INTERNATIONAL SALE OF GOODS

Note by the Secretary-General

1. The Secretariat has received a letter dated 5 April 1976 from the International Institute for the Unification of Private Law (UNIDROIT) requesting that an accompanying note by the secretariat of UNIDROIT relating to the formation and validity of contracts, under agenda item 4 (see sect. (b) of item 4 in the annotations to the provisional agenda, A/CN.9/120) be circulated at the ninth session of the United Nations Commission on International Trade Law.

2. The text of the note of the secretariat of UNIDROIT appears as an annex to this note.
NOTE BY THE SECRETARIAT OF UNIDROIT REGARDING ITEM 4 ON THE PROVISIONAL AGENDA OF THE NINTH SESSION OF UNCITRAL

In view of the unanimous opinion expressed by the Working Group on International Sale at its seventh session that "... at its next session, it should begin work on uniform rules governing the formation of contracts and should make an attempt to formulate such rules on a broader basis than the international sale of goods", the secretariat of UNIDROIT would like to bring the following points to the attention of the Commission.

1. In the execution of its work programme UNIDROIT has now for a number of years been engaged in preparing a progressive codification of international trade law. A small steering committee was set up by the President of UNIDROIT to orientate future work in this field.

2. In 1974 this Committee decided to limit for the present the proposed codification to the general part of the law of contract and, before dealing with such other subjects as interpretation, performance and non-performance etc., to begin work on the formation of contracts.

3. The Committee chose as its starting point the draft prepared by Professor Popescu, member of the Governing Council of UNIDROIT, on the basis of the 1964 Uniform Law on the Formation of Contracts for the International Sale of Goods. The secretariat of UNIDROIT was given the task of preparing a questionnaire designed to elicit the comments of experts in this field on the individual provisions of this draft. This draft and questionnaire were sent out and a substantial body of replies has to date already been received from all over the world, permitting an analysis of the acceptability of the broad outlines of the draft.

4. In the light of the foregoing, UNIDROIT is naturally very interested to note that UNCITRAL is now also contemplating whether or not to deal with the formation and possibly also the conditions affecting the validity of contracts from a general viewpoint as opposed to just the narrower field of sale. Should the Commission decide in favour of this general approach, UNIDROIT takes this opportunity of stressing what it feels to be the value and indeed the importance of ensuring co-operation between UNCITRAL and itself on their respective work in this field.

5. In particular, the secretariat seeks the opinion of the Commission as to whether or not it should submit its analysis of the replies to its questionnaire together with the revised version of its aforementioned draft on the formation of contracts in general to the next session of the Working Group on Sale, due to meet in New York in January 1977.

6. UNIDROIT would further draw the attention of the Commission to the preliminary draft on the conditions of validity affecting international sale contracts, drawn up by a Working Group set up by the President of UNIDROIT and forwarded to UNCITRAL in 1973. This preliminary draft, irrespective of its exclusively sale-linked scope, could equally well serve as the starting point for any future attempt to unify the rules concerning the conditions as to the validity of contracts in general.

Rome, March 1976