



International Contract Drafting after Digital Transformation

Alam Zeb Khan

Assistant Professor, School of Law
Quaid-i-Azam University, Islamabad, Pakistan
Email: azkhan@qau.edu.pk

ABSTRACT

In recent years international commercial contracting has undergone much change, with digital technologies increasingly playing their part in negotiations, drafting, implementation and management of cross-border transactions. Commercial collaboration across jurisdictions has been enhanced, transaction costs have also been cut and practices for drafting contracts optimized, thanks to the introduction of artificial intelligence (AI), the blockchain, electronic signatures and cloud-based contract lifecycle management systems. Meanwhile, new legal issues have emerged regarding jurisdiction, applicable law, data protection, compliance with regulations, smart contracts, electronic evidence, and cybersecurity. In this paper, I will analyze the developments with digital technology, the modern principles of drafting national contracts, the drafting challenges arising in this field, the international comparative practices and the trends for future reform in drafting international contracts. The study processes and discusses the judicial literature, contemporary sources of law, and works of international law on the studied issues and legal phenomena, which are known in the judiciary, using the doctrinal analytical research methodology, in which the works of judicial scholars, judicial scholars, and legal scholars from the years 2020-2025 are analyzed. The analysis shows that the principles of clarity/precision, certainty, effective risk allocation and enforceability are still the cornerstones of the successful contract, despite the digital revolution in commercial contracting that we have seen. The study also notes that AI should not be seen as a replacement for legal advice or judgment, and that today's contracts should contain rich cybersecurity, as well as data governance and ESG compliance, and digital regulatory requirements. Looking across the European Union, the United Kingdom, the United States and the countries of the Asian Digital Economy (Singapore) and relevant international organizations (UNCITRAL), a trend towards harmonized digital contracting standards is emerging. In conclusion, the future of international contract drafting will lie in striking the right balance between innovation and the traditional legal principles governing contracts so as to support effective, enforceable and technologically robust international contracts.

Keywords: International Contract Drafting; Digital Transformation; Artificial Intelligence; Smart Contracts; Blockchain Technology; International Commercial Law; Electronic Contracts; Cross-Border Transactions; Contract Lifecycle Management; Digital Governance

1. Introduction

Previously, international contract drafting was thought to be a highly specialized legal practice that demanded three key elements: precision, predictability and allocation of commercial risks. International contracts are the backbone for international trade, foreign direct investment, technology transfer, construction projects, international sales, licenses and the digital commerce. The commercial law practitioners have for many years been using the well-known principles for drafting contracts, as well as the set of clauses incorporated in contracts as standard and other international instruments such



Vol. 3 No. 12 (December) (2025)

as the United Nations Convention on Contracts for the International Sale of Goods (CISG), the UNIDROIT Principles of International Commercial Contracts (PICC) and the International Chamber of Commerce (ICC) model clauses. But the digital transformation boom has brought a dramatic change in the landscape in which international contracts are negotiated, drawn up, signed, performed and enforced. Tech is helping with drafting along with opportunities to do it more efficiently and in new ways some day (CAPISIZU, n.d.).

Digital transformation is more than just converting paper to digital. It involves the use of artificial intelligence (AI), blockchain technology, cloud computing, electronic signatures, smart contracts, machine learning and digital identity applications in the framework of commercial transactions, and automated contract lifecycle management. These technologies have transformed business globally, by cutting down on transaction fees, speeding up the negotiation process, allowing a company to hire people from anywhere in the world, and making international deals simpler and faster, eliminating geographical restrictions. The COVID-19 pandemic further expedited this shift, leading to issues of virtual negotiations, electronic execution of contracts and online dispute resolution as becoming a standard part of international commercial practice. In a digital world of business, therefore, lawyers have been forced to consider alternative approaches for drafting contracts where such language continues to be relevant and effective (Autto et al., 2024a).

The advent of AI in the field of contract drafting has been one of the biggest game changers. AI drafting tools can be used to create initial clauses of a contract, detect inconsistencies, assess risks, review precedents, and suggest changes to existing contract provisions by analyzing vast legal databases. Danari Cos. are not attempting to take the place of attorneys; nor are they providing them with benefits to aim downing them as the preferred service. None of these technologies are here to take the place of attorneys – they are seen as tools to support their productivity instead, enabling them to concentrate on negotiating strategy, draft efficiency, and regulatory compliance and manage risk. However, there are also substantial legal issues that need to be considered when relying on AI-generated drafting correctness, transparency, confidentiality, accountability and professional responsibility. As a result, human intervention has proven and proven to be vital in guaranteeing that a digitally supported contract remains in line with the will of contracting parties and all legal requirements (Stathis et al., 2024).

Another significant dimension of digital transformation is the growing use of blockchain. One other important aspect of digital transformation is blockchain technology's increasing role in overseas commercial transactions, highlighted by the implementation of smart contracts. Smart contracts are different from contracts that rely on human interactions to execute a contract; smart contracts help subject to automatic execution of the obligations only when the conditions justifying their performance are met. They are gradually used in trading in international finance, logistics, insurance, digital assets and supply chains, producing interesting legal questions on the contractual formation, jurisdiction, governing law, evidence, contractual enforcement and dispute resolution. Indeed, recent international efforts to facilitate and advance the development of automated contracting, such as the adoption of the UNCITRAL Model Law on Automated Contracting (2024), highlight the international community's understanding that automated contracting needs a consistent legal framework that is both conducive to technological innovation and in line with fundamental principles of contract law (Lima et al., 2025).

