### Decision on Peaceful Settlement of Disputes (Stockholm, 14 and 15 December 1992)

Caption: At its meeting in Stockholm on 14 and 15 December 1992, the Council of the Conference on Security and Cooperation in Europe (CSCE) adopts a set of measures for the peaceful settlement of disputes which aims, in particular, to improve the Valletta mechanism and to establish a Court of Conciliation and Arbitration. Source: Third Meeting of the Council, Stockholm 1992. Decision on Peaceful Settlement of Disputes. [ON-LINE]. [s.l.]: Organization for Security and Co-operation in Europe, [04.08.2003]. 3STOCK92.e. Available on http://www.osce.org/docs/english/1990-1999/mcs/3stoc92e.pdf. Copyright: (c) OSCE All photographs or documents on the OSCE website, unless otherwise stated, are the sole property of the Secretariat of the Organization for Security and Co-operation in Europe (OSCE). Government authorities of the participating States may freely reproduce them for usage related to the OSCE. Photographs may not be reproduced for resale purposes or mass publication without the express written consent from the Press and Public Information Section of the OSCE Secretariat. URL: http://www.cvce.eu/obj/decision\_on\_peaceful\_settlement\_of\_disputes\_stockholm\_14\_and\_15\_december\_1992en-5e6db788-8bea-48cb-a1cd-f4e924f7d770.html

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#### Decision on Peaceful Settlement of Disputes (Stockholm, 14 and 15 December 1992)

1. At its Stockholm meeting of 14 and 15 December 1992, the CSCE Council considered the recommendations made by the CSCE Meeting on Peaceful Settlement of Disputes held in Geneva from 12 to 23 October 1992.

2. The Ministers reaffirmed the vital importance of the commitment of all participating States, under Principle V of the Helsinki Final Act, to settle their disputes by peaceful means. In this connection, they recalled other CSCE documents relating to the peaceful settlement of disputes, in particular the Concluding Document of the Vienna Follow-up Meeting, the Charter of Paris for a New Europe, the Report on Peaceful Settlement of Disputes adopted at Valletta and endorsed at the Berlin Meeting of 19 and 20 June 1991, and the Helsinki Document of 1992.

3. The Ministers noted the variety of existing dispute settlement procedures, both within and outside the CSCE. They recalled the important contribution that the potential involvement of an impartial third party can make to the peaceful settlement of disputes and the fact that the Valletta Mechanism enables a participating State, under certain conditions, to seek the mandatory involvement of such a party.

4. The Ministers agreed that in the present circumstances, the principle of the peaceful settlement of disputes assumes particular relevance to problems facing participating States, and that the framework of the CSCE provides a unique opportunity to give impetus to this central aspect of CSCE commitments.

5. In order to further and strengthen their commitment to settle disputes exclusively by peaceful means, and in accordance with paragraphs 57 to 62 of Chapter III of the Helsinki Decisions of 1992 to develop a comprehensive and coherent set of measures available within the CSCE for the peaceful settlement of disputes, the Ministers have:

(a) Adopted measures to enhance the Valletta Provisions through modification of the procedure for selecting Dispute Settlement Mechanisms. This modification is set forth in <u>Annex 1</u>;

(b) Adopted the text of a Convention on Conciliation and Arbitration within the CSCE providing for general conciliation and for arbitration on the basis of agreements *ad hoc* or, in advance, on the basis of reciprocal declarations, and declared it open for signature by interested participating States. This text is contained in <u>Annex 2</u>;

(c) Adopted a conciliation procedure as an option available to participating States on the basis of agreements *ad hoc* or, in advance, on the basis of reciprocal declarations. This procedure is set forth in <u>Annex 3</u>;

(d) Decided that the Council or the Committee of Senior Officials of the CSCE may direct any two participating States to seek conciliation to assist them in resolving a dispute that they have not been able to settle within a reasonable period of time. The provisions relating thereto are set forth in <u>Annex 4</u>.

6. The Ministers recalled that nothing stated in the foregoing will in any way affect the unity of the CSCE principles, or the right of participating States to raise within the CSCE process any issue relating to the implementation of any CSCE commitment concerning the principle of the peaceful settlement of disputes, or relating to any other CSCE commitment or provision.

7. Procedures for the peaceful settlement of disputes within the CSCE will be reviewed during the review conference to be held at Budapest in 1994 and periodically thereafter as appropriate.



### Modification to Section V of the Valletta Provisions for a CSCE Procedure for Peaceful Settlement of Disputes

Section V of the Valletta Provisions for a CSCE Procedure for Peaceful Settlement of Disputes should read as follows:

#### Section V

1. A CSCE Dispute Settlement Mechanism consists of one or more members, selected by common agreement of the parties to a dispute from a register of qualified candidates maintained by the nominating institution. The register comprises the names of up to four persons nominated by each participating State desiring to do so. No member of a Mechanism may be a national of, or permanently resident in the territory of any State involved in the dispute. By agreement between the parties, a Mechanism may include members whose names are not included in the register.

