The UK Electronic Trade Documents Act 2023 enters into force

The Electronic Trade Documents Act comes into force today in the United Kingdom, giving legal recognition in English law to electronic trade documents, including electronic bills of lading.

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The Electronic Trade Documents Act was preceded, in 2022, by the UK Law Commission's Report on Electronic trade documents, which was the culmination of an extensive consultation process with stakeholders, including the International Group of P&I Clubs. The Act reflects the recommendations of the Law Commission that the law should be reformed so that certain electronic trade documents, including electronic bills of lading, can be recognised as having the same legal recognition and functionality as their paper counterparts.

The International Group welcomes this significant legislative development, which comes shortly after the adoption by Singapore of similar legislation, in the form of the Singapore Electronic Transactions (Amendment) Act 2021. Both sets of legislation meet the requirements of the Model Law on Electronic Transferable Records (MLETR), a uniform model law adopted by the UN Commission on International Trade law (UNCITRAL) in 2018.

Club Rules provide that liabilities arising in respect of the carriage of cargo under paperless trading systems are covered, provided that the system has first been approved by the International Group. Since 20 February 2010, the International Group has approved ten electronic systems and is reviewing its approach to electronic bills of lading in light of the Act. At the same time, the International Group of P&I Clubs continues the dialogue with industry stakeholders to assist in managing the transition from a private contractual environment to one recognised under national laws, which will serve for the benefit of the wider international shipping and trade community.

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