

The International Online Market for the trade of agrifood products of the Italian Online Commodities Exchange

The International Online Market- IOM

While doing business, in order to prevent the rise of disputes between the parties, it is a good practice to define in detail and in advance the conditions governing the contract. This is particularly true for trade relations between companies from different countries. Since there is not a single legislative framework for the international trade, problems and misunderstandings may easily occur. In fact, the parties are naturally accustomed to operating according to their national law and local practices.

Therefore, in order to bring closer the operators from different countries and simplify the match of demand and supply of agrifood products, BMTI S.c.p.A. created and is testing the International Online Market- IOM.

Main features of the IOM

- A web platform accessible by electronic devices connected to the internet
- It allows the wholesale trade of agrifood products - B2B
- It is a spot market, not a financial market
- It issues electronic contracts
- The regulation is based on the established practices of the international trade
- General contractual terms are the reference for the conclusion of online contracts
- The parties can integrate their agreements with further contractual terms at their choice
- Data deriving from the exchanges are stored and analyzed to allow the dissemination of market information

IOM's benefits

- Easier access to foreign markets for the SMEs
- Clarity and standardization of the negotiations, based on the practices of the international trade
- Reduction of the possibility of disputes between the parties, also thanks to a standardized nomenclature for the product qualification
- Improvement of market transparency, thanks to the dissemination of the prices of the exchanged products

Focus: the regulation

The **regulation of the International Online Market** consists of the General Regulation, the General Conditions and the Special Conditions for the Sale.

The **General Regulation** sets the functioning terms of the International Online Market and the requirements which the operators must have to access the platform.

The **General Conditions** lay down principles and rules to conduct negotiations within the platform such as times and methods of payment, the management of complaints and infringements, dispute resolution.

In addition to this, each category of product has its own **Special Conditions**. The Special Conditions explain to the operator how to qualify his/her product and how to add additional information while inserting his proposal in the platform.

To facilitate custom procedures, each product is also encoded according to the classification of goods in use in Europe: the "CN8".

The General Conditions together with the Special Conditions and the additional contractual terms detailed by operators for each offer, form the sale **contract** automatically generated by the platform.

The transactions can take place between operators meeting the requirements established in the General Regulation that, once received an ID and a password to access the trading platform, are able to conclude a valid contract.

Let's work together for the
development and
transparency of agrifood
markets



An initiative of the Italian Ministry of agricultural, food and forestry policies with
Borsa Merci Telematica Italiana S.c.p.A.