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Part 1 Agenda:

* About UNCITRAL & development of the CISG
  * Organization of the CISG
  * Interpretation of the CISG
  * Researching the CISG

Part 2 Agenda:

* Pace CISG Database
* Database Re-design: opportunities and challenges
  * CISG: Next generation
The Commission

- 60 member States elected by the General Assembly considering geographical regions and levels of economic development

- Term of 6 years with half (30) of the members reelected or replaced every 3 years
Working Groups

I. Micro-Small and Medium Sized Enterprises

II. Arbitration

III. Online Dispute Resolution

IV. Electronic Commerce

V. Insolvency Law

VI. Security Interests

• One or two sessions per year alternating between Vienna and New York
The Secretariat

• 14 professional staff, mostly lawyers
• Director: Renaud Sorieul (from France)
• Main Tasks:
  - Preparation of reports and draft texts
  - Provision of technical assistance to States in need of law reform
UNCITRAL Texts

- Negotiated with universal participation and reflect balance of national, regional, economic, legal and other interest
- Drafted with a view to ensure compatibility with the various legal traditions
- Not necessarily international, texts implemented domestically
CISG: 4 main parts

Part I.
- Sphere of Application
- General Provision

Part II
- Formation of the Contract

Part III.
- Parties' Obligations
- Remedies
- Passing of risk
- Other issues

Part IV.
- Final clauses
U.S. chocolate shop places a special order for 10,000 Santa Clause lollipops from a Belgian manufacturer for delivery one week before Christmas (the 18th) (close holiday delivery due to storage considerations).

Buyer has contract with third party for 5,000 pops, delivery date December 23rd, and will sell the other 5,000 retail. Lollipops are each $1, re-sell for $5.

One December 18th, the lollipops still have not arrived. Buyer needs to be made aware of rights and responsibilities.
(1) In the *interpretation of this Convention*, regard is to be had to its international character and to the need to *promote uniformity in its application* and the observance of good faith in international trade.

(2) Questions concerning matters governed by this Convention which are not expressly settled in it are to be settled in conformity with the general principles on which it is based or, in the absence of such principles, in conformity with the law applicable by virtue of the rules of private international law.
Homeward Trend vs. Global Jurisconsultorium

- Text of the Convention
- Legislative History
- Commentaries
- Cases
- Arbitral Awards
UNCITRAL
www.uncitral.org

- State Status (with notes of declarations or reservations)
- Legislative History (Working Group Reports)
- CLOUT system (Case Law on UNCITRAL Texts)
- CISG Digest
- Bibliography
- Online Resources & Webcasts
Status


This page is updated whenever the UNCITRAL Secretariat is informed of changes in status of the Convention.

Authoritative information on the status of the treaties deposited with the Secretary-General of the United Nations, including historical status information, may be obtained by consulting the United Nations Treaty Collection (treaties.un.org).

The UNCITRAL Secretariat also prepares yearly a document containing the Status of Conventions and Enactments of UNCITRAL Model Laws, which is available on the web page of the corresponding UNCITRAL Commission Session.

See also:
Chronological table of actions / map

All dates: DD/MM/YYYY

<table>
<thead>
<tr>
<th>State</th>
<th>Notes</th>
<th>Signature</th>
<th>Ratification, Accession(†), Approval(‡), Acceptance(§) or Succession($)</th>
<th>Entry into force</th>
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<td>01/06/2010</td>
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<td>(a)</td>
<td>19/07/1983(*)</td>
<td>01/01/1988</td>
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<td>(a), (b)</td>
<td>02/12/2006(*)</td>
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<td></td>
<td>28/09/2013($)</td>
<td>03/10/2014</td>
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</table>
Relation to private international law and existing domestic law

The CISG applies only to international transactions and avoids the recourse to rules of private international law for those contracts falling under its scope of application. International contracts falling outside the scope of application of the CISG, as well as contracts subject to a valid choice of other law, would not be affected by the CISG. Purely domestic sale contracts are not affected by the CISG and remain regulated by domestic law.

Additional information

Becoming a party to the CISG has no financial implications for Contracting States. Moreover, its administration at the domestic level does not require a dedicated body and does not involve any reporting obligations.

The CISG is accompanied by an explanatory note.

The CLOUT (Case Law on UNCITRAL Texts) system contains numerous cases relating to the application of the CISG. A Digest of those cases is also available.

Related instruments


See also:

General Assembly resolution
Travaux préparatoires


Case Law on UNCITRAL Texts (CLOUT)

Further filter search by:
- Decision date
- Country
- CISG Article

In light of the large number of CISG-related cases collected in CLOUT, in 2001 the Commission requested a tool specifically designed to present selected information on the interpretation of the Convention in a clear, concise and objective manner. This request originated the UNCITRAL Digest of Case Law on the United Nations Convention on the International Sale of Goods, which has further supported the goal of uniform interpretation of CISG.

The Digest, published in 2004 for the first time, is meant to reflect the evolution of case law and, therefore, UNCITRAL is committed to periodic release of updates.

