

**Standard Chartered Bank, Singapore Branch and  
Standard Chartered Bank (Singapore) Limited  
(Banking Industry)**

**Review of Electronic Transactions Act (Cap. 88) – Review of draft UNCITRAL  
Model Law on Electronic Transferable Records**

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To:  
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<b>Questions</b>	<b>Comments</b>
<b>Question 1:</b> Should Singapore adopt the provisions of the Model Law into its domestic legislation?	Yes, we are supportive of the adoption of the Model Law provisions. As a regional trade hub, the adoption of the Model Law will ensure that Singapore remains at the forefront of electronic transactions. The Model Law will provide a good framework and platform for various stakeholders (such as banks and trading houses) to engage service providers to utilise ETRs.
<b>Question 2:</b> If the answer to Question 1 is “Yes”, should Singapore wait for other jurisdictions to adopt the provisions of the Model Law first? Are there any downsides to Singapore being an early adopter of the Model Law?	As an early adopter, Singapore will have first mover advantage.  The downside to this would be the possibility that few countries adopt the Model Law provisions or low uptake by the industry. Businesses and banks would also invest heavily in a system to support the ETR framework may be affected by the low take up rate.
<b>Question 3:</b> If the provisions of the draft Model Law are to be adopted by Singapore — (a) do you agree that it is not necessary to permit parties to derogate or vary by agreement any provisions of the draft Model Law? (b) if your answer to (a) was no, which provisions should Singapore permit parties to	Yes, the draft Model Law provides a framework for the implementation of technology and for the utilisation of ETRs. The general functional equivalence rules should suffice to align ETRs with transferable documents or instruments.

derogate or vary from by agreement, and why?	
<p><b>Question 4:</b> If the provisions of the draft Model Law are adopted by Singapore, should a system of accreditation by an accreditation body, of the methods employed by an ETR management system, be introduced for providers of an ETR system?</p>	<p>Yes, an internationally agreed methodology and matrix for accreditation should be introduced as this would allow a consistent interpretation and application of the “General reliability standards” (Article 12 of the draft Model Law). This in turn will provide the industry with more confidence in ETRs in general.</p>
<p><b>Question 5:</b> If the provisions of the Model Law are to be adopted by Singapore, is there a necessity for draft article 13 to be expanded by enacting provisions on the time and place of the dispatch and receipt of electronic transferable records?</p>	<p>No.</p>
<p><b>Question 6:</b> Do you have any comments on any other draft article of the draft Model Law? If so, please identify the specific draft article in your comment and if relevant, the specific paragraphs of the Explanatory Notes in A/CN.9/920 that your comment relates to.</p>	<p>Article 7(2) states that “Nothing in this Law requires a person to use an electronic transferable record without that person’s consent.” Paragraphs 44 to 48 of the Explanatory Notes in A/CN.9/920 clarifies that consent need not be explicit.</p> <p>More clarity is needed on the time at which such consent (or refusal to give consent) would be required and what would be the legal consequences of failure to give such consent. For example, if the issuing bank of a letter of credit rejects the presentation of documents which are presented in ETR format and refuses to pay out on the letter of credit, is this generally acceptable or would the issuing bank need to have first specified in the letter of credit that presentation of documents can only be by way of hard copy originals?</p>