



The Middle Eastern and African Arbitration Review

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Saudi Arabia: driving arbitration reform with modernised laws, expanding caselaw and a rapidly growing SCCA caseload

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2026

The Middle Eastern and African Arbitration Review 2026 contains insight and thought leadership from 34 pre-eminent practitioners from the region. It has grown into one of the best resources anywhere for tracking significant cases and arbitration-related court rulings unfolding in the region, along with developments that may give rise to disputes. This edition offers backgrounders on numerous key seats, as well as overviews on energy, mining, telecoms, construction and Saudi Arabian projects. All articles are supported with footnotes and relevant statistics.

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Saudi Arabia: driving arbitration reform with modernised laws, expanding caselaw and a rapidly growing SCCA caseload

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IN SUMMARY

The Kingdom of Saudi Arabia has witnessed significant developments in its arbitration legal framework and caselaw in recent years. These include the publication of the Draft Arbitration Law in 2025 for public consultation, continued judicial support for arbitration – marked with limited court intervention and effective enforcement – and ongoing efforts to promote and establish reliable domestic institutions that ensure the effectiveness, impartiality and predictability of dispute resolution.

Notable highlights also include a recent project led by the Saudi Center for Commercial Arbitration (SCCA) to conduct a comprehensive and comparative analysis of the existing Arbitration Law (2012) against the Draft Arbitration Law (2025) and the UNCITRAL Model Law on International Commercial Arbitration (1985), as amended in 2006. The project further examined more than 950 arbitration-related judgments from the Saudi Appeal Courts to assess their alignment with best practices reflected in the UNCITRAL Model Law. Additional highlights include the SCCA's sustained growth in caseload and hallmark initiatives such as the Riyadh International Disputes Week (RIDW) and the SCCA International Arabic Arbitration Moot (SIAM).

DISCUSSION POINTS

- The UNCITRAL Initiative and the Saudi Arabia Country Report on Arbitration
 - Draft Saudi Arbitration Law: Key changes
 - SCCA Caseload Growth and International Trust
 - Riyadh International Disputes Week (RIDW 2026)
 - New York Convention Roadshow 2026
 - SCCA 7th International Arabic Arbitration Moot (SIAM7)
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REFERENCED IN THIS ARTICLE

- Saudi Arabia Arbitration Law (2012)
 - Saudi Arabia Draft Arbitration Law (2025), [Arbitration law](#)
 - The SCCA's UNCITRAL initiative report
 - Case No. 4630279062, Riyadh Court of Appeal, 7 October 2024
 - Case No. 4630338072, Makkah Court of Appeal, 19 October 2024
 - Riyadh International Disputes Week (RIDW 2026)
 - New York Convention Roadshow 2026
 - SCCA 7th International Arabic Arbitration Moot (SIAM7)
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INTRODUCTION

The Kingdom of Saudi Arabia continues its journey of legislative, social and economic reform. As part of its vision to position itself as a leading arbitration hub in the MENA

region and globally, the Kingdom aspires to develop a “GLOCAL ecosystem” built on five pillars: responsive legislation; robust governmental support; seamless judicial cooperation; empowered human talent; and digitalisation, automation and artificial intelligence.

To briefly illustrate some of the pillars outlined above, over the past six years, 2,700 laws and regulations have been developed. Key highlights include the publication of the Saudi Draft Arbitration Law (2025), which was released for public consultation through the Public Consultation Platform (Istitlaa), and the Draft Saudi Mediation Law, which is nearing enactment.^[1]

Since the launch of Vision 2030, 971 reforms have been implemented across governmental sectors to enhance and facilitate business operations. In addition, the SCCA Academy, in collaboration with the Digital Government Authority, has trained 180 legal professionals across 90 government entities, equipping them with knowledge and expertise in arbitration and dispute resolution.

The SCCA plays a central role in coordinating and leading efforts to study the legislative and judicial arbitration environment in the Kingdom. In this capacity, the SCCA has produced a comparative study on the current Saudi Arbitration Law and conducted a review of arbitration-related judicial decisions issued between January 2023 to June 2025. This study constitutes the fifth consecutive report on Saudi arbitration-related caselaw led by the SCCA.

THE UNCITRAL INITIATIVE AND SAUDI ARABIA COUNTRY REPORT ON ARBITRATION (2026)

In 2026, the SCCA completed its fifth study of arbitration-related judgments issued by the Saudi Appeal Courts. This study, however, formed part of a larger project submitted to the UNCITRAL Secretariat to assist in updating the Case Law on UNCITRAL Texts (CLOUT) database and the Digest, with the latter published in 2012.

