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#### ECONOMIC COMMISSION FOR EUROPE

**COMMITTEE ON TRADE** 

Working Party on Agricultural Quality Standards

<u>Specialized Section on Standardization of Seed Potatoes</u> (Thirty-sixth session, Geneva, 20-22 March 2006)

## DRAFT INTERNATIONAL ARBITRATION RULES/DISPUTE SETTLEMENT FOR SEED POTATOES\*

#### **Document submitted by France and the Netherlands**

At the request of the Working Party responsible for the Specialized Section on Standardization of Seed Potatoes, France and the Netherlands have prepared draft international arbitration rules/dispute settlement for seed potatoes. The present document establishes the rules and procedures for settling disputes and follows the format used for perishable produce.

The present draft is submitted for consideration and approval by delegates. With the exception of a number of editorial changes, the text is reproduced as it was received by the secretariat.

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<sup>\*</sup> The present document has been submitted after the official documentation deadline by the Trade and Timber Division due to resources constraints.

### DRAFT INTERNATIONAL ARBITRATION RULES/DISPUTE SETTLEMENT FOR SEED POTATOES

#### **OBJECTIVE**

- 1. In international trade in seed potatoes, disputes may hamper the proper conduct of trade. There is currently no international dispute settlement mechanism for seed potatoes. Generally, disputes are left to the free evaluation of one of the contracting parties.
- 2. It was therefore considered important to provide an administrative and technical framework for settling such disputes in the broadest possible context in order to enable all countries to refer to such a framework.
- 3. The framework can be that of UNECE, which has already established a procedure for settling disputes, specifically in the area of perishable foodstuffs. These provisions will make it possible to use the general structures and make the necessary adjustments for seed potatoes.

#### RULES FOR THE INTERNATIONAL MARKETING OF SEED POTATOES

4. International trade in seed potatoes is carried out on the basis of compliance with the rules and regulatory standards established by a recognized international body, and through professional agreements.

#### 1. Rules and regulatory standards

- 5. These rules and standards concern sanitary norms and varietal standards, on the one hand, and technological standards, on the other.
- 6. The <u>sanitary norms</u> are, in principle, established pursuant to the provisions of the International Plant Protection Convention. In this framework, a phytosanitary certificate is issued on the basis of compliance with the phytosanitary requirements of the importing country. The Plant Protection Service is responsible for implementing this regulation.
- 7. The <u>varietal and technological standards</u> are the responsibility of the certification services. In this case, the services issue an official certificate that covers these standards. They may be covered by the UNECE Standard for Seed Potatoes.

#### 2. Professional agreements

- 8. Professional agreements involve specific measures taken within a contractual framework between the buyer and the seller.
- 9. At the request of the buyer, the official control service may also intervene.

#### SETTLEMENT OF A DISPUTE

- 10. When a dispute arises between the two contracting parties, the dispute will concern:
  - Phytosanitary matters;
  - Varietal and technological matters;
  - Professional agreements.
- 11. It seems desirable that these various matters should be settled within their respective frameworks:
  - International Plant Protection Convention, for phytosanitary matters;
  - UNECE (UN/ECE Arbitration Rules);
  - RUCIP (Règles et Usages du Commerce Intereuropéen des Pommes de Terre et les Règlements d'Expertise et d'Arbitrage du Comité Européen), for varietal and technological matters and professional agreements.

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