

REPORT

OF THE

UNITED NATIONS COMMISSION

ON

INTERNATIONAL TRADE LAW

on the work of its fourth session

29 March - 20 April 1971

GENERAL ASSEMBLY

OFFICIAL RECORDS: TWENTY-SIXTH SESSION

SUPPLEMENT No. 17 (A/8417)

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NOTE

Symbols of United Nations documents are composed of capital letters combined with figures. Mention of such a symbol indicates a reference to a United Nations document.

CONTENTS

Chapte	e <u>r</u>	Paragraphs	Page
	INTRODUCTION		1
I.	ORGANIZATION OF THE SESSION	1 - 9	2
	A. Opening	1 2 - 4 5 6 7 - 8 9	2 2 3 4 4 5
II.	INTERNATIONAL LEGISLATION ON SHIPPING	10 - 23	6
III.	INTERNATIONAL PAYMENTS	24 - 53	12
	A. Negotiable instruments	24 - 35 36 - 43 44 - 49 50 - 53	12 15 17 18
IV.	INTERNATIONAL SALE OF GOODS	54 - 119	20
	 A. Uniform rules governing the international sale of goods	54 - 93 94 - 106	20 29
	goods	107 - 119	32
٧.	YEARBOOK OF THE COMMISSION	120 - 125	37
VI.	REGISTER OF TEXTS	126 - 131	39
VII.	BIBLIOGRAPHY ON INTERNATIONAL TRADE LAW	132 - 137	41
VIII.	TRAINING AND ASSISTANCE IN THE FIELD OF INTERNATIONAL TRADE LAW	138 - 145	43
IX.	PROMOTION OF RATIFICATION OF CONVENTIONS PREPARED BY THE COMMISSION	146 - 155	45
х.	FUTURE WORK	156 - 162	48

CONTENTS (continued)

		Page
	ANNEXES	
I.	REPRESENTATIVES OF MEMBERS OF THE COMMISSION	49
II.	SECRETARIAT	57
III.	OBSERVERS	58
IV.	LIST OF DOCUMENTS BEFORE THE COMMISSION	60

INTRODUCTION

The present report of the United Nations Commission on International Trade Law covers the Commission's fourth session held in Geneva from 29 March to 20 April 1971.

Pursuant to General Assembly resolution 2205 (XXI) of 17 December 1966, this report is submitted to the General Assembly and is also submitted for comments to the United Nations Conference on Trade and Development.

CHAPTER I

ORGANIZATION OF THE SESSION

A. Opening

1. The United Nations Commission on International Trade Law (UNCITRAL) opened its fourth session on 29 March 1971. The session was opened by the Representative of the Secretary-General.

B. Membership and attendance

2. Under General Assembly resolution 2205 (XXI), by which UNCITRAL was established, the Commission consists of twenty-nine States, elected by the Assembly. The present members of the Commission, elected by the Assembly on 30 October 1967 and 12 November 1970, are the following States: 1/

Argentina* Kenya* Australia* Mexico* Austria Nigeria Belgium* Norway Brazil* Poland Romania* Chile Congo (Democratic Republic of)* Singapore France Spain* Syria* Ghana Tunisia* Guyana Hungary* Union of Soviet Socialist Republics India* United Arab Republic United Kingdom of Great Britain and Iran* Northern Ireland Japan United Republic of Tanzania

United States of America*

3. With the exception of the Democratic Republic of the Congo, Guyana and Kenya, all members of the Commission were represented at the session.

^{1/} Pursuant to General Assembly resolution 2205 (XXI), the members of the Commission are elected for a term of six years. However, With respect to the initial election, the terms of fourteen members, selected by the President of the Assembly, expired at the end of three years (31 December 1970). Accordingly, the General Assembly, at its twenty-fifth session, elected fourteen members to serve for a full term of six years, ending on 31 December 1976. The terms of the fifteen members marked with an asterisk will end on 31 December 1973. The terms of the other fourteen members will end on 31 December 1976.

4. The following United Nations organs, specialized agencies, intergovernmental and international non-governmental organizations were represented by observers:

(a) United Nations organs

United Nations Conference on Trade and Development (UNCTAD); United Nations Economic Commission for Europe (ECE).

(b) Specialized agencies

Inter-Governmental Maritime Consultative Organization (IMCO); International Monetary Fund (IMF).

(c) Intergovernmental organizations

Asian-African Legal Consultative Committee; Bank for International Settlements (BIS); Commission of the European Communities; Council for Mutual Economic Assistance (CMEA); Council of Europe; European Free Trade Association (EFTA); Hague Conference on Private International Law; International Institute for the Unification of Private Law (UNIDROIT); Organization of American States (OAS); World Intellectual Property Organization (WIPO).

(d) International non-governmental organizations

International Bar Association; International Chamber of Commerce (ICC); International Chamber of Shipping (ICS); International Law Association (ILA).

C. Election of officers

5. At its 63rd and 65th meetings, on 29 and 30 March 1971, the Commission elected the following officers 2/ by acclamation:

Chairman	•	•	•	•	•	•	•	•	•	•	•	•	${\tt Mr.}$	Nagendra Singh (India)
Vice-Chairman	•	•	•	•	•	•	•	•	•		•	•	${\tt Mr.}$	Nehemias Gueiros (Brazil)
Vice-Chairman	•	•	•	•		•	•	٠	•	•	•		Mr.	Joaquín Garrigues Diaz-Cañabate
														(Spain)
Vice-Chairman								•	•		•		${\tt Mr}$.	Jerzy Jakubowski (Poland)
Rapporteur .	•	•	•	•	•	•	•	•	•	•	•	•	Mr.	Joseph Diekola Ogundere (Nigeria)

^{2/} In accordance with a decision taken by the Commission at the second meeting of its first session, the Commission shall have three Vice-Chairmen, so that each of the five groups of States listed in General Assembly resolution 2205 (XXI), section II, paragraph 1, will be included among the officers of the Commission (see report of the United Nations Commission on International Trade Law on the work of its first session, Official Records of the General Assembly, Twenty-third Session, Supplement No. 16 (A/7216), para. 14 (Yearbook of the United Nations Commission on International Trade Law, 1968-1970, vol. I (United Nations publication, Sales No.: E.71.V.1), part two,,chapter I, para. 14).

D. Agenda

- 6. The agenda of the session as adopted by the Commission at its 64th meeting, on 29 March 1971, was as follows:
 - 1. Opening of the session.
 - 2. Election of officers.
 - 3. Adoption of the agenda.
 - 4. International legislation on shipping.
 - 5. International payments:
 - (a) Negotiable instruments;
 - (b) Bankers' commercial credits;
 - (c) Bank guarantees;
 - (d) Security interests in goods.
 - 6. International sale of goods:
 - (a) Uniform rules governing the international sale of goods;

(b) General conditions of sale and standard contracts;

- $(\overline{\underline{c}})$ Time-limits and limitations (prescription) in the field of the international sale of goods.
- 7. Yearbook of the Commission.
- 8. Register of texts.
- 9. Bibliography on international trade law.
- 10. Training and assistance in the field of international trade law.
- 11. Future work.
- 12. Promotion of ratification of UNCITRAL conventions.
- 13. Date of the fifth session.
- 14. Adoption of the report of the Commission.

E. Decisions of the Commission

7. At the 66th meeting of the Commission, on 30 March 1971, the Chairman recalled that the Commission, at its first session, had agreed that its decisions should, as far as possible, be reached by consensus, and that it was only in the absence of consensus that decisions should be taken by a vote as provided for in the rules of procedure relating to the procedure of Committees of the General Assembly.

8. The decisions taken by the Commission in the course of its fourth session were all reached by consensus.

F. Adoption of the report

9. The Commission adopted the present report at its 91st meeting, on 20 April 1971.

CHAPTER II

INTERNATIONAL LEGISLATION ON SHIPPING

- 10. The Commission, at its second session, included international legislation on shipping among the priority items in its programme of work and set up a Working Group, which was requested to indicate the topics and methods of work in this field. In response to a decision taken during the Commission's third session, the Working Group met from 22 to 26 March 1971, following the session of the UNCTAD Working Group on International Shipping Legislation, and recommended a programme of work in this area. The programme was considered by the Commission at the present session, 3/ and its decision appears at paragraph 19 below.
- 11. The Commission had before it the report of the UNCITEAL Working Group on International Legislation on Shipping on the work of the session held in Geneva from 22 to 26 March 1971 (A/CN.9/55). The Commission also had before it the following documents: working paper prepared by the Secretariat containing suggestions for a work programme in the area (A/CN.9/WG.3/WP.2); report by the Chairman of the UNCITRAL Working Group on International Legislation on Shipping on his participation as special representative at the session of the UNCTAD Working Group on International Shipping Legislation (A/CN.9/WG.3/WP.3); report of the UNCTAD secretariat on bills of lading (TD/B/C.4/ISL/6); report of the UNCTAD Working Group on International Shipping Legislation on its second session (TD/B/C.4/86).
- 12. Members of the Commission expressed their appreciation for the work achieved by the UNCITRAL Working Group on International Legislation on Shipping in reaching a unanimous recommendation on a programme of work. Representatives also expressed their appreciation for the report transmitted to the UNCITRAL Working Group by Mr. Eugenio Cornejo Fuller (Chile), who had been the Commission's special representative at the second session of the UNCTAD Working Group on International Shipping Legislation.
- 13. Several representatives noted that the report of the UNCTAD secretariat on bills of lading had been valuable to the Working Groups of both UNCTAD and UNCITRAL and, in their opinion, should be useful in the future. One representative expressed the view that the economic aspects had not yet been fully studied.

^{3/} The Commission considered the subject in the course of its 65th to 68th meetings, held on 30 and 31 March 1971, and also briefly at its 70th, 73rd and 77th meetings, held on 1, 5 and 7 April 1971. For the Commission's prior action on the subject, see the report of the United Nations Commission on International Trade Law on the work of its second session (Official Records of the General Assembly, Twenty-fourth Session, Supplement No. 18 (A/7618), paras. 114-133 (Yearbook of the United Nations Commission on International Trade Law, 1968-1970, vol. I, part two, chapter II, paras. 114-133); report of the Commission on the work of its third session (ibid., Twenty-fifth Session, Supplement No. 17 (A/8017), paras. 157-166 (Yearbook of the United Nations Commission on International Trade Law, 1968-1970, vol. I, par two, chapter III, paras. 157-166)).

- 14. The Commission considered and approved the recommendation of the Working Group that the subject of "bills of lading" should be considered by the Commission. Most representatives were of the opinion that for the present the Commission should concentrate its work on bills of lading. One representative, however, took the view that the Commission should not restrict its work to bills of lading, and suggested that work on other subjects should be undertaken concurrently.
- 15. Several representatives stated that the subject decided upon was complex and that the assistance of experts in the field and in such related fields as insurance and banking would be necessary. Some representatives suggested that members of the Working Group should volunteer to prepare studies within the area of work to be carried out. It was also felt that the assistance of other organizations active in the field would be desirable. In this connexion satisfaction was expressed by several representatives that substantial co-operation had been achieved between the Commission and the United Nations Conference on Trade and Development.
- 16. The view was generally held that a new working group on international legislation on shipping should be established and that its membership should be larger than that of the first one. It was also agreed that the composition of the new working group should be determined primarily by criteria of geographic distribution and of representation of the various economic interests involved, but that consideration should also be given to providing representation for the various legal systems, such as those of the common law and the civil law.
- 17. Most representatives expressed their views in respect of the size of the new working group. Some representatives suggested that, for all geographic regions and economic interests to be represented, it would be necessary to establish a working group of the whole, that is, a working group consisting of all members of the Commission. Some representatives also stated that it was probable that a larger working group would attract more authority than a smaller one, which they considered would be less representative. This view was opposed by other representatives who feared that efficiency would be lost if the working group were to be too large and that one with a membership of from fourteen to twenty-one would adequately represent the various interests while offering greater efficiency. The discussion in respect of the size and composition of the working group revealed that special circumstances needed to be taken into account. Consensus was reached that the working group should consist of twenty-one members of the Commission, but it was noted that neither the size nor the composition agreed upon should constitute a precedent for future working groups.
- 18. At the 68th meeting of the Commission, on 31 March 1971, the representative of India, on behalf of Chile, India, the Union of Soviet Socialist Republics, the United Arab Republic, the United Kingdom of Great Britain and Northern Ireland and the United States of America, submitted a proposal for a resolution (A/CN.9/IV/CRP.3). In the discussion that followed, some representatives considered that the use of the term "bills of lading" might give rise to a misunderstanding with respect to the terms of reference for the new working group. In this connexion, various suggestions were made for modifying the designation of the subject to be examined, such as "Bills of lading with respect to transport by sea", "Ocean bills of lading", "Contracts of international transport of goods by sea under bills of lading", and "Contracts of international transport of goods by sea". Most representatives, however, were of the opinion that it was desirable to

retain the term "bills of lading" without modification, which had been used throughout the discussion of the subject in UNCTAD and UNCITRAL; the substitution of a different term could lead to confusion. In any event, the field of inquiry was clearly defined by the detailed provisions of the resolution of the UNCTAD Working Group, which is quoted in the Commission's resolution. Following discussion on this matter, it was agreed to retain the term "bills of lading".

