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ASIAN-AFRICAN LEGAL CONSULTATIVE ORGANIZATION



REPORT OF THE AALCO'S REGIONAL ARBITRATION CENTRES

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REPORT OF THE AALCO'S REGIONAL ARBITRATION CENTRES

I. INTRODUCTION

A. Background

1. The Asian-African Legal Consultative Organization (AALCO), during its Thirteenth Annual Session held in Lagos (Nigeria) in 1973, proposed that apart from follow-up of the work of the United Nations Commission on International Trade Law (UNCITRAL) in the field of International Commercial Arbitration, the Organization should also make independent study of some of the more important practical problems relating to the subject from the point of view of the Asian-African region. Accordingly, the Secretariat prepared an outline of the study, which received favorable response from the Member States. The Secretariat thereafter prepared a detailed and comprehensive study and the Trade Law Sub-Committee considered this study during the Fifteenth Session held in Tokyo (Japan) in 1974.

2. At the Tokyo Session, AALCO endorsed the recommendations of its Trade Law Sub-Committee, that efforts should be made by Member States to develop institutional arbitration in the Asian and African regions. Thereafter, the Secretariat, following the mandate of the Tokyo Session, prepared a revised study on the same topic so as to enable the Trade Law Sub-Committee during the Kuala Lumpur Session, to formulate principles or model rules for consideration. At the Kuala Lumpur Session (Malaysia) held in 1976, the Trade Law Sub-Committee requested the Secretariat to undertake a feasibility study for establishing regional arbitration centres in the Asian-African region, to be placed before the Eighteenth Annual Session of AALCO.¹

3. At the Eighteenth Annual Session, held in Iraq (Baghdad) in 1977, discussions were focused on the Secretariat study titled 'Integrated Scheme for Settlement of Disputes in the Economic and Commercial Matters', which envisaged *inter alia*, the establishment of a network of Regional Centres for Arbitration functioning under the auspices of the AALCO in different parts of Asia and Africa so that the flow of arbitration cases to arbitral institutions outside the Asian-African region could be minimized.

4. At the Nineteenth Annual Session, held in Doha (Qatar) in 1978, AALCO endorsed the Trade Law Sub-Committee's recommendations on the establishment of two Arbitration Centres for the Asian and African regions in Kuala Lumpur, Malaysia and Cairo, Arab Republic of Egypt respectively. It was envisaged that the two Arbitration Centres would

¹ The Secretariat study elaborated the two basic objectives of the AALCO's integrated dispute settlement scheme. In the first place, to establish a system under which disputes and differences arising out of transactions in which both the parties belong to the Asian-African and Pacific regions could be settled under fair, inexpensive and adequate procedures. Secondly, to encourage parties to have their arbitrations within the region where the investment made or the place of performance under an international transaction was a country within this region. The conclusions made in the study were in favour of establishment of six sub-regions, namely East Asia, South-East Asia, West Asia, North Africa and West Africa. It was, however, pointed out that scheme could initially work with two centres and other centres could be established in the light of experience and volume of work.

function as international institutions under the auspices of AALCO with the following objectives:

- (a) Promoting international commercial arbitration in the Asian and African regions;
- (b) Coordinating and assisting the activities of existing arbitral institutions, particularly among those within the two regions;
- (c) Rendering assistance in the conduct of Ad Hoc arbitrations, particularly those held under the UNCITRAL Arbitration Rules;
- (d) Assisting the enforcement of arbitral awards; and
- (e) Providing for arbitration under the auspices of the centre where appropriate.

5. In pursuance to the above decision, an Agreement was concluded in April 1978, between the AALCO and the Government of Malaysia in respect of the establishment of a Regional Centre for Arbitration in Kuala Lumpur. A similar Agreement was concluded in January 1979 with the Government of the Arab Republic of Egypt with respect to the establishment of a Regional Centre for Arbitration in Cairo. The Agreements recognized the status of the Centres as intergovernmental organizations and conferred certain immunities and privileges for their independent functioning.

6. The Host Governments also offered suitable premises, financial grants and necessary staff to run the Centres. The Centres adopted UNCITRAL Arbitration Rules with suitable modifications and offered their services to any party whether within or outside the region for the administered arbitration and facilities for arbitration whether *ad hoc* or under the auspices of any other institution.

7. The success of these two Regional Arbitration Centres prompted the AALCO to establish two more centres, one in Lagos (Nigeria), which was formally inaugurated in 1989. The other Centre was established in Tehran, for which an Agreement was concluded between AALCO and the Government of Islamic Republic of Iran in 1997 and subsequently the President of the Islamic Republic of Iran ratified the Agreement for implementation on 10 June 2003. A Memorandum of Understanding (MoU) between AALCO and the Government of Republic of Kenya was signed on 3 April 2006 during the Forty-Fifth Session of AALCO held in New Delhi to establish a fifth Centre in Nairobi. The Agreement establishing the Nairobi Regional Centre for Arbitration was signed by the then Secretary-General of AALCO and the Attorney-General of the Republic of Kenya during the Forty-Sixth Session of AALCO held at Cape Town, Republic of South Africa from 2 to 6 July 2007.

(i) Kuala Lumpur Regional Centre for Arbitration (KLRCA), Malaysia

8. The Kuala Lumpur Regional Centre for Arbitration (KLRCA) established in the year 1978 was the first such Centre in Asia. The Centre offers facilities and assistance for the conduct of arbitral proceedings, including the enforcement of awards made in the proceedings held under the auspices of the Centre. The Rules for arbitration under the auspices of the Centre are the UNCITRAL Arbitration Rules of 1976 with certain

modifications and adaptations. Other main functions of the Centre are to promote international commercial arbitration in the Asia-Pacific region and to render advice and assistance to parties who may approach the Centre.

9. Apart from these services the Centre also provides other options for the settlement of disputes such as mediation/conciliation under the Conciliation Rules of the Centre. The Centre, realizing the growing importance of intellectual property in the arena of Information and Communications Technology, also administers international and domestic ".*my* domain" name dispute resolution service, provided by the Malaysian Network Information Centre (MYNIC), which administers the ".*my* domain". All domain name disputes are governed and administered in accordance with MYNIC's Domain Name Dispute Resolution Policy (MYDRP), Rules of the MYDRP and RCAKL Supplemental Rules.

(ii) Cairo Regional Centre for International Commercial Arbitration (CRCICA), Arab Republic of Egypt

10. The Cairo Regional Centre for International Commercial Arbitration was established in 1979 jointly by AALCO and the Government of the Arab Republic of Egypt for an experimental period of three years. In 1983, an agreement was concluded between AALCO and the Egyptian Government for granting a permanent status to the Cairo Centre.

11. The Cairo Centre offers specialized services to settle trade and investment disputes, through arbitration. It also includes Alternative Dispute Resolution techniques (ADR) such as conciliation, mediation and technical expertise. Apart from this, the Centre also offers advice to parties to international commercial and investment contracts regarding drafting these contracts, promote arbitration and other ADR techniques in the Afro-Asian region through the organization of international conferences and seminars and organize training programmes for international arbitrators and legal scholars from the Afro-Asian region through the Centre's Institute for Arbitration and Investment. The Cairo Centre follows the UNCITRAL Arbitration Rules with certain modifications.