2. If the parties to a dispute have not reached agreement on the composition of a Mechanism within two months from the initial request of a party for the establishment of a Mechanism, the Senior Official of the nominating institution will, in consultation with the parties to the dispute, select seven names from the register. If the Senior Official of the nominating institution is a national of any of the States involved in the dispute, his functions will be performed by the next most senior official who is not such a national.

3. Each party (\*) to the dispute has the right to reject up to three of the nominees. The parties will inform the nominating institution of the rejections, if any, within one month of having been informed of the nominations. This information will be confidential. After one month from the date of informing the parties of the nominations, the nominating institution will notify the parties of the composition of the Mechanism.

<u>Note</u>: The modification means that the time period under paragraph 2 is shortened by one month, that seven names should be selected instead of "less than six", and that paragraphs 4 and 5 will no longer apply.

#### Annex 2

#### Convention on conciliation and arbitration within the CSCE

The States parties to this Convention, being States participating in the Conference on Security and Cooperation in Europe,

<u>Conscious</u> of their obligation, as provided for in Article 2, paragraph 3, and Article 33 of the Charter of the United Nations, to settle their disputes peacefully;

<u>Emphasizing</u> that they do not in any way intend to impair other existing institutions or mechanisms, including the International Court of Justice, the European Court of Human Rights, the Court of Justice of the European Communities and the Permanent Court of Arbitration;

<u>Reaffirming</u> their solemn commitment to settle their disputes through peaceful means and their decision to develop mechanisms to settle disputes between participating States;

<u>Recalling</u> that full implementation of all CSCE principles and commitments constitutes in itself an essential element in preventing disputes between the CSCE participating States;

<u>Concerned</u> to further and strengthen the commitments stated, in particular, in the Report of the Meeting of Experts on Peaceful Settlement of Disputes adopted at Valletta and endorsed by the CSCE Council of Ministers of Foreign Affairs at its meeting in Berlin on 19 and 20 June 1991,

<u>Have agreed</u> as follows:

**Chapter I - General provisions** 

### Article 1

#### **Establishment of the Court**

A Court of Conciliation and Arbitration shall be established to settle, by means of conciliation and, where appropriate, arbitration, disputes which are submitted to it in accordance with the provisions of this Convention.

#### Article 2 Conciliation Commissions and Arbitral Tribunals

1. Conciliation shall be undertaken by a Conciliation Commission constituted for each dispute. The Commission shall be made up of conciliators drawn from a list established in accordance with the provisions of Article 3.

2. Arbitration shall be undertaken by an Arbitral Tribunal constituted for each dispute. The Tribunal shall be made up of arbitrators drawn from a list established in accordance with the provisions of Article 4.

3. Together, the conciliators and arbitrators shall constitute the Court of Conciliation and Arbitration within the CSCE, hereinafter referred to as "the Court".

#### Article 3 Appointment of Conciliators

1. Each State party to this Convention shall appoint, within two months following its entry into force, two conciliators of whom at least one is a national of that State. The other may be a national of another CSCE participating State. A State which becomes party to this Convention after its entry into force shall appoint its conciliators within two months following the entry into force of this Convention for the State concerned.

2. The conciliators must be persons holding or having held senior national or international positions and possessing recognized qualifications in international law, international relations, or the settlement of disputes.

3. Conciliators shall be appointed for a renewable period of six years. Their functions may not be terminated by the appointing State during their term of office. In the event of death, resignation or inability to attend recognized by the Bureau, the State concerned shall appoint a new conciliator; the term of office of the new conciliator shall be the remainder of the term of office of the predecessor.

4. Upon termination of their period of office, conciliators shall continue to hear any cases that they are already dealing with.

5. The names of the conciliators shall be notified to the Registrar, who shall enter them into a list, which shall be communicated to the CSCE Secretariat for transmission to the CSCE participating States.

#### Article 4 Appointment of Arbitrators

1. Each State party to this Convention shall appoint, within two months following its entry into force, one arbitrator and one alternate, who may be its nationals or nationals of any other CSCE participating State. A State which becomes Party to this Convention after its entry into force shall appoint its arbitrator and the alternate within two months of the entry into force of this Convention for that State.

2. Arbitrators and their alternates must possess the qualifications required in their respective countries for

appointment to the highest judicial offices or must be jurisconsults of recognized competence in international law.

3. Arbitrators and their alternates are appointed for a period of six years, which may be renewed once. Their functions may not be terminated by the appointing State party during their term of office. In the event of death, resignation or inability to attend, recognized by the Bureau, the arbitrator shall be replaced by his or her alternate.

4. If an arbitrator and his or her alternate die, resign or are both unable to attend, the fact being recognized by the Bureau, new appointments will be made in accordance with paragraph 1. The new arbitrator and his or her alternate shall complete the term of office of their predecessors.

