

Kluwer Arbitration Blog

Elevating Arbitration Standards: The [arbitrateAD](#) Arbitration Rules

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In February 2024, a new arbitration centre was inaugurated in Abu Dhabi. The Abu Dhabi International Arbitration Centre, known as [arbitrateAD](#) (“**Centre**”) launched as an independent and neutral forum for dispute resolution. Aligning with established domestic, regional, and global best practices, the Centre aims to position Abu Dhabi as a pivotal hub for international arbitration.

Replacing the Abu Dhabi Commercial Conciliation and Arbitration Center (“**ADCCAC**”) for cases initiated from 1 February 2024, the Centre will operate independently pursuant to its modern and forward-looking constitution and rules.

This post delves into the most significant aspects of the [2024 \[arbitrateAD\]\(#\) arbitration rules](#) (“**Rules**”), including: establishing an independent governing structure to appoint impartial arbitrators, increasing efficiency, and aligning international standards of practice. Additionally, this post compares the Rules against rules of other regional and international arbitration institutions, which draws into focus the Centre’s commitment to adopting best practices in arbitration. Such arbitration institutions include the [International Chamber of Commerce](#) (“**ICC**”), [London Court of International Arbitration](#) (“**LCIA**”), [Singapore International Arbitration Centre](#) (“**SIAC**”), [Hong Kong International Arbitration Centre](#) (“**HKIAC**”), [Dubai International Arbitration Centre](#) (“**DIAC**”), [Saudi Center for Commercial Arbitration](#) (“**SCCA**”), [Qatar International Center for Conciliation and Arbitration](#) (“**QICCA**”) and [Bahrain Chamber for Dispute Resolution](#) (“**BCDR**”). In doing so, it highlights some of the main trends and differences between these institutions, further to a [previous post](#) commenting on the Rules.

A. Court of Arbitration

With the intention of improving quality and efficiency of arbitral process, the Abu Dhabi Chamber of Commerce’s new Centre features an entirely new team, new set of Rules, and safeguards that ensure the institution’s full independence and impartiality.

Among several key advancements, an [independent Court of Arbitration](#) (“**Court**”) has been established within the Centre, overseeing the proceedings administered by the Centre and ensuring adherence to the Rules and applicable laws. The Court will also scrutinise awards before they are rendered by tribunals, which aims to enhance their quality and enforceability. The Court as well as

the tribunals appointed are supported by the Secretariat (comprising the Executive Director and the Case Management Office), responsible for day-to-day administration of the Centre's cases.

Additionally, the Court nominates arbitrators in cases where parties do not nominate an arbitrator, confirms or rejects the appointment of party-nominated arbitrators, addresses challenges to arbitrators, and removes and replaces arbitrators. In deciding arbitrator challenges, the Court evaluates arbitrators' skills and qualifications and ascertains the arbitrators' independence and impartiality.

It is clear that the Court plays a central role in ensuring the impartiality of arbitrators and independence of the Centre. The Court's formation follows the structure of other leading global and regional arbitration institutions, including the ICC, SIAC, DIAC and SCCA. It is a commendable advancement which enhances the credibility of awards rendered pursuant to the Rules and administered by the Centre, and helps to ensure their global enforceability.

B. Increased Efficiency

Through the comprehensive reform of the Rules, several important provisions have been introduced to increase the efficiency of arbitrations administered by the Centre and streamline proceedings, thereby reducing time and costs for parties.

1. Scope of Application:

Under the [2013 ADCCAC Procedural Regulations of Arbitration](#) ("ADCCAC Rules"), parties could agree to arbitrate their disputes at the ADCCAC but under any set of arbitration rules, in which case the ADCCAC Rules would only supplement the rules chosen by parties. This led to unnecessary complexities when parties' chosen rules contradicted the ADCCAC Rules as it was unclear which rules would prevail.

In contrast, under the Rules, when parties agree to refer their dispute to arbitration under the Rules, or to the Centre, or to the Abu Dhabi Chamber of Commerce, the Rules apply by default. This new provision ensures clarity, thereby preventing confusion as to which rules should apply. Only in the context of ad hoc arbitrations do the Rules allow parties to designate the Centre to serve as an appointing authority, without subjecting their dispute to the Rules.

2. Joinder and Consolidation:

The Rules allow for joinder of a third party to the proceedings when all parties agree or when the Court is prima facie satisfied that the joining party could be subject to the Centre's jurisdiction, notwithstanding the tribunal's authority to decide any question as to its jurisdiction later. In addition, the Rules permit the consolidation of multiple claims into a single arbitration in certain circumstances, including when all claims asserted in the arbitrations are subject to the same arbitration agreement.

The principal aim of these mechanisms is to enhance procedural efficiency by ensuring that all relevant parties to a dispute are involved, can be heard in the same proceeding at the same time and will be bound by the resulting award(s). By preventing parallel or multiple proceedings and potentially conflicting awards, joinder should (at least) theoretically reduce costs and save time for

parties.

Allowing joinder and consolidation of multiple claims is another marker of the modernisation of the Rules, in line with international trends reflected in the recently updated rules of other leading international and regional arbitration institutions, including [LCIA](#), [ICC](#), [SCCA](#) and [DIAC](#).

3. Mandatory Case Management:

Under the Rules, within 21 days following the transmission of the file to the tribunal, a case management conference should be convened to address certain procedural issues. A compulsory case management conference is standard practice across many leading arbitration rules and enhances efficiency of the arbitral process, by requiring parties and tribunals to, among other things, consider establishing a timetable for the proceedings and discussing early resolution of the dispute or a settlement, where possible. This addition further aligns the Rules with international best practices.

