WFP ANSWERS TO THE QUESTIONNAIRE¹

Question 1. What types of disputes/issues have you encountered?

- 1. For purposes of this questionnaire, the following definition of "dispute" has been used: "an assertion of a right, claim, or demand on one side, met by contrary claims or allegations on the other".2
- 2. The types of disputes that WFP has encountered include the following:
 - Disputes with international organizations ("IOs"), 3 including organizations, programmes Α. and funds of the United Nations System ("UN System") and multilateral development banks. These disputes are very rare and normally concern the interpretation and application of agreements concluded between WFP and IOs (more details are provided in Question 2).
 - В. Disputes with States ("States"). 4 These disputes are infrequent and mainly involve differences on:
 - i. the interpretation and application of WFP's privileges and immunities under international treaties and agreements to which a State is a party, for example, on the scope or modality of application of tax exemption granted by the State to WFP;
 - ii. on the interpretation, application and breach of agreements between WFP and States. For example, WFP and a State may have a different interpretation of the provisions concerning modalities for implementation of, or use of that State's contribution for, WFP activities.
 - C. Disputes with private parties, including disputes with individuals or entities having a current or past contractual relationship with WFP ("contractual disputes") or disputes with individuals or entities having no contractual relationship with WFP ("disputes with third parties"). With respect to contractual disputes, WFP has encountered disputes with:
 - Entities collaborating with WFP on the implementation of projects and activities ("Cooperating Partners"), such as, for example, non-governmental organizations. These disputes mainly concern the interpretation, application and breach of agreements between WFP and Cooperating Partners or the application of WFP regulations, rules and policies, such as, for example, the WFP Anti-Fraud and Anti-Corruption Policy and Related Guidance;
 - Entities contracted by WFP for its operational needs ("Contractors") such as, for ii. example, goods and/or services providers, food suppliers, carriers (ocean, air and land carriers), ports/logistics hub managers, insurers and financial institutions. WFP may also encounter real estate disputes with landlords and owners of

¹ The answers to this questionnaire are based on WFP policies, regulations and rules currently in effect and most recent contractual practice. Specific information concerning disputes in which WFP has been involved are based on the information available to WFP Legal Office and may not reflect disputes that are not, or are not yet, subject of a formal dispute settlement method.

² West's Encyclopedia of American Law, edition 2. S.v. "Dispute".

³ For the purpose of this questionnaire, the term "International Organization" means "an organization established by a treaty or other instrument governed by international law and possessing its own international legal personality" (2011 Draft articles on the responsibility of international organizations, Article 2(a)).

⁴ For the purpose of this questionnaire, the term "State" includes any State authority, including Government authorities at any level.

different types of properties, like warehouses, offices, terminals, logistics facilities. These disputes mainly concern the interpretation, execution and/or breach of the contractual terms (e.g. the performance of the contractual obligations) and WFP policies applicable to them including, for example, WFP's decision to impose sanctions on vendors;

- iii. Individuals employed by WFP as staff ("Staff") or as affiliate workforce (such as consultants, Service Contract holders, Special Service Agreements holders, or Casual Labourers) ("Affiliate Workforce") on employment related issues.
- D. <u>Third parties that do not have a contractual relationship with WFP</u>. Such disputes may concern alleged torts (e.g. car accidents, fatal incidents), or other third party rights (e.g. image rights). Disputes with third parties are addressed in Question 10 below.

Question 2. What methods of dispute settlement have been resorted to in cases of disputes with other international organizations, states or private parties? Please provide any relevant case law, or a representative sample thereof. If you cannot provide such information for confidentiality reasons, could you provide any such decisions or awards in redacted form, or a generic description/digest of such decisions?

