



المركز السعودي للتحكيم التجاري
Saudi Center for Commercial Arbitration



المركز السعودي للتنافسية والأعمال
SAUDI COMPETITIVENESS & BUSINESS CENTER
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Arbitration in Saudi Arabia



Case Law and Legislative Analysis in
Light of the UNCITRAL Model Law and
Saudi Arbitration Framework

Country Report

Prepared by:
Saudi Center for Commercial Arbitration (SCCA)

July 2026

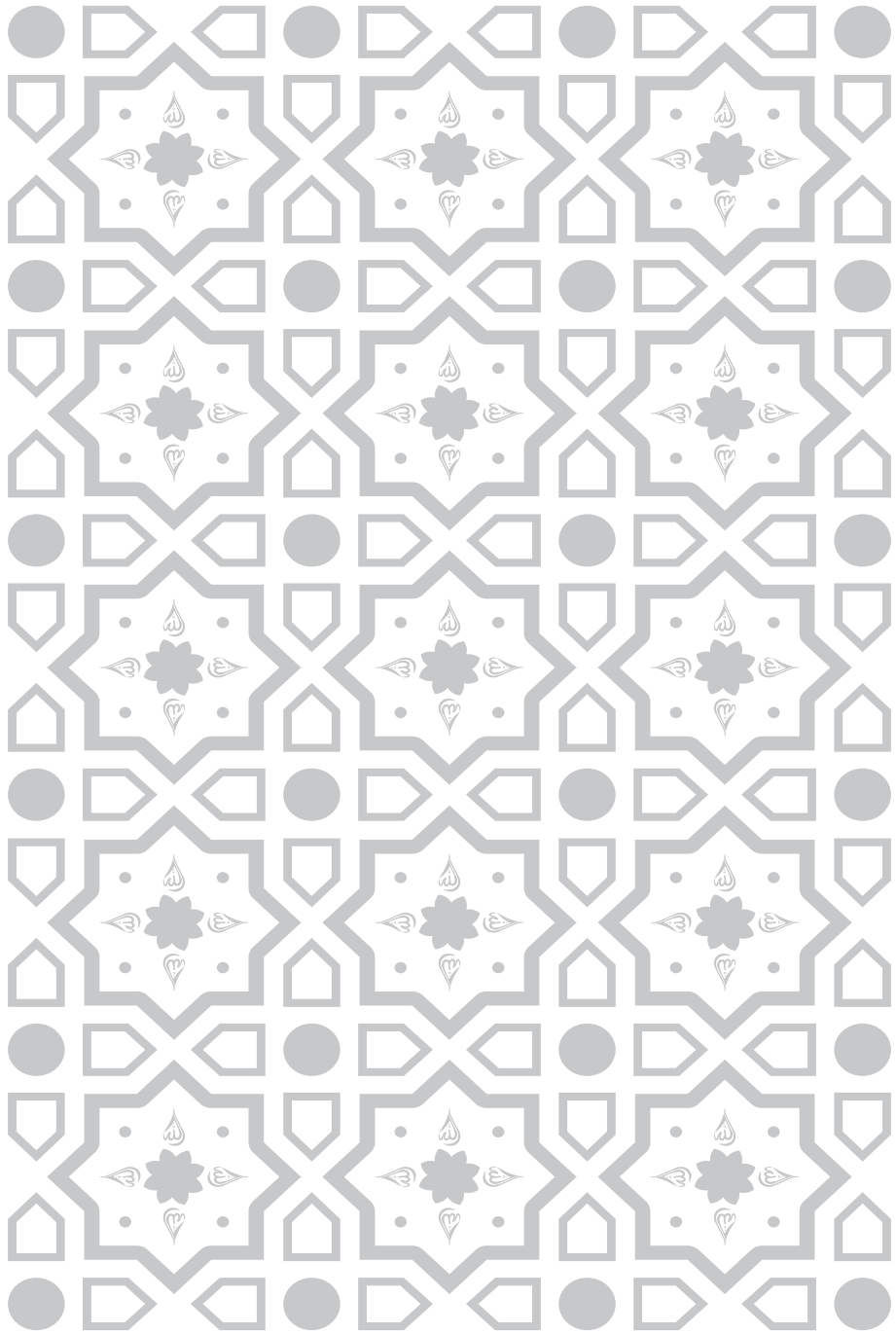
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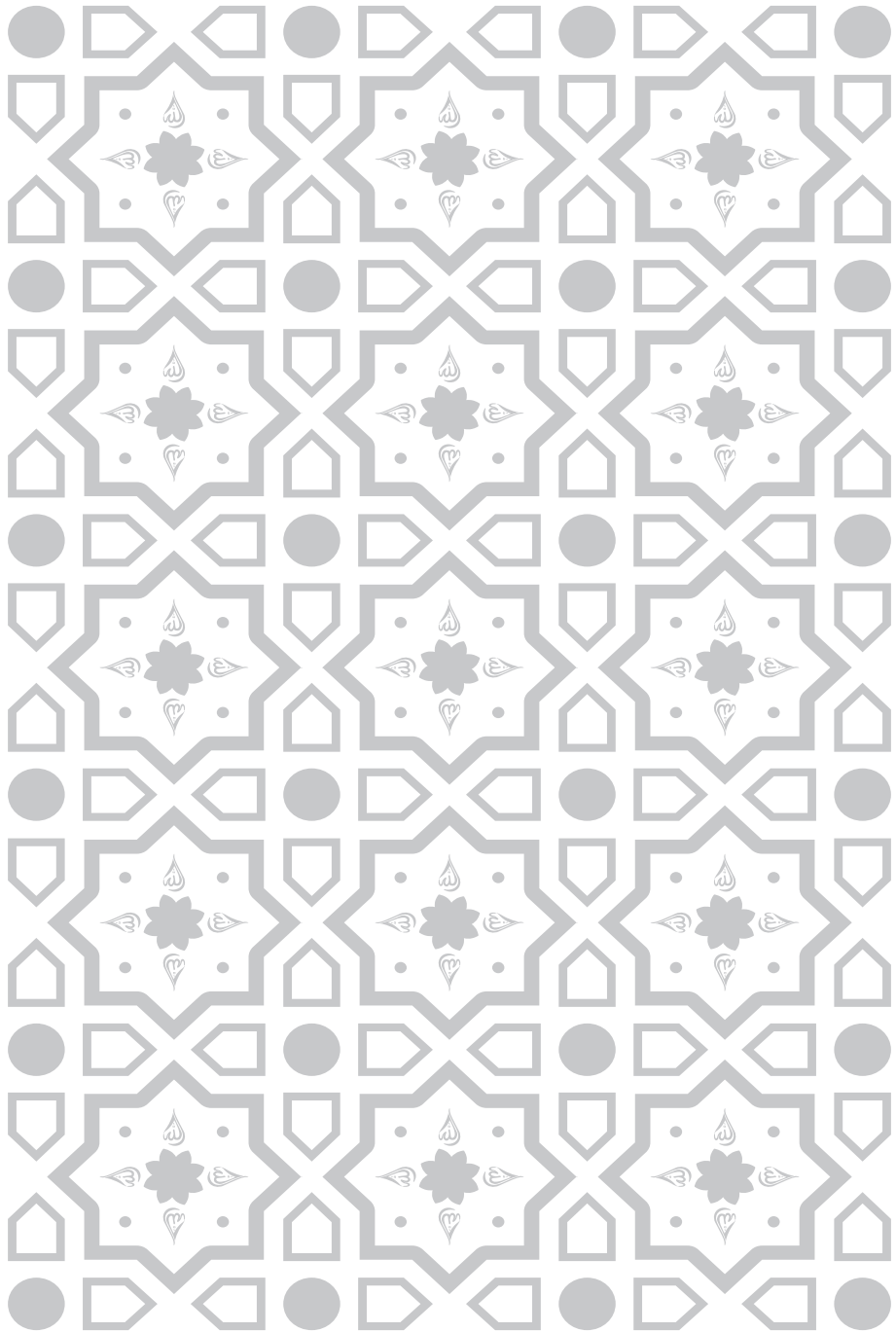