Decision of the Commission

19. The Commission, having considered the draft resolution at its 68th, 70th and 73rd meetings, on 31 March and 5 April 1971, and having heard a statement on financial implications by the representative of the Secretary-General, adopted unanimously the following resolution:

The United Nations Commission on International Trade Law,

Taking note of the resolution on bills of lading adopted by the Working Group on International Shipping Legislation established by the United Nations Conference on Trade and Development, 4/ in which the Commission has been invited to undertake the examination of the rules and practices concerning bills of lading as referred to in paragraph 1 of that resolution and, as appropriate, to prepare the necessary draft texts, taking into account the reports of the Working Group of the United Nations Conference on Trade and Development and that of its secretariat;

Noting with appreciation the report of the Commission's Working Group on International Legislation on Shipping, 5/

1. Decides:

- (a) That within the priority topic of international legislation on shipping, the subject for consideration for the time being shall be bills of lading;
- (b) That within the subject of bills of lading, the topics for consideration should include those indicated in paragraphs 1 and 2 of the resolution adopted by the Working Group on International Shipping Legislation of the United Nations Conference on Trade and Development at its second session, 6/ reading as follows:
 - "1. Considers that the rules and practices concerning bills of lading, including those rules contained in the International Convention for the Unification of Certain Rules of Law relating to Bills of Lading

^{4/} TD/B/C.4/86, annex I.

^{5/} A/CN.9/55.

 $[\]underline{6}$ / TD/B/C.4/86, annex I.

(the Brussels Convention 1924) and in the Protocol to amend that Convention (the Brussels Protocol 1968), should be examined with a view to revising and amplifying the rules as appropriate, and that a new international convention may if appropriate be prepared for adoption under the auspices of the United Nations.

- "2. Further considers that the examination referred to in paragraph I should mainly aim at the removal of such uncertainties and ambiguities as exist and at establishing a balanced allocation of risks between the cargo owner and the carrier, with appropriate provisions concerning the burden of proof; in particular the following areas, among others, should be considered for revision and amplification:
 - "(a) responsibility for cargo for the entire period it is in the charge or control of the carrier or his agents;
 - "(b) the scheme of responsibilities and liabilities, and rights and immunities, incorporated in Articles III and IV of the Convention as amended by the Protocol and their interaction and including the elimination or modification of certain exceptions to carrier's liability;
 - "(c) burden of proof;
 - "(d) jurisdiction;
 - "(e) responsibility for deck cargoes, live animals, and trans-shipment;
 - "(f) extension of the period of limitation;
 - "(g) definitions under Article I of the Convention;
 - "(h) elimination of invalid clauses in bills of lading;
 - " (\underline{i}) deviation, seaworthiness and unit limitation of liability.";

it is noted that, by its terms, paragraph 2 of the resolution does not confine consideration to those areas listed in sub-paragraphs (a) through (i);

2. <u>Decides</u> to establish a new and enlarged Working Group on International Legislation on Shipping consisting of the following twenty-one member States of the Commission: Argentina, Australia, Belgium, Brazil, Chile, Congo (Democratic Republic of), France, Ghana, Hungary, India, Japan, Nigeria, Norway, Poland, Singapore, Spain, Union of Soviet Socialist Republics, United Arab Republic, United Kingdom of Great Britain and Northern Ireland, United Republic of Tanzania and the United States of America; these members should be represented on the Working Group by persons specially qualified in the field of law which was referred to the Working Group for consideration; the Secretary-General is requested to invite members of the Commission not represented on the Working Group and intergovernmental and

^{7/} League of Nations, <u>Treaty Series</u>, v. 120 (1931-1932), No. 2764.

non-governmental organizations active in the field to attend the meetings of the Working Group as observers, and is also requested to invite the Chairman of the Working Group on International Shipping Legislation of the United Nations Conference on Trade and Development to attend the meetings of the Working Group;

- 3. Requests the Working Group:
- (\underline{a}) To meet during the fourth session to consider the organization of its work;
- (b) To consider at this meeting the Working Paper prepared by the Secretariat 8/ with special reference to the portions dealing with the programme of work; and
- (c) To take into account the recommendations made by the first Working Group at its second session as set forth in sub-paragraphs (6) and (7) of paragraph 13 of its report 9/ and to plan its programme and methods of work in such a way that the examination of the topics referred to in paragraph 1 (b) above may be undertaken as quickly as possible;
- 4. <u>Further requests</u> the Working Group to hold a further meeting in advance of the fifth session of the Commission and to submit a report to the Commission on the progress of its work;
- 5. Requests the Secretary-General to provide the Working Group with the material that may be necessary for the performance of its work; in this connexion, members of the Commission are quested to draw the Secretariat's attention to such relevant material.
- 20. An oral report was presented to the Commission at its 77th meeting on 7 April 1971 concerning a sessional meeting of the new Working Group on International Legislation on Shipping that was held on 6 April 1971 to consider the organization of its work, in accordance with paragraph 3 of the above resolution. Mr. Nagendra Singh (India), who had been elected Chairman of the Working Group, reported to the Commission that Mr. G. Colombres (Argentina) had been elected Vice-Chairman, and that the terms of office would continue through the first regular session of the Working Group. The election of a Rapporteur was deferred until the first regular session of the Working Group.
- 21. The Chairman of the Working Group stated further that after a full discussion of the agenda, and the annotations to the agenda submitted by the Secretariat, in which were included proposals regarding the programme and methods of work, the Working Group unanimously adopted a decision which provides for positive and specific steps to carry the work forward. Thus, the Working Group had complied with the Commission's request that the Working Group plan its programme and methods of work in such a way that the examination of the topics for consideration might be undertaken as quickly as possible.

⁸/ A/CN.9/WG.3/WP.2.

^{9/} A/CN.9/55.

22. The decision thus reported to the Commission was as follows:

"In response to the request, set forth in paragraph 3 of the resolution by the Commission adopted at the 73rd meeting, on 5 April 1971, 10/ that the Working Group plan its programme and methods of work in such a way that the examination of the topics for consideration within the subject of bills of lading, as defined in paragraph 1 of the resolution, may be undertaken as quickly as possible, the Working Group decides:

- "(a) that with respect to the items defined in paragraphs 2 (a), 2 (d) and 2 (e) of the resolution adopted by the UNCTAD Working Group on International Shipping Legislation at its second session (TD/B/C.4/86, annex I) and embodied in the resolution adopted by the Commission at its 73rd meeting, on 5 April 1971, the Secretary-General be invited to prepare a report setting forth proposals, indicating possible solutions, for consideration by the UNCITRAL Working Group;
- "(b) that, with respect to the other areas within the field of work as defined by paragraph 1 of the Commission's resolution, the Secretary-General be requested to prepare a report analysing alternative approaches to the basic policy decisions that must be taken in order to implement the objectives, set forth in paragraph 2 of the UNCTAD resolution and quoted in paragraph 1 of the Commission's resolution, with special reference to establishing a balanced allocation of risks between the cargo owner and the carrier;
 - "(\underline{c}) that the Secretary-General be requested:
 - "(i) to circulate the reports requested in subparagraphs (a) and (b) above to the members of the Working Group at least two months prior to the date for the first regular meeting;
 - "(ii) to the extent necessary for the preparation of the above reports, to invite comments and suggestions from Governments and from international intergovernmental and non-governmental organizations active in the field;
- "(d) that the members of the Working Group be invited to prepare studies and proposals within the subject, as defined by the above resolution of the Commission, and to transmit such studies and proposals to the Secretary-General for use in the preparation of the reports requested in subparagraphs (a) and (b) and for transmission to the members of the Working Group, as appropriate; and
- "(e) that the Secretary-General be requested to convene the first regular meeting of the Working Group in January or February 1972."
- 23. After considering the Chairman's report and the decision of the Working Group on International Legislation on Shipping, the Commission took note of the report and decision, with approval. 11/

^{10/} See paragraph 19 above.

^{11/} The Chairman of the Commission announced that, following informal consultations, it was decided that the Working Groups on the International Sale of Goods and on International Legislation on Shipping, should meet consecutively at Geneva, in 1972, from 17 to 28 January and from 31 January to 11 February, respectively.

CHAPTER III

INTERNATIONAL PAYMENTS

A. Negotiable instruments

- 24. The Commission continued its consideration of measures for the harmonization and unification of the law of negotiable instruments. 12/ At its second and third sessions, the Commission had decided that work in this field should be directed towards ascertaining the desirability and feasibility of preparing uniform rules applicable to a special negotiable instrument for optional use in international transactions. 13/ To that end, the Secretary-General was requested to prepare a questionnaire designed to obtain relevant information from Governments and banking and trade institutions. Consequently, the Secretary-General circulated a questionnaire requesting specific information on present international payment practices and on problems encountered in settling international transactions by means of negotiable instruments; the questionnaire also invited suggestions regarding the possible content of uniform rules applicable to the proposed instrument. The Secretary-General was further requested to carry out the work on this subject in consultation with interested international organizations.
- 25. At the present session, the Commission had before it reports of the Secretary-General (A/CN.9/38 and Add. 1 and A/CN.9/48) containing analyses of ninety-three replies to the above-mentioned questionnaire. The Commission also had before it a report of the Secretary-General entitled "Suggestions as to future work on negotiable instruments" (A/CN.9/53), which set forth a brief history of the subject and tentative conclusions and suggestions with respect to further work in this field.
- 26. The Commission expressed its appreciation for the work carried out by the Secretariat in accordance with the directives laid down by the Commission at its second and third sessions. In this connexion, the Commission acknowledged the valuable contribution by interested international organizations which had been consulted by the Secretariat at successive stages of its work. 14/

^{12/} This subject was considered by the Commission at its 69th, 70th and 72nd meetings, held on 1 and 2 April 1971.

^{13/} Official Records of the General Assembly, Twenty-fourth Session,
Supplement No. 18 (A/7618), para. 87 (Yearbook of the United Nations Commission on
International Trade Law, 1968-1970, vol. I, part two, chapter II, para. 87); and
ibid., Twenty-fifth Session, Supplement No. 17 (A/8017), para. 112 (Yearbook of the
United Nations Commission on International Trade Law, 1968-1970, vol. I, part two,
chapter III, para. 112).

^{14/} The following international organizations participated in meetings convened by the Secretariat for purposes of consultation: International Monetary Fund (IMF), Organization of American States (OAS), International Institute for the Unification of Private Law (UNIDROIT), Hague Conference on Private International Law, International Bank for Economic Co-operation (IBEC), Bank for International Settlements (BIS) and International Chamber of Commerce (ICC).

- 27. The Commission gave further consideration to the approach it had approved at its third session, that is, the preparation of uniform rules applicable to a special negotiable instrument to be used optionally in international transactions; there was general agreement that this approach would provide the most feasible solution to the problems and difficulties in this field of international payments. The essential feature of that approach was that unification would be confined to payment transactions that were international in character and that, consequently, the proposed uniform rules would not supersede national laws and practices in so far as those laws and practices related to domestic transactions. Moreover, the uniform rules would apply only to international transactions where the drawer of a negotiable instrument had opted for the application of the uniform rules by the use of an international instrument bearing an appropriate label or designation.
- 28. Most representatives who spoke on the subject expressed the view that the replies to the Secretary-General's questionnaire had shown that the problems encountered in this area were sufficiently important to justify continuation of work on this subject. First, problems had resulted from the divergencies between the rules of different legal systems; these included problems connected with the form and content of negotiable instruments, the conditions under which a person could acquire an instrument free of claims and defences of other parties to the instrument, the effect of forged instruments and endorsements, lost instruments, and protest for non-acceptance or non-payment of an instrument. Secondly, problems had arisen from the existence of widely prevailing rules that were no longer suited to modern practices and requirements of international trade. Thirdly, bankers and lawyers encountered difficulties in understanding the rules and requirements of legal systems fundamentally different from their own. However, one representative stated that, in the view of the authorities in his country, the need for new uniform rules had not been proved and that international payment transactions by instruments governed by existing laws took place without serious problems or difficulties.
- 29. The Commission took note with appreciation of the work carried out by the Secretariat in examining the feasibility of preparing new uniform rules applicable to a special negotiable instrument for optional use in international transactions. It was observed that useful work had been done by identifying the main points of conflict between the two principal systems of negotiable instruments law and in analysing possible means of reconciling the conflicting rules under the systems represented, on the one hand, by the United Kingdom Bills of Exchange Act, 1882, and the United States Uniform Commercial Code and, on the other hand, by the Geneva Convention of 1930 providing a Uniform Law for Bills of Exchange and Promissory Notes and the Geneva Convention of 1931 providing a Uniform Law for Cheques. The Commission noted with satisfaction that encouraging progress had been made in the consideration of possible solutions, and that further information had been sought and obtained concerning international practices that were considered relevant in developing tentative solutions in respect of certain important issues.
- 30. Many representatives stressed the importance of carrying out the work with due regard to the requirements of present-day payment methods and practices, and it was suggested that the proposed rules should take into account the fact that new electronic data processing techniques were being developed in many countries. One representative suggested that banking and trade institutions should be asked whether it was desirable that the proposed international instrument should be preprinted with an agreed system of machine-readable symbols, where certain notations should be placed, and how the papers could be electronically processed. The same

representative further suggested that attention should be paid to payment transfers by cable, since these accounted for more than half of the volume of dollar exchange in the world.

