

Kluwer Arbitration Blog

Interviews with Our Editors: In Conversation with the Secretary General of the SCC Arbitration Institute, Caroline Falconer, on the Eve of the Swedish Arbitration Days 2025

Maria Fanou (Associate Editor) · Thursday, January 16th, 2025

Welcome to the Kluwer Arbitration Blog and our “Interviews with our Editors” series, Ms. Falconer!

1. Could you please briefly introduce yourself and share with our readers how your legal journey brought you to the field of international arbitration?

Yes, of course! My name is Caroline Falconer, Secretary General (“SG”) of the [SCC Arbitration Institute](#), a role I assumed in January 2023. The SCC is part of the Stockholm Chamber of Commerce.

I hold an LL.M. cum laude from Stockholm University and an LL.M. in international dispute resolution from King’s College London. After almost ten years in three different Swedish law firms, specializing in arbitration and litigation, I wanted to broaden my world and took a position as Senior Legal Counsel at the energy company Vattenfall. After seven years at Vattenfall, the intriguing world of dispute resolution lured me back to the SCC, first as Deputy SG and Head of Operations.

However, something that I have always found rewarding has been to keep busy in the evenings and weekends as well. I co-founded [SWAN](#), Swedish Women in Arbitration Network, an association that I am very proud to say is still live and kicking. Thereafter, I headed the Swedish Company Lawyers Association for a number of years.

Today, I am active in several associations, such as the [Swedish Anti-Corruption Institute](#), the [International Law Association](#), and the [International Federation of Commercial Arbitration Institutions](#).

2. Two years ago, you adopted a new name for the institute, to replace the old one (Arbitration Institute of the Stockholm Chamber of Commerce (“SCC”). What does the new name, SCC Arbitration Institute, signal?

I could not be more pleased with the rebranding! We really got the new identity out into the world together with our Artificial Intelligence (“AI”) crafted perfume, the SCCENT.

We wanted a name, a look, a feel that would reflect who we are, namely a modern arbitration institute, at the forefront of this business. User-friendly and relevant. Quick and with a no-nonsense approach. This is how we identify ourselves and we are constantly striving to improve and perfect in these areas.

3. Could you please outline what your role as the SG of the SCC Arbitration Institute entails?

As the SG, I head a wonderful team of lawyers and administrators. It is such a treat! I develop policies and strategies, engage with stakeholders, and promote arbitration and other types of methods to resolve disputes. I spend time arranging, speaking at, moderating and participating in international events. I constantly advocate for relevant and efficient dispute resolution methods. And finally, together with SCC Head of Operations, Madeleine Thörn, I oversee the administration of arbitration cases. It feels like I do a bit of everything. I could not wish for a more exciting job.

4. In 2021, you launched the [SCC Express](#). Can you share with our readers your insights on this initiative?

The SCC Express provides a quick and cost-effective dispute resolution process. It offers a legal assessment of disputes within three weeks by a neutral expert for a fixed fee. The findings can be binding if agreed upon by the parties or transferred into an arbitral award. It is often compared to dispute resolution boards, and we foresee that it could be a great use in construction projects.

Since its introduction, we have seen both domestic and international cases under the SCC Express Rules. They have been concluded on time and to the parties’ satisfaction. The service has garnered significant attention from companies, general counsels, and counsel, particularly in relation to longstanding agreements and contracts within groups of companies.

5. The [SCC Rules](#) are also translated in more languages (now already available in 11 different ones, including Swedish and English). We understand that you aim to have them translated into more languages. Can you please explain to us the rationale and the challenges of this initiative, if any?

The SCC has always prioritized user-friendliness, and accessibility is a key to being user friendly. By making the SCC Rules available in multiple languages, we lower the barriers for users and ensure that our services are truly accessible. We also believe that providing translations will result in trust in the SCC and our rules, and confidence in the process. This is especially important in jurisdictions where English may not be widely spoken.

As for challenges, the SCC Rules are complex and nuanced, and it’s essential to preserve the legal precision and intent of the original text. This has led us to collaborate with experts familiar with both arbitration terminology and the specific legal traditions of the target language. We are

immensely grateful for the support many arbitration lawyers have given us when translating these rules.