UNCITRAL Digest of Case Law on the Model Law on International Commercial Arbitration

In light of the large number of cases collected in CLOUT on the Model Law, the Commission requested a tool specifically designed to present selected information on the interpretation of the Model Law in a clear, concise and objective manner. This request originated the Digest of case law on the Model Law.

UNCITRAL 2012 Digest of Case Law on the Model Law on International Commercial Arbitration
Compare Digest to CISG Advisory Council Opinions (www.cisgac.com)

"The CISG-AC is a private initiative which aims at promoting a uniform interpretation of the CISG. It is a private initiative in the sense that its members do not represent countries or legal cultures, but they are scholars who look beyond the cooking pot for ideas and for a more profound understanding of issues relating to CISG."

Editorial Freedom:
- Identify good and the bad
- Offer recommendations and opinions on interpretation of convention
- Address legal issues beyond those settled by case law
BEYOND UNCITRAL

UNILEX
http://www.unilex.info/

TRANSLEX
http://www.trans-lex.org/

KLUWER ARBITRATION
http://www.kluwerarbitration.com/

COMMENTARIES
You may use the following menus:

**INSTRUMENT**
- **TEXT OF INSTRUMENT** provides the text of CISG.
- **CONTRACTING STATES** provides the list of the States parties to CISG, the dates of their ratifications and accessions and the texts of reservations, if any, made by States.

**CASES**
- **BY DATE** provides the list of all the decisions and arbitral awards in chronological order by year.
- **BY COUNTRY** provides the list of all the decisions by domestic courts in order of country.
- **BY ARBITRAL AWARD** provides the list of all the arbitral awards in chronological order.
- **BY ARTICLE & ISSUES** provides the list of all the decisions and arbitral awards relating to a particular article of CISG and linked to specific issues listed under each article by the Editor.

All decisions are published in the form of keywords and abstracts prepared by the Editor and in their original full text where available.

**BIBLIOGRAPHY**
- **BY AUTHOR** provides bibliographical reference ordered alphabetically by author.
- **BY ARTICLE** provides bibliographical references relating to a particular article of CISG.
- **BY AREA** provides bibliographical references relating to broader areas of CISG.

**SUBJECTS**
provides a list of subjects divided into sub-topics which link to the corresponding article of CISG thereby permitting access to the caselaw by subject.
Principle

No. 1.1.1 - Good faith and fair dealing in international trade

(a) Parties to international business transactions must act in accordance with good faith and fair dealing in international trade. This standard applies to the negotiation, formation, performance and interpretation of international contracts.

(b) The standards and requirements imposed on the parties by this Principle vary depending on the individual circumstances involved, such as the trade sector in which the parties are operating, their size and degree of professional sophistication, and the nature and duration of the contract.

(c) The parties may not exclude or limit the application of this Principle to their legal relationship.

Commentary

1 Subsection (a) clarifies that the scope of the principle of good faith is not limited to the interpretation of contracts but provides a behavioural standard for the parties from the beginning to the end of their (pre-)contractual relationship. This means that each party has the obligation to display a behaviour towards the other party which cannot harm the latter and which takes into account the reasonable expectations of the other side. The parties to a contract have to display a normal and usual diligence which is reasonable for the safeguard of their interests, particularly in trying not to make rushed offers, with a potential to surprise the other party.

2 The Principle of good faith is of such pivotal significance not only for transnational contract law but for legal relationships as a whole that the parties may not contractually exclude or limit its application. Subsection (c) makes it clear that the Principle of good faith is not subject to the Principle of freedom of contract. Such an agreement would itself be void because it is against boni mores.

3 Subsection (b) makes it clear that the application of the good faith principle is never a purely mechanical process, but always requires a determination of what is deemed to be a proper conduct of a party, taking into account all circumstances of the concrete case. This analysis must include the nature of the contract itself. Thus, the reference to the ‘duration of the contract’ in subsection (b) is meant to indicate that the time factor may play an important role as an ‘amplifier’ for the parties’ duties imposed on them by the good faith principle. Thus, in long-term, ‘relational’ contracts, the principle of good faith will almost always impose increased duties of good faith on both parties as compared to ‘one off’ exchange contracts. These increased duties may concern, e.g., the parties’ duty to notify the other side in case of problems in the performance of the contract and the parties’ duty to cooperate with the other party when such cooperation can reasonably be expected for the performance of that party’s obligations. The reference to the degree of the parties’ professional sophistication in subsection (b) must be seen and applied in conjunction with Trans-Lex Principle 1.2.3.