5. The Rules of the Court may provide for a partial renewal of the arbitrators and their alternates.

6. Upon expiry of their term of office, arbitrators shall continue to hear any cases that they are already dealing with.

7. The names of the arbitrators shall be notified to the Registrar, who shall enter them into a list, which shall be communicated to the CSCE Secretariat for transmission to the CSCE participating States.

### Article 5

#### Independence of the Members of the Court and of the Registrar

The conciliators, the arbitrators and the Registrar shall perform their functions in full independence. Before taking up their duties, they shall make a declaration that they will exercise their powers impartially and conscientiously.

#### Article 6 Privileges and Immunities

The conciliators, the arbitrators, the Registrar and the agents and counsel of the parties to a dispute shall enjoy, while performing their functions in the territory of the States parties to this Convention, the privileges and immunities accorded to persons connected with the International Court of Justice.

#### Article 7 Bureau of the Court

1. The Bureau of the Court shall consist of a President, a Vice-President and three other members.

2. The President of the Court shall be elected by the members of the Court from among their number. The President presides over the Bureau.

3. The conciliators and the arbitrators shall each elect from among their number two members of the Bureau and their alternates.

4. The Bureau shall elect its Vice-President from among its members. The Vice-President shall be a conciliator if the President is an arbitrator, and an arbitrator if the President is a conciliator.

5. The Rules of the Court shall establish the procedures for the election of the President as well as of the other members of the Bureau and their alternates.

#### Article 8 Decision-Making Procedure

1. The decisions of the Court shall be taken by a majority of the members participating in the vote. Those

### **«**CVCe

abstaining shall not be considered participating in the vote.

2. The decisions of the Bureau shall be taken by a majority of its members.

3. The decisions of the Conciliation Commissions and the Arbitral Tribunals shall be taken by a majority of their members, who may not abstain from voting.

4. In the event of a tied vote, the vote of the presiding officer shall prevail.

#### Article 9 Registrar

The Court shall appoint its Registrar and may provide for the appointment of such other officers as may be necessary. The staff regulations of the Registry shall be drawn up by the Bureau and adopted by the States parties to this Convention.

### Article 10

#### Seat

1. The seat of the Court shall be established in Geneva.

2. At the request of the parties to the dispute and in agreement with the Bureau, a Conciliation Commission or an Arbitral Tribunal may meet at another location.

#### Article 11 Rules of the Court

1. The Court shall adopt its own Rules, which shall be subject to approval by States parties to this Convention.

2. The Rules of the Court shall establish, in particular, the rules of procedure to be followed by the Conciliation Commissions and Arbitral Tribunals constituted pursuant to this Convention. They shall state which of these rules may not be waived by agreement between the parties to the dispute.

#### Article 12 Working Languages

The Rules of the Court shall establish rules on the use of languages.

#### Article 13 Financial Protocol

Subject to the provisions of Article 17, all the costs of the Court shall be met by the States parties to this Convention. The provisions for the calculation of the costs; for the drawing up and approval of the annual budget of the Court; for the distribution of the costs among the States parties to this Convention; for the audit of the accounts of the Court; and for related matters, shall be contained in a Financial Protocol to be adopted by the Committee of Senior Officials. A State becomes bound by the Protocol on becoming a party to this Convention.

#### Article 14 Periodic Report

The Bureau shall annually present to the CSCE Council through the Committee of Senior Officials a report on the activities under this Convention.

#### Article 15 Notice of Requests for Conciliation or Arbitration

The Registrar of the Court shall give notice to the CSCE Secretariat of all requests for conciliation or arbitration, for immediate transmission to the CSCE participating States.

#### Article 16 Conduct of Parties - Interim Measures

1. During the proceedings, the parties to the dispute shall refrain from any action which may aggravate the situation or further impede or prevent the settlement of the dispute.

2. The Conciliation Commission may draw the attention of the parties to the dispute submitted to it to the measures the parties could take in order to prevent the dispute from being aggravated or its settlement made more difficult.

3. The Arbitral Tribunal constituted for a dispute may indicate the interim measures that ought to be taken by the parties to the dispute in accordance with the provisions of Article 26, paragraph 4.

#### Article 17 Procedural Costs

The parties to a dispute and any intervening party shall each bear their own costs.

#### Chapter II – Competence

#### Article 18 Competence of the Commission and of the Tribunal

1. Any State party to this Convention may submit to a Conciliation Commission any dispute with another State party which has not been settled within a reasonable period of time through negotiation.

2. Disputes may be submitted to an Arbitral Tribunal under the conditions stipulated in Article 26.

#### Article 19

#### Safeguarding the Existing Means of Settlement

1. A Conciliation Commission or an Arbitral Tribunal constituted for a dispute shall take no further action in the case:

(a) If, prior to being submitted to the Commission or the Tribunal, the dispute has been submitted to a court or tribunal whose jurisdiction in respect of the dispute the parties thereto are under a legal obligation to accept, or if such a body has already given a decision on the merits of the dispute;

(b) If the parties to the dispute have accepted in advance the exclusive jurisdiction of a jurisdictional body other than a Tribunal in accordance with this Convention which has jurisdiction to decide, with binding force, on the dispute submitted to it, or if the parties theretohave agreed to seek to settle the dispute exclusively by other means.

