal matters, a strong Membership is essential. My predecessors as well as me have been putting in strenuous efforts in this regard. Such efforts continue to bear fruits and soon after the Headquarters Session, last year, the Republic of Cameroon became the newest Member of AALCO family. Madam President, in Africa there exists a tremendous potential of further expanding the Membership of our Organization, and in this regard, I recall the plan we discussed together aiming at seeking your help and the Government of South Africa to motivate some of the countries in your region to join AALCO. I am sure Your Excellency is doing her utmost to fulfil our common effort.

Madam President, very soon after our Golden Jubilee Session, a Meeting of International Experts on Human Rights in Islam (MIEHRI) was held in Kuala Lumpur, Malaysia from 15th to 19th May 2006. The Government of Malaysia in collaboration with the Kingdom of Saudi Arabia and the AALCO Secretariat organized the Meeting. The main theme of the Meeting was "Understanding Human Rights as Understood in Islam". The Meeting was a grand success in highlighting human rights principles envisaged in Islam and also served as a platform for experts from various fields to examine Islamic principles on human rights with the main purpose of dissuading misunderstanding of Islam and the Muslims. On behalf of Member States, I wish to record my profound gratitude to H. E. Hon. Tan Sri Abdul Gani Patail, Attorney General of Malaysia; and through him to Government of Malaysia for hosting this Meeting and also to the Kingdom of Saudi Arabia for their cooperation and for the financial assistance which contributed to make the Meeting a success.

In July 2006, upon an invitation from the Attorney-General and the Minister of Justice of Nigeria, I participated in the Joint ECOWAS-ECCAS-UNICEF Meeting of Ministers on Trafficking in Persons in Abuja, Nigeria. At the end of this meeting an Agreement to curb trafficking in persons was signed.

Later, I proceeded to attend the second part of the 58th Session of the International Law Commission and placed before the Commission the crux of the views of AALCO Member States during the deliberations at the Forty-Fifth Session on the agenda item. These views have been considered very valuable by the Members of the Commission in proceeding with its Work Programme.

My former colleague, Deputy Secretary-General Mr. Motokatsu Watanabe from Japan represented the Organization at the commemorative ceremony, held in Hamburg, Germany, to mark the tenth anniversary of the International Tribunal for the Law of the Sea, from 29th to 30th September 2006.

Madam President, the United Nations considers on a biennial basis the item pertaining to "Cooperation between United Nations and the Asian-African Legal Consultative Organization". Last year the General Assembly considered the item on 20th October 2006. The Representative of India at the United Nations on behalf of the President of the Forty-Fifth Session introduced the item and the resolution. Delegations from the People's Republic of China and Japan supported this resolution and highlighted the contribution made by the AALCO. In my address, to the General Assembly, I highlighted the work of the Organization during the last two years 2004-2006.

Later, on the sidelines of the General Assembly Session, on 30 October 2006, I convened a meeting of AALCO Legal Advisers and AALCO-ILC Joint meeting. H. E. Mr. Narinder Singh, President of the Forty-Fifth Session chaired both these meetings, which were highly successful. These Meetings constitute a major part of the Inter-sessional work of the Organization.

Madam President, on an official invitation, extended by H. E. Mohammed bin Ali al Alawi, Minister of Legal Affairs, Sultanate of Oman, I visited the Sultanate of Oman, from 22nd to 26th April 2007. My visit to the Sultanate was highly successful. It not only reaffirmed the cooperation and relationship between the AALCO and the Sultanate, it also gave an opportunity to appreciate the rich historical, cultural and religious heritage and significance of one of the important Member States of AALCO. The Meetings with the H. E. Mohammed bin Ali al Alawi, Minister of Legal Affairs; H. H. Sayyid Fahd bin Mahmoud al Said, Deputy Prime Minister for the Council of Ministers: and H. H. Sayyid Haitham bin Tariq al Said, Minister of Heritage and Culture; were very productive and gave a new dimension and direction to the effective cooperation between the AALCO and the Sultanate. An important outcome of the visit was the welcoming in principle of my proposal for organizing an Expert Group Meeting/Seminar on "Expressions of Folklore and its International Protection" jointly with the Ministry of Heritage and Culture, Sultanate of Oman and AALCO, with the cooperation of the UN specialized agencies, I take this opportunity to profoundly thank H. E. Mohammed Bin Ali al Alawi, Minister of Legal Affairs, Sultanate of Oman, who is amongst us today, for inviting me to Oman and according me and my colleague very warm hospitality, as well as for facilitating very fruitful meetings during the course of my visit. Thank you Sir.