12. Apart from this, the Cairo Centre had also established the Institute of Arbitration and Investment in 1990; the Institute of Arab and African Arbitrators in Egypt in 1991; the Centre's Maritime Arbitration Branch in Alexandria, which deals exclusively with maritime disputes in 1992; the Cairo Branch of the Chartered Institute of Arbitrators of London in 1999; Alexandria Centre for International Arbitration in 2001; and a Mediation and ADR Centre as a branch of the Cairo Centre to administer commercial arbitration and other peaceful non-binding means of avoiding and settling trade and investment disputes in 2001.

(iii) Regional Centre for International Commercial Arbitration-Lagos (RCICAL), Federal Republic of Nigeria

13. In 1980, an Agreement was concluded with the Government of the Federal Republic of Nigeria for the establishment of a third Centre in Lagos. The Centre was formally inaugurated in March 1989. On 26 April 1999, Hon'ble Alhaji Abdullahi Ibrahim OFR (SAN), the then Attorney General and Minister of Justice, on behalf of Nigeria and H. E. Mr. Tang Chengyuan, the then Secretary-General of the AALCO, signed an Agreement in this connection. Since then, the Centre has been put into operation on the basis of its human resource and capital.

14. On 7 February 2006, the then Secretary-General of AALCO, H. E. Amb. Dr. Wafik Z. Kamil inaugurated the Advisory Committee of the Regional Centre for International Commercial Arbitration, Lagos. Also present on the occasion were Hon'ble A.G. Karibi-Whyte, CFR (Rtd.), Justice of the Supreme Court of Nigeria, Mrs. Eunice Oddiri, Director of the Centre, Members of the Advisory Board and many other dignitaries.

(iv) Tehran Regional Arbitration Centre (TRAC), Islamic Republic of Iran

15. An Agreement was concluded between the Government of the Islamic Republic of Iran and AALCO on 3 May 1997, for the establishment of a Regional Centre for Arbitration in Tehran. At the AALCO's Forty-Second Session in Seoul (Republic of Korea), the Delegate of Islamic Republic of Iran informed that the Judicial Power has adopted the Agreement and that all the legal procedures applicable in the Islamic Republic of Iran for the ratification of the said Agreement were completed.

16. The President of the Islamic Republic of Iran ratified the Agreement for implementation on 10 June 2003. Dr. Moshkan Mashkour was appointed as the Director and it was endorsed by the then Secretary-General of AALCO, H. E. Amb. Dr. Wafik Z. Kamil as per Article V of the Agreement. On 31 January 2005, the then Secretary-General of the AALCO approved the TRAC Rules of Arbitration.

(v) Nairobi Regional Arbitration Centre, Republic of Kenya

17. It may be recalled that during the Arusha (Tanzania, 1986) and Bangkok (Thailand, 1987) Annual Sessions of AALCO, the representative of Republic of Kenya had requested the AALCO to consider the feasibility of establishing a Regional Arbitration Centre in Nairobi to serve the countries in Eastern and Southern Africa. The African, Caribbean and Pacific Group of States (ACP) Secretariat had also approached the AALCO Secretariat for relevant information about the establishment and working of the AALCO's Regional Centres with a view to considering the possibility of establishing such a Centre in Nairobi. At about the same time, the Preferential Trade Area for Eastern and Southern African Countries (PTA) had also sought technical assistance for establishing an Arbitration Centre to serve the countries in those parts of Africa. The PTA Centre for Arbitration was set up in Djibouti on 21 November 1987 to function under the auspices of the PTA Federation of Chambers of Commerce and Industry.

18. During the Kampala Session (Uganda 1993), the Leader of the Delegation of Tanzania expressed the view that the PTA Centre in Djibouti had not negated the need for a Centre in Nairobi and suggested that the Secretariat should pursue the possibility and modalities for the establishment of a Centre in Nairobi. Consequently, the then AALCO Secretary-General, H. E. Mr. Frank X. Njenga had approached the Member Governments of Kenya, Uganda and Tanzania with a view to ascertaining the extent of material assistance and back-up support that could be provided by them for the establishment of a Centre in Nairobi which appeared to be an apt location to cater to the needs of the States in the Eastern and Southern parts of the African continent.

19. Accordingly at the Thirty-Third Annual Session held in Tokyo (Japan, 1994), a proposal was put before the Leaders of Delegations of Member States for the establishment of additional Centres in Tehran and Nairobi. This proposal was adopted in the Session vide Resolution "Progress Report on Regional Centres for Arbitration", operative paragraph 3 which stated that "Directs the Secretariat in collaboration with the States concerned to consider the feasibility of establishing a Regional centre for arbitration in Nairobi for serving the Countries in East and Southern African".² It is in the light of these developments that the Government of Kenya, through the office of the Attorney General, has expressed their desire of establishing a Regional Centre for Arbitration in Nairobi, Kenya.

20. It may be recalled that during the Forty-Fifth Annual Session of AALCO held at New Delhi on 3 April 2006, the then Secretary-General of AALCO and the Attorney General of the Republic of Kenya signed the Memorandum of Understanding (MoU) for the Establishment of the Regional Centre for Arbitration in Nairobi, Republic of Kenya.

21. In pursuance to the MoU, an Agreement Establishing the Nairobi Regional Arbitration Centre for Arbitration was signed between the then Secretary-General of AALCO and the Attorney General of the Republic of Kenya during the Forty-Sixth Annual Session of AALCO held at Cape Town, Republic of South Africa from 2-6 July 2007.

B. Activities of the Centres

24. Although in the beginning, the promotional activities of AALCO's Regional Arbitration Centres were primarily carried out by the AALCO, in view of experience accumulated over the years and the contacts established by these centres with Governments, governmental agencies and international institutions, such promotional activities are now mainly carried out by the Centres themselves. Such promotional activities are highlighted in the Reports of the Directors of the respective Centres.

25. It is a matter of great satisfaction that, over the years, there has been considerable increase in the number of cases, both international and domestic, referred to AALCO's Regional Arbitration Centres. The types of cases include oil contracts, insurance, intellectual property, construction contracts etc. and involve both public and private

² Minutes of the Meetings of the Leaders of Delegations of Member States held during the Thirty-Third (Tokyo) Annual Session of AALCO in 1994.

sectors. The resolution of commercial disputes by other Alternative Dispute Resolution (ADR) methods such as Mediation and Conciliation under the Rules of AALCO Centres is another option being favoured by the Parties.

26. An important function of the Directors of AALCO's Arbitration Centres has been to act as an Appointing Authority in such arbitrations. The Centres have been organizing international conferences, seminars and training courses in their respective regions. In addition, the Directors of the Centres have actively pursued the conclusion of Cooperation Agreements with other arbitration institutions.

27. With a view to enhancing the role and activities of the AALCO Regional Arbitration Centres, the Secretary-General would like to urge the Member States to fully support the growing activities of these Centres and consider making financial contributions to help in the implementation of their plans and activities. Further, in this context, two concrete suggestions for consideration of Member States are as follows:

(i) The Member States may consider designating a body, for example, the national chamber of commerce or other industrial promotion organizations to be associated with the AALCO Regional Arbitration Centres as the Liaison Agency within the country, with a view to promoting the activities of AALCO Centres.

(ii) Whilst entering into contracts on behalf of the Government, Public Corporations and other Government Undertakings, consideration might be given to including an arbitration clause for settlement of disputes under the arbitration rules of AALCO's Regional Arbitration Centres, where it is considered expedient for such disputes and differences being settled through AALCO's Regional Arbitration Centres.

