Paving the way to our digital future in Asia and the Pacific

João RIBEIRO-BIDAOUI

UNCITRAL Regional Head for Asia and the Pacific



UNITED NATIONS

Commission on International Trade Law: brief overview

UNCITRAL Regional **Centre for Asia** Commission and The Pacific Model Laws 50 technical assistance and Conventions capacity building Working activities in 21 States Contractual Modernizing Legal body Groups rules and of the UN 26 ML E-Working Harmonizing Commerce 60 Member Group IV jurisdictions international **Technical** (Electronic States (a 24% increase, trade law in less than 5 assistance to Commerce) years) Law Reform 2 new ratifications Secretariat of the **UN** Electronic Communications Convention

Case

Electronic
Communications in
International Contracts
for the Sale of Goods

- Different jurisdictions: conflict of laws; customs; logistics
- Not all jurisdictions give legal effect to electronic communications in international contracts
- Offer and acceptance different in each jurisdiction
- Commercial Disputes
 - Breach by buyer: e.g. payment of price
 - Breach by the Seller: e.g. non-conformity

Solutions

Conventions

- UN Convention on the Use of Electronic Communications in International Contracts (New York, 2005)
 - 18 Signatories (China, Philippines, Rep. Korea, Iran); 8 Parties (Fiji, Singapore, Sri Lanka, Russia); Influence 25 jurisdictions
- UN Convention on Contracts for the International Sale of Goods (Vienna, 1980) (CISG)
 - 89 State parties (14 from Asia Pacific, including China, Japan, Republic of Korea, Singapore, Viet Nam)

Model Laws

- UNCITRAL Model Law on Electronic Transferable Records (2017)
- UNCITRAL Model Law on Electronic Commerce (1996)
 - 71 States in a total of 150 jurisdictions
- UNCITRAL Model Law on Electronic Signatures (2001)
- UNCITRAL Model Law on International Commercial Arbitration (1985), with amendments as adopted in 2006

Explanatory texts

Technical Notes on Online Dispute Resolution (2016)

Key Advantages

Advantages for States

- Diversification of trade markets
- Resilience to financial crisis and commodities prices
- Promotion of rule-based commerce
- Support Regional Economic Integration
- Enhancing contractual and economic efficiency
- International reputation

Advantages for Businesses

- Efficient contract management
- Cost reduction
- Business trust
- Value for money
- Levelled playing field
- Redistribution of wealth
- Effective and affordable dispute settlement
- Lower risk of disputes.

Principles & Roadmap

- UNCITRAL E-Commerce principles for legal interoperability
 - technology neutrality
 - functional equivalence
 - non-discrimination
- Roadmap:
 - 1) include reference in Trade Agreements (e-CC + CISG)
 - 2) electronic transactions: two-tier approach (e-CC + MLEC)
 - 4) electronic signatures: article 9(3) e-CC
 - 4) paperless trade facilitation: integration of financing and logistics in a single electronic supply chain, through MLETR

Achieving the Sustainable Development Goals

- Target 5.c, Adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all levels
- Target 9.3, Increase access of small-scale industrial and other enterprises, in particular in developing countries, to financial services, including affordable credit, and their integration into value chains and markets
- Target 16.5, Substantially reduce corruption and bribery in all their forms
- **Target 16.9**, Provide legal identity for all by 2030
- Target 17.5, Adopt and implement investment promotion regimes for least developed countries

Thank you!



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www.uncitralrcap.org
www.uncitral.org

Send an Email to uncitral.rcap@uncitral.org