The (to be) new UNCITRAL Model Law on Electronic Transferable Records

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Scope and purpose of the MLETR

• Purpose of the Model Law: media equalization at the national level in a harmonized way

• Scope: transferable documents – electronic transferable records

• Formal focus - Basis of the regulation: achieve non-discrimination and recognition of legal effects for electronic records/documents on the basis of certain principles:
  • functional equivalence
  • technology neutrality
  • non-alteration of preexisting material law
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• Logical structure of the law and its starting point:
  • the parties must agree on the technology used
  • Legal effects are conditioned to the reliability of such technology
Basic elements of the MLETR

• Definition of “electronic transferable record” – electronic replica of the paper document

• Conditions for the valid issuance – information and singularity of the record (Art. 10)

• Conditions for the valid transfer:
  • Control as the equivalent of possession (Art. 11)
  • Order documents: endorsement (Art. 16)

• Proof of title/holdership: information and control of the ETR
Negotiation – Transfer of the NegRec
Negotiable Document

Information System A

Negotiation – Transfer of the NegRec

Information System B

Negotiable Document

Holder 1

Holder 2
User A (payer) -> Holder 1 -> Node Wallet A (Debit / Credit Unique identifier (4FRDE342ER)) -> Node -> Node Wallet B (Matching) -> Holder 2 -> User B (payee)

Electronic signature (PKI, blockchain)
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• Other issues: documents issued in multiple originals (Art. 15), change of medium (Art. 18 and 19), cross-border use (Art. 20)
Feasible impact of the MLETR on FIATA practices or projects (discussion)

- Cargo receipt post-FBL (not affected)
- Straight FBL (not addressed or affected)
- Negotiable FBL (reach of the MLETR dependent on paper-based law)
- Through FBL (not addressed or affected)
- FIATA FCR (not addressed)
- FIATA FBL verification registry (not affected)
FIATA Headquarters Session 2017
March 30th - April 2nd 2017 in Zurich, Switzerland