28. Such encouragement from the Member States would further boost the work of AALCO's Regional Arbitration Centres.

29. The following part of this Secretariat Report places for consideration the three Reports of the Director's of the Kuala Lumpur, Tehran and Cairo Centres, highlighting the details of the activities of these Centres in the year 2008-09.

II. REPORT ON THE ACTIVITIES OF THE KUALA LUMPUR REGIONAL CENTER FOR ARBITRATION FOR THE YEAR 2008-09

1. <u>30TH YEAR OF THE KUALA LUMPUR REGIONAL CENTRE FOR</u> <u>ARBITRATION (KLRCA)</u>

The year 2008 marked the 30th year of the establishment of AALCO's Regional Arbitration Centre in Kuala Lumpur, Malaysia. KLRCA decided to host a Conference to commemorate the auspicious year. As proposed at the 46th Session of AALCO, the Conference was intended to be the Inaugural International Conference by AALCO's Regional Arbitration Centres. Unfortunately, due to the inability of the other Regional Arbitration Centres to be present, the Conference proceeded as the KLRCA's 30th Anniversary Conference, with the theme "The Asian Horizon".

The 30th Anniversary was memorable with the gracious presence of H. E. Amb. Dr. Wafik Kamil, the then Secretary-General of AALCO. Also present was Dr. Xu Jie, the Deputy Secretary-General of AALCO.

The celebrations began with a "Cocktail Reception", hosted by 12 major Malaysian legal firms, as show of their support for KLRCA.

The 2-days' Conference was made possible with the assistance of 3 members of the Malaysian Bar Council, who drew up the program and invited eminent speakers from the Asia-Pacific region. Topics that were deliberated during the Conference were based on the alternative dispute mechanisms provided by KLRCA, which included arbitration, mediation and domain name dispute resolution.

The Keynote Address was made by H. E. Amb. Dr. Wafik Kamil, and the Opening Address was made by the Rt. Hon. Dato' Sri Mohd. Najib Tun Abdul Razak, then the Deputy Prime Minister of Malaysia, who delivered the Address on behalf of the then Prime Minister of Malaysia. In addition to the presence of numerous delegates, H.E. Ambassadors and Heads of Missions of various countries, particularly of the member states of AALCO, attended the Conference. Also present were the Secretary-Generals of all the arbitration centres in the region.

Attendees were presented with tokens contributed by the Amanah Raya Berhad of Malaysia, and commemorative stamps contributed by Malaysian Postal Department.

The Hon. Datuk Zaid Ibrahim, then the Minister in the Prime Minister's Department, hosted dinner for all delegates, speakers and invitees in the evening of the first day of the Conference. The Hon. Minister delivered the Closing Address at the end of the second day of the Conference.

KLRCA hosted the Inaugural ICC-KLRCA Seminar on the third day of the celebrations. Eminent speakers included Mr. Jason Fry, the Secretary-General of ICC.

2. <u>KEY PERSONNEL OF KLRCA</u>

The Key Personnel of KLRCA during the major part of the year 2008 remained as stated in KLRCA's Annual Report of 2007.

It was timely that H. E. Amb. Dr. Wafik Kamil, the then Secretary-General of AALCO and Dr. Xu Jie, Deputy Secretary-General of AALCO made an official visit to the Centre on 6th April 2008. A lengthy discussion was held between the then Secretary-General, the Deputy Secretary-General and Dato' Noorashikin. The then Head of AALCO took the opportunity to tour the premise of KLRCA. His satisfaction with the upgraded facilities and infrastructure of KLRCA in 2007 was conveyed in his Keynote Address, where H.E. added that his last visit to the Centre was made in 2003.

H. E. Dr. Kamil kindly took cognizance that Dato' Noorashikin was leading KLRCA without any Legal Counsel. It was fortunate that with the consent of the Hon. Dato' Seri Mohamed Nazri Abdul Aziz, the Minister in the Prime Minister's Department, KLRCA was able to employ Legal Counsel Ms. Shereen Khan and Ms. Olivia Tan towards the end of 2008.

3. <u>PROPOSED CHANGE TO THE NAME OF KLRCA</u>

Although H. E. Amb. Dr. Wafik Kamil approved a change to the name, the name "KLRCA" remains as it is, as explained in the 2007 Annual Report.

4. <u>CASES UNDER THE AUSPICES OF KLRCA</u>

i. Arbitration Cases

Notwithstanding that KLRCA was left in the hands of Dato' Noorashikin alone for most of the years of 2007 and 2008, KLRCA continues to generate income through arbitration cases in those 2 years. In 2007, KLRCA secured 36 Domestic cases, and 4 International cases. There was an improvement in 2008, where KLRCA secured 39 Domestic cases, and 8 International cases. The Case Data is annexed herewith.

ii. Mediation Cases

KLRCA adopted the UNCITRAL Rules for Conciliation/Mediation in 1984. There were hardly any cases registered under KLRCA or under the Malaysian Mediation Centre. However, the move towards the reference to Mediation as an alternative dispute mechanism is noticeably seen internationally.

One Mediation case was registered with KLRCA in 2002. KLRCA registered another Mediation case in 2009 (as at to 30^{th} April 2009).

The Malaysian Government has been looking into the legislation of a Mediation Act. It is the hope of KLRCA to be involved under that Act.

iii. Domain Name Dispute Resolution

Despite the lack of legally qualified personnel in KLRCA in 2007/2008, 3 DNDR cases were registered in 2007 and 4 were registered in 2008.

However, with the forthcoming co-operation agreement that KLRCA hope to enter with the Asian Domain Name Dispute Resolution Centre (ADNDRC) [a branch of the Hong Kong International Arbitration Centre], KLRCA will expand its dndr services to **.com** in addition to the current **.my** top-level domain name.

5. <u>KLRCA PANEL OF ADVISORS</u>

The International Panel of Advisors created by Dato' Dr. Zakaria Yatim, then the Director of KLRCA, was abolished by the subsequent Director, Dato' Syed Ahmad Idid in 2004. As stated in the 2007 Annual Report, a Panel of Advisors was created by Dato' Noorashikin in July 2007. Due to financial constraints, members of the Panel of Advisors were limited to Malaysians. One is Dato' PG Lim, a former Director of KLRCA.

However, the Malaysian arbitral industry expressed their views that the members of the Panel of Advisors must be among prominent International arbitrators. KLRCA would then need additional fund from the Malaysian Government to bear the costs of airfare, accommodation and subsistence allowances for those learned individuals.

6. <u>MALAYSIAN ARBITRATION ACT 2005</u>

KLRCA records our utmost thanks and gratitude to the Malaysian Government for vesting the power of statutory appointing authority upon the Director of KLRCA. KLRCA appreciates the efforts taken by the Attorney General's Chambers for looking into any necessary amendments to the Act, particularly with regards to the decisions in the *Aras Jalinan* [2005]5 CLJ 654 and the *Putrajaya Holdings* [2008]7 MLJ 757 cases.

7. <u>CO-OPERATION AGREEMENTS</u>

KLRCA has been invited to enter co-operation agreements with/and have entered into co-operation agreements with the following:

- i. Asian Domain Name Dispute Resolution Centre (ADNDRC);
- ii. Azerbaijan Court of Arbitration;
- iii. China International Economic & Trade Arbitration Commission (CIETAC);
- iv. Sri Lankan National Arbitration Court (SLNAC);
- v. London Court of International Arbitration (LCIA);
- vi. Lexis Nexis.

