16th GOVERNMENT LAW COLLEGE

INTERNATIONAL LAW SUMMIT 2026

INTERNATIONAL TREATY APPRECIATION COMPETITION (TAC), 2026

COMPETITION MODULE

IN THE

UNITED NATIONS COMMISSION ON INTERNATIONAL TRADE LAW (UNCITRAL)

ON THE

UNITED NATIONS CONVENTION ON CONTRACTS FOR THE INTERNATIONAL SALE OF GOODS (CISG), 1980

OVERVIEW

The United Nations Convention on Contracts for the International Sale of Goods ("**CISG**" or "**Convention**") is a multilateral treaty that was signed in 1980, and entered into force in 1988. With 97 parties to the treaty, it is widely regarded as one of the "greatest achievements of UNCITRAL" and the "most successful international document." The CISG provides a uniform framework for international sales contracts. It was designed to reduce barriers to cross-border trade by offering the parties a predictable and neutral legal regime.

The origin of the CISG is in two earlier international sales treaties which were developed by the International Institute for the Unification of Private Law. With lack of considerable global support, it was only in 1968 when the United Nations Commission on International Trade Law ("**UNCITRAL**") took upon itself to develop the CISG in 1968.

The CISG was designed to promote legal clarity, reduce transaction costs, and foster the growth of international commerce. Its provisions cover contract formation, obligations of buyers and sellers, remedies for breach, and damages. However, the Convention deliberately avoided controversial areas such as validity, property in goods, and limitation of actions, leaving such matters to domestic laws or complementary treaties.

Forty-five years on, the CISG has proven to be durable and has been tested against time. However, it has also attracted serious criticisms. Scholars and practitioners point to its incompleteness, outdated treatment of writing and communications, fragmentation due to reliance on separate conventions for limitation periods and electronic commerce, divergent national interpretations undermining uniformity, and the rigidity of its amendment process, which has left it unchanged since 1980.

These challenges raise pressing questions: Is the CISG still equipped to govern international trade in the 21st Century? Should it be amended, supplemented, or reinterpreted to address new realities like digital commerce, smart contracts, and evolving commercial practices?

With support from several CISG Contracting States, UNCITRAL has scheduled a session to consider the Convention's future direction. The purpose of this extraordinary session is threefold:

1. Review the criticisms surrounding the CISG;
2. Deliberate on possible reforms including amendments, or interpretative mechanisms; and
3. Decide whether to recommend a process for modernisation or reaffirm the Convention in its current form.

Delegations consist of state representatives respective trade law experts. The Government Law College International Treaty Appreciation Competition (TAC), 2026 simulates this session, giving participants the role of delegates tasked with debating, critiquing, and proposing practical reforms. For the purposes of this simulation, the following Contracting States to the CISG shall be represented at the UNCITRAL Extraordinary Session – **Federal Republic of Germany; United States of America; People's Republic of China; Federative Republic of Brazil; French Republic; Republic of Singapore; United Mexican States; Japan; Canada; Commonwealth of Australia; Republic of Kore; Kingdom of the Netherlands.**

ISSUE 1

Digital Trade & Electronic Communications: CISG's Obsolescence

The CISG was signed in 1980 and came into effect only in 1988. The Convention was envisaged in an era where global commerce took place without the internet. The advent of the internet brought with itself emails, electronic signatures, smart contracts, etc., which have now become a common part of our daily lives.

Although the drafting and the language of the CISG has been appreciated for enduring the test of time, it ought to be made more precise in the context of digital trade and electronic communications. Article 13 defines "writing" as including telegram and telex. At the time of drafting, this was progressive. Today, contracts are often concluded through emails, electronic signatures, blockchain smart contracts, and even AI-powered negotiation systems. The CISG makes no mention of these technologies, leaving domestic courts to stretch interpretation.

The UNCITRAL has attempted to fill this gap through the Electronic Communications Convention (2005) ("**ECC**"), but uptake has been limited and it is not formally integrated into the CISG. This creates uncertainty for practitioners and arbitrators in disputes involving e-commerce. This creates an open-ended question – should CISG evolve through a formal amendment, or can judges and arbitral tribunals reinterpret it broadly to cover new technologies. Scholars argue that the CISG's adaptability has reached its limits and without explicit updates, the treaty risks irrelevance in the digital age.

