

## **Dispute Resolution**

Most dispute resolutions arise from problems in delivery or condition of goods or payment for goods. Often, pre-emptive measures can be taken to avoid costly (for both parties) court proceeding. If long-term trade relationship is anticipated provisions for dispute resolution can be included in contracts. Also, Letters of credit can detail in full all terms of the agreement (even if not required by the issuing bank) so that there is little room remaining for disagreement. Such measures are of course not infallible but may lessen the chance of disputes becoming overly problematic for either party.

When disputes do arise, try to resolve them directly with your trade partner. If you cannot solve the dispute directly with your partner, there are still other alternatives to going to courts. These include arbitration and mediation which will briefly discuss now.

Mediation is when a third party intervenes to facilitate communication between the two parties in order to resolve the dispute. Mediation is simple and cost-effective but resolutions derived from it are only binding if the parties agree to make them so (contract revision or other documentation of agreement). Arbitration usually takes place when a higher degree of privacy and discretion is warranted or even demanded by either party. Arbitration may be guided by local (in Ontario, Canada for example there is the [ADR Institute of Ontario](#)) or international rules (the UN Commission on International Trade Law – [UNCITRAL](#) – for example) or terms of reference agreed upon by the parties involved. The [International Chamber of Commerce](#) may also be a good source for mediation and arbitration guidelines and support. In any case, the goal is to solve the dispute without having to go through the legal action.

Find out more about international trade dispute resolution from the International Trade Centre (<http://www.intracen.org/>) and the United Nations Commission on International Trade Law ([www.uncitral.org](http://www.uncitral.org))

Additional information regarding dispute resolution for the Canadian market can be found at:

### **Government:**

- Dept. of Justice Canada - Dispute Resolution Centre - can be found at <http://canada.justice.gc.ca/eng/index.html>

### **Commercial:**

- Accord Canada Dispute resolution group - can be found at <http://www.accordcanada.com/>

Note: Find other private companies specializing in dispute resolution via:  
[www.strategis.gc.ca](http://www.strategis.gc.ca) → “Company Directories” → “Company Capabilities” → “Search” → “Keyword: International dispute resolution”)