Another challenge is prioritizing which languages to add next. We aim to address the needs of our users by identifying regions where SCC arbitration is frequently used or where we see potential for growth. Two languages to come soon are Uzbek, Romanian, and Portuguese.

6. Under Article 25(1) of the SCC Rules, unless agreed upon by the parties, the Board shall decide the seat of arbitration. One would presume that in the absence of parties' choice the Board would choose Stockholm/Sweden. However, you recently introduced a new policy, according to which the Board will no longer select Stockholm, or any other seat within the European Union ("EU"), as the seat of intra-EU, or potentially intra-EU, investment treaty arbitrations. Could you please detail this new policy and share any insights into how this decision was made?

The SCC's new policy on the seat of arbitration for intra-EU investment treaty arbitrations marks a shift from how the SCC Board typically determines the seat in commercial arbitrations. Under this policy, the SCC Board will no longer designate Stockholm or any other seat within the EU for intra-EU or potentially intra-EU investment treaty disputes. This change is a result of recent rulings by the Court of Justice of the European Union and is designed to safeguard the legal enforceability of SCC awards.

The SCC registers approximately five investment treaty arbitrations annually, making us one of the most frequently used arbitral institutions for these types of disputes.

By offering flexibility in selecting legally robust seats, the new policy ensures that SCC awards can be enforced, and this further strengthens our reputation as a trusted forum for investment treaty arbitration.

7. Making arbitration cheaper and faster is a complex conundrum. The SCC published a recent report on costs of arbitration and apportionment of costs under the SCC Rules. What are the key takeaways? What are the most noticeable improvements in making SCC arbitrations cheaper?

One of the main selling points of arbitration at the SCC is our ability to deliver quicker resolutions for complex disputes compared to state courts and other major international arbitration institutes, all while maintaining high standards of quality.

On average, approximately 75% of disputes at the SCC are resolved within one year. This should be compared to the average disputes value in 2023 being €33 million. If we only look at international arbitrations with no Swedish parties, disputes initiated between 2020 and 2024 were, on average, concluded within 13 months.

Why is the duration of such importance? Because time is money! Our commitment to efficiency translates directly into cost savings. Around 80% of the total cost of arbitration relates to legal representation rather than fees for the arbitrators or the institute itself. This percentage refers to

tribunals with three arbitrators, while the number is 94% for arbitrations with a sole arbitrator. By offering faster procedures, we help parties save both time and money.

The detailed [2024 report](#) on the costs of SCC arbitration and the apportionment of costs under the SCC Rules compared arbitrations from 2015–2022 with a previous analysis covering 2007–2014. It revealed that SCC arbitration has become increasingly time-efficient, thanks to innovations like the SCC Platform, which have shortened case durations and reduced costs.

The report also highlighted a growing trend towards a “winner takes it all” approach to cost apportionment, where the losing party typically bears the majority of the costs. Additionally, we were pleased to observe a notable increase in diversity among arbitrators appointed under the SCC Rules, with the pool of arbitrators expanding significantly in recent years.

Choosing the most suitable dispute resolution method for the dispute in question is something I talk about a lot. While the SCC Arbitration Rules are widely recognized, there are instances where parties would benefit more from the SCC Rules for Expedited Arbitrations. About 50% of expedited arbitrations at the SCC are concluded within three months, with the remainder resolved within six months. This is truly a quick way to resolve a commercial dispute. We were happy to see a rising use of combination clauses referring to the dispute’s complexity—resulting in the parties receiving a well suited and flexible procedure under the SCC Rules.

Key factors contributing to cost-efficient dispute resolution at the SCC include the increased use of digital tools to enhance procedural efficiency (such as the SCC Platform, mandatory for all SCC arbitrations) and the ability of parties to influence costs by selecting the appropriate rules and negotiating fee structures with their legal counsel. Additionally, appointing skilled arbitrators who are available is critical to achieving cost-effective resolutions. By integrating these practices, the parties will receive cost-efficient, high-quality arbitration.

8. Recently, the SCC released a [Guide to the use of AI](#) in cases administered under the SCC Rules. What are the key challenges this guide aims to offer guidance for? And relatedly, what is, in your view, the most significant concern with managing the use of AI in arbitration proceedings?