2. A Conciliation Commission constituted for a dispute shall take no further action if, even after the dispute has been submitted to it, one or all of the parties refer the dispute to a court or tribunal whose jurisdiction in respect of the dispute the parties thereto are under a legal obligation to accept.



3. A Conciliation Commission shall postpone examining a dispute if this dispute has been submitted to another body which has competence to formulate proposals with respect to this dispute. If those prior efforts do not lead to a settlement of the dispute, the Commission shall resume its work at the request of the parties or one of the parties to the dispute, subject to the provisions of Article 26, paragraph 1.

4. A State may, at the time of signing, ratifying or acceding to this Convention, make a reservation in order to ensure the compatibility of the mechanism of dispute settlement that this Convention establishes with other means of dispute settlement resulting from international undertakings applicable to that State.

5. If, at any time, the parties arrive at a settlement of their dispute, the Commission or Tribunal shall remove the dispute from its list, on receiving written confirmation from all the parties thereto that they have reached a settlement of the dispute.

6. In the event of disagreement between the parties to the dispute with regard to the competence of the Commission or the Tribunal, the decision in the matter shall rest with the Commission or the Tribunal.

#### Chapter III – Conciliation

#### Article 20 Request for the Constitution of a Conciliation Commission

1. Any State party to this Convention may lodge an application with the Registrar requesting the constitution of a Conciliation Commission for a dispute between it and one or more other States parties. Two or more States parties may also jointly lodge an application with the Registrar.

2. The constitution of a Conciliation Commission may also be requested by agreement between two or more States parties or between one or more States parties and one or more other CSCE participating States. The agreement shall be notified to the Registrar.

#### Article 21 Constitution of the Conciliation Commission

1. Each party to the dispute shall appoint, from the list of conciliators established in accordance with Article 3, one conciliator to sit on the Commission.

2. When more than two States are parties to the same dispute, the States asserting the same interest may agree to appoint one single conciliator. If they do not so agree, each of the two sides to the dispute shall appoint the same number of conciliators up to a maximum decided by the Bureau.

3. Any State which is a party to a dispute submitted to a Conciliation Commission and which is not a party to this Convention, may appoint a person to sit on the Commission, either from the list of conciliators established in accordance with Article 3, or from among other persons who are nationals of a CSCE participating State. In this event, for the purpose of examining the dispute, such persons shall have the same rights and the same obligations as the other members of the Commission. They shall perform their functions in full independence and shall make the declaration required by Article 5 before taking their seats on the Commission.

4. As soon as the application or the agreement whereby the parties to a dispute have requested the constitution of a Conciliation Commission is received, the President of the Court shall consult the parties to the dispute as to the composition of the rest of the Commission.

5. The Bureau shall appoint three further conciliators to sit on the Commission. This number can be increased or decreased by the Bureau, provided it is uneven. Members of the Bureau and their alternates, who are on the list of conciliators, shall be eligible for appointment to the Commission.

6. The Commission shall elect its Chairman from among the members appointed by the Bureau.

7. The Rules of the Court shall stipulate the procedures applicable if an objection is raised to one of the members appointed to sit on the Commission or if that member is unable to or refuses to sit at the commencement or in the course of the proceedings.

8. Any question as to the application of this article shall be decided by the Bureau as a preliminary matter.

#### Article 22 Procedure for the Constitution of a Conciliation Commission

1. If the constitution of a Conciliation Commission is requested by means of an application, the application shall state the subject of the dispute, the name of the party or parties against which the application is directed, and the name of the conciliator or conciliators appointed by the requesting party or parties to the dispute. The application shall also briefly indicate the means of settlement previously resorted to.

2. As soon as an application has been received, the Registrar shall notify the other party or parties to the dispute mentioned in the application. Within a period of fifteen days from the notification, the other party or parties to the dispute shall appoint the conciliator or conciliators of their choice to sit on the Commission. If, within this period, one or more parties to the dispute have not appointed the member or members of the Commission whom they are entitled to appoint, the Bureau shall appoint the appropriate number of conciliators. Such appointment shall be made from among the conciliators appointed in accordance with Article 3 by the party or each of the parties involved or, if those parties have not yet appointed conciliators, from among the other conciliators not appointed by the other party or parties to the dispute.

3. If the constitution of a Conciliation Commission is requested by means of an agreement, the agreement shall state the subject of the dispute. If there is no agreement, in whole or in part, concerning the subject of the dispute, each party thereto may formulate its own position in respect of such subject.