It's not only the contracting process that has evolved with the international project; the evolution of international contract drafting is indicative of the evolution of the broader commercial risk management. New international agreements increasingly introduce cyber security related clauses, data governance terms, terms regarding the governance of artificial intelligence, data digital compliance, environmental, social and governance (ESG) conditions etc., compliance with sanctions as well as clauses on cross borders data



Vol. 3 No. 12 (December) (2025)

transfer have been included. They were not part of many international commercial agreements 10 years ago and were only relatively rarely encountered. Modern companies with scaled operations in various jurisdictions have to navigate cross-jurisdictional laws and policies that include privacy laws, digital trade and commerce laws, cybersecurity laws, and new frameworks for the governance of artificial intelligence. This process of law contract drafting has now become very advanced because it is no longer a mere expression of legal rights and obligations but a complex one to manage legal, technical, operational and regulatory risks in the course of the contract (Lima et al., 2025).

The academic viewpoint of the digitalization of the drafting of contracts is a combination of private international law, commercial law, information technology law and legal innovation. The modern international contracting trend is increasingly to ensure that solid legal understanding is matched by technological malleability. Drafting attorneys should not only be up on contract law, but they should also have the ability to analyze digital platforms and automated contracting procedures, cybersecurity concerns, electronic evidence, and its international regulatory changes. The emerging theory on proactivity in contract writing also supports that contract should be utilized as a viable business management mechanism, and not only for dispute settling. The move towards plain language drafting, visual contract design, collaborative drafting systems and technology assisted negotiation are helping to assist contractual performance and minimize future disputes (Rodgers, 2025).

The paper reviews the recent technological developments, international legal challenges arising, changes to the principles of contract drafting, and international best practice, to explore how these developments have influenced international drafting. It examines how AI, smart contracts, blockchain technology and digital contract platforms impact the legal implications, and how it retains its relevance despite the evolution of the field. It is refereed by using a doctrinal and analytical approach utilized current legal scholarship, past academic research published from 2020 to 2025 as well as the various international instruments. The purpose is to seek out viable drafting strategies that can both anticipate and ensure legal security in international commercial transactions while also fostering innovation. The review also includes recommendations for potential changes in legal and contractual language as well as professional development to make sure that international contract drafting continues to meet the needs of the current and future digital global economy.

2. Digital Transformation and International Commercial Contracting

International commercial contracting practices have been completely transformed by digital transformation, which has introduced new contract negotiation methods, improved contract drafting and execution in the digital environment and consequently, new digital tools for contract management (Autto et al., 2024b). In the past, the contracts between international parties were priced on the documentation, physical meeting between parties in separate jurisdictions and long negotiating process involved in the process. The digitalization of technology, however, has allowed businesses to engage in cross-border transactions via electronic platforms that allow them to communicate quicker, cost-efficiently and conduct deals more effectively. As a result, the drafting of a contract has become more of a technically oriented and legally savvy process (incorporating technology) that involves a legal expert and more of a digital innovator (Autto et al., 2024b).

Electronic contracting has emerged as one of the hallmarks of today global trade. Modern businesses are finalizing contracts via email, internet, enterprise resource planning systems, and e-marketplaces, without having to go through the process of generating and sending paper documents. Electronic communications and electronic signatures have been recognized in many jurisdictions, contributing to the acceptance and trust of electronic contracting and the decrease in administrative delay (Autto et al., 2024b). In international trade, electronic contracts play a special role as they allow to set



Vol. 3 No. 12 (December) (2025)

up agreements between parties from different legal systems and different time zones (+/-24 hours), in an efficient manner, with legally acceptable E-invoices.

Artificial Intelligence (AI) has also significantly reshaped the process of contract drafting, through its various capacities to support lawyers in the creation process. AI systems can examine contractual content and detect inconsistencies, suggest common clauses or components of a contract, flag unusual ones or even analyze clauses to identify potential risk areas based on large corpora of contractual precedents (Thaldar, 2025a). The technologies minimize the drafting time and maximize consistency, especially when involved in larger amounts of commercial transactions and numerous agreements. But AI shouldn't be thought of as a stand-alone AI decision maker. The lawyers are still responsible for understanding what commercial "value" is, making sure that what is going on is legal and fine-tuning contractual terms to the unique deal at hand.

The blockchain is another key element to the global business contract. Blockchain is a distributed, tamper-proof, and digital ledger that securely and transparently helps keep track of contractual transactions. On the blockchain-based platforms, smart contracts automatically execute the contractual obligations if certain conditions are met (Qin, 2022). For instance, payment can be sent automatically when it has been confirmed that products were sent, diminishing involvement of administrative people, therefore enhancing exchange effectiveness. Smart contracts provide many commercial benefits but in drafting laws and smart contracts, the potential legal issues of contractual interpretation, coding, jurisdiction, governing law and dispute resolution must also be taken into account.