- 31. Several representatives made observations with respect to the economic functions of the proposed international instrument. One representative pointed out that the preparatory work by the Secretariat had been mainly concerned with bills of exchange and cheques and had not given sufficient attention to promissory notes. As that type of negotiable instrument was becoming increasingly prominent in international trade, this development had special importance in connexion with carriage of goods by air and short-distance land transport, where the seller's bank often instructed the buyer's bank to make payments by means of a promissory note since payment by this means was less onerous and less complicated than payment by means of a bill of exchange. Another representative took the view that the needs of international commerce would best be served by a type of instrument that would fulfil the functions of a bill of exchange as understood in the countries following the Geneva system, that is, a credit instrument permitting deferred payment for international transactions. The observer of the Bank for International Settlements stated that the institutions consulted by the Bank were unanimous in urging that the desirability and feasibility of a new type of promissory note should also be studied. The role of the promissory note, although at present less important than that of the bill of exchange, was increasing substantially, particularly in the field of export credit. In addition, in some countries institutions concerned with international trade were prepared to issue promissory notes, but would not accept bills of exchange drawn on them. Furthermore, as in the case of cheques, the various procedures involved in handling promissory notes could be more easily computerized than those involved in handling bills of exchange. These technical aspects might have a bearing on the content of some of the proposed uniform rules and would, in his view, merit detailed study.
- 32. With respect to the methods of future work, there was consensus that a working group on negotiable instruments should be established at an appropriate stage in the development of the work programme. It was generally considered that the subject of negotiable instruments was not one which gave rise to conflicting economic interests and that, consequently, a working group of between four and seven members, representing the principal systems of negotiable instruments law, should suffice. It was further considered that such a small group would work more efficiently on the basis of a draft of uniform rules governing the proposed international negotiable instrument. For this reason, the Commission agreed that the working group should only be constituted at its fifth session, after such a draft had been prepared and circulated to the members of the Commission. After discussion, the Commission decided that it should request the Secretary-General to prepare a preliminary draft of uniform rules. In this connexion, the Commission stressed the importance of continued co-operation with experts connected with the various international organizations that had participated in the preparatory work already carried out. It was also noted that the assistance of consultants might be required The Commission took note of the intention of the in special circumstances. Secretariat that the results of the preparatory work that had already been performed, as well as the work to be done in preparation of draft uniform rules would be made available to the working group to be set up by the Commission at its fifth session.

- 33. The observer of the Organization of American States (OAS) informed the Commission that, at the request of the Council of the OAS, two draft Inter-American Conventions on Bills of Exchange and Cheques for International Circulation had been prepared for consideration by the Inter-American Juridical Committee.
- 34. Observers of organizations who had been co-operating with the Secretary-General in the work indicated their willingness to continue such co-operation.

Decision of the Commission

35. At the 72nd meeting of the Commission, on 2 April 1971, the representative of Australia, on behalf of Australia, Brazil, Hungary, India and the United Kingdom of Great Britain and Northern Ireland, submitted a proposal for a decision (A/CN.9/IV/CRP.4). At the same meeting, the Commission, after considering the foregoing proposal and having heard a statement on its financial implications by the Representative of the Secretary-General, adopted unanimously the following decision:

The United Nations Commission on International Trade Law

- 1. <u>Decides</u> to proceed with work directed towards the preparation of uniform rules applicable to a special negotiable instrument for optional use in international transactions;
 - 2. Requests the Secretary-General:
- (\underline{a}) To prepare a draft of such rules accompanied by a commentary and to present the draft and commentary to the Commission at its fifth session:
- (b) To carry out the work after consultation with interested international organizations, including banking and trade organizations and, where special circumstances so require, with the assistance of consultants, and for these purposes to convene meetings as required;
- 3. Expresses the hope that the necessary funds will be made available to enable the Secretary-General to carry out the work requested in paragraph 2 above;
- 4. <u>Decides</u> to establish at its fifth session a small working group entrusted with the preparation of a final draft to be submitted to the Commission.

B. Bankers' commercial credits

36. This subject is concerned primarily with standardized procedures and standard contract provisions employed with respect to instruments (often called letters of credit) used to assure payment in transactions such as the sale of goods. This subject was included by the Commission in its work programme at the first session,

and was further considered at the second and third sessions of the Commission. <u>15/</u> At these sessions, the Commission attached particular importance to the "Uniform Customs and Practice for Documentary Credits", drawn up by the International Chamber of Commerce (ICC) in 1933 and revised in 1951 and 1962.

- 37. In the discussion of this item at the present session, $\underline{16}/$ it was recalled that, at the Commission's third session, it had been stated on behalf of the International Chamber of Commerce (ICC) that it had appointed a working party for the revision of the 1962 version of the "Uniform Customs and Practice for Documentary Credits" ("Uniform Customs (1962)"). $\underline{17}/$ In view of the widespread use of the "Uniform Customs (1962)" and the desirability that the views of countries not represented in ICC should be taken into account in the work of revision, the Commission decided to invite Governments and interested banking and trade institutions to communicate their observations on the operation of the "Uniform Customs (1962)" $\underline{18}/$ to the Secretary-General, for transmission to ICC.
- 38. The Commission was informed by its Secretary that a number of replies setting forth comments on difficulties encountered in the use of "Uniform Customs (1962)" had been received and that these replies had been transmitted to ICC.
- 39. The observer of ICC informed the Commission that the Executive Committee of ICC, in response to the views of the ICC's Commission on Banking Technique and Practice, had decided in December 1970 that a revision of "Uniform Customs (1962)" was desirable. Comments received from various countries showed that the wording of certain articles of "Uniform Customs (1962)" could be improved to facilitate interpretation and application of the Uniform Customs, and that, in some instances, basic principles should be reviewed in the light of present-day commercial practices. For example, recent developments with respect to transport, such as the combined carriage of goods and transport by containers, necessitated a revision of the present text of Uniform Customs. However, this particular aspect of the work of revision depended largely on the outcome of the work in respect of a convention on the contract for the international combined carriage of goods (TCM Convention) which might give rise to a new transport document replacing the traditional bill of lading. The discreer of ICC stated that ICC might possibly submit a report on the revision of "Unalorm Customs (1962)" to the Commission at its fifth session. He stated that ICC appreciated the assistance in their work on the subject received from the Commission and the Secretariat.

^{15/} Official Records of the General Assembly, Twenty-third Session,
Supplement No. 16 (A/7216), paras. 23 and 28 (Yearbook of the United Nations
Commission on International Trade Law, 1968-1970, vol. I, part two, chapter I,
paras. 23 and 28); ibid., Twenty-fourth Session, Supplement No. 18 (A/7618),
paras. 90-95 (Yearbook of the United Nations Commission on International Trade Law,
1968-1970, vol. I, part two, chapter II, paras. 90-95), and ibid., Twenty-fifth
Session, Supplement No. 17 (A/8017), paras. 119-126 (Yearbook of the United
Nations Commission on International Trade Law, 1968-1970, vol. I, part two,
chapter III, paras. 119-126).

^{16/} The Commission considered this subject at its 67th meeting, on 31 March 1971.

^{17/} Official Records of the General Assembly, Twenty-fifth Session, Supplement No. 17 (A/8017), para. 121 (Yearbook of the United Nations Commission on International Trade Law, 1968-1970, vol. I, part two, chapter III, para. 121).

^{18/} Ibid., para. 126 (ibid., para. 126).

- 40. Several representatives referred to the discussion that had taken place during the third session of the Commission regarding the participation of countries not represented in ICC in the work of the revision of "Uniform Customs (1962)". They expressed disappointment that ICC had not encouraged such participation, although it had been stated on behalf of ICC that it would give the fullest consideration to devising a procedure enabling such participation. 19/ These representatives noted that the "Uniform Customs (1962)" were in everyday use by banking and trade institutions in a great many countries, including countries not represented in ICC, and expressed the opinion that responding to questionnaires was inadequate and that a more direct method for participation was required. One representative pointed out that the information from the observer of ICC created uncertainty as to the implementation by ICC of the decisions of the third session of the Commission and expressed the hope that the Secretariat would be able to encourage ICC to implement the decisions of the Commission.
- 41. The observer of ICC stated that, under the statute of the International Chamber of Commerce, the right to participate in their deliberations was limited to the National Committees of Chambers of Commerce that were members of ICC. Furthermore, the statute did not provide for setting up joint committees with other organizations. An East-West liaison committee, including all European Chambers of Commerce, had been set up, but this was due to special circumstances and did not necessarily constitute a precedent.
- 42. Several other representatives expressed their disappointment at the failure of ICC to find appropriate procedures that would ensure effective co-operation. Some representatives suggested that a joint committee of the Commission and ICC should be set up to enable members of the Commission, whose countries were not represented in ICC, to state their views at all stages of the work of the revision. Other representatives suggested that the Commission might delegate some of its members to attend ICC's meeting at which the revision of the Uniform Customs would be under consideration. It was pointed out that co-operation could not be one-sided and that organizations with which the Commission co-operated should reciprocate by inviting members of the Commission and its secretariat to be present at, and participate in, their meetings when questions of mutual interest were being discussed.
- 43. The observer of ICC assured the Commission that ICC had no intention of withholding its co-operation in any way and he stated that a formula for effective co-operation between the Commission and ICC on matters of mutual interest would be submitted in the near future to the secretariat of the Commission. The Commission took note of this statement and decided to consider the subject further at its fifth session.

C. Bank guarantees

44. The Commission, at its third session, took note of the fact that the International Chamber of Commerce had initiated work on the subject of certain types of guarantees and had addressed a questionnaire in respect of performance,

^{19/} Ibid., para. 124 (ibid., para. 124).

tender and repayment guarantees to its national committees. In view of the importance of these guarantees for international trade, the Commission decided to request the Secretary-General to address the questionnaire to Governments, and also to banking and trade institutions in countries not represented in ICC, and to transmit the observations and suggestions received in response to that questionnaire to ICC. 20/ The Commission also decided to invite ICC to prepare a further questionnaire in respect of payment guarantees, which would be circulated by the Secretary-General to Governments and banking and trade institutions. 20/

- 45. At the present session, 21/ the Commission was informed by the Secretary of the Commission that the replies received in response to ICC's questionnaire on performance, tender and repayment guarantees had been transmitted to ICC. With respect to guarantees of payment, no action had yet been taken in view of the fact that ICC had not yet transmitted the questionnaire to the Secretary-General.
- 46. The Commission took note of a statement by the observer of ICC that its Commission on Banking Technique and Practice had completed its analysis of the information submitted in respect of performance guarantees, tender guarantees and repayment guarantees. The next stage of the work would be the preparation of a preliminary draft of uniform rules and customs on the subject of "contractual guarantees", a term which ICC's Commission had preferred to the term "banking guarantees" because the guarantee was in many cases not given by a bank. The preliminary draft would be transmitted to the Secretary-General.
- 47. With regard to guarantees of payment, it was reported that a draft questionnaire had been prepared by ICC in March 1971. The questionnaire would be circulated to the National Committees of ICC and transmitted to the Secretary-General.
- 48. The Commission also took note of the statement by the observer of ICC that adequate procedures of collaboration with the Commission in the field of guarantees would be developed by ICC.
- 49. The Commission decided to continue its consideration of the subject at its fifth session.

D. Security interests in goods

50. During the discussion of this subject, 22/ it was recalled that the Commission, at its third session, had decided to invite Governments to submit information on

^{20/ &}lt;u>Ibid.</u>, para. 138 (<u>ibid.</u>, para. 138).

^{21/} The Commission considered this subject in the course of its 67th meeting, held on 31 March 1971.