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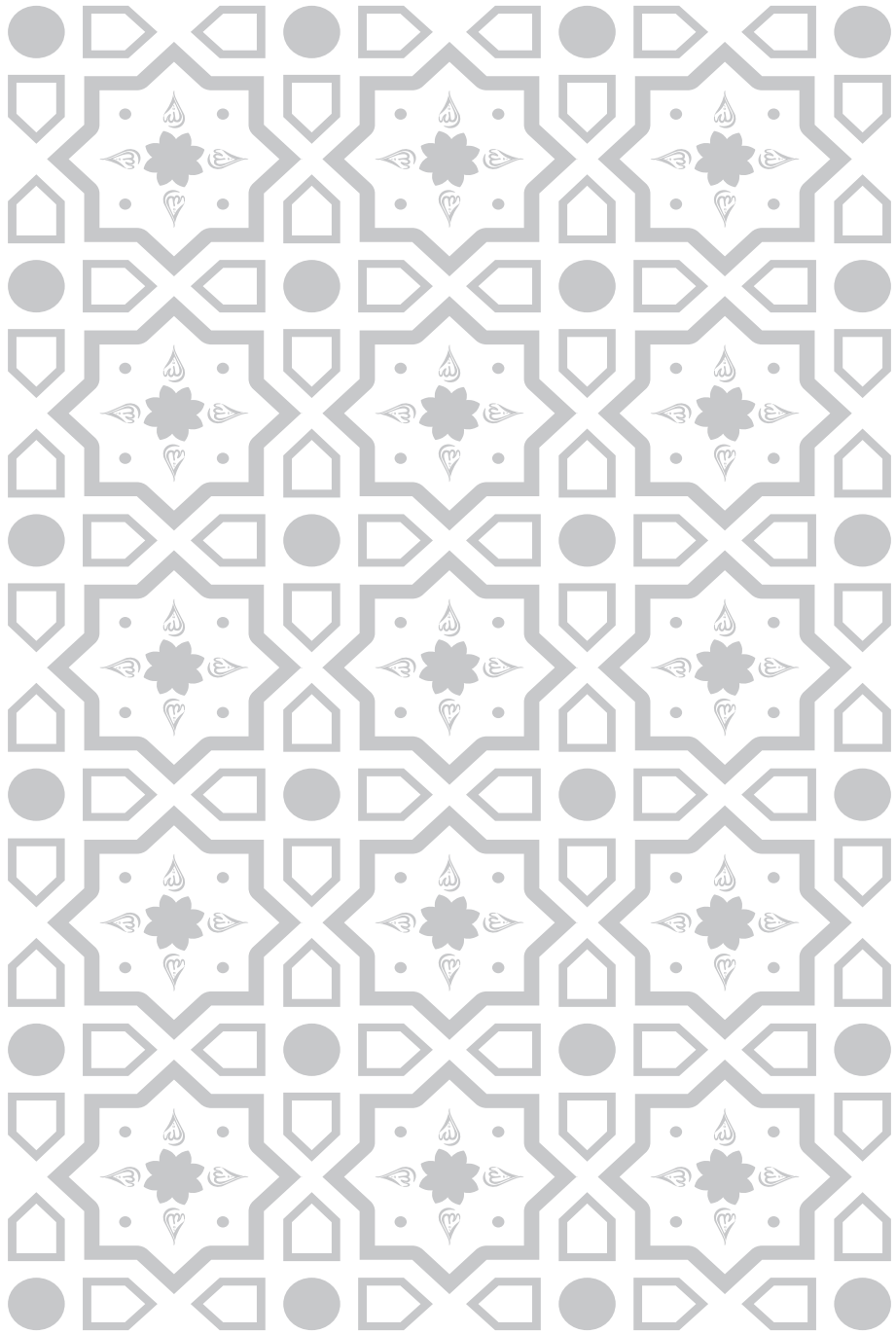
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This research has been prepared as an independent analytical work expressing the scientific opinions and conclusions of the research team. Nothing contained herein shall be construed or understood as necessarily representing, either expressly or implicitly, the official opinion or position of the Saudi Center for Commercial Arbitration (SCCA). Furthermore, it does not necessarily reflect the views or policies of the Government of the Kingdom of Saudi Arabia, its judiciary, or any of its institutions.