Multinational organizations have also been impacted by cloud-based Contract Lifecycle Management (CLM) systems this is how companies are conducting business contracts and agreements today. These digital platforms take the power of contract creation, negotiation, approval, execution, monitoring, renewal and compliance into one single platform from which users can access to draft contracts anywhere around the world. The best CLM software powered by AI can track all contractual tasks, provide compliance alerts, provide coming deadlines and analyze contractual risks in large portfolios of contracts (Quarta, 2020). This has led to legal departments having to shift their focus away from preparing documents and towards commercial risk assessment and strategic contract management.

Cross-border digital trade's explosive growth has also made its way into commercial contracts with a growing emphasis on cybersecurity and data governance. Cross-border digital trade's explosive growth has also made its way into commercial contracts, with increased focus on cybersecurity and data governance. Today, the sharing of sensitive business data, customer lists, finances, IP and proprietary technologies is commonplace between parties in international agreements via digital channels. As a result, more and more contract parties are using provisions regarding cybersecurity duties, encryption measures, data security breach notification protocols, data confidentiality, and international data transfers. The reductions of legal uncertainty and compliance with the international privacy and cybersecurity legislation, which are constantly changing (Hildebrandt, 2020a).

At the same time, digital transformation has increased the demand for international contract-ready regulators to provide their services to a larger number of people. Companies now need to navigate a range of differing legal systems when conducting their businesses on a cross-border basis and dealing with various electronic commerce, digital services, AI, consumer protection, competition and international data transfer laws and regulations. Contract lawyers, in a sense, must, then, be familiar with not only the classic contract law, but with new technological rules impacting international business transactions as well, in order to be able to draft contracts effectively. Applicants selected for the awards positions will have an opportunity to attend this conference to participate in and share their insights with the wider Indian legal community. The



Vol. 3 No. 12 (December) (2025)

selected Applicants for the awards will get an opportunity to be part of this conference to learn and interact with the Vast Indian Legal World (Sari et al., 2025).

3. Modern Principles of International Contract Drafting

Whilst the commercial context is different in which contracts function today, a contract's core principle of international contract drafting has remained largely the same. Three overarching goals remain: the development of legally enforceable binding contracts that clearly illustrate the plans of the parties, allocation of commercial risks fairly, reduction of uncertainty and an efficient contractual execution (Sari et al., 2025). But contemporary contract drafting demands lawyers' attention to new issues of technology risk as well as to traditional legal issues and creates a complex, multi-faceted mix of legal sophistication and technological insight.

Clearness and expeditiveness are always key principles used in drafting international contracts. Uncertainty in contractual provisions often leads to expensive conflict, especially when style of contracting differs between contracting parties or when language in the contract does not match. Vague contract terms often give way to expensive conflicts, especially if the parties to a contract come from different legal backgrounds or may do business in different languages. Digital drafting tools can help to identify inconsistencies in terminology, paragraphs that are too similar, and any drafting errors in contracts, but they cannot render careful legal judgment when it comes to legal matters (Autto et al., 2024c). To minimize interpretative conflicts, therefore, contracts should be written in a consistent manner, require specific duties, include quantifiable measures of performance and be clearly drafted, so as to minimize the potential for interpretation.

Allocation risks have gotten more complex since the move to the "digital world. Cybersecurity breaches, software issues, AI system inaccuracies, digital fraud, and cloud outages are now a part of traditional commercial risks ranging from non-payment, delayed delivery, or malfunctioning of the product or service (Liu & Zakri, 2025). Carefully crafted indemnity clauses, 'limitation of liability' restrictions, insurance and notification obligations and contractual remedies are now used to assume ownership of such 'technological risks. Effective risk allocation helps parties to know their obligations prior to disputes.

The Covid-19 pandemic also had an impact on modern practices for drafting, with regard to the inadequacies of the typical force majeure clause. It is now a common occurrence in today's world to see international contracts include pandemics, government directives, cyber, supply chain and technological failures as potential events which can impact the contractual performance (Alhasan & Al-Hawamdeh, 2024). Today's force majeure clauses have been enhanced to a greater degree of detail than those of past business agreements, containing obligations to minimize the effects of the imposition, required notices, mechanisms for renegotiating, and more termination rights.

One of the most recently important guidelines of international contract drafting is data protection. Confidential business information, personal information, financial records and intellectual property is regularly transferred from business to business via various jurisdictions on an electronic basis. As a result, both EU and national privacy laws are also increasingly integrated into contracts, in terms of providing conditions under which it is possible to process data according to the law, the cross-border transfer of data, confidentiality obligations, cyber security criteria, and notification obligations in case of a breach (Thaldar, 2025b). These provisions will allow for adherence to international privacy law and safeguard commercially important data during the course of the contract.

International commercial contracts are also increasingly including conditions that encompass environmental, social and governance (ESG) concerns. Multinational companies are increasingly demanding their suppliers and commercial partners meet their sustainability requirements, meet labor law requirements, have obligations under



Vol. 3 No. 12 (December) (2025)

anti-corruption laws and regulations, abide by international sanctions and comply with responsible business practices. ESC clauses often provide for the audit rights, disclosure requirements, corrective measures and even termination clauses in case of significant breach of contractual obligations. The inclusion of such provisions confirms that modern contracts are becoming a tool of corporate/governance not just a means to exchange commercial rights (Goode, 2022).