^{22/} The Commission considered this subject in the course of its 67th meeting held on 31 March 1971.

security interests in goods, under their national laws and practices, that were relevant to international transactions. 23/ It was also recalled that, at the same session, the Commission had taken account of the difficulty of securing the adoption of uniform legislation in this area and had accordingly concluded that it should concentrate on the gathering and dissemination of information. 24/

- 51. The Commission was informed by its Secretary that a number of replies had been received in response to the above inquiry and that other replies were expected. It was noted that the replies would be useful in preparing the study which the Commission requested at the third session; it was reported that the Secretary-General hoped to be able to submit this study to the Commission at its fifth session. One object of the study would be to ascertain whether the replies provided the basis for identifying the ingredients of security devices or arrangements that would facilitate international trade; it was suggested that this analysis might be useful to Governments in framing national rules in this area.
- 52. One representative drew attention to studies submitted to a conference held in 1969 at McGill University in Montreal on the possibility of formulating a body of law on security agreements of an international character. Another representative referred to a study, sponsored by the Asian Development Bank, on the legal aspects of development financing; this study was concerned with various types of legal guarantees and securities in the countries of the region. The observer of the International Institute for the Unification of Private Law (UNIDROIT) drew attention to a study, made at the request of the Council of Europe, on the subject of security interests in goods. That study covered the laws and practices of the member States of the Council of Europe in this field. The subject was at present under consideration by the European Committee on Legal Co-operation.
- 53. The Commission decided to continue its consideration of the subject at a future session after the study to be prepared by the Secretary-General had been submitted.

^{23/} Official Records of the General Assembly, Twenty-fifth Session, Supplement No. 17 (A/8017), para. 145 (Yearbook of the United Nations Commission on International Trade Law, 1968-1970, vol. I, part two, chapter III, para. 145).

^{24/} Ibid., para. 141 (ibid., para. 141).

CHAPTER IV

INTERNATIONAL SALE OF GOODS

A. <u>Uniform rules governing the international</u> sale of goods

- 54. The Commission, at its second session, set up a Working Group on the International Sale of Goods ("Working Group on Sales"). One of the tasks given to this Working Group was to ascertain which modifications of the text of the Uniform Law on the International Sale of Goods (ULIS), annexed to the 1964 Hague Convention, might render that Convention capable of wider acceptance, or whether it would be necessary to elaborate a new text for the same purpose. 25/ The Working Group held its first session in January 1970 and submitted its report (A/CN.9/35) to the Commission at its third session. At that session, the Commission decided that the Working Group should consider ULIS systematically, giving priority to articles 1 to 17, and that, before the new text of a uniform law on sales or the revised text of ULIS was completed, the Working Group should only submit questions of principle to the Commission for consideration. 26/ The Working Group on Sales held its second session from 7 to 18 December 1970, and prepared a report (A/CN.9/52) for submission to the Commission at its fourth session.
- 55. The Commission had before it the report of the Working Group on its second session and a note by the Secretariat on the consideration of that report. The Commission also had before it the comments by Spain on the report of the Working Group on Sales and proposals by delegations submitted during the session on various articles of ULIS (A/CN.9/IV/CRP.1, 5, 8, 9, 11 and 12).
- 56. The Working Group on Sales concluded that articles 15 and 17 of ULIS presented questions of principle which should be referred to the Commission for consideration. In the Secretariat note, it was observed that the Working Group on Time-limits and Limitations (Prescription) had recommended that rules on the scope of the uniform law on prescription should be the same as in the uniform law on sales and that, to make this possible, the Working Group on Sales and the Commission should give priority to this issue. 27/ For this reason, it was suggested that the Commission should also consider questions of principle presented by the sphere of application of the law (articles 1 to 7 of ULIS). The Commission decided to consider questions of principle presented by rules on the sphere of application of the law (articles 1 to 7 of ULIS) and by articles 15 and 17 of ULIS, and also to consider the

^{25/ &}lt;u>Ibid.</u>, <u>Twenty-fourth Session</u>, <u>Supplement No. 18</u> (A/7618), para. 38, subpara. 3 (a), (<u>Yearbook of the United Nations Commission on International Trade Law, 1968-1970, vol. I, part two, chapter II, para. 38, subpara. 3 (a)).</u>

^{26/} Ibid., Twenty-fifth Session, Supplement No. 17 (A/8017), paras. 72 (b) and 72 (f) (Yearbook of the United Nations Commission on International Trade Law, 1968-1970, vol. I, part two, chapter III, paras. 72 (b) and 72 (f)).

^{27/} A/CN.9/50, annex II, p. 15, comment following article 4.

recommendations of the Working Group concerning its future work. 28/ One representative suggested that article 9 of the text prepared by the Working Group should be re-examined. Some representatives observed that the fourth paragraph of this article presented questions of principle on which no consensus had been reached.

1. Sphere of application of the law

57. The Commission gave attention to the recommendations set out in the report of the Working Group concerning the sphere of application of the uniform law with respect to the following two issues: (a) the required international character of the transaction (A/CN.9/52, paragraphs 14 to 31); and (b) the required contact between the sales transaction and a State that had adopted the Convention (A/CN.9/52, paragraphs 32 to 35).

(a) International character of the transaction

- 58. The Working Group on Sales reported that it had been possible to simplify and clarify the rules of ULIS with respect to the required international character of the transaction. Article 1 of ULIS sets forth two basic requirements for the applicability of the law. The first of these is the requirement that the parties to the contract of sale have their "places of business in the territories of different States". The second requirement is that the transaction comply with one of the tests set forth in subparagraphs 1 (a), 1 (b) or 1 (c) of article 1 of ULIS; these three subparagraphs set forth tests stated in terms of the international movement of the goods or the international character of the offer and acceptance. The Working Group on Sales recommended that the first requirement - that the parties have their places of business in the territories of different States - be retained as the one basic requirement with respect to the international character of the transaction. The Working Group concluded that the second set of requirements, set forth in subparagraphs 1 (a), 1 (b) and 1 (c) of article 1 of ULIS, in many situations left in doubt the question of whether the transaction was governed by the law, and recommended that these requirements be deleted (A/CN.9/52, paragraphs 14 to 21). In the Report of the Working Group, it was noted that this recommendation, standing alone, would appear to broaden the scope of the law; but it was observed that this recommendation must be considered in relation to the further recommendation of the Working Group that sales to consumers should be totally exempted from the law (A/CN.9/52, paragraphs 22 and 57). For these reasons, the Working Group reported a proposed revision of articles 1 and 2 of ULIS (A/CN.9/52, paragraph 13).
- 59. A large number of representatives agreed that the proposed revised text of articles 1 and 2 of ULIS, as recommended by the Working Group on Sales, led to the simplification of the original text. Many representatives were of the opinion that the text recommended by the Working Group was preferable to articles 1 and 2 of ULIS. Some of these representatives expressed the view that it was important to achieve simplicity and clarity in the uniform law, and stressed the importance of

^{28/} The Commission considered the item entitled "Uniform rules governing international sale of goods" at its 71st to 78th meetings, on 2 and 5 to 8 April 1971.

clarity with respect to the basic rules on the scope of application. It was also observed that no solution had been found for the problems of ambiguity in the application of subparagraphs $l(\underline{a})$, $l(\underline{b})$ and $l(\underline{c})$ of article l of ULIS to which reference had been made in the report of the Working Group.

- 60. A number of representatives objected to the recommendation of the Working Group that there should be only one basic test for the application of the law, that is, that the parties to a contract shall have their places of business in different States. They emphasized that the simplification of article 1 was more apparent than real and that the application of this article would be difficult mainly in view of the provisions added to paragraphs 2 (a) and (b) of article 2. Some of these representatives suggested that it would be sufficient if the above basic test were supplemented by one further test requiring carriage of goods from the territory of one State to the territory of another State, as provided for in subparagraph 1 (a) of article 1 of ULIS. Other representatives proposed the re-introduction in the recommended text of the three tests set forth in subparagraphs 1 (a), (b) and (c) of article 1 of ULIS and to supplement these tests by a provision relating to goods in stock. One representative proposed the exclusion from the sphere of application of the law of contracts for the sale of goods which were intended to remain in the country where they were located at the time of the contract and in which all the acts of offer and acceptance had occurred; he suggested that this would result in a much simpler text which would have the same effect as the re-introduction of subparagraphs 1 (a), 1 (b) and 1 (c) of article 1 of ULIS. In support of these suggestions, attention was drawn to the possibility that representatives of parties having their place of business in different States might conclude a sales contract in a single State, and the goods might be delivered in that State without international shipment; it was suggested that the fact that the parties had their places of business in different States should not be sufficient basis for the applicability of the uniform law and that if this single criterion were retained, local sales would fall within the scope of ULIS. On the other hand, it was observed that in such transactions payment for the goods would normally involve funds or credits in more than one State and that, if controversy should arise, one of the parties would in most cases have to deal with a legal system with which he was unfamiliar.
- 61. Several representatives suggested that a distinction should be made between the definition of an international sale of goods and the sphere of application of the law.
- 62. Proposals relating to the sphere of application of the law were introduced in writing by some representatives; other proposals were suggested orally in the course of the debates. With reference to a written proposal made by four representatives, these representatives were invited to undertake a study, to be sent to the Secretariat, which would show, with the aid of examples, the differences in practice between their proposals and those made by the Working Group; they agreed to do so. One representative suggested that the study by these representatives should be accompanied by reasons which would respond to the considerations set forth in paragraphs 17 to 20 of the report of the Working Group (A/CN.9/52). It was also suggested that paragraph 1 of article 6 of the recommended text was not clear enough and should, therefore, be revised.

(i) Rules regarding the "place of business"

- 63. The Working Group on Sales reported that under article 1 of ULIS, applicability of the law could depend on whether the parties had their "places of business in the territories of different States", but that no provision was made for the circumstance where one party had two or more places of business. The Working Group, in its proposed revision of article 2, set forth a provision to deal with this question; thus, the proposed article 2 (b) established as the basic test the location of the party's "principal place of business".
- 64. All of the representatives who spoke on the question were of the view that a provision should be included in the uniform rules to deal with the problem presented when a party had multiple places of business. Most of the representatives who spoke agreed, in general, with the Working Group's recommendation. Several representatives, however, suggested that the criteria in the final clause of proposed article 2 (b) included subjective elements that would be difficult to apply.
- 65. Several representatives also called attention to article 2 (a), pursuant to which the law would not apply if "the parties neither knew nor had reason to know that the place of business of the other party was in another State". Some representatives suggested that the subjective element of this provision was particularly difficult to apply and that this provision was of little practical relevance. They suggested that article 2 (a) should either be deleted or replaced by a more objective provision. In support of article 2 (a), it was observed that in some countries many transactions were made by agents or brokers who were acting on behalf of foreign principals, but who did not make this fact known to the other party.

(ii) Exclusion of sales to consumers

66. During the consideration of article 5 of the Working Group's draft, which dealt with the exclusion of certain transactions and types of goods from the sphere of application of the law, many representatives commented on paragraph 1 (a), which provides for the exclusion of sales to consumers. The Commission unanimously agreed, in principle, with the recommendation of the Working Group that sales to consumers should be excluded from the scope of the law. Some representatives made suggestions on drafting improvements of article 5, paragraph 1 (a), and these suggestions were referred to the Working Group for its consideration. One representative pointed out that, if the original version of article 1 of ULIS were retained, most of these sales would automatically be excluded from the sphere of application to the law.

(b) The required contact between the sales transaction and a State that had adopted the Convention

67. The Working Group noted that under ULIS the law could be applicable even though there was no contact between the sales transaction and a contracting State. Thus article 1 of ULIS refers to contracts between parties whose places of business are in "different States"; this provision does not require that either of these States has adopted the law. In addition, article 2 of ULIS provides:

- "Rules of private international law shall be excluded for the purposes of the application of the present Law, subject to any provision to the contrary in the said Law".
- 68. The Commission, at its third session, decided on the substance of a revision which should be used as a basis for future work of the Working Group on Sales. 29/In response to this decision, the Working Group proposed (A/CN.9/52, para. 13) that article 1 should provide as follows:
 - "1. The present law shall apply to contracts of sale and goods entered into by parties whose places of business are in different States:
 - (a) when the States are both Contracting States; or
 - (b) when the rules of private international law lead to the application of the law of a Contracting State.
 - "2. The present law shall also apply where it has been chosen as the law of the contract by the parties."
- 69. The Commission reaffirmed its approval of the approach reflected in the above draft. Suggestions made by representatives for the improvement of the wording of this provision were referred to the Working Group for its consideration. Two representatives expressed the opinion that these formulae made it practically impossible for a businessman to know when his contract would be subject to the uniform law. Another representative stated that the system recommended by the Working Group, in his opinion, could be accepted as a compromise if, as a consequence, all of the reservations appearing at present in the Convention relating to a Uniform Law on the International Sale of Goods could be avoided.

2. Form of contracts

70. The Working Group found that a question of principle was presented by article 15 of ULIS, which provides:

"A contract of sale need not be evidenced by writing and shall not be subject to any other requirements as to form. In particular, it may be proved by means of witnesses."

71. In the report of the Working Group, it was noted (A/CN.9/52, paragraphs 116 and 117) that in a number of countries the written form was required for certain types of sale, including foreign trade transactions. It was also noted that the required character of the "writing", and of other formalities connected with the transaction, varied from country to country and that the legal rules also varied with respect to the consequences of failure to comply with these requirements.

