

Arbitration

Contributing editors

Gerhard Wegen and Stephan Wilske



2019

GETTING THE
DEAL THROUGH 

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Gerhard Wegen and Stephan Wilske

Gleiss Lutz

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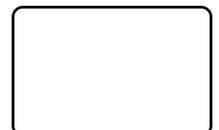


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Preface

Arbitration 2019 Fourteenth edition

Getting the Deal Through is delighted to publish the fourteenth edition of *Arbitration*, which is available in print, as an e-book and online at www.gettingthedealthrough.com.

Getting the Deal Through provides international expert analysis in key areas of law, practice and regulation for corporate counsel, cross-border legal practitioners, and company directors and officers.

Throughout this edition, and following the unique **Getting the Deal Through** format, the same key questions are answered by leading practitioners in each of the jurisdictions featured. Our coverage this year includes new chapters on Armenia, Chile and Pakistan.

Getting the Deal Through titles are published annually in print. Please ensure you are referring to the latest edition or to the online version at www.gettingthedealthrough.com.

Every effort has been made to cover all matters of concern to readers. However, specific legal advice should always be sought from experienced local advisers.

Getting the Deal Through gratefully acknowledges the efforts of all the contributors to this volume, who were chosen for their recognised expertise. We also extend special thanks to the contributing editors, Gerhard Wegen and Stephan Wilske of Gleiss Lutz, for their continued assistance with this volume.

GETTING THE 
DEAL THROUGH 

London
January 2019

Armenia

Ani Varderesyan

Concern-Dialog Law Firm

Laws and institutions

1 Multilateral conventions relating to arbitration

Is your jurisdiction a contracting state to the New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards? Since when has the Convention been in force? Were any declarations or notifications made under articles I, X and XI of the Convention? What other multilateral conventions relating to international commercial and investment arbitration is your country a party to?

For Armenia, the New York Convention, which was ratified on 29 December 1997, entered into force on 29 March 1998. With its accession to the Convention, Armenia has made the following two declarations:

- it will apply the Convention only to recognition and enforcement of awards made in the territory of another contracting state; and
- it will apply the Convention only to differences arising out of legal relationships, whether contractual or not, that are considered commercial under the laws of Armenia.

Since 1992, Armenia has also been party to the Convention on the Settlement of Investment Disputes between States and Nationals of Other States of 1965.

2 Bilateral investment treaties

Do bilateral investment treaties exist with other countries?

Overall, Armenia has signed 42 bilateral treaties.

3 Domestic arbitration law

What are the primary domestic sources of law relating to domestic and foreign arbitral proceedings, and recognition and enforcement of awards?

The Law on Commercial Arbitration mainly applies to domestic arbitral proceedings - that is, where the seat of the tribunal is in the territory of Armenia. This law also contains some regulations concerning foreign arbitral awards.

The Civil Procedure Code regulates some judicial procedural aspects in connection with arbitration, mainly the setting aside of domestic arbitral awards, the enforcement of local awards, the recognition and enforcement of foreign awards, and the judicial support to arbitration.

4 Domestic arbitration and UNCITRAL

Is your domestic arbitration law based on the UNCITRAL Model Law? What are the major differences between your domestic arbitration law and the UNCITRAL Model Law?

The Law on Commercial Arbitration was drafted based on the 1985 UNCITRAL Model Law (the Model Law) on International Commercial Arbitration. From there, the law has been modified in some procedural aspects; however, no significant concepts have been added or extracted from the Model law.

5 Mandatory provisions

What are the mandatory domestic arbitration law provisions on procedure from which parties may not deviate?

There are no statutory rules on mandatory provisions, and no such provisions have yet been affirmed by the jurisprudence.

6 Substantive law

Is there any rule in your domestic arbitration law that provides the arbitral tribunal with guidance as to which substantive law to apply to the merits of the dispute?

The parties may freely decide the substantive law applicable to their dispute. If no such agreement exists between the parties, the arbitral tribunal shall apply the law determined by the conflict of laws rules that it considers applicable. Regardless of that rule, if the place of arbitration is in Armenia and one of the parties is a citizen or a legal entity of Armenia, the tribunal shall apply Armenian law.