Further, my colleagues and myself have attended different meetings on various subjects covered on our agenda that took place in New Delhi. Details of these activities are very much reflected in my Report-ORG 1.

The Organization, Madam, has as many as 17 cooperative arrangements with United Nations, Specialized Agencies and other International Organizations. Since I assumed office, it has been my endevaour to conclude more such Agreements to widen the international exposure of AALCO and to widen the cooperation of AALCO with sister Inter-governmental Organizations working in the field of promoting the progressive development and codification of international law.

Excellencies, Distinguished Delegates, Ladies and Gentlemen, these Cooperation Agreements would start to bear fruits after the Secretariat moves to the Permanent Headquarters Building and organizes various training programmes, which are in the pipeline, on diverse topics of International Law for the benefit of officials from Member States, as well as introduce Internship programmes. This would promote further cooperation among Member States and AALCO.

Madam President, let me now proceed to highlight the Secretariat's initiative in restructuring and revitalizing the publications. Publications are the face of an Organization and AALCO publications in their new shape have been very well received by our Member States. The Yearbook of the Asian-African Legal Consultative Organization now finds a place of pride amongst the publications of International Organizations. The monthly Newsletter has received positive feedback from the Member States. The Secretariat on a regular basis receives requests from different parts of the globe for these publications. A commemorative volume to mark the Golden Jubilee of the Organization entitled "Essays in International Law", would be released by Your Excellency Madam President during the course of this Session. This volume contains contribution from some of the very eminent International Lawyers.

With the encouragement and support of Member States the AALCO Secretariat plans to continue to strengthen its various publications. In this regard constant efforts would be made to improve their quality and content. The Secretariat would be obliged for valuable comments and suggestions from our Member States to further improve them and make them as beneficial as possible to Member States.

Madam President, our gratitude goes to the people and Government of India for providing the AALCO with its Permanent Headquarters Building. The building was inaugurated, as the President of the Forty-Fifth Session said this morning, in conjunction with the Forty-Fifth Session by Hon'ble Mr. Anand Sharma, Minster of State for External Affairs, Government of India, on 6th of April 2006 in the presence of all the distinguished delegations from Member Governments, who attending the Golden Jubilee Session of AALCO held at the Headquarters of the Organization in New Delhi.

The Secretariat was keen to shift to the Permanent Headquarters Building, very soon after the inauguration, however, owing to some pending works and technical requirements, the shifting has been postponed. As the President told us this morning by the end of this month or the beginning of the next month, the Secretariat would shift to the Permanent Headquarters Building.

On behalf of the Member States and the Secretariat, it is our earnest request to the Government of India to expedite the completion of work pertaining to pending matters and handover to the Organization a well-equipped and fully functional Permanent Headquarters Building.

I take this opportunity to also thank the President of Forty-Fifth Session Mr. Narinder Singh, Joint Secretary and Legal Adviser, Ministry of External Affairs, Government of India who along with his colleagues at the Legal and Treaties Division, Ministry of External Affairs, Government of India has been exerting tremendous pressure on the construction agencies, Central Public Works Department (CPWD) as well as with all other concerned authorities to ensure that all construction work is timely completed.

To conclude, Madam President, it is gratifying for me to see so many Hon'ble Ministers and distinguished delegates assembled here. I seek your guidance and suggestions to revitalize AALCO's role and activities so that it could be more vibrant and render useful services to its Member States. I assure you all that I will do my best to attain the objectives of the Organization and for that I need your support and full cooperation. Thank you.

Adoption of Draft Budget for the year 2008

President: I once again give the floor to the Secretary-General to lead us on the Adoption of Draft Budget for the year 2008.

Secretary-General: Thank you Madam President. We come to a very important item relating to the financial and administrative affairs, which is the proposed budget for the year 2008. It is the means for the Secretariat the objectives of to achieving the Organization, and to enhance its activities. The Draft Budget for 2008 is in fact the Budget for the coming year where AALCO would be operating from its new Headquarters Building, which would mark a turning point in its activities.

The Budget of 2008, as you have seen in the Budget distributed to all of you, that it has a deficit, between the incomes coming from the contributions and the different heads of the Budget and its implications on the expenses of AALCO. I would like to draw the attention of the Member States to the fact that the AALCO is facing a very difficult financial situation. During my mandate, of seven years or so now, I have tried my level best with my colleagues to manage the work of AALCO and its activities and to take it to great heights and to have its place amongst the International Organizations. Of course this was a serious effort, and during the last many years, the Secretariat did not ask the Member States to increase their contributions to AALCO. We managed to the detriment of our efforts there was no increase in contributions to the Budget of the Organization.