Artificial Intelligence governance is one of the latest advancements in international drafting of contracts. AI systems are being adopted by businesses increasingly across a variety of industries including customer services, financial decisions making, logistics, the healthcare domain and manufacturing. Contracts that involve AI thus need provisions that deal with ownership of AI-generated outputs, confidentiality of the data used for training, who bears the responsibility when the algorithms produce incorrect results, rights regarding the intellectual property of the generated data, transparency requirements and, of course, the existence of new regulations relating to AI (Hildebrandt, 2020b). Contractual governance will continue to be a significant method for distributing technological risk among the commercial parties, while AI-specific legislation is being developed by governments. Although governments are still developing AI-specific legislation, contractual governance will continue to play a significant role in distributing technological risks among commercial parties..

Lastly, contemporary drafting starts to adopt proactively contracting principles more and more frequently. Good contract preparation encourages good commercial co-operation, increases contractual performance and decreases any misunderstandings during the commercial relationship; not only as a record of what will occur in the future when litigation takes place. Using plain language drafting, visual contract design, library of digital clauses, automated compliance tracking, and collaborative drafting platforms, creates more user-friendly, business-friendly agreements. As a result, establishing a clear and enforceable contract has become more important than ever to not only to be legally compliant, but also practical, transparent and effective for future international commercial transactions.

4. Challenges Facing International Contract Drafting in the Digital Era

The digital transformation opens up tremendous opportunities for international commercial contract, but also raises a number of difficult and complex legal and practical challenges. The advent of technology like artificial intelligence, blockchain, electronic signatures and cloud-based contract management has made the process of contracting more streamlined, but it has opened up new questions related to jurisdiction, compliance and regulations, contractual interpretation, cyber security, and dispute resolution (L. A. DiMatteo & Halberda, 2025). International contract drafters need to keep in mind these risks and craft relevant contractual protections to ensure an effective legal certainty in cross-border deals.

This is one of the main coordination issues that arise, namely the issue of jurisdiction and of which laws should be applied. When using digital processes, on many occasions there will be parties in different countries that will have servers housed in different jurisdictions, operated by technology providers serving multiple nations. The geographical dispersion makes it complicated to choose a state which should be subject to which rules for the contractual disagreements and the jurisdiction of which court or of which arbitral committee (VUJAČIĆ, n.d.). If parties fail to negotiate clear or governing laws and enforceable dispute resolution mechanisms, they could end up with costly disputes over jurisdiction, and the associated costs of litigation. Therefore, international contracts should make it clear who governs the contract, where will the dispute be settled, the place of arbitration, the language of the arbitration proceedings and how the contract will be enforced.

Moreover, there is the legal recognition of the artificial intelligence involved in contracting, namely, in formation and drafting. The capabilities of AI systems for



Vol. 3 No. 12 (December) (2025)

drafting contracts, contract analysis, contract review, contract suggestions and D&D have become increasingly powerful. AI, however, cannot be considered a legal person, do not have contractual intention and cannot be held accountable legally (Ramadhan et al., 2024). Thus, the question arises who is liable for legal consequences when clauses in a contract are generated by AI, whether they include clauses that exceed the result or fail to include the necessary clauses? Like in most cases in contract drafting, the obligation of responsibility will lie with the contracting parties and their legal advisers, with human supervision usually being a must in the drafting process. All AI assisted contractual drafting needs to be properly checked for accuracy or legality and organizations should have existing procedures in place to check these automatically generated requirements.

More and more, it's the smart contract that is becoming the solution. Smart contracts are becoming a solution and they bring new legal problems with them. Smart contracts automatically carry out contractual obligations on the base of computer code when given set conditions. While automation could eliminate delay and administrative functions, the use of smart contracts might not sufficiently cover situations where human judgement, an equitable interpretation of the rules, or commercial flexibility is needed. This is because coding mistakes, software exploits, entered incorrect information or unforeseen commercial conditions could cause automatic execution even though the parties would like to renegotiate (Troitskiy, 2022). Contract drafters engaging smart contracts thus would be wise to supplement as needed those smart contracts with traditional legal agreements, which outline the applicable laws, dispute resolution processes, liability caps, amendment rules and procedures, and stopping the automatic execution when exceptional circumstances arise.

Another huge issue facing the contracting process today is cybersecurity. From e-contracts for international commercial sales, the exchange of confidential business information, IP, customer databases, financial records, and trade secrets, which are exchanged frequently on electronic platforms, are all part of international commerce. Financial losses and reputation damage can be caused by cyberattacks, ransomware attacks, unauthorized access on systems and data breaches (Schwenzer & Wittum, 2022). As a result, in modern contracts, the cybersecurity duties that parties impose on each other are increasingly phrased with reference to internationally accepted security frameworks, the need to maintain cybersecurity mechanisms, regularly check security, immediately notify terrorism (Cyber) incidents and provide assistance in any forensic investigation. Clear cohere security provisions helps to hold accountable for responsibility and minimize uncertain after a digital security incident.

The cross-border aspect of data protection and privacy compliance has also complicated. Data moves between Businesses in various countries, each of which has its own rules on data processing, storage and transferring data internationally. Internationally, case laws like the European Union General Data Protection Regulation (GDPR), emerging new national privacy regulations around the world, and best practices require data to be lawfully processed, that there is transparency, there is accountability from the business and there is robust protection for cross-border data transfers (Gallifant et al., 2024). To reduce compliance risks, the terminology used in contractual agreements for data ownership, data processing responsibilities, confidentiality, obligations for subcontractors, the ability to undertake audits, and cooperation with regulators should be set out in as detailed and robust a manner as possible.