7 Arbitral institutions

What are the most prominent arbitral institutions situated in your jurisdiction?

Arbitration Institution at the Chamber of Commerce and Industry of the Republic of Armenia
11 Khanjyan St
0010, Yerevan
Armenia
www.arbitrage.am

Union Banks of Armenia
19a Koryun St
0009, Yerevan
Armenia
www.uba.am/en/home

'Optimus Lex' Arbitration Court
Tigran Metsi Ave, 4 Building
0010, Yerevan
Armenia
www.optimuslex.am

ADR Partners
Apt 6, 44 Marshal Baghramyan Ave
0019, Yerevan
Armenia
www.adr.am/eng

Arbitration agreement

8 Arbitrability

Are there any types of disputes that are not arbitrable?

All disputes other than commercial and marital disputes regarding community property are not currently arbitrable. Additionally, the arbitration clause cannot limit the right of customers of financial institutions to bring a claim before a state court for a dispute in connection

with a contract with that institution, unless the arbitration agreement has been executed with the parties already involved in a dispute (post-dispute arbitration agreement).

9 Requirements

What formal and other requirements exist for an arbitration agreement?

The arbitration agreement shall be in writing; concluded either via execution of one document by both parties or by exchange of electronic or postal communications. An arbitration agreement is also in writing if it is contained in an exchange of statements of claim and defence in which the existence of an agreement is alleged by one party and not denied by the other. The reference in a contract to any document containing an arbitration clause constitutes an arbitration agreement in writing, provided that the reference is such as to make that clause part of the contract.

10 Enforceability

In what circumstances is an arbitration agreement no longer enforceable?

The agreement is enforceable unless it is found to be incapable of being performed. The invalidation of the contract does not entail the invalidity of the arbitration clause. The death of a party does not cause unenforceability of the arbitration agreement, unless such consequence is expressly provided in the agreement of the parties or unless the relationship in question does not allow succession.

11 Third parties – bound by arbitration agreement

In which instances can third parties or non-signatories be bound by an arbitration agreement?

The successors are bound by the arbitration agreement unless otherwise agreed by the parties. Other situations are not regulated by legislation.

12 Third parties – participation

Does your domestic arbitration law make any provisions with respect to third-party participation in arbitration, such as joinder or third-party notice?

The law does not regulate the rights and status of third parties to arbitration.

13 Groups of companies

Do courts and arbitral tribunals in your jurisdiction extend an arbitration agreement to non-signatory parent or subsidiary companies of a signatory company, provided that the non-signatory was somehow involved in the conclusion, performance or termination of the contract in dispute, under the ‘group of companies’ doctrine?

The question of group companies is not regulated by legislation.

14 Multiparty arbitration agreements

What are the requirements for a valid multiparty arbitration agreement?

Multiparty arbitration agreements are not regulated by legislation.

Constitution of arbitral tribunal

15 Eligibility of arbitrators

Are there any restrictions as to who may act as an arbitrator? Would any contractually stipulated requirement for arbitrators based on nationality, religion or gender be recognised by the courts in your jurisdiction?

Individuals in full legal capacity who have attained the age of 25 and have higher education can be appointed as arbitrators. No person shall be precluded by reason of his or her nationality from acting as an

arbitrator, unless otherwise agreed by the parties. There are no other restrictions as to contractually stipulated requirements for arbitrators.

16 Background of arbitrators

Who regularly sit as arbitrators in your jurisdiction?

More often, parties appoint practising lawyers and law professors as their arbitrators.

17 Default appointment of arbitrators

Failing prior agreement of the parties, what is the default mechanism for the appointment of arbitrators?

