

**AGREEMENT BETWEEN THE
FEDERATION OF CHAMBERS OF COMMERCE & INDUSTRIES,
PAKISTAN AND THE JAPAN COMMERCIAL ARBITRATION ASSOCIATION
REGARDING THE USE OF ARBITRATION FACILITIES
IN TRADE BETWEEN PAKISTAN AND JAPAN**

The Federation of Chambers of Commerce & Industries, Pakistan and the Japan Commercial Arbitration Association are agreed henceforth to recommend to firms engaged in trade between Pakistan and Japan to insert the following arbitration clause in their contracts:

“Any disputes or claim arising 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 Pakistan-Japanese Trade Arbitration Agreement, of Tuesday the Nineteenth of June 1956 by which each party hereto is bound.”

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

1) If the arbitration is to be held in Pakistan, the dispute shall be submitted to the Arbitration Tribunal of the Federation of Chambers of Commerce & Industries, Pakistan and the arbitration shall be conducted in accordance with the rules of that Tribunal. If the arbitration is to be held in Japan, the dispute shall be submitted to the Arbitration Tribunal of the Japan Commercial Arbitration Association, and the arbitration shall be conducted in accordance with the rules of that Tribunal.

2) In the event that the parties have not designated the place of arbitration or are unable to agree thereon within 30 days after the demand for arbitration has been made, the place of arbitration shall be determined by a Joint Arbitration Committee of three members, one to be appointed by the Arbitration Sub-Committee of the Federation, another by the Japan Commercial Arbitration Association and the third of a nationality other than that of any one of the parties to act as Chairman to be chosen by the other two members. In deciding the place of arbitration, the Joint Arbitration Committee shall consider among others the principle that, if only the quality and/or quantity of the goods is in dispute and/or inspection of the goods is necessary, arbitration of such case shall take place at the place where the merchandise is located. The party demanding arbitration according as he is resident in Pakistan or Japan shall give notice to the Arbitration Tribunal of the Federation or the Japan Commercial Arbitration Association, as the case may be. The Arbitration Tribunal of the Federation or the Japan Commercial Arbitration Association as the case may be, shall request both the parties to submit their agreement and reasons within 30 days for preference regarding the place of arbitration. The determination of the place by the Joint Arbitration Committee shall be final and binding.

3) The Federation of Chambers of Commerce & Industries, Pakistan and the Japan Commercial Arbitration Association each agree to establish and maintain such International Panels of Arbitrators as may be necessary to carry out the purpose of this agreement, viz, to co-operate in promoting the use of mutual facilities for commercial arbitration between two countries and to advise each other of the personnel of these panels.

Signed:

1. Aiichiro Fujiyama
President, The Japan Commercial
Arbitration Association, Tokyo.

2. Fujio Suzuki
Secretary General, The Japan Commercial
Arbitration Association, Tokyo.

Signed:

1. M. A. Rangoonwala
President, Federation of Chambers of
Commerce & Industries, Pakistan.

2. A. H. Ismail
Hony. General Secretary, Federation of
Chambers of Commerce & Industries,
Pakistan.