^{29/} Official Records of the General Assembly Twenty-fifth Session,
Supplement No. 17 (A/8017), paras. 26-30 (Yearbook of the United Nations Commission
on International Trade Law, 1968-1970, vol. I, part two, chapter III, paras. 26-30).

- 72. The Working Group (A/CN.9/52, paragraph 123) referred to the Commission the following questions of principle:
 - (a) Should article 15 be maintained?
 - (b) If so, should the present text of article 15 of ULIS be modified in order to accommodate rules of national law requiring particular contracts to be in writing?
 - (c) If so, what approach should be followed in making such accommodation?
- The Commission agreed that the relationship between the uniform laws and national rules requiring certain contracts to be in writing presented a serious problem and that an attempt should be made to enable the uniform law to accommodate the requirements of countries whose national law required a written It was stated in this connexion that there were two basic approaches with respect to the form of contracts: the commercial approach left the parties free to choose the form of their contracts (including the oral form); the other approach, specially applicable in some countries to foreign trade contracts, required a writing and in some instances certain other formalities. It was stated by some representatives that national laws often required a written form with respect to contracts concluded by Governments, government agencies or state-owned trading organizations: it was also reported that large business enterprises often informed the other party with whom negotiations were under way that authorization to conclude the contract was limited to specified officers who may exercise their authority only in a specified form of writing. It was suggested that the uniform law should take the above practices and rules into consideration. In this connexion, several representatives stressed the increasing use of modern means of communication in business transactions and expressed the view that the use of these means required the maintenance of the freedom of the parties with respect to the form of the contract. Some representatives proposed that in order to reconcile the principle of autonomy of will, which governs the subject-matter in many countries, with the mandatory rules of national statutes prohibiting oral contracts, article 15 should be retained, but should be preceded by these words: "Unless otherwise agreed by the parties or provided by a mandatory rule of the national law of any of the parties ... ".
- 74. The question was also raised whether the uniform rules should take account of certain national rules that modifications of the contract or the cancellation of a contract must be in writing or at least in the same form as the original contract. One observer expressed the view that international trade would be hampered by requirements of the written form for instructions concerning delivery, correction of defects, payment and the like.
- 75. Many representatives noted that it was not clear whether the written form was required for the validity of an agreement or only for the introduction of the agreement in evidence. A number of representatives also expressed the view that the rule of article 15 was inconsistent with article 8, which provides that the law is not concerned with the formation of the contract nor with its validity.
- 76. Several suggestions were submitted with respect to article 15. Some representatives were of the opinion that the article should be retained in its present form; it was suggested in this connexion that if the national legislation

of a country required a written form, parties to a contract who were bound by such legislation could always avail themselves of article 3 and exclude the application of article 15. Another representative suggested that article 15 should refer to article 9, paragraph 1, providing for the application of certain usages and practices; an article based on that idea would cover both the legal requirements of contracts in written form and the prevailing practices of various countries and individual merchants. One representative proposed that article 15 should either be supplemented by the provision contained in paragraph 115 of the report of the Working Group (A/CN.9/52) or be deleted.

- 77. Other representatives drew attention to the proposal, noted in the report of the Working Group (A/CN.9/52, paragraph 118), whereby Contracting States which require that a contract of international sale shall be in writing should lodge a declaration to this effect at the time of the ratification of the law. One representative who supported this proposal expressed the view that countries making such a reservation could specify that only national enterprises or agencies would be subject to that requirement, leaving private merchants free to choose the form of their contracts. The proposed provision for a reservation was opposed by other representatives who held that businessmen had no access to the list of reservations and therefore would not know which contracts were required to be in writing.
- 78. According to another proposal, a rule should be drafted whereby a party in a country whose legislation required contracts to be in writing would be required to give advance notice of those requirements to the other party or, alternatively, to undertake to put the contract into writing in such a way as to comply with the requirements of his national law. It was also suggested that, in any event, the consequences of non-compliance with the written form should be specified. A different approach was proposed by another representative, who suggested that article 15 should state a basic rule requiring contracts to be in writing and specify certain exceptions to this rule. Other representatives objected to this proposal. It was further noted that defining the circumstances in which a writing would not be required and specifying the consequences of the lack of writing would require rules of excessive detail and complexity.
- 79. Many representatives considered that in view of the relationship to the Uniform Law on the Formation of Contracts and in view of the provisions of article 8 of ULIS, article 15 could be deleted. Other representatives, however, were of the opinion that the deletion of the article would not solve the problem which would arise again when questions of the formation of contracts were discussed. It was also noted that, if article 15 were deleted, difficult problems of determination of the applicable law would arise, since the question of form might be governed by the national law of the seller or of the buyer, or by the law of the forum, depending on the rules of conflict of the forum.
- 80. The Commission concluded that the entire problem should be given further consideration by the Working Group.

3. Principles of interpretation

81. Article 17 of ULIS provides:

"Questions concerning matters governed by the present Law which are not expressly settled therein shall be settled in conformity with the general principles on which the present Law is based."

82. The Working Group on Sales recommended (A/CN.9/52, paragraph 127) that the foregoing provision be deleted and that the following language be employed:

"In interpreting and applying the provisions of this Law, regard shall be had to its international character and to the need to promote uniformity /in its interpretation and application/."

- 83. The Working Group on Sales reported (A/CN.9/52, paragraph 128) that this provision had been adopted by the Working Group on Time-limits and Limitations (Prescription) in the International Sale of Goods; it was noted that this provision omitted the reference in article 17 of ULIS to "the general principles on which the Law is based", a provision that had been criticized as vague and illusory since the law did not specify or indicate the general principles on which it was based. It was also noted (A/CN.9/52, paragraph 130) that the proposed new language expressed two considerations not mentioned in the original article: (a) the international character of the law, and (b) the need for uniform interpretation and application.
- 84. Most representatives were satisfied with the above provision of article 17 proposed by the Working Group. Some representatives, however, made suggestions for its improvement.
- 85. At the meeting of the Working Group, it was suggested that the above revised provision for article 17 should be supplemented by a provision dealing with gaps in the law. The Working Group considered two proposals for addition to the proposed revision of article 17. A majority of the Working Group did not approve either proposal, but agreed that these proposals presented questions of principle that should be referred to the Commission.
- 86. One proposal (A/CN.9/52, paragraph 131) would supplement the above revised text of article 17 with the following:

"Questions concerning matters governed by the present Law which are not expressly settled by it shall be settled in conformity with its underlying principles and purposes."

87. Several representatives suggested that the reference in this proposal to the "underlying principles and purposes" of the Law presented problems similar to those raised by the original language of article 17 of ULIS. These representatives expressed the view that the Uniform Law did not state "underlying principles and purposes" and such "principles and purposes" would be difficult to determine. On the other hand, two representatives held that such principles and purposes were evident in the law and that the most important of these was the underlying principle of good faith.

88. The second proposal (A/CN.9/52, paragraph 133) would supplement the above revised text of article 17 with the following:

"Private international law shall apply to restions not settled by the Uniform Law."

- 89. Many representatives were of the opinion that gaps in the Law should be settled on the basis of rules of private international law; some of these representatives held the view that article 17 should contain such a provision. Other representatives expressed the view that the rules of private international law would be invoked in appropriate cases even if the Uniform Law contained no provision in that regard.
- 90. One representative submitted a written proposal suggesting that the Uniform Law should contain a subsidiary uniform rule on conflict of laws specifying which national law would be applied in cases where the Uniform Law did not provide an answer to the question at issue. Other representatives objected to any attempt to specify rules of private international law in the proposed Uniform Law. One representative suggested that the law should clearly state that no recourse to national laws were admitted.
- 91. The Commission concluded that it was not practicable to reach a decision on these questions at the present intermediate stage of the revision of the uniform rules. It was suggested that such problems could be resolved more readily when a text proposed by the Working Group was reviewed as a whole. For these reasons, it was concluded that the observations made at the present session of the Commission should be referred to the Working Group for its consideration at an appropriate time.

4. Future work

Decision of the Commission

92. The Commission considered the recommendations of the Working Group on Sales concerning its future work. 30/ On the basis of these recommendations and taking into consideration the opinions of representatives expressed in the course of the session with respect to future work, the Commission adopted the following decision:

The United Nations Commission on International Trade Law

1. <u>Decides</u> that:

(a) The Working Group on the International Sale of Goods should continue its work under the terms of reference set forth in paragraph 3 (a) of the resolution adopted by the Commission at its second session; 31/

^{30/} A/CN.9/52, para. 139.

^{31/} Official Records of the General Assembly, Twenty fourth Session Supplement No. 18 (A/7618), para. 38 (Yearbook of the United Nations Commission on International Trade Law 1968-1970 vol. I, part two, chapter II, para. 38).

- (b) The Working Group should determine and improve where necessary its own working methods and programme of work;
- (c) Until the new text of a uniform law or the revised text of ULIS has been completed, the Working Group should submit a progress report on its work to each session of the Commission, and, any comments or recommendations which representatives may make at the sessions on issues set out in the progress reports shall be considered by the Working Group in the preparation of the final draft; the Commission will take its decisions on the substantive issues which may arise in connexion with provisions of a new uniform law or the revised text of ULIS when it has before it, for approval, the final text and accompanying commentary prepared by the Working Group;
- (\underline{d}) In accordance with paragraph (\underline{c}) above, the Working Group, when preparing its final draft, should take into consideration the comments and opinions voiced by representatives in connexion with the items considered at the fourth session of the Commission.
- 2. Authorizes the Working Group to request the Secretary-General to prepare studies and other documents which are necessary for the continuation of its work.
- 93. It was reported that Norway had indicated that it was relinquishing its membership in the Working Group on the International Sale of Goods in order to accommodate the inclusion of a new member in the Working Group. Under a unanimous agreement the Commission appointed Austria to membership in the Working Group.

B. General conditions of sale and standard contracts

94. The Commission continued its consideration of the item entitled "General conditions of sale and standard contracts". 32/ At its second session, the Commission decided to start its work in this field of law by promoting a wider use, in other regions, of the ECE general conditions relating to plant, machinery, engineering goods and lumber, which had been prepared by the United Nations Economic Commission for Europe (ECE). To that end, the Commission requested the Secretary-General to invite the regional economic commissions to seek the opinions of Governments and of interested trade circles of the respective regions on the desirability of extending the use of those ECE general conditions, in their original version or in a modified form, in the regions concerned and as to whether it would be desirable to formulate other general conditions for products of special interest

^{32/} This subject was considered by the Commission at its 84th and 85th meetings, held on 14 April 1971.

to those regions. The Governments and trade circles were also invited to submit their suggestions regarding the desirability of convening regional meetings for the consideration of questions concerning the use of the ECE general conditions. 33/ The report of the Secretary-General on the result of his inquiries (A/CN.9/34) was submitted to the Commission at its third session.

- 95. At the third session, the Commission requested the Secretary-General to continue with the implementation of its decision made at the second session. It further requested the Secretary-General to begin a study on the feasibility of developing general conditions embracing a wider scope of commodities. 34/
- 96. At the present session, the Commission had before it a report by the Secretary-General (A/CN.9/54) on this subject in which he informed the Commission of the replies received in response to his inquiries (part I of the report) and presented the first part of a study (part II of the report) which had been commenced pursuant to the decision of the Commission referred to in paragraph 55 above. The Commission gave particular attention to the following: general considerations, promotion of the use of the ECE general conditions and the preparation of "general" general conditions.

1. General considerations

- 97. Almost all representatives who spoke on the subject expressed the view that general conditions of sale and standard contracts played an important role in international trade and that the work that had been started in this field should be continued. One representative held the view that in the practice of international trade, general conditions drawn up by organizations other than trade associations would not be accepted unless they were the product of a proved need emanating from the particular trade associations concerned.
- 98. Several representatives made observations with respect to the role that the Commission should play in the preparation of general conditions. Some representatives expressed the view that the Commission would have to undertake the task of drafting such general conditions; others were of the opinion that the Commission's main task in this field should be the co-ordination of, and assistance in, the work of trade associations concerned with respect to the preparation of such formulations. It was also suggested that the Commission should not undertake drafting work itself, but should entrust this task to trade associations or individual experts.

2. Promotion of the use of the ECE general conditions

99. The Commission agreed that it was necessary to continue with the implementation of the decision taken at its second session, namely, to ascertain whether the ECE general conditions satisfied the needs of regions outside Europe or whether they

^{33/} Official Records of the General Assembly, Twenty-fourth Session, Supplement No. 18 (A/7618), para. 60. (Yearbook of the United Nations Commission on International Trade Law, 1968-1970, vol. I, part two, chapter II, para. 60).

