

# **Law No. 27/1994 Promulgating the Law Concerning Arbitration in Civil and Commercial Matters<sup>1</sup>**

In the Name of the People,

The President of the Republic,

The People's Assembly has adopted the following law and we have promulgated it.

## **Article 1**

The provisions of the annexed Law shall apply to any arbitration pending at the time of its entry into force or which commences thereafter, even if it is based on an arbitral agreement concluded before the entry into force of this Law.

## **Article 2**

The Minister of Justice shall issue the decrees required for the execution of this Law, and shall establish the lists of arbitrators from which selections may be made pursuant to the provisions of Article 17 thereof.

## **Article 3**

Articles 501 to 513 of Law No. 13/1968 promulgating the Code of Civil and Commercial Procedures are hereby repealed as well as any provision contrary to the provisions of this Law.

## **Article 4**

This Law shall be stamped in the Official Gazette and shall enter into force one month from the day following the date of its publication.<sup>2</sup>

This Law shall be stamped with the seal of the State and enforced as one of its laws.

Issued at the Presidency on 18 April 1994.

**Hosni Mubarak**  
**President of the Republic**

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<sup>1</sup> Translated from the Arabic official text under the auspices of the Association for Arab and African Arbitrators having its headquarters in Cairo, revised under the supervision of Prof. Dr. Ahmed S. El-Kosheri and updated by CRCICA.

<sup>2</sup> This Law was published in the Official Gazette No.16 (bis) on 21 April 1994.

# **Law Concerning Arbitration in Civil and Commercial Matters**

## **Part I. General Provisions**

### **Article 1**

Subject to the provisions of international conventions applicable in the Arab Republic of Egypt, the provisions of this Law shall apply to all arbitrations between public or private law persons, whatever the nature of the legal relationship around which the dispute revolves, when such an arbitration is conducted in Egypt, or when an international commercial arbitration is conducted abroad and its parties agree to submit it to the provisions of this Law.

With regard to disputes relating to administrative contracts, agreement on arbitration shall be reached upon the approval of the competent minister or the official assuming his powers with respect to public juridical persons. No delegation of powers shall be authorized in this respect.<sup>3</sup>

### **Article 2**

Arbitration is commercial within the scope of this Law when the dispute arises over a legal relationship of an economic nature, whether contractual or non-contractual. This comprises, for instance, the supply of goods or services, commercial agencies, construction and engineering or technical know-how contracts, the granting of industrial, touristic and other licenses, transfer of technology, investment and development contracts, banking, insurance and transport operations, and operations relating to the exploration and extraction of natural wealth, energy supply, laying of gas or oil pipelines, building of roads and tunnels, reclamation of agricultural land, protection of the environment and establishment of nuclear reactors.

### **Article 3**

Within the context of this Law, the arbitration is international whenever its subject matter is a dispute related to international commerce in any of the following cases:

*First:* If the principal places of business of the two parties to the arbitration are situated in two different States at the time of the conclusion of the arbitration agreement. If either party to the arbitration has more than one place of business, due consideration shall be given to the place of business which has the closest relationship with the arbitration

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<sup>3</sup> This paragraph was introduced by virtue of law No. 9/1997 dated 13 May 1997, which was published in the Official Gazette on 15 May 1997 and came into force one day following its publication.

agreement. If either party to the arbitration does not have a place of business, then the place of its habitual residence shall be relied upon.

*Second:* If the parties to the arbitration have agreed to resort to a permanent arbitral organization or to an arbitration centre having its headquarters in the Arab Republic of Egypt or abroad.

*Third:* If the subject matter of the dispute falling within the scope of the arbitral agreement is linked to more than one country.

*Fourth:* If the principal places of business of the two parties to the arbitration are situated in the same State at the time of the conclusion of the arbitration agreement, but one of the following places is located outside the said State:

- a) the place of arbitration as determined in the arbitration agreement or pursuant to the methods provided therein for determining it;
- b) the place where a substantial part of the obligations emerging from the commercial relationship between the parties shall be performed; or
- c) the place with which the subject matter of the dispute is most closely connected.

