



No. of 2023.

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A Bill
for
AN ACT
entitled

Arbitration (International) Bill 2023,

Being an Act -

- (a) to recognise and give effect to the agreement of contracting parties in international commercial agreements to resolve their disputes by arbitration; and
 - (b) to give effect in domestic law to the *United Nations Convention on the Recognition and Enforcement of Foreign Arbitral Awards 1958* (New York Convention), and related instruments,
- and for related purposes,

MADE by the National Parliament to come into operation in accordance with a notice in the National Gazette by the Head of State, acting with, and in accordance with, the advice of the Minister.

PART I. - PRELIMINARY.

1. INTERPRETATION.

- (1) In this Act, unless the contrary intention appears -

- “arbitration” means any arbitration whether or not administered by a permanent arbitral institution;
- “arbitral tribunal” means a sole arbitrator, a panel of arbitrators or an emergency arbitrator appointed pursuant to an arbitration agreement, the rules of arbitration agreed to or adopted by the parties or this Act;
- “arbitration agreement” means an agreement -
 - (a) by the parties to submit to arbitration all or certain disputes which have arisen or which may arise between them in respect of a defined legal relationship, whether contractual or not; and
 - (b) which may be in the form of an arbitration clause in a contract or in the form of a separate agreement;
- “arbitral award” means an award, which is a decision of the arbitral tribunal on the substance of the dispute and includes any interim, interlocutory or partial award, but excludes a preliminary order made under Section 29;
- “Court” means the National Court of Justice of Papua New Guinea and includes any judge of the National Court;
- “electronic communication” means any communication that the parties make by means of information generated, sent, received or stored by electronic, magnetic, optical or similar means, including, but not limited to, electronic data interchange (EDI) or electronic mail;

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- “interim measure” means any temporary measure, whether in the form of an arbitral award or in another form, by which, at any time prior to the issuance of the arbitral award finally deciding the dispute, the arbitral tribunal orders a party to do something or refrain from doing something, as set out in Section 27;
- “Minister” means the Minister responsible for justice matters;
- “Model Law” means the Model Law on International Commercial Arbitration adopted by the United Nations Commission on International Trade Law (UNCITRAL) on 21 June 1985, the text of which is reproduced in Schedule 2, and as amended from time to time;
- “New York Convention” means the United Nations Convention on the Recognition and Enforcement of Foreign Arbitral Awards 1958, the text of which is reproduced in Schedule 1;
- “place of arbitration” means the juridical seat of the arbitration;
- “party” means a party to an arbitration agreement or in any case, where an arbitration does not involve all the parties to the arbitration agreement, means a party to the arbitration proceeding;
- “the State” means the Independent State of Papua New Guinea;
- “this Act” includes the Regulation.

- (2) For the purpose of interpreting this Act, reference may be made to -
- (a) documents of the United Nations Commission on International Trade Law; or
 - (b) documents of its working group for the preparation of the Model Law.

(3) Without affecting the generality of Subsection (2), in referring to the Model Law, regard is to be had to the international origin of that Law to promote uniformity in its application and the observance of good faith.

(4) Questions concerning matters governed by this Act which are not expressly settled by this Act are to be settled in conformity with the general principles on which the Model Law is based.

(5) Where a provision of this Act, except Section 50, leaves the parties free to determine a certain issue, such freedom includes the right of the parties to authorise a third party, (which for the avoidance of doubt, could include an arbitral institution), to make that determination.

(6) Where a provision of this Act refers to the parties having agreed or that they may agree or otherwise refers to an agreement of the parties, such an agreement includes any arbitration rules referred to in the agreement.

(7) Where a provision of this Act, other than Sections 46 and 56, refers to a claim, it also applies to a counterclaim, and where it refers to a defence, it also applies to a defence to a counterclaim.

2. OBJECTIVES.

- (1) The objectives and purposes of this Act are -
- (a) to encourage the use of arbitration as an agreed method of resolving commercial and other disputes; and
 - (b) to facilitate international trade and commerce by encouraging the use of arbitration as an agreed method of resolving disputes to promote international consistency of arbitral regimes based on the Model Law; and
 - (c) to promote consistency between the international and domestic arbitral regimes in Papua New Guinea; and
 - (d) to redefine and clarify the limits of judicial review of the arbitral process and of arbitral awards; and

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- (e) to facilitate the recognition and enforcement of international arbitration agreements and arbitral awards; and
- (f) to implement Papua New Guinea's obligations under the New York Convention.

(2) In exercising powers under this Act, the Court must have regard -

- (a) to the objectives of this Act as set out in Subsection (1); and
- (b) to the fact that -
 - (i) parties have agreed to have their dispute resolved by arbitration instead of the available judicial process; and
 - (ii) arbitration is an efficient, impartial, enforceable and timely method of resolving disputes; and
 - (iii) arbitral awards are intended to provide certainty and finality.

3. ACT TO BIND THE STATE.

This Act binds the State.

4. CLAIMS BY AND AGAINST THE STATE ACT.

Section 5 of the *Claims By And Against The State Act 1996* shall not apply to all international commercial arbitration where the State is a party.

5. APPLICATION OF THIS ACT.

- (1) This Act shall apply to international arbitration commenced on or after the entry into force of this Act under an arbitration agreement whenever made.
- (2) The provisions of this Act, except Sections 14, 35, 36, 37, 48, 59, 60, 61 and 62 shall apply only if the seat of arbitration is in the territory of the State.
- (3) An arbitration is international if -
 - (a) at least one of the parties to an arbitration agreement, at the time of conclusion of that agreement, has its place of business in any country or territory other than Papua New Guinea; or
 - (b) one of the following places is situated outside the countries or territories in which the parties have their places of business:
 - (i) the place of arbitration as provided for in the arbitration agreement; or
 - (ii) any place where a substantial part of the obligations of any commercial or other obligation is to be performed or the place with which the subject matter of the dispute is most closely connected; or
 - (c) the parties have expressly agreed that the subject matter of the arbitration agreement relates to more than one country or territory.
- (4) For the purposes of Subsection (3) -
 - (a) if a party has more than one place of business, the place of business is that which has the closest relationship to the arbitration agreement; and
 - (b) if a party does not have a place of business, reference is to be made to that party's habitual residence.

PART II. - GENERAL PROVISIONS.

6. ARBITRATION AND DISPUTE SETTLEMENT UNDER OTHER ACTS.

This Act does not affect in any way the application of any existing legislation providing for arbitration.

7. ARBITRABILITY OF DISPUTE.

(1) Any dispute which the parties have agreed to submit to arbitration under an arbitration agreement may be determined by arbitration unless it is contrary to public policy to do so.

(2) The fact that any written law confers jurisdiction in respect of any matter on any court but does not refer to the determination of that matter by arbitration shall not, of itself, indicate that a dispute about that matter is not capable of determination by arbitration.

8. NATIONAL COURT FUNCTIONS, ASSISTANCE AND APPEALS.

(1) The functions referred to in Sections 14, 20(5), 20(7)(d), 21(2), 26(2), 35, 36, 37, 48, and 58, 59, 60 and 61 shall be performed by the Court.

(2) Unless the context otherwise requires, the Court shall also exercise all the powers vested in a court by other provisions in this Act.

9. EXTENT OF COURT INTERVENTION.

Unless otherwise expressly provided for in this Act, neither the Court nor any other court shall intervene on matters governed by this Act.

10. STATUTORY TIME BARS AND CONDITIONS PRECEDENT.

(1) All arbitrations shall be commenced within the time bars for commencing legal proceedings under the *Frauds and Limitations Act 1988* or any other applicable laws.

(2) The Court may order that, for the purpose of computing the time bars under the *Frauds and Limitations Act 1988* in respect of a dispute which was the subject matter of -

- (a) an arbitral award which the Court orders to be set aside or declares to be of no effect; or
- (b) the affected part of an arbitral award which the Court orders to be set aside in part, or declares to be in part of no effect,

the period between the commencement of the arbitration and the date of the order referred to in Paragraph (a) or (b) be excluded.

(3) For the purposes of computing any time bars under the *Frauds and Limitations Act 1988*, any provision in an arbitration agreement that an arbitral award is a condition precedent to the bringing of legal proceedings in respect of a matter to which the arbitration agreement applies shall be disregarded.

11. RECEIPT OF WRITTEN COMMUNICATIONS.

(1) Unless otherwise agreed to by the parties, any written communication is deemed to have been received if it is -

- (a) delivered to the addressee personally; or
- (b) delivered to the addressee (with a record of receipt) at -
 - (i) the addressee's place of business; or
 - (ii) the addressee's habitual residence; or
 - (iii) the addressee's postal mailing address; or
 - (iv) the addressee's electronic mailing address

(2) A written communication delivered in accordance with Subsection (1)(a) or (b) is deemed to have been received on the day it is so delivered.

(3) If none of the options set out in Subsection (1)(a) or (b) can be found after making a reasonable enquiry, a written communication is deemed to have been received if it is delivered (with a record of receipt) to the addressee's last-known place of business, habitual residence or mailing address by registered letter or any other means.

(4) This section does not apply to service of any court documents in any court proceedings.

12. WAIVER OF RIGHT TO OBJECT.

A party who knows that any provision of this Law from which the parties may derogate or that any requirement under the arbitration agreement has not been complied with and yet proceeds with the arbitration, shall be deemed to have waived his right to object.

13. FORM OF ARBITRATION AGREEMENT.

(1) An arbitration agreement shall be in writing.

(2) An arbitration agreement is in writing where -

- (a) its content is recorded in any form, irrespective of whether the arbitration agreement or contract has been concluded orally, by conduct, or by other means; or
- (b) it is concluded by an electronic communication and the information contained in it is accessible so as to be useable for subsequent reference; or
- (c) it is contained in an exchange of statements of claim and defence in which the existence of an agreement is alleged by one party and not denied by the other.

(3) The reference in a contract to any document containing an arbitration clause constitutes an arbitration agreement in writing, provided that the reference is such as to make that arbitration clause part of the contract.

14. ARBITRATION AGREEMENT AND COURT PROCEEDINGS.

(1) Where a party brings an action before the Court in a matter which is the subject of an arbitration agreement, the Court may, of its own motion, refer the parties to arbitration unless it finds that the agreement is null and void, inoperative or incapable of being performed.

(2) Where a party brings an action before the Court in a matter which is the subject of an arbitration agreement, the Court shall, if a party so requests not later than when submitting his first statement on the substance of the dispute, refer the parties to arbitration unless it finds that the agreement is null and void, inoperative or incapable of being performed.

(3) The Court may order a stay of proceedings or dismiss the proceedings, if the Court refers the parties to arbitration under Subsection (1) or (2).

(4) Where an action referred to in Subsection (1) or (2) has been brought, arbitral proceedings may nevertheless be commenced or continued, and an award may be made, while the issue is pending before the Court.

15. DEATH, BANKRUPTCY OR WINDING UP OF PARTY TO AN ARBITRATION AGREEMENT.

(1) An arbitration shall not be discharged by the death, bankruptcy or winding up of a party, and may be enforced by or against the representatives of that party.

(2) Subsection (1) does not affect the operation of any written law by which a substantive right or obligation is extinguished by death, bankruptcy or winding up.

