

ECE/AGRI/43

UN/ECE
Arbitration Rules

*For Certain Categories
of Perishable Agricultural Products*



UNITED NATIONS

ECONOMIC COMMISSION FOR EUROPE
GENEVA

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*For Certain Categories
of Perishable Agricultural Products*



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PURPOSE

Though there are many sets of arbitration rules, agricultural experts felt that none of them was perfectly suited to international trade in perishable agricultural products between eastern and western Europe. There are, of course, general arbitration rules such as the Rules of the United Nations Commission on International Trade Law (UNCITRAL), those of the International Chamber of Commerce (ICC), of the Economic Commission for Europe (UN/ECE), as well as special arbitration rules for a particular branch of trade, prepared either nationally or in the European Economic Community (Brussels) or the Council for Mutual Economic Assistance (CMEA) (Moscow). But it seemed that general arbitration rules were not suitable because they were not of a professional nature and did not in particular, ensure that the dispute would be settled by arbitrators familiar with the practices of the trade. With regard to specific arbitration rules such as those for the trade in dry and dried fruit elaborated by associations of importers - especially in Hamburg, London and Rotterdam - the exporters of these products, and even importers from other countries, took the view that it would be desirable to have a system of arbitration in which the interests of the parties were better balanced. Also, the experts in general, felt that neither these rules nor those of the various Exchanges in the capitals of large cities of the countries of eastern or western Europe could always provide desirable guarantees of neutrality in the framework of intra-European trade. Lastly, as regards the Rules of Arbitration of the European Union for the Wholesale Potato Trade (RUCIP, Paris) or the Arbitration Rules for fresh fruit and vegetables of the European Economic Community (Brussels), it was pointed out that they applied only to disputes between traders who belonged to these systems, so that trade with certain nordic countries or certain countries of eastern Europe was excluded. Bearing in mind these objections, the experts made sure that the present Arbitration Rules were professional, were neutral in terms of relationships between exporters and importers and also between traders of eastern and western Europe, and were accessible to traders in perishable agricultural products from all countries even outside Europe.

CHARACTERISTICS

Optional Instrument

In order to meet the point made by government representatives who observed that no arbitration rules could be imposed from outside on the traders of certain countries, the Rules are not mandatory; as is clear from the introduction, they are optional. They are applicable only if the parties have so expressly stipulated in an arbitration agreement; and the parties are entitled to amend them by mutual agreement.

Professional arbitration

The arbitration provided for in these Rules is exercised through trade bodies designated by each country which, when the occasion arises, provide secretariat services for the arbitration tribunal and also establish lists of arbitrators for their respective countries. The role played by Governments consists merely of designating or communicating to the secretariat of the Economic Commission for Europe the names of the competent trade bodies in their respective countries which are interested in participating in such arbitration. A list of these trade bodies is given in Annex I. The lists of arbitrators communicated by these bodies will be constantly kept up to date, published and circulated to all countries.

Body which may be called on to settle procedural questions

The Rules provide for the establishment of a body entitled : "The UN/ECE Chamber of arbitral procedures for certain categories of perishable agricultural products". This body is not intended to deal with the substance of disputes between parties or to make arbitral awards; it is merely a body which may be called on to settle procedural questions. While arbitration is conducted by temporary or ad hoc arbitral tribunals, the UN/ECE Chamber may, at the request of one or both of the parties, intervene when the parties are unable to agree on matters of procedure essential for the establishment of the arbitration tribunal, such as the designation of the place of arbitration; the

designation of an arbitrator; the validation of a challenge of an arbitrator, etc. The Chamber is composed of four members and four alternates.

Neutrality of the UN/ECE Chamber

In order to provide a guarantee of neutrality which is essential in the context of east-west trade, half the members of the UN/ECE Chamber and their alternates are selected by representatives 1/ of eastern European countries and half by representatives of western European countries 2/, in consultation in each case with the respective trade bodies. Since the Chairman of the Chamber has a casting vote in the case of a tied vote, the chairmanship is held in turn by a member chosen from the eastern countries and a member chosen by the western countries. The composition of the Chamber is therefore balanced from the point of view of representation of the countries of eastern and western Europe. The representatives who select the members of the Chamber are responsible for ensuring that they include representatives of exporters and importers in the various branches of perishable foodstuffs.

1/ The representatives are the participants in the ECE Working Party on Standardization of Perishable Produce.

2/ Since concepts of "east" and "west" may give rise to differing interpretations, these terms have been replaced in the Arbitration Rules by the terms : "countries in which there is no National Committee of the International Chamber of Commerce" and "countries in which there is a National Committee of the International Chamber of Commerce". This formulation is already included in the European Convention on International Commercial Arbitration of 21 April 1961.

Establishment of the UN/ECE Chamber

The Committee on Agricultural Problems decided in March 1978, by drawing lots, that the first Chairman would be a representative of the countries of eastern Europe. A representative of the western European countries would automatically succeed him at the end of two years. On 13 July 1978, during the thirty-fourth session of the Working Party on Standardization of Perishable Produce, the UN/ECE Chamber was established ^{1/}. It will remain in office until 31 December 1982 after which it will be renewed for a period of four years.

Secretariat of the UN/ECE Chamber

As a rule, the UN/ECE Chamber performs its function by means of telecommunications without its members being required to meet. In these circumstances, it is essential that the secretariat of the Chamber should have a permanent seat at an established place in order to constitute, as a minimum, a central point between all the bodies and parties concerned in an arbitration. This requirement is met by the fact that the secretariat of the Chamber is the secretariat of the Economic Commission for Europe at the Palais des Nations, Geneva. The Bourse de commerce de Strasbourg and the International Chamber of Commerce in Paris have agreed, if the situation so requires, and at the request of the Chamber, to advise the secretariat on legal questions concerning international trade arbitration.

1/ Composition of the Chamber for the period 1978-1982 :

Members

Mr.G. Mihalca (Romania)
Mr.H. Moldenhauer (Fed.Rep.
Germany)
Mr.Z.L. Nanowski (Poland)
Pr. R. Poroy (Turkey)

Alternates

Mr. I. Mircea (Romania)
Mr.W.B. Briscoe (United
Kingdom)
Mr.A. Tynel (Poland)
Mr.B. Cremades (Spain)

Chairman from 13 July 1978 to 31 December 1980; Dr.G.
Mihalca; Chairman from 1 January 1981 to 31 December 1982:
Mr.H. Moldenhauer.

Place of arbitration

Since the UN/ECE Chamber is not an arbitration institution but merely an arbitral procedure body which intervenes in case of difficulty and only at the request of one or both of the parties, the place of arbitration is not fixed; it is different for each case of arbitration. It is determined in principle by the parties or, failing that, by the arbitrators, with the possibility of recourse to the UN/ECE Chamber if the parties or the arbitrators are unable to agree. In these circumstances, when the place of arbitration is determined by the parties, the party wishing to resort to arbitration informs the trade body of the place of arbitration. If the place of arbitration is not determined by the parties, the claimant may submit his application to the secretariat of the UN/ECE Chamber, which forwards it to the secretary of the tribunal as soon as the place is known.