^{34/} Ibid., Twenty-fifth Session, Supplement No. 17 (A/8017), para. 102 (Yearbook of the United Nations Commission on International Trade Law, 1968-1970, vol. I, part two, chapter III, para. 102).

should be adapted to such specific needs. The view generally held was that the inquiry referred to in that decision should be addressed directly to national chambers of commerce, trade associations and other organizations concerned. Some representatives, however, suggested that the inquiry should also be addressed to Governments.

100. With respect to the possibility of convening regional meetings for the consideration of the question of whether the ECE general conditions met the needs of a specific region or whether they should be modified in order to satisfy those needs, all representatives who spoke on the issue agreed that it would be premature to encourage the holding of such meetings before the fifth session of the Commission. One representative expressed the view that such meetings might lead to the hardening of attitudes with respect to regional interests and thus make a world-wide acceptance of the ECE general conditions more difficult.

3. Preparation of "general" general conditions

101. Several representatives spoke against the preparation of "general" general conditions, that is, general conditions relating to a wide scope of commodities. It was noted in this connexion that such general conditions would have to meet an infinite variety of situations relating to an infinite number of commodities. Some representatives thought that the needs of international trade were better served by existing formulations for particular commodities which reflected extended trade practice in that commodity in a particular region. Attention was drawn to the fact that trade associations had found it necessary to prepare separate general conditions not only for particular commodities, but also for subdivisions of those commodities. One representative suggested, therefore, that the Commission should start a commodity-by-commodity approach; at a later stage, this might lead to a more general approach.

102. On the other hand, many representatives were of the opinion that the preparation of some kind of "general" general conditions was feasible. Attention was drawn in this respect to the General Conditions of Delivery, prepared by the Council for Mutual Economic Assistance, which had been successfully used in the trade among the member countries of CMEA for more than twelve years. It was also noted that "general" general conditions would embrace basically the same issues as those covered by the Uniform Law which was also intended to apply to all commodities; the preparation, however, of a set of such general conditions could be accomplished in a much shorter time than that of a uniform law.

103. One representative suggested that, instead of drawing up "general" general conditions, the Commission should prepare general provisions for use by trade associations and other organizations in the preparation of general conditions on specific goods. A similar proposal was made by an observer, who was of the opinion that the Commission should draw up a model contract. One representative, in support of the proposal, added that this model contract should be drawn up in conformity with the rules contained in the uniform law on the international sale of goods.

104. Several representatives pointed out that the use of general conditions prepared by the Commission would be optional, that is, businessmen would be free to apply or not to apply them. It was also held that the preparation of "general" general conditions would not exclude the preparation of general conditions relating

to specific commodities or groups of commodities. It was suggested by several representatives that in case the Commission should decide to draw up any kind of general conditions, this task should be accomplished with the active co-operation of lawyers, economists, financial and other experts. It was further suggested that the Commission should avail itself of the experience gained in this field by the Economic Commission for Europe and establish contacts with the Contracting Parties to the General Agreement on Tariffs and Trade and the United Nations Conference on Trade and Development.

105. The Commission noted that it was not expected to take a decision on the substantive issues involved at its present session, but merely to indicate whether it wished that the Secretariat study should be continued. On this point, there was general agreement that the Secretariat should continue along the lines it had suggested, taking into account the views expressed at the present session.

Decision of the Commission

106. The United Nations Commission on International Trade Law

Requests the Secretary-General:

- (a) To continue with the programme of implementation of the decision taken by the Commission at its second session concerning the promotion of the wider use of the general conditions prepared under the auspices of the Economic Commission for Europe and to address inquiries, designed to obtain information on the questions set forth in the Commission's decision, directly to Governments, national chambers of commerce, trade associations and other trade organizations, and to submit a report on the replies that have been received to the Commission at its fifth session;
- (b) To continue its study on the feasibility of developing general conditions embracing a wider scope of commodities and to submit the study, if possible, to the Commission at its fifth session.

C. <u>Time-limits and limitations (prescription) in</u> the field of the international sale of goods

107. The Commission at its second session established a Working Group on Time-limits and Limitations (Prescription) and requested it to study the subject of time-limits and limitations (prescription) in the field of the international sale of goods. 35/ The Working Group held its first session in August 1969 and submitted a report (A/CN.9/30) to the third session of the Commission. The Commission requested the Working Group to prepare a preliminary draft Convention, setting forth uniform

^{35/} Official Records of the General Assembly, Twenty-fourth Session,
Supplement No. 18 (A/7618), para. 46 (Yearbook of the United Nations Commission on
International Trade Law, 1968-1970, vol. I, part two, chapter II, para. 46).

rules on the subject and to submit this draft to the fourth session. 36/ The Commission also decided that a questionnaire should be addressed to Governments and interested international organizations to obtain information and views regarding the length of the limitation period and other relevant issues. 37/ The Working Group held its second session from 10 to 21 August 1970 and prepared a preliminary draft of a Uniform Law on Prescription (Limitation) in the International Sale of Goods (herein referred to as the preliminary draft).

- 108. At the present session, the Commission had before it the report of the Working Group on its second session (A/CN.9/50) and a note by the Secretariat on the consideration of that report. The report of the Working Group contained the text of the preliminary draft (annex I), a commentary on it (annex II) and the text of the questionnaire on the length of the limitation period (annex III). The Commission also had before it proposals by Austria submitted during the session (A/CN.9/IV/CRP.2). 38/
- 109. The Commission commended the Working Group for its working methods and for its rapid progress in preparing a preliminary draft. The view was generally expressed that the present divergencies among the national rules in this area caused serious confusion with respect to international trade, and that the preparation of the uniform rules was a matter of importance and urgency. Several representatives also stated that, in order to facilitate the prompt completion of a uniform law, they were prepared to take an affirmative and flexible approach to the proposed uniform rules and to accept compromises that involved departures from the rules of their national legal systems.
- 110. The Commission considered the method and approach it should follow in examining the preliminary draft. It was observed that further replies to the questionnaire concerning the length of the limitation period and related issues were expected and the Commission concluded that the Working Group should consider these replies prior to any decision concerning the length of the limitation period. It was also observed that several important provisions of the preliminary draft were closely related to the length of the limitation period and that the report of the Working Group suggested alternative approaches to these provisions pending a decision on the length of the period of limitation.
- lll. In view of these considerations, the Commission concluded that it would be premature to take decisions at this session concerning the provisions of the preliminary draft. Instead, the Commission decided that views expressed by representatives with respect to the preliminary draft, as reflected in the summary records, should be taken into account by the Working Group at its next session in formulating a final draft of a uniform law. It was also agreed to invite representatives to put any proposals they might have into written form in time for consideration by the Working Group at its next session.

^{36/} Ibid., Twenty-fifth Session, Supplement No. 17 (A/8017), para. 97 (Yearbook of the United Nations Commission on International Trade Law, 1968-1970, vol. I, part two, chapter III, para. 97).

^{37/ &}lt;u>Ibid.</u>, para 89 (<u>ibid.</u>, para. 89).

^{38/} The Commission considered the subject "Time-limits and limitations (prescription) in the international sale of goods" at its 80th-83rd meetings, on 13 and 14 April 1971.

1. Sphere of application

- 112. Special attention was given to the relationship between the sphere of application of the proposed uniform rules on prescription and the sphere of application of the proposed uniform rules on the international sale of goods. Most representatives were of the view that it would be desirable to provide the same scope of application for the two uniform laws and that the Working Group should give consideration to rules that were in the course of development for the uniform law on sales. 39/ It was recognized that the uniform law on sales could not be finalized within the period allotted to the preparation of the proposed uniform law on prescription; for this reason, it was noted that the two sets of rules on scope of application might diverge.
- 113. Some representatives expressed the view that, under the circumstances, identical rules on the scope of application for the two uniform laws were not essential; it was also noted that, if necessary, the uniform law on prescription could be revised after the completion of the revision of ULIS. For these reasons, and in view of the importance of preparing a final text of the uniform law on prescription within the time schedule established by the Commission, it was suggested that rules on the scope of application should be prepared for the uniform law on prescription with due consideration for the rules on scope of application for the uniform law on sales that are in the course of elaboration. On the other hand, the observer of the International Institute for the Unification of Private Law expressed the view that the uniform law on prescription should employ the rules on the sphere of application set forth in ULIS and that any deviation from these rules should await the final revision of this uniform law.
- 114. Some representatives suggested that the sphere of the application of the uniform law on prescription need not be precisely defined and that it might be satisfactory to state, in general terms, that the uniform law would apply to the international sale of goods. It was noted that, except in relatively rare borderline cases, the lack of definition would not give rise to difficulties. On the other hand, other representatives considered that a more precise definition of the scope of application was essential. It was observed that confusion would result from lack of certainty as to whether the national rules or the uniform law would apply to transactions which, in the absence of a definition, might be subject to conflicting views as to their international character. One representative pointed out that if a definition were given, it would be necessary to afford States that had acceded to the 1964 Convention on the International Sale of Goods the opportunity to retain the definition in article 1 of ULIS.
- 115. Some representatives suggested that the sphere of application of the uniform law on prescription, especially with regard to problems of conflict of laws, presented considerations that were different from those presented by the uniform law on sales, and that these considerations should be taken into account by the Working Group. Some representatives also pointed out that the proposed uniform law on prescription should be concerned solely with actions based on the non-performance of the contract and not with actions based on nullity of the contract.

^{39/} For the Commission's consideration of the sphere of application of the uniform rules on sales, see paragraphs 57 to 69 above.

- 2. Other comments on the issues presented by the preliminary draft
- 116. Representatives also made comments on various other issues presented by the preliminary draft. These included:
- (a) The commencement of the limitation period, including the basic tests that should be employed, the effect of the discovery of defects in goods after they have been received by the buyer, the rules governing the starting point for the period when goods are shipped to the buyer and the effect of an express guarantee;
- (b) The effect of acknowledgement by the debtor of his debt, including the effect of acknowledgement after the expiration of the limitation period;
- (c) Extension of the limitation period, including the possibility of an extension where negotiations are broken off shortly before, or after, the expiration of the limitation period, the effect of circumstances that prevent the institution of judicial proceedings and the effect of refusal by a court to recognize or enforce a foreign judgement;
- (d) Modification of the limitation period, including the effect of an agreement by the parties to extend or shorten the basic limitation period; and
- (e) The international effect to be given to the rules set forth in the uniform law.

The discussion also included several suggestions on problems of drafting and style and means to co-ordinate the work on the proposed uniform laws on sales and on prescription.

117. The observer of the Council of Europe informed the Commission that the Council had completed its work for the preparation of European Rules on Extinctive Prescription in Civil and Commercial Matters; these Rules cover the whole field of extinctive prescription. He expressed the hope that the Working Group would continue to the ke these Rules into account in finalizing its draft.

Decision of the Commission

118. The United Nations Commission on International Trade Law

- 1. <u>Invites</u> members of the Commission to submit to the Secretary-General by 30 June 1971, in writing, any proposals or observations they might wish to make with respect to the Preliminary Draft Uniform Law on Prescription (Limitation) for transmission to the Working Group on Time-limits and Limitations (Prescription);
- 2. Requests the Secretary-General to analyse the replies received to the questionnaire which was circulated to Governments and interested international organizations in September 1970 and to transmit this analysis to the members of the Working Group in advance of its third session;

- 3. Requests the Working Group to prepare a final draft of the Uniform Law on Prescription (Limitation) for submission to the Commission at its fifth session taking due account of the views expressed during the discussion of this subject at the fourth session of the Commission, the analysis by the Secretariat of replies to the questionnaire and any proposals or observations communicated to the Working Group before its next session.
- 119. It was noted that the expiration, on 31 December 1970, 40/ of Czechoslovakia's membership in the Commission created a vacancy in the membership of the Working Group on Prescription. The Commission unanimously appointed Poland to membership in the Working Group.

^{40/} Official Records of the General Assembly, Twenty-third Session, Supplement No. 16 (A/7216), para. 3. (Yearbook of the United Nations Commission on International Trade Law, 1968-1970, vol. I, part two, chapter I, para. 3). With respect to the election of the new members, see Official Records of the General Assembly, Twenty-fifth Session, Plenary Meetings, 1903rd meeting.

CHEPTER V

YEARBOOK OF THE COMMISSION

- 120. The General Assembly of the United Nations, by resolution 2502 (XXIV), approved in principle the establishment of a Yearbook of the Commission and authorized the Secretary-General to establish such a Yearbook in accordance with the decisions and recommendations of the Commission. At its third session, the Commission requested the Secretary-General to publish materials relating to the first three sessions of the Commission 41/ in the first volume of the Yearbook, which was published in accordance with this decision and placed before the Commission at its fourth session.
- 121. At the third session, the Commission requested the Secretary-General to submit to it at its fourth session a report on the publication of a second volume of the Yearbook. 41/ The report (A/CN.9/57) submitted in response to this request contained suggestions regarding the contents for a second volume of the Yearbook, covering the fourth session of the Commission's work, and set forth the financial implications of such a publication. The report also set forth suggested guidelines with respect to the timing and contents of future volumes of the Yearbook. 42/
- 122. Representatives, in commenting on the first volume of the <u>Yearbook</u>, <u>43/</u> expressed appreciation for this volume and stated that the <u>Yearbook</u> would be very useful in making the Commission's work more widely known and generally available.
- 123. The Commission considered the most appropriate time for the publication of further volumes of the <u>Yearbook</u>. Several representatives expressed the view that the <u>Yearbook</u> should be published every two or three years; others were of the opinion that annual publication was appropriate so that the work of the Commission could become widely available at an early date.
- 124. After an exchange of views, the Commission concluded that a second volume covering the work of the fourth session should be published as soon as possible. It was further concluded that a decision concerning the timing for the publication of future volumes should be postponed until the fifth session.