#### **Article 4**

1. For the purpose of this Law, the term "arbitration" means voluntary arbitration agreed upon by the two parties to the dispute according to their own free will, whether or not the chosen body to which the arbitral mission is entrusted by agreement of the two parties is a permanent arbitral organization or centre.

2. The term "arbitral tribunal" denotes the tribunal composed of one or more arbitrators for the purpose of adjudicating the dispute referred to arbitration. As to the term "court", it means the court belonging to the judicial system of the State.

3. The expression "the two parties to the arbitration" when used in this Law shall denote the parties to the arbitration, whatever their number may be.

#### **Article 5**

In the cases where this Law permits the two parties to the arbitration to select the procedures which must be followed in a given matter, this also includes their right to allow third parties to make such selection. In this respect, any arbitration organization or centre in the Arab Republic of Egypt or abroad shall be deemed a third party.

#### **Article 6**

Whenever the parties to the arbitration agree to subject the legal relationship between them to the provisions of a standard contract, or international convention or any other document, then the provisions of such document must apply, including the provisions related to arbitration provided for therein.

## **Article 7**

1. Unless otherwise provided in a special agreement between the two parties to the arbitration, any letter or written communication shall be delivered to the addressee personally or at his place of business, his habitual residence or mailing address, known to both parties, defined in the arbitration agreement or in the document which contains the relationship subject to the arbitration.
2. If none of these addresses can be identified after having made a reasonable inquiry, communication to the addressee is deemed to have been received if it is sent in the form of a registered letter to the addressee's last known place of business, habitual residence or mailing address.
3. The provisions of this article shall not apply to communications concerning judicial procedures before the courts.

## **Article 8**

If either party to a dispute knows that any requirement under the arbitration agreement has been violated or a non-mandatory provision of this Law has not been complied with, yet proceeds with the arbitration without invoking his objection to the violation or non-compliance within the period agreed upon, or without undue delay in the absence of such agreement, the party shall be deemed to have waived his right to object.

## **Article 9**

1. Competence to review the arbitral matters referred to by this Law to the Egyptian judiciary lies with the court having original jurisdiction over the dispute. However, in the case of international commercial arbitration, whether conducted in Egypt or abroad, competence lies with the Cairo Court of Appeal unless the parties agree on the competence of another appellate court in Egypt.
2. The court having competence in accordance with the preceding paragraph shall continue to exercise exclusive jurisdiction until completion of all arbitration procedures.

## **Part II. The Arbitration Agreement**

### **Article 10**

1. The arbitration agreement is an agreement by which the two parties agree to submit to arbitration in order to resolve all or certain disputes which have arisen or which may arise between them in connection with a defined legal relationship, whether contractual or not.
2. The arbitration agreement may be concluded before the dispute has arisen either in the form of a separate agreement or as a clause in a given contract concerning all or certain disputes which may arise between the two parties. In the latter case, the subject matter of the dispute must be determined in the Request for Arbitration referred to in paragraph 1 of Article 30 hereof. The arbitration agreement may also be concluded after the dispute has arisen, even if an action has already been brought before a judicial court, and in such case, the agreement must indicate the issues subject to arbitration, on penalty of nullity.

3. The reference in a contract to a document containing an arbitration clause constitutes an arbitration agreement, provided that such reference is such as to make that clause an integral part of the contract.

#### **Article 11**

Arbitration agreements may only be concluded by natural or juridical persons having the capacity to dispose of their rights. Arbitration is not permitted in matters which cannot be subject to compromise.

#### **Article 12**

The arbitration agreement must be in writing, on penalty of nullity. An agreement is in writing if it is contained in a document signed by both parties or contained in an exchange of letters, telegrams or other means of written communication.

#### **Article 13**

1. The court before which an action is brought concerning a disputed matter which is the subject of an arbitration agreement shall hold this action inadmissible provided that the respondent raises this objection before submitting any demand or defence on the substance of the dispute.
2. The fact that the judicial action referred to in the preceding paragraph is brought shall not prevent the arbitral proceedings from being commenced or continued, or the making of the arbitral award.

#### **Article 14**

Upon request of either party to the arbitration, the court referred to in Article 9 may order the taking of an interim or conservatory measure, whether before the commencement of the arbitral proceedings or during said proceedings.