Territorial Scope of the Rules

The present Arbitration Rules are specially designed for settling disputes arising in intra-European trade and, in particular, in trade between eastern and western Europe. They are, therefore, open automatically to all interested traders in countries which are members of the Economic Commission for Europe.^{1/} Moreover, it is provided that all States Members of the United Nations which are not members of the Commission may enable their nationals who engage in international trade in perishable foodstuffs to benefit from the system of arbitration provided for in the Rules; all that is required is that the States concerned should communicate to the secretariat of the Chamber the name of one or more competent trade bodies in their countries.

Respect for the independence of the wishes of the parties

Parties who resort to arbitration for the settlement of disputes between them usually like to have sets of rules which make it easy for the arbitrators to adopt a

^{1/} The 34 country members of the Economic Commission for Europe are the 32 countries of Europe plus Canada and the United States of America.

procedure for making their award; but they wish at the same time to remain entirely free as to their choice of arbitrators and the submission of their cases to the arbitrators. In view of this legitimate wish the Arbitration Rules do not impose solutions in cases where the parties can devise their own solutions. They merely establish principles for cases in which the parties have either neglected to take a decision or, in the absence of agreement, are unable to do so; they are, therefore, residual to the wishes of the parties. The parties are thus free to choose one arbitrator each, to choose him other than from the lists of arbitrators, to entrust the arbitration to a sole arbitrator, to select the place of arbitration, to challenge an arbitrator if valid grounds exist for doing so, to submit notes to the arbitrators and to attend, or be represented at the hearing of the arbitral tribunal; lastly the parties may exceptionally decide not to waive the right of appeal.

Power of the arbitrators

The Rules are not only residual to the wishes of the parties, they are also very flexible with regard to freedom of action for the arbitrators. For example, except in cases expressly provided for in the Rules, the arbitral tribunal may follow any arbitration procedure it deems appropriate; it determines what evidence it will admit and assesses the facts by any means at its disposal; it may, in certain cases, also extend the time-limits for the completion of certain formalities by the parties. In regulating questions concerning the competence of the arbitrators, the applicable procedural law, in cases not mentioned in the Rules, and the applicable law as regards the substance of and reasons for the award, account is taken of the wishes of the parties, the independence of the arbitrators and the requirements of the law of the place of arbitration. The proposed solutions in this regard are based on the Arbitration Rules of the United Nations Commission on International Trade Law (UNCITRAL), of the International Chamber of Commerce in Paris and of the United Nations Economic Commission for Europe.

Rapidity of procedure

When parties decide to resort to arbitration rather than to a court of law, they do so inter alia because they want a quick decision and a less costly procedure. With regard to rapidity of procedure, it should be observed that possible applications to the UN/ECE Chamber, before the establishment of an arbitral tribunal take very little time: the parties may inform the secretariat of the Chamber of their application by telephone or telex. The secretariat then contacts the Chairman and members of the Chamber, also by telephone or telex, so that a decision by the Chamber can normally be communicated to the parties or to the arbitrators within 15 days. The Rules provide that, when the tribunal has been established, the award must be made within six months; but this period can obviously be reduced in cases which do not involve any major difficulties. Lastly, the parties undertake under the Rules to comply with the award within the time limit specified and, save in exceptional cases, waive the right of appeal. The procedure which is as rapid as possible, may thus be regarded as satisfactory.

Less costly procedure

With regard to costs, there is a reference scale which enables the parties to know in advance what their costs will be. The scale, reproduced in Annex II, will be brought up to date regularly by the Chamber and will take account of existing practice. It should be noted that, if the parties resort to the services of the Chamber, they will not incur any additional charges since the functions of Chairman and member of the Chamber are performed without remuneration, and those of the secretariat of the Chamber are provided free of charge by the secretariat of the Economic Commission for Europe.

Future prospects for the Rules

There are reasons for believing that the Arbitration Rules drawn up by practitioners in the perishable foodstuffs trade and by arbitrators in international trade, under the auspices of the Economic Commission for Europe, will meet the requirements of intra-European trade in perishable foodstuffs by offering a professional, simple and well-

balanced instrument, capable of providing easy solutions to any disputes among parties. As for the future it will be possible, if necessary, to revise the Rules in order to adapt them to developments in international trade practice, since the UN/ECE Chamber can propose to the ECE Committee on Agricultural Problems any amendments it considers desirable. The scope of the Rules may also be extended if traders from outside Europe agree to resort to them for the settlement of their disputes or if UN/ECE General Conditions referring to these Arbitration Rules are prepared for perishable foodstuffs other than those to which the Rules now apply.

**UN/ECE ARBITRATION RULES FOR CERTAIN CATEGORIES
OF PERISHABLE AGRICULTURAL PRODUCTS**

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INTRODUCTION: SCOPE OF APPLICATION

When the parties 1/ to a contract relating to agriculture have specified in an arbitration agreement 2/ that any disputes that have arisen or may arise from their contracts 3/ shall be submitted for final settlement to arbitration in accordance with the UN/ECE Arbitration Rules for Certain Categories of Perishable Agricultural Products 4/, these Arbitration Rules shall be applied subject to: (i) any amendments mutually agreed by the parties; (ii) mandatory provisions of the law applicable to arbitration.

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* * *

1/ The word "parties" means natural or legal persons, including legal persons under public law.

2/ The expression "arbitration agreement" means either a "compromise" or an arbitration clause inserted in a contract. A type of arbitration clause signed by the parties or contained in an exchange of letters is shown in Annex III.

3/ The expression "disputes that have arisen or may arise from the contract" means any existing or future dispute arising from a contract concluded between the parties or relating to such a contract or to its breach, termination or avoidance.

4/ The categories of perishable agricultural products for which these Rules of Arbitration apply are those for which there are General Conditions drawn up under the auspices of the Economic Commission for Europe; on 1 January 1979 such General Conditions exist for fresh fruit and vegetables - including citrus fruit; for dry fruit (shelled and unshelled) and dried fruit; and for potatoes.

I. STRUCTURE AND INSTITUTIONS

Organs

1. Besides the parties to the dispute, the organs and persons who take part in organizing the arbitration procedure under these Rules shall be:

(i) the trade bodies for international dealings in perishable agricultural products designated or communicated by their Governments in the member countries of the Economic Commission for Europe or possibly in other member countries of the United Nations, hereinafter called "the trade bodies", and the correspondents of these bodies;

(ii) the UN/ECE Chamber of arbitral procedures for certain categories of perishable agricultural products, hereinafter called "the UN/ECE Chamber", and the secretariat of that Chamber;

(iii) the arbitral tribunals and their secretary;

(iv) the arbitrators.

Trade bodies

2. (i) Designation or communication

(a) By Governments - The trade bodies for international dealings in perishable agricultural products, which apply these Arbitration Rules, shall be designated or communicated to the secretariat of the UN/ECE Chamber by their respective Governments.

(b) For one or more categories of agricultural products - According to the practice of the country concerned, either a single trade body may, when required, be responsible for arbitration with respect to all categories of products or, on the contrary, different trade bodies may be responsible for different categories of perishable agricultural products.

(c) For the country or for a region - Different trade bodies may also be designated for particular regions of a country.