8. <u>REVAMP OF KLRCA RULES & WEBSITE</u>

i. Item 11(i) of the Annual Report 2007 referred.

Criticisms were made against KLRCA on account of the low fees structure as provided under the Schedule of Fees. Members of the Rules Committee, who are lawyers cum arbitrators, have expressed views in relations with the Schedule of Fees. It was unanimously agreed that the Schedule of Fees be maintained as it is.

KLRCA should maintain its principal function to provide "facilities for arbitration under the KLRCA Rules for Arbitration for settlement of disputes in matters arising out of commercial transactions, including investment disputes through fair, expeditious and inexpensive procedures, so that resort to arbitration institutions outside the Asia pacific region may no longer become necessary."

The Rules, which was launched by the Rt. Hon. Dato' Sri Mohd. Najib Tun Abdul Razak on 7th April 2008, came into force on 3rd March 2009.

ii. Item 11(ii) of the 2007 Annual Report referred. KLRCA website has been redesigned.

9. <u>VISITORS TO KLRCA</u>

KLRCA continues to receive visitors. Among the prominent visitors were:

17 th January 2008:	H.E. Ambassador Aybek Khasanov of Uzbezkistan						
11 th June 2008:	th June 2008: Datuk Zaid Ibrahim, Minister in the Prime Minister's Department						
7 th August 2008:	H.E. the Hon. Musa'id, the Deputy Minister of Justice, and delegations from the Kingdom Saudi Arabia						
9 th October 2008	H.E. Prof. Rahmat Mohamed, the Secretary-General of AALCO, the Hon. Tan Sri Abdul Gani Patail, the Attorney-General of Malaysia and the Hon. Datuk Azailiza Mohd. Ahad, the Head of the International Affairs Division of AG's Chambers of Malaysia.						

10. ACTIVITIES BY KLRCA FOR THE YEAR 2008

i. UNCITRAL Working Group Session on UNCITRAL Rules for Arbitration

KLRCA was present at the Session held in New York in January 2007. However, due to shortage of manpower, KLRCA was represented at the Session held in New York in June 2008 by Mr. Khoo Guan Huat of Messrs. Skrine, and at the Session held in Vienna in September 2008 by Mr. Ivan Loo of Messrs. Skrine. Expenses were borne by KLRCA.

ii. Training of Asian Law Students Association Kuala Lumpur: 11th January 2008

KLRCA delivered a talk on arbitration and KLRCA services for 230 Law students from various universities located in the Asian region.

A Fast-Track Training program on arbitration for the students was jointly conducted by KLRCA and The Malaysian Institute of Arbitrators.

iii. IBA-UN 50th Anniversary of the New York Convention New York: 1st February 2008

KLRCA was invited by the Inter-Bar Association to chair a session on the topic "Writing requirements in arbitration".

iv. UIA-Lawasia Conference Jaipur: 9th February 2008

KLRCA was invited by Lawasia to deliver a paper on "How to choose an arbitration institution".

v. Talk for INTAN KLRCA: 3rd April 2008

KLRCA presented a talk on arbitration for Malaysian Government servants who were undergoing a course at INTAN.

- vi. KLRCA 30th Anniversary Conference Kuala Lumpur: 7th-8th April 2008
- vii. ICC-KLRCA Seminar Kuala Lumpur: 9th April 2008
- viii. ICC-SIAC Symposium Singapore: July 2008

KLRCA was invited by ICC to present a paper. KLRCA was represented by Mr. Lim Chong Fong of Messrs. Azman Davidson & Co. Expenses were borne by KLRCA

ix. ILA Conference Rio de Janeiro: 9th-10th August 2008 KLRCA was invited by the Brazilian Law Society to deliver a paper on "Asian Perspective of Arbitration".

x. RAIF Conference Brunei: August 2008

KLRCA was invited to present a paper. KLRCA was represented by Mr. James Monteiro of Messrs. Zaid Ibrahim. Expenses were borne by KLRCA.

xi. Talk for Kedah Bar Association Alor Setar: 15th October 2008

KLRCA delivered a talk on arbitration and KLRCA services for members of the Kedah Bar Association

xii. Talk for University of Malaya KLRCA: 24th October 2008

KLRCA delivered a talk on arbitration and KLRCA services for Law students from the University of Malaya.

11. <u>BUSINESS PLANS</u>

By the 2nd decade of the establishment of KLRCA in Malaysia, KLRCA lost its glory. KLRCA was regarded as archaic and historically recognized merely as the first arbitration centre in Asia to adopt the UNCITRAL Rules for Arbitration. As KLRCA was approaching its 3rd decade, other institutions, *albeit* domestic or international, fair better.

Having had the privilege of serving KLRCA as the Legal Counsel for almost 4 years under the leadership of 2 Directors, and given the opportunity to lead KLRCA since 29th March 2007, Dato' Noorashikin formulated a Business Plan for KLRCA in 2008. The Business Plan is the product of her personal observations on the arbitral community within and beyond the shores of Malaysia, and her numerous discussions with members of the arbitral community. The Business Plan comprises 5 Phases, 2 of which have been executed.

It is her view that if at least 70% of the Business Plan is realized, KLRCA will then be able to achieve an excellent Key Performance Indicator, and be on the same level (if not better) playing field to that of its competitors.

Without having to produce the Business Plan here, it is suffice to state that there are at least 2 major considerations to be addressed:

i. Manpower

It has been observed that unlike the Directors of KLRCA, the respective tenure of the Directors of the other Regional Arbitration Centres is lengthy. A prime example is that of the Cairo Centre, whose Director since its establishment was Dr. Aboul Einein, until his recent demise. The security of tenure and continuity of service of the key personnel, which includes all legal officers, is the main ingredient for any organization to be successful.

The annexed Case Data is from the year 2000, which was soon after the end of almost 20 years' tenure of Dato' PG Lim as the Director of KLRCA. All Legal Counsel were appointed on a contractual tenure of a specified period, with the exception of Dato' Noorashikin, who joined KLRCA around 2003. Whilst subsequent Legal Counsel and Legal Executive left KLRCA, the continuous existence of one Legal Counsel lent hand to the increment of the cases registered with KLRCA (notwithstanding that there were 2 replacement of Directors during that period). The probable cause of the drop of the number of International cases in the year 2006 is that too much time and emphasis were focused on 2 major Conferences hosted by KLRCA in that year of 2006.

Notwithstanding the lack of Legal Counsel after 31st January 2007, Dato' Noorashikin was able to secure an increment in the number of cases for KLRCA in 2007-2008. The ability is attributed to her length of experience at KLRCA.

In October 2008, Ms. Shereen Khan was employed as Legal Counsel to administer arbitration cases. In December 2008, Ms. Olivia Tan was employed as Legal Counsel to administer mediation cases, and as the Case Administrator for dndr. Both Legal Counsel are also Research Officers to prepare papers for presentations. With the current 3-member Legal team of KLRCA, by end of April 2009, KLRCA has been able to secure more arbitration cases than what was secured for the full year of 2000-2005, respectively.