### **Part III. The Arbitral Tribunal**

#### **Article 15**

1. The arbitral tribunal consists, by agreement between the parties, of one or more arbitrators. In the absence of such agreement on the number of arbitrators, the number shall be three.
2. If there is more than one arbitrator, the tribunal must consist of an odd number, on penalty of nullity of the arbitration.

#### **Article 16**

1. The arbitrator cannot be a minor, under guardianship, have been deprived of his civil rights by reason of a judgment against him for a felony or misdemeanour contrary to

honesty or due to a declaration of his bankruptcy; unless he has been restored to his status.

2. The arbitrator is not required to be of a given gender or nationality, unless otherwise agreed upon between the two parties or provided for by law.

3. The arbitrator's acceptance of his mission shall be in writing. When accepting, he must disclose any circumstances which are likely to cast doubts on his independence or impartiality.

### **Article 17**

1. The two parties to the arbitration may agree on the choice of the arbitrators, and on the method and period of time for effecting their choice. In the absence of such agreement, the following steps shall be followed:

a) If the arbitral tribunal consists of a sole arbitrator, the court specified in Article 9 of this Law shall undertake the appointment of the arbitrator upon request of either party.

b) If the arbitral tribunal consists of three arbitrators, each party shall appoint one arbitrator and the two arbitrators shall then appoint the third. If either party fails to appoint his arbitrator within thirty days of a request to do so from the other party, or if the two appointed arbitrators fail to agree on the third arbitrator within thirty days of the date of the latest appointment between the two, the court specified in Article 9 of this Law shall undertake the appointment upon request of either party. The arbitrator chosen by the two arbitrators or appointed by the court shall chair the arbitral tribunal. The above provisions shall apply if the arbitral tribunal consists of more than three arbitrators.

2. If either party violates the agreed procedures for the choice of arbitrators, or if the two appointed arbitrators are unable to reach an agreement expected of them under the agreed procedure, or if a third party fails to perform any function entrusted to him in this regard, then the court specified in Article 9 of this Law shall carry out the required procedure or the function needed upon the request of either party, unless the agreement provides other means for securing the appointment.

3. In the choice of the arbitrator, the court shall observe the conditions required by this Law and those agreed upon by the parties, and shall render its decision on said choice expeditiously. Subject to the provisions of Articles 18 and 19 of this Law, such decision shall be subject to no appeal.

### **Article 18**

1. An arbitrator may be challenged only if circumstances exist that give rise to serious doubts on his impartiality or independence.

2. A party to the arbitration may challenge the arbitrator appointed by it or in whose appointment it has participated, only for reasons of which it becomes aware after the appointment has been made.

## **Article 19**<sup>4</sup>

1. The challenge request, incorporating the reasons for such challenge, shall be submitted in writing to the arbitral tribunal within fifteen days from the date the challenging party becomes aware of the constitution of the arbitral tribunal or of the circumstances justifying such challenge. Unless the challenged arbitrator withdraws from his office within fifteen days from the date of submitting such request, the request shall be forwarded, at no extra cost, to the court referred to under Article (9) of this Law for a final ruling that is subject to no appeal.
2. A challenge request shall not be accepted from a party who had previously submitted a request challenging the same arbitrator in the same arbitration.
3. The submission of the challenge shall not entail the suspension of the arbitral proceedings. If the challenge of the arbitrator is successful, the arbitral proceedings already conducted, including the arbitral award, shall be null and void.

## **Article 20**

If the arbitrator is unable to perform his mission, fails to perform his task or interrupts the performance thereof in a manner which causes undue delay in the arbitral proceedings, and if he does not withdraw and the parties have not agreed to terminate his mandate, then the court specified in Article 9 of this Law may order the termination of his mandate upon request of either party.

## **Article 21**

If the arbitrator's mandate is terminated through challenge, revocation, withdrawal or for any other reason, a substitute arbitrator shall be appointed to replace him according to the rules that were applicable to the appointment of the arbitrator being replaced.