(d) Countries not members of the Economic Commission for Europe - States Members of the United Nations which are not members of the Economic Commission for Europe may also, if they so wish, communicate to the secretariat of the UN/ECE Chamber the name of one or more trade bodies so that interested traders of their countries may participate in the UN/ECE arbitration system for certain categories of perishable agricultural products.

(e) List of trade bodies - A list of the trade bodies, by country and by category of products, including when appropriate the name of a correspondent (see art.2 (ii)(a)), is given in Annex I.

(ii) Functions connected with these Rules

The trade bodies undertake to give information concerning available arbitrators and to provide the secretariat for an arbitral tribunal in the event of an arbitration involving their participation.

(a) Appointment of a correspondent - To this end, every trade body shall act as a correspondent or appoint a correspondent, who shall be in particular responsible for liaison with the secretariat of the UN/ECE Chamber. The correspondent must possess the experience and knowledge necessary for the performance of his functions.

(b) Preparation of national lists of arbitrators - The trade body or bodies in each country shall draw up lists of arbitrators for each category of agricultural products, in accordance with the provisions of article 5 (i) and (ii). These lists shall be sent to the secretariat of the UN/ECE Chamber which shall publish them, keep them up to date, and communicate them to trade bodies in all participating countries.

(iii) Determination of the competent trade body

(a) A single trade body for the category of product to which the dispute relates - The competent trade body shall be the body which appears on the list of trade bodies for the category of product to which the dispute relates, in the country where the arbitration takes place.

(b) Several trade bodies for the category of product to which the dispute relates - When, in the country where the arbitration takes place, there are several trade bodies for the category of product to which the dispute relates,

- if the place of arbitration is chosen by the parties: the competent trade body shall be chosen by the parties, or failing that, by the claimant;
- if the place of arbitration is determined by the arbitrators: the competent trade body shall be chosen by the arbitrators.

UN/ECE Chamber

3. (i) Organ established under the auspices of the Economic Commission for Europe

A UN/ECE Chamber of arbitral procedures for certain categories of perishable agricultural products shall be established under the auspices of the Economic Commission for Europe.

(ii) Composition

(a) The UN/ECE Chamber shall be composed of four members and their alternates, these latter being in office only if the regular members are absent.

(b) Two of the members and their alternates shall be chosen by the representatives in the Working Party on Standardization of Perishable Produce of the States members of the Economic Commission for Europe in which there is a National Committee of the International Chamber of Commerce, after consultation with their respective trade bodies.

(c) The two other members and their alternates shall be chosen by the representatives in the Working Party on Standardization of Perishable Produce of the States members of the Economic Commission for Europe in which there is no National Committee of the International Chamber of Commerce, after consultation with their respective trade bodies.

UN/ECE Chamber
(continued)

(d) The names of the members and their alternates shall be notified to the Committee on Agricultural Problems of the Economic Commission for Europe by the representatives of the countries concerned.

(e) The Committee on Agricultural Problems shall take note of these notifications and confirm the names of the members and alternates thus chosen.

(iii) Term of office

The members and alternates of the UN/ECE Chamber shall be chosen for a term of four years. If the membership of the Chamber has not been renewed by the end of this term, it shall remain in office to ensure the necessary continuity until it has been renewed.

(iv) Alternation of chairmanship

One of the regular members mentioned under Article 3,(ii)(b), and one of the regular members mentioned under Article 3,(ii)(c) shall serve alternately as chairman for a term of two years. The name of the first chairman shall be drawn by lot by the Committee on Agricultural Problems of the Economic Commission for Europe, during the institution of the UN/ECE Chamber and when these rules come into force.

(v) Alternates

(a) If one of the members of the Chamber is unable to act, he shall be replaced by his alternate for the duration of his incapacity.

(b) If the chairman is unable to act, he shall be replaced - for the duration of his incapacity - as a member by his alternate and as chairman by the other regular member chosen initially by the same bodies which have chosen him.

UN/ECE Chamber
(continued)

(vi) Functions of the Chamber^{1/}

(a) The UN/ECE Chamber shall facilitate the arbitration proceedings in giving, if necessary, a solution to the following problems:

- designation of the place of arbitration (Art. 10);
- designation of an arbitrator when the respondent fails to designate one (Art. 6(iv));
- designation of a third arbitrator or the sole arbitrator (Art. 6(v) and (vi));
- validation of challenge of an arbitrator (Art. 7(iii)(a));
- authorization to communicate to the various trade bodies, at the request of one of the parties, the name of the party refusing arbitration or refusing to comply with an arbitral award (Art. 34 and 35);
- in the event of exceptional appeal proceedings, designation of the place of arbitration (Art. 37 (i)) and determination of the deposit to be paid by the appellant (Art. 37(ii)).

(b) The Chamber may also propose to the Committee on Agricultural Problems the publication of commentaries on the arbitral system, amendments to the Arbitration Rules as well as the creation of a commission of jurists

^{1/} In addition to the functions enumerated in Article 3 (vi) the Chamber or the Chairman of the Chamber may be called upon by the provisions of Rules of Survey annexed to one of the UN/ECE General Conditions for certain categories of perishable agricultural products, to carry out other functions such as designating a surveyor, revising a reference scale for survey charges, etc.

who have specialized in arbitration, in order to make a general study on the jurisprudence of arbitral tribunals foreseen by the Rules of Arbitration.

(vii) Procedure of the Chamber

(a) When the UN/ECE Chamber is required to resolve one of the specific difficulties mentioned in Article 3(via), its decision shall be taken on the basis of messages exchanged by telex or telegram or of telephone calls, between the chairman and the members through the secretariat. These decisions shall be taken, if possible, within 15 days of the making of the application and be communicated immediately to the applicant by the secretariat. If there is no majority the chairman's proposal shall be adopted.

(b) The functions of chairman and member of the UN/ECE Chamber shall be performed without remuneration. Expenses incurred during a specific arbitration (such as telephone, teleprinter or telegram charges) shall be incorporated in the overall administrative expenses of such arbitration.

(viii) Secretariat

(a) The secretariat services of the UN/ECE Chamber are assumed by the secretariat of the United Nations Economic Commission for Europe. On the request of the members of the UN/ECE Chamber, the secretariat will consult with the Bourse de commerce de Strasbourg or the International Chamber of Commerce in Paris which have declared themselves willing to advise the secretariat on legal questions concerning international commercial arbitration.

(b) The functioning of the UN/ECE Chamber shall be assured by the secretariat under the supervision of its chairman; the secretariat shall publish and keep up to date the list of trade bodies (Art. 2(i) (e)), the national lists of arbitrators (Art. 2(ii) (b)), as well as the reference scale of charges (Art. 31(iii)). The secretariat shall also keep a copy of the arbitral awards rendered by the arbitral tribunals; these awards shall be

UN/ECE Chamber
(continued)

kept confidential; the staff of the secretariat shall, in this regard, be bound by professional secrecy.

Arbitral tribunals

4. (i) Temporary nature

An arbitral tribunal shall be constituted in accordance with the procedure described in articles 6 to 11, whenever a dispute between parties is submitted to arbitration.