- 3. Disputes with other IOs are very rare. Any difference on the interpretation or application of agreements between WFP and other IOs are typically resolved through informal consultation or negotiation at working level, without resorting to the submission of formal claims or demands. Agreements between WFP and entities of the UN System envisage that, if a dispute is not resolved by negotiation within a specific timeframe, the dispute is resolved through consultation between the executive heads of the parties, as appropriate.
- 4. Negotiation and/or arbitration are normally envisaged as methods for the settlement of disputes with IOs that are not part of the UN System. The rare disputes with IOs have mainly involved IOs acting as donors to WFP and concerned the interpretation and application of contribution agreements, especially provisions on costs to be funded by such IOs' contribution. Given that these disputes have been resolved through informal consultation, there are no formal decisions or awards on such dispute settlements.
- 5. While WFP's agreements with States normally identify conciliation and arbitration as dispute settlement methods, disputes with States are customarily resolved through negotiation via the appropriate diplomatic channels.
- 6. The methods for the settlement of contractual disputes with private parties depends on the nature of the private party concerned and its relationship with WFP:
 - A. Disputes with Cooperating Partners are normally settled amicably through informal consultation. Conciliation and arbitration are used only in the event informal consultation is not successful, which is in rare cases. These disputes may concern, for example, situations where the activities carried out by the Cooperating Partner are not in line with the specifications set out in the terms of the agreement between the Cooperating Partner and WFP, or the Cooperating Partner has breached its contractual obligations in relation to WFP's Anti-fraud and Anti-corruption Policy.
 - As these disputes are solved amicably and informally, there are no formal decisions or awards on such dispute settlements.
 - B. Disputes with Contractors, especially food suppliers and carriers, may arise from time to time and are usually relating to the delivery of goods not conforming to the contractual

specifications (e.g. potential food quality and/or food safety issues) or goods delivered outside the agreed delivery period. WFP may also encounter real estate disputes concerning damages to the occupied premises or to WFP's cargo/equipment stored/used therein. Aiming at maintaining a good commercial relationship with the Contractors, the majority of such disputes are resolved through negotiations on an amicable basis. In very few cases, WFP resorted to the arbitration mechanisms envisioned in the relevant contracts.

- C. Disputes with Staff and consultants staff members and consultants may submit appeals against WFP's administrative decisions to WFP's Executive Director, as the first stage of the so-called "internal appeal process", and thereafter to the Appeals Committee of the Food and Agriculture Organization of the United Nations ("FAO"), as the second stage. Thereafter, they may appeal further to the International Labour Organization's Administrative Tribunal ("ILOAT"). Relevant ILOAT case law is available on the ILOAT website at: https://www.ilo.org/tribunal/lang--en/index.htm. Decisions on pension-related matters may be appealed directly to the United Nations Administrative Tribunal.
- D. Disputes with Affiliate Workforce (other than consultants) Contracts with Service Contract holders, Special Service Agreements holders, or Casual Labourers provide for alternative mechanisms for the resolution of disputes, typically arbitration, as these categories of personnel do not have access to the internal appeal process or before the ILOAT.
- 7. Details on the methods for the resolution of disputes with third parties are addressed in Question 10 below.

Question 3. In your dispute settlement practice, for each of the types of disputes/issues arising, please describe the relative importance of negotiation, conciliation or other informal consensual dispute settlement and/or third-party dispute resolution, such as arbitration or judicial settlement.

- 8. For disputes with IOs and States, informal consultation is the most important method of dispute settlement, as it is compatible with WFP and the other IOs and States' respective status (and where applicable privileges and immunities), it is time and cost effective, it is more likely to lead to a mutually satisfactory outcome, and preserves the longstanding collaboration among IOs and with States to deliver their public mandate. In particular, disputes with States are often solved through consultation by diplomatic channels or engagement at the political level.
- 9. Disputes with private parties:

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- a. In disputes with Cooperating Partners, for the reasons described above, the Parties are required to use their best efforts to settle amicably, including by conciliation. Arbitration is used as last resort in case the dispute cannot be settled amicably.
- b. For disputes with Contractors, depending on the merits of the case, commercial negotiations between the parties usually take place as a primary step as they have the same benefits as informal consultation (see above). In fact, the applicable dispute resolution clauses inserted in the relevant WFP contracts foresee that best efforts shall be used to amicably settle any dispute. Only in the unlikely and rare event that an amicable resolution fails or is not possible, the parties may resort to arbitration.

⁵ For example, in the period from 2011 to 2021, ILOAT has issued the following judgments concerning WFP: Nos. 3653, 3654, 3879, 3880, 3931, 4066, 4178, 4226, 4227, 4229, 4380, and 4381.

c. Disputes with Staff and Affiliate Workforce – informal dispute resolution/settlement is always given serious consideration as the preferred method for solving disputes and considered on a case-by-case basis, depending on the circumstances of each individual case. In disputes involving Casual Labourers and Service Contract holders, when amicable settlement is not possible, a request for conciliation under UNCITRAL's Conciliation Rules is a mandatory prerequisite to arbitration.