All Saudi court judgments and corresponding case citations referenced in this study were provided directly by the Saudi Ministry of Justice as part of the data collection process for this project. The study reflects the information made available to the research team as of June 12, 2026.

All analyses and assessments provided in this research are presented within the framework of scholarly diligence, conducted based on the approved methodology and its sources, without creating any legal obligation or effect on any entity whatsoever.







Executive Summary

Background

The launch of Saudi Vision 2030 in 2016 initiated a broad national transformation agenda that has reshaped the Kingdom’s legal, regulatory, and economic landscape. As part of this process, Saudi Arabia has implemented extensive legislative and institutional reforms that strengthen its arbitration framework through legislative modernization, judicial development, institutional support, and investments in digitalization and capacity building. These developments have contributed to the emergence of a sophisticated and internationally oriented arbitration ecosystem.

The International Bar Association identifies three principal indicators of a stable arbitral environment when selecting a seat of arbitration: membership in the Convention on the Recognition and Enforcement of Foreign Arbitral Awards (“the New York Convention”), an arbitration-supportive legal framework permitting arbitration of the relevant subject matter, and a judiciary with a demonstrated record of neutral and arbitration-friendly decisions. As a Contracting State to the New York Convention since 1994, the Kingdom has continued to reinforce its position as an arbitration-friendly jurisdiction aligned with internationally recognized standards.

Against this background, this study provides a comprehensive analysis of the Kingdom’s arbitration framework and its relationship to the UNCITRAL Model Law on International Commercial Arbitration (1985), as amended in 2006 (“the Model Law”). The study assesses the extent to which the Saudi Arbitration Law (2012) and the Draft Saudi Arbitration Law (“the Draft Law”) currently under consideration align with the Model Law as an internationally recognized reference, through

(1) an analysis of Saudi court rulings and arbitral awards and (2) a textual comparison of the provisions of the three texts.