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<sup>4</sup> This Article was amended in 2000 by virtue of law No. 8/2000, which was enacted to accommodate a decision of the Supreme Constitutional Court. The said law was published in the Official Gazette on 4 April 2000. The original version of Article 19 of the Law read as follows:

*“1. The challenge request shall be submitted in writing to the arbitral tribunal, indicating the reasons for the challenge, within fifteen days after the challenging party became aware of the constitution of the arbitral tribunal or of the circumstances which justify the challenge. Unless the challenged arbitrator withdraws from his office, the arbitral tribunal shall decide on the challenge.*

*2. A challenge request shall not be accepted from a party who had previously submitted a request challenging the same arbitrator in the same arbitration.*

*3. The challenging party may lodge a recourse against the decision refusing his request, within thirty days of receiving notice thereof, before the court specified in Article 9 of this Law, and the court's decision shall be subject to no appeal.*

*4. Neither the submission of the challenge nor the recourse against the decision of the arbitral tribunal rejecting such request shall entail the suspension of the arbitral proceedings. However, if the challenge of the arbitrator is successful, whether by a decision of the arbitral tribunal or by the court reviewing the challenge, the arbitral proceedings already conducted, including the arbitral award, shall be null and void.”*

## **Article 22**

1. The arbitral tribunal is competent to rule on the objections related to its lack of jurisdiction, including objections claiming the non-existence of an arbitration agreement its extinction, nullity of said agreement, or that it does not cover the subject matter in dispute.
2. Those pleas shall be raised at a date not later than that of submitting the respondent's statement of defence referred to in paragraph 2 of Article 30 of this Law. The appointment or participation in the appointment of an arbitrator by one of the two parties to the arbitration shall not preclude such party from raising such a plea. A plea that the arbitration agreement does not cover the disputed issues, must be raised immediately, otherwise the right to raise it shall be precluded. In all cases, the arbitral tribunal may admit a later plea if it considers the delay justified.
3. The arbitral tribunal may rule on the pleas referred to in paragraph 1 of this Article either as a preliminary question before ruling on the merits or adjoin them to the merits in order to be ruled upon together. If the arbitral tribunal rules to dismiss a plea, such motion may not be raised except through the institution of recourse for the annulment of the arbitral award disposing of the whole dispute pursuant to Article 53 of this Law.

## **Article 23**

The arbitration clause shall be treated as an independent agreement separate from the other terms of the contract. The nullity, rescission or termination of the contract shall not affect the arbitration clause, provided that such clause is *valid per se*.

## **Article 24**

1. Both parties to the arbitration may agree to confer upon the arbitral tribunal the power to order, upon request of either party, interim or conservatory measures considered necessary in respect of the subject matter of the dispute and to require any party to provide appropriate security to cover the costs of the ordered measure.
2. If the party against whom the order was issued fails to execute it, the arbitral tribunal, upon the request of the other party, may authorize the latter to undertake the procedures necessary for the execution of the order, without prejudice to the right of said party to apply to the president of the court specified in Article 9 of this Law for rendering an execution order.

## **Part IV. Conduct of the Arbitral Proceedings**

### **Article 25**

The two parties to the arbitration are free to agree on the procedure to be followed by the arbitral tribunal, including the right to submit the arbitral proceedings to the rules prevailing under the auspices of any arbitral organization or centre in the Arab Republic of Egypt or abroad. In the absence of such agreement, the arbitral tribunal may, subject to the provisions of this Law, adopt the arbitration procedures it considers appropriate.

## **Article 26**

The two parties to arbitration shall be treated with equality, and each shall be given an equal and full opportunity of presenting its case.

## **Article 27**

The arbitral proceedings commence on the date on which the respondent receives the request for arbitration from the claimant, unless the two parties agree on another date.

## **Article 28**

The two parties to the arbitration are free to agree on the place of arbitration in Egypt or abroad. Failing such agreement, the arbitral tribunal shall determine the place of arbitration having regard to the circumstances of the case including the convenience of the place to the parties. This shall be without prejudice to the power of the arbitral tribunal to meet in any place it considers appropriate to undertake any of the arbitral proceedings, such as hearing the parties to the dispute, witnesses and experts, reviewing documents, inspecting goods or other property, for consultation among its members or for any other reason.