To secure cases, an organization requires competent officers. To ensure commitment from the officers, the officers need to be adequately remunerated. That involves money. To ensure continuity of commitment requires security and continuity of tenure, which never existed in KLRCA.

ii. Promotional activities

KLRCA needs to be known again. To gain recognition requires promotional activities, which require traveling outside Malaysia, which requires money.

KLRCA now avoids hosting any Conferences, emphasizing more on promotional activities, which would include accepting invitations to speak at Conferences organized by other institutions or bodies.

12. <u>KLRCA NEWSLETTERS</u>

The last KLRCA Newsletter was the January 2007 issue, which was done when KLRCA was fully manned with a Director, 2 Legal Counsel and 1 Legal Executive. With the presence of Ms. Shereen Khan and Ms. Olivia Tan, the draft Newsletter is now ready for publication.

13. ACTIVITIES BY KLRCA FOR THE YEAR 2009

i. Lawasia Seminar on IT, Law, Terrorism & Crimes: Asia Pacific Perspective Hyderabad: 31st January-1st February 2009

KLRCA was invited by Lawasia to chair the session on Intellectual Property Issues in IT

ii. UNCITRAL Working Group Session on UNCITRAL Rules for Arbitration New York: 9th-13th February 2009

KLRCA was invited and was present.

iii. Latest Developments & Critical Updates in Maritime Law & Arbitration Conference 2009 Singapore: 25th –26th February 2009

KLRCA was invited to present a paper on "Fast Track Maritime Arbitration"

iv. 2nd Annual Maritime Law & Practice Conference Kuala Lumpur: 17th-18th March 2009

KLRCA was invited to present a paper, but was represented by Datuk William Lau.

v. Talk for University of Malaya KLRCA: 24th March 2009

KLRCA delivered a talk on arbitration and KLRCA services for Masters Law students from the University of Malaya.

vi. Talk for INTAN KLRCA: 26th March 2009

KLRCA presented a talk on arbitration for Malaysian Government servants who were undergoing a course at INTAN

vii. Trade Mission to Europe

Frankfurt/Milan/London: 20th-28th April 2009 KLRCA was invited by the Malaysian Industries Development Authority to join the delegation, headed by the Hon. Minister of Trade & Industry, for the Trade Mission to promote Trade & Investment in Malaysia.

viii. Conference on Commercial Contracts & Alternative Dispute Resolution Hong Kong: 22nd-23rd April 2008

KLRCA secured a free seat to attend.

ix. Malaysian Admiralty Laws & Regulations Conference Kuala Lumpur: 28th-29th April 2009

KLRCA was invited to chair a session.

x. Intensive Master-Class-Practical Training for Business Lawyers & Negotiators Kuala Lumpur: 12th-15th May 2009

Supported by KLRCA

xi. Conference on Commercial Contracts & Alternative Dispute Resolution Kuala Lumpur: 13th-14th May 2009

KLRCA invited to chair a session

xii. Charmonix 111-ITC Symposium on the Management of Commercial Dispute Resolution Services Offering Effective Dispute Resolutions to SMEs Charmonix: 13th-17th May 2009

KLRCA was invited to be a moderator. All expenses, including flight, accommodation and subsistence allowance borne by the International Trade Centre in Geneva.

xiii. ADNDRC Conference 2009 Hong Kong: 22nd May 2009

KLRCA invited to speak on "Key Aspects in Resolution of Domain Name Dispute in Asia"

xiv. IFCAI AGM & Biennial Conference Tunis: 26th-30th May 2009

As a member of the International Federation of Commercial Arbitration Institution (IFCAI), KLRCA has been invited to attend the AGM, during which time a Memorial will be delivered for Dr. Aboul Einein, as the Vice-President of IFCAI.

xv. Conference on Resolution & Resilience: ADR in the Global Recession Melbourne: 29th-31st May 2009

KLRCA has been invited by the Institute of Australian Mediators & Arbitrators (IAMA) to present a paper on "The Survey on On-Line Mediation in South-East Asia".

xvi. Conference on Best Practices of International Arbitration in Asia Seoul: 21st-23rd June 2009

As a member of Asia-Pacific Arbitration Group (APRAG), KLRCA has been invited to present a paper on "Asian Arbitration Practices under the Common Law Jurisdiction".

xvii. APEC-UNCTAD Regional Training Course on the Core Elements of International Investment Agreements in the APEC Region Kuala Lumpur: June (date to be confirmed)

KLRCA has been invited by the APEC to participate in the Forum

xviii. Talk for Monash University KLRCA: 13th July 2009

KLRCA deliver a talk on arbitration and KLRCA services for Law students from Monash University.

xix. Oil & Gas Legal Contracts Excellence 2009 Conference Kuala Lumpur: 20th-21st July 2009

KLRCA is invited to present a paper on "Discussing the increase in dispute cases & assessing the best way to resolve it: Mediation v Arbitration v Litigation"

xx. 2009 Diploma Course in International Commercial Arbitration Sydney: August 2009 (exact date to be confirmed)

KLRCA invited to present a paper on the comparison by 4 International Arbitration Institutions

xxi. ASEAN Law Associations 10th General Assembly Hanoi: 14th-18th October 2009

KLRCA invited to present a paper

xxii. Lawasia Moots 2009 Ho Chi Minh City: 9th-12th November 2009

KLRCA is the co-organizer, and the author for the arbitration moot problem, both national and international rounds

National Rounds: KLRCA: 8th-9th August 2009

14. <u>CONCLUSION</u>

The Business Plan was submitted to the Hon. Dato' Seri Mohamed Nazri Abdul Aziz, the Minister in the Prime Minister's Department, in 2008.

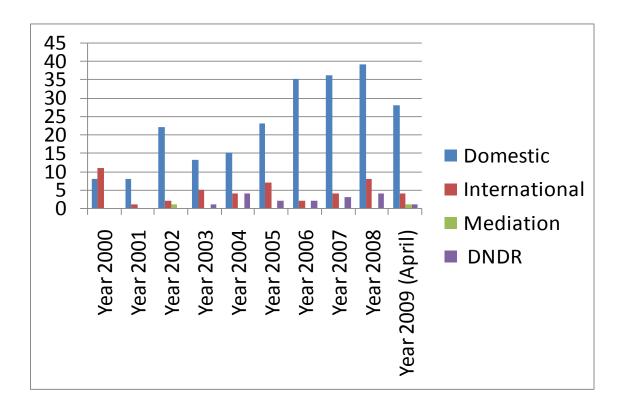
On 13th March 2009, the Malaysian Cabinet Ministers directed to look into means of strengthening KLRCA.

On 6th April 2009, the Legal Affairs Department of the Prime Minister's Department convened a meeting with KLRCA and members of the arbitral community.

- KLRCA is to firm up the Business Plan and focus on promotional activities;
- The Malaysian Bar Council & the Chartered Institute of Arbitrators (Malaysia branch) are to present written views/suggestions;
- The Attorney-General's Chambers to look into any necessary amendments to the Malaysian Arbitration Act 2005;
- The Legal Affairs Department to prepare the Cabinet Paper in relation to the need to increase the financial grant for KLRCA.