(ii) Appeals

Unless the parties otherwise agree, and so inform the arbitrators and the secretary of the arbitral tribunal before the award is rendered (Art. 37), the arbitration shall be final.

(iii) Composition

Unless the parties have agreed that the arbitration is to be entrusted to a sole arbitrator, the tribunal shall be composed of three arbitrators.

(iv) Secretary

Article 11 specifies how the secretary of the tribunal is to be appointed and the qualifications required.

Arbitrators

5. (i) List of arbitrators

(a) The lists of arbitrators drawn up by the trade bodies shall contain the names, functions, specialization, titles and addresses of the arbitrators and the languages they speak.

(b) Persons included in a list of arbitrators may also be included in the lists of experts drawn up by the same bodies.

(ii) Professional qualifications

In drawing up the list of arbitrators, the trade bodies shall take into account the qualifications necessary for performing the functions of an arbitrator.

(iii) Independence

The arbitrators shall not represent either the parties or the UN/ECE Chamber which have chosen or designated them. They shall be wholly independent in performing their functions and shall be bound by professional secrecy.

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II. CONSTITUTION OF THE ARBITRAL TRIBUNAL

Choice or designation of arbitrators

6. (i) Arbitrators chosen by the parties

Unless otherwise provided in the arbitration agreement, the parties shall choose their arbitrators from the lists of arbitrators referred to in article 5(i).

(ii) Arbitrators designed by the UN/ECE Chamber

When an arbitrator is designated by the UN/ECE Chamber, his name must be on the lists referred to in article 5(i).

(iii) Arbitrator chosen by the claimant

The claimant shall notify the respondent, by registered letter with acknowledgement of receipt, by telegram or by telex, of his intention to resort to arbitration. Subject to the provisions of paragraph (vi) of this article, he shall state the name of the arbitrator he has chosen and who has agreed to act, and

shall ask the respondent to choose another arbitrator within 15 days following receipt of this notification. When notification was effected by telegram or telex, it would be confirmed by registered letter with acknowledgement of receipt.

(iv) Arbitrator chosen by the respondent or designated by the UN/ECE Chamber

If the respondent does not choose an arbitrator within the time-limit prescribed in paragraph (iii) of this article, the claimant shall request the UN/ECE Chamber to designate one from the list of arbitrators of the respondent's country.

(v) Third arbitrator - Presiding arbitrator

The two arbitrators chosen by the parties, or the arbitrator chosen by the claimant and the arbitrator designated by the UN/ECE Chamber for the respondent, shall proceed to designate a third arbitrator from the lists of arbitrators, within 15 days following receipt by the arbitrator chosen by the claimant, of the communication of the name of the arbitrator chosen by the respondent. If the two arbitrators cannot agree on the name of the third arbitrator each of them may request the UN/ECE Chamber to make this designation from the lists of arbitrators. In this case, the nationality of the third arbitrator shall be different from that of the parties. The third arbitrator shall act as chairman.

(vi) Sole arbitrator

When the parties have decided to resort to arbitration by a sole arbitrator but are unable to agree on the choice of the arbitrator, he shall be designated by the UN/ECE Chamber from the lists of arbitrators, within 15 days following receipt of the request for designation made by the party first so requesting. The nationality of the sole arbitrator shall be different from that of the parties.

Challenge of an arbitrator

7. (i) Grounds

An arbitrator may be challenged if any circumstances exists which may cast doubt on his impartiality or independence, in particular :

- (a) a family tie with one of the parties;
- (b) a financial connexion with one of the parties;
- (c) an interest in the settlement of the dispute, whether he has been the adviser, employee or representative of one of the parties, has given evidence, has acted as a broker or public auctioneer, or has been appointed as an expert in the transaction to which the dispute relates.

(ii) Time-limits and procedure

(a) A party wishing to challenge an arbitrator must send its challenge to the secretariat of the UN/ECE Chamber by telegram or by telex.

(b) A copy of the challenge shall be sent to the other party by registered letter with acknowledgement of receipt by telegram or telex. A copy of the challenge shall also be sent to the arbitrator challenged as well as to the secretary of the tribunal if he has already been appointed.

(c) The grounds for the challenge must be stated.

(d) The time-limit for sending a challenge shall be 15 days after receipt of communication of the name of the arbitrator.

(e) If a party proves, before the award has been rendered, that it did not know that it had grounds for a challenge, it must challenge the arbitrator as soon as it becomes aware of the circumstances giving it grounds for the challenge.

(iii) Validity

(a) When one party challenges an arbitrator, the other party may object to the challenge within 15 days of receipt of the challenge.

(b) This objection shall be communicated to the secretariat of the UN/ECE Chamber by telegram or by telex.

(c) A copy of the objection shall be sent to the other party by registered letter with acknowledgement of receipt, by telegram or by telex. A copy of the objection shall also be sent to the secretary of the arbitral tribunal, if he has already been appointed.

(d) Where the law on arbitral procedure does not provide otherwise, the decision on the validity of the challenge, which shall be final, shall be taken by the UN/ECE Chamber within 15 days of receipt of the objection, after hearing the arbitrator who was challenged.

Refusal or impediment of
an arbitrator

8. (i) Refusal

An arbitrator who knows that there are grounds for challenging him must refuse his appointment and forthwith notify the secretary of the tribunal or, failing him, the parties.

(ii) Impediment

An arbitrator who is prevented from performing his duties shall forthwith notify the secretary of the tribunal or, failing him, the parties.

Replacement

9. If an arbitrator is challenged, refuses his appointment, is prevented from performing his duties or dies, he shall be replaced in the same manner and within the same time-limits as are prescribed for his appointment.

Place of arbitration

10. (i) The parties shall determine the place of arbitration.

(ii) If the parties cannot agree on the place of arbitration, it shall be determined by the arbitrators, who in doing so must take into account the facilities available for execution of the award.

(iii) If the arbitrators do not agree on the place of arbitration, they shall request the UN/ECE Chamber to designate that place.

Secretariat of the tribunal

11. (i) Designation

The secretary of the arbitral tribunal shall be appointed by the competent trade body of the place of arbitration as soon as its correspondent has been notified of the request.

(ii) Qualifications

The secretary of the tribunal must have received appropriate training to be able to assist the tribunal in the proper application of the Arbitration Rules.

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III. MEMORANDUM BY THE PARTIES

Request for arbitration^{1/}

12. (i) Time limits for submission^{1/}
(ii) Organ to be notified

(a) If the place of arbitration is chosen by the parties, the claimant shall submit the request to the competent trade body of the place of arbitration (art.2 (iii)).

(b) If the parties have not agreed on the place of arbitration, the claimant shall submit the request to the secretariat of the UN/ECE Chamber, which shall forward it to the secretary of the arbitral tribunal as soon as the latter is constituted.

(c) Upon receipt of the request for arbitration, the secretariat of the body receiving the request shall transmit a copy thereof to the respondent.

(iii) Form

The request dated and signed by the claimant and its annexes shall be sent in five copies by registered letter. If the request is sent by telex, telegram or telephone, it shall be confirmed by registered letter.