## **Article 29**

1. The arbitration shall be conducted in Arabic, unless another language or languages are agreed upon by the two parties or determined by the arbitral tribunal. This agreement or determination shall apply to all written statements and briefs, to the oral hearings as well as to all awards, decisions or other communications by the arbitral tribunal, unless specified otherwise by the agreement of the two parties or by determination of the arbitral tribunal.
2. The arbitral tribunal may order that all or part of the documentary evidence submitted in the case shall be accompanied by a translation into the language or languages used in the arbitration. In the case of multiplicity of such languages, the arbitral tribunal may limit the translation to some languages to the exclusion of others.

## **Article 30**

1. Within the period of time agreed by the two parties or determined by the arbitral tribunal, the claimant shall send to the respondent and to each of the arbitrators a written statement of its case that includes its name, address, the respondent's name and address, an explanation of the facts of the case, the determination of the points at issue in the dispute, the relief or remedy sought as well as all other elements which are required to be mentioned in such statement by agreement between the two parties.
2. Within the period of time agreed by the two parties or determined by the arbitral tribunal, the respondent shall send to the claimant and to each of the arbitrators a written statement of defence in reply to the Statement of the claimant's case. He may include in

such statement any incidental claims related to the subject matter of the dispute or may invoke a right arising thereunder in view of raising a plea for set-off. He may do so even at a later stage of the proceedings, if the arbitral tribunal deems that the circumstances justify the delay.

3. Both the claimant and the respondent are free to enclose with the statement of claim or with the statement of defence, as the case may be, copies of the documents supporting the position of the concerned party, and may add a reference to all or some of the documents and evidence it intends to submit. This does not prejudice the right of the arbitral tribunal, at any stage of the proceedings, to request the submission of the originals of the documents or materials invoked by either party to support its case.

### **Article 31**

All briefs, statements, documents or other information submitted to the arbitral tribunal by one party shall be communicated to the other party. Similarly, copies of whatever may be submitted to the arbitral tribunal such as expert reports, evidentiary documents or other elements of proof shall be communicated to the parties.

### **Article 32**

Either party may amend or supplement its submissions or supporting arguments during the course of the arbitral proceedings, unless the arbitral tribunal considers it inappropriate having regard to avoiding delay in adjudicating the case.

### **Article 33**

1. The arbitral tribunal may hold oral hearings in order to enable each party to explain the merits of the case and to present its arguments as well as evidence. It may also decide that the proceedings shall be conducted exclusively on the basis of the submitted briefs and written documents, subject to any contrary agreement by the parties.
2. The two parties to the arbitration must be notified of the dates fixed for the hearings or the meetings which the arbitral tribunal decides to hold, sufficiently in advance of the scheduled date as determined by the tribunal according to circumstances.
3. Summary minutes of each meeting held by the arbitral tribunal shall be recorded in a *procès-verbal*, and a copy thereof shall be delivered to each of the two parties, unless otherwise agreed by the parties.
4. The hearing of witnesses and experts shall be conducted without taking an oath.

### **Article 34**

1. If without showing sufficient cause, the claimant fails to submit the written statement of claim pursuant to paragraph 1 of Article 30 of this Law, the arbitral tribunal shall terminate the arbitral proceedings, unless otherwise agreed by the parties.
2. If the respondent fails to submit its statement of defence pursuant to paragraph 2 of Article 30 of this Law, the arbitral tribunal shall continue the arbitral proceedings without

treating such failure as an admission by the respondent of the claimant's allegations, unless otherwise agreed by the parties.

### **Article 35**

If either party fails to appear at any of the meetings or to submit the documents required from it, the arbitral tribunal may continue the arbitral proceedings and make the award on the dispute based upon the elements of evidence before it.

### **Article 36**

1. The arbitral tribunal may appoint one or more experts to submit on specific issues determined by the arbitral tribunal a written report or an oral report to be included in the *procès-verbal* of the meeting. A copy of the terms of reference regarding the mission entrusted to the expert shall be sent to each party.

2. Each party shall provide the expert with all relevant information concerning the dispute or produce or provide access to relevant documents, goods or other property for his inspection. The arbitral tribunal shall decide on any controversy arising in this respect between the expert and one of the parties.