4. At the same time as the parties request the constitution of a Conciliation Commission by agreement, each party shall notify the Registrar of the name of the conciliator or conciliators whom it has appointed to sit on the Commission.

#### Article 23 Conciliation Procedure

1. The conciliation proceedings shall be confidential and all parties to the dispute shall have the right to be heard. Subject to the provisions of Articles 10 and 11 and the Rules of the Court, the Conciliation Commission shall, after consultation with the parties to the dispute, determine the procedure.

2. If the parties to the dispute agree thereon, the Conciliation Commission may invite any State party to this Convention which has an interest in the settlement of the dispute to participate in the proceedings.

#### Article 24 Objective of Conciliation

The Conciliation Commission shall assist the parties to the dispute in finding a settlement in accordance with international law and their CSCE commitments.

#### Article 25 Result of the Conciliation

1. If, during the proceedings, the parties to the dispute, with the help of the Conciliation Commission, reach a mutually acceptable settlement, they shall record the terms of this settlement in a summary of conclusions

signed by their representatives and by the members of the Commission. The signing of the document shall conclude the proceedings. The CSCE Council shall be informed through the Committee of Senior Officials of the success of the conciliation.

2. When the Conciliation Commission considers that all the aspects of the dispute and all the possibilities of finding a solution have been explored, it shall draw up a final report. The report shall contain the proposals of the Commission for the peaceful settlement of the dispute.

3. The report of the Conciliation Commission shall be notified to the parties to the dispute, which shall have a period of thirty days in which to examine it and inform the Chairman of the Commission whether they are willing to accept the proposed settlement.

4. If a party to the dispute does not accept the proposed settlement, the other party or parties are no longer bound by their own acceptance thereof.

5. If, within the period prescribed in paragraph 3, the parties to the dispute have not accepted the proposed settlement, the report shall be forwarded to the CSCE Council through the Committee of Senior Officials.

6. A report shall also be drawn up which provides immediate notification to the CSCE Council through the Committee of Senior Officials of circumstances where a party fails to appear for conciliation or leaves a procedure after it has begun.

#### Chapter IV – Arbitration

#### Article 26 Request for the Constitution of an Arbitral Tribunal

1. A request for arbitration may be made at any time by agreement between two or more States parties to this Convention or between one or more States parties to this Convention and one or more other CSCE participating States.

2. The States parties to this Convention may at any time by a notice addressed to the Depositary declare that they recognize as compulsory, *ipso facto* and without special agreement, the jurisdiction of an Arbitral Tribunal, subject to reciprocity. Such a declaration may be made for an unlimited period or for a specified time. It may cover all disputes or exclude disputes concerning a State's territorial integrity, national defence, title to sovereignty over land territory, or competing claims with regard to jurisdiction over other areas.

3. A request for arbitration against a State party to this Convention which has made the declaration specified in paragraph 2 may be made by means of an application to the Registrar only after a period of thirty days after the report of the Conciliation Commission which has dealt with the dispute has been transmitted to the CSCE Council in accordance with the provisions of Article 25, paragraph 5.

4. When a dispute is submitted to an Arbitral Tribunal in accordance with this article, the Tribunal may, on its own authority or at the request of one or all of the parties to the dispute, indicate interim measures that ought to be taken by the parties to the dispute to avoid an aggravation of the dispute, greater difficulty in reaching a solution, or the possibility of a future award of the Tribunal becoming unenforceable owing to the conduct of one or more of the parties to the dispute.

#### Article 27

#### **Cases Brought before an Arbitral Tribunal**

1. If a request for arbitration is made by means of an agreement, it shall indicate the subject of the dispute. If there is no agreement, in whole or in part, concerning the subject of the dispute, each party thereto may formulate its own position in respect of such subject.



2. If a request for arbitration is made by means of an application, it shall indicate the subject of the dispute, the States party or parties to this Convention against which it is directed, and the main elements of fact and law on which it is grounded. As soon as the application is received, the Registrar shall notify the other States party or parties mentioned in the application.

#### Article 28 Constitution of the Arbitral Tribunal

1. When a request for arbitration is submitted, an Arbitral Tribunal shall be constituted.

2. The arbitrators appointed by the parties to the dispute in accordance with Article 4 are *ex officio* members of the Tribunal. When more than two States are parties to the same dispute, the States asserting the same interest may agree to appoint one single arbitrator.

3. The Bureau shall appoint, from among the arbitrators, a number of members to sit on the Tribunal so that the members appointed by the Bureau total at least one more than the *ex officio* members. Members of the Bureau and their alternates, who are on the list of arbitrators, shall be eligible for appointment to the Tribunal.

4. If an *ex officio* member is unable to attend or has previously taken part in any capacity in the hearings of the case arising from the dispute submitted to the Tribunal, that member shall be replaced by his or her alternate. If the alternate is in the same situation, the State involved shall appoint a member to examine the dispute pursuant to the terms and conditions specified in paragraph 5. In the event of a question arising as to the capacity of a member or of his or her alternate to sit on the Tribunal, the matter shall be decided by the Bureau.