PART III. - ARBITRAL TRIBUNAL.

Division 1. - Composition of Arbitral Tribunals.

16. NUMBER OF ARBITRATORS.

- (1) The parties are free to determine the number of arbitrators.
- (2) Where the parties fail to determine the number of arbitrators, the number of arbitrators shall be three.

17. APPOINTMENT OF ARBITRATORS.

- (1) No person shall be precluded by reason of that person's nationality from acting as an arbitrator, unless otherwise agreed by the parties.
- (2) The parties are free to agree on a procedure of appointing the arbitrator or arbitrators.
- (3) Where the parties fail to agree under Subsection (2) -
 - (a) in an arbitration with three arbitrators, each party shall appoint one arbitrator, and the two arbitrators shall appoint the third arbitrator; or
 - (b) in an arbitration with a sole arbitrator, if the parties are unable to agree on the arbitrator, that arbitrator shall be appointed, upon request of a party, by the authority specified in Section 18.
- (4) If a party fails to appoint an arbitrator within 30 days of receipt of a request to do so from the other party, or if the two arbitrators fail to agree on the third arbitrator within 30 days of their appointment, the appointment shall be made, upon request of a party, by the authority specified in Section 18.
- (5) Where under an appointment procedure agreed upon by the parties -
 - (a) a party fails to act as required under such procedure; or
 - (b) the parties, or two arbitrators, are unable to reach an agreement expected of them under such procedure; or
 - (c) a third party (which for the avoidance of doubt, could include an arbitral institution), fails to perform any function entrusted to it under such procedure,any party may request the authority specified in Section 18 to take the necessary measure unless the agreement on the appointment procedure provides other means for securing the appointment.
- (6) The authority specified in Section 18, in appointing an arbitrator, shall have due regard to any qualifications required of the arbitrator by the agreement of the parties, and to such considerations as are likely to secure the appointment of an independent and impartial arbitrator. In appointing a sole or third arbitrator, the authority specified in Section 18 shall take into account, in addition to the considerations mentioned above, the advisability of appointing an arbitrator of a nationality other than the nationalities of the parties, where the parties are of different nationalities.
- (7) A decision on a matter vested by Subsection (3) or (4) to the authority specified in Section 18 shall be subject to no appeal or review.

18. MINISTER TO APPOINT BODY TO RESOLVE ARBITRAL TRIBUNAL COMPOSITION ISSUES.

- (1) The Minister may, by notice in the National Gazette, appoint a suitably qualified body to resolve the matters specified in Sections 17(3) and 17(5).

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(2) The Minister may, by notice in the Gazette, revoke any appointment made under Subsection (1).

(3) Until the Minister otherwise determines in accordance with Subsections (1) and (2), the matters specified in Sections 17(3) and (5) shall be resolved by the Chair of the Alternative Dispute Resolution Committee of the Court.

19. GROUNDS FOR CHALLENGE.

(1) A person who is approached in connection with that person's possible appointment as an arbitrator shall disclose any circumstances likely to give rise to justifiable doubts as to that person's impartiality or independence.

(2) Where any circumstances referred to in Subsection (1) arise from the time of appointment and throughout the arbitral proceedings, an arbitrator shall, without delay, disclose any such circumstances to the parties unless they have already been informed of them by the arbitrator.

(3) A party may challenge an arbitrator only if circumstances exist that give rise to justifiable doubts as to that arbitrator's impartiality or independence or if the arbitrator does not possess qualifications agreed to by the parties.

(4) A party may challenge an arbitrator appointed by that party, or in whose appointment that party has participated, only for reasons of which that party becomes aware after the appointment has been made.

20. CHALLENGE PROCEDURE.

(1) Subject to the provisions of Subsection (5), the parties are free to agree on a procedure for challenging an arbitrator.

(2) Where an agreement under Subsection (1) fails, a party who intends to challenge an arbitrator shall -

- (a) within 15 days after becoming aware of the constitution of the arbitral tribunal; or
 - (b) after becoming aware of any circumstance referred to in Section 19(3),
- send a written statement of the reasons for the challenge to the arbitral tribunal.

(3) An arbitrator who is challenged under Subsection (2) is entitled to withdraw from office as an arbitrator.

(4) Unless the challenged arbitrator withdraws from office or the other party agrees to the challenge, the arbitral tribunal shall decide on the challenge.

(5) If a challenge under any procedure agreed upon by the parties or under the procedure in Subsection (2) is not successful, the challenging party may, within 30 days of receiving notice of the decision rejecting the challenge, request the Court to decide on the challenge.

(6) While a request under Subsection (5) is pending, the arbitral tribunal, including the challenged arbitrator, may continue the arbitral proceedings and make an arbitral award.

(7) The mandate of a challenged arbitrator terminates in one of the following circumstances:

- (a) the arbitrator withdraws from office as an arbitrator; or
- (b) the parties agree to the challenge; or
- (c) the challenge is upheld according to the parties' agreed procedure or by the arbitral tribunal, and no request is made for the Court to decide the challenge; or
- (d) the Court, upon request to decide on the challenge, upholds the challenge.

21. FAILURE OR IMPOSSIBILITY TO ACT.

(1) If an arbitrator becomes, in law or in fact -
(a) unable to perform the functions of that office; or
(b) for other reasons fails to act without undue delay,
that arbitrator's mandate terminates on withdrawal from office or, if the parties agree, on the termination.

(2) If a controversy remains concerning any of the grounds in Subsection (1) any party may request the Court to decide on the termination of the mandate.

(3) If, under this Section or Section 20(3) an arbitrator withdraws from office or a party agrees to the termination of the mandate of an arbitrator, this does not imply acceptance of the validity of any ground referred to in this Section or Section 19(3).

22. APPOINTMENT OF SUBSTITUTE ARBITRATOR.

A substitute arbitrator shall be appointed according to the rules that were applicable to the appointment of the arbitrator being replaced -

(a) where the mandate of an arbitrator terminates under Sections 20 or 21; or
(b) because of withdrawal from office for any other reason; or
(c) because of the revocation of that arbitrator's mandate by agreement of the parties, or
in any other case of termination of that mandate.

23. LIABILITY AND IMMUNITY.

(1) An arbitrator is not liable for anything done or omitted to be done by the arbitrator and no proceeding shall be brought against an arbitrator unless the act or omission is shown to have been in bad faith.

(2) The appointing authority, an arbitral or other institution or person designated or requested by the parties to appoint or nominate an arbitrator, shall not be liable for anything done or omitted in the discharge or purported discharge of that function unless the act or omission is shown to have been in bad faith.

(3) The appointing authority, an arbitral or other institution or person who appoints or nominates an arbitrator shall not be liable, by reason only of having appointed or nominated the arbitrator -

(a) for anything done or omitted by the arbitrator; or
(b) for anything done or omitted by the arbitrator's employees or agents in the discharge or purported discharge of the arbitrator's functions as arbitrator.

(4) This Section shall apply to an employee or agent of the appointing authority or of an arbitral or other institution or person as it applies to the appointing authority, institution or person concerned.

Division 2. - Jurisdiction of Arbitral Tribunals.

24. COMPETENCE OF ARBITRAL TRIBUNAL TO RULE ON ITS OWN JURISDICTION.

(1) The arbitral tribunal may rule on its own jurisdiction, including any objections with respect to the existence or validity of the arbitration agreement.

(2) For the purpose of Subsection (1), an arbitration clause which forms part of a contract shall be treated as an agreement independent of the other terms of the contract.

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(3) A decision by the arbitral tribunal, a court or any other authority that the contract is null and void shall not of itself invalidate an arbitration clause.

(4) A termination of a contract containing an arbitration agreement is not of itself a bar to the jurisdiction of the arbitral tribunal.

(5) The power of the arbitral tribunal to rule on its own jurisdiction under Subsection (1) includes the power to decide on any of the following issues:

(a) whether the tribunal is properly constituted; and

(b) what matters have been submitted to arbitration in accordance with the arbitration agreement.

25. OBJECTIONS TO COMPETENCE OF ARBITRAL TRIBUNAL.

(1) Subject to Subsections (2), (3) and (4), a plea that the arbitral tribunal does not have jurisdiction shall be raised not later than the submission of the statement of defence.

(2) A party is not precluded from raising a plea of lack of jurisdiction by reason of the fact that such party has appointed or participated in the appointment of an arbitrator.

(3) A plea that the arbitral tribunal is exceeding the scope of its authority shall be raised as soon as the matter alleged to be beyond the scope of its authority is raised during the arbitral proceedings.

(4) The arbitral tribunal may, in either case, admit a later plea if it considers the delay is justified.

26. APPEAL ON RULING ON COMPETENCE OF ARBITRAL TRIBUNAL.

(1) The arbitral tribunal may rule on a plea referred to in Section 25 either as a preliminary question or in an arbitral award on the merits.

(2) If the arbitral tribunal rules as a preliminary question that it has jurisdiction, any party may request the Court within 30 days after having received notice of that ruling, to decide the matter and while such a request is pending, the arbitral tribunal may continue the arbitral proceedings and make an award.

Division 3. - Interim Measures and Preliminary Orders.

27. POWER OF ARBITRAL TRIBUNAL TO ORDER INTERIM MEASURES.

(1) Unless otherwise agreed by the parties, the arbitral tribunal may, at the request of a party, grant interim measures.

(2) The arbitral tribunal may grant an interim measure to order a party to -

(a) maintain or restore the status quo; or

(b) take action that would prevent, or refrain from taking action that is likely to cause, current or imminent harm or prejudice to the arbitral process itself; or

(c) provide a means of preserving assets out of which a subsequent arbitral award may be satisfied; or

(d) preserve evidence that may be relevant and material to the resolution of the disputes.

(3) If an arbitral tribunal has granted an interim measure, it may, on the application of any party, make an arbitral award to the same effect as the interim measure.

28. CONDITIONS FOR GRANTING INTERIM MEASURES.

(1) The party requesting an interim measure under Sections 27(2)(a), (b) and (c) shall satisfy the arbitral tribunal that -

- (a) harm not adequately reparable by an award of damages is likely to result if the measure is not ordered, and such harm substantially outweighs the harm that is likely to result to the party against whom the measure is directed if the measure is granted; and
- (b) there is a reasonable possibility that the requesting party will succeed on the merits of the claim.

(2) A determination under Subsection (1) shall not affect the discretion of the arbitral tribunal in making any subsequent determination.

(3) With regard to a request for an interim measure under Section 27(2)(d), the requirements in Subsections (1)(a) and (b) shall apply only to the extent the arbitral tribunal considers appropriate.

29. APPLICATIONS AND CONDITIONS FOR GRANTING PRELIMINARY ORDERS.

(1) Unless otherwise agreed by the parties, a party may, without notice to any other party, make a request for an interim measure together with an application for a preliminary order directing a party not to frustrate the purpose of the interim measure requested.

(2) The arbitral tribunal may grant a preliminary order if it considers that prior disclosure of the request for the interim measure to the party against whom it is directed risks frustrating the purpose of the measure.

(3) The conditions defined under Section 28 apply to any preliminary order, if the harm to be assessed under Section 28(1)(a) is the harm likely to result from the order being granted or not.