As we all know, AI is a rapidly evolving and it has significant potential benefits in terms of efficiency and expeditiousness, key values at the SCC. Given the potential benefits arising from the use of AI, we released this non-binding guide to the use of AI in cases administered under the SCC Rules. The AI Guide follows the SCC’s light touch approach to maintain flexibility and adaptability in respect to the use of AI, while also contributing to the development of global best practices. The SCC encourages arbitral tribunals and other participants in arbitration to bear in mind *inter alia* that:

- AI tools may have unintended consequences for the confidentiality of an arbitration, and its participants. Participants are therefore encouraged to inform themselves as to how any data input is employed and deployed when using AI.
- Arbitral tribunals should ensure that any use of AI does not negatively impact on the quality of their decisions. AI tools may be used to support arbitral decision-making but cannot replace it.
- Arbitral tribunals are encouraged to disclose any use of AI in researching and interpreting facts and the law or applying the law to facts.

In conclusion, the SCC AI Guide is the first to be put together by an operational international arbitration institute. We are thrilled that its launch gained a lot of attention, and we are looking forward to evaluating it in due time.

9. Commitment to a more diverse pool of arbitrators [may be a factor that impacts the users' preference for an institution or a set of rules](#). What are the most recent diversity trends in arbitration appointments by the SCC Arbitration Institute?

If I may start by briefly outlining [how we appoint arbitrators](#), impartiality and independence are central to our process. Each decision is tailored to the specific circumstances of the case, ensuring a balanced, competent, and diverse tribunal. The SCC Board considers factors such as expertise, legal background, applicable law, language skills, and nationality.

The SCC is committed to fostering [diversity](#) in arbitrator appointments, aligning with the Equal Representation in Arbitration Pledge. Between 2020 and mid-2024, the SCC Board appointed approximately 49% women and 51% men as arbitrators, compared to 27% women and 73% men appointed by parties during the same years. There is a clear positive trend when it comes to party appointments. In 2023, out of the 250 party appointed arbitrators, 31% were women—a significant advancement compared to the 27% recorded in 2022 and the mere 16% in 2019. That resulted in 39% of all appointed arbitrators being women in 2023. Approximately 60% of arbitrators are party-appointed, making it crucial to highlight the diverse talent available to appointing parties. We are looking forward to compiling the 2024 statistics.

To support a more diverse pool, we keep an updated SCC Arbitrator Registry (arbitrators are encouraged to submit their details on our website) and we launched the [SCC/SAA Diploma Course for International Arbitrators in 2022](#), providing specialized training for arbitrating disputes with a Swedish seat or under the SCC Rules.

In recent years, arbitrators at the SCC have represented 39 countries, and our cases have involved parties from 87 countries.

Looking ahead, a new diversity report in 2025 will provide deeper insights into these trends. Keep an eye out!

10. Looking ahead, are there any forthcoming innovations that you would like to share with our readership?

Absolutely! This year is shaping up to be an exciting one for the SCC. We're working on several innovative projects that I'm thrilled to share. A key focus will be a comprehensive revision of the SCC Rules to ensure they remain modern, efficient, and user-friendly.

We're also introducing enhanced features to both the SCC Platform and the Ad Hoc Platform, designed to further improve the user experience.

In addition, we'll be publishing several new practice notes and reports to provide greater clarity and guidance for users.

We're also preparing to launch a new council that will bring fresh perspectives and ideas to our work.

Finally, we are carefully analyzing the invaluable feedback we gathered in last year's user survey on cases concluded in 2023. These insights are already informing meaningful improvements to better meet the needs of our users.

Ms. Falconer, thank you very much for your time and insights!

This interview is part of Kluwer Arbitration Blog's "Interviews with Our Editors" series. Past interviews are available [here](#).

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 Wolters Kluwer

 **LAWYER**

The graphic features a dark background with vibrant, glowing blue and red lines representing digital data or circuitry. A golden gavel is positioned diagonally across the center, its head resting on a circular base that also glows with digital patterns. The overall aesthetic is high-tech and futuristic, emphasizing legal innovation.

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