The study provided a comprehensive and comparative research analysis of the judicial and legislative framework governing arbitration in the Kingdom of Saudi Arabia, presenting the following outcomes: (1) a judicial analysis of recent case law related to arbitration and (2) a legislative comparative analysis of the Saudi Arbitration Law issued by Royal Decree No. (M/34) dated 24/5/1433H (SAL), examined in light of both the Draft Arbitration Law (2025) and the UNCITRAL Model Law on International Commercial Arbitration (1985), with its 2006 amendments. The primary objective was to enhance transparency and predictability regarding arbitration practices in the Kingdom and to demonstrate its alignment with the best standard arbitration practices worldwide.

Analysis Of Arbitration-related Case Law In The Kingdom

The study covers arbitration-related judgments issued by the Saudi Appeal Courts during the period from January 2023 to June 2025, totalling approximately 967 judgments received from the Ministry of Justice. In all these cases, the Saudi Arbitration Law was applied and the seat of arbitration was within the Kingdom of Saudi Arabia, covering various types of arbitration-related disputes.

The study placed particular emphasis on motions to annul arbitral awards by parties – whether in ad hoc or institutional arbitration – based on article 50 of the Saudi Arbitration Law (corresponding to article 34 of the UNCITRAL Model Law). Once again, the results demonstrate continued judicial support in aid of arbitration.

During the period under review, 194 annulment motions were filed, representing 20% of all judgments examined (967 judgments). Of these 194 annulment motions, 174 were unsuccessful (89.7% of all annulment motions).

Only 20 annulment motions were successful (10% of all annulment motions). Annulment was granted in full in 12 cases (6% of all annulment motions), while partial annulment was granted in eight cases (4%). The results further indicate that annulment under article 50(2) of the SAL – based on grounds related to Shari’ah principles and public policy – was granted only in extremely limited circumstances. Annulment based on Shari’ah was granted in one case only (0.5% of all annulment motions). Finally, annulment granted on public policy grounds was found in three cases only, representing 1.55% of all annulment motions.

Pro-arbitration Enforcement Trends In The Kingdom

The SCCA previously prepared four studies in 2021, 2022, 2023 and 2025 examining Court of Appeal judgments issued between 2017 and 2023. Although the present study is independent in methodology and scope, the cumulative statistical results relating to annulment motions may be considered in light of those prior studies.

Taken together, more than 3,300 Court of Appeal judgments were examined for the period from 2017 to 2025 and a total of 565 annulment motions were recorded. Of these, 518 motions were rejected (91.7%), while 47 were granted (8%). Annulment was granted in full in 31 cases (5.5%), while partial annulment was granted in 16 cases (2.8%). Annulment based on Shari’ah principles and/or public policy grounds was limited to 13 cases (2.3%) of all annulment motions during 2017–2025.

In all cases examined, the Saudi courts treated the annulment grounds stipulated in article 50 of the SAL as exhaustive. All judgments consistently affirmed that Courts of Appeal may not inspect the facts and subject matter of the dispute (SAL, article 50(4)). This demonstrates the Saudi courts’ commitment to the success and efficiency of the arbitral process, limiting the circumstances in which awards may be set aside or refused enforcement.

Selected Case Highlights

Annulment Based On Shari’ah, Public Policy And Other Grounds

Below is a brief summary of the only judgment found in the 2026 study in which annulment was based on Shari’ah principles.

In this case, a dispute arising from a construction contract containing an arbitration clause was referred to a three-member arbitral tribunal.^[2] During the proceedings, the parties agreed to terminate the arbitration prior to any decision on the merits by the arbitral tribunal. Accordingly, the tribunal issued an award recording the termination and requiring each party to bear its respective share of the arbitration fees and costs.

The claimant filed an annulment motion limited to paragraphs 2 and 3 of the arbitral award, which addressed arbitration fees and costs. The claimant argued that the tribunal had exceeded its authority by determining the fees and costs in the absence of any agreement between the parties and without following the mechanism prescribed under article 24 of the SAL. In particular, article 24 of the SAL provides that, in the absence of an agreement between the parties on arbitrators’ fees, the competent court shall decide the matter.

The respondent agreed that the arbitration agreement did not address the determination of fees and supported annulment of that part of the award.