New Cases Registered-KLRCA



Annex-II

Case Data (2000-2009)

Institution: Kuala Lumpur Regional Centre for Arbitration (KLRCA)

New Cases Registered	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009 (as at 30th April 2009)
Domestic Arbitration	8	8	22	13	15	23	35	36	39	28
International Arbitration	11	1	2	5	4	7	2	4	8	4
Domain Name Disputes	0	0	0	1	4	2	2	3	4	1
Mediation Total :	0 19	0 9	1 25	0 19	0 23	0 32	0 39	0 43	0 51	1 34

III. REPORT ON THE ACTIVITIES OF THE TEHRAN REGIONAL ARBITRATION CENTRE (TRAC), 2008-09

INTRODUCTION

The present document is prepared by the Tehran Regional Arbitration Centre (TRAC) for submission at the Forty-Eighth Session of the Asian African Legal Consultative Organisation (AALCO) to be held in Putrajaya, Malaysia, from 17-20 August 2009. It contains the report of activities undertaken by TRAC and the foreseen plans for 2009.

A. ACTIVITIES IN 2008

During 2008, TRAC has stayed devoted to the fulfillment of its missions and responsibilities for the promotion of international arbitration. Increasing awareness about international commercial arbitration amongst the practitioners, nurturing grounds for the use of arbitration clauses in various international and domestic contracts and conducting arbitration have been the main headlines of TRAC activities.

The following summarises TRAC's activities during 2008.

1. <u>INCREASING AWARENESS ABOUT INTERNATIONAL COMMERCIAL</u> <u>ARBITRATION</u>

Undoubtedly, the foundation of international arbitration cannot be perfectly laid out without infusing necessary awareness regarding this function amongst legal and business practitioners. To this end TRAC, like previous years but on a larger scale, organized several workshops, conferences and seminars on common matters pertaining to international arbitration. The participants of these events varied to include lawyers, judges, businesspersons and in-house counsel from different trade, telecommunication, oil and gas and construction sectors. In addition, the seminars and conferences were open to law students of various law faculties.

Seminars and conferences were held free of charge. TRAC decided to implement these measures to facilitate a wider participation and thus contribute further to the promotion of international arbitration.

The panelists and speakers of these events were among the prominent figures of international arbitration.

These events have been warmly welcomed by the business and legal communities and been viewed as an innovative approach for the promotion of international arbitration and confidence building amongst commercial corporations.

The first package of workshops on Selected Subjects of International Law (16 Workshops from February 2008-February 2009) were completed. Based on received feedbacks the participants who were the in-house counsel of oil, gas and communication sectors have

found these workshops very practical as well as concise, in terms of providing the latest developments on the issues of international law common place in international commercial law and international businesses discourse.

In order to establish an effective communication with the public and private commercial sectors and legal professionals, a large number of leaflets containing information about the services provided by TRAC have been prepared and distributed amongst relevant persons.

Furthermore, to generate awareness about international arbitration, TRAC reflects the latest development in international arbitration, including the latest publications, arbitral decision briefs and upcoming international seminars and events through its website and invites interested persons to contribute to this section on a regular basis.

In the meantime, based on information received, TRAC arbitration clause continued to be inserted on a continuous basis in international contracts including in a few major international agreements in the oil sector.

2. <u>NEW ARBITRATORS</u>

TRAC received a number of applications from arbitrators of different nationalities requesting to be included in TRAC's list of Arbitrators. From which, TRAC had the honour of selecting and inserting the names of a number of high-profile figures of international arbitration for the ease of reference of parties at the time of selecting their arbitrators.

Presently, the List contains a balanced mixture of arbitrators from different nationalities and backgrounds. TRAC has been informed that this list provides the parties with a significant perspective as to the constitution of the arbitral tribunal.

3. <u>FINANCIAL ACHIEVEMENT</u>

During this year as previous years, TRAC has been committed to upholding its independence at an optimum level. In doing so, it has remained financially independent from Government contributions in 2008.

4. <u>ARBITRATION CASES</u>

During 2008, TRAC received a number of inquiries from different entities intending to refer their disputes to TRAC. While observing its impartiality and independence TRAC provided sufficient insights as to the process of arbitration and sound assurance as to an expedient and efficient settlement of such disputes.

Furthermore, at the end of 2008, new arbitration case arising from a contract containing TRAC's arbitration clause commenced under TRAC Rules of Arbitration and is currently under process.

TRAC has been dedicated to providing necessary assistance to the parties within the scope of its rules, in the selection of their arbitrators, in the decision on the number of arbitrators and by facilitating communication between the parties. And it has been doing its utmost to ensure a smooth process of arbitration.

As a result of the previous year's promotional activities, TRAC arbitration clause has been inserted in a large number of contracts concerning different companies and with different subject matters.

It is expected that a number of new cases be referred to TRAC in 2009.

5. <u>INTERNSHIP PROGRAMME</u>

In 2008, TRAC has offered a limited number of summer internship places to law students from foreign universities who had special interests in international arbitration. The interns were granted certificates of completion based on their performance during the internship programme.

B. FORESEEN PLANS FOR 2009: PROMOTIONAL ACTIVITIES

In prospect of next year, TRAC will carry on its promotional activities.

As for the promotion of international arbitration, it has organized a second package of workshops, which are comprised of some 16 individual workshops and 6 seminars on various subjects pertaining to international arbitration.

TRAC is currently working on fostering a few large-scale conferences in cooperation with other arbitration centres in the Region, to touch more diverse subject matters and to address a wider audience.

Regarding the promotion of its services, TRAC will continue to present itself to still different sectors and legal practitioners through distribution of leaflets, holding meetings and attending different international seminars.

In addition, it has published a Handbook on International Arbitration containing relevant Conventions, Arbitration laws and Rules of Arbitration of most commonly referred arbitration institutions.

IV. REPORT ON THE ACTIVITIES OF THE CAIRO REGIONAL CENTRE FOR INTERNATIONAL COMMERCIAL ARBITRATION (CRCICA), 2008-2009

1. <u>ESTABLISHMENT OF CRCICA ADVISORY COMMITTEE</u>

According to the Chairman of the Board of Trustees Decision no. (1) of 2009 dated 31 March 2009, an Advisory Committee composed of twelve eminent jurists and practitioners was constituted to carry out the tasks assigned to the High Legal Committee under Articles 7 (bis) and 12 (bis) of the CRCICA Rules. The tasks aim at ensuring the sound administration of justice and the proper conduct of arbitral proceedings. According to the relevant articles, the Director of CRCICA may request the Committee to provide reasoned opinions in matters related to *inter alia* rejecting the appointment of an arbitrator subject to the existence of substantial evidence confirming his/her lack of legal or contractual requirements or breach of CRCICA's Code of Ethics in a previous case. The Committee's approval is also required before removing an arbitrator who fails to act or deliberately delays the commencement or the continuation of the arbitral proceedings.

2. <u>ESTABLISHMENT OF YAPF</u>

In 2008, CRCICA started working on establishing under its auspices a forum for practitioners under the age of 40 working in the fields of arbitration and ADR. The CRCICA Young Arbitration Practitioners Forum ("YAPF") was launched in March 2009, aiming to realize the following:

1. Provide a forum for young (under 40 years of age) professionals to learn from more experienced practitioners about career development and issues of interest in the field.

2. Provide opportunities for young professionals to network, identify and develop mutual beneficial relationships.

3. Encourage members to research and write papers of interest for distribution amongst CRCICA YAPF members and the broader international arbitration community.

4. Organize educational programs, receptions and social events co-hosted by participating firms or other organizations internationally.