3. The arbitral tribunal shall send to each party a copy of the expert's report immediately after its submission, granting each party the opportunity to express its opinion thereon. Each of the two parties is entitled to review and examine the documents upon which the expert relied in his report.

4. The arbitral tribunal may decide, after the submission of the expert's report, whether on its own initiative or upon request of a party to the arbitration, to hold a meeting to hear the expert and to provide for both parties the opportunity to hear him and to put questions to him about what is contained in his report. Each of the parties may present one or more expert witnesses in order to give testimony on the issues raised in the report of the expert appointed by the arbitral tribunal, unless otherwise agreed by the parties to the arbitration.

### **Article 37**

The president of the court referred to in Article 9 of this Law is competent, upon the request of the arbitral panel, to do the following:

- a) Condemn any of the witnesses who refrains from attending or declines to reply, by inflicting the sanction prescribed in Articles 78 and 80 of the Law of Evidence in Civil and Commercial Matters.
- b) Order a rogatory commission.

## **Article 38**

The proceedings before the arbitral tribunal shall be suspended upon occurrence of any of the grounds for suspension and according to the conditions related thereto as provided for in the Code of Civil and Commercial Procedures. The effects of the suspension shall be those prescribed in the said Code.

## **Part V. The Arbitral Award and the Closure of the Procedures**

### **Article 39**

1. The arbitral tribunal shall apply to the substance of the dispute the rules chosen by the two parties. If they agree on the applicability of the law of a given State, only the substantive rules thereof shall be applicable and not its conflict of laws rules, unless otherwise agreed by the parties.
2. If the two parties have not agreed on the legal rules applicable to the substance of the dispute, the arbitral tribunal shall apply the substantive rules of the law it considers most closely connected to the dispute.
3. The arbitral tribunal, when adjudicating the merits of the dispute, shall decide in accordance with the terms of the contract in dispute and the usages of the trade applicable to the transaction.
4. The arbitral tribunal may, if it has been expressly authorized to act as an "amiable compositeur" by agreement between the two parties to the arbitration, adjudicate the merits of the dispute in conformity with the rules of equity and fairness (*ex aequo et bono*), without being restricted by the legal provisions.

### **Article 40**

The award of an arbitral tribunal consisting of more than one arbitrator shall be made by the majority after deliberations conducted in the manner determined by the arbitral tribunal, unless otherwise agreed by the parties.

### **Article 41**

If during the arbitral proceedings, the two parties agree on a settlement that terminates the dispute, they may request that the terms of the settlement be recorded by the arbitral tribunal in the form of an arbitral award on agreed terms which terminate the proceedings. Such award shall have the same effect with regard to enforcement as all other arbitral awards.

### **Article 42**

The arbitral tribunal may make interim or partial awards before making its final arbitral award which terminates the entire dispute.

### **Article 43**

1. The arbitral award shall be made in writing and shall be signed by the arbitrators. If the arbitral tribunal consists of more than one arbitrator, the signatures of the majority of the arbitrators shall suffice, provided that the award states the reasons for which the minority did not sign.
2. The arbitral award shall state the reasons upon which it is based, unless the two parties to arbitration have agreed otherwise or the law applicable to the arbitral proceedings does not require the award to be supported by reasons.
3. The arbitral award shall include the names and addresses of the parties, the names, addresses, nationalities and titles of the arbitrators, a copy of the arbitration agreement, a summary of the parties' requests, submissions, documents, the dispositive part of the award, date and place of making, as well as the reasons whenever their inclusion is required.

### **Article 44**

1. The arbitral tribunal shall deliver to each of the two parties a copy of the arbitral award signed by the arbitrators who approved it within thirty days of the date of its making.
2. No publication of the award or parts thereof shall be authorized except with the approval of both parties to the arbitration.

### **Article 45**

1. The arbitral tribunal shall make the award terminating the dispute within the period agreed upon by the two parties. In the absence of such agreement, the award must be made within twelve months of the date of commencement of the arbitral proceedings. In all cases, the arbitral tribunal may decide to extend the period of time, provided that the period of extension shall not exceed six months, unless the two parties agree on a longer period.
2. If the arbitral award is not rendered within the period referred to in the preceding paragraph, either of the two parties to arbitration may request the president of the court referred to in Article 9 of this Law to issue an order either extending the period of time or terminating the arbitral proceedings. In the latter case, either party may bring the dispute to the court having initial jurisdiction to adjudicate the case.