The court held that an arbitral tribunal derives its authority from the arbitration agreement and may decide only matters within its scope. Applying article 50(1)(f) of the Saudi Arbitration Law, the court found that the tribunal had ruled on matters not submitted to arbitration. By determining its own fees in the absence of party agreement and without resorting to the competent court under article 24 of the SAL, the tribunal exceeded its jurisdiction.

Separately, the court held that paragraphs 2 and 3 of the award violated Shari'ah principles and public policy. It stated that the award "did not rest on valid supporting reasoning nor clarify the basis of entitlement". The absence of sufficient reasoning and of a lawful basis for entitlement rendered that part of the award defective.

The court therefore annulled paragraphs 2 and 3 of the award relating to arbitration fees and costs, while upholding the remainder of the award, including the termination of the proceedings by agreement of the parties.

Although the court invoked Shari'ah and public policy as grounds for annulment, its decision was primarily based on article 50(1)(f) of the SAL, reflecting the exhaustive nature of annulment grounds under the law and the limited circumstances in which annulment based on Shari'ah may be granted.

Notice Of Written Communications In Electronic Form In Arbitration Proceedings

The study examined a judgment in which the Makkah Court of Appeals decided on the permissibility of written communications in electronic form in arbitration proceedings.^[3] In this case, the court upheld the arbitral tribunal's decision to rely on the parties' confirmed electronic means of communication as valid means of service, in the absence of any agreement between the parties to the contrary. The court found that notifications are valid when made via mobile messages (SMS), equivalent applications such as WhatsApp or the parties' and their respective counsels' designated email addresses, provided there is evidence that the communications reached the designated contact number or email address. The court further concluded that proof of delivery to the designated electronic address is sufficient to establish valid service.

In light of the ongoing deliberations by the UNCITRAL's Working Group II, this case demonstrates a positive approach to the issue of receipt and validity of written notices of arbitration and other communications in electronic form in the Kingdom. Article 8 of the Draft Arbitration Law expressly codifies this issue, noting that e-communications are valid.

DRAFT SAUDI ARBITRATION LAW: KEY CHANGES

Saudi Arabia is considering amendments to its Arbitration Law. On 24 September 2025, the National Competitiveness Center published a draft law on the Istitlaa' Platform. The consultation period closed on 25 October 2025.^[4]

The draft contains several important changes.

Under article 11(1) of the Draft Saudi Arbitration Law, the law governing the arbitration agreement is determined by the parties' express choice. In the absence of such choice, the law of the seat applies. The current law does not address this issue expressly. This clarification reduces uncertainty in cross-border cases.

The draft also removes the requirement under article 14 of the 2012 SAL that arbitrators hold qualifications in law or Shari'ah (or at least the President of the tribunal if the latter is composed of more than one arbitrator). Parties would be free to appoint arbitrators from non-legal backgrounds. This reflects common international practice, particularly in technical disputes. In addition, article 20(2) expressly provides that an arbitrator need not be of a specific nationality unless the parties agree otherwise. Article 27 introduces statutory arbitrator immunity for acts or omissions in their arbitral capacity, except in cases of fraud or gross professional misconduct.

Under the current law, challenges to a tribunal's dismissal of a plea of lack of jurisdiction are typically reviewed through set-aside proceedings after the award is rendered. The draft, under article 28(4), allows recourse to the competent court at an earlier stage, while the arbitration continues. How this will operate in practice remains to be seen.

Under article 1 of the draft, it recognises emergency awards, interim awards and partial awards. These are already used in institutional arbitration, but statutory recognition provides additional clarity. Articles 29-31 further strengthen the interim relief framework by granting tribunals authority to order interim and conservatory measures and regulating their enforcement through the courts.

The draft also modernises procedure. Article 8 expressly recognises electronic means, including email, as valid for notifications and article 35(2) allows tribunals to hold hearings physically or virtually using modern technology. In complex cases, article 37 permits the joinder or intervention of a third party where it is a party to the arbitration agreement. Article 43 allows consolidation of related arbitrations where the parties agree.

Finally, the draft removes the requirement that government entities obtain approval from the Prime Minister or other statutory authority before agreeing to arbitration. If adopted, this would represent a significant development in public-sector arbitrability.

SCCA CASELOAD GROWTH AND INTERNATIONAL TRUST

The SCCA continues to experience a significant increase in the caseload received, reflecting increased user confidence in the SCCA's practices and services.