5. Any State, which is a party to a dispute submitted to an Arbitral Tribunal and which is not party to this Convention, may appoint a person of its choice to sit on the Tribunal, either from the list of arbitrators established in accordance with Article 4 or from among other persons who are nationals of a CSCE participating State. Any person thus appointed must meet the conditions specified in Article 4, paragraph 2, and for the purpose of examining the dispute, shall have the same rights and obligations as the other members of the Tribunal. The person shall perform his or her functions in full independence and shall make the declaration required by Article 5 before sitting on the Tribunal.

6. The Tribunal shall appoint its Chairman from among the members appointed by the Bureau.

7. In the event that one of the members of the Tribunal appointed by the Bureau is unable to attend the proceedings, that member shall not be replaced unless the number of members appointed by the Bureau falls below the number of *ex officio* members, or members appointed by the parties to the dispute in accordance with paragraph 5. In this event, one or more new members shall be appointed by the Bureau pursuant to paragraphs 3 and 4 of this article. A new Chairman will not be elected if one or more new members are appointed, unless the member unable to attend is the Chairman of the Tribunal.

#### Article 29 Arbitration Procedure

1. All the parties to the dispute shall have the right to be heard during the arbitration proceedings, which shall conform to the principles of a fair trial. The proceedings shall consist of a written part and an oral part.

2. The Arbitral Tribunal shall have, in relation to the parties to the dispute, the necessary fact-finding and investigative powers to carry out its tasks.

3. Any CSCE participating State which considers that it has a particular interest of a legal nature likely to be affected by the ruling of the Tribunal may, within fifteen days of the transmission of the notification by the CSCE Secretariat as specified in Article 15, address to the Registrar a request to intervene. This request shall

## **CVCe**

be immediately transmitted to the parties to the dispute and to the Tribunal constituted for the dispute.

4. If the intervening State establishes that it has such an interest, it shall be authorized to participate in the proceedings in so far as may be required for the protection of this interest. The relevant part of the ruling of the Tribunal is binding upon the intervening State.

5. The parties to the dispute have a period of thirty days in which to address their observations regarding the request for intervention to the Tribunal. The Tribunal shall render its decision on the admissibility of the request.

6. The hearings in the Tribunal shall be held *in camera*, unless the Tribunal decides otherwise at the request of the parties to the dispute.

7. In the event that one or more parties to the dispute fail to appear, the other party or parties thereto may request the Tribunal to decide in favour of its or their claims. Before doing so, the Tribunal must satisfy itself that it is competent and that the claims of the party or parties taking part in the proceedings are well-founded.

#### Article 30 Function of the Arbitral Tribunal

The function of the Arbitral Tribunal shall be to decide, in accordance with international law, such disputes as are submitted to it. This provision shall not prejudice the power of the Tribunal to decide a case *ex aequo et bono*, if the parties to the dispute so agree.

#### Article 31 Arbitral Award

1. The award of the Arbitral Tribunal shall state the reasons on which it is based. If it does not represent in whole or in part the unanimous opinion of the members of the Arbitral Tribunal, any member shall be entitled to deliver a separate or dissenting opinion.

2. Subject to Article 29, paragraph 4, the award of the Tribunal shall have binding force only between the parties to the dispute and in respect of the case to which it relates.

3. The award shall be final and not subject to appeal. However, the parties to the dispute or one of them may request that the Tribunal interpret its award as to the meaning or scope. Unless the parties to the dispute agree otherwise, such request shall be made at the latest within six months after the communication of the award. After receiving the observations of the parties to the dispute, the Tribunal shall render its interpretation as soon as possible.

4. An application for revision of the award may be made only when it is based upon the discovery of some fact which is of such a nature as to be a decisive factor and which, when the award was rendered, was unknown to the Tribunal and to the party or parties to the dispute claiming revision. The application for revision must be made at the latest within six months of the discovery of the new fact. No application for revision may be made after the lapse of ten years from the date of the award.

5. As far as possible, the examination of a request for interpretation or an application for revision should be carried out by the Tribunal which made the award in question. If the Bureau should find this to be impossible, another Tribunal shall be constituted in accordance with the provisions of Article 28.

#### Article 32 Publication of the Arbitral Award

The award shall be published by the Registrar. A certified copy shall be communicated to the parties to the

dispute and to the CSCE Council through the Committee of Senior Officials.

#### **Chapter V - Final provisions**

#### Article 33 Signature and Entry into Force

1. This Convention shall be open for signature with the Government of Sweden by the CSCE participating States until 31 March 1993. It shall be subject to ratification.

2. The CSCE participating States which have not signed this Convention may subsequently accede thereto.

3. This Convention shall enter into force two months after the date of deposit of the twelfth instrument of ratification or accession.

