

ELECTRONIC SIGNATURE

What is an electronic signature?

Generally speaking, an electronic signature (or e-signature) is a technical process logically associated with a document which two (or more) individuals or organizations (the signatories) agree to rely on in order to express their intent to sign such document. Three components are therefore necessary: a document, a signatory and an e-signature tool. While the tool most commonly used for handwritten signatures is a simple pen, electronic signature tools are typically more complex.

From a regulatory standpoint, an electronic signature is a broad category that encompasses many types (or levels) of electronic signatures.



Depending on the country it is used in, there are differences in purpose, legal acceptance, technical

implementation and cultural acceptance of electronic signatures. In particular, e-signature requirements tend to vary significantly between most “civil law” countries (including Japan, the European Union and many countries in South America and Asia), and most “common law” countries (such as the United States, Canada and Australia). Civil law countries typically support a “tiered” approach including higher levels of signature often called digital or qualified electronic signatures (typically required for specific types of contracts), as opposed to common law jurisdictions which are typically more technology-neutral.

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In addition, some industries (such as healthcare or banking) and documents (such as marriage or adoption contracts) may require a higher level of e-signature.

What are the laws and regulations in Japan?

The Act on Electronic Signatures and Certification Business (2000) defines the requirements for electronic signatures in Japan and creates two tiers for electronic signatures (certified and non-certified). Note that signatures are not always required for Japanese contracts and seals are sometimes used instead of signatures.

Is an electronic signature valid in Japan?

Yes. Electronic signatures are valid under Japanese law if measures are taken to:

- indicate that the information was created by the person who is shown to have signed the document; and,
- confirm whether information has been altered.

You can also obtain certified electronic signatures through government-authorized Specified Certification Businesses in Japan, which can provide a higher level of verification.



HR Best Practices:

Electronic signatures are generally considered valid in the employment context in Japan. When using electronic signatures, ensure that metadata includes a record of the individual who signed the document (beyond the actual e-signature) and records of any alterations that were made after the document was signed.