Another challenge is with regard to the admissibility and retention of "digital evidence." In this age, e-communications, blockchain records, electronic signatures, cloud storage and AI generated documentation are playing a major role in the commercial world in disputes. But there are different evidentiary rules that apply in differing ways in various jurisdictions, with respect to authenticity, admissibility, chain of custody and the digital forensic standards. In considering how to make digital contractual relationships more enforceable before courts and arbitral tribunals, one must therefore consider the policies for retention of documents, the definition of acceptable electronic records, the



Vol. 3 No. 12 (December) (2025)

authentication process and evidentiary requirements (Susskind, 2023).

Last but not least, digital transformation has gone a long way to drive up the speed of regulatory change. New AI, cybersecurity, electronic commerce and digital trade, and consumer protection legislation is constantly being passed by Governments. International businesses are thus required to keep track of ongoing changes in regulations in various jurisdictions. Contract drafting has consequently come to be a live process of continuous improvement of contracts, with less use of standard precedents. Commercial agreements are dynamically designed to maintain their vitality in the face of changing legal and technical realities through the use of review clauses, compliance provisions, change in law clauses and amendment provisions. Finally, regular adaptations, multi-disciplinary knowledge and legal risk management are prerequisites for international knowledge of contract drafting in the digital age.

5. Comparative International Practices and Emerging Trends

Governments, international institutions and companies are accelerating their shift to a digital contract drafting by seeking to update their legal frameworks. Despite the commonalities of the underlying rules governing contracts in all countries, current methods of e-contracting, artificial intelligence and blockchain technology, and the use of digital governance to govern contracts, are widely divergent. Comparative practice is useful as a guide for general principles to be used when drafting a multi-legal-system contract (L. D. DiMatteo, 2023).

The EU has taken one of the most holistic solutions to digital commerce. The EU has laid out extensive regulations for the use of data in the industry, digital services, algorithmic accountability, and AI governance, including the Digital Services Act, the Artificial Intelligence Act, and the Digital Markets Act (DMA) as well as the General Data Protection Regulation (GDPR) (Act, 2024). As a result, numerous aspects of personal data processing, cyber security, transparency requirements, human oversight of AI systems and regulatory compliance are already set with a lot of detail in contracts between European businesses. International contract drafters who are faced with counterparties based in EU will thus need to make sure contractual provisions are consistent with the requirements of the EU.

The United Kingdom still encourages innovation; however, traditional common law enforcement of commercial contracts is still in place. For international agreements, English law is one of the most common governing laws as it provides commercial certainty and is criterion and precedent. For international agreements, English law is one of the most selected governing laws due to the criterion and precedent and commercial certainty (Kok & Turner, 2024). Judicial acceptance of technology-assisted contracting, digital evidence and electronic signatures is growing, and the fidelity to the objective intentions of the parties with which the interpretation process should be conducted remains the rule, not the exception. Legal tech and AI-drafting are more deeply integrated in the execution of commercial contracts in English law too. Legal tech, AI assisted drafting, and online dispute resolution have also become part of English law when it comes to commercial contracting.

Digital contracting in the U.S. has emerged largely in a commercial world and via judicial construction. The Electronic Signatures in Global and National Commerce Act (E-SIGN Act) and the Uniform Electronic Transactions Act (UETA) are both well-known pieces of legislation (Feld, 2019). The United States is also a world leader in the use of AI to audit contracts, predict potential outcomes, automate contracts, and use cloud-based contract lifecycle management (CLM) platforms. Technology is now being used in larger corporations by major multinational companies aiding in all aspects of commercial contracting, ranging from negotiation, drafting and compliance checking through to dispute resolution.

Singapore has become one of the premier international digital commerce and international dispute environments in the world. The government has a proactive stance



Vol. 3 No. 12 (December) (2025)

on digital trade, innovations in financial technology, blockchain technology, and electronic commerce, enacting supportive laws and using modern regulatory frameworks to support these. Singapore's judiciary has also been progressive in its attitude to electronic evidence and technology mediated commercial conflicts (Alcolea, 2022). Singapore is a supreme international arbitration forum that gives businesses an incentive to draft technologically advanced contracts which can help in resolving disputes quickly across borders and help promote commercial innovations.

Harmonization of digital contracting has also been provided to a large extent by international organizations. UNCITRAL is still drafting ecommerce, ETRs, automated contracting and digital trade model laws and legal guidance. We could conclude that the ICC issues model clauses and best practice guidance on 'Force majeure', 'Hardship', 'Digital trade documents', 'Dispute resolution' and the international commercial practice (Secretariat, n.d.). The instruments ensure legal certainty as they introduce internationally binding drafting principles that aim at meeting the technological innovation whilst maintaining the principles of commercial law.

The task of integrating Environmental, Social and Governance (ESG) aspects into international contracts is becoming more common around the world. Multinational companies are demanding more from their suppliers, contractors and business partners when it comes to sustainability pledges, anti-corruption efforts, worker safety, climate reporting requirements, responsible business conduct, to name a few. Digital technologies: From automated reporting and supply chain monitoring to blockchain traceability and real-time contractual performance analysis, all are the solutions to support ESG compliance. As a result, there is a growing inclusion of technological innovation within international contracts alongside companies' sustainability goals.