Question 4. Which methods of dispute settlement do you consider to be most useful? Please indicate the preferred methods of dispute settlement (cf. footnote 2) for different types of disputes/issues (cf. footnote 1).

- 10. In disputes with IOs and States, amicable negotiation has proved to be the most effective dispute settlement method. Resulting in a mutually agreeable solution, negotiation preserves the long-term relationship and collaboration with IOs and States, which is crucial for WFP's food aid and security operations, support to States' economic and social development, and to meet refugee and other emergency and relief food needs. In addition, negotiation is the most time and cost-effective method, minimizing impact on operations continuity and budget.
- 11. Amicable negotiation is also the preferred method for the settlement of disputes with Cooperating Partners and Contractors. WFP wishes to maintain good working relationships with its Cooperating Partners and Contractors and avoid any pipeline issues that could impede the fulfilment of its mandate. However, in exceptional cases, it may revert to arbitration against Contractors.
- 12. WFP typically gives serious consideration to amicable resolution of employment disputes, bearing in mind the nature of the dispute, the legal risks involved and the need to preserve the employment relationship as well as the type of resolution mechanism available to the employee.

Question 5. From a historical perspective, have there been any changes or trends in the types of disputes arising, the numbers of such disputes and the modes of settlement used?

13. Over the past years, WFP has scaled up and diversified its operations worldwide. This has resulted in increased engagements with private sector partners and the enhancement and strengthening of the contractual requirements, which in turn brought a consequent increase in the numbers of disputes. However, the settlement methods have consistently involved a preference for amicable negotiations, as explained above. As for the types of disputes, the same consistency can be noted.

Question 6. Do you have suggestions for improving the methods of dispute settlement (that you have used in practice)?

- 14. WFP has strengthened its policies to prevent disputes, for example, it established the Community Feedback Mechanism (see Question 10). In addition, WFP has been working actively with FAO in reviewing the internal appeal process towards increased effectiveness, including timeliness, and increased informal amicable resolution.
- 15. Noting that amicable negotiations are usually the preferred way to settle disputes, the importance of developing and strengthening negotiation skills of personnel handling relationships with WFP's counterparties (for example, by relevant trainings) is emphasized.

Questions 7. Are there types of disputes that remain outside the scope of available dispute settlement methods?

- 16. For contractual disputes, all contracts concluded by WFP identify a dispute settlement method either in a provision of the contract or by reference to the relevant WFP policy, regulation or rule.
- 17. There is no pre-determined or specified method for the settlement of disputes other than those arising from contracts (that is, disputes with third parties). Such disputes are addressed in Question 10 below.

Question 8. Does your organization have a duty to make provision for appropriate modes of settlement of disputes arising out of contracts or other disputes of a private law character under the 1946 Convention on the Privileges and Immunities of the United Nations, the 1947 Convention on the Privileges and Immunities of the Specialized Agencies, or an equivalent treaty? How in practice has your organization interpreted and applied the relevant provisions?

- 18. Yes. As an autonomous joint subsidiary programme of the United Nations and the Food and Agriculture Organization of the United Nations, both the 1946 Convention on the Privileges and Immunities of the United Nations ("1946 Convention") and the 1947 Convention on the Privileges and Immunities of the Specialized Agencies ("1947 Convention") are applicable to WFP. Accordingly, WFP has a duty to make provision for appropriate modes of settlement of disputes arising out of contracts or other disputes or private character to which WFP is a party (see 1946 Convention, Section 29(a)); and 1947 Convention, Section 31(b)).
- 19. WFP has discharged this duty by identifying dispute settlement modes (or methods) in its agreements and contracts with counterparties. Given its immunity from legal process, WFP does not, in principle, accept any modes of dispute settlement involving judicial review or other review by a national court or authorities. Thus, WFP's dispute settlement modes are negotiation, conciliation and arbitration typically in accordance with the UNCITRAL Conciliation and Arbitration Rules. As described in Question 2 above, the specific mode used for disputes where WFP is a party depends on the nature of the counterparty.
- 20. When the dispute involves a third party, in the absence of a contract identifying a specific dispute settlement method, WFP may collaborate with the third party to identify an appropriate dispute settlement method among negotiation, mediation, conciliation and arbitration (see Question 10 below).