Failing the agreement of parties, in an arbitration with three arbitrators, each party shall appoint one arbitrator, and the two arbitrators thus appointed shall appoint the third arbitrator; if a party fails to appoint the arbitrator within 30 days of receipt of a request to do so from the other party, or if the two arbitrators fail to agree on the third arbitrator within 30 days of their appointment, the appointment shall be made, upon request of a party, by the appointing authority. In an arbitration with a sole arbitrator, if the parties are unable to agree on the arbitrator, he or she shall be appointed, upon request of a party, by the appointing authority. Such appointing authority is the state court of the place of arbitration. Where, under an appointment procedure agreed upon by the parties, a party fails to act as required under such procedure, or the parties, or two arbitrators, are unable to reach an agreement expected of them under such procedure, or a third party, including an institution, fails to perform any function entrusted to it under such procedure, any party may request the state court to take necessary measures, unless the agreement on the appointment procedure provides other means for securing the appointment.

18 Challenge and replacement of arbitrators

On what grounds and how can an arbitrator be challenged and replaced? Please discuss in particular the grounds for challenge and replacement, and the procedure, including challenge in court. Is there a tendency to apply or seek guidance from the IBA Guidelines on Conflicts of Interest in International Arbitration?

An arbitrator may only be challenged if circumstances exist that give rise to justifiable doubts as to his or her impartiality or independence, or if he or she does not possess qualifications agreed to by the parties. A party may challenge an arbitrator appointed by him or her, or in whose appointment he or she has participated, only for reasons of which he or she becomes aware after the appointment has been made.

The parties are free to agree on a procedure for challenging an arbitrator. Failing such agreement, a party who intends to challenge an arbitrator shall, within 15 days after becoming aware of the constitution of the arbitral tribunal or after becoming aware of any circumstance giving rise to the challenge, send a written statement of the reasons for the challenge to the arbitral tribunal. Unless the challenged arbitrator withdraws from his or her office or the other party agrees to the challenge, the arbitral tribunal shall decide on the challenge.

If a challenge is not successful, the challenging party may request, within 30 days after having received notice of the decision rejecting the challenge, the court to decide on the challenge – the decision of which shall not be subject to appeal. While such a request is pending, the arbitral tribunal, including the challenged arbitrator, may continue the arbitral proceedings and make an award.

If an arbitrator becomes de jure or de facto unable to perform his or her functions or for other reasons fails to act without undue delay, the arbitrator’s mandate terminates if he or she withdraws from his or her office or if the parties agree on the termination. Otherwise, if a controversy remains concerning any of these grounds, any party may request the court to decide on the termination of the mandate – the decision of which shall not be subject to appeal.

If the arbitrator dies (is declared dead by the court) or is declared legally incapable or possessing limited legal capacity, the mandate of the arbitrator terminates.

19 Relationship between parties and arbitrators

What is the relationship between parties and arbitrators? Please elaborate on the contractual relationship between parties and arbitrators, neutrality of party-appointed arbitrators, remuneration and expenses of arbitrators.

The relationship between parties and arbitrators is not regulated by legislation.

20 Immunity of arbitrators from liability

To what extent are arbitrators immune from liability for their conduct in the course of the arbitration?

The liability of the arbitrator is not regulated by legislation.

Jurisdiction and competence of arbitral tribunal**21 Court proceedings contrary to arbitration agreements**

What is the procedure for disputes over jurisdiction if court proceedings are initiated despite an existing arbitration agreement, and what time limits exist for jurisdictional objections?

A court before which an action is brought regarding a matter that is the subject of an arbitration agreement shall, if a party so requests no later than when submitting his or her first statement on the substance of the dispute, refer the parties to arbitration unless it finds that the agreement is incapable of being performed.

Where such action has been brought before a court, arbitral proceedings may nevertheless be commenced or continued, and an award may be made, while the issue is pending before the court.

22 Jurisdiction of arbitral tribunal

What is the procedure for disputes over jurisdiction of the arbitral tribunal once arbitral proceedings have been initiated, and what time limits exist for jurisdictional objections?

The arbitral tribunal may rule on its own jurisdiction, including any objections with respect to the existence or validity of the arbitration agreement.