### **Article 46**

If, in the course of the arbitral proceedings, a matter falling outside the scope of the arbitral tribunal's jurisdiction is raised, or if a document submitted to it is challenged for forgery, or if criminal proceedings are undertaken regarding the alleged forgery or for any other criminal act, the arbitral tribunal may decide to proceed with the subject matter of the dispute without any reliance on the incidental matter raised or on the document alleged to be a forgery or on the other criminal act. Otherwise, the arbitral tribunal shall

suspend the proceedings until a final judgment is rendered in this respect. Such measure shall entail suspension of the period for making of the arbitral award.

#### **Article 47**

The party in whose favour the arbitral award has been made shall deposit, at the Secretariat of the court referred to in Article 9 of this Law, the original award or a copy thereof in the language in which it was rendered, or an Arabic translation thereof authenticated by a competent organism if it was rendered in a foreign language. The court's secretary shall evidence such deposit in a *procès-verbal*, and each of the two parties to arbitration may request a copy of the said *procès-verbal*.

#### **Article 48**

1. The arbitral proceedings are terminated either by the making of the award ending the dispute or by a court decision ordering the termination of the arbitral proceedings pursuant to paragraph 2 of Article 45 of this Law. The arbitral proceedings can also be terminated by a decision of the arbitral tribunal in the following cases:

- a) If the two parties agree on the termination of the proceedings.
- b) If the claimant withdraws its claim, unless the arbitral tribunal decides, upon request of the respondent, that the latter has a legitimate interest in continuing the arbitral proceedings until the dispute is settled by a final award.
- c) If for any other reason the arbitral tribunal finds that the continuation of the proceedings has become unnecessary or impossible.

2. Subject to the provisions of Articles 49, 50 and 51 of this Law, the mandate of the arbitral tribunal ends with the termination of the arbitral proceedings.

#### **Article 49**

1. Either party to the arbitration may request the arbitral tribunal, within thirty days of receipt of the arbitral award, to give an interpretation clarifying an ambiguity that appears in the dispositive part of the award. The party requesting clarification must notify the other party of the request before presenting it to the arbitral tribunal.

2. The interpretation decision shall be made in writing within thirty days of receipt of the request for clarification by the arbitral tribunal. The tribunal may extend that period by another thirty days if it considers such extension necessary.

3. The interpretation decision made by the arbitral tribunal shall form an integral part complementing the arbitral award which it clarifies and shall be provided the same treatment.

#### **Article 50**

1. The arbitral tribunal shall correct any exclusively material errors in its award, whether typographical or in computation. Such corrections shall be undertaken by the arbitral tribunal on its own initiative or upon request from either party. The arbitral tribunal shall make the correction without holding any hearing within thirty days following the making

of the award or the receipt of the request for correction as the case may be, and it may extend this period by another thirty days if it considers this to be necessary.

2. The correction decision shall be made in writing by the arbitral tribunal and notified to the two parties within thirty days of the date of its making. If the arbitral tribunal abuses its powers of correction, its decision may be subject to recourse by means of an action for nullity in conformity with the provisions of Articles 53 and 54 of this Law.

### **Article 51**

1. Either party to the arbitration may, even after the expiry of the arbitration period, request the arbitral tribunal, within the thirty days following the receipt of the arbitral award, to make an additional award as to claims presented in the arbitral proceedings but omitted from the award. Such request must be notified to the other party before submission to the arbitral tribunal.

2. The arbitral tribunal shall make its decision within sixty days of submission of the request, and it may extend this period for a further thirty days if it considers this to be necessary.

## **Part VI. Setting Aside of the Arbitral Award**

### **Article 52**

1. Arbitral awards rendered in accordance with the provisions of this Law may not be challenged by any of the means of recourse provided for in the Code of Civil and Commercial Procedures.

2. An action for the annulment of the arbitral award may be instituted in accordance with the provisions of the following two articles.