Question 9. Are there standard/model clauses concerning dispute settlement in your treaty and/or contractual practice? Please provide representative examples.

- 21. Yes. WFP has standard dispute settlement provisions for its agreements and contracts with International Organizations, States, and private sector entities, including Private Donors, Cooperating Partners, and Contractors (see the example provisions in Annex).
- 22. The provisions on methods for the settlement of disputes between WFP and its Staff and Consultants are set out in FAO Staff Regulations and Rules which apply to WFP staff, and WFP's Human Resources Manual. Standard dispute resolution clauses are included in contracts with Non-staff Personnel.

Question 10. Does "other disputes of a private law character" encompass all disputes other than those arising from contracts? If not, which categories are not included? What has been the practice of your organization in determining this? What methods of settlement have been used for "other disputes of a private law character" and what has been regarded as the applicable law?

- 23. Disputes other than those arising from contracts (i.e. disputes with third parties) mainly concern private law matters, such as tort liability for harm, loss or damage, or alleged breach of third party rights.
- 24. In addition to private law matters, disputes with third parties may raise questions or claims in connection to international or public administrative law matters, such as the status, privileges and immunities of WFP, which are subject to the relevant provisions of the 1946 and 1947 Conventions and other agreements between WFP and relevant States. These questions are generally subject to international law and the relevant international treaties and agreements regulating WFP's privileges and immunities.
- 25. Disputes with third parties are infrequent. For certain categories of claims, WFP has established mechanisms to report and/or address third party claims that may give raise to a dispute.
 - a. WFP has established rigorous mechanisms for individuals and communities to provide their feedback on operations of WFP, including claims alleging harm, damage or loss arising out of operations of WFP or its Contractors or Cooperating Partners. These community feedback mechanisms allow WFP to proactively detect risks, or receive claims of harm, damage or loss and address them promptly, based on the principles of protection and accountability and in accordance with relevant WFP policies, regulations and rules.
 - b. WFP has also established channels to report allegations of sexual abuse, sexual exploitation, and retaliation. Upon receipt of these allegations, WFP reviews them and, where warranted, investigates in accordance with the principles of accountability, independence, objectivity, integrity, and impartiality.
 - c. WFP has also established a mechanism to review requests by individuals or entities to disclose information. If the request is denied by WFP, individuals or entities may appeal WFP disclosure decisions with WFP Information Disclosure Oversight Panel.
- 26. In addition, WFP's agreements with Contractors and Cooperating Partners aim to limit to the highest extent possible the exposure of WFP to third party claims. For example, they include provisions requiring Contractors to retain liability for acts and/or omissions of their subcontractors and handle any relevant claims from such third parties.
- 27. In the event of a dispute falling outside the scope of the mechanisms described above, WFP and the third party concerned may agree on an alternative dispute settlement method among negotiation, conciliation or arbitration depending on the nature of the dispute and the third party involved.

Question 11. Have you developed a practice of agreeing ex post to third-party methods of dispute settlement (arbitration or adjudication) or waiving immunity in cases where disputes have already arisen and cannot be settled otherwise, e.g. because no treaty/contractual dispute settlement has been provided for?

28. As mentioned in Question 10 (paragraph 27), arbitration is one of the dispute settlement methods that may be agreed as dispute settlement methods with a third party in the rare event of a dispute falling outside the scope of pre-established dispute settlement methods. However, in most of cases where WFP agreed on a dispute settlement method with a third party, the agreed dispute settlement method has been informal consultation or direct negotiation.

- 29. By virtue of its international status and immunity from legal process, WFP seeks to avoid using judicial adjudication as a third-party method of dispute settlement. Where a third party brings a claim before national judicial authorities, in light of WFP's immunity from such legal process, WFP seeks to assert immunity through the appropriate channels, and invoke one of the alternative dispute resolution mechanisms above (see Question 10 above).
- 30. WFP does not have a practice of waiving its immunity from legal process. Any waiver is exceptional and is decided by the Secretary-General of the United Nations and the Director-General of the FAO in accordance with the relevant provisions of the 1946 and 1947 Conventions, respectively.