Prepared in response to an official invitation from the Board of Editors for the Digest Revision of the United Nations Commission on International Trade Law (UNCITRAL), the report forms part of Saudi Arabia's contribution to the forthcoming edition of the UNCITRAL *Digest of Case Law on the Model Law on International Commercial Arbitration* and reflects the Kingdom's continuing engagement in the development and dissemination of international arbitration jurisprudence.

Overview

Part I presents the results of a detailed analysis of arbitration-related judicial rulings issued by the Courts of Appeal across various regions of the Kingdom between January 2023 and June 2025. The dataset comprised 967 decisions provided by the Ministry of Justice, and in all cases, the applicable law was the Saudi Arbitration Law and the seat of arbitration was within the Kingdom.

The judicial analysis adopts a comparative methodology grounded in the Model Law, its interpretation, and its implementation in jurisdictions that have adopted it in whole or in part. It begins with an analysis of practical issues arising from the application of the Model Law in comparative jurisprudence, supplemented by relevant scholarly literature. Based on this, a set of research questions were developed and organized in accordance with the structure and provisions of the Model Law.

Within this framework, Saudi judicial precedents addressing the interpretation or application of the Saudi Arbitration Law were mapped to the corresponding provisions of the Model Law. The review then analyzes how Saudi courts have addressed these issues, with the aim of assessing the degree of alignment between domestic judicial practice and internationally recognized arbitration standards. Particular attention is then placed on the grounds for annulment of arbitral awards that have been argued in Saudi courts.

The analysis concludes with a brief overview of three arbitral awards issued in disputes governed by the SCCA's Arbitration Rules and the Saudi Arbitration Law. While no general conclusions can be drawn from this limited sample, the awards are included to illustrate how the Saudi law and the Model Law are implemented in practice in arbitral proceedings within the Kingdom.

Part II presents the results of a direct textual comparative analysis of the provisions of the Model Law and the corresponding provisions of the Saudi Arbitration Law and the Draft Law. The methodology proceeds on the basis that the Model Law constitutes the principal international reference framework for the Saudi Arbitration Law, as well as for comparable arbitration regimes in other jurisdictions. Accordingly, the comparative analysis begins with the provisions of the Model Law and examines whether, and to what extent, corresponding provisions appear in the current and draft Saudi laws.

Each provision of the Model Law is examined individually and compared with its counterpart in the current and draft laws, where applicable. Accordingly, the tables are not intended to provide a comprehensive catalogue of all provisions contained in the Saudi Arbitration Law or the Draft Law, but instead identify only those provisions that correspond, whether directly or with variation, to the substance or structure of the relevant Model Law provision. The analytical framework also allows for comparisons to be made between the two Saudi laws, the findings of which are presented in the third section of the key findings outlined below.

Key Findings

Judicial Rulings and Arbitral Awards

The findings of the judicial analysis reveal several key indicators of the effectiveness of the arbitral environment in the Kingdom. These relate to fundamental issues including (1) arbitrability, (2) the recognition of electronic notifications in arbitral proceedings, (3) the limits

of judicial intervention, (4) the principles of competence–competence and separability of the arbitration clause, (5) respect for party autonomy in the constitution of the arbitral tribunal, (6) respect for party autonomy in determining procedural rules, (7) the scope of judicial review, and (8) the application of public policy and Sharia.

As regards **non-arbitrability**, judicial precedents confirm that the general rule is that disputes are arbitrable, subject to limited exceptions where the legislator expressly assigns jurisdiction to a specific authority or excludes certain categories of disputes from arbitration. These include tax disputes, personal status matters, and matters not capable of settlement.

With respect to **electronic notifications**, judicial precedents demonstrate that the Saudi judiciary has adopted a positive and progressive approach to the recognition of electronic means in arbitral proceedings. Courts have affirmed the validity of notifications made through text messages, similar applications, or email designated by the parties, unless otherwise agreed. Where it is established that the notification has reached the designated means of communication, proof of delivery to the relevant electronic address is deemed sufficient to establish valid service, with the burden shifting to the recipient to prove non-receipt. This approach aligns with international developments in arbitral practice and is consistent with Article 8 of the Draft Arbitration Law, which expressly recognizes the validity of electronic communications.

With regard to **judicial intervention and assistance during the arbitration proceedings**, the rulings examined consistently confirmed that court involvement remains confined to the instances expressly provided for by law.

As to the principle of **competence–competence and the separability of the arbitration clause**, judicial precedents show clear and consistent alignment on both principles. Courts have affirmed the primary authority of the arbitral tribunal to rule on its own jurisdiction, including objections

relating to the existence or validity of the arbitration agreement. They have also upheld the separability of the arbitration clause from the underlying contract, confirming that the invalidity, termination, or revocation of the contract does not, in itself, affect the validity of the clause, provided it remains independently valid. This approach is consistent with the Saudi Arbitration Law and prevailing practice in comparable arbitration systems.