Many of my colleagues from Member States requested me to look into the matter of enhancing the contribution to meet with the new obligations of the Secretariat and the new era, which would start after we shift to

the new building. So that at that time from December 2006 onwards, I have proposed a Scheme of enhancing the contributions and with the Liaison Officers we have tried to study my proposal. But for different reasons, which are totally within the sovereign power of Member States, I found no consensus, related to enhancing the contributions according to my proposals, and I think that it was premature to discuss this subject, during this Session. So I dropped completely my proposals and I requested the Liaison Officers at the last meeting, just before we came to South Africa to adopt the Budget without looking into any proposal related to enhancement of contributions, which was very much appreciated by the Liaison Officers. I told them that the study of my proposals and my arguments, rationale behind it would be distributed to Member States later on. This would give them more time to study in-depth and come back to the Secretariat with their valuable comments.

So for the time being today, we are just proposing the adoption of the Budget, as it came in the document ORG 2. And before going into detail, I would just like to highlight two or three reasons behind the deficit between the income and expenses of this Budget. First of all during the last two months, the Liaison Officers, who are with us in Delhi and of course the Delegation of India here, would confirm that in the last two months a drop in the exchange rate of dollars to the rupee went beyond 10-12% and since all our income is in Dollars and all our expenses in Rupees. This has effected very-very adversely on our Budget. The Secretariat is helpless in front of change in exchange rates. The second reason is that every eight years now there is an incoming and outgoing Secretary-General for which an amount of US \$ 25,000 is kept as a provision to cover the expenses of incoming and outgoing Secretary-General in terms of etiquette, transfer of their luggage etc. This of course had to be placed on the 2008 Budget, because in 2008, my mandate would end and the mandate of the new Secretary-General would start. So this amount is very well in the Financial Rules of AALCO and it has been always put on the year in which there is coming and outgoing Secretary-General. So it cannot be considered as a deficit, as it is a once every eight year expenses. So if we delete this amount from the total amount of deficit, the deficit would be reduced very much.

The second amount which also would be reduced from the deficit is US \$ 20,000 which represents salary of one of our Senior Legal Officers who has presented his resignation and because of the pressure of streamlining the Budget, I was compelled to accept the resignation to save his salary, as well as one of our colleagues who is going to retire by end of this year. Both these would not be replaced by any one else so there would be a saving of US \$ 20,000. So if you add 20,000 US \$ to US \$ 25,000 that I have mentioned it comes to US \$ 45,000 that gets reduced from the deficit, because that would be the less expenses on the Organization.

The only addition comes in the page 8 of our document ORG 2, which is the Local Staff Salary. I would like here to underline that the plus here would of course be neutralized by the savings I have mentioned just now which is US \$ 20,000. So the plus in this head of Budget would be only US \$ 3,000. Apart from that very little has been kept aside as provisions for the expenses for shifting to the new building and for the expenses of maintaining the new building. Most of the delegates present here have seen the new Headquarters Building and seen that how much useful the new Headquarters is.

We have an electrical plant, which needs continuous observation by a technical person because of the great size of the generator, which is there in the basement. It is very dangerous to leave these generators without a technical person, looking after them because when they are over heated any damage can happen to the building as the generators are in the basement, thus, we have to be very careful. So we need to have a Maintenance Officer/ technical person to take care of these electrical installations, around the clock. Also we need more security, we need more staff for cleaning and maintenance of the building, which is a huge surface compared to the building in which we are operating now. So as you see we are at a turning point. The deficit is not as big as you have seen.

We have to take the US \$ 25,000 for the incoming and outgoing Secretary-General from the Reserve Fund. We need not put it in the Budget. I had suggested to the Ambassador of Japan while we were having discussion about it. I suggested that from 2009, we can start deducting a very small amount each year and in 2016 when there is going to be change of Secretary-General, we will have that amount saved each year and at the end we will not have to put the entire amount on 2016 Budget. This was very much appreciated and approved by the Liaison Officers, who passed the Budget. But for this year, of course, it would have to be taken from the Reserve Fund.

Once again I am saying that the Secretariat really is helpless in front of facts like drop in exchange rate of dollars, inflation which has gone sometimes upto 300% and if we don't find any appreciation or help from the Member States it will be very difficult and inhuman for the Secretariat to operate, fifty years after waiting for a new Headquarters, which after all we have now.