A plea that the arbitral tribunal does not have jurisdiction shall be raised no later than the submission of the statement of defence. A party is not precluded from raising such a plea by the fact that he or she has appointed, or participated in the appointment of, an arbitrator. A plea that the arbitral tribunal is exceeding the scope of its authority shall be raised as soon as the matter alleged to be beyond the scope of its authority is raised during the arbitral proceedings. The arbitral tribunal may, in either case, admit a later plea if it considers the delay justified.

The arbitral tribunal may rule on such plea as either a preliminary question or in an award on the merits. If it rules as a preliminary question that it has jurisdiction, any party may request, within 30 days after having received notice of that ruling, the court to decide the matter – decision of which shall not be subject to appeal. While such a request is pending, the arbitral tribunal may continue the arbitral proceedings and make an award.

Arbitral proceedings**23 Place and language of arbitration**

Failing prior agreement of the parties, what is the default mechanism for the place of arbitration and the language of the arbitral proceedings?

The parties are free to agree on the place of arbitration. Failing such agreement, the place of arbitration shall be determined by the arbitral tribunal having regard to the circumstances of the case, including the convenience of the parties.

The parties are free to agree on the language or languages to be used in the arbitral proceedings. Failing such agreement, the arbitral tribunal shall determine the language or languages to be used in the proceedings. This agreement or determination, unless otherwise specified therein, shall apply to any written statement by a party, any hearing and any award, decision or other communication by the arbitral tribunal.

The arbitral tribunal may order that any documentary evidence shall be accompanied by a translation into the language or languages agreed upon by the parties or determined by the arbitral tribunal.

24 Commencement of arbitration

How are arbitral proceedings initiated?

Unless otherwise agreed by the parties, the arbitral proceedings in respect of a particular dispute commence on the date on which a request for that dispute to be referred to arbitration is received by the respondent. No requirements as to the form of the notice are provided by legislation.

25 Hearing

Is a hearing required and what rules apply?

Subject to any contrary agreement by the parties, the arbitral tribunal shall decide whether to hold oral hearings or whether the proceedings shall be conducted on the basis of documents and other materials. However, unless the parties have agreed that no hearings shall be held, the arbitral tribunal shall hold such hearings at an appropriate stage of the proceedings, if so requested by a party.

26 Evidence

By what rules is the arbitral tribunal bound in establishing the facts of the case? What types of evidence are admitted and how is the taking of evidence conducted?

There are no legislative requirements regarding the standard of proof and the burden of proof. The types of evidence are also not restricted by the law. Legislation makes reference to documents, witness statements, expert opinions and other forms of evidence. There are no mandatory rules of evidence and no significant tendency to apply any internationally recognised guide.

27 Court involvement

In what instances can the arbitral tribunal request assistance from a court, and in what instances may courts intervene?

The arbitral tribunal, or a party with the approval of the arbitral tribunal, may request from a competent court assistance in taking documents and other evidence, in insuring the participation of a witness to the arbitration or in any other matter regarding the obtaining of evidence. The court may execute the request within its competence.

28 Confidentiality

Is confidentiality ensured?

If not otherwise provided by the law or a judicial decision, or if not otherwise agreed by the parties, all arbitral proceedings are confidential and conducted behind closed doors. No document or other evidence, or any declaration made during the arbitration can be transmitted to other persons, court, state body or public official, unless such information is transmitted based on a judicial decision or is necessary during judicial proceedings with regard to recognition, compulsory enforcement or setting aside of the award. This rule does not apply to any information lawfully and previously disclosed.

Interim measures and sanctioning powers**29 Interim measures by the courts**

What interim measures may be ordered by courts before and after arbitration proceedings have been initiated?

Unless otherwise agreed by the parties, the arbitral tribunal may, at the request of a party, order any party to take such interim measure of protection as the arbitral tribunal may consider necessary in respect of the subject matter of the dispute. The arbitral tribunal may require any party to provide appropriate security in connection with such measure or a countermeasure if such measure seeks to prevent or compensate the possible damage to the other party, or to preserve evidence. The party that applies for interim measures shall substantiate that the damage caused as a result of the absence of such measure will be impossible to recover by way of compensation in damages, and that such

damage will be larger than would be borne by the party subjected to an interim measure.