Regarding **party autonomy in the constitution of the arbitral tribunal**, judicial precedents indicate that Saudi courts generally respect the mechanisms agreed upon by the parties for the appointment of arbitrators and uphold the arrangements set out in arbitration agreements. However, judicial intervention occurs in exceptional circumstances to safeguard procedural fairness and the principle of impartiality, particularly where the agreed mechanism results in imbalance between the parties, compromises the independence of the tribunal, or where the tribunal's composition is altered without the knowledge of one of the parties. In addition, the Saudi Arbitration Law requires that the tribunal be composed of an odd number of arbitrators; failing this, the arbitration is rendered void pursuant to Article 13.

As regards **party autonomy in determining procedural rules**, judicial precedents show that the Saudi judiciary recognizes the broad authority granted to the arbitral tribunal to conduct proceedings in the absence of an agreement between the parties on procedural rules. Courts have consistently rejected applications for annulment based on procedural irregularities that do not fall within the exclusive grounds for annulment prescribed by law. Where the parties have expressly agreed to subject the arbitration to the rules of a designated arbitration institution, the courts have upheld such agreements and recognized the binding effect of the procedural frameworks established by those rules, including the authority of the institution and the finality of its decisions, insofar as they are consistent with both the parties' agreement and applicable law.

With respect to **judicial review** of arbitral awards, judicial precedents

confirm that Saudi courts adopt a limited standard of review. This review does not extend to reconsidering the merits of the dispute, reassessing the arbitral tribunal's interpretation of substantive law, or re-evaluating the evidence, except where one of the exclusive grounds for annulment set out in Article 50 of the Saudi Arbitration Law is established. These grounds largely correspond to Article 34 of the Model Law and Article V of the New York Convention. The case law consistently affirms that errors in the interpretation or application of law or in the assessment of facts do not, in themselves, constitute grounds for annulment, thereby reinforcing the finality and independence of arbitral awards.

The analysis also devoted attention to the **annulment of arbitral awards** and the confinement of annulment to a narrowly defined scope in both ad hoc and institutional arbitration. This analysis is grounded in Article 50 of the Saudi Arbitration Law (corresponding to Article 34 of the Model Law) and examines both annulment applications and their rate of success before the courts. The extent to which arbitral awards may be annulled in the Kingdom remains a key area of interest for foreign stakeholders unfamiliar with its arbitration environment, particularly in relation to grounds associated with Sharia and public policy.

During the period under study, 194 annulment applications were filed, representing 20.1 percent of the total judgments examined (967). Of these, 174 were rejected, amounting to a rejection rate of 89.7 percent. Rejections occurred either on procedural grounds—most notably failure to comply with statutory time limits—or on substantive grounds following admissibility, due to the absence of any of the exclusive grounds set out in Article 50 of the Saudi Arbitration Law. The body of case law demonstrates that Saudi courts treat these grounds for annulment as exhaustive, not subject to expansion or analogy. Judicial precedents unanimously confirm that the Courts of Appeal may neither revisit the facts nor re-examine the merits of the dispute.

By contrast, only 20 annulment applications were granted (10.3%). Of

these, full annulment was ordered in 12 cases (6.2% of all annulment applications), while partial annulment was ordered in eight cases (4.1%), reflecting a clear judicial inclination to confine annulment to the narrowest possible scope. The findings further demonstrate that reliance on Sharia as a ground for annulment was extremely limited, with only one instance of partial annulment recorded on that basis (0.5%), with the court also relying on public policy and other grounds. Annulment on public policy grounds was likewise rare, occurring in only three cases (1.55%), including the same judgment in which the court also relied on Sharia grounds—two involving full annulment and one partial annulment.

While the present study is methodologically independent, it may be considered alongside four prior studies prepared by the Saudi Center for Commercial Arbitration (SCCA) in 2021, 2022, 2023, and 2025, which examined judgments issued by the Courts of Appeal between 2017 and 2023. When these findings are considered cumulatively, the total number of judgments analyzed exceeds 3,300 issued between 2017 and 2025, including 565 annulment applications. Of these, 518 were rejected, representing 91.7 percent of all annulment requests, while only 47 motions were accepted (8.3%). Full annulment was ordered in 31 cases (5.5%), and partial annulment in 16 cases (2.8%). Annulment based on Sharia or public policy was limited to 13 cases (2.3%).

These results of the case law analysis demonstrate a consistent approach in the Kingdom aligned with international practice, whereby the scope of judicial review of arbitral awards is narrowly confined and their finality preserved, thereby reinforcing confidence in the stability of the Saudi arbitration system.

