

# 1. European Arbitration Board for Vehicle Trading



Competent and efficient arbitration  
A common project of ECDA and BVfK



The European Car Dealer Association (ECDA) and the German federal association of independent vehicle traders (BVfK) have arranged a common arbitration board for international European vehicle trading.

International B2B vehicle trading within Europe often suffers from hardly to be controlled problems and risks.

The solution of this problem lies in a complex approach for the improvement of the basic trading conditions and in avoiding needless, incalculable and partially even existence-endangering legal disputes which are led according to mostly unknown rules in front of courts in foreign countries.

**Hence, ECDA and BVfK have founded an arbitration board especially for disputes in connection with European-international B2B vehicle trading.**

**The ECDA** is the strong voice of European vehicle trade in Brussels. More than 200 European free vehicle traders are organised in ECDA.

**The BVfK** has taken the leading role in independent vehicle trading in Germany shortly after being founded in the year 2000 and since then it is contributing decisively to the promotion of serious vehicle trading, to the stabilisation of the basic conditions, as well as to the advancement of the legal statutes of auto purchasing. The latter is impressively proved by the initiation and co-arrangement of the annual German Car Laws Convention. The already existing BVfK B2C arbitration board treats yearly more than 800 disputes predominantly from the areas of Car purchasing, competitive law and EU-tax law. The arbitration rate of more than 90% proves the success due to high-class management, as well as lived principle of legal prevention.

## **Common European Arbitration Board**

To save EU-international vehicle traders from cost-intensive complicated procedures in national courts, the common arbitration board was brought to life. The arbitration board is able to do – depending on the arbitration agreement (Schiedsvereinbarung) of the parties – in a mediation or dispute solution. The decision whether the arbitration board presents only one arrangement proposal purely mediative or makes a dispute solution is chosen by the parties in the arbitration agreement.

The arbitration proceedings follow an agreement concluded between the parties, while they undertake gesamtschuldnerisch to bear the costs of the arbitration, or the parties agree on a cost rate corresponding to the result. The inhibition of possible terms – period of limitation, guarantee term etc. - arises from the applicable law.

## **Selection of the arbitrators**

The arbitrators are selected from the advisory board of the arbitration board of the head office of the arbitration board. In any case, the arbitration board consists of at least one lawyer, one to two other competent members and if necessary a technical expert. These are selected from members of the ECDA and the BVfK.

## **Proceeding arbitration**

Proceedings of arbitration are regulated in separate arbitration rules.

## **Costs of arbitration**

The costs of the arbitration are based below the costs which result in the implementation of a legal dispute. They are regulated by the arbitration rules.

## **Place of arbitration**

The office of the arbitration board is based with the ECDA office in Brussels, Belgium and Bonn, Germany.

## **Advisory Board**

The advisory board consists of important lawyers, vehicle-trader's representatives and professional consultants. From the people of the advisory board the saying body of the arbitration board is taken.

**Brussels / Bonn, June 2012**