

Should we accede to the UN Convention on the Limitation Period in the International Sale of Goods?

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2009 became one of the most historical years for Japanese international business persons and scholars as Japan became the 72nd member state of CISG. As the most of the Japanese trade partners are the member states to CISG, a company having its office in Japan can now enjoy the merits of the uniform laws, i.e. it can foresee whether or not the remedies of CISG are available to its international sale of goods. But when it sues the debtor at a foreign court, its claim may be rejected as a result of application of unexpected domestic short limitation period. Limitation period or prescription is outside the scope of CISG and the remedies in CISG which should otherwise be available may be useless in such circumstances. There are wide variety of limitation periods and rules in the world and it is unpredictable at what point the party's claims are no longer permissible due to time-limit. Therefore a uniform law in this area is desperately needed. Now attention should be drawn to the UN Convention on the Limitation Period in the International Sale of Goods ("Limitation Convention"). It has achieved the unification of periods (to 4 years) and its relating rules in the area of international sale of goods. In such circumstances, it is important that this Convention should be examined in details to determine whether or not they can still be an appropriate set of rules on limitation period for the international sale of goods.

Having reviewed the travaux préparatoires of UNCITRAL for the Limitation Convention, I believe the problems pointed out at the Working Group of UNCITRAL remain applicable nowadays, and having due regards to the recent discussion of the reform of the extinctive prescription in Japan, the 4 year-period and the simple and clear uniform rules proposed by them are appropriate from the point of the current

practice of the international trade and provide the international business persons and lawyers with a sense of great legal certainty. Furthermore, the international sales contract to which the Limitation Convention applies is the same as the one to which CISG applies and both conventions are expected to work together and move towards the uniformity over international sale of goods.

In conclusion, it should be beneficial for Japan to accede to the Limitation Convention and the Japanese government is therefore strongly requested to take positive role to call China and Korea, both Contracting States of CISG in east Asia, and other CISG Contracting States to work together for such accession.