^{41/} Official Records of the General Assembly, Twenty-fifth Session,
Supplement No. 17 (A/8017), paragraphs 201-209 (Yearbook of the United Nations
Commission on International Trade Law, 1968-1970, vol. I, part two, chapter III,
paras. 201-209).

^{42/} The questions concerning publication of the Yearbook were considered by the Commission in the course of its seventy-ninth meeting, held on 8 April 1971.

^{43/} Yearbook of the United Nations Commission on International Trade Law, 1968-1970, vol. I (United Nations publication, Sales No.: E.71.V.1).

Decision of the Commission

125. The United Nations Commission on International Trade Law

- 1. Requests the Secretary-General to include in the second volume of the Yearbook of the United Nations Commission on International Trade Law the material on the work of the fourth session of the Commission;
- 2. <u>Further requests</u> the Secretary-General to publish the second volume as soon as practicable in English, French, Russian and Spanish, following in general the outline set forth in annex I to the report of the Secretary-General on the timing and content of the <u>Yearbook</u> 44/ and taking due account of the suggestions made during the discussion of this subject;
- 3. Approves the guidelines for the contents of future volumes of the Yearbook, as set forth in the Secretary-General's report;
- 4. <u>Decides</u> to take its final decision at its fifth session concerning the timing of the publication of future volumes of the <u>Yearbook</u>.

^{44/} A/CN.9/57.

CHAPTER VI

REGISTER OF TEXTS

- 126. The Commission, at its first session, decided to publish a compilation of texts of conventions and similar instruments within the area of international trade law. 45/ At the second session, the Commission decided that the first volume should include instruments within the following priority topics of the work programme:

 (1) international sale of goods and (2) international payments. 46/ Volume one of the Register of Texts 47/ was published in response to this decision and copies were placed before the members of the Commission at the fourth session.
- 127. At its third session, <u>48</u>/ the Commission requested the Secretary-General to submit to it at its fourth session a report on the proposed contents of a second volume of the <u>Register of Texts</u>. The report (A/CN.9/56), which was placed before the Commission, indicated the financial implications of publishing the volume, and, in an annex, set forth tentative lists of instruments falling within the remaining priority topics of the Commission's work: international legislation on shipping and international commercial arbitration. 49/
- 128. Representatives, commenting on the publication of the first volume of the Register of Texts, expressed the view that the volume would be very useful to the Commission in its work and would also provide Governments, universities, organizations, commercial circles and similar bodies with readily accessible texts of international instruments.
- 129. All representatives who spoke on the question stated that they looked forward to the publication of a second volume, and expressed the view that it should follow the general outlines indicated in the Secretary-General's report. Suggestions were made with respect to the titles of various parts of the volume, items to be included or excluded, as well as the exact title of certain instruments.

^{45/} Official Records of the General Assembly, Twenty-third Session, Supplement No. 16 (A/7216), para. 60 (Yearbook of the United Nations Commission on International Trade Law, 1968-1970, vol. I, part two, chapter I, para. 60).

^{46/} Ibid., Twenty-fourth Session, Supplement No. 18 (A/7618), para. 140 (Yearbook of the United Nations Commission on International Trade Law, 1968-1970, vol. I, part two, chapter II, para. 140).

^{47/} Register of Texts of Conventions and other Instruments Concerning International Trade Law (United Nations publication, Sales No.: E.71.V.3).

^{48/} Official Records of the General Assembly, Twenty-fifth Session,
Supplement No. 17 (A/8017), para. 178 (Yearbook of the United Nations Commission on International Trade Law, 1968-1970, vol. I, part two, chapter III, para. 178.

^{49/} The question concerning the publication of the <u>Register of Texts</u> was considered by the Commission in the course of its seventy-ninth meeting, held on 8 April 1971.

130. One representative stated that the information set out in the Register of Texts concerning ratifications or accessions by Governments was valuable and suggested that consideration might be given to the possibility of keeping this information up to date.

Decision of the Commission

131. The Commission adopted the following decision:

The United Nations Commission on the International Trade Law

Requests the Secretary-General:

- (a) To publish a second volume of the <u>Register of Texts of Conventions and Other Instruments Concerning International Trade Law</u>, setting forth the texts of conventions and other existing international instruments in the fields of international commercial arbitration and international legislation on shipping;
- (b) To publish the second volume as soon as practicable in English, French, Russian and Spanish, following in general the outline set forth in the report of the Secretary-General 50/ taking into account the suggestions made by members of the Commission during the discussion of this subject.

^{50/} A/CN.9/56, annex.

CHAPTER VII

BIBLIOGRAPHY ON INTERNATIONAL TRADE LAW

- 132. The Commission, at its third session, requested the Secretary-General to ascertain what possibilities existed to prepare or make available bibliographic information on international trade law. 51/
- 133. At the present session, 52/ the Commission had before it a report of the Secretary-General (A/CN.9/L.20) informing the Commission of the action he had taken in response to that request. One of the steps taken was the preparation of a "Survey of bibliographies relating to international trade law" (A/CN.9/L.20/Add.1) describing current publications, which are in several languages, giving thereby bibliographic information relating to the priority topics included in the Commission's programme of work.
- 134. Several representatives commented that the "Survey of bibliographies" was a very useful means for access to publications relevant to the Commission's work.
- 135. It was generally considered that work on bibliographic material relating to subject matter included in the Commission's programme of work should continue, but that, for the present, such material should be obtained through voluntary contributions by institutions or organizations. In this connexion, the Secretary of the Commission reported that several members of the Commission had informed the Secretary-General, in response to his request, that certain institutions in their countries would be willing to provide bibliographies on one or more of the subject matters dealt with by the Commission. Several representatives stated that they intended in the near future to submit such bibliographies to the Secretary-General.
- 136. Some representatives took the view that the Commission, in deciding on future work in respect of bibliographies, should not be influenced solely by the desire to avoid expenditure. In their view, the essential issue should be whether the periodic publication of bibliographies would assist the Commission in its work and be of general interest to outside circles concerned with international trade. It was further observed that the "Survey of bibliographies" and the development of bibliographies through the programme of voluntary assistance mentioned above would be adequate for the time ing. However, other representatives emphasized that the work was important but could not be carried out for lack of funds.

^{51/} Official Records of the General Assembly, Twenty-fifth Session, Supplement No. 17 (A/8017), para. 186 (Yearbook of the United Nations Commission on International Trade Law, 1968-1970, vol. I, part two, chapter III, para. 186).

^{52/} The Commission considered this time in the course of its eighty-sixth meeting, on 16 April 1971.

Decision by the Commission

137. After deliberation, the following decision was adopted:

The United Nations Commission on International Trade Law

Requests the Secretary-General:

- (a) To invite members of the Commission to provide him with bibliographies relating to subject matters included in the programme of work of the Commission;
 - (b) To publish such bibliographies as documents of the Commission;
- (c) To consider, at an appropriate time, bringing up to date the "Survey of bibliographies relating to international trade law". 53/

^{53/} A/CN.9/L.20/Add.1.

CHAPTER VIII

TRAINING AND ASSISTANCE IN THE FIELD OF INTERNATIONAL TRADE LAW

- 138. The Commission, at its third session, requested the Secretary-General to continue and intensify the activities on training and assistance in the field of international trade law that had been undertaken pursuant to the Commission's decision at the second session, and to consult with appropriate institutions on the feasibility of developing teaching materials in this field and of giving a larger share to the teaching of the law of international trade in the programmes of those institutions. 54/
- 139. At the present session the Commission had before it a report of the Secretary-General (A/CN.9/58) regarding action undertaken pursuant to the above decision, an addendum to that report (A/CN.9/58/Add.1) setting forth information regarding a proposed programme of assistance to developing countries in the field of laws and regulations applicable to ships and shipping; this programme would be under the joint auspices of the Commission, the Inter-Governmental Maritime Consultative Organization (IMCO), the United Nations Conference on Trade and Development (UNCTAD), and, possibly, other organizations within the United Nations system. In this connexion, the observer of IMCO, with which the proposal had originated, informed the Commission that the proposed programme was inspired by the report of the Sixth Committee of the General Assembly on the report of the United Nations Commission on International Trade Law on the work of its third session. 55/ That report suggested the development of a new programme of training and assistance that would emphasize substantial periods of practical training, including apprenticeship with organizations or institutions actively engaged in work in the area. The proposal of the IMCO secretariat recognized the fact that international maritime transport involved legal, technical, commercial and economic aspects of shipping and would therefore fall within the field of competence of several organizations within the United Nations system. This justified the joint development of a programme of training and assistance to be sponsored, if possible, by the United Nations Development Programme (UNDP).
- 140. Representatives who spoke on the subject welcomed the IMCO proposal and suggested that similar programmes should be developed in respect of other subjects within the field of international trade law. Some representatives suggested that the Secretariat could pursue the possibility of arranging for training programmes in these subjects on the lines of the commercial policy course conducted by GATT, or, alternatively, on the lines of training programmes for candidates from developing countries in developed countries, arranged by the UNCTAD/GATT International Trade Centre.

^{54/} Official Records of the General Assembly, Twenty-fifth Session,
Supplement No. 17 (A/8017), para. 200. (Yearbook of the United Nations Commission on International Trade Law, 1968-1970, vol. I, part two, chapter III, para. 200).

^{55/} Official Records of the General Assembly, Twenty-fifth Session, Annexes, agenda item 86, document A/8146.

- 141. Several representatives suggested that further attention should be given to the establishment of chairs of international trade law. In this connexion, the Secretary of the Commission reported that efforts to secure the funds necessary for such chairs had been unsuccessful and that there seemed little prospect for success from continued efforts in this direction. Moreover, it was observed that even in most of the developed countries provision had not yet been made for courses in international trade law at universities and institutions and it would seem desirable that initial efforts should be made in these countries towards developing methods of teaching international trade law and assembling the appropriate teaching materials. It was generally considered that the Commission should welcome the development of studies in international trade law and the establishment of professional chairs for such studies in the institutions of higher learning in all countries, particularly in the developing countries. A number of representatives, however, considered it inappropriate to establish chairs until the field of international trade law has been sufficiently crystallized and properly defined.
- 142. Some representatives stressed the need for lawyers and merchants in developing countries to gain practical experience through secondment to commercial and financial establishments in developed countries, such as large corporations active in international trade, banking institutions, patent offices and insurance companies. In this connexion, several representatives stated that they would be willing to ascertain which organizations or corporations in their countries would be prepared to receive trainees from developing countries and that such information would be relayed to the Commission in due course.
- 143. It was suggested that lawyers schooled in only the common law system or in the civil law legal system should be enabled to familiarize themselves with the principles and legal techniques of the other legal system; the desirability of the publication of a standard works on international trade law was also noted. In response to a suggestion regarding the organization of seminars in connexion with the sessions of the Commission, similar to those organized by the International Law Commission, the Commission requested the Secretary-General to prepare a report on this matter to be considered at its fifth session.
- 144. The observer of the International Institute for the Unification of Private Law (UNIDROIT) informed the Commission that the Institute would be disposed to accept selected fellows for training at their headquarters.

Decision of the Commission

The Commission, after deliberation, adopted the following decision:

The United Nations Commission on International Trade Law

Requests the Secretary-General to continue consultations with other interested organizations with a view to developing programmes of training and assistance in matters related to international trade law and, in particular, to consider means whereby practical experience in international trade law could be made available through the co-operation of trading institutions and similar bodies.