Annex Examples of WFP dispute settlement provisions

A. Agreements with International Organizations

A.1 Agreement to transfer contributions from one UN entity to another UN entity

The UN Entities will use their best efforts to promptly settle through direct negotiations any dispute, controversy or claim arising out of or in connection with this Agreement or any breach thereof. Any such dispute, controversy or claim which is not settled within sixty (60) days from the date either UN Entity has notified the other UN Entity of the nature of the dispute, controversy or claim and of the measures which should be taken to rectify it, will be resolved through consultation between the Executive Heads of each of the UN Entities.

A.2 Agreement where an International Organization other than UN entities (Donor) provides contributions to WFP

Output Agreement template with the World Bank

This Agreement shall be governed by general principles of international law, which shall be deemed to include the UNIDROIT General Principles of International Commercial Contracts (2010). Any dispute, controversy or claim arising out of or relating to this Agreement shall be resolved in accordance with the relevant provisions of the Basic Agreement or, failing such provision, if not settled by negotiation or other agreed mode of settlement, shall be submitted to arbitration at the request of either Party. Each Party shall appoint one arbitrator, and the two arbitrators so appointed shall appoint a third, who shall be the chairman. If within thirty days of the request for arbitration either Party has not appointed an arbitrator or if within fifteen days of the appointment of two arbitrators the third arbitrator has not been appointed, either Party may request the President of the International Court of Justice to appoint an arbitrator. The procedure of the arbitration shall be fixed by the arbitrators, and the expenses of the arbitration shall be borne by the Parties as assessed by the arbitrators. The arbitral award shall contain a statement of the reasons on which it is based and shall be accepted by the Parties as the final adjudication of the dispute. The arbitration panel shall have no authority to award punitive damages.

Accreditation Master Agreement with the Green Climate Fund

29.02 The Parties will attempt in good faith to resolve any dispute, controversy or claim arising out of or in relation to this Agreement through negotiations between a duly authorized senior representative of each of the Parties with authority to settle the relevant dispute. If the dispute, controversy or claim cannot be settled amicably within sixty (60) days from the date on which either Party has served written notice on the other of the dispute, then Clause 29.03 shall apply.

29.03 Any dispute, controversy or claim arising out of or relating to this Agreement, or the breach, termination or invalidity thereof, that is not been resolved through negotiation pursuant to Clause 29.02 above, shall be settled by arbitration in accordance with the PCA Arbitration Rules 2012, and: (a) the appointing authority shall be the Secretary-General of the PCA; (b) the number of arbitrators shall be three; (c) the place of arbitration shall be The Hague, the Netherlands; (d) the language to be used in the arbitral proceedings shall be English; (e) the arbitration decision shall be final and binding on the Parties and there shall be no appeal, and

each Party undertakes to comply with and to carry out any such arbitral decision fully and without delay; and (f) the arbitration panel shall not award punitive damages.

B. Agreements with States

B.1 Agreement where a State provides contributions to WFP (Contribution Agreement)⁶

The interpretation, construction and performance of this Agreement, including any agreements and/or documents entered into in connection with this Agreement, and any claims, controversies or disputes arising hereunder or thereunder shall be exclusively governed by general principles of international commercial law and the terms and conditions of this Agreement, to the exclusion of any choice of law rules which would defer the Agreement, and any agreements and/or documents entered into in connection therewith, to the laws of any given jurisdiction.

The Parties shall use their best efforts to amicably settle any dispute, controversy, or claim arising out of the Agreement or the breach, termination or invalidity thereof. Where the Parties wish to seek an amicable settlement through conciliation, the conciliation shall take place in accordance with the Conciliation Rules then obtaining of the United Nations Commission on International Trade Law ("UNCITRAL"), or according to such other procedure as may be agreed between the Parties in writing.

Any claims, controversies or disputes between the Parties arising under this Agreement, or under any other agreements and/or documents entered into in connection with this Agreement that cannot be settled amicably under Article [paragraph above], above, shall be settled by arbitration in accordance with the UNCITRAL Arbitration Rules, then in force. The Parties hereby designate the Secretary-General of the Permanent Court of Arbitration at The Hague as appointing authority in respect of any arbitral proceeding arising hereunder. Any arbitral proceeding arising hereunder shall be conducted by an arbitral tribunal comprising three (3) arbitrators and the language to be used in the arbitral proceeding shall be English. The arbitral tribunal shall have no authority to award punitive damages. The Parties shall be bound by any arbitration award rendered as a result of such arbitration as the final adjudication of any such claim, controversy or dispute.