30. SPECIFIC REGIME FOR PRELIMINARY ORDERS.

(1) The arbitral tribunal shall give notice to all parties -

- (a) of the request for the interim measure; and
- (b) on the application for the preliminary order; and
- (c) regarding the preliminary order, if any; and
- (d) of all other communications, including by indicating the content of any oral communication between any party and the arbitral tribunal,

immediately after the arbitral tribunal has determined an application for a preliminary order.

(2) At the same time as giving a notice as per Section 30(1), the arbitral tribunal shall give an opportunity to any party against whom a preliminary order is directed to present its case at the earliest practicable time.

(3) The arbitral tribunal shall decide promptly on any objection to the preliminary order.

(4) Subject to Subsection (5) a preliminary order shall expire after 20 days from the date on which it was issued by the arbitral tribunal.

(5) The arbitral tribunal may issue an interim measure adopting or modifying the preliminary order, after the party against whom the preliminary order is directed has been given notice and an opportunity to present its case has been given.

(6) A preliminary order shall be binding on the parties but shall not be subject to enforcement by the Court as an arbitral award.

31. MODIFICATION, SUSPENSION AND TERMINATION.

The arbitral tribunal may modify, suspend or terminate an interim measure or a preliminary order it has granted, upon application of any party or, in exceptional circumstances, and upon prior notice to the parties, on the arbitral tribunal's own initiative.

32. PROVISION OF SECURITY.

(1) The arbitral tribunal may require the party requesting an interim measure to provide appropriate security in connection with the measure.

(2) The arbitral tribunal shall require the party applying for a preliminary order to provide security in connection with the order unless the arbitral tribunal considers it inappropriate or unnecessary to do so.

33. DISCLOSURE.

(1) The arbitral tribunal may require any party to promptly disclose any material change in the circumstances based on which the measure was requested or granted.

(2) The party applying for a preliminary order shall disclose to the arbitral tribunal all circumstances that are likely to be relevant to the arbitral tribunal's determination whether to grant or maintain the order, and such obligation shall continue until the party against whom the order has been requested has had an opportunity to present its case.

(3) Subsection (2) shall occur before Subsection (1) applies.

34. COSTS AND DAMAGES.

(1) The party requesting an interim measure or applying for a preliminary order shall be liable for any costs and damages caused by the measure or the order to any party if the arbitral tribunal later determines that, in the circumstances, the measure or the order should not have been granted.

(2) The arbitral tribunal may award such costs and damages at any point during the proceedings.

35. RECOGNITION AND ENFORCEMENT.

(1) Subject to Section 36 and unless otherwise provided for by the arbitral tribunal, an interim measure issued by an arbitral tribunal, irrespective of the country or territory in which it was issued, shall be recognised as binding and enforced only upon application to the Court.

(2) The party who is seeking or has obtained recognition or enforcement of an interim measure shall promptly inform the court of any termination, suspension or modification of that interim measure.

(3) If the Court considers it proper, it may order the requesting party to provide appropriate security -

- (a) if the arbitral tribunal has not already determined with respect to security; or
- (b) where such a decision is necessary to protect the rights of third parties.

36. GROUNDS FOR REFUSING RECOGNITION OR ENFORCEMENT OF INTERIM MEASURE.

(1) Subject to Subsections (2) and (3), recognition or enforcement of an interim measure may be refused only -

- (a) at the request of the party against whom it is invoked if the Court is satisfied that -
 - (i) such refusal is warranted only on the grounds in Section 61(1)(a), (b), (c), (d), (e) or (f); or

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- (ii) the arbitral tribunal's decision with respect to the provision of security in connection with the interim measure issued by the arbitral tribunal has not been complied with; or
- (iii) the interim measure has been terminated or suspended by the arbitral tribunal or, where so empowered, by the court of the country or territory in which the arbitration takes place or under the law of which that interim measure was granted; or
- (b) if the Court finds that -
 - (i) the interim measure is incompatible with the powers conferred upon the Court and is incapable of reformulation by the Court to the extent necessary to adapt it to its own powers and procedures for the purposes of enforcing that interim measure without modifying its substance; or
 - (ii) any of the grounds in Section 61(2)(a) or (b), apply to the recognition and enforcement of the interim measure.

(2) Any determination made by the Court on any ground in Subsection (1) shall be effective only for the purposes of the application to recognise and enforce the interim measure.

(3) The Court shall not, in making a determination under Subsection (1), undertake a review of the substance of the interim measure.

37. COURT ORDERED INTERIM MEASURES.

(1) Irrespective of whether the seat of arbitration proceedings is in the State, the Court shall have the same powers of issuing an interim measure in relation to arbitration proceedings as it would in any other case in accordance with its own procedures having regard to the specific features of international arbitration.

(2) The powers of the Court under Subsection (1) may be invoked and exercised on the application of a party to an arbitration agreement.

(3) After determining an application under Subsection (2), the matter shall be referred for full and final resolution by arbitration.

Division 4. - Conduct of Arbitral Proceedings.

38. EQUAL TREATMENT OF PARTIES.

The parties shall be treated with equality and each party shall be given a full opportunity of presenting their respective cases.

39. REPRESENTATION IN ARBITRAL PROCEEDINGS.

(1) For the purposes of this Section, "duly qualified legal practitioner" means a legal practitioner who is admitted to practice as a legal practitioner in his or her country or territory of legal practice and who is compliant with the legal practicing requirements of that country or territory.

(2) Unless otherwise agreed by the parties, a party may appear in person before an arbitral tribunal and may be -

- (a) self-represented; or
- (b) represented by a duly qualified legal practitioner from any legal jurisdiction of that party's choice.

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(3) Section 35 of the *Lawyers Act 1986* shall not apply to a person referred to in Subsection 2(b) in connection with -

- (a) arbitral proceedings; or
- (b) the giving of advice and the preparation of documents for the purposes of arbitral proceedings; or
- (c) any other thing done in relation to arbitral proceedings, except where it is done in connection with court proceedings -
 - (i) arising out of an arbitration agreement; or
 - (ii) arising in the course of, or resulting from, arbitral proceedings.

(4) With respect to Paragraph (c), the appropriate provisions of the *Attorney General Act 1989* shall apply.

40. DETERMINATION OF RULES OF PROCEDURE.

(1) Subject to the provisions of this Act, the parties are free to agree on the procedure to be followed by their arbitral tribunal in conducting the proceedings.

(2) Where the parties fail to agree under Subsection (1), the arbitral tribunal may, subject to this Act, conduct the arbitration in such manner as it considers fair, reasonable and appropriate.

(3) The power conferred upon the arbitral tribunal includes the power to determine the admissibility, relevance, materiality and weight of any evidence.

41. PLACE OF ARBITRATION.

(1) The parties are free to agree on the place of arbitration.

(2) Where the parties fail to agree on the place of arbitration, the arbitral tribunal shall determine the place of arbitration taking into account -

- (a) the circumstances of the case; and
- (b) the convenience of the parties.

(3) Notwithstanding the provisions of Subsection (1), the arbitral tribunal may, unless otherwise agreed to by the parties, meet at any place it considers appropriate for consultation among its members, for hearing witnesses, experts or the parties, or for inspection of goods, other property or documents.

42. COMMENCEMENT OF ARBITRAL PROCEEDINGS.

(1) Unless otherwise agreed to by the parties, the arbitral proceedings in respect of a particular dispute commence on the date on which a request for that dispute to be referred to arbitration is received by the respondent.

(2) All notices for arbitration for and on behalf of the State shall be by and through the Attorney General.

(3) Notices other than by or through Subsection (2) shall not be binding on the State.

43. LANGUAGE.

(1) The parties are free to agree on the language or languages to be used in their arbitral proceedings.

(2) Where the parties fail to agree under Subsection (1), the arbitral tribunal shall determine the language or languages to be used in the proceedings.

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(3) An agreement or determination under Subsection (1) shall, unless otherwise specified in the agreement or determination, apply to any written statement by a party, any hearing and any arbitral award, decision or other communication by or with the arbitral tribunal.

(4) The arbitral tribunal may order that any documentary evidence shall be accompanied by a translation into the language or languages agreed upon by the parties or determined by the arbitral tribunal.

44. STATEMENTS OF CLAIM AND DEFENCE.

(1) Within the time period agreed by the parties or determined by the arbitral tribunal -

(a) the claimant shall state the facts supporting the claim, the points at issue and the relief or remedy sought; and

(b) the respondent shall state the defence in respect of these particulars,

unless the parties have otherwise agreed as to the required elements of such statements.

(2) The parties may -

(a) submit with their statements all documents they consider to be relevant; or

(b) add a reference to the documents or other evidence they will submit.

(3) Unless otherwise agreed to by the parties, either party may amend or supplement that party's claim or defence during the arbitral proceedings, unless the arbitral tribunal considers it inappropriate to allow such amendment having regard to any delay in making it.

45. HEARINGS AND WRITTEN PROCEEDINGS.

(1) Subject to Subsection (2) or any contrary agreement by the parties, the arbitral tribunal shall decide whether -

(a) to hold oral hearings for the presentation of evidence or for oral argument; or

(b) the proceedings shall be conducted on the basis of documents and other materials.

(2) Unless the parties have agreed that no hearings shall be held, the arbitral tribunal shall hold such hearings at an appropriate stage of the proceedings, if so requested by a party.

(3) The parties shall be given sufficient advance notice of any hearing and of any meeting of the arbitral tribunal for the purposes of inspection of goods, other property or documents.

(4) All statements, documents or other information supplied to the arbitral tribunal by one party, shall be communicated by that party to the other party.

(5) Any expert report or evidentiary document on which the arbitral tribunal may rely upon in making its decision shall be communicated to the parties.

46. DEFAULT OF A PARTY.

(1) Unless otherwise agreed by the parties, if, without showing sufficient cause-

(a) the claimant fails to communicate the statement of claim in accordance with Section 44(1)(a), the arbitral tribunal shall terminate the proceedings; or

(b) if the respondent fails to communicate the statement of defence in accordance with Section 44(1)(b), the arbitral tribunal shall continue the proceedings without treating such failure in itself as an admission of the claimant's allegations; or

(c) any party fails to appear at a hearing or to produce documentary evidence, the arbitral tribunal may continue the proceedings and make an arbitral award on the evidence before it.

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(2) The arbitral tribunal may dismiss the claim, defence, cross-claim or cross-defence for inordinate or inexcusable delay by the defaulting party.

47. EXPERT APPOINTED BY ARBITRAL TRIBUNAL.

- (1) Unless otherwise agreed by the parties, the arbitral tribunal may -
- (a) appoint one or more experts to report to it on specific issues to be determined by the arbitral tribunal; and
 - (b) require a party to give the expert any relevant information or to produce, or to provide access to any relevant documents, goods or other property for the expert's inspection.

(2) Unless otherwise agreed to by the parties, if a party so requests or if the arbitral tribunal considers it necessary, the expert shall, after delivery of the expert's written or oral report, participate in a hearing where the parties have the opportunity to put questions and to present expert witnesses to testify on the points at issue.

48. COURT ASSISTANCE IN TAKING EVIDENCE.

(1) An arbitral tribunal or a party with the approval of an arbitral tribunal may request from the Court assistance in taking evidence.

