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**UN/CEFACT**

**REPORT OF THE UN/CEFACT JOINT LEGAL RAPPORTEUR  
TO THE UN/CEFACT PLENARY**

**SOURCE:** The Joint Legal Rapporteur

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**ACTION** For information and noting at 7<sup>th</sup> UN/CEFACT session.

## **REPORT OF THE UN/CEFACT JOINT LEGAL RAPPORTEUR TO THE UN/CEFACT PLENARY**

### **1 Introduction**

This report combines the report from the Legal Working Group (the LWG) concerning the activities of the Group during the year between March 2000 and March 2001 and also constitutes the Joint Legal Rapporteur's report to the Plenary for the same period.

### **2 Reporting Procedures**

In order to maintain a close relationship between the LWG and the UN/CEFACT Steering Group (CSG) the Joint Legal Rapporteur attended all meetings of the LWG during the year in the capacity as vice-chair of that group and also attended all meetings of the CSG during the same period reporting to the CSG on behalf of the LWG giving detailed information about its progress on programme of work and responding to the requirements and requests of the CSG during the period.

### **3 Work programme**

#### **3.1 Recommendation 31**

During the year good progress has been made in relation to the LWG's work programme items. At the previous UN/CEFACT Plenary the e-commerce interchange agreement, which was approved as Recommendation 31, has been the subject of discussion with the International Chamber of Commerce to identify possible liaison with the ICC concerning its work on the same topic of the development of safe contractual solutions for cross-border electronic commerce transactions. In addition progress has been made regarding the possible development of software to facilitate the implementation of Recommendation 31.

#### **3.2 Codes of Conduct**

The LWG has proceeded with its associated work regarding a Recommendation for members of UN/CEFACT to encourage the development of voluntary codes of conduct to be adopted by potential trading partners in support of e-commerce national and pan-national transactions.

#### **3.3 Work with UNCITRAL**

The LWG is committed to a work programme which encourages all types of solutions to resolve legal barriers to the development of electronic commerce in support of international trade. The second Joint Legal Rapporteur to the LWG is the Legal Rapporteur to UNCITRAL and through this connection there is close awareness of the model law solutions to electronic commerce legal framework being developed by that body. The LWG's focus is on practical contractual and co-regulatory solutions for adoption by government as well as industry and international organisations.

#### **3.4 Model Certification Authority terms**

The LWG is proceeding with its work regarding the development of Model Certification Authority terms. At present the target completion date for this work is March 2002. Further work has been carried out regarding appropriate criteria for cross-border recognition of electronic signatures and on-going work items relate to electronic commerce private international law issues, data protection issues and aspects of negotiability of payment mechanisms in an electronic commerce environment. The LWG recently adopted a new work item regarding the development of alternative dispute resolution processes in relation to electronic commerce cross-border transactions. It is hoped that this may lead either to an information paper or possibly to a formal Recommendation for action by members in this area.

#### 4 External Relations

During the year, the Joint Legal Rapporteur attended a number of conferences and made presentations regarding UN/CEFACT LWG activities in Finland, Denmark, Switzerland, Spain, the USA and Hong Kong. At these events the work of UN/CEFACT and the particular activities of the LWG were reviewed and publicised.

#### 5 Meetings and Participation

In the Joint Legal Rapporteurs' Report to the UN/CEFACT Plenary in March 2000 (Trade/CEFACT/2000/CRP2) reference was made to the need to increase participation in the LWG from all UN/CEFACT members. It is, therefore, gratifying to report that during the past 12 months the level of active participation in the LWG has significantly increased. However, that does not take away the need for the members of UN/CEFACT continually to encourage further participation from e-commerce legal experts. LWG policy is that, so far as possible, difficulties associated with the cost of international travel and accommodation should not hamper the work of the group or discourage potential attendees because of cost. To this end, as has been previously reported, the LWG has established two associated sub-groups. One is based within the AFACT organisation and involves AFACT members. The second is based in North America. The AFACT LWG sub-group met during the AFACT meeting in Taipei in September 2000. In December 2001 the Joint Legal Rapporteur attended a meeting of the North American sub-group hosted by Prof. Philip Nichols of Wharton Business School, Philadelphia. In order to advance the co-operation between the LWG and the AFACT sub-group it is presently planned that the next meeting of the LWG will take place in Teheran in May 2001 in order to encourage participation from AFACT area members.

#### 6 ECP Netherlands

It would also be appropriate to acknowledge with gratitude the significant support which the LWG has received from the ECP Netherlands organisation which hosted the group's meeting in October 2000 and has provided considerable assistance regarding the development of the draft recommendation concerning Codes of Conduct which is before this Plenary for consideration as a Recommendation.

#### 7 Secretariat

Finally, it is necessary to pay tribute to the excellent assistance received by the LWG from the UN/CEFACT Secretariat during the last year. This has undoubtedly contributed to an increase in membership of the Group and, thereby increased the level activity and potential for the delivery of work item in an effective timescale.

**DAVID MARSH**  
**JOINT LEGAL LIAISON RAPPORTEUR**  
**UN/CEFACT**

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