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The Digital Signature and Electronic Commerce

by Arelí Mojica

Perhaps for many this concept is not unfamiliar at all, but how much is known about electronic commerce and its advantages? The trends for purchase/sale, commercial and banking transactions within the international scope go furthermore in their advanced level through electronic commerce.

What is electronic commerce? It is the environment in which economic transactions, purchases and sales are made, among others, in an agile, quick, and direct manner between the parties involved which are favored by the comfort and conveniences offered today by computers and the electronic communication systems.

This concept has its beginnings in the United States in the 60's with the participation of the car industries and factories, the railroad sector and business area that engaged in retail operations. By the following decade, the electronic transfers of funds between financial institutions were made through an ample communication and technology network by means of computers which were interconnected.


It is in this way that an unending amount of uses and tools continue developing themselves through time to perform commercial transactions and operations such as wire transfers of funds, credit card operations at a national and world level, etc. But, what advantages does this bring to our lives? We can say that the swiftness in which these are made is quite acceptable. The progressive substitution of hard currency, checks and other payment instruments is another advantage it offers. The security and confidentiality in which they are made makes the client use this type of services more, distances and time are shortened which represent a money factor at a time of economic analysis, at a given moment, of commercial documents such as invoices, purchase orders, quotes, notice receipts, is another point in favor, the companies may offer its products and services, the treatment to clients and providers is more direct and allows being innovative and competitive, but the greatest advantage is to know that each day that passes, we can count with the fact that the electronic commerce shall continue perfecting itself and will incorporate the current and future generations within the technology and telecommunications in a worldwide economic frame.

It seems to be that everything is very easy with regards to electronic commerce, but what about the measures that have been taken to avoid frauds and to verify that the persons who are using the service are actually the real ones?

One of the decisive aspects to guarantee electronic commerce is constituted by the juridical environment, that is, the laws that shall serve as support for the transactions and introduce the concept of juridical safety in the digital market.



The key to safety and trust among users is the digital signature, which represents the instrument that will allow, among other things, to determine in a trustworthy manner if the parties intervening in a transaction are really the persons they claim to be. In this sense, the advanced electronic signature allows identifying the authentication at a distance between parties that have not necessarily met previously and also constitutes the essential mechanism to provide security and development of trust in the open networks. The first law that has regulated the legal aspects of the electronic signature as a probative instrument was approved in 1999 in Utah, United States. Afterwards, some legislative projects arose in Georgia, California and Washington. In Europe, the first country that approved a law regarding the matter was Germany. Due to the great demand for electronic commerce in the United States, President Bill Clinton announced the approval of the law that governs digital signatures on the national and global market, which shall have the same validity before the law as those printed with ink on paper. Other countries that have taken the initiative in this aspect are: Australia, Belgium, Chile, Colombia, France, Italy, Spain, United Kingdom and Panama, among others.



In Panama, there already exist legal and regulatory records regarding this subject which are being developed on the national public administration and the private sector. The National Secretaryship of Science, Technology and Innovation (SENACYT) aspires to avoid electronic fraud by means of creating a security platform that shall control the commercial activity through a law project that regulates the access and use of the electronic commerce and digital signatures. Recently, the Ministry of Trade and Industries submitted a law project to the National Assembly that shall regulate commerce by electronic means in Panama, in replacement of the 1998 and 2001 legislations.

We are actually going towards something that is inevitable and that we must assimilate quickly so as not to be left behind in ignorance. To know that from our own homes a commercial activity can be controlled or make a business deal or contract happen, is an invitation to update ourselves and use the technology we have in our hands. The distance, place or time does not matter when someone wants to make a transaction; all it takes is turning the computer on. The introduction of the digital signature information in society is a mere question of time. For its correct establishment, an appropriate legislative development by the governments shall be required, in addition to a good information towards the citizen and the company. Just with the efforts of all the intervening parties, the most yearned for global village will be reached where everyone would communicate and operate in a safe and efficient manner. Thus, our acts as a society shall not be governed by the fear of technological evolution, but for the respect of the new digital era.