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**DIRECTORATE FOR SCIENCE, TECHNOLOGY AND INDUSTRY
COMMITTEE FOR INFORMATION, COMPUTER AND COMMUNICATIONS POLICY**

Group of Experts on Information Security and Privacy

**DRAFT DECLARATION ON AUTHENTICATION FOR ELECTRONIC
COMMERCE**

**To be made by OECD Ministers at the Conference on "A Borderless World:
Realising the Potential of Global Electronic Commerce", 8-9 October 1998,
Ottawa, Canada**

This document presents proposed text to comprise an OECD Declaration which could be adopted by Ministers at the OECD Ministerial Conference "A Borderless World: Realising the Potential of Global Electronic Commerce" (Ottawa, October 1998). The goal of the proposed Declaration is to promote authentication for global electronic commerce. The Group of Experts discussed this draft Declaration at its meeting on 18-19 May 1998. A number of delegations expressed strong support for this issue to be addressed in a Declaration at the Ottawa Ministerial meeting, and the Group agreed to undertake a written procedure to finalise the Declaration over the summer months. Delegations were invited to provide written comments by 12 June 1998. This version of the draft has been revised according to the input received from Member countries (revisions are marked in the text). Delegations are invited to consider this revised draft and provide any further written comments on it no later than 6 July 1998. Following this second round of revisions, a text will be finalised for further consideration by the ICCP Committee (16-17 September 1998) with a view to it being provided for Ministers at the Ottawa Ministerial meeting in October 1998.

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[Draft]DECLARATIONONAUTHENTICATIONFORELECTRONICCOMMERCE

**MADEBYOECDMINISTERS
ATTHECONFERENCEON“ABORDERLESSWORLD:
REALISINGTHEPOTENTIALOFGLOBALELECTRONICCOMMERCE”
8-9OCTOBER1998,OTTAWA,CANADA**

CONSIDERING:

- [1] the significant social and economic benefits offered by information and communication technologies and electronic commerce;
- [2] the ~~important essential~~ role of industry [,inco-operation with national governments and recognised standards bodies,] in developing information and communication technologies and electronic commerce, and in establishing the technical standards and business practices that form an important part of the framework for electronic commerce;
- [3] [the government role in fostering a trustworthy electronic environment and facilitating the development of electronic commerce;]
- [alternative 3] [the role of government in defining a legal framework to foster user and consumer confidence in order to facilitate the development of electronic commerce while guaranteeing the quality of authentication services;]
- [4] the importance of interoperability for electronic authentication mechanisms in the context of global information and communication technologies and electronic commerce;
- [5] the rapid development of approaches and technologies for authentication in global electronic commerce, such as electronic signature technologies :and
- [5a] the potential harm to the development of global electronic commerce which could result from incompatible national solutions for authentication.

RECOGNISING:

- [6] that a framework for electronic authentication is central to the development of electronic commerce;
- [7] [that businesses and consumers will select appropriate mechanisms which meet their needs for authentication in conducting electronic commerce, including particular electronic signature technologies, contractual agreements and other means of validating electronic transactions;]
- [alternative 7] [that governments should play a role to guarantee legal solutions best adapted to the requirements of authentication for electronic commerce;]
- [8] that governments should play a role in promoting electronic commerce as a user of information and communication technologies, products and services, including electronic signatures and other authentication mechanisms;

- [9] that [\[requirements relating to hand-written signatures\]](#) [paper-based requirements] or technology-specific rules for recording, storing or transmitting information can impede the development of electronic commerce and the use of electronic signatures and other authentication mechanisms;
- [9a] [\[that appropriate standards and guidelines may assist in developing trust and confidence in the use of authentication and certification mechanisms;\]](#)
- [9b] [\[that the development of confidentiality mechanisms, which are not covered by this Declaration, raises different concerns for governments, including concerns about law enforcement and national security;\]](#)

AND FURTHER RECOGNISING:

- [10] the national and international efforts by governments and industry to facilitate electronic commerce, notably:
 - [11] the Recommendation of the OECD Council concerning Guidelines for Cryptography Policy (1997);
 - [11a] [the European Commission Communication on Ensuring security and trust in electronic communication - towards a European framework for digital signatures and encryption \(COM\(97\)503\) of 8 October 1997 and the European Commission Proposal for a European Parliament and Council Directive on a common framework for electronic signatures \(COM\(1998\)297/2\) of 13 May 1998;](#)
 - [12] the [\[general principles\]](#) [enabling provisions] of the United Nations Commission on International Trade Law (UNCITRAL) Model Law on Electronic Commerce (1996), [and the current activities of the UNCITRAL Working Group on Electronic Commerce in preparing uniform rules on the legal issues of digital signatures and certification authorities;](#)
 - [13] the work of the International Engineering Task Force (IETF), the International Standards Organisation (ISO), [the American National Standards Institute \(ANSI\)](#), the World Wide Web Consortium (W3C) and other [national and international](#) consensus bodies, as well as other industry efforts directed toward developing technical standards; and

MINISTERS DECLARE THEIR DETERMINATION TO:

- [14a] [take a non-discriminatory approach to electronic signatures and other authentication mechanisms from other countries;](#)

- [15] ~~support~~ encourage the evolution of technical standards, business practices and other industry and government efforts to develop authentication technologies and mechanisms for electronic commerce ~~by encouraging the evolution of technical standards and business practices,~~ and facilitate the use of those technologies and mechanisms by businesses and consumers by creating a [predictable legal environment for their operation] [legal environment adapted to their use] ;
- [16] [[amend] [propose amendments to] current legislation, ~~if necessary,~~ [in those areas where the use of electronic signatures instead of hand-written signatures is possible and appropriate], [where appropriate, to promote the acceptability and legal treatment of electronic documents, and] to [remove paper-based requirements] [reduce requirements relating to hand-written signatures and other similar requirements] which may impede the use of information and communication technologies and electronic signatures, and to make such legislation media-neutral, technology-neutral based on the principle of functional equivalence , and ~~consistent with~~ giving favourable consideration to the [general principles] [enabling provisions] of the 1996 UNCITRAL Model Law on Electronic Commerce;]
- [alternative 16] [adapt national laws based on the framework provisions of the 1996 UNCITRAL Model Law on Electronic Commerce regarding the legal validity of electronic data messages, in order to facilitate the use of information and communications technologies and electronic signatures, and to make these laws neutral in terms of format requirements and technology;]
- [16a] encourage legislation on electronic signatures that ensures users will have access to secure solutions that are easy to use ;
- [17] accelerate the application of electronic signature technologies and other approaches to authentication to enhance the delivery of government services and programmes to the public;
- [18] continue work at the international level toward [the development and harmonisation of guidelines, standards, practices, policies or laws] [interoperable standards and practices] concerning electronic signatures and other authentication mechanisms [, including measures to provide for cross-border recognition of certificates, in order] to facilitate global electronic commerce.

FURTHERMORE, MINISTERS DECLARE THAT:

- [19] [they will engage in a dialogue with interested parties (industry, ~~and~~ consumers, etc.) [within the framework of the OECD] [at the international level] to facilitate the necessary work to achieve the objectives outlined above. to conduct an examination of the issues related to authentication for global electronic commerce.]
- [alternative 19] [they will pursue the dialogue which has been initiated with industry and consumers in the framework of the OECD in order to examine the fundamental issues in connection with authentication and the validity of transactions in the context of global electronic commerce.]