CHAPTER IX

PROMOTION OF RATIFICATION OF CONVENTIONS PREPARED BY THE COMMISSION

146. At the second session of the Commission the representative of France submitted a proposal for a new procedure under which States, pursuant to a general convention, would agree that certain legal rules would be binding upon them, unless they expressly declined to accept those rules. 56/ At the third session of the Commission, the representative of France gave further details on the proposal of his delegation. 57/

147. At the present session, 58/ the Commission had before it a document entitled "Proposal by the French delegation for the establishment of a Union for jus commune" (A/CN.9/60), which sets forth a preliminary draft of an international convention establishing a Union for jus commune in matters of international trade; the document includes a statement of reasons supporting the proposal. In introducing the proposal, the representative of France pointed out that the present state of the law of international trade was most unsatisfactory. First, in the absence of uniform rules, nobody could foresee which national law would be applied to a legal relationship containing a foreign element. A good illustration was provided by the European Convention on International Commercial Arbitration (1961) 59/ according to which the arbitrators are called upon to apply the national law, as determined by the national system of conflicts of law which they consider as being applicable to the case. Second, it was a matter of the utmost difficulty for a judge or arbitrator to know or to apply most national laws. Third, the existing national laws were developed and conceived for the sole purpose of governing domestic transactions, and frequently needed to be adapted to the needs of international trade. Fourth, conventions providing uniform rules were, with few exceptions, inoperative through lack of ratifications. No satisfactory remedy for this stage of affairs had yet been found. The attempt to achieve harmonization of the law by means of model laws had also largely failed, except within States with a federal form of government and among a few countries that had close historical or economic links.

148. The representative of France explained that the purpose of the proposal was to revive and promote the development of a new jus commune. The proposal recognized two basic principles: (i) the regulation of trade transactions that are international in character is within the competence of international bodies such as

^{56/} Official Records of the General Assembly, Twenty-fourth Session,
Supplement No. 18 (A/7618), paras. 169-170 (Yearbook of the United Nations Commission for International Trade Law, 1968-1970, vol. I, part two, chapter II, paras. 169-170).

^{57/} Ibid., Twenty-fifth Session, Supplement No. 17 (A/8017), para. 213 (Yearbook of the United Nations Commission on International Trade Law, 1968-1970, vol. I, part two, chapter III, para. 213).

^{58/} The proposal of the delegation of France was considered by the Commission at its 87th meeting and 88th meeting, held on 16 and 19 April 1971.

^{59/} United Nations, Treaty Series, vol. 584 (1966), No. 7041.

UNCITRAL, and (ii) the sovereignty of States requires that States must be permitted to reject rules of jus commune whenever they consider, for any reason, that they should not accept such rules. It was further suggested that the jus commune would be developed by a Union to which States would adhere by means of a convention. Adherence to the Union by a State would imply that rules applicable to international trade that had been given the status of jus commune would take effect in that State after a certain period of time unless that State expressly declined to apply such rules. The French proposal envisaged the establishment of a new international organ, the "General Conference", which would function as the governing body of the Union.

- 149. The representative of France suggested that, at the present session, the Commission should not discuss the text of the preliminary draft convention submitted by his delegation or set up a working group to consider the proposal. Instead, the Commission should have a general exchange of views and invite Governments to submit observations on the proposal. The Commission would then be able to continue the discussion of the subject at its fifth session on the basis of a report analysing the observations received from Governments.
- 150. All representatives who spoke congratulated the French representative for the excellent introduction of the subject and expressed their agreement with the proposal's objective to promote the wider acceptance of uniform rules in the field of international trade law. Some representatives suggested that the adoption of the French proposal would help to eliminate divergencies between the rules applicable to international trade. One representative stated that acceptance of the proposal would increase the efficiency of the work of UNCITRAL. Some representatives also supported the proposal on the ground that only a radical solution could remedy the present situation.
- 151. Some representatives pointed out that the proposal might raise difficult problems with respect to the constitutional practices of many countries, the sovereignty of States and other matters. Attention was also drawn to the report of the Sixth Committee to the General Assembly at its twenty-fifth session on this item 60/ which stated that many representatives doubted the feasibility of the proposal because of its inconsistency with the constitutional practice of many States, but that the view was also expressed that those difficulties were perhaps not insurmountable. On the other hand, it was pointed out that States were in a position, in the period allotted to them, to consult their Parliaments on the position to be taken by them; moreover, the period could be raised, for example, to seven years. According to another procedure, States could be asked to submit to their Parliaments the texts of jus commune within a certain period of time; this latter procedure was applied in the International Labour Organisation (ILO) and did not seem to have given rise to any objection of a constitutional nature.
- 152. Questions were also raised with respect to whether the proposal would be effective in achieving its objectives. Some representatives doubted that many States would be in a position to consider the French proposal with all the attention it deserved within a short period of time, such as a year, because of the shortage of legal staff or because of the many time-consuming interests and the number of State organs that should be consulted before a State's reply to relevant

^{60/} Official Records of the General Assembly, Twenty-fifth Session, Annexes, agenda item 86, document A/8146, paras. 34-35.

questionnaires could be formulated and forwarded to the Commission. It was suggested that although the proposal sought to make proposed legal texts binding without the affirmative action of a State, such legal texts would still require implementing legislation to incorporate them into the national law of some States. One representative observed that States facing expiration of the deadline set forth in the draft Convention might avoid automatic adherence by rejecting the proposed uniform law, and that this action might inhibit later afrirmative action. The question was also raised as to whether the proposed Union would have jurisdiction to prepare or revise conventions in the field of international trade law; if so, this jurisdiction would lead to duplication of the work of the Commission.

- 153. Some representatives raised the question whether consideration of the proposal was compatible with the tasks of the Commission. While some other representatives were of the opinion that the proposition fell within the terms of reference of the Commission, others pointed out that it was not only the Commission that was concerned with the preparation of international conventions; therefore, only a body with larger responsibilities would have competence to deal with the proposal. After deliberation, the Commission agreed that, since the French proposal was directed towards the promotion of international trade law, it had competence to undertake its examination.
- 154. It was the general view of the representatives who spoke on the question that the Commission should seek the opinion of States on the French proposal. Some representatives were of the opinion that all States Members of the United Nations should be invited to indicate their position with respect to the proposal, others expressed the view that, for the time being, only members of the Commission should be invited to do so.

Decision of the Commission

155. The Commission adopted the following decision:

The United Nations Commission on International Trade Law

Requests the Secretary-General:

- (a) To communicate to members of the Commission the proposal of the French delegation for the establishment of a Union for jus commune, 61/ together with the Commission's report on the subject, and to invite the members of the Commission to indicate before 1 October 1972:
 - (i) Their comments and suggestions with respect to the French proposal;
 - (ii) Whether the French proposal is consistent with the existing constitutional rules or practices of the Member States and, if not, whether it would be feasible to modify such constitutional rules or practices to accommodate the above proposal;
 - (iii) Whether the subject should be included among the priority topics in the Commission's work programme;
 - (b) To submit the replies to this inquiry, together with an analysis thereof, to the Commission at its sixth session.

^{61/} A/CN.9/60.

CHAPTER X

FUTURE WORK

- 156. The Commission considered its future work at its 89th meeting, held on 19 April 1971. It had before it General Assembly resolution 2635 (XXV) on the report of the Commission on the work of its third session and the annotated agenda which included a discussion of this item.
- 157. One representative suggested that, after the conclusion of the consideration of the item "Time-limits and limitations (prescription) in the field of international sale of goods", the Commission might start consideration of draft uniform laws relating to the international sale of goods prepared by the International Institute for the Unification of Private Law (UNIDROIT), such as those on the validity of contracts of the international sale of goods and on the protection of the buyer in good faith. The observer of UNIDROIT reported that its Governing Council would shortly decide whether these draft uniform laws should be approved and whether they should be referred to the Commission. There was an exchange of views in which emphasis was placed on the importance of completing present projects in which the Commission was engaged before considering the inclusion of any new items in the agenda.
- 158. The Commission took note of the work done by UNIDROIT and of the above suggestion.
- 159. The Commission reaffirmed the opinion expressed at its second and third sessions that the preparatory work, to be done by intersessional working groups, special rapporteurs and the Secretariat, should be aided by the active contribution of Governments through the submission, at the request of the Commission, of detailed information on subject matters included in ____ Commission's programme of work. The Commission also considered it desirable that provision should be made, in special circumstances, to obtain the services of consultants or organizations with special expertise in matters dealt with by the Commission.
- 160. The Commission also agreed that the Secretariat should be adequately staffed to cope with the increased work-load involved in servicing the Commission.
- 161. The Commission further considered that it could establish a detailed programme of work for the coming year only, and agreed that the Secretariat should prepare the necessary budget and planning estimates for subsequent years in order to enable the Commission to carry out its work in the light of the considerations set forth in paragraphs 159 and 160 above.

Date of the Fifth Session

162. The Commission decided at its 87th meeting on 16 April 1971 that its fifth session, to be held at the United Nations Headquarters in New York, should meet from 10 April to 3 May 1972. The Commission requested the Secretary-General to make arrangements under which the session could be extended, if necessary, until 5 May 1972.

ANNEX I

REPRESENTATIVES OF MEMBERS OF THE COMMISSION

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-52-

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ANNEX II

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ANNEX III

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-58-

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ANNEX IV

LIST OF DOCUMENTS BEFORE THE COMMISSION

A. General series

A/CN.9/38/Add.l	Analysis of the replies received from Governments and banking and trade institutions to the questionnaire on negotiable instruments used for making international payments; problems encountered in settling international transactions: report of the Secretary-General
A/CN.9/48	Possible content of uniform rules applicable to a special negotiable instrument for optional use in international transactions; analysis of replies received from Governments and banking and trade institutions: report of the Secretary-General
A/CN.9/50 and Corr.1 $\frac{a}{}$ and $2^{\frac{b}{}}$	Report of the Working Group on Time-limits and Limitations (Prescription) in the International Sale of Goods on its second session held at Geneva from 10 to 21 August 1971
A/CN.9/51	Provisional agenda and annotations: note by the Secretary-General
A/CN.9/52 and Corr.l	Working Group on the International Sale of Goods: report on the second session, Geneva, 7 to 18 December 1970
A/CN.9/53	Suggestions as to future work on negotiable instruments: report of the Secretary-General
A/CN.9/54	General conditions of sale and standard contracts: report of the Secretary-General

a/ In English only.

b/ In French, Russian and Spanish only.

	A/CN.9/55		Working Group on International Legislation on Shipping: report on the work of the second session in Geneva, 22 to 26 March 1971		
	A/CN.9/56		Register of texts: report by the Secretary General		
	A/CN.9/57 and Corr.1 $\frac{c}{}$		Timing and content of the UNCITRAL Yearbook report of the Secretary-General		
	A/CN.9/58 and Add.1		Training and assistance in the field of international trade law: report of the Secretary-General		
	A/CN.9/59 and Corr.l		Current activities of international organizations related to the harmonization and unification of international trade law: report of the Secretary-General		
	A/CN.9/60	•	Proposal by the French delegation for the establishment of a union for jus commune		
	B. <u>Limited series</u>				
	A/CN.9/L.20 and Add.1		Bibliography on international trade law: report of the Secretary-General		
	A/CN.9/L.21	•	Register of experts and scholars in international trade law		
C. Restricted series					
	A/CN.9/R.4		Consideration of the report of the Working Group on the International Sale of Goods: note by the Secretariat		
•	A/CN.9/R.5		Consideration of the report of the Working Group on Time-limits and Limitations (Prescriptions): note by the Secretariat		
	A/CN.9/R.6	•	General conditions of sale and standard contracts: annexes to document A/CN.9/54		
	A/CN.9/R.7		Security interests in goods; work in progress: note by the Secretary-General		

c/ In English only.

A/CN.9/R.8	Uniform rules governing the international sale of goods; comments of the Spanish delegation on the report of the Working Group on the International Sale of Goods: note by the Secretary-General
A/CN.9/IV/CRP.1	Comments by the representative of Austria on the subject of a uniform law on the international sale of goods (ULIS) (articles 18-55)
A/CN.9/IV/CRP.2	Preliminary draft of a uniform law on prescription (limitation) in international sale of goods: Austrian proposals
A/CN.9/IV/CRP.3	International legislation on shipping: draft resolution
A/CN.9/IV/CRP.4	International payments, negotiable instruments: draft decision submitted by Australia, Brazil, Hungary, India and the United Kingdom of Great Britain and Northern Ireland
A/CN.9/IV/CRP/5	Comments by the delegation of Ghana on the possible revision of article 15 of ULIS
A/CN.9/IV/CRP.6	International legislation on shipping: resolution adopted by the Commission at its 70th meeting, held on 1 April 1971
A/CN.9/IV/CRP.7	Provisional agenda and annotations: note by the Secretary-General
A/CN.9/IV/CRP.8	Definition of the international sale of goods: proposal by the delegations of Austria, Belgium, France and the United Arab Republic
A/CN.9/IV/CRP.9	Proposal by the Polish delegation concerning article 17 of ULIS
A/CN.9/IV/CRP.10	Decision of the Working Group on International Legislation on Shipping with respect to the organization of its programme of work adopted at its meeting held on 6 April 1971
A/CN.9/IV/CRP.11	Proposal by Norway: reservation to article 15 of ULIS

A/CN.9/IV/CRP.12	Delegation of Ghana: memorandum to the
	Working Group on the International Sale
	of Goods

A/CN.9/IV/CRP.13 and Add.1, 2, 3, and 4 . Draft report on the work of the fourth session

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