A second important aspect that has emerged is the shift towards user focused and plain language contract formulation. Specific professional needs, such as those of commercial managers, business executives, and operational staff that enforce contractual obligations, are increasingly being said to be a criterion for understanding contracts (De Souza, 2022). Simplifying the process of contract drafting, visual contract design, simplified contract drafting, interactive digital contracts, automated compliance dashboards, and collaborative contract drafting platforms make contracts more accessible and all but eliminate transactional disputes. Overall, these are all part of an evolution from reactive law drafting to more proactive contract management.

As international laws evolve, so will the contracts that are drawn. As AI, blockchain, quantum computing and other regulation advancements have been developed, they will continue to shape contract drafting patterns globally. Technological innovations are expected to augment legal professionals' capacity to help them to create more precise, efficient, and commercial agreements, but they will not replace them. Preserving a balance between technological efficiency, legal certainty, regulatory compliance and commercial useability thus depends on the future of the international life of the contract drafting.

6. Recommendations and Future Directions

"Contract drafting has been changed as a fundamental aspect of international commerce by the swift digitalization of commerce. Technology has made things more efficient and less costly, but it has also created novel legal challenges and much more sophisticated documentation techniques are needed. The next generation of international contracts, however, must not only include sound principles of contract law, but also meet the new technological and regulatory needs to guarantee legal security, economic effectiveness and risk management (Goh, 2023).

The first one is to embrace a "technology neutral" drafting method. Contract provisions should be broadly drafted, and provide flexibility for new technologies to enter the market without major changes to the contract when they emerge. The focus of the contracts should not be on particular technologies, but rather legal rights and



Vol. 3 No. 12 (December) (2025)

obligations of a functional nature which will remain valid even if the chosen technologies change. This will help contract longevity without the need for a lot of renewal of contracts.

Secondly, organizations need to reinforce AI moderation in the processes of contract drafting. By analyzing precedents, identifying inconsistencies, addressing legal issues, and automating repetitive drafting processes, artificial intelligence can enhance the effectiveness and efficiency of ORR drafting. But, do not trust AI-provided contractual language to the exclusion of human legal expertise (Autto et al., 2024d). All AI generated contracts should be thoroughly reviewed by law before the execution to ensure they are accurate, consistent and compliant with regulatory standards. Organizations can draw their own lines regarding the proper use of AI in legal teams, such as guidelines for confidentiality, accountability, data protection, and quality assurance.

A third insight relates to the increasing significance of cybersecurity and governance and data protection clauses. With international commercial transactions increasingly relying on digital platforms, the allocation of clear responsibilities with regard to: Cybersecurity measures, Standards of encryption, Access to data, (Incident) Reporting, Preservation of digital records, and Disaster recovery planning ought to be attributed to or incorporated into the contract (Moses, 2024). Information owners, legality of information handling, transfer of information across borders, sub controller's obligations, retention periods, information confidentiality and regulatory compliance requirements must all be covered in comprehensive data governance measures. These measures diminish the legal ambiguity and enhance the ability of companies to withstand cyber risks.

Drafting these contracts should also take more account of mechanisms of regulation and change of laws. The digital regulatory landscape is ongoing to grow significantly more dynamic in numerous jurisdictions, including sections on AI, e-commerce, cybersecurity, privacy and consumer protection, as well as digital taxation. For this reason, modern international contracts should incorporate contractual tools that could necessitate review of compliance at regular intervals, cooperation between contracting parties, notification of changes in regulation and negotiated amendments if major regulatory changes impact on the contractual performance (Breslin, 2023). These provisions help make contracts more flexible, with less likelihood of future regulatory non-compliance.

The processes for alternative dispute resolution (ADR) for digital business should also be expanded for international companies. Alternative dispute resolution methods, such as arbitration, mediation, ODR (on-line dispute resolution) and expedited commercial methods are more efficient ways of conflict resolution in international contract disputes than traditional litigation. When drafting contracts, it is important to include a clearly drafted choice of governing law and arbitral institution, as well as a clearly drafted choice of seat of the arbitration, procedural language, standards for electronic evidence, confidentiality obligations, and enforcement provisions, all of which should be drafted to avoid potential jurisdictional uncertainty. The use of digital platforms that facilitate access to electronic hearings and digital case management is also grounded in the increased ease of access and efficiency that virtual DR is providing.

Capacity building and legal education is another significant suggestion. International contract drafters' lawyers need to obtain cross disciplines knowledge besides with contract law. Artificial Intelligence, blockchain technology, Cyber Security law, data protection law, legal technology in the field, digital evidence and international regulatory compliance is increasingly central to professional education (Compagnucci et al., 2022). The legal system needs to be adapted for the future; legal curricula at universities and training for professions shall be adapted so that future legal practitioners have the technological skills that are required by the digital economy.

International commercial law and the emerging digital technologies should also be examined further as to their links with each other. Legal liability of autonomous AI agents, enforceability of digitally made contracts, dispute resolution via blockchain, laws



Vol. 3 No. 12 (December) (2025)

for decentralized finance (DeFi), tokenized commercial assets, risks of quantum computation, international harmonization of digital trade laws are among the areas that are needed to be further examined academically. Further comparative studies on the implementation of digital contracting in different legal systems could make an additional contribution to the establishment of harmonized drafting practices between them.

