UNCITRAL United Nations Commission on International Trade Law



Policy considerations on the Electronic Communications Convention

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Purposes of the Electronic Communications Convention

Four purposes of the Convention:

- 1. Facilitate the use of electronic communications in international trade law, in particular in connection with treaties concluded before the wide diffusion of electronic means;
- 2. Reinforce the level of uniformity in the implementation of the UNCITRAL Model Laws;
- 3. Update certain provisions of the UNCITRAL Model Laws on Electronic Commerce and on Electronic Signatures;
- 4. Provide core e-commerce legislation to developing countries.

1. Facilitate the use of e-communications

- Facilitate the use of electronic communications in international trade law, in particular with respect to treaties concluded before the diffusion of electronic means:
- New York Convention:
 - Art. II(2), "agreement in writing";
 - Art. IV, "original or duly certified copy of the arbitral agreement [and of the arbitral award]".
- CISG:
 - Art. 12, "written form requirement".

Both conventions have a large number of State parties: the procedure for their amendment is likely to be very cumbersome.

2. Increase uniformity in e-commerce legislation

Goal: to reinforce the level of uniformity in the implementation and application of the UNCITRAL Model Law on Electronic Commerce, 1996 and of the UNCITRAL Model Law on Electronic Signatures, 2001.

- The Convention establishes a common legislative core for cross-border transactions.
- Example: functional cross-border recognition of electronic signatures (art. 12 MLES).
- several laws require a formal recognition act (usually, on a bilateral basis);
- art. 9(3) ECC uses a reliability test based on technology and other circumstances, including contractual agreements;
- it also ensures that when the e-signature has fulfilled its function it may not be repudiated.

3. Update UNCITRAL model laws

- Update certain provisions of the UNCITRAL model laws:
 - Location of the parties (art. 6 ECC):
 - Location of equipment, supporting technology;
 - Place from where the information system is accessed;
 - Use of country-specific domain name or email address;
 - are not necessarily relevant for the determination of the party's place of business.
 - Party's "intention" in signing (art. 9(3)(a) ECC) better captures the various functions of signatures than the notion of "approval" (contained in art. 7(1)(a) MLEC).

3. Update UNCITRAL model laws

- Update certain provisions of the UNCITRAL model laws:
 - Time and place of dispatch and receipt (art. 10 ECC):
 - Dispatch occurs when the communication leaves the information system of the originator
 - (amends art. 15(1) MLEC);
 - Receipt occurs when the communication may be retrieved and, for non-designated addresses, the addressee is aware that a communication was sent
 - (amends art. 15(2) MLEC).

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uce new provisions:

vitations to make offers (art. 11 ECC):

A proposal not addressed to specific parties is considered an invitation to make offers

- Gives flexibility to on-line traders in controlling stocks (see also art. 14(2) CISG: an invitation to the public is an invitation to make offers);
- e of automated message systems (art. 12 ECC): The contract is valid and enforceable also when no natural person reviewed or intervened in the actions carried out by the automated message system.