We have new dimensions, new perspectives, to enhance to the maximum, the activities of AALCO, and stretch ourselves to the maximum, for the benefit of Member States by conducting training and internship programmes, by organizing Seminars. We have a conference room now in the new building, equipped with latest technology booth for interpretation. All the seminars that we are mandated to hold are conducted outside the Headquarters in Hotels. Now we can hold them within our Headquarters. So I request you humbly to understand the position of AALCO. I request to humbly give to the Secretariat a chance to start its new era with dignity. Because as Secretary-General, I did not leave even one stone unturned, and had been doing to the best of my abilities to enhance the work of AALCO, during the last seven years without ever asking Member States any enhancement of contributions.

On the other hand, I would like to stress that the problem of arrears remains a huge problem. The measures we have taken till now do not seem to be sufficient to urge the Member States who do not pay the arrears of the contribution to really fulfill their commitments. Through you, I urge all the Member States who are not paying their contribution on time to please do it. They are committed to the Secretariat. They are enjoying all the services of AALCO without any discrimination between those who pay or those who do not pay. But the situation cannot prevail forever. Because some Member States who are paying very informally told me that this situation cannot prevail till the end or forever. Because those who do not pay they enjoy exactly like them those who pay. Of course, I agree it is unfair there is no doubt but as we are one family, we have always considered that those who do not pay and not all of them, but some of them may have some difficulties. We have a provision in our resolution every year that those who are in difficulties to please sent to the Secretary-General, a letter explaining why they have not paid their contributions and what kind of difficulties they are facing so all Member States will understand why some Member States are not paying. I have tried my level best during last 6-7 years to get arrears and I have succeeded to get US \$ 3, 50,000, which really has helped the Secretariat to manage with the deficit in the Budget during the last many years. So I hope that before the end of my tenure, I would be able to also gather a bigger amount of arrears. I have explained it to the Liaison Officers and do not want to go into the details now. And that is exactly the situation now. I would also like to underline that 2008 Budget is the Budget of my successor I am fighting for it for the sake of honesty, because I do not want him to come and find inside the drawer a problem that I did not face, before I complete my tenure.

So for the sake of honesty, I am placing it in front of all of you, the financial situation of AALCO. I am trying my level best to streamline as much as I can with a very strict control and it has been underlined many times by the Auditor who had been appointed by the Member States. It had been underlined by him that in his term, he has never seen a very strict control like the one, I am exerting on the expenses of the Secretariat. I request you humbly to please adopt the budget, with all the explanation I have given. Thank you thank you Madam.

President: Thank you. Japan you have the floor.

The Leader of Delegation of Japan: Madam President, it is indeed a great pleasure and honour for me to participate in the Annual Session of AALCO, in such a beautiful surrounding here in Cape Town. Allow me to congratulate you on your election officially later in my general statement. This particular subject, on the agenda, now that is the question of draft Budget of AALCO for 2008 is a very important one, important to Japan as to all other Member States. I have to state, however, that my delegation is under strict instructions from home to act in the manner, as I have my Legal Counsel Mr. Aoyama explains our position and our proposals. Japan with its largest share of contribution has all along supported fully AALCO's activities, since its establishment and wishes to see its further development, but at the same time, we believe strongly that AALCO's activities are to be conducted on a sound and realistic basis without seeking substantial increases at particular junctions.

The Delegate of Japan: Thank you Madam Chairperson. I am a Legal Officer in the Ministry of Foreign Affairs. That is the reason why Ministry of Foreign Affairs,

which is in charge of financial matter pertaining to AALCO in Japan, has deputed me to explain our position. Of course, Japan appreciates the work of AALCO Secretariat and the tireless effort of the Secretary-General Dr. Kamil. However, we have been reported that the meeting of the Liaison Officers which was held in New Delhi, last month did not have a satisfactory result on the financial matters. I read the financial report of the Budget for the year 2008. On page 2, second paragraph last sentence, Secretary-General referred as follows: "The budgetary proposal were studied and discussed thoroughly by the Liaison Officers in this meeting and adopted the Budget, subject to the final approval and adoption at the Forty-Sixth Annual Session". But our understanding is that the meeting of the Liaison Officer's did' not approve the Draft Budget of the year 2008. They decided to transfer the draft budget and request the consideration of the Forty-Sixth Annual Session. But of course we appreciate that the Secretary-General dropped or withdrew the request for the increase of contribution at that time. But as Secretary-General, pointed out there are other financial problems, which are to be solved vet i.e. the augmentation of the amount of the draft Budget for the year 2009. In this Budget as we have the Draft Budget it should be in principle, the same amount as the year 2007 i.e., last year. But the amount of the draft budget shows about 18.8% increase over that we had approved last year. To our regret, the rate of increase in the draft budget is not acceptable to Japan. However, we also understand that the problem of the financial deficit, which the Secretariat is facing from some time due to internal inflation and the fall of exchange rate. Therefore, taking into consideration such a difficult economic situation, as a constructive and compromised approach Japan could accept the Draft Budget which is 5% maximum exceeding increase compared with the budget of last year 2007.