5. Work with other groups of young arbitrators and other professionals.

6. Educate and expose members to CRCICA dispute resolution services.

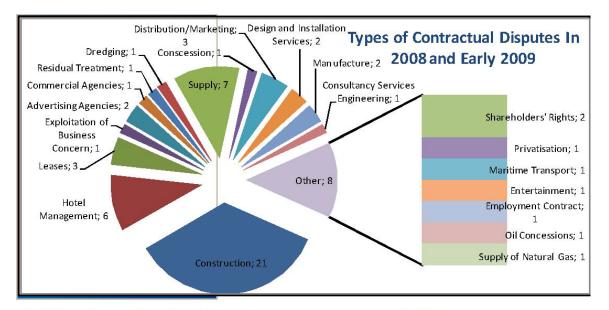
7. Establish, maintain, utilize, and develop solid relations with similar associations worldwide.

It is expected that the first YAPF event will take place this November at Sharm El Sheik on the occasion of CRCICA's conference on the Role of State Courts in Arbitration.

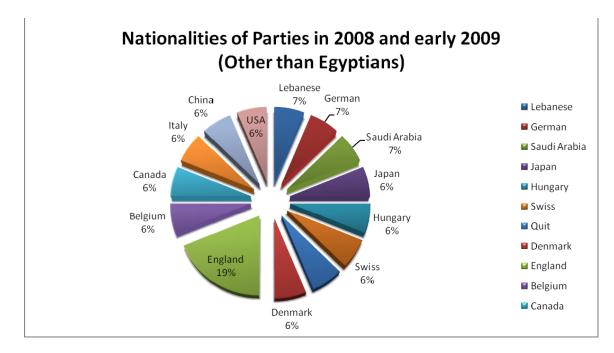
3. CRCICA CASE REPORT

The total number of domestic and international cases filed before CRCICA reached 637 cases among which 582 cases are already settled (whether by final arbitral awards, including awards on agreed terms, or by subsequent conciliation or mediation), while 55 cases are still pending before the Centre. It is noteworthy that case referrals in early 2009 until mid-July are 27.

In 2008/2009, various types of contractual disputes were submitted to CRCICA, these included construction, hotel management, leases, exploitation of business concern, advertising agencies, commercial agencies, residual treatment, dredging, supply, concession, distribution/marketing, design and installation services, manufacture, consultancy services engineering, shareholders' rights, maritime transport, oil concessions, entertainment, TV transmission, supply of natural gas, entertainment business and labor contractual disputes. It is noted that disputes related to privatization are recently introduced and that Information Technology disputes are recurrently referred to the Centre (see the illustrating diagram).



In 2008 and beyond, beside multinational corporations, parties to CRCICA arbitration proceedings have been business entities from a broad span of countries including, but not limited to, Egypt, Lebanon, Saudi Arabia, Kuwait, Japan, Hungary, Greece, Denmark, UK, Germany, Switzerland, Belgium, Canada, Italy, China and U.S.A. (see the illustrating diagram).



Just as the nationalities of parties vary, these of arbitrators do. During the period reported, arbitrators appointed in CRCICA cases are nationals of Egypt, Jordan, Lebanon, Morocco, France, Italy, the UK, Greece, Switzerland, Netherlands and the USA. In various cases, CRCICA acted as an appointing authority whether according to the choice of the disputed parties or the designation of the Permanent Court of Arbitration (PCA).

4. <u>CRCICA EVENTS IN 2008 AND EARLY 2009</u>

In 2008/2009, CRCICA organized four conferences and two training courses. According to the chronological order, these were: (1) International Arbitration Training Course leading to the membership of the Chartered Institute of Arbitrators (April 2008); (2) First Arab-UNCTAD Conference on "Investor-State Dispute Settlement: Challenges and Perspectives for Arab Countries" (May 2008); (3) "Procurement Law and Construction Contract in Egypt" (June 2008); (4) New York Convention: 50 Years...Practical Perspectives on the Recognition and Enforcement of Foreign Arbitral Awards (November 2008); (5) International Commercial Arbitration and ADR in a Challenging World....Cross Cultural Perspectives (March 2009); (6) ABA/CRCICA Continuing Legal Education for Young Lawyers in Egypt: Skills, Practice, and Professionalism (April/June). Details of some of the events follow:

i. First Arab-UNCTAD Conference on "Investor-State Dispute Settlement: Challenges and Perspectives for Arab Countries"

On 14-15 May 2008, CRCICA took lead in introducing the first ever Arab-UNCTAD Conference on "Investor-State Dispute Settlement: Challenges and Perspectives for Arab Countries". Hosted by the Arab League, the conference addressed the evolving landscape in investment rulemaking and investor-State disputes and the challenges facing Arab countries. It included presentations on the latest trends in international investment

agreements and the recent developments in investor-State dispute settlement with a particular focus on Arab countries. It reviewed international investor-State dispute settlement mechanisms. It also addressed alternative ways to settle investor-State disputes, explored issues of dispute avoidance and ADR and looked into the role of international organizations and host States in sharing experiences and providing assistance in dealing with investment disputes.

Participants had different backgrounds and professions Government officials, academia, and foreign investors). The quality of participants, as reported by the UNCTAD, was excellent and allowed for an in-depth coverage of topics and produced interesting discussions and sharing of experiences among participants and a good dialogue with the resource persons.

Speaking in terms of outcome, the event discussed for the first time the possibility of establishing a regional advisory facility for host Arab countries. The Conference also provided "an excellent opportunity for the UNCTAD secretariat and the CRCICA to establish a good working relationship to meet requests for further technical assistance work in the region" (UNCTAD Final Conference Report, June 2008).

ii. New York Convention: 50 Years...Practical Perspectives on the Recognition and Enforcement of Foreign Arbitral Awards

On the occasion of the 50th anniversary of the *New York Convention on the Recognition* and Enforcement of Foreign Arbitral Awards, the UNCITRAL supported four celebratory events around the world. The CRCICA New York Convention: 50 Years Practical Perspectives on the Recognition and Enforcement of Foreign Arbitral Awards ranks the fourth in the Series.

Held on 10-11 November 2008, the conference witnessed the attendance of 202 participants from 21 different countries being Egypt, Saudi Arabia, Jordan, Kuwait, Lebanon, Libya, Morocco, Palestine, Qatar, Sudan, Syria, Tunisia, U.A.E., Yemen, Bahrain, Djibouti, Austria, Italy, England, France and Canada.

The Cairo Conference agenda revealed two complementary approaches; one tackling the international scope of the recognition and enforcement of foreign arbitral Awards and the other handling regional mechanisms for improving the implementation of the Convention. Within a trans-cultural context, the question whether the New York Convention should be supplemented or revised was posed, exposing in the process possibilities of modifying some provisions of the Convention to further meet evolving needs.

On the sidelines of the Conference, CRCICA celebrated the achievements of Dr. Jernej Sekolec who stepped down as a Secretary of the UNCITRAL in 2008.

