

**AGREEMENT
BETWEEN
THE INTER-AMERICAN COMMERCIAL ARBITRATION COMMISSION
AND
THE JAPAN COMMERCIAL ARBITRATION ASSOCIATION
TO FACILITATE THE USE OF COMMERCIAL ARBITRATION IN A TRADE
BETWEEN
LATIN AMERICAN COUNTRIES AND JAPAN**

Being convinced that a wider use of commercial arbitration would lend confidence and stability to commercial transaction between firms in Latin American countries and in Japan, the Inter-American Commercial Arbitration Commission and the Japan Commercial Arbitration Association are agreed henceforth to recommend that firms engaged in such trade should insert in the contracts the following clause:

“All disputes, controversies, or differences which may arise between the parties, out of or in relation to or in connection with this contract, or for the breach thereof, shall be finally settled by arbitration pursuant to the Latin America-Japanese Trade Arbitration Agreement, of August 5, 1958, by which each party hereto is bound.”

The terms of the agreement referred to in this clause are as follows:

- 1) Arbitration to be held in Latin American countries shall be conducted in accordance with the rules of the Inter-American Commercial Arbitration Commission; arbitration to be held in Japan shall be conducted in accordance with the rules of the Japan Commercial Arbitration Association.
- 2) If the place where the arbitration is to be held is not designated in the contract, or the parties fail to agree in writing on such place, the party demanding arbitration shall give notice to the Arbitration Commission or the Arbitration Association of the country in which the party resides. The Commission or the Association shall notify the parties that they have a period of 30 days to submit their arguments and reasons for preference regarding the place to a Joint Arbitration Committee of three members, two appointed by the respective Commission and Association and the third, to act as Chairman, to be chosen by the other two. The seats of the two Committees shall be in Tokyo and in New York. The determination of the place of arbitration by the Joint Arbitration Committee shall be final and binding upon both parties to the controversy.
- 3) The Commission and the Association each agree to establish such International Panels of Arbitrators as may be necessary to carry out the provisions of this agreement and to advise each other of the personnel of these panels.
- 4) Both Commission and Association will cooperate in advancing international commercial arbitration, through increased use of the facilities of their organization, and will advise each other concerning mutual policies and progress in the interest of Latin American-Japanese trade.

The foregoing shall be known as the Latin America-Japanese Trade Arbitration Agreement and shall be deemed to be incorporated in any contract containing the following clause:

“All disputes, controversies, or differences which may arise between the parties, out of or in relation to or in connection with this contract, or for the breach thereof, shall be finally settled by arbitration pursuant to the Latin America-Japanese Trade Arbitration Agreement, of August 5, 1958, by which each party hereto is bound.”

New York, N.Y. **THE INTER-AMERICAN COMMERCIAL ARBITRATION COMMISSION**
Date: July 23, 1958 **By: Jorge Mantilla (Signed)**

Tokyo, Japan **THE JAPAN COMMERCIAL ARBITRATION ASSOCIATION**
Date: August 5, 1958 **By: Tadashi Adachi (Signed)**