B.2 Agreement concerning WFP's assistance to a State (Basic Agreement)

Any dispute between [State] and WFP relating to the interpretation, implementation, validity, or termination of this Basic Agreement, or other complementary agreements, including, without limitation, WFP Activity Agreements, not resolved through consultation or negotiation, shall be submitted to arbitration before a tribunal comprised of three arbitrators at the request of either [State] or WFP.

The Government and WFP shall each appoint one arbitrator, and the two arbitrators shall appoint a third arbitrator, who shall serve as president of the arbitral tribunal. If either the Government or WFP fails to appoint an arbitrator within a period of 90 days from the date on which arbitration was requested, or if the first two arbitrators fail to agree on the selection of a third arbitrator within 30 days of their appointment, either Party may request that the President of the International Court of Justice appoint an arbitrator.

⁶ Dispute settlement provisions vary from donor to donor, but the dispute settlement methods are generally negotiation and arbitration.

The arbitration procedure shall be established by the arbitrators, and the costs and expenses of the arbitration shall be borne by [State] and WFP, according to the allocation of costs and expenses established in the arbitral award. The arbitral award shall include an explanation of the rationale on which it is based, and shall be accepted by both [State] and WFP as the final resolution of the dispute, even if either [State] or WFP fails to appear in the arbitration.

B.3 Agreements concerning the WFP's technical and non-technical assistance to a State (Technical Assistance and Non-Technical Assistance Agreement)

The interpretation, construction and performance of this Agreement, including any agreements and/or documents entered into in connection with this Agreement, and any claims, controversies or disputes arising hereunder or thereunder shall be exclusively governed by general principles of international law and the terms and conditions of this Agreement, to the exclusion of national law.

[TO BE INSERTED WHERE A BASIC AGREEMENT EXISTS: Any claims, controversies or disputes between the Parties arising under this Agreement or under any agreements and/or documents entered into in connection with this Agreement, shall be settled in accordance with the provisions of the Basic Agreement.]

[TO BE INSERTED WHERE THERE IS NO BASIC AGREEMENT: Any claims, controversies or disputes between the Parties arising out of or relating to this Agreement that cannot be settled by negotiation or other agreed mode of settlement shall be submitted to arbitration at the request of either Party. For the purposes of the implementation of this Article:

- a. the Parties hereby designate the President of the International Court of Justice as appointing authority in respect of any arbitral proceeding arising hereunder and the language to be used in any such proceeding shall be English;
- b. any arbitral proceeding arising hereunder shall be conducted by an arbitral tribunal comprised of three (3) arbitrators. Each Party shall appoint one arbitrator and shall notify the other Party of the appointment of its arbitrator. The arbitrators so appointed shall name a third arbitrator who shall act as presiding arbitrator of the arbitral tribunal. If within thirty (30) days of the request for arbitration either Party has not appointed an arbitrator, the other Party may request the appointing authority to appoint the second arbitrator. If within thirty (30) days after the appointment of the second arbitrator the two (2) arbitrators have not agreed on the choice of the presiding arbitrator, the presiding arbitrator shall be appointed by the appointing authority;
- c. a majority vote of the arbitrators shall be sufficient to reach a decision, including decisions on procedural matters, which shall be final and binding; and
- d. the expenses of arbitration shall be borne by the Parties as laid down in the arbitral award.]

C. Agreements with Private Donors and Partners

GOVERNING LAW; DISPUTE RESOLUTION

1 This Agreement and any dispute arising herefrom shall be exclusively governed by general principles of law, to the exclusion of any single national system of law.

2 The Parties shall use their best endeavours to settle amicably any dispute, controversy or claim between the Parties arising out of or relating to this Agreement, or the breach, termination or

invalidity hereof (each, a "Dispute"). Where the Parties wish to seek an amicable settlement through conciliation, the conciliation shall take place in accordance with the UNCITRAL Conciliation Rules, or in accordance with such other procedure as may be agreed to between the Parties.

