







### Art. 7 - two key provisions

Art. 7.1 - the principles required to interpret the CISG

Art. 7.2 - the process for interpreting the CISG

The principles apply in the process of interpreting the CISG.



#### Article 7.1:

(1) In the interpretation of this Convention, regard is to be had to:

its international character and to the need to promote uniformity in its application and

the observance of good faith in international trade.

## The need for uniform application

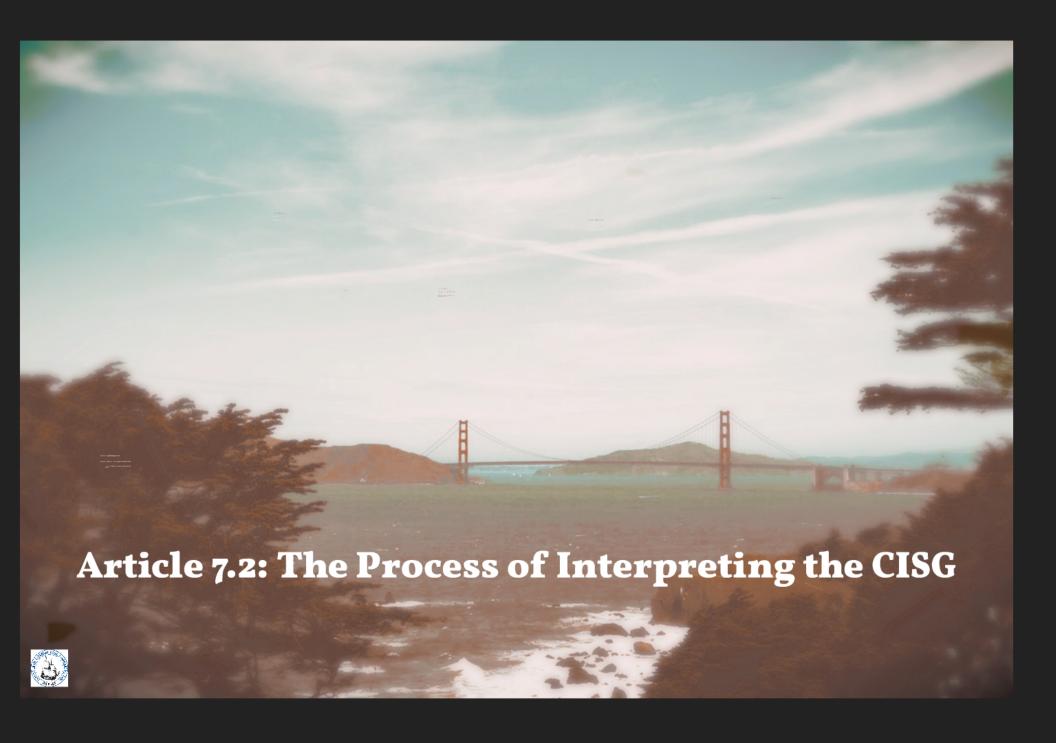
I. Setting aside personal biases and preconceptions based on the national law

II. Substantial and accessible body of global case law and commentaries

## The observation of good faith in international trade

In searching the uniform application, each interpretation should be consistent with the good faith principle.

At very least, this means that, when interpreting a provision of the CISG, one ought to choose the interpretation that is consistent with the good faith.



Art. 7.2 =Step by step process

Applicable only if an issue is governed by the CISG

- e.g., Art. 4 stipulates issues that are outside of the scope of CISG

# Step 1. Look at the text of the provision

If the provision expressly settles the matter, then apply the provision.

If the provision governs the issue, but does not expressly settles it, then move to step 2.

## Step 2. Identify the general principles within the CISG

Applying the *general principles of the CISG* in order to achieve uniformity in application

e.g., principle of *uniform application* and *good faith* (Art. 7.1) or principles of *reasonableness* and *estoppel* 

Understanding the CISG as a whole, in order to understand the context of a particular provision and an issue in question

# Step 3. Resorting to the domestic law

Only and only if steps I and 2 do not yield any results

Applying the domestic law that would otherwise apply absent CISG under the rules of PIL

*Note*: the domestic law is applied directly, as such. It is not applied as a tool to interpret the CISG.

*Step 1.* - Applying the CISG provision.

Step 2. - Applying the general principles of CISG to interpret and apply a CISG provision that governs, but does not settle a particular issue.

Step 3. - Only and only if steps 1 and 2 do not give any result, apply the domestic law.