This is subject to following two conditions first, the increase of the draft budget for next year – year 2008 is completely exceptional

and the increase be only for the next year; the second condition that eventual deficit should be covered from the Reserve Fund, without thinking of a future increase of contribution of countries. In the end, we would like to refer to the problem of the arrears in contribution, which prevents from sound administration of the Secretariat a direct link to the problem of the financial deficit. I think in the report distributed by the Secretariat, we found some amelioration i.e. the decrease of the arrears. This is very fortunate. We appreciate it. But we hope that the Secretary-General will continue to put in efforts to reduce simultaneously arrears and would take a realistic approach to find out the effective measure for resolving this problem. Thank you for your attention.

President: Thank you we have noted the comments of Japan.

The Leader of Delegation of the Kingdom of Saudi Arabia:¹ In the name of God, the Most Merciful and the Most Compassionate.

At the outset, I would like to congratulate the Minister of Justice from South Africa for gaining the confidence in order to preside and chair this Session. Concerning Secretary- General of the Organization, the problems pertaining to Budget and finance, I would like to confirm that what has been proposed is for the necessity of the Organization. Furthermore, paying the contributions by the Member States is their obligation and to fulfill their arrears and if this had been done rationally by all the Member States, then the Organization would not need to increase the contribution, as has been proposed by the Secretary-General. I would like to confirm that we be committed to our contribution. We are in a legal organization and men of law should abide to their commitments. Thank you very much.

President: Thank you Sir, Kenya you have the floor.

The Leader of Delegation of the Republic of Kenva: I want to thank you Madam Chairman for giving us the opportunity to also make our brief comments on the presentation by the Secretary- General. First of all Madam Chair, the Budget that has been proposed by most standards, is a modest budget because Madam chair, in my experience of serving in various all international organizations through the Ministry of Foreign Affairs of mv Government. Madam chair, the Budget is a reasonable budget; it is modest by most standards and should be supported in particular. Madam Chair, the proposal to drop the entire plan to suggest an increase by the Secretary-General was a good idea because we probably need to emphasize on how we shall solve the problems of arrears, first, before we propose increment. Madam Chair, to that end, it is probably the time, we started thinking may be more definite ways of raising these arrears of contribution. Madam Chair. other International Organization and I have seen it at work before, may be that Chair can take it up with Secretary-General to informally see some of the Heads of States, because this works out. I can see from the report Madam Chair that some of the countries that have been listed here are really very cooperative on most of these international organizations. I am surprised to see some of there names here because they pay timely. We have seen it work in the East African Community, in the EGAT also we have seen it work, when informally the Heads of States visited or seen quietly. This is a new challenge. May be we can consider looking at it.

We agree with some of the concerns that the Hon'ble delegate from Japan has raised. Looking at the fact that there has been a drop in the exchange rate with dollar to a rupee by 12%. I think it is fair to say that the budget must be cushioned against that drop in the exchange rate. The only concern we would want to raise is that if you look at the

¹ Statement delivered in Arabic. Unofficial translation from the Interpreter's version.

budget, Madam Chair, there is an item that has been put there under research and training i.e., Centre for Research and Training which has not been probably explained very well, but there has been only 4,000 dollars that has been put under that heading on page 6, Madam Chair, if you look at the provision of handing over and taking over of the incoming outgoing Secretary-General, we have provision on page 7 that puts the amount to 25,000 dollars. So Madam Chair a bit of thought needs to be put out may be in future to prioritize. Research is extremely crucial and important for an organization of legal nature. We need to rationalize the Budget so that all can put priorities in the right places. I propose that we support the budget as proposed. I thank you Madam Chair.

President: Thank you Kenya. Malaysia you have the floor.