As an outcome of the Conference, CRCICA prepared a questionnaire on the enforcement of its Arbitral Awards to further improve its post-arbitration services. Also, CRCICA embarked on codifying case law on the New York Convention for publication in the Journal of Arab Arbitration.

iii. On the Occasion of CRCICA's 30th Anniversary: International Commercial Arbitration and ADR in a Challenging World....*Cross Cultural Perspectives*

On the occasion of its 30th anniversary, on 29-30 March 2009, CRCICA held in international conference entitled: "international Commercial Arbitration and ADR in a Challenging World...Cross Cultural Perspectives" held in close cooperation with the UNCITRAL, the IFCAI and the League of Arab States, the Conference witnessed remarkably exceptional gathering of key representatives of all major international and regional arbitral institutions as well as a variety of international arbitration and ADR expert speakers from 17 different countries. The overall attendance signal of the conference marks a total of 248 participants from 31 different countries being Oman, USA, Egypt, Saudi Arabia, Tunisia, Algeria, Syria, Australia, France, Germany, Libya, Sudan, Lebanon, UAE, Jordan, Sweden, Yemen, Serbia, Iraq, Kuwait, Qatar, Palestine, Canada, Morocco, Netherlands, Pakistan, Austria, Bahrain, Switzerland, Spain, England.

The Conference opened up by a historic juxtaposition of the perspectives of the foremost arbitral institutions of the World, the ICC, the ICSID and the AAA. The agenda was thematically designed to screen the latest trends of arbitration and ADR through a balanced exposure of the experiences of major arbitral institutions, the views of international practitioners and the expectations of regional practitioners, all three edges were placed under the broad umbrella of international trade and investment laws and regulations as represented in the UNCITRAL, the United Nations Conference on Trade and Development (UNCTAD) and the International Institute for the Unification of Private Law (UNIDROIT). Mediation and on-line arbitration were given remarkably exceptional attention.

iv. ABA/CRCICA CLE Programmes

CRCICA has been offering continuing legal educational (CLE) programs since the 80's on different complementary levels with key international law schools and institutions including the Queen Mary School of International Arbitrators (SIA), University of London, the Chartered Institute of Arbitrators (CIArb) and the International Law Institute. This year CRCICA cooperated with the American Bar Association (ABA) to offer its latest CLE program.

The ABA is the world's leading private, non-governmental professional association for lawyers, judges and other legal professionals, with over 400,000 members. One of the ABA's core competencies is the professional development of lawyers. The ABA maintains a continuing legal education center for lawyers in the United States and supports professional development training of lawyers around the world. Since 1990, the ABA has been promoting the rule of law in Africa, Asia, Eastern Europe and the former Soviet Union, Latin America, and the Middle East and North Africa, and now conducts those activities through the ABA Rule of law Initiative. The ABA Rule of Law Initiative has implemented bilateral programs in more than forty countries around the world, including Algeria, Bahrain, Egypt, Jordan, Morocco, Oman, and Yemen.

The goal of the CRCICA/ABA CLE program was to develop the practical skills of recently graduated lawyers, helping them to become more effective advocates for their clients. The course was intended to build the skills of young lawyers in legal research, legal writing, advocacy, negotiation, client relations and legal procedure. 25 successfully completed the course. The students were all recent graduates of law schools in Egypt, employed and unemployed.

The classes were taught by foreign and Egyptian practitioners and academics. The classes included, advocacy skills, negotiation skills, memos and contracts drafting, core research skills, arbitration and ADR. At the end of the program, a moot arbitration was held whereby students were divided into claimants and respondents and argued a case about international sales of goods before practitioners and arbitrators.

Given the success of the program, CRCICA and ABA decided to hold the course again during the next fall.

5. <u>MEDIATION ON THE HORIZON</u>

One of CRCICA's prime priorities is to maintain a reliable and well established regional mechanism for the due processing of mediation techniques. This has been insinuated by the increasing global importance of mediation and the relative need of individual as well as institutional mediation capacity-building programs on the regional level.

By the establishment of its Mediation and ADR Centre in 2001, CRCICA founded up an international institutional infrastructure for mediation in the region. Since then, the Cairo Centre has held mediation conferences and training courses in cooperation with the German Arab Chamber of Industry and Commerce, the Chartered Institute of Arbitrators (CIArb) and the Centre for the Study of the United Nations System and the Global Legal Order (SUNSGLO).

CRCICA maintains a unique list of international mediators from eighteen countries being Egypt, Lebanon, Kuwait, Saudi Arabia, Tunisia, U.A.E, Jordan, Syria, England, Iran, Ireland, U.S.A., Romania, Bahrain, France, Germany, Belgium and Australia.

2008/2009 marks a period of distinction for CRCICA mediation profile for being selected as a local partner for the International Finance Corporation (IFC) to build local capacities and train trainers in the field of mediation. IFC/CRCICA cooperation is seen to be highly instrumental in qualifying professional mediators and building sound mediation culture in Egypt and neighboring countries. Also, CRCICA Mediation and ADR Centre has recently joined MEDIATION WORLD ¹as a country representative.

¹ MEDIATION WORLD is a unique, global initiative involving mediation bodies around the world, and is sponsored by the UK Government, designed to make up-to-date information on mediation developments in every country in the world to resource governments, courts, businesses, mediators, and others seeking to develop mediation in their own part of the world.

6. <u>CRCICA AND UNCTAD: BOOMING COOPERATION IN TECHNICAL</u> <u>ASSISTANCE</u>

CRCICA and UNCTAD work together to explore possibilities to establish an Advisory Facility on International Investment Law and Investor-State Disputes Settlement (ISDS) for developing countries in the region. The services of such a Facility are being negotiated to include capacity building, technical assistance, mediation and ADR training, access to information, dispute prevention and ISDS advice.

The geographical scope of the Facility is said to *ab initio* include African and Arab Asian Countries. The environmental viability of the Facility, however, might allow for possible extension to non -Arab Asian Countries at a later stage.

Two meetings were held already between UNCTAD and CRCICA to discuss modalities of the Facility. Both institutions will continue to cooperate in exploring the regional feasibility of the project. Within this context, it is being considered to hold a regional seminar surveying the views and expectations of ISDS stakeholders in the region.

7. <u>CRCICA IN A YEAR: INTERNATIONAL OUTREACH AND REGIONAL</u> <u>CONTRIBUTION</u>

In 2008/2009, CRCICA has actively contributed by expert speeches and research papers in various arbitration conferences and meetings in the US, Sweden, Spain, The Netherlands, France, Austria, Jordan and the United Arab Emirates. Relevant events involved the IFCAI, the ABA, the International Bar Association (IBA), the AUIA and QUEEN MARY University of London...etc.

Being one of the prime arbitration and ADR training providers in the region, CRCICA was called upon to vitally contribute in providing training for practitioners in Libya, Kuwait, and Iraq on the settlement of international investment disputes, the drafting of arbitral awards as well as on corruption and arbitration. CRCICA develops new relations with international organizations providing regional technical assistance and capacity building programs such as the Organization for Economic Cooperation and Development (OECD).

In 2008/2009, CRCICA concluded two new cooperation agreements with the Qatar International Centre of Arbitration (January 2008) and the GCC Commercial Arbitration Centre in Bahrain raising the total number of cooperation agreements to 59. Another agreement is being negotiated with the Libyan Capital Market, the scope of which expands to include cooperation to establish and provide technical assistance to specialized arbitration Centres in Libya. It is also notable that CRCICA will be soon cooperating with the Organization for Economic Cooperation and Development (OECD) within the context of MENA-OECD Investment Programme. Other modes of cooperations are being projected with the CAS, the China Law Society and the Mongolian Court of Arbitration.