# **Kluwer Arbitration Blog**

# Time Limits for Issuance of the Final Award Under the 2024 CRCICA Rules: Let the Tribunal Decide

Emad Hussein (Independent Arbitrator) · Thursday, March 13th, 2025

The latest 2024 arbitration rules of the Cairo Regional Centre for International Commercial Arbitration ("CRCICA") have been in force since 15 January 2024 ("2024 CRCICA Rules"). As discussed in a previous post, the amendments introduced by the 2024 CRCICA Rules greatly promote CRCICA's desirability as one of the leading arbitration institutions in the Middle East and Africa. Amongst these amendments is the addition of Article 35 that has been integrated from paragraph 29(a) of Practice Note IX to the 2011 CRCICA Rules. Article 35 stipulates a "timeframe for rendering the final award" that was lacking in the previous versions of the rules. However, instead of prescribing a definitive time limit for rendering the final award, as is common practice with most leading institutional rules, Article 35 leaves this decision to the discretion of the tribunal.

#### Article 35

Article 35 of the 2024 CRCICA Rules provides as follows:

"Unless the parties have agreed in writing on a time limit for rendering the final award, the <u>arbitral tribunal shall determine the time limit for rendering the final</u> <u>award, at its discretion</u>, without prejudice to the provisions of article 12, paragraph 6 and article 17, paragraph 1 of the Rules." [emphasis added]

#### The Significance of Fixed Time Limits

Most leading arbitration institutions—such as the International Chamber of Commerce ("ICC") (Article 31.1), the London Court of International Arbitration ("LCIA") (Article 15.10), the Hong Kong International Arbitration Centre ("HKIAC") (Article 31.2), and those located in the Gulf region like the Dubai International Arbitration Centre ("DIAC") (Article 35.1), the Saudi Centre for Commercial Arbitration ("SCCA") (Article 33.3), and the Qatar International Centre for Conciliation and Arbitration ("QICCA") (Article 22.1)—stipulate fixed time limits for rendering the final award within their respective rules. In doing so, certain institutional rules also allow arbitrators some leeway for altering such time limits, either of their own accord (after allowing the parties to express their views) (*see* Article 22.1(ii) of the LCIA Arbitration Rules) or with the consent of the institution (*see* Article 31.2 of the ICC Rules of Arbitration, Article 35.3 of the DIAC Arbitration Rules, Article 33.4 of the SCCA Arbitration Rules, and Article 22.1 of the

QICCA Arbitration Rules). It is undeniable that obtaining an award within a reasonable time is one of the most crucial elements of the arbitration process. Various empirical surveys, such as the 2012 Queen Mary University of London ("QMUL") Survey and Berwin Leighton Paisner ("BLP") 2012 Survey, have consistently reflected the dissatisfaction of the arbitration and business communities with the time taken to render awards. Consequently, the 2013 and 2015 QMUL Surveys have recognised the "speed or length of proceedings" as among the top disadvantages of international arbitration. Based on the said results, it is reasonable to assume that parties take into account the relevant arbitral institutional rules' set time limits for rendering final awards when selecting their arbitration institution. Accordingly, it is also reasonable to assume that institutions prescribing shorter time limits for rendering awards may benefit from a competitive advantage.

#### Does it Matter if a Tribunal is Responsible for Fixing the Time Limit for Rendering Awards?

The 2019 QMUL – Pinsent Masons Driving Efficiency in International Construction Disputes Survey recognised "issuing an award within a reasonable period of time" as the top characteristic of an efficient arbitrator. Most leading arbitration rules, including Article 35 of the 2024 CRCICA Rules, confer upon the tribunal a responsibility to exercise its discretion in a manner that avoids unnecessary delays and additional expenses for the parties. The institutions' role on this front is also crucial, as 58% of respondents in the BLP 2012 Survey emphasised that "institutions should do more to ensure awards are published in a timely fashion." Thus, while the tribunal and the arbitration institution are both accountable for ensuring timely delivery of awards, CRCICA appears to have passed the bulk of this responsibility entirely to the tribunal by refraining from setting a time limit for the tribunal for rendering the final award.

While the 2024 CRCICA Rules do not fix any time limit for rendering awards, CRCICA, in its appointment letter to the arbitrator, suggests that the tribunal should 'endeavour' to submit its draft award for formal scrutiny within 90 days from the date of the last written submission or hearing, whichever occurs later, and in any event, 15 days before the end of the time limit for rendering the award agreed by the parties or fixed by the tribunal. However, since the language used in CRCICA's appointment letter is suggestive and not mandatory (unlike other institutional rules that mandate time limits for rendering awards), CRCICA-appointed arbitrators are free to exercise their discretion in deciding time limits for rendering awards and deviate from the suggested period of 90 days.