The Leader of Delegation of Malaysia: Thank you Madam President there has always been concern by Member States on non-payment of contribution of arrears and this has been discussed most frequently almost in every Session. And that is the reason for concern for Japan as also Malaysia as to how we can finance the operation of AALCO. Member States must be responsible to do this but what more could we ask from the Secretary- General. If we were to refer to Rule 25(2) of the Statutory Rules adopted at the Twenty-Eighth Annual Session, it states that: "The Governments of the Participating States and Associate Participating State shall arrange for the payment of their contributions within the financial year. In the event of any Government remaining in arrears in the payment of its contribution for three financial years the Secretary-General shall bring the matter to the notice of all Governments with a view to a decision being taken at the Session of the Committee." That means the responsibility is of the States. In the event of any Government remaining in arrears, the payment of its contribution for three

financial years, the Secretary General shall bring the matter to the notice of all the Governments with a view to a decision being taken at the Session of the Committee." And that Ladies and Excellencies. Gentlemen. Your the Secretary-General had done. It is for us to take the next step what ever it is that we want to decide. Having said that I must also say this that whatever is due to the Secretary-General in the form of whatever payment like his right to traveling claims, etc. I believe once the outgoing Secretary-General should be entitled to a certain amount for expenses for the transportation of his, I believe furniture or whatever and if that is his entitlement we have no right your Excellencies to take that away from him. One must not take his right away. It is just like that any of us in civil service. Government Officers, whatever their rights are in forms of payments should not be taken away. Though the Secretary-General has volunteered it to be taken away for payments of other things with respect I say it would not be the right thing to do.

On the other matter, I would like to say is that in future if the State would like to request any activity from AALCO then fund it themselves. For the matter, I have the fullest respect for the Kingdom of Saudi Arabia for fully financing that particular meeting on the Human Rights in Islam.

Your Excellencies, as to the issue of asking extra money for the Budget, I would suggest that we provide afterwards through the Drafting Committee a provision for the application as supplementary Budget. In other words, in future if there are activities or more activities that we want to put in for States that have requested that should be added in and accounted for in the supplementary budget. And that would provide for States to voluntarily pay that part of the supplementary budget. Thank you.

President: Thank you Your Excellency. Please introduce yourself as you speak.

The Leader of Delegation of Uganda: Madam Chairperson. Thank you very much I would like to add my voice to those who have spoken before me. I am a delegate from Uganda. Particularly to supplement the fact that this is indeed a modest budget. Madam Chairperson, when I look at our means of income in the Budget statement, I realize that our means of income are very limited we expect contributions from Member States to income from anticipated sale proceeds of publication. To me that is indeed a very limited scope on the way we can generate our income. Most of them not of course without prejudice to where we have come from because we have come a long way and we could not put immediately attention on our work. But in my view where we are now, I think that for the Secretariat we need now to galvanize our resources by way of looking at arrears. We can charge reasonable fees for work done by the Secretariat. I believe the Member States would be more readily willing to pay for value than keep on simply paying a contributions. For instance, if you actually highlight the issue of publications, yes, we could identify some other areas where we could actually put some fees for services rendered. I would also like to get clear perspective on the building that has been constructed for the Secretariat by the Government of India because, and some other Member States who have actually made bit more than some others, we really thank them so much. But does it for instance assume that the Secretariat would take up all the space within the constructed building or can the constructed building for instance, partly be utilized by the Secretariat, partly be rented to generate revenue for the Organization. Thank you.

President: Thank you Uganda. Please introduce yourself Sir, as you speak.

The Leader of Delegation of the United Arab Emirates:² Thank you Madam

Chairperson. At the outset, I would like to direct your thanks for being elected as President of this Organization during this session. I would like to support what has been kindly said by the Kingdom of Saudi Arabia on importance of enhancing the payments and encouraging the payment of arrears by countries who did not pay their contributions. I believe that had payment of these arrears of contribution were made timely, we would not be facing this deficit in the budget. As for the exchange rate, I propose the importance of protecting this exchange rate by operating another account than in dollars. You can have an account with dollars another account with Euros in order to he able to surpass the depression in the devaluation in the dollar and that balance. My second proposal is as regards the Headquarters Building of the Organization. This Headquarters is quite huge and large and the Organization can profit from this space by having a new revenue by renting part of it or establishing some activity which could be carried out and by this we can profit from new headquarters in this manner. Thank you.

President: Thank you. The delegate from Oman you have the floor.

The Leader of Delegation of the Sultanate of Oman: ³ Thank you Madam Chairperson. I direct my congratulations to you for your being elected as President of this Session. As to what pertains to the budget of the Organization, I would like to deal with one point namely that of debts and arrears which have not been paid by a large number of Member countries of this Organization. This is not for the first time that matters pertaining to Budget are being discussed at such a length. The Secretary-General has exerted huge efforts during the past years in contacting these countries, which are in arrears. Furthermore some countries did submit on previous session from being exempted from these contributions. And we

² Statement delivered in Arabic. Unofficial translation from the interpreter's version.