(iv) Particulars to be provided

- (a) The request, must in particular

^{1/} It is recalled that time-limits for the submission of the request shall be determined by the UN/ECE General Conditions of Sale for various categories of agricultural products in the provision entitled: Arbitration, time-limits for submission. Time-limits may also be stipulated by the parties in the arbitration agreement. The law on arbitral procedure sometimes contains mandatory provisions on this subject.

- state the first and last names, trade names, positions and addresses of the parties;
- contain the claimant's statement of claim;
- provide information establishing the circumstances of the case;
- include a copy of the contract which has given rise to the dispute and of the arbitration agreement;

and be accompanied by a list of the documents attached.

(b) The information establishing the circumstances of the case shall include, for example, the survey report or references to possible evidence without prejudice of the subsequent communication of other evidence.

(c) If any information which he considers essential is lacking, the secretary of the arbitral tribunal shall approach the claimant in order to obtain it.

Memorandum of response
by the correspondent

13. The respondent shall be allowed 30 days from the receipt of a copy of the request for arbitration in which to submit - in five copies - a memorandum of response.

Counterclaim

14. If a counterclaim, based on the same contract between the parties is made, it must be submitted within 30 days of the receipt of the copy of the request for arbitration, on pain of prescription.

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IV. PROCEDURE OF THE ARBITRAL TRIBUNAL

Competence of the tribunal

15. (i) In regard to procedure

(a) Power of the tribunal - Unless otherwise provided in these Rules, the arbitral tribunal may follow any arbitration procedure it deems appropriate.

(b) Equal treatment of the parties - The arbitral tribunal must in all cases allow the parties to defend their rights and interests on an absolutely equal footing.

(c) Procedural law which may be applicable - The rules applicable to procedure shall be those resulting from the present Rules. In the absence of these latter, the procedural law applicable shall be that chosen by the parties or, in their default, by the arbitrators; if the arbitrators do not agree, the law applicable shall be that of the place of arbitration.

(ii) Pleas to the arbitrators' competence on the substance

(a) Time-limit for an incidental plea of incompetence - A party which intends to plead incompetence of the arbitrators by reason of the non-existence, nullity or lapsing of the arbitration agreement must do so not later than the time of delivery of its first memorandum. A plea that a matter in dispute is beyond the competence of the arbitrators must be made as soon as that matter is raised. When delay in making the plea is due to a cause which the arbitrators deem valid, they shall declare the plea admissible.

(b) Power of the arbitrators to rule on their own competence - Subject to the provisions of the law applicable to the arbitration, arbitrators whose competence is challenged may proceed with the arbitration; they have the power to rule on their own competence and on the existence or validity of the arbitration agreement or of the contract of which it forms a part.

Preliminary investigation measures

16. (i) Deposit of security for costs

The secretary of the tribunal shall fix the amount of the security needed to meet the arbitration costs entailed by the claim. If one or more counterclaims are submitted, he may fix separate securities for the main claim and for the counterclaim or counterclaims. Payments shall be made within 15 days of notifying the claim in question.

(ii) Arbitration agreement

In countries where the law requires an agreement to submit to arbitration (compromis), the secretary of the tribunal, as soon as he has received the security for costs and notified the respondent, shall invite the parties to sign the agreement.

(iii) Notes by the parties

The parties may submit to the tribunal Notes to support their claim or to state their defence explicitly. These Notes, reproduced in five copies, may be submitted until the investigation is closed. The secretary of the tribunal shall send copies of these Notes to the arbitrators and to the other party.

(iv) Guarantee by third party

If one of the parties invokes a guarantee by a third party to which it imputes all or part of the responsibility for the facts of the dispute and if that third party agrees to intervene in the dispute, the arbitral tribunal may, with the third party guarantor's assent, hear the original claim and the claim to the guarantee together.

(v) Closure of the investigation

The secretary of the tribunal shall inform the parties of the closure of the investigation decided upon by the tribunal.

(vi) Arbitration on the basis of documents

If the parties so agree in writing, the tribunal may arbitrate on the basis of documents, without oral proceedings.

(vii) Date of hearing and place where the tribunal will sit

In the event of a hearing by the tribunal, the secretary shall inform the parties of the date of the hearing and of the place where the tribunal will sit, at the same time as he notifies them of the closure of the investigation.

Language of the proceedings

17. The language of the proceedings shall be chosen by the arbitrators, after consulting the parties. The arbitrators shall, if necessary, arrange for the translation of documents into the languages known by the parties. Interpreters may be asked to attend the hearing.

Appearance of the parties

18. (i) Representation and assistance

Either party is entitled to be represented in the arbitration by one or more duly authorized agents. Either party is also entitled to be assisted by persons of its choice.

(ii) Absence or lack of representation

If, without showing sufficient cause, either party fails to appear at a hearing properly convened, the arbitrators may proceed with the arbitration in its absence.

If, without sufficient cause, either party fails to submit documents when the arbitrators have been authorized to arbitrate on the basis of documents without oral proceedings, the arbitrators may make their award on the evidence before them.

Conciliation

19. (i) After closure of the investigation and before proceeding to arbitration, the tribunal may invite the parties to seek conciliation.

(ii) Settlement

When attempts at conciliation result in a settlement, either party may at any time request the tribunal to make an award on agreed terms setting out the agreement reached in the settlement.

Evidence

20. (i) Power of the tribunal

The tribunal shall decide what evidence it will admit.

(ii) Additional evidence

At any time during the proceedings the tribunal may require the parties to produce additional evidence, for which it shall set them an appropriate time-limit.

(iii) Witnesses

The deposition of a witness shall be recorded and he shall sign the record. If the law of arbitration procedure requires it, and if under the law arbitrators are empowered to administer an oath, the tribunal shall swear witnesses.

(iv) Discretion of the tribunal - Expertise

The tribunal may assess the evidence by any means at its disposal and may, in particular, arrange for an expert opinion to be obtained on any point.

Extension of time-limits

21. The time-limits laid down in the Arbitration Rules for the various acts which the parties are required to perform may be extended by agreement between the parties, or by the tribunal if it considers that the delay of one of the parties is justified.

Deliberations

22. The tribunal shall deliberate in the absence of the parties and of their counsel or agents.

Decisions

23. The tribunal shall take its decisions by a majority of votes. Failing a majority, the presiding arbitrator shall make a proposal which shall become the decision of the tribunal if a majority is not reached within two hours.

*

* *

V. THE AWARD

Law applicable to the substance

24. (i) Determination by the parties

Subject to the provisions of paragraph (iv), the tribunal shall apply to the substance of the dispute the General Conditions to which the contract between the parties was subject and the law decided upon by the parties.

(ii) Determination by the tribunal

If the parties fail to indicate the law applicable, the tribunal shall apply the law indicated by the rule of conflict which it considers relevant to the case.

(iii) Terms of the contract and trade usages

In both cases, the tribunal shall take account of the terms of the contract and, if necessary, trade usages.

(iv) Amiable composition

If the parties so desire and the law governing the arbitration permits, the tribunal shall act as an "amiable compositeur".

Legal sanction

25. In making its award, the tribunal shall do its utmost to ensure that the award can be legally enforced.

Kinds of award

26. The tribunal is entitled to make provisional, interlocutory or partial awards; it is also entitled to make an award on agreed terms.

