

The CISG's (Lack of) General Principles on Set-off and Parties' Choice thereof

Case Commentary on the Judgment by the German Federal Supreme Court, 24 September 2014, CISG-online 2545

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Considering that a decade has passed since the German Federal Supreme Court handed down the judgment commented on, it is neither sufficient nor necessary to extensively ruminate its statements in a descriptive manner. Instead, the author focuses on and assesses the legal reasoning regarding set-off under the CISG and the alleged possibility for parties to agree to apply the CISG's general principles of set-off to claims under different CISG contracts.

By ruling that set-off in certain cases is governed by the CISG's general principles, the German Federal Supreme Court has not set off for completely uncharted territory. Nevertheless, the decision diverges from the views of most courts and scholars, while also introducing a novel idea to the ongoing debate.

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