³ Statement delivered in Arabic. Unofficial translation from the interpreter's version.

have exempted countries like Somalia. But there are other countries who offered to pay their contribution, but, are still in arrears. But they do not pay them. So what is the secret behind that? Don't they want to continue their Membership in this Organization? If every time, we urge the Secretariat to contact these countries but the result is negative. What is the outlet? What is the solution to this matter? Is there a system in the byelaws of this Organization to take decision to withdraw the Memberships of these countries from the Organization? or Is there any other procedure which can be taken? I am talking about the future steps to come. If the Secretary-General has exerted all efforts and contacted these countries. but these countries continue to not pay their contributions what will be the solution and can the membership of these countries be continued in the Organization. Thank you Madam Chairperson

President: Thank you Oman. You have the floor Sudan.

The Delegate of Sudan: Thank you, I am the representative of the Embassy of Sudan here. As it was mentioned by the fellow representatives from other countries, I would hereby like to say that the current topic which is the proposed budget of AALCO is very very important topic for the better future of the Organization. On the other hand, as you can see our Head of Delegation who is the Sudanese Minister of Justice is currently not here in the meeting and according to my conversation with him, he will be probably here tomorrow and I would like to bring it to your attention that I will try to bring the content of this debate to his kind consideration so that he can mention the official position of my government in his official statement tomorrow. Thank you.

President: Thank you Excellency. The delegate of Iran you have the floor.

The Leader of Delegation of the Islamic Republic of Iran: Thank you Madam Chair. Let me first congratulate you as the President. I am sure that we are going to have a very successful Session in the beautiful city of Cape Town under your leadership I carefully listened to the explanation by the Secretary-General as well as the previous speaker. To my delegation taking into account all these explanations and arguments the proposed budget seems modest and reasonable one. Therefore, we suggest to accept the proposed Budget. Off course inflation and exchange rate are important issues that have always to be taken into account. In addition, to those factors, I agree with previous speakers that 2008 is going to be an exceptional one as we are going to have the Headquarters moved to the new location and also it is going to be the end of the tenure of the present Secretary-General. Thank you Madam Chair.

President: Thank you. Japan you have the floor once more.

Delegate of Japan: Thank you very much. Having listened to the statement of the Secretary-General and other fellow delegates, I just want to say that there is a statutory rule of AALCO, i.e., - Rule 13, sub-rule 13 states. "The decisions of the Committee on matters of substantive character shall be taken by consensus." In that event, in the best spirit of our constructive cooperation, my delegation wishes to state that in the event the proposed draft budget exceeds limits, which Japan can accept, my delegation wishes to state that we cannot associate ourselves with that decision by consensus. I just want to state this on record. Thank you.

President: Thank you. Your Excellency. Senegal you have the floor.

The Leader of Delegation of Senegal:⁴ Thank you very much Madam Chair. Madam Chair. I would like to express the

⁴ Statement delivered in French. Unofficial translation from the Interpreter's version.

opinion of my delegation and I would like here to greet all efforts that have been exerted by the former President. I would like to congratulate the Secretary-General for the quality of work that has been done by the Secretariat and that has been distributed to us. Madam President, the discussion that took place concerning the budget, in my opinion, it reflects certain conditions that does not clearly say what has been taking place. I have an impression that there is a problem of communication amongst ourselves. I would try to explain in a very simple manner. Considering me, I am the Minister of Justice of my country and two weeks back only I came to know about the convening of this conference. Hence two weeks back only I was acknowledged officially that there would be a meeting to be held for AALCO. I know the contents of the activities of our Organization and hence I would like to say that there is a problem of communication, if I give the example of my country, the arrears that has to be paid to the Organization is due from the year 1993 and this is not the tradition of my country. My country has always been paying its arrears and is always committed to its contributions. I was really astonished when I listened to such circumstances. I would like to confirm that there is a topic to talk about financially. is problem But that there a of communication and hence I would like to say that I pledge concerning the appeal of Organization that Senegal would try to settle the arrears as soon as possible. But as concerning the draft Budget itself we would like to acknowledge that this Budget is very modest and humble and I am not the one who would say that the Budget be discussed more because this Budget as has been available to us goes along with the ambitions of our Organization. And if we want to proceed on that work and if we want to keep the spirit of Bandung that was the main reason for the establishment of this Organization then to keep it, we have to reactivate and revitalize this spirit, in order that we would continue with the coming generations who are looking forward to realize the ambitions of our countries. We should approve this budget without any further discussion. Thank you very much.

President: Thank you Your Excellency. Egypt you have the floor.