(2) The Court may execute a request under Subsection (1) within its competence and according to its rules on taking evidence.

49. CONFIDENTIALITY AND PRIVACY.

(1) Unless otherwise agreed to by the parties and subject to Subsections (2) and (3), all documents and matters relating to any arbitration shall be confidential and no party may publish, disclose or communicate any information relating to -

- (a) an arbitration proceeding; or
- (b) any arbitral awards in an arbitration.

(2) Nothing in Subsection (1) prevents the publication, disclosure or communication of information referred to in Subsection (1) by a party if the publication, disclosure or communication is -

- (a) necessary to protect or pursue a legal right or interest of the party; or
- (b) necessary to enforce or challenge an arbitral award in legal proceedings before a court or other judicial authority in or outside the State; or
- (c) requested by any government body, regulatory body, court or tribunal and the party obliged by law to make the publication, disclosure or communication; or
- (d) made to a professional or any other advisor of any of the parties, except that such advisor is obliged to hold the information confidential.

(3) Nothing in Subsection (1) prevents the publication, disclosure or communication by a party pursuant to an order made by the arbitral tribunal allowing that party to do so.

(4) All court proceedings under this Act shall be heard in open court unless on the application of a party or the Court on its own motion directs otherwise.

Division 5. - Making of Arbitral Award and Termination of Proceedings.

50. RULES APPLICABLE TO SUBSTANCE OF DISPUTE.

(1) The arbitral tribunal shall decide the dispute in accordance with such rules of law as are chosen by the parties as applicable to the substance of the dispute.



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(2) Any designation of the law or legal system of a given country, or a territory shall be construed, unless otherwise expressed, as directly referring to the substantive law of that country or a territory and not to its conflict of laws rules.

(3) Where the parties fail to law or legal system of a given country pursuant to Subsection (2), the arbitral tribunal shall apply the law determined by the conflict of laws rules, which it considers applicable.

(4) The arbitral tribunal shall decide based on considerations of natural justice and fairness only if the parties have expressly authorised it to do so.

(5) In all cases, the arbitral tribunal shall decide in accordance with the terms of the contract and shall where necessary, consider the usages of the trade applicable to the transaction.

51. DECISION MAKING BY PANEL OF ARBITRATORS.

(1) Subject to Subsection (2), in arbitral proceedings with more than one arbitrator, any decision of the arbitral tribunal shall be made, unless otherwise agreed by the parties, by a majority of all its members.

(2) Questions of procedure may be decided by a presiding arbitrator, if so authorised by the parties or all members of the arbitral tribunal.

52. SETTLEMENT.

- (1) If, during arbitral proceedings the parties settle the dispute, the arbitral tribunal shall -
- (a) terminate the proceedings; and
 - (b) if requested by the parties and not objected to by the arbitral tribunal, shall record the settlement in the form of an arbitral award on agreed terms.

(2) An arbitral award on agreed terms shall be made in accordance with the provisions of Section 54 and shall state that it is an arbitral award.

(3) An arbitral award under Subsection (2) has the same status and effect as any other arbitral award on the merits of the case.

53. INTEREST.

(1) The parties are free to agree on the powers of the arbitral tribunal as regards the award of interest.

(2) Unless otherwise agreed by the parties the provisions set out in this Section apply.

(3) The tribunal may award simple or compound interest from such dates, at such rates and with such rests as it considers meets the justice of the case -

- (a) on the whole or part of any amount awarded by the arbitral tribunal, in respect of any period up to the date of the arbitral award; or
- (b) on the whole or part of any amount claimed in the arbitration and outstanding at the commencement of the arbitral proceedings but paid before the award was made, in respect of any period up to the date of payment.

(4) The arbitral tribunal may award simple or compound interest from the date of the award (or any later date) until payment, at such rates and with such rests as it considers meets the justice of the case, on the outstanding amount of any award (including any award of interest under Subsection (3) and any award as to costs).

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(5) References in this Section to an amount awarded by the arbitral tribunal include an amount payable in consequence of a declaratory award by the arbitral tribunal.

(6) This Section does not affect any other power of the arbitral tribunal to award interest.

54. FORM AND CONTENTS OF ARBITRAL AWARD.

(1) An arbitral award shall be made in writing and shall be signed by the arbitrator or arbitrators.

(2) In an arbitral proceeding with more than one arbitrator, the signatures of the majority of all members of the arbitral tribunal shall suffice, except that the reason for any omitted signature is stated.

(3) An arbitral award shall state -

(a) the reasons upon which it is based unless the parties have agreed that no reasons are to be given or the arbitral award is an arbitral award on agreed terms under Section 52; and

(b) its date and the seat of arbitration as determined in accordance with Section 41(1) or

(2) and the arbitral award shall be deemed to have been made at that place.

(4) After the arbitral award is made, a copy signed by the arbitrators in accordance with Subsection (1) or (2), shall be delivered to each party.

55. COSTS AND EXPENSES OF AN ARBITRATION.

(1) The costs and expenses of an arbitration, being the legal costs and other expenses of the parties, the fees and expenses of the arbitral tribunal, and any other expenses related to the arbitration shall be as fixed and allocated by the arbitral tribunal in its arbitral award.

(2) In the absence of an arbitral award or additional arbitral award fixing and allocating the costs and expenses of the arbitration, each party shall be responsible for the legal costs and other expenses of that party and for an equal share of the fees and expenses of the arbitral tribunal and any other expenses relating to the arbitration.

56. TERMINATION OF PROCEEDINGS.

(1) The arbitral proceedings are terminated by a final award or by an order of the arbitral tribunal in accordance with Subsection (2).

(2) The arbitral tribunal shall issue an order for the termination of the arbitral proceedings when -

(a) the claim is withdrawn by the claimant, unless the respondent objects to the claim and the arbitral tribunal recognises a legitimate interest of the respondent in obtaining a final settlement of the dispute; or

(b) parties agree on the termination of the proceedings; or

(c) arbitral tribunal finds that the continuation of the proceedings has for any other reason become unnecessary or impossible.

(3) Subject to Sections 57 and 58(5), the mandate of the arbitral tribunal terminates with the termination of the arbitral proceedings.

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57. CORRECTION AND INTERPRETATION OF ARBITRAL AWARD AND ADDITIONAL AWARDS.

(1) Within 30 days of receipt of an arbitral award, unless another period has been agreed upon by the parties -

- (a) a party may, with notice to the other party, request the arbitral tribunal to correct in the arbitral award any errors in computation, any clerical or typographical errors or any errors of similar nature; or
- (b) if so agreed by the parties, a party may, with notice to the other party, request the arbitral tribunal to give an interpretation of a specific point or part of the arbitral award.

(2) If the arbitral tribunal considers the request under Subsection (1) to be justified, it shall make the correction or give the interpretation within 30 days of receipt of the request and the interpretation shall form part of the arbitral award.

(3) The arbitral tribunal may correct any error of the type referred to in Subsection (1)(a) on its own initiative within 30 days of the date of the arbitral award.

(4) Unless otherwise agreed by the parties, a party with notice to the other party, may, within 30 days of receipt of the arbitral award, request the arbitral tribunal to make an additional arbitral award as to claims presented in the arbitral proceedings but omitted from the arbitral award.

(5) If the arbitral tribunal considers a request under Subsection (4) to be justified, it shall make the additional arbitral award within 60 days.

(6) The arbitral tribunal may extend, if necessary, the period of time within which it shall make a correction, interpretation or an additional arbitral award under this Section.

(7) Section 54 shall apply to a correction or interpretation of the arbitral award or to an additional arbitral award.

Division 6. - Recourse Against Arbitral Award.

58. APPLICATION FOR SETTING ASIDE AS EXCLUSIVE RECOURSE AGAINST ARBITRAL AWARDS.

(1) Recourse to the Court against an arbitral award may be made only by an application for setting aside an arbitral award in accordance with Subsection (2).

(2) The Court may set aside an arbitral award in whole or in part, only if the party making the application proves that -

- (a) a party to the arbitration agreement was under some incapacity, or the said agreement is not valid under the law to which the parties have subjected it, or, failing any indication thereon, under the law of the State; or
- (b) the party making the application was not given proper notice of the appointment of an arbitrator or of the arbitral proceedings or was otherwise unable to present his case; or
- (c) the arbitral award -
 - (i) deals with a matter not contemplated by or not falling within the terms of the submission to arbitration; or
 - (ii) contains a decision or decisions on matters beyond the scope of the submission to arbitration,

except that, if the decisions on matters submitted to the arbitration can be separated from those not submitted, only that part of the arbitral award which contains decisions on matters not submitted to arbitration may be set aside; or

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- (d) the composition of the arbitral tribunal or the arbitral procedure was not in accordance with the agreement of the parties, unless -
 - (i) such agreement was in conflict with a provision of this Act from which the parties cannot derogate; or
 - (ii) in the absence of such agreement, the composition of the arbitral tribunal or the arbitral procedure was not in accordance with this Act.

- (3) The Court may also set aside an arbitral award, in whole or in part if the Court finds that -
 - (a) the subject-matter of the dispute is not capable of settlement by arbitration under the law of the State; or
 - (b) the arbitral award is in conflict with the public policy of the State.

(4) An application for setting aside an arbitral award shall be made within 3 months from the date on which the party making that application received the arbitral award or, if a request had been made under Section 57, from the date on which that request was disposed of by the arbitral tribunal.

(5) The Court may, when asked to set aside an arbitral award, where appropriate and so requested by a party, suspend the setting aside proceedings for a period of time determined by the Court in order to give the arbitral tribunal an opportunity to resume the arbitral proceedings or to take such other action which in the arbitral tribunal's opinion will eliminate the grounds for setting aside an arbitral award.

Division 7. - Recognition and Enforcement of Arbitral Awards.

59. RECOGNITION AND ENFORCEMENT OF AN ARBITRAL AWARD.

(1) Subject to this Section and Section 61, an arbitral award, irrespective of the country or territory in which it was made, shall be recognised as binding and, upon application in writing to the Court, shall be enforced.

(2) The party relying on an arbitral award or applying for its enforcement shall provide the original arbitral award or a copy of it.

(3) If the arbitral award is not made in English, a translated English version must be provided by the applicant party.

60. EVIDENCE OF ARBITRAL AWARDS AND ARBITRATION AGREEMENTS.

(1) In any proceedings in which a party seeks the enforcement of an arbitral award under this Part, that party shall produce to the Court -

- (a) an authenticated original of the arbitral award or a certified copy; and
- (b) the original arbitration agreement under which the arbitral award purports to have been made or a certified copy.

(2) For the purposes of Subsection (1), an arbitral award shall be deemed to have been authenticated, or a copy of an arbitral award shall be deemed to have been certified, if it has not been demonstrated to the Court that it is fraudulent, and -

- (a) purports to have been authenticated or certified by the sole arbitrator; or
- (b) purports to have been authenticated or certified by the presiding arbitrator, where the tribunal consists of more than one arbitrator; or
- (c) has been otherwise authenticated or certified to the satisfaction of the Court.

(3) If a document or part of a document other than the arbitral award is written in a language other than English, the part concerned shall be produced with a translated version of the document or that part certified to be a correct translation.

