Convention on the settlement by arbitration of civil law disputes arising out of economic, scientific and technical co-operation relationships. Done at Moscow on 26 May 1972

Authentic text: Russian.
Registered by the Council for Mutual Economic Assistance, acting on behalf of the Contracting Parties, on 4 September 1973.

Convention sur le règlement par voie d'arbitrage des contestations de droit civil découlant des relations de coopération économique, scientifique et technique. Conclue à Moscou le 26 mai 1972

Texte authentique : russe.
Enregistrée par le Conseil d'assistance économique mutuelle, agissant au nom des Parties contractantes, le 4 septembre 1973.
CONVENTION\(^1\) ON THE SETTLEMENT BY ARBITRATION OF CIVIL LAW DISPUTES ARISING OUT OF ECONOMIC, SCIENTIFIC AND TECHNICAL CO-OPERATION RELATIONSHIPS

The Governments of the People's Republic of Bulgaria, the Hungarian People's Republic, the German Democratic Republic, the Mongolian People's Republic, the Polish People's Republic, the Socialist Republic of Romania, the Union of Soviet Socialist Republics and the Czechoslovak Socialist Republic,

Motivated by a desire to provide favourable conditions in law for the further intensification and improvement of their economic, scientific and technical co-operation,

Bearing in mind that appropriate settlement of disputes arising in the course of such co-operation is conducive to its successful development,

Considering that arbitral tribunals in their countries have proved in practice to be an effective instrument for settling disputes connected with foreign trade operations, and

In order to make still wider use of those arbitral tribunals by bringing within their competence civil law disputes arising out of all kinds of economic, scientific and technical co-operation relationships,

Have agreed as follows:

**Article I.** 1. All disputes between economic organizations arising out of contractual and other civil law relationships that come into being between the countries Parties to this Convention in the course of economic, scientific and technical co-operation between them shall be subject to arbitration and shall not be subject to the jurisdiction of State courts.

2. The relationships mentioned in paragraph 1 shall mean relationships under contracts for the sale of goods, for the specialization of production and its organization on a co-operative basis, for the performance of contractual construction, assembly, design, prospecting, research, development and experimental work, and for the provision of transport and dispatch services and other services,

\(^1\) Came into force on 13 August 1973 for the States indicated hereafter, i.e. 90 days after the day on which the fifth instrument of ratification had been deposited with the Secretariat of the Council for Mutual Economic Assistance, in accordance with article VIII (2):

<table>
<thead>
<tr>
<th>State</th>
<th>Date of deposit of the instrument of ratification</th>
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<tbody>
<tr>
<td>German Democratic Republic</td>
<td>19 September 1972</td>
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<tr>
<td>Bulgaria</td>
<td>6 October 1972</td>
</tr>
<tr>
<td>Mongolia</td>
<td>5 January 1973</td>
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<tr>
<td>Hungary</td>
<td>9 January 1973</td>
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<tr>
<td>Union of Soviet Socialist Republic</td>
<td>15 May 1973</td>
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and any other civil law relationships that may come into being in the course of economic, scientific and technical co-operation between the countries Parties to this Convention.

3. For the purpose of this Convention, the term "economic organizations" shall mean enterprises, trusts, associations, combines, chief administrations (administrations) operating as autonomous financial entities, research institutes, design and development offices, and similar organizations that are persons in civil law and have their seat in the various countries Parties to this Convention.

Article II. 1. The disputes mentioned in article I shall be considered by the arbitral tribunal of the chamber of commerce in the defendant's country or, by agreement between the parties, in a third country that is a Party to this Convention.

2. Where countries Parties to this Convention have special arbitral tribunals to consider certain categories of dispute, such disputes shall be considered by those tribunals with the mutual consent of the Parties.

3. A counter-claim or set-off based on the same legal relationship as the original suit shall be subject to consideration in the same arbitral tribunal in which the original suit is considered.

Article III. 1. Claims for compulsory conclusion of a contract or compulsory acceptance of specific terms of a contract shall not be considered by arbitral tribunals.

2. The provisions of paragraph 1 of this article shall not affect the competence of an arbitral tribunal to consider claims by the injured party for application of the penalty prescribed for breach of an agreement to conclude a contract in the future, or for compensation for loss caused by such breach.

Article IV. 1. Awards by the arbitral tribunals mentioned in article II, paragraph 1, shall be final and binding. They shall be executed by the parties voluntarily.

2. Such awards shall be considered to be recognized without further proceedings and shall be enforceable in any of the countries Parties to this Convention in the same way as final judgements of State courts of the country of enforcement.

3. The provisions of paragraphs 1 and 2 of this article shall apply as appropriate to amicable agreements confirmed by an arbitral tribunal.