Lastly, legal systems in countries like Pakistan need to be updated to accommodate digitized contracts processes, while ensuring legal security for foreign investors. Provision of legislative reforms with regard to e-commerce, governance of artificial intelligence, digital evidence, cyber security and cross-border data transfers would further make Pakistan more inviting for international trade and trade foreign investment. Establishing clear and effective rules of the game, based on laws and regulations, on contracting through technology would help boost the confidence of international commercial partners and digital integration in the global economy (Khan & Hashmi, 2020).

To sum up, international contract drafting in the near future would rely on technological innovations and the need to balance that with the traditional legal principles. Digital technologies should be used in an additive way, rather than a substitute for professional judgment. Contract clarity and certainty, commercial reasoning and careful risk apportionment are still vital to success on international contracts and technological solutions to be able to support more complex international business relationships are also crucial.

7. Conclusion

Digital technology is changing international contract drafting significantly as contract law becomes increasingly digital. As contract law becomes increasingly digitized, international contract drafting has undergone a much larger makeover. The way to negotiate, draft, execute and enforce international commercial agreements has been revolutionized by electronic contracting, artificial intelligence, blockchain technology and cloud-based contracting platforms. All of these technological advances have brought greater efficiency, lowered transaction costs, sprung speedy negotiations in the commercial sphere and boosted availabilities for trade with the rest of the world. Meanwhile, they have initiated intricate legal challenges impacting jurisdiction, cybersecurity, data protection, AI governance, digital evidence and compliance issues.

That the old rules of good drafting have not changed after all, despite the significant impact of technological change on commercial practice is proven, in this study. Successful IFA still rests on the principal of clarity, precision, certainty, comprehensive risk allocation and careful interpretation of the contract. It is important, therefore, to use digital technologies not in place of, but to augment, legal skills. Any contractual language must still be interpreted by humans to make sure that it properly states commercial intent, meets legal requirements and properly distributes legal and commercial risk.

The comparative analysis also shows that some of the leading jurisdictions have enacted more complex legal structures to facilitate digital commerce and continue to ensure legal certainty for commercial transactions, such as EU, UK, the USA and Singapore. A number of multilateral and international institutions, especially UNCITRAL and the International Chamber of Commerce, are advocating for the adoption of harmonized standards that are capable of supporting cross-border digital trade. The developments reflect the growing world agreement that international contract law needs to advance further into the 21st century, while at the same time remain faithful to its fundamental rules.

In addition, the paper emphasizes that the emerging contractual provisions concerning the governance of AI, cyber security, data protection, ESG obligations and digital regulatory compliance are increasingly weighing in on contractual negotiations. These



Vol. 3 No. 12 (December) (2025)

provisions are indicative of the evolving character of commercial risk in the digital economy and highlight how commercial contract makers need to have an interdisciplinary understanding of commercial risk that goes beyond contract law. Future legal practice will demand proficiency in digital and international regulatory technologies, and technology assisted legal services.

Going forward, AI, blockchain applications, digital assets, quantum computing and world-wide digital law will further shape the evolution of international contract drafting. This requires legislative, judicial, legal and commercial actors to work together to create an environment in which innovation is encouraged and legal protections remain in place for legal certainty, contractual fairness and commercial stability. Given the ever more interconnected digital economy, it is crucial that contract drafting continue to serve its function, and that a balance must be struck between technological development and known principles of international commercial law.

However, achieving success in international drafting in the digital age will not necessarily rely on technology alone, but on the ability to combine innovation and sound legal principles, practical and commercial understanding with internationally accepted drafting conventions. A clear and consistent approach will enhance the cross-border business-to-business connections, mitigate legal uncertainty and help the international trade continue to thrive in the digital era.

References

- Act, E. A. I. (2024). The eu artificial intelligence act. *European Union*.
- Alcolea, L. C. (2022). The Rise of the International Commercial Court: A Threat to the Rule of Law? *Journal of International Dispute Settlement*, 13(3), 413–442.
- Alhasan, T. K., & Al-Hawamdeh, A. M. (2024). Multi-tiered dispute resolution clauses in engineering contracts: A Jordanian legal perspective. *Conflict Resolution Quarterly*, 41(3), 299–317.
- Autto, H., Haapio, H., & Nuottila, J. (2024a). Contracts rethought and redesigned: A new era with AI. *International Journal of Commerce and Contracting*, 8(1–2), 7–34.
- Autto, H., Haapio, H., & Nuottila, J. (2024b). Contracts rethought and redesigned: A new era with AI. *International Journal of Commerce and Contracting*, 8(1–2), 7–34.
- Autto, H., Haapio, H., & Nuottila, J. (2024c). Contracts rethought and redesigned: A new era with AI. *International Journal of Commerce and Contracting*, 8(1–2), 7–34.
- Autto, H., Haapio, H., & Nuottila, J. (2024d). Contracts rethought and redesigned: A new era with AI. *International Journal of Commerce and Contracting*, 8(1–2), 7–34.
- Breslin, J. (2023). *Tomorrow's Lawyers: An Introduction to Your Future by Richard Susskind 3rd edition, 2023, published by Oxford University Press*. Cambridge University Press Cambridge, UK.
- CAPISIZU, L. A. (n.d.). *Advancing Digital Transformation in European Trade: Integrating Smart Contracts with CISG and UNCITRAL Model Law on Automated Contracting*.
- Compagnucci, M. C., Fenwick, M., & Haapio, H. (2022). Digital technology, future lawyers and the computable contract designer of tomorrow. In *Research handbook on contract design* (pp. 421–444). Edward Elgar Publishing.
- De Souza, S. P. (2022). The spread of legal tech solutionism and the need for legal design. *European Journal of Risk Regulation*, 13(3), 373–388.
- DiMatteo, L. A., & Halberda, J. (2025). Corrective justice in contract law: A comparative law analysis. *Italian LJ*, 11, 47.
- DiMatteo, L. D. (2023). *Principles of contract law and theory*. Edward Elgar Publishing.
- Feld, H. (2019). The case for the Digital Platform Act: Market structure and regulation of digital platforms. *Roosevelt Institute*.
- Gallifant, J., Fiske, A., Levites Strekalova, Y. A., Osorio-Valencia, J. S., Parke, R., Mwavu, R., Martinez, N., Gichoya, J. W., Ghassemi, M., & Demner-Fushman, D. (2024). Peer review