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(4) For the purposes of Subsection (3), a translation may be certified by a diplomatic or consular agent for the State in or for the country in which the arbitral award was made or otherwise to the satisfaction of the Court.

(5) A document produced to a Court in accordance with this Section is, upon production, receivable by the Court as prima facie evidence of the matters to which it relates.

61. GROUNDS FOR REFUSING RECOGNITION OR ENFORCEMENT.

(1) The Court may refuse to recognise or enforce an arbitral award, irrespective of the country in which it was made, if the party against whom it is invoked requests and proves that -

- (a) a party to the arbitration agreement was under some incapacity; or
- (b) the said agreement is not valid under the law to which the parties have subjected it; or
- (c) the said agreement is not valid under the law of the country where the arbitral award was made; or
- (d) the party was not given proper notice of the appointment of an arbitrator or of the arbitration proceedings, or the party was otherwise unable to present his case; or
- (e) the arbitral award -
 - (i) deals with a dispute not contemplated by or does not fall within the terms of the submission to arbitration; or
 - (ii) contains decisions on matters beyond the scope of the submission to arbitration; or
- (f) the composition of the arbitral tribunal or the arbitral procedure was -
 - (i) not in accordance with the agreement of the parties; or
 - (ii) if there was no such agreement, was not in accordance with the law of the country where the arbitration took place; or
- (g) the arbitral award has not yet become binding on the parties or has been set aside or suspended by a court of the country in which, or under the law of which, that arbitral award was made.

(2) The Court may refuse to recognize or enforce an arbitral award if the Court finds that -

- (a) the subject-matter of the dispute is not capable of settlement by arbitration under the law of the State; or
- (b) the recognition or enforcement of the arbitral award would be contrary to the public policy of the State.

(3) Subject to Subsection (1)(e), if the award contains, apart from decisions on matters submitted to arbitration, decisions on matters not submitted to arbitration, and the decisions on matters submitted to arbitration can be separated from those not so submitted, that part of the arbitral award which contains decisions on matters submitted to arbitration may be recognised and enforced.

(4) If an application for setting aside or suspension of an arbitral award has been made to a court referred to in Subsection (1)(g), the Court may -

- (i) if it considers it proper, adjourn its decision; and
- (ii) on the application of the party claiming recognition or enforcement of the arbitral award,

order the other party to provide appropriate security.

62. PUBLIC POLICY.

Without limiting the generality of Sections 36(1)(b)(ii), 58(3)(b) and 61(2)(b) of this Act, it is declared, for the avoidance of any doubt, that, for the purposes of those Sections, an interim measure or arbitral award is in conflict with, or is contrary to, the public policy of the State if -

- (a) it was induced or affected by fraud or corruption; or
- (b) it is repugnant to general principles of humanity.

PART IV. - MISCELLANEOUS.

63. REGULATIONS.

The Head of State, acting on advice, may make regulations not inconsistent with this Act, prescribing all matters that by this Act are permitted or required to be prescribed, or that are necessary or convenient to be prescribed for carrying out or giving effect to this Act and generally for achieving the purposes of this Act.

64. RULES OF COURT.

Unless the Minister otherwise determines, the Judges of the National Court may, from time to time -

- (a) make Rules of Court to give effect to the purposes of this Act; and
- (b) establish arbitrator standards, code of ethics and credentialing of arbitrators.

65. TRANSITIONAL PROVISIONS.

(1) Subject to Subsections (2) and (3), a reference in an arbitration agreement to the *Arbitration Act 1951* (Chapter 46), or to a provision of that Act, shall be construed as a reference to this Act, or to any corresponding provision of this Act, unless the contrary intention appears, or the arbitration is a domestic arbitration.

(2) Unless otherwise agreed by the parties, where the arbitral proceedings were commenced before the commencement of this Act, the law governing the arbitration agreement and the arbitration shall be the law which would have applied if this Act had not been passed.

(3) For the purposes of this Act, arbitral proceedings are to be taken as having commenced on the date of the receipt by the respondent of a request for the dispute to be referred to arbitration, or, where the parties have agreed that any other date is to be taken as the date of commencement of the arbitral proceedings, then on that date.

(4) For the avoidance of doubt, this Act applies only to arbitral awards made after the commencement of this Act.

SCHEDULE 1.

CONVENTION ON THE RECOGNITION AND ENFORCEMENT OF FOREIGN ARBITRAL AWARDS CONCLUDED AT NEW YORK ON 10TH JUNE 1958.

Article 1.

(1) This Convention shall apply to the recognition and enforcement of arbitral awards made in the territory of a State other than the State where the recognition and enforcement of such awards are sought, and arising out of differences between persons, whether physical or legal. It shall also apply to arbitral awards not considered as domestic awards in the State where their recognition and enforcement are sought.

(2) The term “arbitral awards” shall include not only awards made by arbitrators appointed for each case but also those made by permanent arbitral bodies to which the parties have submitted.

(3) When signing, ratifying or acceding to this Convention, or notifying extension under Article 10 hereof, any State may on the basis of reciprocity declare that it will apply the Convention to the recognition and enforcement of awards made only in the territory of another Contracting State. It may also declare that it will apply the Convention only to differences arising out of legal relationships, whether contractual or not, which are considered as commercial under the national law of the State making such declaration.

Article 2.

(1) Each Contracting State shall recognise an agreement in writing under which the parties undertake to submit to arbitration all or any differences which have arisen or which may arise between them in respect of a defined legal relationship, whether contractual or not, concerning a subject-matter capable of settlement by arbitration.

(2) The term “agreement in writing” shall include an arbitral clause in a contract or an arbitration agreement, signed by the parties or contained in an exchange of letters or telegrams.

(3) The court of a Contracting State, when seized of an action in a matter in respect of which the parties have made an agreement within the meaning of this Article, shall, at the request of one of the parties, refer the parties to arbitration, unless it finds that the said agreement is null and void, inoperative or incapable of being performed.

Article 3.

Each Contracting State shall recognise arbitral awards as binding and enforce them in accordance with the rules of procedure of the territory where the award is relied upon, under the conditions laid down in the following Articles. There shall not be imposed substantially more onerous conditions or higher fees or charges on the recognition or enforcement of arbitral awards to which this Convention applies than are imposed on the recognition or enforcement of domestic arbitral awards.

Article 4.

(1) To obtain the recognition and enforcement mentioned in the preceding Article, the party applying for recognition and enforcement shall, at the time of the application, supply -

(a) the duly authenticated original award or a duly certified copy the original award; and

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- (b) the original agreement referred to in Article II or a duly certified copy of the original agreement.

(2) If the said award or agreement is not made in an official language of the country in which the award is relied upon, the party applying for recognition and enforcement of the award shall produce a translation of these documents into such language. The translation shall be certified by an official or sworn translator or by a diplomatic or consular agent.

Article 5.

(1) Recognition and enforcement of the award may be refused, at the request of the party against whom it is invoked, only if that party furnishes to the competent authority where the recognition and enforcement is sought, proof that -

- (a) the parties to the agreement referred to in Article II were, under the law applicable to them, under some incapacity, or the said agreement is not valid under the law to which the parties have subjected it or, failing any indication thereon, under the law of the country where the award was made; or
- (b) the party against whom the award is invoked was not given proper notice of the appointment of the arbitrator or of the arbitration proceedings or was otherwise unable to present his case; or
- (c) the award deals with a difference not contemplated by or not falling within the terms of the submission to arbitration, or it contains decisions on matters beyond the scope of the submission to arbitration, provided that, if the decisions on matters submitted to arbitration can be separated from those not so submitted, that part of the award which contains decisions on matters submitted to arbitration may be recognised and enforced; or
- (d) the composition of the arbitral authority or the arbitral procedure was not in accordance with the agreement of the parties, or, failing such agreement, was not in accordance with the law of the country where the arbitration took place; or
- (e) the award has not yet become binding on the parties, or has been set aside or suspended by a competent authority of the country in which, or under the law of which, that award was made.

(2) Recognition and enforcement of an arbitral award may also be refused if the competent authority in the country where recognition and enforcement is sought finds that -

- (a) the subject-matter of the difference is not capable of settlement by arbitration under the law of that country; or
- (b) the recognition or enforcement of the award would be contrary to the public policy of that country.

Article 6.

If an application for the setting aside or suspension of the award has been made to a competent authority referred to in Article 5(1)(e), the authority before which the award is sought to be relied upon may, if it considers it proper, adjourn the decision on the enforcement of the award and may also, on the application of the party claiming enforcement of the award, order the other party to give suitable security.

Article 7.

(1) The provisions of the present Convention shall not affect the validity of multilateral or bilateral agreements concerning the recognition and enforcement of arbitral awards entered into by the Contracting States nor deprive any interested party of any right he may have to avail himself of an

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arbitral award in the manner and to the extent allowed by the law or the treaties of the country where such award is sought to be relied upon.

(2) The Geneva Protocol on Arbitration Clauses of 1923 and the Geneva Convention on the Execution of Foreign Arbitral Awards of 1927 shall cease to have effect between Contracting States on their becoming bound and to the extent that they become bound, by this Convention.

Article 8.

(1) This Convention shall be open until 31st December 1958 for signature on behalf of any Member of the United Nations and also on behalf of any other State which is or hereafter becomes a member of any specialised agency of the United Nations, or which is or hereafter becomes a party to the Statute of the International Court of Justice, or any other State to which an invitation has been addressed by the General Assembly of the United Nations.

(2) This Convention shall be ratified and the instrument of ratification shall be deposited with the Secretary-General of the United Nations.

Article 9.

(1) This Convention shall be open for accession to all States referred to in Article 8.

(2) Accession shall be effected by the deposit of an instrument of accession with the Secretary-General of the United Nations.

Article 10.

(1) Any State may, at the time of signature, ratification or accession, declare that this Convention shall extend to all or any of the territories for the international relations of which it is responsible. Such a declaration shall take effect when the Convention enters into force for the State concerned.

(2) At any time thereafter any such extension shall be made by notification addressed to the Secretary-General of the United Nations and shall take effect as from the ninetieth day after the day of receipt by the Secretary-General of the United Nations of this notification, or as from the date of entry into force of the Convention for the State concerned, whichever is the later.

(3) With respect to those territories to which this Convention is not extended at the time of signature, ratification or accession, each State concerned shall consider the possibility of taking the necessary steps in order to extend the application of this Convention to such territories, subject, where necessary for constitutional reasons, to the consent of the Governments of such territories.

Article 11.

In the case of a federal or non-unitary State, the following provisions shall apply:

- (a) with respect to those Articles of this Convention that come within the legislative jurisdiction of the federal authority, the obligations of the federal Government shall, to this extent, be the same as those of Contracting States which are not federal States; and
- (b) with respect to those Articles of this Convention that come within the legislative jurisdiction of constituent States or provinces which are not, under the constitutional system of the federation, bound to take legislative action, the federal Government shall

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- bring such articles with a favourable recommendation to the notice of the appropriate authorities of constituent States or provinces at the earliest possible moment; and
- (c) a federal State Party to this Convention shall, at the request of any other Contracting State transmitted through the Secretary-General of the United Nations, supply a statement of the law and practice of the federation and its constituent units in regard to any particular provision of this Convention, showing the extent to which effect has been given to that provision by legislative or other action.