The law also regulates the regime of preliminary orders. Such orders are issued by the arbitral tribunal if notifying the party about a motion regarding an interim measure will render the execution of such interim measure impossible. By a motion to issue a preliminary order, the party may ask the other party to refrain from actions that might render the execution of the interim measure impossible. A preliminary order is not an award.

It is not incompatible with an arbitration agreement for a party to request, before or during arbitral proceedings, from a court an interim measure of protection and for a court to grant such measure.

The interim award of the tribunal ordering interim measures can be recognised and executed, or set aside, by a state court on the grounds as in the case of final awards.

30 Interim measures by an emergency arbitrator

Does your domestic arbitration law or do the rules of the domestic arbitration institutions mentioned above provide for an emergency arbitrator prior to the constitution of the arbitral tribunal?

The possibility of applying for interim measures prior to the constitution of the arbitral tribunal is not granted by the law.

31 Interim measures by the arbitral tribunal

What interim measures may the arbitral tribunal order after it is constituted? In which instances can security for costs be ordered by an arbitral tribunal?

The tribunal has a large discretion to apply any measure that it finds appropriate and necessary. The security of costs is not regulated by legislation. However, this also means that the application of this type of interim measure is not prohibited in any way.

32 Sanctioning powers of the arbitral tribunal

Pursuant to your domestic arbitration law or the rules of the domestic arbitration institutions mentioned above, is the arbitral tribunal competent to order sanctions against parties or their counsel who use 'guerrilla tactics' in arbitration? May counsel be subject to sanctions by the arbitral tribunal or domestic arbitral institutions?

Pursuant to legislation, the tribunal does not have sanctioning functions, neither with regard to parties nor to their counsels. The default of the party, however, results in consequences proscribed by the law. Accordingly, unless otherwise agreed by the parties, if, without showing sufficient cause, the claimant fails to communicate his or her statement of claim in accordance with the law, the arbitral tribunal shall terminate the proceedings. If the respondent fails to communicate his or her statement of defence in accordance with the law, the arbitral tribunal shall continue the proceedings without treating such failure in itself as an admission of the claimant's allegations. If any party fails to appear at a hearing or to produce documentary evidence, the arbitral tribunal may continue the proceedings and make the award on the evidence before it.

Awards

33 Decisions by the arbitral tribunal

Failing party agreement, is it sufficient if decisions by the arbitral tribunal are made by a majority of all its members or is a unanimous vote required? What are the consequences for the award if an arbitrator dissents?

In arbitral proceedings with more than one arbitrator, any decision of the arbitral tribunal shall be made, unless otherwise agreed by the parties, by the majority of all its members. The existence of a dissenting opinion does not jeopardise the legal value of the award.

34 Dissenting opinions

How does your domestic arbitration law deal with dissenting opinions?

The law states that any arbitrator that does not agree with the award or any part of the reasoning behind it can issue a dissenting opinion, which does not jeopardise the legal value of the award. There is no other regulation concerning dissenting opinions.

35 Form and content requirements

What form and content requirements exist for an award?

The award shall be made in writing and shall be signed by the arbitrator or arbitrators. In arbitral proceedings with more than one arbitrator, the signatures of the majority of all members of the arbitral tribunal shall suffice, provided that the reason for any omitted signature is stated. The award shall state the reasons upon which it is based, unless the parties have agreed that no reasons are to be given or the award is an award on agreed terms. If not otherwise agreed by the parties, the award shall also state the costs of arbitration and their distribution among the parties. The award shall state its date and the place of arbitration; it shall be deemed to have been made at that place.

36 Time limit for award

Does the award have to be rendered within a certain time limit under your domestic arbitration law or under the rules of the domestic arbitration institutions mentioned above?

There are no statutory time limits for an award. The parties are free to establish such time limit, which can only be extended by the parties themselves if not otherwise agreed by them.

37 Date of award

For what time limits is the date of the award decisive and for what time limits is the date of delivery of the award decisive?