In instances where the parties fail to agree upon time limits for rendering awards within their agreements, tribunals constituted under the 2024 CRCICA Rules (as per Article 35) bear the increased responsibility of deciding appropriate time limits. The tribunal's decision-making, in this respect, must take into consideration factors such as the applicable law of the seat and place of enforcement relating to the timeframes for awards. For instance, if the tribunal renders the award after its mandate has lapsed as per the applicable arbitration law, it could frustrate the proceedings (*see* Section 29A(4) of the Indian Arbitration and Conciliation Act 1996 and Article 42(2) of the UAE Federal Arbitration Law No. 6 of 2018). Alternatively, frivolous actions challenging the time limit set by the tribunal could be used to delay the proceedings or ultimately challenge the enforcement of awards. The tribunal's decision may also be impacted by due process paranoia concerns. However, all these due process concerns and risks of challenges equally arise for arbitrators exercise their discretion to alter time limits to accommodate the parties' requests and needs. Interestingly, the 2018 ICC Arbitration Commission Report on Techniques for Controlling Time and Costs in Arbitration noted that time limits can create problems during the enforcement

2

stage if they are unrealistic or not clearly defined.

Considering the same, should tribunals constituted under the 2024 CRCICA Rules be concerned about this additional obligation? Moreover, do the time limits prescribed by arbitral institutions genuinely help arbitrators alleviate due process concerns or are they simply for the parties' security? While it is true that arbitrators experience due process concerns with or without institutionally set time limits for rendering awards, having a fixed time limit set by the institution definitely absolves them of the added obligation of this crucial decision, thereby safeguarding their position and the parties' interests.

### **Remedies for Delay**

What remedies are available for parties if the time limit for rendering the award is deemed genuinely unreasonable or if there are delays in granting awards? In 2016, the ICC Court issued dynamic guidelines whereby arbitrators would face a proportionate reduction in their fees for unjustifiable delays in rendering awards (*see* previous post). Similarly, respondents of the 2021 QMUL Survey suggested including "the levying of cost sanctions for delays by arbitrators" in the institutional rules to enhance institutional preferability. One remedy already available to parties for delays in CRCICA arbitrations is to apply for the removal of the arbitrator (Article 13).

When considering the appropriate length of time for rendering final awards, 67% of the respondents of the 2012 QMUL Survey believed that sole arbitrators should render them within 3 months after the close of proceedings, and 78% felt that this time should be between 3 to 6 months for three-member tribunals. Thus, in addition to the 90-day period suggested by CRCICA, another remedy available to the parties and arbitrators in CRCICA arbitrations could be to use these statistics as a yardstick when determining time limits for rendering the final award.

# What's the Verdict for CRCICA?

Another question to consider: has the absence of a stipulation regarding time limits for rendering awards impacted CRCICA's preferability in the arbitration market? Although CRCICA recommends a timeframe for rendering the award in its arbitrator appointment letter, this only comes to light after the arbitration has commenced and is not necessarily known to parties at the time of selecting their institution. It is worth noting that CRCICA is one of the three institutions on the 2024 Global Arbitration Review approved "white list" of arbitration institutions for the Middle East and Africa. In a 2022 Report by the African Development Bank assessing CRCICA, it was noted that the quality of the secretariat's work "compares with" the ICC, SCC, and LCIA's, and that the case volume has stayed stable or even increased since their last report, showing users' confidence. CRCICA's Annual Caseload Reports do not reveal the average time taken to render final awards, making it difficult to ascertain whether the absence of time limits for rendering them has negatively impacted the arbitral institution's preferability. Another noteworthy consideration is that none of the previous versions of the CRCICA Rules provided for time limits for rendering awards. Considering this and the positive track record of the institution, it does not appear that CRCICA's reputation or preferability has suffered due to the absence of provisions fixing time limits for rendering awards.

# Conclusion

Arbitrators' due process concerns do not disappear in circumstances where institutions do prescribe time limits for rendering awards. However, as evident from various empirical studies, parties

certainly attach great importance to the 'time factor' in receiving their awards. The most probable conclusion here is that institutionally fixed time limits for rendering awards are mainly aimed at (i) providing arbitrators with a reference point, thereby reducing their due process concerns to some extent, and (ii) giving parties a preliminary sense of security regarding the timeframe for receiving their awards. In this vein, CRCICA should perhaps consider amending its Article 35 to indicate a time limit for rendering awards. It is true that institutionally 'fixed' time limits for rendering awards are also subject to extension at the behest of the parties and the institution (*see* Article 31.2 of the ICC Rules of Arbitration, Article 35.3 of the DIAC Arbitration Rules, Article 33.4 of the SCCA Arbitration Rules, and Article 31.2 of the HKIAC Administered Arbitration Rules).

That said, having a fixed and enforceable *starting point* for the time limit, set by the arbitral institution, is undoubtedly an important factor for the parties and of great assistance to the tribunal. In implementing this change, CRCICA would certainly be addressing the needs of the primary stakeholders of the arbitral process and further adding to its existing allure!

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5