



Trade Digitalization A Call for Increased Legal Reform

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Trade Digitalization – Need for Legal Reform



- ▶ Today, most international commerce is **recorded digitally** through e-communications. But trade and trade finance still uses **vast amounts of paper** at great cost, inefficiencies and fraud risk.
- ▶ Despite the abundant benefits, a main barrier to digitalization has been **the lack of necessary law relating to key trade documents** such as **promissory notes, bills of exchange, insurance documents, and bills of lading/shipping documents.**
- ▶ **Good News:** the laws are reforming by alignment with “model laws” such as the **UNCITRAL Model Law on Electronic Transferable Records (MLETR).**

UNCITRAL MLETR – Alignment



Aligned

- Bahrain (2018)
- Belize (2021)
- France (2024)*
- Kiribati (2021)
- Papua New Guinea (2022)
- Paraguay (2021)
- Singapore (2021)
- Timor Leste (2024)
- United Arab Emirates (ADGM 2021)
- United Kingdom (2023)*

Reform in Progress

- Germany (2024)*
- Japan (2024)*
- United States (at State level - from 2023 and ongoing – now about half the States)*
- Many Other Countries active. See ICC-DSI MLETR Tracker and WTO JSI on E-Commerce.

* G-7 Digital and Tech Ministers have committed to promote MLETR reforms.

Call to Action: Press for Law Reform



- ▶ **Encourage MLETR-aligned law reform in all countries.**
- ▶ **To identify** the law and other reforms that are needed.
 - ▶ Dr Theodora A Christou and Professor John L Taylor, Blueprint Paper on Digital Trade and the UNCITRAL Model Law on Transferable Records (EBRD, 2023) www.thecastl.com/projects
 - ▶ WTO Joint Statement Initiative on E-Commerce (26 July 2024):
- ▶ **Help to build global industry-wide acceptance** of digital trade documents by taking steps, summarised in:
 - ▶ Dr Theodora Christou, Making Thai-UK trade cheaper, faster and simpler (ICC, 2023) www.thecastl.com/projects
- ▶ **Join the wide global consensus for industry wide development of digital trade products**, described by the International Centre for Digital Trade and Innovation ([iC4DTI](#))