Particulars required

27. The award must be in writing, dated and signed by all the arbitrators. Without prejudice to any other particulars prescribed by the law of the country in which it is made, the award must contain:

- (i) the first and last names, addresses and occupations of the arbitrators;
- (ii) the first and last names, occupations (or trade names), positions and addresses of the parties;
- (iii) information on the arbitration agreement or clause, and a reference to these Arbitration Rules;
- (iv) a summary of the claim and of the respondent's reply. If the respondent has not made any reply, the award shall state how he was notified of the request for arbitration and that he was given an opportunity to enter a defence;
- (v) the decision relating to the dispute and to the payment of costs;
- (vi) particulars of the place where the award was made (Art. 32).

Reason for the award

28. The parties shall be presumed to have agreed that the reasons for the award shall be stated unless they :

- (i) have expressly stated that reasons shall not be given, or
- (ii) have submitted to an arbitration procedure under which it is not customary to state the reasons for awards, provided, in this case, that neither party requests before the end of the hearing or, if there has been no hearing, before the making of the award, that the reasons for the award be stated.

Language

29. The award shall be written in the language chosen by the arbitrators for the arbitration proceedings. Only the original text shall be authentic and may be accompanied, if necessary, by a translation into the language or languages known by the parties or by a translation essential for reasons of procedure.

Time-limits

30. (i) The arbitral award shall be made as soon as possible, taking account of the usages of international trade, and not later than six months after the constitution of the arbitral tribunal.

(ii) The time-limit within which the arbitral award must be made may be extended by agreement between the parties. This time-limit may also be extended by the tribunal to the degree that such extension is justified by the replacement of an arbitrator, the need to hear witnesses or obtain expert opinion, or any other valid reason.

Costs of arbitration

31. (i) In addition to deciding on the merits of the case, the award shall fix the costs of the arbitration and, if necessary apportion them.

(ii) The costs of the arbitration shall include the fees of the arbitrators, their travel expenses, the administrative costs, the cost of any expert advice taken and any expenses incurred in hearing witnesses.

(iii) The costs of the arbitration shall be fixed by the tribunal, in conformity with the reference scale of the UN/ECE Chamber, which is given in Annex II.

(iv) In principle, the costs of the arbitration shall be borne by the unsuccessful party; in certain cases, the arbitrators may apportion the costs between the parties.

Place and date

32. The award shall be assumed to be made in the country of the place of arbitration, at the seat of the tribunal, on the day of its signature by the arbitrators.

Communication-Deposit-Copy

33. The secretary of the tribunal shall be responsible for the following operations:

(i) A copy of the award shall be communicated to the parties by registered letter with acknowledgement of receipt. The dispatch of this copy shall be considered as equivalent to notification.

(ii) If the law of a State so requires or if a party wishes to obtain exequatur of the award, it shall be deposited with the competent court or the authorities concerned.

(iii) A copy of the award shall be sent to the secretariat of the UN/ECE Chamber for registration and filing.

(iv) With the assistance of the arbitrators if necessary, the secretary of the tribunal shall help the parties to complete any other formalities that may be necessary.

*

* *

VI. SUPPLEMENTARY PROVISIONS

Refusal of arbitration

34. If the law of the country in which the arbitration takes place requires an agreement to submit to arbitration (compromis) (see art. 16(ii)) and the respondent refuses to sign such an agreement, the claimant may apply to the UN/ECE Chamber for authorization to communicate the respondent's name by the same procedure as is laid down in the case of refusal to comply with an arbitral award (see art. 35).

Non-compliance

35. Without prejudice to a motion for annulment or an exceptional appeal (see art. 37), if the unsuccessful party to an arbitration refuses to comply with the award, the other party shall be entitled, independently of any application for exequatur, to request the UN/ECE Chamber for authorization to communicate the name of that party and the substance of the award to the various trade bodies. The UN/ECE Chamber shall notify the defaulting party of the other party's request by registered letter and shall allow him a period of 20 days within which to comply with the award. When this period has expired, the UN/ECE Chamber may authorize communication of the name of the party for inclusion in the lists of defaulters drawn up by the trade bodies. A party which fails to comply with an award within this additional period shall be strictly debarred from any appeal against, or relating to, such communication. If the defaulting party subsequently complies, its name shall be struck off the above-mentioned lists.

Waiver of appeal

36. (i) By submitting to these Arbitration Rules, the parties undertake to carry out the award within the prescribed time.

Waiver of appeal
(continued)

(ii) Subject to any legal provisions to the contrary and to any agreement between the parties communicated to the secretariat of the tribunal before the award is made, the parties renounce all right of appeal to another arbitral body or to a court of law.

Exceptional appeal

37. (i) Special procedure

If the parties have decided not to waive the right of appeal, in accordance with the provisions of article 36 (ii), and if one of them does in fact exercise the right of appeal and opts for the arbitral form of appeal, it may have recourse to the same appeal procedure as that laid down for arbitration of first instance, subject to the following provisions:

(a) the parties shall decide on the country in which the appeal is to be heard. Failing agreement between the parties on this point, the place shall be decided by the UN/ECE Chamber;

(b) an arbitrator who took part in the arbitration of first instances may not be chosen;

(c) the appellant shall lodge the appeal, containing a reference to the first award and a summary of the grounds for the appeal, with the UN/ECE Chamber within 15 days of being notified of the first award;

(d) the appellant shall have 15 additional days to submit the complete statement of his claim;

(e) in any case, the parties may not make any claim in excess of those made in the main claim or the counterclaim at the arbitration of first instance;

(f) the complete file of the arbitration proceedings of first instance shall be sent, through the secretariat of the UN/ECE Chamber, to the secretary of the appeal tribunal.

Exceptional appeal
(continued)

(ii) Deposit of security

(a) On receipt of the notice of appeal, the UN/ECE Chamber shall fix a date by which the appellant shall deposit at a specified bank a sum equivalent to the cost of the appeal proceedings and a sum or a bank guarantee equivalent to the payments to be made and the costs to be borne as a result of the arbitral award of first instance. If the award of first instance does not require the appellant to make a payment but to fulfil another obligation, the sum to be deposited or the bank guarantee to be provided shall be equivalent to the cost of fulfilling that obligation. Where necessary, the UN/ECE Chamber shall determine the amount of the sum to be deposited or the bank guarantee to be provided.

(b) If the appellant fails to make the above-mentioned payments by the date fixed, the UN/ECE Chamber shall declare the appeal inadmissible. In that case, the costs incurred for the initiation of the appeal procedure shall be borne by the appellant.

(c) The costs incurred as a result of any deposits made shall form part of the cost of the arbitration proceedings.

ANNEX I

LIST OF TRADE BODIES FOR FRESH FRUIT AND
VEGETABLES, POTATOES, DRY AND DRIED FRUITS
DESIGNATED OR COMMUNICATED BY GOVERNEMENTS

AUSTRIA

Bundesgremium des Landes-
produktenhandels,
13 Bauermarkt,
A-1010 VIENNA.

BELGIUM

Belgische Fruitbeurs N.V.,
1, Zeevaartstraat,
B-2000 ANTWERP.