Legislative Comparison (Model Law, Saudi Arbitration Law, Draft Law)

The findings of the textual comparison of the three instruments reveals a clear degree of structural and procedural harmonization, confirming

that the Saudi Arbitration Law largely reflects internationally recognized arbitration standards, while incorporating certain adaptations that reflect the specific features of the Kingdom's regulatory framework.

With respect to the **scope of application and the criterion of internationality**, the Model Law adopts a broad, functional concept of international commercial arbitration. By contrast, the Saudi Arbitration Law extends its application to both domestic and international arbitration. This approach is maintained in the Draft Law, with more precise drafting aimed at enhancing legal certainty.

The comparative analysis further shows that the Saudi Arbitration Law does not distinguish, in its substantive provisions, between domestic and international arbitration. Pursuant to Article 2, it applies to all arbitrations conducted within the Kingdom, as well as to international commercial arbitrations conducted abroad where the parties agree to subject them to its provisions, without prejudice to the rules of Sharia and applicable international treaties to which the Kingdom is a party. Article 3 defines the circumstances in which arbitration is considered international, while Article 5 affirms respect for party autonomy in choosing to apply model laws or international conventions, including their arbitration provisions, provided that such application does not contravene Sharia. In this respect, the Saudi law establishes a unified arbitration framework while maintaining openness to international standards within defined regulatory limits.

In relation to **definitions**, the Model Law adopts a minimalist approach, limiting itself to essential operational terms. The Saudi Arbitration Law, by contrast, provides more detailed regulation of key concepts and specifies the competent court. The Draft Law further develops this approach by introducing contemporary procedural concepts such as the emergency arbitrator, counterclaims, and interim and partial awards, reflecting a shift toward modern institutional arbitration practices.

With regard to **party autonomy and arbitral procedures**, all three instruments affirm the central role of party autonomy in determining

procedural rules and constituting the arbitral tribunal. However, the Saudi Arbitration Law incorporates certain procedural requirements in the interest of procedural discipline, whereas the Draft Law moves toward greater flexibility and reduced formalism, more closely aligning with the Model Law, particularly in areas such as electronic communication, digital notifications, and the constitution of the tribunal.

As regards the **relationship between the judiciary and arbitration**, the Model Law enshrines the principle of limited judicial intervention. This principle is both implicitly and substantively reflected in the Saudi Arbitration Law, although not articulated in express terms. The Draft Law moves toward a more explicit affirmation of this principle, while further developing the framework of judicial jurisdiction through the subject-matter specialization of commercial courts.

With respect to **notifications and digital procedures**, the Model Law adopts the standard of presumed knowledge. The Saudi Arbitration Law reflects the same approach, with more detailed regulation. The Draft Law introduces a significant development by expressly recognizing email and other digital means of communication, and by specifying the point at which electronic notification is deemed effective. This represents a notable advancement toward fully digitalized arbitration procedures.

Differences also arise in relation to the **requirements of arbitrators, their number, and the grounds for challenge**. The Model Law adopts minimum conditions, while the Saudi Arbitration Law introduces additional regulatory requirements. The Draft Law moves toward easing these restrictions to enhance the attractiveness and competitiveness of the arbitral environment.

With regard to **interim measures**, all three instruments align in confirming that recourse to the judiciary for precautionary measures does not constitute a breach of the arbitration agreement, but rather serves to protect the interests of the parties. The Saudi Arbitration Law

expands the role of both the court and the arbitral tribunal in this respect. While the Draft Law maintains this approach, it reformulates the relevant provisions in a manner more closely aligned with the structure and wording of the Model Law.

Overall, the comparative analysis reveals a process of gradual legislative development. The Saudi framework has evolved from drawing inspiration from the Model Law to achieving a more advanced level of harmonization and procedural alignment, striking a balance between international standards, the requirements of domestic legislation, and the specific features of the national legal system.

Saudi Arbitration Law and Draft Law: Key Features

While Part II focuses on a comparison of the current Saudi Arbitration Law and the Draft Law against corresponding provisions in the Model Law, the broader review reveals the following principal themes, with illustrative (non-exhaustive) examples:

1. Enhanced Arbitrator Eligibility and Immunity

- **Qualifications:**

The requirement in the current law that a sole arbitrator or the chair of the arbitral tribunal hold a degree in Sharia or law has been removed. This allows parties greater flexibility to appoint technical experts or specialists from non-legal backgrounds. Under the Draft Law, an arbitrator need only be a natural person with full legal capacity and not deprived of the exercise of civil rights due to criminal conviction.

[Article 20 (1) (Draft) v. Article 14 (3) (Current)]

- **Nationality:**

The Draft Law clarifies that arbitrators are not required to be of any particular nationality unless otherwise agreed by the parties.

