Kluwer Arbitration Blog

Countdown to RIDW25: KSA's Drive for Diversity – Can it Deliver in the World of ADR?

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For over a decade, diversity in the field of arbitration in the Kingdom of Saudi Arabia ("KSA") has been on a positive trajectory. In 2012, the Saudi Arbitration Law (Royal Decree No. M/34) came into force and, unlike its predecessor of 1983, did not contain any requirements regarding the arbitrator's gender. Subsequently, in 2016, the Administrative Court of Appeal in Dammam confirmed the appointment of the first Saudi woman as an arbitrator in a commercial dispute in KSA, Ms. Shaima Aljubran, as previously reported on this blog.

That same year, KSA launched its Vision 2030 with the aim of achieving economic diversification in the KSA. Vision 2030 highlights the importance of providing equal opportunities for men and women in all sectors. One of its goals is to "*increase women's participation in the workforce from 22% to 30%*" by 2030. Other steps to foster gender diversity include the adoption in 2022 by the Saudi Cabinet of Ministers of its Decision No. 416/1444 approving a national policy to promote equal opportunities and prevent discrimination in the labour market. These and other efforts have yielded results. The Saudi General Authority for Statistics ("GAS") reported at the end of June 2024 that Saudi women represented 35.4% of the KSA's workforce, up from 20% in 2016.¹⁾

The World Bank reports progress in this field too, albeit at a different rate: in 2016, the participation of women in the workforce was 16.1% and by 2023 increased to 22.6%, here: See: Labor force, female (% of total labor force) – Saudi Arabia | Data (worldbank.org).

The Saudi Ministry of Justice is leading diversity efforts in the legal sector. For instance, its website includes a section regarding its initiatives "to achieve gender equality". The Saudi Center for Commercial Arbitration ("SCCA") has, in turn, stepped up to play its part in increasing gender diversity in arbitration and mediation in KSA.

The SCCA appointed its first female mediator in 2020. In 2021, it reported the first mediation in which both parties were represented by female lawyers and the mediator was a Saudi woman, that was settled during the first hearing. This is an encouraging illustration of the success of women in alternative dispute resolution ("ADR").

In a landmark step, the SCCA signed the Equal Representation in Arbitration Pledge ("ERA Pledge") in April 2021 to highlight its commitment to gender diversity in arbitration. The ERA Pledge seeks to increase the number of women appointed as arbitrators to achieve a fair

representation as soon as practically possible, with the ultimate goal of full parity.²⁾

Since the establishment of the Pledge in 2016, appointment of women as arbitrators have more than doubled. Globally, appointments of women on average increased from 12.6% in 2015 to 26.1% in 2021 (as reported by the last comprehensive set of data published in the 2022 ICCA Report on Gender Diversity in Arbitration Proceedings, here: https://www.arbitration-icca.org/cross-institutional-task-force-gender-diversity-arbitral-appointments-and-proceedings).

In 2023, the Middle Eastern Subcommittee of the ERA Pledge held its KSA launch event in Riyadh with the full support of the SCCA.

Although commendable progress towards diversity is being made in the ADR sector in KSA, more could be done. Fostering diversity and inclusion in arbitration and mediation is a continuing effort that requires accountability. Statistics about the representation of women in ADR in KSA remain scarce, with the SCCA not yet publishing its gender diversity numbers in the appointment of arbitrators and mediators. We are also yet to see institutions in KSA adopting policies to promote gender equality in arbitral appointments. In this regard, the SCCA could take inspiration from the Dubai International Arbitration Centre ("DIAC"), which, in its most recent annual report, encouraged parties and co-arbitrators to prioritise diversity and published gender-related statistics. According to this report, DIAC appointed 47% women arbitrators in 2023, with the overall percentage of women appointed as arbitrators in DIAC cases (including appointments by parties and co-arbitrators) being 31%.³⁾

https://www.diac.com/en/annual-reports. "The Centre is committed to appointing diverse candidates as arbitrators. When the Arbitration Court is tasked to appoint arbitrators, it works hard to achieve diversity in its appointments in different ways, including nationality, gender, first-time appointments where possible and appropriate, and avoiding repeat appointments."

Given the rate of progress in this field since 2016, we have every hope that by 2030 more concrete steps will be taken in KSA to deliver tangible results in terms of diversity in ADR.



We look forward to attending the SCCA 25 Conference!

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References

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This entry was posted on Friday, December 13th, 2024 at 8:42 am and is filed under Diversity, KSA, MENA, RIDW

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