4. The provisions of paragraphs 1 and 2 of this article shall also apply to awards by the special arbitral tribunals mentioned in article II, paragraph 2, of this Convention and to amicable agreements confirmed by the special arbitral tribunals, unless there is provision to the contrary in the legislation of the country in which the arbitral tribunal is situated.

5. Should awards by the arbitral tribunals mentioned in article II of this Convention or amicable agreements confirmed by those tribunals not be executed voluntarily, application for compulsory enforcement may be made within a period of two years. This period of limitation shall be reckoned from the day on which the arbitral award is delivered to the party claiming enforcement or, where the award is sent by post, from the date of the postmark stamped on the registered letter upon its acceptance for dispatch. For an amicable agreement, the period specified shall be reckoned from the date of conclusion of the agreement.

Article V. 1. Enforcement of an arbitral award may be refused by a judicial enforcement agency in the country of enforcement only if:
(a) The award was made in breach of the rules governing competence laid down in this Convention, or
(b) The party against whom the award is invoked proves that he was unable to defend his rights, because of a breach of the rules of arbitral procedure or because of other circumstances beyond his control, and that he was unable to inform the arbitral tribunal of those circumstances, or
(c) The party against whom the arbitral award is invoked proves that the award was set aside or suspended under the domestic legislation of the country in which it was made.

2. Where enforcement of an arbitral award is refused for the reasons specified in subparagraphs (a) and (b) of paragraph 1 of this article, the party in whose favour the award was made shall be entitled to bring a new suit on the same grounds before the competent body within a period of three months from the day on which the refusal ruling takes effect.

Article VI. 1. In relations between countries Parties to this Convention, the provisions of bilateral or multilateral agreements previously concluded by them, other than agreements under which certain categories of civil law disputes are placed within the exclusive competence of specific organs, shall not apply to matters regulated by the Convention.

2. In addition, this Convention shall not apply to civil law disputes which, under the domestic laws in force at the time the Convention is signed, fall within the exclusive competence of judicial organs or other State organs.

Article VII. This Convention shall not affect cases for which proceedings are under way on the date when the Convention comes into force.

Article VIII. 1. This Convention shall be ratified by countries signatories to it. The instruments of ratification shall be deposited with the Secretariat of the Council for Mutual Economic Assistance, which shall act as depositary for the Convention.

2. This Convention shall come into force 90 days after the day on which the fifth instrument of ratification is deposited with the depositary.

3. For countries whose instruments of ratification are deposited with the depositary after this Convention has entered into force, the Convention shall come into force ninety days after the day on which their instruments of ratification are deposited.

Article IX. 1. After this Convention has entered into force, other countries may accede to it with the consent of the countries Parties to it by transmitting to the depositary instruments of accession. The accession shall be considered effective on the expiry of a period of ninety days from the day on which the depositary receives the last notification of consent to the accession.

2. A country acceding to this Convention shall inform the depositary which arbitral tribunal in that country, corresponding to the arbitral tribunal mentioned in article II, paragraph 1, of this Convention, will consider the disputes referred to in article I of this Convention.

Article X. Any country that is a Party to this Convention may denounce it by notifying the depositary accordingly. The denunciation shall take effect twelve months from the date on which the notification is received by the depositary. Denunciation of the Convention by a country shall not affect cases for which
proceedings are under way in accordance with this Convention on the date when the denunciation takes effect.

Article XI. The depositary shall inform without delay all countries which have signed or acceded to this Convention of the date of deposit of each instrument of ratification or accession, the date on which the Convention comes into force, and the receipt by the depositary of any other notifications required under this Convention.

Article XII. The depositary of this Convention shall make arrangements to register it with the Secretariat of the United Nations in accordance with the Charter of the Organization.

Article XIII. This Convention shall be deposited with the depositary, which shall transmit in an appropriate manner certified copies of the Convention to countries which sign or accede to it.

DONE at Moscow, on 26 May 1972, in one copy in the Russian language.

For the Government of the People’s Republic of Bulgaria:
  [T. TSOLOV]

For the Government of the Hungarian People’s Republic:
  [P. VÁLYI]

For the Government of the German Democratic Republic:
  [G. WEISS]

For the Government of the Mongolian People’s Republic:
  [D. GOMBOZHAV]

For the Government of the Polish People’s Republic:
  [M. JAGIELSKI]

For the Government of the Socialist Republic of Romania:
  [G. RĂDULESCU]

For the Government of the Union of Soviet Socialist Republics:
  [M. LESECHKO]

For the Government of the Czechoslovak Socialist Republic:
  [F. HAMOUZE]