Vol. 3 No. 12 (December) (2025)

- of GPT-4 technical report and systems card. *PLOS Digital Health*, 3(1), e0000417.
- Goh, A.-D. (2023). Comparative Law on the Contract of the International Sales of Goods. *The Annals of "Dunarea de Jos" University of Galati. Legal Sciences. Fascicle XXVI*, 6(1), 291–305.
- Goode, R. (2022). The Creative Force in Transnational Commercial Law. *Transnational Commercial Law Review*, 2, 1–32.
- Hildebrandt, M. (2020a). *Law for computer scientists and other folk*. Oxford University Press.
- Hildebrandt, M. (2020b). *Law for computer scientists and other folk*. Oxford University Press.
- Khan, M. A., & Hashmi, M. (2020). Product Liability in Pakistani Law and Islamic Law: A Comparative Study. *Research Journal Al Baṣīrah*, 9, 23–47.
- Kok, A. V.-M., & Turner, C. (2024). *Unlocking contract law*. Routledge.
- Lima, S. A., Naeemi, S. M., & Khoshkbejari, M. K. (2025). Legal Transformation of Contracting Agreements in the Digital Age: An Analysis of the Role of Artificial Intelligence in Ensuring Transparency and Reducing Legal Risks in Contracts. *Legal Studies in Digital Age*, 1–13.
- Liu, Y., & Zakri, I. M. M. (2025). AI-driven contract law processes and the efficient breach doctrine: A systematic review of legal challenges in common law jurisdictions. *International Journal of Advanced and Applied Sciences (IJAAS)*, 12(3), 225–237.
- Moses, L. B. (2024). Education in an Era of Convergence. *Journal of Cross-Disciplinary Research in Computational Law*, 2(2).
- Qin, A. Y. (2022). *What about this blockchain thing?* SAGE Publications Sage UK: London, England.
- Quarta, A. (2020). Narratives of the digital economy: How platforms are challenging consumer law and hierarchical organization. *Global Jurist*, 20(2), 20200026.
- Ramadhan, M. S., Utama, M., Irsan, I., Anditya, A. W., & Aprita, S. (2024). Algorithmic Discrimination and the Challenges of Artificial Intelligence Regulation in Indonesia: A Pluralistic Justice Perspective. *Jurnal Studi Sosial Dan Politik*, 8(2), 158–173.
- Rodgers, I. (2025). *Digital Technology and Changing Work Practices in Large Law Firms*. University of Oxford (United Kingdom).
- Sari, E. P. B., Kurmaliasari, A., & Prastyanti, R. A. (2025). Challenges to Contract Certainty and Dispute Resolution in the Digital Economy. *ICoBITS*, 1, 881–889.
- Schwenzer, I., & Wittum, P. (2022). The CISG and European Private Law: When in Rome, Do as the Romans Do. *European Review of Private Law*, 30(5).
- Secretariat, L. C. (n.d.). *Legal framework for digital development and transformation in selected industries*.
- Stathis, G., Trantas, A., Biagioni, G., Graaf, K. A. de, Adriaanse, J., & Herik, J. van den. (2024). Designing an intelligent contract with communications and risk data. *SN Computer Science*, 5(6), 709.
- Susskind, R. E. (2023). *Tomorrow's lawyers: An introduction to your future*. Oxford University Press.
- Thaldar, D. (2025a). How effectively can ChatGPT-4 draft data transfer agreements for health research? *Humanities and Social Sciences Communications*, 12(1), 1–7.
- Thaldar, D. (2025b). How effectively can ChatGPT-4 draft data transfer agreements for health research? *Humanities and Social Sciences Communications*, 12(1), 1–7.
- Troitskiy, V. (2022). Blockchain As a Social Regulator: Elaboration of Theory Foundations. *The Arkansas Journal of Social Change and Public Service*, 11(1), 2–29.
- VUJAČIĆ, J. S. P. (n.d.). *CONTRACTS FOR THE INTERNATIONAL SALE OF GOODS*.