

Arbitration in the German coffee industry

Overview	Arbitration Board of the German Coffee Association at the Hamburg Chamber of Commerce	"Hamburg Private Arbitration in the Coffee Import Trade" Association of Hamburg Coffee Import Agents and Brokers
Legal seat	Hamburg	Hamburg
Competence	<p>For disputes arising from coffee related business transactions if...</p> <ul style="list-style-type: none"> ▪ the contract has been concluded on the basis of the European Contract for Coffee (ECC) of the European Coffee Federation (ECF) and the parties have agreed that the place of arbitration is Hamburg or Hamburg has been designated as such by the Contracts Committee of the ECF, or ▪ the parties have otherwise agreed upon the competence of the Arbitration Board. 	<p>The Hamburg Private Arbitration applies, under exclusion of the course of law, to all disputes arising from coffee transactions, insofar as they relate to the quality of the merchandise, if ...</p> <ul style="list-style-type: none"> ▪ same has been agreed in the contract. In cases where the Hamburg private arbitration is not mentioned in the contract it may only take place with the consent of the managing board that has the right to decline its consent without stating the reasons.
Application	<p>The claiming party files 5 copies of the following to the office of the Arbitration Board:</p> <ul style="list-style-type: none"> ▪ Statement of claim, ▪ Notification of the name and address of the arbitrator who has been appointed and ▪ Declaration of consent of the Arbitrator <p>Address: Schiedsgericht des Deutschen Kaffeeverbandes e.V. c/o Handelskammer Hamburg Postfach 11 114 49 D-20414 Hamburg</p> <p>The office of the Arbitration Board will immediately forward the statement of claim to the defending party.</p>	<p>After a non-amicable agreement between two parties, an application can be made to a broker or agent affiliated with the Hamburg Association. One party files the following:</p> <ul style="list-style-type: none"> ▪ the original contract or a contract note on which it is based, ▪ the bill of lading, ▪ the correspondence regarding the quality defect, and the ▪ Demand for compensation, the counter-offer or refusal and ▪ Sample of the goods subject to the complaint. <p>Samples are drawn and sealed by representatives of both parties or an independent qualified company, usually a warehouse keeper. Samples are generally to be drawn from 10% of the batch in respect of which arbitration is sought.</p> <p>All information which would enable conclusions to be drawn as to the</p>

		name of the purchaser or vendor must be withheld from the umpire.
Competence	<p>2 arbitrators Each party appoints one arbitrator. Arbitrators can be persons who are owners, members of the board of directors, managing directors, personally liable partners, fully authorized signatories or duly authorized employees of firms which are engaged in the coffee trade or in another international commodity trade or commodity brokerage and registered in a Commercial Register or Cooperative Societies Register of the Federal Republic of Germany or vested with a comparable legal status in another state.</p> <p>And</p> <p>1 umpire The arbitrators will agree on an umpire. The umpire does not have to meet the aforementioned criteria.</p>	<p>2 experts Each party shall appoint one expert.</p> <p>And</p> <p>1 umpire The experts will agree on an umpire. The experts and the umpire must be appointed on the basis of their experience and material knowledge in relation to the case in dispute.</p> <p>Furthermore, up to two additional umpires can be appointed by the experts. The umpires themselves can also call in a further umpire, with the right to decide always resting with the last appointed umpire.</p> <p>If the experts cannot reach agreement on the choice of an umpire, the umpire will be appointed by the President of the Hamburg Association.</p>
Proceedings	<p>The umpire will run proceedings with absolute discretion as to their appropriate speed.</p> <p>Before the Arbitration Board reaches a decision, there will be an oral hearing. The parties are to be summoned to the oral hearing. The oral hearing is not public. The language to be used when negotiating with and before the Arbitration Board will be determined by the Arbitration Board at its discretion.</p> <p>If the parties mutually agree that the German or English language be used in the proceedings until the arbitral award, the Arbitration Board is bound by this agreement. The arbitral award shall be rendered in the German language. Upon request, each party may</p>	<p>The experts and the umpire will agree on the date and a specific location in a grading room.</p> <p>The basis for negotiation is provided by the documents submitted, such as the original contracts, samples etc. The samples will be subject to a practical quality assessment, i.e. the green coffee will be analysed, then roasted and sample cups tested.</p> <p>Arbitration will take place in Hamburg.</p>

	receive at their own cost a translation into the English language authorized by the Arbitration Board.	
Decisions Costs	The Arbitration Board will reach decisions based on a simple majority vote . The arbitration decision is generally final .	Any decision(s) is/are only made by the umpire(s) based on the principle of majority . The arbitration decision is final .
Costs	<p>The fees are based on the value of the object of dispute. (e. g. for values in dispute up to €10,000, the fees are €1,000).</p> <p>In addition, a fixed fee of 15% will be charged for the proceedings (max. €20,000).</p> <p>Value added tax will be added to this amount.</p>	<p>The costs are based on the quantity of traded or brokered (sacks of) coffee. The experts and umpires will each be paid a graduated amount corresponding to that quantity.</p> <p>1 - 1000 sacks ... €250. Every additional 1000 sacks (or part thereof) will incur an additional €100 charge.</p> <p>Any other costs due may be charged separately. Even in the event of withdrawal of the application.</p> <p>Costs are generally to be borne by the losing party. The experts are entitled, however, to divide the costs between the parties.</p>
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