### **Article 53**

1. An arbitral award may be annulled only:

- a) If there is no arbitration agreement, if it was void, voidable or its duration had elapsed;
- b) If either party to the arbitration agreement was at the time of the conclusion of the arbitration agreement fully or partially incapacitated according to the law governing its legal capacity;
- c) If either party to the arbitration was unable to present its case as a result of not being given proper notice of the appointment of an arbitrator or of the arbitral proceedings, or for any other reason beyond its control;
- d) If the arbitral award failed to apply the law agreed upon by the parties to govern the subject matter in dispute;
- e) If the composition of the arbitral tribunal or the appointment of the arbitrators was in conflict with this Law or the parties' agreement;
- f) If the arbitral award dealt with matters not falling within the scope of the arbitration agreement or exceeding the limits of this agreement. However, in the case when matters

falling within the scope of the arbitration can be separated from the part of the award which contains matters not included within the scope of the arbitration, the nullity affects exclusively the latter parts only;

g) If the arbitral award itself or the arbitration procedures affecting the award contain a legal violation that causes nullity.

2. The court adjudicating the action for annulment shall *ipso jure* annul the arbitral award if it is in conflict with the public policy in the Arab Republic of Egypt.

#### **Article 54**

1. The action for annulment of the arbitral award must be brought within ninety days of the date of the notification of the arbitral award to the party against whom it was made. The admissibility of the action for annulment shall not be prevented by the applicant's renouncement of its right to request the annulment of the award prior to the making of the arbitral award.

2. Jurisdiction with regard to an action for the annulment of awards made in international commercial arbitrations lies with the court referred to in Article 9 of this Law. In cases not related to international commercial arbitration, jurisdiction lies with the court of appeal having competence over the tribunal that would have initially had jurisdiction to adjudicate the dispute.

### **Part VII. Recognition and Enforcement of Arbitral Awards**

#### **Article 55**

Arbitral awards rendered in accordance with the provisions of the present Law have the authority of the *res judicata* and shall be enforceable in conformity with the provisions of this Law.

#### **Article 56**

Jurisdiction to issue an enforcement order of arbitral awards lies with the president of the court referred to in Article 9 of this Law or with the member of said court who has been mandated for this purpose by delegation from said president. The application for enforcement of the arbitral award shall be accompanied by the following:

1. The original award or a signed copy thereof.
2. A copy of the arbitration agreement.
3. An Arabic translation of the award, certified by a competent organism, in case the award was not made in Arabic.
4. A copy of the *procès-verbal* attesting the deposit of the award pursuant to Article 47 of this Law.

#### **Article 57**

The filing of an action for annulment does not suspend the enforcement of the arbitral award. Nevertheless, the court may order said suspension if the applicant requests it in his application and such request is based upon serious grounds. The court shall rule on the

request for suspension of the enforcement within sixty days of the date of the first hearing fixed in relation thereto. If suspension is ordered, the court may require the provision of a given security or monetary guarantee. When the court orders a suspension of enforcement, it must rule on the action for annulment within six months of the date when the suspension order was rendered.

### **Article 58**

1. Application for the enforcement of an arbitral award shall not be admissible before the expiration of the period during which the action for annulment should be filed in the court registry.
2. The application to obtain leave for enforcement of the arbitral award according to this Law shall not be granted except after having ascertained the following:
  - a) That it does not contradict a judgment previously rendered by the Egyptian Courts on the subject matter in dispute;
  - b) That it does not violate the public policy in the Arab Republic of Egypt; and
  - c) That it was properly notified to the party against whom it was rendered.
3. The order granting leave for enforcement is not subject to appeal.<sup>5</sup> However, the order refusing to grant enforcement may be subject to a petition lodged, within thirty days from the date thereof, before the competent court referred to in Article 9 of this Law.

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<sup>5</sup> This prohibition was held unconstitutional by the Supreme Constitutional Court of Egypt on the grounds that there should be equality between the rights of the parties [Challenge No. 92 of the judicial year 21, Session of 6 January 2001]. Accordingly, since the publication of this decision in the Official Gazette on 18 January 2001, the party against whom the *exequatur* is issued may challenge it before the competent court within thirty days of the date of the decision.