For the exercise of the right to request a correction, a clarification or an additional award, or to challenge the award or request the execution of a domestic award, the decisive date is the delivery of the award. For the time limits on recognition and execution for foreign awards, the decisive date is the entry into force of that award.

38 Types of awards

What types of awards are possible and what types of relief may the arbitral tribunal grant?

The law makes reference to four types of awards: interim awards (in case of interim measures), awards on agreed terms (in case of amicable settlement), awards on the subject matter of the dispute and additional awards (if there is a need to address a claim that has been omitted in the previous award).

39 Termination of proceedings

By what other means than an award can proceedings be terminated?

Arbitral proceedings are terminated by the final award or by an order of the arbitral tribunal. The arbitral tribunal shall issue an order for the termination of the arbitral proceedings when: the claimant withdraws his or her claim, unless the respondent objects thereto and the arbitral tribunal recognises a legitimate interest on his or her part in obtaining a final settlement of the dispute; the parties agree on the termination of the proceedings; or the arbitral tribunal finds that the continuation of the proceedings has for any other reason become unnecessary or impossible.

40 Cost allocation and recovery

How are the costs of the arbitral proceedings allocated in awards? What costs are recoverable?

There are no statutory rules on cost allocation; however, arbitrators might be inclined to allocate the costs based on the rules of civil procedure, which is proportionate to satisfied claims.

41 Interest**May interest be awarded for principal claims and for costs, and at what rate?**

There are no regulations regarding costs of arbitration. The possibility of application of an interest rate to the claim will largely depend on the substantive law applicable to the dispute. If Armenian law is deemed to be applicable, the party may request a statutory interest rate to be applied to any unlawfully withheld amounts.

Proceedings subsequent to issuance of award**42 Interpretation and correction of awards****Does the arbitral tribunal have the power to correct or interpret an award on its own or at the parties' initiative? What time limits apply?**

Within 30 days of receipt of the award, unless another period has been agreed upon by the parties, a party, with notice to the other party, may request the arbitral tribunal to correct in the award any errors in computation, any clerical or typographical errors or any errors of similar nature. If so agreed by the parties, a party, with notice to the other party, may request the arbitral tribunal to give an interpretation of a specific point or part of the award. If the arbitral tribunal considers the request to be justified, it shall make the correction or give the interpretation within 30 days of receipt of the request. The interpretation shall form part of the award. The arbitral tribunal may correct such error on its own initiative within 30 days of the date of the award.

Unless otherwise agreed by the parties, a party, with notice to the other party, may also request, within 30 days of receipt of the award, the arbitral tribunal to make an additional award as to claims presented in the arbitral proceedings but omitted from the award. If the arbitral tribunal considers the request to be justified, it shall make the additional award within 60 days.

43 Challenge of awards**How and on what grounds can awards be challenged and set aside?**

An arbitral award may only be set aside by the court if:

- the party making the application furnishes proof that:
 - a party to the arbitration agreement was under some incapacity; or the said agreement is not valid under the law to which the parties have subjected it or, failing any indication thereon, under the law of Armenia;
 - the party making the application was not given proper notice of the appointment of an arbitrator or of the arbitral proceedings, or was otherwise unable to present his or her case;
 - the award deals with a dispute not contemplated by or not falling within the terms of the submission to arbitration, or contains decisions on matters beyond the scope of the submission to arbitration, provided that, if the decisions on matters submitted to arbitration can be separated from those not so submitted, only that part of the award containing decisions on matters not submitted to arbitration may be set aside; or
 - the composition of the arbitral tribunal or the arbitral procedure was not in accordance with the agreement of the parties, unless such agreement was in conflict with a provision of the law from which the parties cannot derogate, or, failing such agreement, was not in accordance with the law; or
- the court finds that:
 - the subject matter of the dispute is not capable of settlement by arbitration under the law of Armenia; or
 - the award is in conflict with the public policy of Armenia.

44 Levels of appeal**How many levels of appeal are there? How long does it generally take until a challenge is decided at each level? Approximately what costs are incurred at each level? How are costs apportioned among the parties?**

The challenge may be brought before the competent court of general jurisdiction of Armenia, the decision of which is not subject to appeal.