4 Also, the fundamental principle of good faith is the source of many other general but more specific principles and rules of transnational commercial law, such as the principle of sanctity of contracts (“pacta sunt servanda”) as the basis of transnational contract law, the prohibition of inconsistent behaviour, the duty to renegotiate, the duty to notify and cooperate with the other side, the right to set off, the common intentions of the parties as the goal of every contract interpretation, or the existence of implied contractual obligations. Good faith may also set limits to the exercise of the parties’ legal rights, e.g. with respect to the prohibition of abuse of rights or the parties’ right to withhold performance. Before resorting to the overriding general principle of good faith, one should always seek to apply these more specific and concrete principles and rules.
Challenges:

- Limited search functionality: have to sort through information to find relevant cases and commentaries -- you have to know what you are looking for
- Incomplete information: limited case reporting, no full texts, foreign language
- Print materials are costly

Enter the ... PACE CISG Database
Launched in 1996 by Professor Albert Kritzer

http://www.jicil.law.pace.edu/cisg/cisg

Comprehensive global online database on the CISG:

- Over 3,000 court decisions and arbitral awards with full case presentations
- Over 1,800 case translations
- Annotated text pages
- Enhanced Case Law Digest
- Over 10,000 bibliography entries
- Over 1,500 full texts
- Practice guides
On Monday, Canadian Buyer calls U.S. Seller to inquire about purchase of 100,000 barrels of oil.

Seller offers a price of $70 per barrel and tells Buyer to let him know by Friday whether he will accept. Buyer sends email to Seller confirming the conversation.

On Thursday morning price per barrel goes up to $100. Seller sends Buyer an email revoking the offer made on Monday.

Buyer, without seeing the email, called his colleague Thursday morning and told him to send an email to Seller to buy 100,000 barrels of oil. Buyer's colleague sent Seller an email Thursday afternoon accepting Seller's offer from Monday.

Seller claims there is no contract because they revoked the offer before it was accepted.

Price difference: $3,000,000

Was a contract formed when Buyer sent the email or was the offer revoked?
Checklist

Key issue: Whether Seller was entitled to revoke the offer?

- Look at CISG to determine relevant articles of law:
  - Article 1 (Applicability)
  - Article 8 & 9 (Interpretation: Conduct and Usages)
  - Part II: Formation of Contract, Article 14 (Offer), 18 (Acceptance), 16 Revocation

- Go to UNCITRAL site to determine States' status (and also look if any other Convention's may be relevant)

- Look at Annotated Text page for Article 16 (including legislative history)

- Read commentaries on Article 16

- Read UNCITRAL Case Law Digest

- Check Advisory Council Opinions

Annotated text pages, commentaries, Opinions and Digest will identify relevant case law and commentaries --> go to cases.
CASES on PACE CISG DATABASE


- Organized by country or year (Case Yearbooks), Google search

- Presentations include basic case information, UNCITRAL (and other) abstracts, links to full text, case translations, editorial comments, citations to commentaries referencing case

Make sure to double-check UNCITRAL, Translex, UNILEX, and autonomous network of CISG databases for new listings that may not have been captured on Pace CISG database.
CISG Database 2.0:

Five Key New Features:

Information migrated into a content management system &
Improved search functionality &
User's can add content &
More full texts &
Better tracking of updates
Search Cases in the CISG Database

Tools to find relevant case law

Limit jurisdictions retrieved

Database

The United Nations Convention on Contracts for the International Sale of Goods (CISG) is the law governing cross-border sale of goods transactions among the majority of the world’s trading nations. The Pace-IICL developed and maintains the CISG Database to promote cross-border trade and the rule of law. Access to this comprehensive legal collection is universal and free of charge.
Seller(s)’ country: Germany
Seller is the: Plaintiff
Buyer(s)’ country: France
Buyer is the: Defendant
Goods involved: Forklifts

Classification of Issues Present

Application of CISG: Yes
   Article 1(1)(a)
Key provisions of CISG mentioned: Article 30
   Article 31(a)
   Article 31(b)

Add new comment

Commenting Guidelines

If you are familiar with any updates to this case, or are aware of extensive editorial comments or references to this case in commentaries, journals, etc., please provide this information by way of a comment below. If you would like to submit a case please use the “Submit a Case” button on the top of the case presentation. Thank you!

Your name vrogers

Subject

Comment *

[Text Formatting]
Case Updates

Updated Cases  New Cases  Bibliography Updates  New Bibliography Entries  Other Updates  New Other

The CISG Database provides for quick access to up-to-date information related to the United Nations Convention on Contracts for the International Sale of Goods (CISG). The database contains updates on newly added cases, bibliography entries, legal resources, and other content.

Updated: July 2016

Argentina December 19, 2012 Cámara Nacional De Apelaciones En Lo Comercial [Appellate Court] (Asi (Chile) S.A. v. Montecoman S.A. s. ordinario)

Argentina April 1, 2014 Cámara Nacional De Apelaciones En Lo Comercial [Appellate Court] (Murex Argentina S.A. v. Abbott Laboratories and others)

Updated: June 2016

Spain November 9, 2015 Audiencias Provinciales [Court of Appeal]
CISG and the Next Generation

CISG Database:
- Improve search functionality and retrieval to identify relevant information more quickly.
- More full texts
- More translations
- Increase partners in autonomous network (better case identification)

UNCITRAL Joint Proposal with UNIDROIT and the Hague Conference for possible explanatory text

Updated Guide for Managers and Counsel

Multi-media presentation of resources: online lecture series

ODR for CISG/cross-border sales