

STATEMENT
OF U.S. AMBASSADOR LUIGI R. EINAUDI
AT CEREMONY OF DEPOSIT OF THE
U.S. INSTRUMENT OF RATIFICATION
OF THE
INTER-AMERICAN CONVENTION
ON
INTERNATIONAL COMMERCIAL ARBITRATION
THURSDAY, SEPTEMBER 27, 1990
AT THE OAS

The Inter-American Convention on International Commercial Arbitration is a little known but important achievement of the Organization of American States. The Convention was adopted at the First Inter-American Specialized Conference on Private International Law, sponsored by the OAS, held in 1975 in Panama, and known ever since as CIDIP-I.

Though negotiated some time ago, the Convention is as timely today as the "Enterprise for the Americas" initiative put forth in June by President George Bush. Both trade and investment will be facilitated by the implementation of this Convention. In fact, increased commercial interactions among our peoples along the lines of President Bush's historic vision virtually require a fully articulated network of private international law.

The central articles of the Convention provide that, if parties to international commercial transactions agree to submit to an arbitral proceeding any differences between them with respect to a commercial transaction, their agreement to arbitrate their dispute will be enforced, and the resulting final arbitral award will be recognized and enforced by the courts in the states parties to the Convention.

I was today able to deposit the U.S. instrument of ratification because President George Bush signed the public law to implement the Convention's provisions on August 15, 1990. The Convention will enter into force in the United States thirty days from today.

By its ratification, the Government of the United States makes the benefits of the Convention available to members of its business community and their counterparts abroad; it also demonstrates political solidarity with other OAS Member States and formally accepts an international treaty it helped to draft in 1975 and which it signed in 1978.

Ratification of the Inter-American Convention by the United States contributes to the creation by international treaty of a Western Hemisphere framework of law and practice to enforce arbitration agreements and awards; to facilitate the resolution of international business disputes; and to enhance the growth of Western Hemisphere international trade, investment and economic development. Thirteen member countries of the Organization of American States have now ratified the Convention; we hope others will follow suit.

Ratification of the Convention and enactment of U.S. legislation to implement it serve our inter-American interests. We look upon ratification as an adjunct to other U.S. policies -- significantly, President Bush's "Enterprise for the Americas" initiative. These policies emphasize trade expansion and investment promotion as spurs to economic development. Development of an international framework for the amicable settlement of commercial disputes through arbitration under this OAS-sponsored Convention fully complements a policy whose thrust is economic growth and well-being. To quote Secretary Baker last night in New York, "The President's vision is of a hemisphere in which trade is free from Alaska to Argentina, a region where the creative energies of our peoples are set loose."

This is the second Inter-American Convention unifying private law and procedure produced by the CIDIP process to which the United States has become a party in the last two years. The first, which the United States ratified in 1988, is the Inter-American Convention on Letters Rogatory. In addition, the United States is now also reviewing the Inter-American Convention on Taking of Evidence Abroad and its Protocol; we hope to take a decision on becoming a party to that important Convention in the near future.

I would like to pay tribute today to those who worked hard and played a special role in drafting the original Convention, negotiating it, and getting it ratified. I also want to praise those U.S. citizens in and out of government who worked domestically to get implementing legislation enacted by Congress and signed into law by President Bush. If these people are present -- and I believe at least some of them are -- I would like them to step forward.

--Senator Claiborne Pell, Chairman of the Committee on Foreign Relations

--Chairman Jack Brooks of the House Judiciary Committee

--Chairman Bruce Morrison of the House Immigration, Refugees and International Law Subcommittee

--Charles Norberg, Director General, of the Inter-American Commercial Arbitration Commission

--Peter Pfund Assistant Legal Adviser for Private International Law, Department of State, and Harold Burman of the same office

--Houston Putnam Lowry and Richard Cody of the Connecticut Bar Association

--Michael Hoellering, General Counsel, and Garylee Cox, Regional Vice President, American Arbitration Association

--Peter Trooboff, President, American Society of International Law.

- Gerald Ferguson, New York Bar Association
- Professor Richard Graving, Director, Institute of Transnational Arbitration
- Keith Miceli, Association of American Chambers of Commerce in Latin America (AACCLA) and the U.S. Chamber of Commerce
- Janice O'Connell, Professional Staff Member, U.S. Senate Committee on Foreign Relations
- Nora Engel, Professional Staff Member, House Immigration, Refugees and International Law Subcommittee

One person I know is not here is my good friend and colleague, Ambassador Didier Opertti of Uruguay, who happened to participate in the 1975 Specialized Conference in Panama at which the Inter-American Convention was originally adopted. The Ambassador is currently in Montevideo on consultations. This is probably the first time the Ambassador has missed an event at the OAS having to do with private international law in many years. But I know he celebrates this occasion with us in spirit.

Ladies and gentlemen, let us give these distinguished individuals a round of applause for their significant contribution to the Inter-American System.

Finally, let me say that the deposit of this treaty is a most fitting way to commemorate the centenary of the

Inter-American System, for among the earliest projects of the First Inter-American Congress was that of facilitating the arbitration of commercial disputes. This Convention shows how the craft of multilateral diplomacy can work concretely to promote our mutual interests.