

## **RUCIP 2006 effective as from 1 March 2006**

***The European Committee confirmed in December 2005 the new version of the Rules and Usages in the Intra-European wholesale Potato Trade, generally known as "RUCIP 2006".***

The three European Organisations:

EUROPATAT (potato trade), INTERCOOP EUROPE (co-operatives) und UEITP (European Union of the Potato Processing Industries) confirmed the new edition of RUCIP.

The first European rules date back to 1956 and were created by the European Union of Wholesale Potato Trade. That organisation codified the usages and established a simple and effective system of expert reporting and arbitration.

Since then RUCIP has been changed repeatedly, i.e. in 1972, 1986, 1993, 2000 and RUCIP was each time adapted to the conditions of trade and to the technical developments regarding potatoes.

***It is important to know for European potato traders that the new RUCIP 2006 will become effective as from 1 March 2006 and that for all disputes on contracts made from this date only the version of RUCIP 2006 will apply !***

### **WHY IS THE APPLICATION OF RUCIP SUCCESSFUL ?**

All trade partners concerned find that RUCIP offers:

- **a clear objective:** harmonisation of the usages of all trade partners and at the same time respect of their own peculiarities:
  - definition of early potatoes, seed potatoes, potatoes for the processing industry and ware potatoes.
- **a more general point of view** regarding the rules for creating a contract, the application of it and monitoring it by using expert's reports as well as taking sanctions through arbitration.
- **a considerate organisation on the European level**, thanks to the creation of the European Committee, the national Committees in every country accepting RUCIP, the national delegates and secretaries, who organise expertises and arbitrations.
- **a group of valuers and arbitrators**, who know the product regarding all its technical aspects and who proceed in a homogeneous way everywhere in Europe.

The main RUCIP principles are based upon:

- the idea of being subsidiary of the rules applicable to the trade partners, as of the national rules
- completeness of the clauses that have to be included in the contract
- exactness, especially when defining deadlines and the rules of sending a formal notice, and finally in ensuring a full enforcement.

These important principles create open contractual relations between nationals of the potato exporting countries and those of the potato destination countries.

### **THE MODIFICATIONS IN RUCIP 2006 :**

The modifications mainly concern the seed potatoes in case of complaints of so called 'hidden defects', quarantine and evolutionary diseases.

There are several reasons, why arbitration gains more and more importance in trade between trade partners and their co-operative and industrial partners:

- the procedure **is simple** and is identical for every participating country
- the procedure **is fast** and is a relief of the burden on the regular courts
- the **confidentiality** regarding transactions and arbitration judgements guarantees a solution of the dispute in total secrecy as desired by all the trade partners as they work in a professional environment in which a good reputation is of the utmost importance.

### **AVAILABILITY OF THE NEW RUCIP 2006**

The new RUCIP 2006 will be available for free in English, French and German on the Europatat website : [www.europatat.org](http://www.europatat.org).

The document will also be available in other languages in the national RUCIP secretariats.

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