4. For every State which ratifies or accedes to this Convention after the deposit of the twelfth instrument of ratification or accession, the Convention shall enter into force two months after its instrument of ratification or accession has been deposited.

5. The Government of Sweden shall serve as depositary of this Convention.

#### Article 34 Reservations

This Convention may not be the subject of any reservation that it does not expressly authorize.

#### Article 35 Amendments

1. Amendments to this Convention must be adopted in accordance with the following paragraphs.

2. Amendments to this Convention may be proposed by any State party thereto, and shall be communicated by the Depositary to the CSCE Secretariat for transmission to the CSCE participating States.

3. If the CSCE Council adopts the proposed text of the amendment, the text shall be forwarded by the Depositary to States parties to this Convention for acceptance in accordance with their respective constitutional requirements.

4. Any such amendment shall come into force on the thirtieth day after all States parties to this Convention have informed the Depositary of their acceptance thereof.

#### Article 36 Denunciation

1. Any State party to this Convention may, at any time, denounce this Convention by means of a notification addressed to the Depositary.

2. Such denunciation shall become effective one year after the date of receipt of the notification by the Depositary.

3. This Convention shall, however, continue to apply for the denouncing party with respect to proceedings which are under way at the time the denunciation enters into force. Such proceedings shall be pursued to their conclusion.

#### Article 37

### **CVCe**

#### **Notifications and Communications**

The notifications and communications to be made by the Depositary shall be transmitted to the Registrar and to the CSCE Secretariat for further transmission to the CSCE participating States.

#### Article 38 Non-Parties

In conformity with international law, it is confirmed that nothing in this Convention shall be interpreted to establish any obligations or commitments for CSCE participating States that are not parties to this Convention if not expressly provided for and expressly accepted by such States in writing.

#### Article 39 Transitional Provisions

1. The Court shall proceed, within four months of the entry into force of this Convention, to elect the Bureau, to adopt its rules and to appoint the Registrar in accordance with the provisions of Articles 7, 9 and 11. The host Government of the Court shall, in co-operation with the Depositary, make the arrangements required.

2. Until a Registrar is appointed, the duties of the Registrar under Article 3, paragraph 5, and Article 4, paragraph 7 shall be performed by the Depositary.

Done at in the English, French, German, Italian, Russian and Spanish languages, all six language versions being equally authentic, on

#### Annex 3

#### **Provisions for a CSCE Conciliation Commission**

The participating States in the Conference on Security and Co-operation in Europe (CSCE) hereby establish a procedure to complement the Valletta Procedure for the Peaceful Settlement of Disputes endorsed by the Berlin Meeting, by the establishment of a Conciliation Commission ("the Commission") in accordance with the following provisions.

#### Section I

A dispute between two CSCE participating States may be brought before the Commission if the parties to it so agree.

#### Section II

A participating State may at any time declare that it will accept, on condition of reciprocity, conciliation by the Commission for disputes between it and other participating States. The declaration may not include conditions which would affect the procedures described in Sections III to XVII below. The declaration will be deposited with the Secretary of the Commission ("the Secretary") who will transmit copies to all the participating States.

Section III

1. Where the parties to a dispute have agreed to bring it before the Commission, the procedure will be invoked by a joint written request by the parties to the Secretary.

2. Where both parties to a dispute have made declarations under Section II which apply to that dispute, the procedure may be invoked by a written request by either party to the other and to the Secretary.

Section IV

1. As soon as the Secretary has received a request made in accordance with Section III, the Commission will be constituted in accordance with Section V.

2. Any question as to the application of Section II with respect to the dispute, and in particular as to reciprocity of the declarations made thereunder, will be decided by the Commission as a preliminary question. For this purpose the parties will proceed directly to the appointment of the conciliators.

Section V

1. The parties to the dispute will, within 20 days of the receipt by the Secretary of a written request under Section III, appoint one conciliator from the Register maintained for the purposes of the Valletta Procedure for the Peaceful Settlement of Disputes ("the Valletta Register"). A party which invokes the procedure in accordance with Section III, paragraph 2, should name its conciliator in its written request.

2. The conciliators will, within 20 days of the date of the second of their own appointments, appoint a third conciliator chosen from the Valletta Register, who will act as Chairman of the Commission. He will not be a national of either of the parties or have been nominated by either of them to the Register.

3. If the appointment of the Chairman, or of any of the other conciliators, has not been made within the prescribed period, it will be made within 20 days of the expiry of the relevant period by the Secretary-General of the Permanent Court of Arbitration, after consultations with the parties.

4. Any vacancies will be filled in the manner prescribed for the initial appointment.

Section VI

1. The Commission will consult the parties on the procedure to be followed in the exercise of its responsibilities as described herein. The Commission will give effect to any agreement between the parties on procedure. In the absence of agreement on any point, the Commission may decide the matter.

2. Decisions and recommendations of the Commission will be made by a majority vote of the members.

Section VII

The Commission may, with the consent of the parties, invite any participating State to submit its views orally or in writing.