[Article 20 (2) (Draft)]

- **Immunity:**

The Draft Law expressly codifies arbitrator immunity, shielding arbitrators from personal liability for acts or omissions performed in their capacity as arbitrators, except in cases of fraud or gross professional misconduct.

[*Article 27 (Draft)*]

2. Modernization and Digital Proceedings

- **Service of Process:**

In the Draft Law, legal notifications may be effected through electronic means, including email and mobile phone.

[*Article 8 (1)–(2) (Draft) v. Article 6 (1)–(2) (Current)*]

- **Virtual Hearings:**

In the Draft Law, arbitral tribunals are expressly empowered to conduct meetings and hearings remotely using modern technological means.

[*Article 35 (2) (Draft) v. Article 28 (Current)*]

- **Electronic Signatures:**

In the Draft Law, arbitral awards may be signed electronically and are deemed rendered at the seat of arbitration, even if signed outside of the Kingdom.

[*Article 52 (4) (Draft) v. Article 42 (1) (Current)*]

3. Interim and Emergency Relief

- **Interim Measures:**

The Draft Law introduces a more comprehensive framework governing interim and precautionary measures. Arbitral tribunals are granted expanded authority to order measures to preserve the status quo, take or refrain from taking action to prevent harm or prejudice, and safeguard

assets or evidence. In cases of non-compliance, recourse may be made to the competent court, which must issue its decision within 15 days.

[Articles 29 and 31 (1) (Draft) v. Articles 22 and 23 (Current)]

- **Emergency Arbitrators:**

The Draft Law expressly defines and recognizes the role of emergency arbitrators, enabling parties to seek urgent interim relief before the final award is rendered.

[Articles 1 and 49 (1) (Draft)]

4. Procedural and Multi-Party Improvements

- **Joinder, Intervention, and Consolidation:**

The Draft Law allows for the joinder of or intervention by a third party and the consolidation of related arbitrations, provided certain conditions are met.

[Articles 37 and 43 (Draft)]

- **Removal of Default Time Limits:**

The requirement in the current law to issue a final award within 12 months from the commencement of the arbitration—absent party agreement—has been removed in the Draft Law. Where the parties have set a time limit in their arbitration agreement, the arbitral tribunal or either party may request an extension from the competent court.

[Article 51 (Draft) v. Article 40 (Current)]

5. Annulment and Streamlined Enforcement

- **Curing Defects:**

In annulment proceedings, courts are empowered to stay the proceedings for up to 60 days to allow the arbitral tribunal to remedy defects relating to the form of the award.

[Article 61 (5) (Draft) v. Article 50 (Current)]

- ***Res Judicata:***

The Draft Law explicitly codifies that arbitral awards shall have “*res judicata* effect” regardless of the country in which they are issued and are enforceable accordingly.

[*Article 63 (Draft) v. Article 52 (Current)*]

- **Enforcement Simplification:**

The requirement for the arbitral tribunal to deposit the award with the competent court, including submission of an Arabic translation, has been removed. Thus, translation is required only when a party seeks enforcement.

[*Article 44 (Current)*]

- **Appeals:**

In the current law, decisions by the courts to annul an award may be appealed before the competent authority within 30 days of notification of its issuance. However, court decisions to order enforcement of an award are non-appealable. While retaining the same time limits, the Draft Law permits appeals against *both* orders granting and those refusing enforcement of the award, and expressly refers to the Supreme Court as the competent authority.

[*Articles 62 (2) and 66 (Draft) v. Articles 51 (2) and 55 (3) (Current)*]

Conclusion

Taken together, the parts of this report demonstrate that the Model Law serves as the principle procedural reference for arbitration legislation in the Kingdom. The current Saudi Arbitration Law reflects the Model Law in regulating arbitral procedures and defining the role of the competent court, while incorporating elements required by national legislation, particularly concerning the relationship between the procedural framework and public policy. The Draft Law further indicates a clear legislative trajectory toward

reducing formalities, accelerating procedures, strengthening institutional arbitration, and achieving closer alignment with international standards. In addition, Saudi courts' interpretation and implementation of the current law demonstrate a consistent record of arbitration-friendly practices. This evolution reflects a shift from a stage of national adaptation of the Model Law toward a more advanced phase of integration and harmonization with the global arbitration framework.