Article 12.

(1) This Convention shall come into force on the ninetieth day following the date of deposit of the third instrument of ratification or accession.

(2) For each State ratifying or acceding to this Convention after the deposit of the third instrument of ratification or accession, this Convention shall enter into force on the ninetieth day after deposit by such State of its instrument of ratification or accession.

Article 13.

(1) Any Contracting State may denounce this Convention by a written notification to the Secretary-General of the United Nations. Denunciation shall take effect one year after the date of receipt of the notification by the Secretary-General.

(2) Any State which has made a declaration or notification under Article 10 may, at any time thereafter, by notification to the Secretary-General of the United Nations, declare that this Convention shall cease to extend to the territory concerned one year after the date of the receipt of the notification by the Secretary-General.

(3) This Convention shall continue to be applicable to arbitral awards in respect of which recognition or enforcement proceedings have been instituted before the denunciation takes effect.

Article 14.

A Contracting State shall not be entitled to avail itself of the present Convention against other Contracting States except to the extent that it is itself bound to apply the Convention.

Article 15.

The Secretary-General of the United Nations shall notify the States contemplated in Article 8 of the following:

- (a) signatures and ratifications in accordance with Article 8; and
- (b) accessions in accordance with Article 9; and
- (c) declarations and notifications under Articles 1, 10 and 11; and
- (d) the date upon which this Convention enters into force in accordance with Article 12; and
- (e) denunciations and notifications in accordance with Article 13.

Article 16.

(1) This Convention, of which the Chinese, English, French, Russian and Spanish texts shall be equally authentic, shall be deposited in the archives of the United Nations.

(2) The Secretary-General of the United Nations shall transmit a certified copy of this Convention to the States contemplated in Article VIII.

SCHEDULE 2.

**UNCITRAL MODEL LAW ON INTERNATIONAL COMMERCIAL ARBITRATION 1985
WITH AMENDMENTS AS ADOPTED IN 2006.**

CHAPTER I. - GENERAL PROVISIONS.

Article 1. - Scope of application.

(1) This Law applies to international commercial arbitration, subject to any agreement in force between this State and any other State or States.

(2) The provisions of this Law, except Articles 8, 9, 17 H, 17 I, 17 J, 35 and 36, apply only if the place of arbitration is in the territory of this State.

(3) An arbitration is international if -

- (a) the parties to an arbitration agreement have, at the time of the conclusion of that agreement, their places of business in different States; or
- (b) one of the following places is situated outside the State in which the parties have their places of business:
 - (i) the place of arbitration if determined in, or pursuant to, the arbitration agreement; or
 - (ii) any place where a substantial part of the obligations of the commercial relationship is to be performed or the place with which the subject-matter of the dispute is most closely connected; or
- (c) the parties have expressly agreed that the subject matter of the arbitration agreement relates to more than one country.

(4) For the purposes of Paragraph (3) of this article -

- (a) if a party has more than one place of business, the place of business is that which has the closest relationship to the arbitration agreement; and
- (b) if a party does not have a place of business, reference is to be made to his habitual residence.

(5) This Law shall not affect any other law of this State by virtue of which certain disputes may not be submitted to arbitration or may be submitted to arbitration only according to provisions other than those of this Law.

Article 2. - Definitions and rules of interpretation.

For the purposes of this Law -

- (a) "arbitration" means any arbitration whether or not administered by a permanent arbitral institution; and
- (b) "arbitral tribunal" means a sole arbitrator or a panel of arbitrators; and
- (c) "court" means a body or organ of the judicial system of a State; and
- (d) where a provision of this Law, except Article 28, leaves the parties free to determine a certain issue, such freedom includes the right of the parties to authorize a third party, including an institution, to make that determination; and

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- (e) where a provision of this Law refers to the fact that the parties have agreed or that they many agree or in any other way refers to an agreement of the parties, such agreement includes any arbitration rules referred to in that agreement; and
- (f) where a provision of this Law, other than in Articles 25(a) and 32(2)(a), refers to a claim, it also applies to a counter-claim, and where it refers to a defence, it also applies to a defence to such counter-claim.

Article 2A. - International origin and general principles.

(1) In the interpretation of this Law, regard is to be had to its international origin and to the need to promote uniformity in its application and the observance of good faith.

(2) Questions concerning matters governed by this Law which are not expressly settled in it are to be settled in conformity with the general principles on which this Law is based.

Article 3. - Receipt of written communications.

- (1) Unless otherwise agreed by the parties -
 - (a) any written communication is deemed to have been received if it is delivered to the addressee personally or if it is delivered at his place of business, habitual residence or mailing address; if none of these can be found after making a reasonable inquiry, a written communication is deemed to have been received if it is sent to the addressee's last-known place of business, habitual residence or mailing address by registered letter or any other means which provides a record of the attempt to deliver it; and
 - (b) the communication is deemed to have been received on the day it is so delivered.
- (2) The provisions of this Article do not apply to communications in court proceedings.

Article 4. - Waiver of right to object.

A party who knows that any provision of this Law from which the parties may derogate or any requirement under the arbitration agreement has not been complied with and yet proceeds with the arbitration without stating his objection to such non-compliance without undue delay or, if a time-limit is provided therefor, within such period of time, shall be deemed to have waived his right to object.

Article 5. - Extent of court intervention.

In matters governed by this Law, no court shall intervene except where so provided in this Law.

Article 6. - Court or other authority for certain functions of arbitration assistance and supervision.

The functions referred to in Articles 11(3), 11(4), 13(3), 14, 16(3) and 34(2) shall be performed by ... [Each State enacting this Model Law specifies the court, courts or, where referred to therein, other authority competent to perform these functions.]

CHAPTER II. - ARBITRATION AGREEMENT.

Option I.

Article 7. - Definition.

(1) "Arbitration agreement" is an agreement by the parties to submit to arbitration all or certain disputes which have arisen or which may arise between them in respect of a defined legal relationship, whether contractual or not. An arbitration agreement may be in the form of an arbitration clause in a contract or in the form of a separate agreement.

(2) The arbitration agreement shall be in writing.

(3) An arbitration agreement is in writing if its content is recorded in any form, whether or not the arbitration agreement or contract has been concluded orally, by conduct, or by other means.

(4) The requirement that an arbitration agreement be in writing is met by an electronic communication if the information contained therein is accessible so as to be useable for subsequent reference; "electronic communication" means any communication that the parties make by means of data messages; "data message" means information generated, sent, received or stored by electronic, magnetic, optical or similar means, including, but not limited to, electronic data interchange (EDI), electronic mail, telegram, telex or telecopy.

(5) Furthermore, an arbitration agreement is in writing if it is contained in an exchange of statements of claim and defence in which the existence of an agreement is alleged by one party and not denied by the other.

(6) The reference in a contract to any document containing an arbitration clause constitutes an arbitration agreement in writing, provided that the reference is such as to make that clause part of the contract.

Option II.

Article 7. - Definition of arbitration agreement.

"Arbitration agreement" is an agreement by the parties to submit to arbitration all or certain disputes which have arisen or which may arise between them in respect of a defined legal relationship, whether contractual or not.

Article 8. - Arbitration agreement and substantive claim before court.

(1) A court before which an action is brought in a matter which is the subject of an arbitration agreement shall, if a party so requests not later than when submitting his first statement on the substance of the dispute, refer the parties to arbitration unless it finds that the agreement is null and void, inoperative or incapable of being performed.

(2) Where an action referred to in Paragraph (1) of this Article has been brought, arbitral proceedings may nevertheless be commenced or continued, and an award may be made, while the issue is pending before the court.

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Article 9. - Arbitration agreement and interim measures by court.

It is not incompatible with an arbitration agreement for a party to request, before or during arbitral proceedings, from a court an interim measure of protection and for a court to grant such measure.

CHAPTER III. - COMPOSITION OF ARBITRAL TRIBUNAL.

Article 10. - Number of arbitrators.

- (1) The parties are free to determine the number of arbitrators.
- (2) Failing such determination, the number of arbitrators shall be three.

Article 11. - Appointment of arbitrators.

- (1) No person shall be precluded by reason of his nationality from acting as an arbitrator, unless otherwise agreed by the parties.
- (2) The parties are free to agree on a procedure of appointing the arbitrator or arbitrators, subject to the provisions of paragraphs (4) and (5) of this Article.
- (3) Failing such agreement -
 - (a) in an arbitration with three arbitrators, each party shall appoint one arbitrator, and the two arbitrators thus appointed shall appoint the third arbitrator; if a party fails to appoint the arbitrator within thirty days of receipt of a request to do so from the other party, or if the two arbitrators fail to agree on the third arbitrator within thirty days of their appointment, the appointment shall be made, upon request of a party, by the court or other authority specified in Article 6; and
 - (b) in an arbitration with a sole arbitrator, if the parties are unable to agree on the arbitrator, he shall be appointed, upon request of a party, by the court or other authority specified in Article 6.
- (4) Where, under an appointment procedure agreed upon by the parties -
 - (a) a party fails to act as required under such procedure; or
 - (b) the parties, or two arbitrators, are unable to reach an agreement expected of them under such procedure; or
 - (c) a third party, including an institution, fails to perform any function entrusted to it under such procedure,any party may request the court or other authority specified in Article 6 to take the necessary measure, unless the agreement on the appointment procedure provides other means for securing the appointment.
- (5) A decision on a matter entrusted by Paragraph (3) or (4) of this Article to the court or other authority specified in Article 6 shall be subject to no appeal. The court or other authority, in appointing an arbitrator, shall have due regard to any qualifications required of the arbitrator by the agreement of the parties and to such considerations as are likely to secure the appointment of an independent and impartial arbitrator and, in the case of a sole or third arbitrator, shall take into account as well the advisability of appointing an arbitrator of a nationality other than those of the parties.

Article 12. - Grounds for challenge.

(1) When a person is approached in connection with his possible appointment as an arbitrator, he shall disclose any circumstances likely to give rise to justifiable doubts as to his impartiality or independence. An arbitrator, from the time of his appointment and throughout the arbitral proceedings, shall without delay disclose any such circumstances to the parties unless they have already been informed of them by him.

(2) An arbitrator may be challenged only if circumstances exist that give rise to justifiable doubts as to his impartiality or independence, or if he does not possess qualifications agreed to by the parties. A party may challenge an arbitrator appointed by him, or in whose appointment he has participated, only for reasons of which he becomes aware after the appointment has been made.

Article 13. - Challenge procedure.

(1) The parties are free to agree on a procedure for challenging an arbitrator, subject to the provisions of Paragraph (3) of this Article.

(2) Failing such agreement, a party who intends to challenge an arbitrator shall, within fifteen days after becoming aware of the constitution of the arbitral tribunal or after becoming aware of any circumstance referred to in Article 12(2), send a written statement of the reasons for the challenge to the arbitral tribunal. Unless the challenged arbitrator withdraws from his office or the other party agrees to the challenge, the arbitral tribunal shall decide on the challenge.