In light of the above, the following questions arise:

1. Should Article 13 be redefined to encompass "digital records and communications" broadly, or should technology-neutral drafting be preferred to avoid obsolescence in the future?

2. Would incorporating the 2005 ECC into the CISG strengthen uniformity, or create dual compliance burdens for States that have not ratified the ECC?

3. Can blockchain-based or algorithmically executed “smart contracts” be recognised as valid “offers and acceptances” under the current CISG framework, or do they require explicit regulation?

4. Should UNCITRAL pursue an optional “Digital Protocol” to the CISG (as with the 2019 Singapore Convention model) instead of amending the main text?

ISSUE 2

Incompleteness under Article 4; validity of contract, fraud, mistake, duress, and capacity of parties

One of the most significant criticisms of the CISG is found in Article 4, which limits the scope of the Convention. It provides that the CISG:

"*…is not concerned with:*

(a) the validity of the contract or of any of its provisions or of any usage;

(b) *the effect which the contract may have on the property in the goods sold.*"

This provision has been drafted as a political compromise to encourage ratifications, thus leaving the CISG structurally incomplete in several crucial aspects. Firstly, the validity of the contract is excluded. The CISG does not address whether a contract is valid or void. Issue such as fraudulent inducement, mistake, duress, or illegality must be resolved under domestic law. For example, a party alleging that it was misled about the quality of goods cannot rely on the CISG itself, but must invoke domestic law and doctrines developed in their respective jurisdiction. This undermines CISG's very goal of uniformity, because a fraud claim may succeed under German law but fail under US law.

Secondly, the CISG is also silent on the capacity of parties. CISG assumes parties are legally capable of contracting but does not regulate capacity (e.g., contracts with minors, companies acting ultra vires). Again, domestic law fills the gap, creating uneven outcomes.

Thirdly, Article 4 leaves property rights untouched. CISG does not determine when ownership of goods passes from seller to buyer. Different national systems (title-passing on contract, shipment, or delivery) continue to apply, which can create significant disputes in insolvency or secured financing cases.

Fourthly, because Article 4 pushes these matters into the realm of private international law, parties frequently litigate validity in a forum that often favours their position. This also increases transaction costs, and obviously reduces predictability.

Lastly, but not the least, Article 4 erodes uniformity of the Convention. While Article 4 aimed to respect sovereignty, it has effectively created a "half-convention." CISG governs the performance and remedies. However, it fails to govern the fundamental question of whether a contract exists or is valid. As a result, its utility as a uniform international sales law is undermined and the potential is not fully utilised.

This raises the following questions:

1. Should the CISG be amended to include minimum uniform rules on fraud, mistake, or misrepresentation to reduce divergent domestic outcomes?

2. Is it desirable for the CISG to define basic standards for contractual capacity (e.g., minors, *ultra vires* corporate acts), or would this intrude excessively into domestic law?

3. Should UNCITRAL consider a separate supplementary instrument harmonising the transfer-of-property rules (as in insolvency and financing cases)?

4. Does retaining Article 4's current exclusion clause better preserve state sovereignty, or does it undermine the CISG's central goal of a uniform law for international sales?

GUIDELINES

1. Each participating team is required to draft a comprehensive Written Critique addressing the issues presented in this Module.

2. The Critique should focus on interpreting and analysing the information provided under each issue, along with the relevant articles of the Convention. The articles of the Convention reproduced in the Appendix, are merely to supplement a comprehensive reading of this Module. The participants need not suggest amendments only to the said articles.

3. Participant teams must take a clear position on whether provisions should be amended, supplemented, or reaffirmed, providing justifications grounded in law and practice.

4. During deliberations, each participant team must argue their assigned country's position on the contentious clauses, propose amendments, and present potential compromises. Delegates should provide logical and policy-based justifications, taking into account their country's trade and development policies.

5. Participants are expected to interpret the provided data critically, making use of relevant articles and contextual information with the CISG to construct their arguments and recommendations. Mere restatement of facts will not be sufficient; analytical depth, interpretation, and a well-reasoned approach are useful.

6. In both the written and oral components, participants are encouraged to propose feasible amendments and solutions that take into account the global relevance of the CISG and the need for practical implementation.