In 2025, the SCCA recorded 182 new case filings, a substantial increase of 63% over 2024's 120 new filings. During the same year, the total value of claims exceeded 4 billion riyals. The SCCA has experienced a sustained double-digit growth over the past five years: 50% from 2020 to 2021, 67% from 2021 to 2022, 84% from 2022 to 2023, 59% from 2023 to 2024 and 63% from 2024 to 2025. The SCCA continues to scale its administration and team capabilities to accommodate this increased caseload.

Market participation also continued to expand, increasing from 13 different industry sectors in 2024 to 18 industries in 2025. The top five industries represented were: (1) construction and engineering (47.3%); (2) professional services; (3) shipping, logistics and maritime; (4) employment and labour; and (5) commerce and ecommerce, trade and retail.

RIYADH INTERNATIONAL DISPUTES WEEK

This year's Riyadh International Disputes Week (RIDW26) attracted over 6,150 participants from 104 countries and 400+ speakers, with 96 events held throughout the week from 1–5 February 2026. The SCCA's fifth international flagship conference (SCCA26), held under the theme "Predictable Dispute Resolution in Uncertain Times", focused on the vital role of

governance, legal certainty and effective dispute resolution in promoting trust and stability in times of uncertainty. The conference brought together more than 1,700 participants including key players in dispute resolution, government, academia and businesses from both local and international sectors.

The week featured several milestones. The SCCA partnered with Jus Mundi to integrate Jus AI capabilities into SCCA's case management system. In addition, the SCCA signed an agreement with Professor Gary B Born in partnership with Kluwer Arbitration to translate his book titled "International Arbitration: Law and Practice" into Arabic. Finally, the SCCA officially launched its dedicated Research Center "SADEED Research and Legal Development".

These developments demonstrate the SCCA's commitment not only to administering arbitration cases in accordance with best international practices, but also to leading efforts to promote the arbitration culture in the MENA region.

ARAB WORLD REGIONAL JUDICIAL NEW YORK CONVENTION ROADSHOW

As part of ICCA's International Judicial Colloquia Series, Riyadh hosted the Arab World Regional Judicial New York Convention Roadshow during Riyadh International Disputes Week 2026. The event focused on the application of the Convention on the Recognition and Enforcement of Foreign Arbitral Awards in Arab states.

The programme was organised by the International Council for Commercial Arbitration (ICCA) in partnership with the SCCA and the General Secretariat of the League of Arab States. It marked the third year of cooperation between ICCA and the SCCA within the Roadshow initiative.

The roadshow brought together 50 judges from 20 Arab countries, alongside 20 local and international speakers – the highest level of participation to date. The sessions included a structured article-by-article review of the Convention's provisions, followed by discussions on recent developments in the enforcement of foreign arbitral awards in selected Arab jurisdictions. Public policy issues were also examined and key statistics and findings from the latest SCCA study on arbitration-related judicial decisions were presented.

EMPOWERING THE NEXT GENERATION: SCCA INTERNATIONAL ARABIC MOOT (SIAM)

The seventh edition of SIAM continued to focus on developing future arbitration practitioners. This year, 181 teams from 25 countries participated, bringing together 1,002 students. The teams came from across the Arab world, as well as from outside the region. Notably, Indonesia and Nigeria participated for the first time since the competition began seven years ago. An Indonesian team qualified to the round of 32.

The competition provides students with practical training in written and oral advocacy. Given the high volume of construction disputes in the region, this year's problem included issues under the FIDIC Yellow Book, alongside questions involving the SCCA Arbitration Rules, the UNCITRAL Model Law, the New York Convention, the CISG and the UNIDROIT Principles.

To support the continuity of the moot and encourage participation, two new recognitions were introduced: the Golden Coach and the Golden Arbitrator acknowledgements, aimed at recognising the efforts of coaches and arbitrators.

SIAM forms part of the SCCA's broader educational initiatives, which seek to equip students and young practitioners with practical knowledge of arbitration.

Endnotes

- 1 Istitlaa' is a unified electronic platform affiliated with Saudi's National Competitiveness Center for public consultation, seeking the opinions of the public, government entities and the private sector regarding developing laws and regulations issued by government entities prior to their approval, [About the Platform](#). ^ [Back to section](#)
- 2 Case No. 4630279062, Riyadh Court of Appeal, 7 October 2024. ^ [Back to section](#)
- 3 Case No.4630338072, Makkah Court of Appeal, 19 October 2024. ^ [Back to section](#)
- 4 Draft Saudi Arbitration Law (2025), [Draft Arbitration law](#). ^ [Back to section](#)



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