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CRCICA Launches New Arbitration Rules 2024

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The Cairo Regional Centre for International Commercial Arbitration ("**CRCICA**") issued its latest set of Arbitration Rules 2024 ("2024 Rules"), which enter into force from 15 January 2024. The 2024 Rules are presently available in English and Arabic, with a French version expected to be made available soon.

Last updated in 2011, the CRCICA 2011 Rules ("**2011 Rules**"), the 2024 Rules have been amended to meet the needs of users and evolving dispute resolution and trade landscapes. While the 2011 Rules contained 5 Sections with 48 Articles, the 2024 Rules contain 6 Sections with 56 Articles and 4 annexes. In addition, several provisions of the Practice Notes section of the 2011 Rules have now been integrated into the 2024 Rules.

For ease of convenience to the arbitration community in showing the latest changes to the 2024 Rules, CRCICA has prepared an extremely comprehensive comparison between the 2011 Rules and the 2024 Rules contained in a detailed 58-paged document in English and 44-paged document in Arabic. The methodology of the comparison is explained in the first comment of the first page of the document.

Similar to the 2011 Rules, the 2024 Rules continue to be loosely based on the UNCITRAL Arbitration Rules, as revised in 2010 (amended in 2013 and 2021), which leaving a wide room for party autonomy. The 2024 Rules maintain the flexibility of the UNCITRAL Arbitration Rules and also include provisions that are not contained in the UNCITRAL Arbitration Rules. The 2024 Rules build on CRCICA's accumulated experience in handling over 1670 cases since it was established in 1979. The 2024 Rules aim at increasing efficiency, flexibility and transparency of arbitral proceedings conducted under the auspices of the CRCICA. This post will present an overview of the key amendments and updates contained in the 2024 Rules.

New Section VI: "Other provisions"

A new "Section VI" titled "Other provisions" include items not addressed under the UNCITRAL Arbitration Rules. These include:

Consolidation of Arbitrations

The 2024 Rules feature a new provision on consolidation of arbitrations, enabling parties to merge two or more pending arbitrations into a single one. Namely, Article 50 of the 2024 Rules entails comprehensive procedural requirements, encompassing (i) the criteria to be satisfied in respect of

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the arbitrations to be consolidated, (ii) the process of requesting consolidation, and (iii) the decision of the Centre, upon the approval of the Advisory Committee, to accept or reject a request for consolidation.

Multiple Contracts

The 2024 Rules addresses multiple contracts in Article 51, which enable parties to make claims arising out of or in connection with more than one contract in a single arbitration. This provision allows parties to save time and reduce costs when resolving disputes arising out of two or more contracts relating to the same transaction or series of transactions.

Early dismissal of claims

Article 52 of the 2024 Rules introduces early dismissal of claims for a fair and efficient process of resolving disputes in order to avoid any unnecessary delay or expense. The provision provides that the arbitral tribunal shall have the power, after hearing all parties, to decide that a claim is manifestly without legal merit and dismiss it at an early stage of the proceedings.

Third party funding

Acknowledging the proliferation of third-party funding in recent years and presenting businesses with an opportunity to pursue arbitration claims while safeguarding liquidity and reducing risk, the 2024 Rules require funded parties to disclose the existence of funding and the identity of the funder at the commencement of, and throughout, the arbitral proceedings in accordance with Article 53 of the 2024 Rules.

New Tables of the Administrative Fees and the Fees of the Arbitral Tribunal

The new figures of the Administrative Fees and the Fees of the Arbitral Tribunal in the 2024 Rules strike a balance between cost effectiveness and maintaining high quality services to best serve the interests of users. The fees of the Arbitral Tribunal have increased by 15% to 35%. This increase is in line with major arbitral rules. Alongside this increase, the 2024 Rules permits CRCICA to remain competitive and cost effective for the small disputes amounting to less than USD 500,000. There is now a minimum, average and maximum scale of the arbitrators' fees for any sums in dispute over USD 500,000. In contrast, under the 2011 Rules, such a scale only existed where the sum in dispute exceeded USD 3,000,000.

Emergency Arbitrator Rules

The newly added Annex 2 entitled "Emergency Arbitrator Rules" in the 2024 Rules allows parties to seek the appointment of an emergency arbitrator to determine interim relief, even prior to the filing of the arbitration but before the constitution of the arbitral tribunal. The title of Article 26 of the 2011 Rules has been amended from "Interim measures" to "Interim measures and emergency arbitrator" with an explicit reference made to the "emergency arbitrator" at Article 26(1) of the 2024 Rules referring to Annex 2 to the 2024 Rules.

This is a welcome addition to ensure that, prior to the constitution of the arbitral tribunal, parties have the option of obtaining timely relief within a span of 15 days in situations where any delay could lead to significant prejudice or irreparable harm.

Expedited Arbitration Rules

A newly added paragraph 5 to Article 1 of the 2024 Rules refers to opt in only Expedited Arbitration Rules under Annex 3 to the 2024 Rules irrespective of the sum in dispute. Annex 3 is based on the UNCITRAL Expedited Arbitration Rules (2021) with some modifications reflecting CRCICA's institutional perspective.

