




... like buying a cup of coffee







Almost everyone makes contracts every day. Sometimes written contracts are required, e.g., when buying a house. However the vast majority of contracts can be and are made orally, like buying a law text book, or a coffee at a shop. –Wikipedia-

What to know (and why) ...

-  To look at the reason for making contracts, for better understanding of their function in a business environment
-  To consider how eBusiness contracts are different from other contracts, becoming better equipped for managing one
-  To know the organisations currently developing eBusiness contract framework and their work. Gives insight into the cross-border dimension of eBusiness contracts

Outline

-  Why eBusiness contracts?
-  Main differences between normal and eBusiness contracts
-  ebXML and eBusiness contracts of the future
-  eBusiness contracts development and support network

Why eBusiness contracts?

For ICT enabled business processes to run efficiently there must be thorough preparation and integration of systems and business procedures

Business agreements required company personnel to understand the commitment made and to know how to implement the agreement

In eBusiness most of the transfer of information and many of the processes are dependent on ICT systems, data management, application functionality and systems interaction

Main differences between normal and eBusiness contracts

Identification

Trust and confidence in eBusiness depends to a large extent on the user's ability to recognise and be convinced of the identity of business partners, individuals, enterprises, institutions, services or applications, as well as physical structures and products in a virtual business environment. Authentication and certification deal with confirming the identity, authority and responsibility of an entity seeking or providing service, products or information.

Main differences between normal and eBusiness contracts... cont.

Business communication

More and more business processes are becoming ICT enabled, they do follow to a large extent the same choreography as before. The change lies mostly in the communication, the channelling and processing of information

Business transactions

With the Internet, connecting business partners in trading networks has become quite feasible, even for smaller enterprises, especially after the emergence of the XML messaging standard

Main differences between normal and eBusiness contracts ... cont.

Data management, stressing information security

A healthy business relationship between business partners requires a set of rules in the management of electronic business data, its creation, ownership, supervision and storage

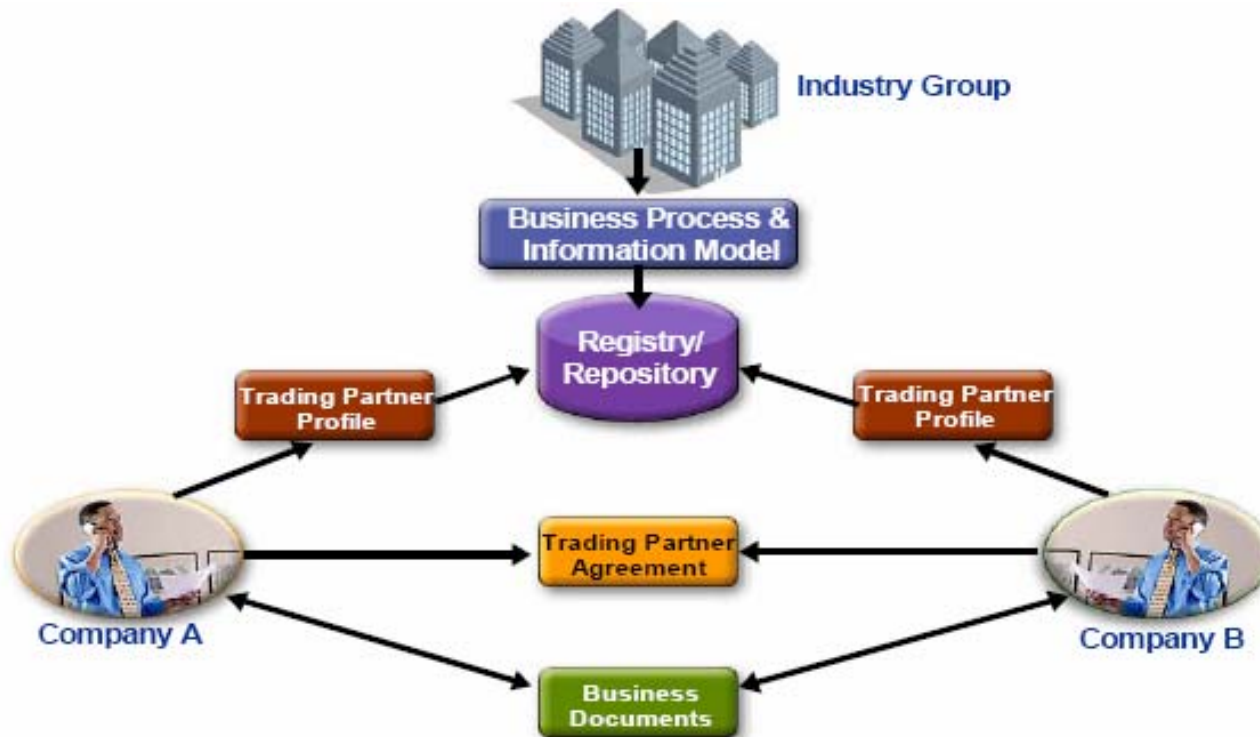
Dispute resolution

In eBusiness, arbitration is in many cases preferred, especially when the business is done cross border between countries with different legal structure and practices and when there is limited interaction between the business partners. Online Arbitration is a growing trend, where the business partners use the service of an Internet service provider to resolve their differences

TASK

1. Is it necessary for your company to develop eBusiness contracts? Why (or why not)? Give 2 - 3 reasons.

ebXML and eBusiness contracts of the future



High Level Overview of ebXML Specification Set Functionality

eBusiness contracts development and support network

 *Enterprise and Industry*

<http://ec.europa.eu/enterprise/ict/policy/legal/index.htm>



UN/CEFACT

SIMPLE, TRANSPARENT AND EFFECTIVE PROCESSES
FOR GLOBAL BUSINESS

<http://www.unece.org/cefact/about.htm>

OASIS 

<http://www.oasis-open.org/who>

TASK

1. The general manager of your company comes to you and asks:
“We need to make this contract with a company where all the transactions will be made electronically. Can you provide me with a list of issues that we need to include in the contract to cover the e-part...?”

Prepare such a list (suitable for your company).