3 Unless any Dispute is settled amicably in accordance with the preceding Clause within 60 (sixty) calendar days (or such other longer period as agreed by the Parties) after receipt of one Party of the other Party's request for such amicable settlement in writing, such Dispute shall be referred by either Party to arbitration for exclusive resolution of the Dispute under the UNCITRAL Arbitration Rules then in force. The arbitral tribunal, shall be empowered to order: (i) the return or destruction of goods or any property, whether tangible or intangible, or of any confidential information provided hereunder; (ii) the termination hereof; or (iii) that any other protective measures be taken with respect to the goods, services or any other property, whether tangible or intangible, or of any confidential information provided hereunder, as appropriate, all in accordance with the authority of the arbitral tribunal pursuant to Article 26 (the "Interim Measures") and Article 34 (the "Form and Effect of the Award") of the UNCITRAL Arbitration Rules. The arbitral tribunal shall have no authority to award punitive damages. In addition, the arbitral tribunal shall have no authority to award interest in excess of the London Inter-Bank Offered Rate ("LIBOR") then prevailing, and any such interest shall be simple interest only. The Parties shall be bound by any arbitration award rendered as a result of such arbitration as the final adjudication of any such Dispute. The language of any such proceedings shall be English.

D. Agreements with NGO Cooperating Partners (Field-level Agreement)

This Agreement and any dispute arising therefrom shall be governed by internationally accepted general principles of law and by the terms of this Agreement, to the exclusion of any choice of law rules that would defer the agreement to the laws of any given jurisdiction.

The Parties shall use their best efforts to settle amicably any dispute, controversy or claim arising out of this Agreement or the breach, termination or invalidity thereof. Where the Parties wish to seek such an amicable settlement through conciliation, the conciliation shall take place in accordance with the United Nations Commission on International Trade Law (UNCITRAL) Conciliation Rules then obtaining, or according to such other procedure as may be agreed between the Parties in writing. Unless otherwise agreed by the Parties, the place of the conciliation procedure shall be the national capital city of the country where the Operation occurs.

Any dispute, controversy or claim between the Parties arising out of this Agreement or the breach, termination or invalidity thereof, unless settled amicably in accordance with Article [paragraph] above within sixty (60) calendar days after receipt by one Party of the other Party's request for such amicable settlement shall be referred by either Party to arbitration, which shall be conducted in accordance with the UNCITRAL Arbitration Rules then obtaining. The arbitration shall be conducted by an arbitration tribunal comprised of three arbitrators. Each Party shall appoint one arbitrator and the arbitrators so appointed shall select a third arbitrator who shall act as President of the arbitral tribunal. If, within sixty (60) calendar days as of the receipt of the notice of arbitration by the Party against which arbitration is commenced, or within sixty (60) calendar days as of the acceptance of the appointment as arbitrator by the arbitrators appointed by the Parties, as the case may be, one of the Parties fails to appoint an arbitrator or the arbitrators appointed by the Parties fail to reach an agreement on the identity of the third arbitrator, as the case may be, either of the Parties may request the appointing authority to

appoint an arbitrator for the other Party or appoint the third arbitrator. The Parties agree that the appointing authority shall be the Secretary-General of the Permanent Court of Arbitration at the Hague. The arbitration tribunal shall have no authority to award punitive damages. The arbitration tribunal shall decide by a majority of votes. The Parties shall be bound by any arbitration award rendered as a result of such arbitration as the final adjudication of any such controversy, claim or dispute. The place of arbitration shall be outside the country where the Operation occurs.

E. Agreements with Contractors

AMICABLE SETTLEMENT: The Parties shall use their best efforts to amicably settle any dispute, controversy, or claim arising out of the Contract or the breach, termination, or invalidity thereof. Where the Parties wish to seek such an amicable settlement through conciliation, the conciliation shall take place in accordance with the Conciliation Rules then obtaining of the United Nations Commission on International Trade Law ("UNCITRAL"), or according to such other procedure as may be agreed between the Parties in writing.