Section VIII

The parties will refrain throughout the course of the procedure from any action which may aggravate the situation and make more difficult or impede the peaceful settlement of the dispute. In this connection, the



Commission may draw the attention of the parties to any measures which it considers might facilitate an amicable settlement.

Section IX

The Commission will seek to clarify the points in dispute between the parties and endeavour to bring about a resolution of the dispute on mutually agreeable terms.

Section X

If the Commission considers that to do so will facilitate an amicable settlement of the dispute, it may suggest possible terms of settlement and set a time limit within which the parties should inform the Commission whether they accept such recommendations.

Section XI

Each party will, within the time limit set under Section X, inform the Secretary and the other party whether or not it accepts the proposed terms of settlement. If both parties have not notified such acceptance within such time limit the Secretary will forward a report from the Commission to the Committee of Senior Officials of the CSCE. The report will not include the matters referred to in Section XII.

Section XII

Any measures recommended under Section VIII, and any information and comments provided to the Commission by the parties in confidence, will remain confidential unless the parties agree otherwise.

Section XIII

Each party to the dispute will bear its own costs and the costs of the conciliator appointed by it. The rest of the costs of the Commission will be shared equally by the parties.

Section XIV

A participating State may at any time, whether before or after a dispute has been referred to the Commission, declare, either generally or in relation to a particular dispute, that it will accept as binding, on condition of reciprocity, any terms of settlement proposed by the Commission. Such declaration will be deposited with the Secretary who will transmit copies to all the participating States.

#### Section XV

A declaration made under Section II or Section XIV may be withdrawn or modified by written notification to the Secretary who will transmit copies to all the participating States. A declaration made under Section II or Section XIV may not be withdrawn or modified in relation to a dispute to which it applies once a written request for conciliation of the dispute has been made under Section III, and the other party to the dispute has already made such a declaration.

Section XVI



The parties may agree to modify the procedure set out in the preceding sections with respect to their particular dispute.

Section XVII

The Director of the Conflict Prevention Centre will act as Secretary of the Commission. In carrying out his functions the Director may consult the Committee of Senior Officials as and when he deems necessary. If the Director is a national of one of the parties to a dispute, his functions in respect of that dispute will be performed by the next most senior official of the Conflict Prevention Centre who is not such a national.

#### Annex 4

#### **Provisions for Directed Conciliation**

1. The Council of Ministers or the Committee of Senior Officials (CSO) may direct any two participating States to seek conciliation to assist them in resolving a dispute that they have not been able to settle within a reasonable period of time.

2. In using this authority, the Council or the CSO may direct that the parties to the dispute use the provisions for conciliation described in Annex 3, on the same basis as if the parties had made a joint written request to bring the dispute before the Conciliation Commission established by that Annex. However, in such situations:

(a) the Council or the CSO may decide, in view of the nature of the particular dispute or other relevant factors, either to increase or to decrease any of the twenty-day periods for appointment by the parties of the two members of the Conciliation Commission or for selection of the Chairman; and

(b) the work of the Commission will not be conducted in public, unless the parties agree otherwise.

3. Moreover, in cases involving disputes between two parties to the Convention on Conciliation and Arbitration within the CSCE, the Council or the CSO may direct that the parties use the provisions for conciliation established under that Convention, once that Convention enters into force.

4. The parties to the dispute may exercise any rights they otherwise have to participate in all discussions within the Council or CSO regarding the dispute, but they will not take part in the decision by the Council or the CSO directing the parties to conciliation, or in decisions described in paragraph 2(a).

5. The Council or the CSO will not direct parties to a dispute to seek conciliation under this Annex:

(a) if the dispute is being addressed under some other procedure for the peaceful settlement of disputes;

(b) if the dispute is covered by any process outside the CSCE which the parties to the dispute have accepted, including under an agreement in which the parties have undertaken to address certain disputes only through negotiations; or

(c) if either party to the dispute considers that, because the dispute raises issues concerning its territorial integrity, or national defence, title to sovereignty over land territory, or competing claims with regard to the jurisdiction over other areas, the provisions of this Annex should not be applied.



6. The parties to the dispute will bear their own expenses. Except for disputes covered in paragraph 3, any other expenses incurred under the procedure will be shared by all participating States in accordance with the CSCE scale of distribution, subject to any procedures that the CSO may adopt to ensure that expenses are limited to those reasonable. With respect to disputes covered by paragraph 3, responsibility for such other expenses will be borne in accordance with the provisions of the Convention on Conciliation and Arbitration within the CSCE.

7. In addition to any reports otherwise provided for under the conciliation provisions described in paragraphs 2 and 3, the Council or the CSO may request the Commission to report on the results of the conciliation. The report will not reflect matters that are considered confidential under the applicable provisions, unless the parties agree otherwise.

(\*) The problems arising when the parties are more than two will require further consideration.