The Leader of Delegation of the Arab **Republic of Egypt⁵**: Thank you Madam President. In my capacity as Minister of Justice of the Arab Republic of Egypt and the representative of Arab Republic of Egypt, I congratulate your Excellency Mrs. Brigitte Sylvia Mabandla, the Minister for Justice of South Africa, on her election, as also because she is steering equality and righteousness in South Africa. I congratulate also the Vice-President from Indonesia. With full conviction about the importance of this Organization and its activities as far as Members and subjects are concerned, I do place all the potential of Egypt under the service of this Organization, in order to lead it to more and more success. Egypt on the point of discussion now, continues and believes that the Budget presented to us is a very modest budget. But if the matters are going on a proper way by the payment of contributions by all Member Countries, but on this very occasion, Organization could not carry out any solution for this problem. We see that the problem now does need a provisional Budget to be drawn by which we can surpass the present obstacle and we fully support the proposal made by Saudi Arabia and Oman and other colleagues by expressing that their should be during this meeting here a mechanism should be laid out in order to deal with countries in arrears in order to be able to continue our work without any frustration to face us in the future and to be able to over come any surprises which can take place. I thank you for your kind attention.

President: Thank you Your Excellency. Saudi Arabia you have the floor again.

⁵ Statement delivered in Arabic. Unofficial translation from the Interpreter's version.

The Leader of Delegation of the Kingdom of Saudi Arabia⁶: Thank you Madam Chairperson and on this subject matter of Budget and payment of arrears, as matter which is repetitive in every session of this Organization. If the Budget is being set forth for discussion, I do support what has been said by the Minister of Justice of Egypt to lay out or form a mechanism to deal with countries in arrears and that is why I propose on behalf of the Kingdom of Saudi Arabia and on behalf of all the Heads of Delegation of the Gulf States to form a mechanism in which the Membership of the country in arrears can be dealt with by that mechanism we can deal with this subject. We request through this mechanism to countries in arrears and to request them for the first time to fulfill their commitments and second time to ask to do so and then if they would not fulfill their arrears of contribution, then we can review their Membership in the Organization and perhaps cancel or drop the Membership. Thank Madam you Chairperson.

President: Thank you Saudi Arabia. Egypt you have the floor.

The Leader of Delegation of the Arab Republic of Egypt⁷: Thank you Madam President. I do support this proposal from the Kingdom of Saudi Arabia. Principle wise a committee can be set up to study in full detail this proposal. Thank you Madam Chair.

President: Thank you. Kuwait you have the floor.

The Leader of Delegation of Kuwait⁸: Thank you. In the Name of God the Most Merciful and Most Compassionate. I would like to express my gratitude and congratulations for you being elected as the President of the Session. I would also like to congratulate the Head of Delegation of Indonesia on his election as Vice-President. And I would like to support what has been said by His Excellency the Minister of Justice of Arab Republic of Egypt and others concerning the arrears by some countries who are Member in our organization and would like to mention that the arrears of particularly those concerning who are not fulfilling their commitments. There are not any excuses. But as has been mentioned in the previous meetings they are going to exempt some of the countries from paying its contribution because they have their own reasons for not paying their contribution but if some of the Member States would benefit from the Organization and participate in the meetings of our Organization and do not pay their contribution without any excuse, hence in this meting we should discuss specific mechanism and how to handle such cases, such Member States who are not paying their arrears and how to urge them to pay their contribution. Thank your very much.

President: Thank you South Africa.

The Leader of Delegation of the Republic of South Africa: On behalf of South Africa we would also join all those Member States that suggest that we accept the Budget proposals from the Secretary-General. If we have to be honest with ourselves and with the Organization, then we notice that scale of contribution was set as far as back in 1993. For 14 years, we have not looked into this matter. Obviously, we support that. In terms of proposals of Member States, that outstanding issue like arrears, increases should be looked at by another committee. We fully support that a detailed look can be given to it, particularly we can see how we can deal with Member States that are usually in arrears in an amount of 1.2 million dollars. If I read the record straight, that is an enormous amount of money. Clearly as an Organization, we should look into that

⁶ Statement delivered in Arabic. Unofficial translation from the Interpreter's version.

⁷ Statement delivered in Arabic. Unofficial translation from the Interpreter's version.

⁸ Statement delivered in Arabic. Unofficial translation from the Interpreter's version.

matter. So we support the proposal of Secretary-General and we support those Member States who suggest that we get a committee to look these matters in detail the outstanding financial issues. Thank you.

President: Thank you. There seems to be consensus Your Excellencies that we should actually endorse this Budget. But we note request made by Japan the that notwithstanding the consensus that we have that our records should reflect their objections. But having said that very important remarks that have been made that are very useful and those could be considered. Thank you. The Budget is adopted as we have consensus. It's now time for a break and we resume at 3.00 clock. Thank you.

The Meeting was thereafter adjourned.