(3) If a challenge under any procedure agreed upon by the parties or under the procedure of Paragraph (2) of this Article is not successful, the challenging party may request, within thirty days after having received notice of the decision rejecting the challenge, the court or other authority specified in Article 6 to decide on the challenge, which decision shall be subject to no appeal; while such a request is pending, the arbitral tribunal, including the challenged arbitrator, may continue the arbitral proceedings and make an award.

Article 14. - Failure or impossibility to act.

(1) If an arbitrator becomes de jure or de facto unable to perform his functions or for other reasons fails to act without undue delay, his mandate terminates if he withdraws from his office or if the parties agree on the termination. Otherwise, if a controversy remains concerning any of these grounds, any party may request the court or other authority specified in Article 6 to decide on the termination of the mandate, which decision shall be subject to no appeal.

(2) If, under this Article or Article 13(2), an arbitrator withdraws from his office or a party agrees to the termination of the mandate of an arbitrator, this does not imply acceptance of the validity of any ground referred to in this Article or Article 12(2).

Article 15. - Appointment of substitute arbitrator.

Where the mandate of an arbitrator terminates under Article 13 or 14 or because of his withdrawal from office for any other reason or because of the revocation of his mandate by agreement of the parties or in any other case of termination of his mandate, a substitute arbitrator shall be appointed according to the rules that were applicable to the appointment of the arbitrator being replaced.

CHAPTER IV. - JURISDICTION OF ARBITRAL TRIBUNAL.

Article 16. - Competence of arbitral tribunal to rule on its jurisdiction.

(1) The arbitral tribunal may rule on its own jurisdiction, including any objections with respect to the existence or validity of the arbitration agreement. For that purpose, an arbitration clause which forms part of a contract shall be treated as an agreement independent of the other terms of the contract. A decision by the arbitral tribunal that the contract is null and void shall not entail ipso jure the invalidity of the arbitration clause.

(2) A plea that the arbitral tribunal does not have jurisdiction shall be raised not later than the submission of the statement of defence. A party is not precluded from raising such a plea by the fact that he has appointed, or participated in the appointment of, an arbitrator. A plea that the arbitral tribunal is exceeding the scope of its authority shall be raised as soon as the matter alleged to be beyond the scope of its authority is raised during the arbitral proceedings. The arbitral tribunal may, in either case, admit a later plea if it considers the delay justified.

(3) The arbitral tribunal may rule on a plea referred to in Paragraph (2) of this Article either as a preliminary question or in an award on the merits. If the arbitral tribunal rules as a preliminary question that it has jurisdiction, any party may request, within thirty days after having received notice of that

ruling, the court specified in Article 6 to decide the matter, which decision shall be subject to no appeal; while such a request is pending, the arbitral tribunal may continue the arbitral proceedings and make an award.

CHAPTER IV A. - INTERIM MEASURES AND PRELIMINARY ORDERS.

Section 1. - Interim Measures.

Article 17. - Power of arbitral tribunal to order interim measures.

(1) Unless otherwise agreed by the parties, the arbitral tribunal may, at the request of a party, grant interim measures.

(2) An interim measure is any temporary measure, whether in the form of an award or in another form, by which, at any time prior to the issuance of the award by which the dispute is finally decided, the arbitral tribunal orders a party to -

- (a) maintain or restore the status quo pending determination of the dispute; or
- (b) take action that would prevent, or refrain from taking action that is likely to cause, current or imminent harm or prejudice to the arbitral process itself; or
- (c) provide a means of preserving assets out of which a subsequent award may be satisfied; or
- (d) preserve evidence that may be relevant and material to the resolution of the dispute.

Article 17 A. - Conditions for granting interim measures.

(1) The party requesting an interim measure under Article 17(2)(a), (b) and (c) shall satisfy the arbitral tribunal that:

- (a) harm not adequately reparable by an award of damages is likely to result if the measure is not ordered, and such harm substantially outweighs the harm that is likely to result to the party against whom the measure is directed if the measure is granted; and

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- (b) there is a reasonable possibility that the requesting party will succeed on the merits of the claim. The determination on this possibility shall not affect the discretion of the arbitral tribunal in making any subsequent determination.

(2) With regard to a request for an interim measure under article 17(2)(d), the requirements in Paragraphs (1)(a) and (b) of this article shall apply only to the extent the arbitral tribunal considers appropriate.

Section 2. - Preliminary Orders.

Article 17B. - Applications for preliminary orders and conditions for granting preliminary orders.

(1) Unless otherwise agreed by the parties, a party may, without notice to any other party, make a request for an interim measure together with an application for a preliminary order directing a party not to frustrate the purpose of the interim measure requested.

(2) The arbitral tribunal may grant a preliminary order provided it considers that prior disclosure of the request for the interim measure to the party against whom it is directed risks frustrating the purpose of the measure.

(3) The conditions defined under article 17A apply to any preliminary order, provided that the harm to be assessed under article 17A(1)(a), is the harm likely to result from the order being granted or not.

Article 17C. - Specific regime for preliminary orders.

(1) Immediately after the arbitral tribunal has made a determination in respect of an application for a preliminary order, the arbitral tribunal shall give notice to all parties of the request for the interim measure, the application for the preliminary order, the preliminary order, if any, and all other communications, including by indicating the content of any oral communication, between any party and the arbitral tribunal in relation thereto.

(2) At the same time, the arbitral tribunal shall give an opportunity to any party against whom a preliminary order is directed to present its case at the earliest practicable time.

(3) The arbitral tribunal shall decide promptly on any objection to the preliminary order.

(4) A preliminary order shall expire after twenty days from the date on which it was issued by the arbitral tribunal. However, the arbitral tribunal may issue an interim measure adopting or modifying the preliminary order, after the party against whom the preliminary order is directed has been given notice and an opportunity to present its case.

(5) A preliminary order shall be binding on the parties but shall not be subject to enforcement by a court. Such a preliminary order does not constitute an award.

Section 3. - Provision applicable to interim measures and preliminary orders.

Article 17D. - Modification, suspension, termination.

The arbitral tribunal may modify, suspend or terminate an interim measure or a preliminary order it has granted, upon application of any party or, in exceptional circumstances and upon prior notice to the parties, on the arbitral tribunal's own initiative.

Article 17E. - Provision of security.

(1) The arbitral tribunal may require the party requesting an interim measure to provide appropriate security in connection with the measure.

(2) The arbitral tribunal shall require the party applying for a preliminary order to provide security in connection with the order unless the arbitral tribunal considers it inappropriate or unnecessary to do so.

Article 17F. - Disclosure.

(1) The arbitral tribunal may require any party promptly to disclose any material change in the circumstances on the basis of which the measure was requested or granted.

(2) The party applying for a preliminary order shall disclose to the arbitral tribunal all circumstances that are likely to be relevant to the arbitral tribunal's determination whether to grant or maintain the order, and such obligation shall continue until the party against whom the order has been requested has had an opportunity to present its case. Thereafter, Paragraph (1) of this article shall apply.

Article 17G. - Costs and damages.

The party requesting an interim measure or applying for a preliminary order shall be liable for any costs and damages caused by the measure or the order shall be liable for any costs and damages caused by the measure or the order to any party if the arbitral tribunal later determines that, in the circumstances, the measure or the order should not have been granted. The arbitral tribunal may award such costs and damages at any point during the proceedings.

Section 4. - Recognition and enforcement of interim measures.

Article 17H. - Recognition and enforcement.

(1) An interim measure issued by an arbitral tribunal shall be recognized as binding and, unless otherwise provided by the arbitral tribunal, enforced upon application to the competent court, irrespective of the country in which it was issued, subject to the provisions of article 17I.

(2) The party who is seeking or has obtained recognition or enforcement of an interim measure shall promptly inform the court of any termination, suspension or modification of that interim measure.

(3) The court of the State where recognition or enforcement is sought may, if it considers it proper, order the requesting party to provide appropriate security if the arbitral tribunal has not already made a determination with respect to security or where such a decision is necessary to protect the rights of third parties.

Article 17I. - Grounds for refusing recognition or enforcement.

(1) Recognition or enforcement of an interim measure may be refused only -

(a) at the request of the party against whom it is invoked if the court is satisfied that -

(i) such refusal is warranted on the grounds set forth in article 36(1)(a)(i), (ii), (iii) or (iv); or

(ii) the arbitral tribunal's decision with respect to the provision of security in connection with the interim measure issued by arbitral tribunal has not been complied with; or

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- (iii) the interim measure has been terminated or suspended by the arbitral tribunal or, where so empowered, by the court of the State in which the arbitration takes place or under the law of which that interim measure was granted; or
- (b) if the court finds that -
 - (i) the interim measure is incompatible with the powers conferred upon the court unless the court decides to reformulate the interim measure to the extent necessary to adapt it to its own powers and procedures for the purposes of enforcing that interim measure and without modifying its substance; or
 - (ii) any of the grounds set forth in article 36(1)(b)(i) or (ii), apply to the recognition and enforcement of the interim measure.

(2) Any determination made by the court on any ground in Paragraph (1) of this article shall be effective only for the purposes of the application to recognize and enforce the interim measure. The court where recognition or enforcement is sought shall not, in making that determination, undertake a review of the substance of the interim measure.

Section 5. - Court-ordered interim measures.

Article 17J. - Court-ordered interim measures.

A court shall have the same power of issuing an interim measure in relation to arbitration proceedings, irrespective of whether their place is in the territory of this State, as it has in relation to proceedings in courts. The court shall exercise such power in accordance with its own procedures in consideration of the specific features of international arbitration.

CHAPTER V. - CONDUCT OF ARBITRAL PROCEEDINGS.

Article 18. - Equal treatment of parties.

The parties shall be treated with equality and each party shall be given a full opportunity of presenting his case.

Article 19. - Determination of rules of procedure.

(1) Subject to the provisions of this Law, the parties are free to agree on the procedure to be followed by the arbitral tribunal in conducting the proceedings.

(2) Failing such agreement, the arbitral tribunal may, subject to the provisions of this Law, conduct the arbitration in such manner as it considers appropriate. The power conferred upon the arbitral tribunal includes the power to determine the admissibility, relevance, materiality and weight of any evidence.

Article 20. - Place of arbitration.

(1) The parties are free to agree on the place of arbitration. Failing such agreement, the place of arbitration shall be determined by the arbitral tribunal having regard to the circumstances of the case, including the convenience of the parties.

(2) Notwithstanding the provisions of Paragraph (1) of this Article, the arbitral tribunal may, unless otherwise agreed by the parties, meet at any place it considers appropriate for consultation among its members, for hearing witnesses, experts or the parties, or for inspection of goods, other property or documents.

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Article 21. - Commencement of arbitral proceedings.

Unless otherwise agreed by the parties, the arbitral proceedings in respect of a particular dispute commence on the date on which a request for that dispute to be referred to arbitration is received by the respondent.

Article 22. - Language.

(1) The parties are free to agree on the language or languages to be used in the arbitral proceedings. Failing such agreement, the arbitral tribunal shall determine the language or languages to be used in the proceedings. This agreement or determination, unless otherwise specified therein, shall apply to any written statement by a party, any hearing and any award, decision or other communication by the arbitral tribunal.

(2) The arbitral tribunal may order that any documentary evidence shall be accompanied by a translation into the language or languages agreed upon by the parties or determined by the arbitral tribunal.