If parties agree on using Expedited Arbitration Rules, Article 1(2) of Annex 3 provides that "[i]nsofar as this Annex 3 does not provide otherwise, the CRCICA Arbitration Rules shall apply to an arbitration under the Expedited Rules." In addition, parties can opt out of Expedited Arbitration Rules and apply the general arbitration provisions under the 2024 Rules in accordance with Article 2 of Annex 3.

Further, CRCICA introduced at the end of Annex 3 an "Arbitrator's Fees (Expedited Arbitration)" which is 20% less than the "Sole Arbitrator's Fees" found in Annex 1 to the 2024 Rules. The reason for introducing lesser Arbitrator's Fees (Expedited Arbitration) was made in order to attract parties to agree on the Expedited Arbitration Rules. A model expedited arbitration clause has also been provided at the end of the 2024 Rules under a heading titled "Model Arbitration Clauses".

The Use of Technology under the 2024 Rules

The 2024 Rules aim to encourage and enhance the use of technology in arbitration proceedings in cases administered by CRCICA. This is clearly shown through provisions enabling: parties to use electronic means of communication under Article 2(6); the arbitral tribunal to utilise any technological means of conducting the arbitration under Article 17(3); the hearings to be held in person, remotely by video conference or in hybrid form under Article 28(2) and the emergency arbitrator to conduct the proceedings as appropriate and taking into account the urgency inherent in such proceedings under Annex (2) Article 7 and Annex 3 paragraph 3(2) of the 2024 Rules.

Online Filing

One of the new developments in the 2024 Rules is the introduction of the Online Filing of the Notice of Arbitration, Response and the Emergency Arbitrator Application using CRCICA's online forms and applications in its website as provided under Articles 3(6), 4(4) and Article 2(3) in Annex 2 (Emergency Arbitrator Rules) of the 2024 Rules respectively.

Key Features in the 2024 Rules

Representation and Assistance

A key aspect of the 2024 Rules worth noting is that Article 5(1) of the 2024 Rules allows any party to appoint foreign legal counsels in their arbitration.

Taking this a step further in the 2024 Rules, CRCICA also decided to introduce the newly added paragraphs 2 and 3 under Article 5 of the 2024 Rules, for changes and additions to parties' representatives to be prompting communicating in writing to the other party(s), the arbitral tribunal and CRCICA. In addition, the arbitral tribunal is empowered to take any measure necessary to avoid a conflict of interest of an arbitrator arising from a change or addition in party representation, including the exclusion of new party representatives from participating in whole or in part of the arbitral proceedings. These provisions are designed to avoid the procedural irregularities and

conflict of interests that typically arise by parties and legal counsels in arbitration matters.

Decision not to proceed with the arbitral proceedings

Article 6, which addresses the existence and validity of an arbitration agreement, has been redrafted in the 2024 Rules with more clarity. It now contains a *prima facie* test to be exercised and satisfied by CRCICA in light of the introduction of multiple contracts provision in Article 51, before arbitration can proceed under the 2024 Rules.

Nomination and appointment

Article 7 of the 2024 Rules titled "Number of Arbitrators", where parties have not agreed on the number of arbitrators, it is now allowed for CRCICA, based on the request of a party, to appoint a sole arbitrator in view of the circumstances of the case and if CRCICA finds this to be more appropriate.

The 2024 Rules still maintain the "identical list procedure" provided under Article 9(2) as one of the methods for the appointment of the sole arbitrator or the presiding arbitrator by CRCICA. However, under Article 9(3), a new sentence was added reflecting enhance criteria including "qualifications" and "diversity" in making the appointment of a sole arbitrator.

Scrutiny of the award as to its form

The newly added Article 34(5) of the 2024 Rules provides for the scrutiny of the award as to its form in order to avoid its setting aside from the courts on the procedural aspects.

The law applicable to the arbitration agreement

A newly added paragraph 4 to Article 36 titled "Applicable Law and amiable compositeur", provides that the law applicable to the arbitration agreement is the law of the place of arbitration, unless parties agree in writing on the application of other laws or rules of law. This new provision aims to avert any ambiguity and/or controversy on the determination of the law governing the arbitration agreement given the usual absence of parties' agreement on this.

Model Arbitration Clauses

The model arbitration clauses provided at the end of the 2024 Rules introduce three new model arbitration clauses designed to offer comprehensive guidance and increased convenience for parties when formulating arbitration clauses relating to clauses for Future Disputes, agreements for Existing Disputes and clauses for Expedited Arbitration Rules.

Conclusion

The 2024 Rules introduce important amendments to bring arbitration under the auspices of CRCICA in line with international standards and maintain CRCICA's position as a leading arbitral institution in the Middle East and Africa. The 2024 Rules integrate contemporary practices and technological advancements to improve the arbitration process' efficiency, transparency, and flexibility. The inclusion of Emergency Arbitrator Rules and Expedited Arbitration Rules, clearer procedural guidelines, stronger emphasis on technology and new provisions addressing different arbitration procedural aspects, all illustrate CRCICA's dedication to creating a transparent,

adaptable and effective procedural framework for resolving disputes in the modern era.

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