Union nationale des impor-
tateurs, exportateurs et
grossistes en fruits,
légumes et primeurs,
68 Boulevard d'Ypres,
B-1000 BRUSSELS.

Groupement national des
négociants en pommes de
terre de Belgique,
rue des Fripliers 24 bis,
B-1000 BRUSSELS.

Syndicat national du commerce
des céréales et légumes secs
(Synege),
57 Boulevard de Midi,
B-1000 BRUSSELS.

BULGARIA

Bulgarkontrola,
P.O. Box 613 - Parchevich
Street,
SOFIA 42.

CYPRUS

Ministry of Commerce and
Industry,
Ministry of Agriculture and
Natural Resources,
NICOSIA.

CZECHOSLOVAKIA

State Quality Inspection
of Agricultural Products,
J. Plachty 16,
15000 PRAGUE 5.

Fruit and Vegetable Trade
Organization,
Department of Quality
Management and Inspection,
Biskupsky dvur 5,
11000 PRAGUE 1.

DENMARK

Chamber of Commerce,
Børsen (Royal Exchange),
1217 COPENHAGEN K.

Potato Export Board,
Tvaerkajen, Trafikhavnen,
6700 ESBJERG.

FINLAND

The Central Chambe of
Commerce of Finland,
Fabianinkatu 14,
SF-00100 HELSINKI 10.

FRANCE

Association française des
Comités économiques agricoles
des fruits et légumes,
18 rue de l'Arcade,
F-75008 PARIS.

Confédération nationale des
expéditeurs et exportateurs
de fruits et légumes,
10, rue Grange Batelière,
F-75009 PARIS.

Fédération nationale des
producteurs de légumes,
19, Boulevard Montmartre,
F-75002 PARIS.

FRANCE (continued)

Groupement national des
exportateurs de fruit et
légumes,
Boîte postale 236-02,
6 bis, rue Bacheaumont,
F-75002 PARIS.

Fédération nationale des
producteurs de légumes,
19 boulevard Montmartre,
PARIS 11e.

Fédération nationale des
négociants en pommes de
terre et légumes en gros,
220 Bourse de Commerce,
F-75040 Paris Cedex 01.

Syndicat du commerce inter-
national des fruits et
légumes,
125, avenue Charles de Gaulle,
F.92200 NEUILLY.

Union nationale du commerce
de gros en fruits et légumes,
Tour administrative,
601, rue de la Tour, M.I.M.,
F.94576 RUNGIS Cedex.

Chambre syndicale nationale
de la prune d'Ente,
24, avenue de Bordeaux,
Boîte postale 40,
F-47302 VILLENEUVE-sur-LOT.

Syndicat national des
commerce et industrie des
fruits secs,
29, La Canebière,
F-13 MARSEILLE 1er.

GERMAN DEMOCRATIC REPUBLIC

Intercontrol GmbH,
Abt. Obst, Gemüse, Südfrüchte,
Clara-Zetkin Str. 112-114,
108 BERLIN.

GERMANY, FEDERAL REPUBLIC
OF

Zentralverband des Deutschen
Kartoffelhandels,
Sternstrasse 5,
4000 DUSSELDORF.

Waren-Verein der Hamburger
Börse e.V.,
Plan 5,
2000 HAMBURG 1.

Bundesarbeitsgemeinschaft
Deutsches verbinde des
Frucht import und Gross-
handels (B.A.F.),
Fruchthof 5,
2000 HAMBURG 1.

Zentral verband des Deutschen
Frucht Import und Gross-
handels e.V.,
Schedestrasse 11,
D-5300 BONN 1.

GREECE

Association of Greek Ex-
porters of Agricultural
Products,
Piraeus Street No. 1,
ATHENS.

HUNGARY

MERT S.A. (quality control)
Munnich Perenc u. 22,
H-1051 BUDAPEST V.

Hungarofruct,
Export-Import of Fruits and
Vegetables,
P.O. Box 62/386,
H-BUDAPEST V.

HUNGARY (continued)

Agrimex,
Agricultural Products Trade,
P.O. Box 278,
H-BUDAPEST.

Monimpex,
(Citrus Fruits and Dry Fruits,
External Trade),
P.O. Box 268,
H-BUDAPEST.

ITALY

Unione Italiana delle Camere
di Commercio,
Piazza Sallustio 21,
I-00187 ROME.

Sandicato Nazionale Esportatori
Importatori,
Ortofrutticoli ed Agrumi,
Piazza G.G. Belli 2,
I-00153 ROME.

LUXEMBOURG

Service de l'horticulture
auprès de l'Administration
des Services techniques de
l'Agriculture,
Ministère de l'Agriculture -
ASTA,
16 route d'Esch,
LUXEMBOURG.

MALTA

The Malta Chamber of Commerce,
Exchange Buildings,
Republic Street,
VALLETTA.

NETHERLANDS

Central Organisatie voor de
Groot - en Tussenhandel in
Groenten en Fruit,
Bezuidenhoutseweg 82,
's-GRAVENHAGE.

NETHERLANDS (continued)

Verenging van Nederlands
Exporteurs van Aardappelen
(Venexa),
Van Stolkweg 31,
's-GRAVENHAGE.

Nederlandse vereeniging
voor de Handel Gedroog-
dezuidvruchtin,
Westzgedijk 140,
P.O. Box 23070,
ROTTERDAM 2.

NORWAY

Statens Planteinspeksjon,
Økern torgvoi 1, IV,
OSLO 5.

Konserverfabrikkenes Lands-
forening,
Drammensveien 30,
N-OSLO 2.

POLAND

Polish Chamber of Foreign
Trade,
Trebacka 4,
WARSAW.

ROMANIA

I.C.E. Fructexport,
2 Dr. Marcovici Street,
BUCAREST VII.

I.C.E. Vinexport (for grapes),
41-43 Brezoianu Street,
BUCAREST VII.

I.C.E. Romagrimex,
17 Boulevard Republicii,
BUCAREST IV.

I.C.E. Prodexport,
5-7 Gabriel Peri Street,
BUCAREST I.

ROMANIA (continued)

I.C.E. Mercur (import of
citrus fruit),
118 Calea Victoriei,
70179 BUCAREST.

I.T.I.A. (for road transport),
8 Prelungirea Bujoreni,
BUCAREST III.

SPAIN

Asociación Profesional
Nacional de Frutas Hortalizas
y Patatas,
Princesa, 24,
MADRID.

Asociación Provincial de
Cosecheros Exportadores de
Tomate Fresco;
Estación Hortofruticola,
Mutuelle de la Luz, 2a planta,
LAS PALMAS.

Pintor Lorenzo Casanova 2,
ALICANTE.

Villaleal, 5,
MURCIA.

Avenida de Anaga,
Edificio Cacitas,
TENERIFE.

Comité de Gestión para la
exportación de frutos citricos
(citrus fruit),
Monjas de Santa Catalina, 8,
VALENCIA.

Sociedad de Gestión de las
Unidades de Exportación de
Almandras y Avellanag S.A.,
Plaza Mosteuses, 7-1^a
(dry fruit),
MADRID 8.