4. Emergency Arbitration:

In line with latest trends and modern practice of other international and regional institutions, the Rules also allow parties who seek urgent preliminary or precautionary measures prior to constitution of the tribunal to file an application for emergency preliminary measures. To deter frivolous emergency applications or non-urgent cases, such applications shall be accompanied by proof of non-refundable payment of application fee. The emergency arbitrator may also require the applicant to provide security for costs.

The emergency arbitration procedure follows the lead of many prominent arbitral institutions and provides the Centre with a notable advantage over other arbitration institutions in the region, which do not offer such procedure (*e.g.*, [QICCA](#)).

5. Expedited Proceedings:

Another significant aspect of the Rules with regard to efficiency of arbitral process is the possibility to resolve disputes through an expedited procedure, which applies by default in cases where the value in dispute does not exceed AED 9,000,000 (approximately USD 2,450,377), unless parties agree otherwise. Nevertheless, unless parties agree otherwise, the tribunal may, in exceptional circumstances where required by due process and fairness, after affording parties a reasonable opportunity to be heard, request the Court not to apply the expedited procedure.

Under the expedited procedure, specific procedural steps are streamlined. Among other things, the request for arbitration is consolidated with the statement of claim, the answer is consolidated with the statement of defense, and the case is to be resolved by a sole arbitrator. In addition, after consulting with parties, the tribunal may decide the dispute based solely on documentary evidence without a merits hearing. This streamlined process is designed to reduce the time and cost involved in resolving disputes, making arbitration more accessible and attractive for parties, particularly for smaller-scale disputes.

The expedited procedure further aligns the Rules with recent trends in institutional arbitration in the MENA region and globally, ensuring that the Rules reflect best practices in international arbitration.

6. Time Limit for Issuing Awards:

As a further initiative to enhance efficiency of arbitral process, the Rules set a nine-month time limit for issuing awards from the date of the initial case management conference. This time limit may be extended only by the Court: (i) upon the Court's own volition; (ii) upon a reasoned request from the tribunal; and (iii) upon a joint request from parties (in which case the time limit shall be extended).

The time limit for rendering awards is provided only in rules of a few leading institutions such as ICC and HKIAC. While some prominent institutional rules such as SIAC and BCDR lack any such provision, other institutions only provide for a "soft" time limit for issuing awards, requiring that tribunals only "endeavor" (LCIA) or "exert best efforts" (QICCA) to render awards within certain time frames.

C. Modernised Proceedings

Certain elements of the Rules are aimed at modernising proceedings and serve to contribute to international recognition of the Centre as a global hub for dispute resolution. They do so by further aligning with recent trends and standards in international arbitration reflected in the rules of leading arbitral institutions around the world:

1. Language of Arbitration:

Under the ADCCAC Rules, the default language would be Arabic unless parties agreed otherwise. To ensure that the Centre remains a global forum for resolution of international disputes, such provision has been omitted and instead, the Rules permit parties to select the language of arbitration. This approach fosters a more accommodating arbitration environment for global participants. Where parties do not agree on the language, the Case Management Office, or the tribunal (if constituted) will determine the language of proceedings.

2. Digitalisation:

The Rules grant the tribunal comprehensive discretion to determine whether to conduct the hearings remotely, by videoconference, contemporary electronic technologies or suitable communication methods.

To follow the practice of leading global and regional institutions such as ICC, LCIA and DIAC, the Rules provide for use of technology and modern means of communication to improve efficiency and ensure the effective resolution of disputes between business parties.

3. Third Party Funding:

Another aspect of the Rules mirroring recent trends among leading arbitration rules, such as SCCA, DIAC, ICC, SIAC and HKIAC, is that they allow for third party funding. Third party funding could assist individuals and entities with limited resources to pursue or defend a claim under the Rules.

Conclusion

The Rules reflect a conscious effort by the Centre to become a significant forum for international dispute resolution in the MENA region and globally. Embracing the most recent advancements of international and regional arbitration rules, the Centre complements the UAE's growing optimism and promotes adoption of international arbitration.

These efforts are supported by other steps in the region. For example, in 2006, the UAE ratified the [United Nations Convention on the Recognition and Enforcement of Foreign Arbitral Awards](#) (“**New York Convention**”) in full, ensuring greater enforceability of awards made within the country. In addition, the UAE introduced a [Federal Arbitration Law](#) in 2018 and further amended it in 2023, largely aligning its arbitration legislation framework with the [UNCITRAL Model Law on International Commercial Arbitration](#). The Centre, with its modernised Rules and new structure fits within this framework, allowing parties to enjoy an impartial, efficient and modern administration of arbitral proceedings. This positions the UAE not only as a favorable jurisdiction for arbitration but as one of the future leaders in setting global arbitration standards, reflecting its commitment to excellence and innovation in dispute resolution.

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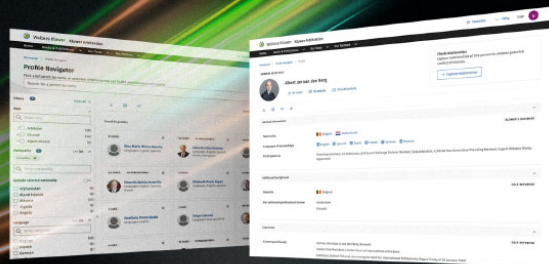
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