ARBITRATION: Any dispute, controversy, or claim between the Parties arising out of the Contract or the breach, termination, or invalidity thereof, unless settled amicably under Article 17.1, above, within sixty (60) days after receipt by one Party of the other Party's written request for such amicable settlement, shall be referred by either Party to arbitration in accordance with the UNCITRAL Arbitration Rules then obtaining. The decisions of the arbitral tribunal shall be based on general principles of international commercial law. The arbitral tribunal shall be empowered to order the return or destruction of goods or any property, whether tangible or intangible, or of any confidential information provided under the Contract, order the termination of the Contract, or order that any other protective measures be taken with respect to the goods, services or any other property, whether tangible or intangible, or of any confidential information provided under the Contract, as appropriate, all in accordance with the authority of the arbitral tribunal pursuant to Article 26 ("Interim measures") and Article 34 ("Form and effect of the award") of the UNCITRAL Arbitration Rules. The arbitral tribunal shall have no authority to award punitive damages. In addition, unless otherwise expressly provided in the Contract, the arbitral tribunal shall have no authority to award interest in excess of the London Inter-Bank Offered Rate ("LIBOR") then prevailing, and any such interest shall be simple interest only. The Parties shall be bound by any arbitration award rendered as a result of such arbitration as the final adjudication of any such dispute, controversy, or claim.

F. Contracts with Affiliate Workforce

F.1 Service Contracts

Any claims or disputes between the Parties relating to the interpretation or execution of the present Agreement, or the termination thereof, which cannot be settled amicably shall be settled by binding arbitration under the UNCITRAL Arbitration Rules. Binding arbitration must in all cases be preceded by a conciliatory procedure under UNCITRAL Conciliation Rules. General principles of law, including international law, as well as the provisions of the contract itself, apply to the dispute. The Parties agree that any claim or dispute arising from the interpretation or execution of the present Contract, or the termination thereof, must be submitted within one (1) year from expiry of the present Contract.

F.2 Special Service Agreements (with holders serving in Field-Based Offices)

AMICABLE SETTLEMENT: The WFP and the individual contractor shall use their best efforts to amicably settle any dispute, controversy or claim arising out of the Agreement or the breach, termination or invalidity thereof. Where the parties wish to seek such an amicable settlement through conciliation, the conciliation shall take place in accordance with the Conciliation Rules then obtaining of the United Nations Commission on International Trade Law ("UNCITRAL"), or according to such other procedure as may be agreed between the parties in writing.

ARBITRATION: Any dispute, controversy or claim between the parties arising out of the Agreement, or the breach, termination, or invalidity thereof, unless settled amicably, as provided above, shall be referred by either of the parties to arbitration in accordance with the UNCITRAL Arbitration Rules then obtaining. The decisions of the arbitral tribunal shall be based on general principles of international commercial law. For all evidentiary questions, the arbitral tribunal shall be quided by the Supplementary Rules Governing the Presentation and Reception of Evidence in International Commercial Arbitration of the International Bar Association, 28 May 1983 edition. The arbitral tribunal shall be empowered to order the return or destruction of goods or any property, whether tangible or intangible, or of any confidential information provided under the Agreement, order the termination of the Agreement, or order that any other protective measures be taken with respect to the goods, services or any other property, whether tangible or intangible. Or of any confidential Page 21 of 42 UN World Food Programme Special Service Agreements information provided under the Agreement, as appropriate, all in accordance with the authority of the arbitral tribunal pursuant to Article 26 ("Interim Measures of Protection") and Article 32 ("Form and Effect of the Award") of the UNCITRAL Arbitration Rules. The arbitral tribunal shall have no authority to award punitive damages. In addition, unless otherwise expressly provided in the Agreement, the arbitral tribunal shall have no authority to award interest in excess of the London Inter-Bank Offered Rate ("LIBOR") then prevailing, and any such interest shall be simple interest only. The parties shall be bound by any arbitration award rendered as a result of such arbitration as the final adjudication of any such dispute, controversy or claim.

F.3 Contracts with casual labourers

Any claims or dispute that arises in connection with this Letter of Agreement shall be settled by binding arbitration. UNCITRAL Arbitration Rules will apply. Before starting arbitration, you must first attempt to resolve the issue using the procedure outlined in the UNCITRAL Conciliation Rules. General principles of law, including international law, in addition to the provisions of the Letter of Agreement itself, will apply to the dispute. Claims must be brought within six (6) months from expiry of the present Letter of Agreement.