Update and trends

During recent years in Armenia, arbitration has largely only been used by banks and other financial institutions in their standard loan agreements. This has raised concerns and resulted in a public effort to raise awareness about arbitration as an efficient and flexible alternative for resolution of commercial disputes for both local and international business relations.

The challenge must be decided within one month after the court decides to admit the application of the party. The state fee for application is 4,000 dram, which is then distributed between the parties in accordance with satisfied claims.

45 Recognition and enforcement**What requirements exist for recognition and enforcement of domestic and foreign awards, what grounds exist for refusing recognition and enforcement, and what is the procedure?**

Recognition or enforcement of a domestic arbitral award, as well as of an award issued in one of the state parties to New York Convention, may only be refused:

- at the request of the party against whom it is invoked, if that party furnishes to the competent court where recognition or enforcement is sought proof that:
 - a party to the arbitration agreement was under some incapacity; or the said agreement is not valid under the law to which the parties have subjected it or, failing any indication thereon, under the law of the country where the award was made;
 - the party against whom the award is invoked was not given proper notice of the appointment of an arbitrator or of the arbitral proceedings, or was otherwise unable to present his or her case;
 - the award deals with a dispute not contemplated by or not falling within the terms of the submission to arbitration, or it contains decisions on matters beyond the scope of the submission to arbitration, provided that, if the decisions on matters submitted to arbitration can be separated from those not so submitted, that part of the award containing decisions on matters submitted to arbitration may be recognised and enforced;
 - the composition of the arbitral tribunal or the arbitral procedure was not in accordance with the agreement of the parties or, failing such agreement, was not in accordance with the law of the country where the arbitration took place; or
 - the award has not yet become binding on the parties or has been set aside or suspended by a court of the country in which, or under the law of which, that award was made; or
- if the court finds that:
 - the subject matter of the dispute is not capable of settlement by arbitration under the law of Armenia; or
 - the recognition or enforcement of the award would be contrary to the public policy of Armenia.

46 Time limits for enforcement of arbitral awards**Is there a limitation period for the enforcement of arbitral awards?**

Domestic arbitral awards may be presented for enforcement within one year after delivery of the award. Foreign awards may be presented for recognition and enforcement within three years after the award enters into force.

47 Enforcement of foreign awards**What is the attitude of domestic courts to the enforcement of foreign awards set aside by the courts at the place of arbitration?**

There is no judicial practice on the matter.

48 Enforcement of orders by emergency arbitrators

Does your domestic arbitration legislation, case law or the rules of domestic arbitration institutions provide for the enforcement of orders by emergency arbitrators?

There is no specific regulation on emergency arbitrators and enforcement of their orders.

49 Cost of enforcement

What costs are incurred in enforcing awards?

The state fee for applying to a court seeking enforcement of the award is 4,000 dram. Normally, the costs of compulsory execution are borne by the debtor.

Other**50 Judicial system influence**

What dominant features of your judicial system might exert an influence on an arbitrator from your jurisdiction?

Arbitrators and arbitration institutes in Armenia are influenced by the rigidity of rules of civil procedure and are not used to the scope of flexibility of arbitration. Even arbitration rules of some prominent arbitration institutes mimic this lack of flexibility for the parties.

51 Professional or ethical rules applicable to counsel

Are specific professional or ethical rules applicable to counsel in international arbitration in your jurisdiction? Does best practice in your jurisdiction reflect (or contradict) the IBA Guidelines on Party Representation in International Arbitration?

There are no applicable rules and no tendency to apply any internationally recognised guides.

52 Third-party funding

Is third-party funding of arbitral claims in your jurisdiction subject to regulatory restrictions?

No regulatory restrictions apply to third-party funding of arbitration.

53 Regulation of activities

What particularities exist in your jurisdiction that a foreign practitioner should be aware of?

There is a work permit requirement for any foreign person seeking to be engaged as an employee in Armenia. However, there are no unusual requirements with regard to foreign practitioners.



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