Article 23. - Statements of claim or defence.

(1) Within the period of time agreed by the parties or determined by the arbitral tribunal, the claimant shall state the facts supporting his claim, the points at issue and the relief or remedy sought, and the respondent shall state his defence in respect of these particulars, unless the parties have otherwise agreed as to the required elements of such statements. The parties may submit with their statements all documents they consider to be relevant or may add a reference to the documents or other evidence they will submit.

(2) Unless otherwise agreed by the parties, either party may amend or supplement his claim or defence during the course of the arbitral proceedings, unless the arbitral tribunal considers it inappropriate to allow such amendment having regard to the delay in making it.

Article 24. - Hearings and written proceedings.

(1) Subject to any contrary agreement by the parties, the arbitral tribunal shall decide whether to hold oral hearings for the presentation of evidence or for oral argument, or whether the proceedings shall be conducted on the basis of documents and other materials. However, unless the parties have agreed that no hearings shall be held, the arbitral tribunal shall hold such hearings at an appropriate stage of the proceedings, if so requested by a party.

(2) The parties shall be given sufficient advance notice of any hearing and of any meeting of the arbitral tribunal for the purposes of inspection of goods; other property or documents.

(3) All statements, documents or other information supplied to the arbitral tribunal by one party shall be communicated to the other party. Also any expert report or evidentiary document on which the arbitral tribunal may rely in making its decision shall be communicated to the parties.

Article 25. - Default of a party.

Unless otherwise agreed by the parties, if, without showing sufficient cause -

- (a) the claimant fails to communicate his statement of claim in accordance with Article 23(1), the arbitral tribunal shall terminate the proceedings; and

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- (b) the respondent fails to communicate his statement of defence in accordance with Article 23(1), the arbitral tribunal shall continue the proceedings without treating such failure in itself as an admission of the claimant's allegations; and
- (c) any party fails to appear at a hearing or to produce documentary evidence, the arbitral tribunal may continue the proceedings and make the award on the evidence before it.

Article 26. - Expert appointed by arbitral tribunal.

- (1) Unless otherwise agreed by the parties, the arbitral tribunal -
 - (a) may appoint one or more experts to report to it on specific issues to be determined by the arbitral tribunal; and
 - (b) may require a party to give the expert any relevant information or to produce, or to provide access to, any relevant documents, goods or other property for his inspection.

(2) Unless otherwise agreed by the parties, if a party so requests or if the arbitral tribunal considers it necessary, the expert shall, after delivery of his written or oral report, participate in a hearing where the parties have the opportunity to put questions to him and to present expert witnesses in order to testify on the points at issue.

Article 27. - Court assistance in taking evidence.

The arbitral tribunal or a party with the approval of the arbitral tribunal may request from a competent court of this State assistance in taking evidence. The court may execute the request within its competence and according to its rules on taking evidence.

CHAPTER VI. - MAKING OF AWARD AND TERMINATION OF PROCEEDINGS.

Article 28. - Rules applicable to substance of dispute.

(1) The arbitral tribunal shall decide the dispute in accordance with such rules of law as are chosen by the parties as applicable to the substance of the dispute. Any designation of the law or legal system of a given State shall be construed, unless otherwise expressed, as directly referring to the substantive law of that State and not to its conflict of laws rules.

(2) Failing any designation by the parties, the arbitral tribunal shall apply the law determined by the conflict of laws rules which it considers applicable.

(3) The arbitral tribunal shall decide *ex aequo et bono* or as *amiable compositeur* only if the parties have expressly authorised it to do so.

(4) In all cases, the arbitral tribunal shall decide in accordance with the terms of the contract and shall take into account the usages of the trade applicable to the transaction.

Article 29. - Decision-making by panel of arbitrators.

In arbitral proceedings with more than one arbitrator, any decision of the arbitral tribunal shall be made, unless otherwise agreed by the parties, by a majority of all its members. However, questions of procedure may be decided by a presiding arbitrator, if so authorised by the parties or all members of the arbitral tribunal.

Article 30. - Settlement.

- (1) If, during arbitral proceedings, the parties settle the dispute, the arbitral tribunal shall terminate the proceedings and, if requested by the parties and not objected to by the arbitral tribunal, record the settlement in the form of an arbitral award on agreed terms.
- (2) An award on agreed terms shall be made in accordance with the provisions of Article 31 and shall state that it is an award. Such an award has the same status and effect as any other award on the merits of the case.

Article 31. - Form and contents of award.

- (1) The award shall be made in writing and shall be signed by the arbitrator or arbitrators. In arbitral proceedings with more than one arbitrator, the signatures of the majority of all members of the arbitral tribunal shall suffice, provided that the reason for any omitted signature is stated.
- (2) The award shall state the reasons upon which it is based, unless the parties have agreed that no reasons are to be given or the award is an award on agreed terms under Article 30.
- (3) The award shall state its date and the place of arbitration as determined in accordance with Article 20(1). The award shall be deemed to have been made at that place.
- (4) After the award is made, a copy signed by the arbitrators in accordance with Paragraph (1) of this Article shall be delivered to each party.

Article 32. - Termination of proceedings.

- (1) The arbitral proceedings are terminated by the final award or by an order of the arbitral tribunal in accordance with Paragraph (2) of this Article.
- (2) The arbitral tribunal shall issue an order for the termination of the arbitral proceedings when -
 - (a) the claimant withdraws his claim, unless the respondent objects thereto and the arbitral tribunal recognises a legitimate interest on his part in obtaining a final settlement of the dispute; and
 - (b) the parties agree on the termination of the proceedings; and
 - (c) the arbitral tribunal finds that the continuation of the proceedings has for any other reason become unnecessary or impossible.
- (3) The mandate of the arbitral tribunal terminates with the termination of the arbitral proceedings, subject to the provisions of Articles 33 and 34(4).

Article 33. - Correction and interpretation of award; additional award.

- (1) Within thirty days of receipt of the award, unless another period of time has been agreed upon by the parties -
 - (a) a party may, with notice to the other party, request the arbitral tribunal to correct in the award any errors in computation, any clerical or typographical errors or any errors of similar nature; and
 - (b) if so agreed by the parties, a party, with notice to the other party, may request the arbitral tribunal to give an interpretation of a specific point or part of the award. If the

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arbitral tribunal considers the request to be justified, it shall make the correction or give the interpretation within thirty days of receipt of the request. The interpretation shall form part of the award.

(2) The arbitral tribunal may correct any error of the type referred to in Paragraph (1)(a) of this Article on its own initiative within thirty days of the date of the award.

(3) Unless otherwise agreed by the parties, a party, with notice to the other party, may request, within thirty days of receipt of the award, the arbitral tribunal to make an additional award as to claims presented in the arbitral proceedings but omitted from the award. If the arbitral tribunal considers the request to be justified, it shall make the additional award within sixty days.

(4) The arbitral tribunal may extend, if necessary, the period of time within which it shall make a correction, interpretation or an additional award under Paragraph (1) or (3) of this Article.

(5) The provisions of Article 31 shall apply to a correction or interpretation of the award or to an additional award.

CHAPTER VII. - RECOURSE AGAINST AWARD.

Article 34. - Application for setting aside as exclusive recourse against arbitral award.

(1) Recourse to a court against an arbitral award may be made only by an application for setting aside in accordance with paragraphs (2) and (3) of this Article.

(2) An arbitral award may be set aside by the court specified in Article 6 only if -

(a) the party making the application furnishes proof that -

- (i) a party to the arbitration agreement referred to in Article 7 was under some incapacity; or the said agreement is not valid under the law to which the parties have subjected it or, failing any indication thereon, under the law of this State; or
- (ii) the party making the application was not given proper notice of the appointment of an arbitrator or of the arbitral proceedings or was otherwise unable to present his case; or
- (iii) the award deals with a dispute not contemplated by or not falling within the terms of the submission to arbitration, or contains decisions on matters beyond the scope of the submission to arbitration, provided that, if the decisions on matters submitted to arbitration can be separated from those not so submitted, only that part of the award which contains decisions on matters not submitted to arbitration may be set aside; or
- (iv) the composition of the arbitral tribunal or the arbitral procedure was not in accordance with the agreement of the parties, unless such agreement was in conflict with a provision of this Law from which the parties cannot derogate, or, failing such agreement, was not in accordance with this Law; or

(b) the court finds that -

- (i) the subject-matter of the dispute is not capable of settlement by arbitration under the law of this State; or
- (ii) the award is in conflict with the public policy of this State.

(3) An application for setting aside may not be made after three months have elapsed from the date on which the party making that application had received the award or, if a request had been made under Article 33, from the date on which that request had been disposed of by the arbitral tribunal.

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(4) The court may, when asked to set aside an award, where appropriate and so requested by a party, suspend the setting aside proceedings for a period of time determined by it in order to give the arbitral tribunal an opportunity to resume the arbitral proceedings or to take such other action as in the arbitral tribunal's opinion will eliminate the grounds for setting aside.

CHAPTER VIII. - RECOGNITION AND ENFORCEMENT OF AWARDS.

Article 35. - Recognition and enforcement.

(1) An arbitral award, irrespective of the country in which it was made, shall be recognised as binding and, upon application in writing to the competent court, shall be enforced subject to the provisions of this Article and of Article 36.

(2) The party relying on an award or applying for its enforcement shall supply the duly authenticated original award or a copy thereof. If the award is not made in an official language of this State, the court may request the party to supply a translation thereof into such language.

Article 36. - Grounds for refusing recognition or enforcement.

(1) Recognition or enforcement of an arbitral award, irrespective of the country in which it was made, may be refused only -

- (a) at the request of the party against whom it is invoked, if that party furnishes to the competent court where recognition or enforcement is sought proof that -
 - (i) a party to the arbitration agreement referred to in Article 7 was under some incapacity; or the said agreement is not valid under the law to which the parties have subjected it or, failing any indication thereon, under the law of the country where the award was made; or
 - (ii) the party against whom the award is invoked was not given proper notice of the appointment of an arbitrator or of the arbitral proceedings or was otherwise unable to present his case; or
 - (iii) the award deals with a dispute not contemplated by or not falling within the terms of the submission to arbitration, or it contains decisions on matters beyond the scope of the submission to arbitration, provided that, if the decisions on matters submitted to arbitration can be separated from those not so submitted, that part of the award which contains decisions on matters submitted to arbitration may be recognised and enforced; or
 - (iv) the composition of the arbitral tribunal or the arbitral procedure was not in accordance with the agreement of the parties or, failing such agreement, was not in accordance with the law of the country where the arbitration took place; or
 - (v) the award has not yet become binding on the parties or has been set aside or suspended by a court of the country in which, or under the law of which, that award was made; or
- (b) if the court finds that -
 - (i) the subject-matter of the dispute is not capable of settlement by arbitration under the law of this State; or
 - (ii) the recognition or enforcement of the award would be contrary to the public policy of this State.

(2) If an application for setting aside or suspension of an award has been made to a court referred to in paragraph (1)(a)(v) of this Article, the court where recognition or enforcement is sought may, if it considers it proper, adjourn its decision and may also, on the application of the party claiming recognition or enforcement of the award, order the other party to provide appropriate security.