SWEDEN

Göteborg Chamber of Commerce,
Storgatan 26,
S-411 38 GÖTEBORG.

Stockholm Chamber of Commerce,
Västra Trädgårdsgatan 9,
P.O. Box 16050,
S-103 22 Stockholm 16.

SWITZERLAND

Fruit-Union Suisse,
Baarerstrasse 80,
CH 6300 ZUG 2.

Union Suisse de légume,
Leonhardshalde 21,
CH 8023 ZÜRICH.

Bourse Suisse du Commerce,
Bahnhofquai 7,
CH 8001 ZÜRICH.

Union des agents suisses en
denrées alimentaires en gros,
Seidengasse 17,
CH-8001 ZÜRICH.

TURKEY

Ministry of Commerce,
Ministry of Agriculture, Food,
and Stock,
Research Centre for the
Promotion of Exports,
Turkish Standards Institution,
ANKARA, Turkey.

UNION OF SOVIET SOCIALIST
REPUBLICS

V/O "Soiuzplodoimport",
MOSCOW.

UNITED KINGDOM OF GREAT
BRITAIN AND NORTHERN IRELAND

The Fruit Importers Association,
240 A - Flower Market,
New Covent Garden Market,
1 Nine Elms Lane,
LONDON S.W. 8.

National Federation of Fruit
and Potato Trades Limited,
308 Seven Sisters Road,
Finsbury Park,
LONDON N4 2BN.

National Dried Fruit Trade
Association,
Bank Chambers,
30-31 Shoreditch,
High Street,
LONDON E1.

The Combined Edible Nut
Trade Association,
Guildhall House,
81/87 Gresham Street,
LONDON EC2RV 7DS.

Seed Potato Marketing Board,
Bullock House,
2 Linenhall Street,
BELFAST BT2 8HA.

UNITED STATES OF AMERICA

United States Department of
Agriculture,
Agricultural Marketing Service,
Fruit and Vegetable Division,
Regulatory Branch,
WASHINGTON D.C. 20250.

ANNEX II

REFERENCE SCALE¹ OF ARBITRATOR CHARGES²
(in Swiss francs)

1. Fees (for each arbitrator)

Amount in dispute	Up to 2 500 fr.	2 500 to 5 000	5 000 to 10 000	10 000 to 25 000
Fees	100 frs.	4%	200 frs.	2%

(continued)

25 000 to 50 000	50 000 to 100 000	100 000 to 200 000	over 200 000
500 fr.	1%	1 000 fr.	8%

1/ When the UN/ECE Chamber will find it appropriate, it will be entitled to modify this reference scale of arbitration charges with a view to adapting it to possible variations of prices and of rates of exchange. Any modifications will be published and communicated to the parties concerned, in particular to the trade bodies.

2/ If the request for arbitration is withdrawn or a settlement is reached in the course of the proceedings, the fees of the arbitrators will depend on the services they actually rendered.

2. Fees of the secretary of the tribunal: half the fees of an arbitrator, with a minimum of 100 frs.
3. Fees of experts, if consulted from 50 to 100 frs., depending on the case.
4. Travel expenses (of arbitrators, experts, witnesses, etc.)
Transport: on presentation of vouchers
Day: 100 frs.
Night: 100 frs.
5. Administrative expenses : to be fixed by the secretary of the tribunal (between 100 and 500 frs., depending on the case). These may include the costs of messages by telegram or teleprinter, or telephone communications by the members of the UN/ECE Chamber when they are consulted about arbitration.

ANNEX III
TYPE OF ARBITRATION CLAUSE

Parties who wish to refer to the present arbitration rules may include in their contract the following clause :

"All disputes arising in connection with the present contract shall be finally settled under the UN/ECE Arbitration Rules for certain categories of perishable agricultural products which are known to the parties".

Parties may wish to add some details about the modalities of arbitration such as the place of arbitration, the number of arbitrators, the law applicable, the time limits for submission of the arbitration request, etc. They may also state that they do not wish to waive the possibility of an exceptional appeal as provided by the Rules; in that case, they should delete the word "finally" in the clause mentioned above.

**MEASURES TO BE TAKEN BY THE CLAIMANT AND
THE RESPONDENT IN ORDER TO START THE ARBITRAL SYSTEM**

(This brief note for the use of the parties does not exclude them from reading attentively the appropriate provisions of the Rules which alone are authentic and specify the operations to be made)

A. The Claimant

- I. Before submission of the request for arbitration
 - (a) The claimant should make sure that the arbitral convention made with the respondent refers to the present Rules of Arbitration (see Introduction and Annex III)
 - (b) He should choose an arbitrator, notify the respondent of his intention to resort to arbitration and ask him to choose his arbitrator in order to constitute the arbitral tribunal (see article 6(i), (ii) and (vi)).

- II. Submission of the Request for Arbitration
 - (a) Time-Limits Unless otherwise stipulated either by the General Conditions which serve as the basis of the contract or by the contract, the time limit on pain of foreclosure for the submission of the request is six months from the date of origin of the dispute (see article 12 (i) and footnote).

 - (b) Competent Trade Body The request is to be addressed to the competent trade body at the place of arbitration or to its correspondent. However, when the place of arbitration has not been decided by the parties, the request is to be addressed to the secretariat of the UN/ECE Chamber of Arbitral Procedure, Palais des Nations, Geneva, in order to fix a date. It is transmitted later to the competent trade body by the secretariat of the chamber when the place of arbitration has been determined (see Article 12 (ii); 2 (ii) and 2 (iii)).

(c) Form Five copies of the request (the three arbitrators, the respondent, the secretariat of the tribunal), dated and signed, are to be sent by registered letter. When the request is made by the teleprinter, telegram or telephone, it must be confirmed by registered letter (see Article 12 (iii)).

(d) Contents of the Request The request should contain information necessary to identify the parties and to establish the circumstances of the case, to set out the claim of the claimant and to list the necessary covering documents (see Article 12 (iv)).

III. Further Measures

The claimant must, among other things, pay the deposit for costs, which will be fixed by the secretariat of the tribunal (see Article 16 (1)).

B. The Respondent

(a) Choice of an Arbitrator On receiving notification of the intention of the claimant to resort to arbitration, the respondent must choose an arbitrator within fifteen days, in default of which the claimant may request the UN/ECE Chamber of Arbitral Procedures, to designate this arbitrator (see Article 6 (iii) et (iv)).

(b) Statement in Reply The respondent has thirty days from the date of receiving a copy of the request for arbitration in which to submit his statement in reply to the relevant trade body, failing that, to the secretariat of the Chamber, in the same form as that of the request (see article 12 (ii), (iii) and 13).

(c) Counter-Claim If the respondent makes a counter-claim he must submit it - under pain of foreclosure - within the same time limit of 30 days from receiving the copy of the request for arbitration (see article 14).

كيفية الحصول على منشورات الأمم المتحدة
يمكن الحصول على منشورات الأمم المتحدة من المكتبات ودور التوزيع في جميع أنحاء العالم - استلم منها من المكتبة التي تتعامل معها
أو اكتب إلى الأمم المتحدة، قسم البيع في نيويورك أو في جنيف.

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