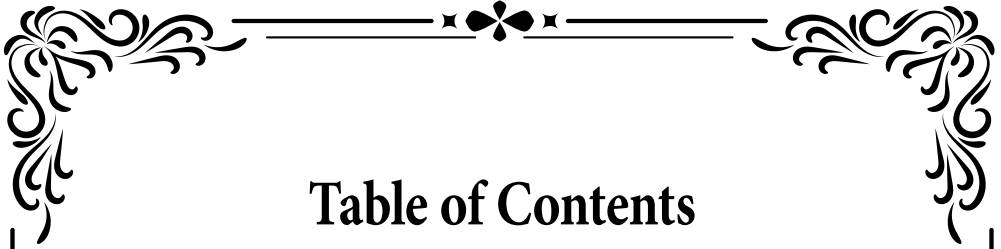


Table of Contents

Executive Summary	7
Background.....	7
Overview	8
Key Findings	9
Judicial Rulings and Arbitral Awards.....	9
Legislative Comparison (Model Law, Saudi Arbitration Law, Draft Law).....	13
Saudi Arbitration Law and Draft Law: Key Features.....	16
Conclusion	19
Table of Contents.....	21
Introduction.....	31
Part I—Case Law Analysis: Judicial Rulings and Arbitral Awards in Saudi Arabia.....	35
Background and Methodology.....	37
Article-by-Article Analysis	41
Chapter I: General Provisions (Arts. 1–6)	41
Article 1: Scope of Application.....	41
Core Issue.....	41
Comparative Practice	42
Research Question	42
Approach of Saudi Courts.....	42
Article 3: Receipt of Written Communications.....	43

Core Issue	44
Comparative Practice	44
Research Question	45
Approach of Saudi Courts.....	45
Article 4: Waiver of Right to Object.....	47
Core Issue	47
Comparative Practice	47
Research Question	47
Approach of Saudi Courts.....	47
Article 5: Extent of Court Intervention	48
Core Issue	48
Comparative Practice	49
Research Question	49
Approach of Saudi Courts.....	49
Chapter II: Arbitration Agreement (Arts. 7–9).....	51
Article 7	51
Core Issue	52
Comparative Practice	52
Research Question	53
Approach of Saudi Courts.....	53
Chapter III: Composition of Arbitral Tribunal (Arts. 10–15).....	55
Article 10: Number of Arbitrators.....	55
Core Issue	55
Comparative Practice	55
Research Question	56
Approach of Saudi Courts.....	56

Article 11: Appointment of Arbitrators.....	57
Core Issue	58
Comparative Practice	58
Research Question	58
Approach of Saudi Courts.....	58
Article 12: Grounds for Challenge	60
Core Issue 1	60
Comparative Practice	60
Research Question	61
Approach of Saudi Courts.....	61
Core Issue 2.....	61
Comparative Practice	61
Research Question	62
Approach of Saudi Courts.....	62
Article 13: Challenge Procedure.....	63
Core Issues	64
Comparative Practice	64
Research Question	64
Approach of Saudi Courts.....	65
Article 14: Failure or Impossibility to Act.....	66
Core Issue.....	66
Comparative Practice	67
Research Question	67
Approach of Saudi Courts.....	67
Chapter IV: Jurisdiction of Arbitral Tribunal (Art. 16).....	69
Article 16: Competence of Arbitral Tribunal to Rule on its	

Jurisdiction.....	69
Core Issue 1.....	70
Comparative Practice	70
Research Question	70
Approach of Saudi Courts.....	70
Core Issue 2.....	71
Comparative Practice	71
Research Question	72
Approach of Saudi Courts.....	72
Chapter V: Arbitral Proceedings (Arts. 18–27).....	73
Article 18: Equal Treatment of Parties.....	73
Core Issue.....	73
Comparative Practice	73
Research Question	74
Approach of Saudi Courts.....	74
Article 19: Determination of Rules of Procedure.....	76
Core Issue.....	76
Comparative Practice	76
Research Question	76
Approach of Saudi Courts.....	77
Article 24: Hearings and Written Proceedings.....	79
Core Issue.....	80
Comparative Practice	80
Research Question	81
Approach of Saudi Courts.....	81
Chapter VI: Making of Award and Termination of Proceedings (Arts.	

28–33)	83
Article 28: Rules Applicable to Substance of Dispute.....	83
Core Issue.....	84
Comparative Practice	84
Research Question	85
Approach of Saudi Courts.....	85
Article 29: Decision-Making by a Multi-Member Arbitral Tribunal.....	86
Core Issue.....	86
Comparative Practice	86
Research Question	86
Approach of Saudi Courts.....	87
Article 30: Settlement of Dispute	87
Core Issue.....	88
Comparative Practice	88
Research Question	88
Approach of Saudi Courts.....	88
Article 31: Form and Contents of Award.....	89
Approach of Saudi Courts.....	90
Article 32: Termination of Arbitral Proceedings	90
Approach of Saudi Courts.....	91
Article 33: Correction and Interpretation of Award; Additional Award.....	91
Core Issue.....	92
Comparative Practice	92
Research Question	93
Approach of Saudi Courts.....	93

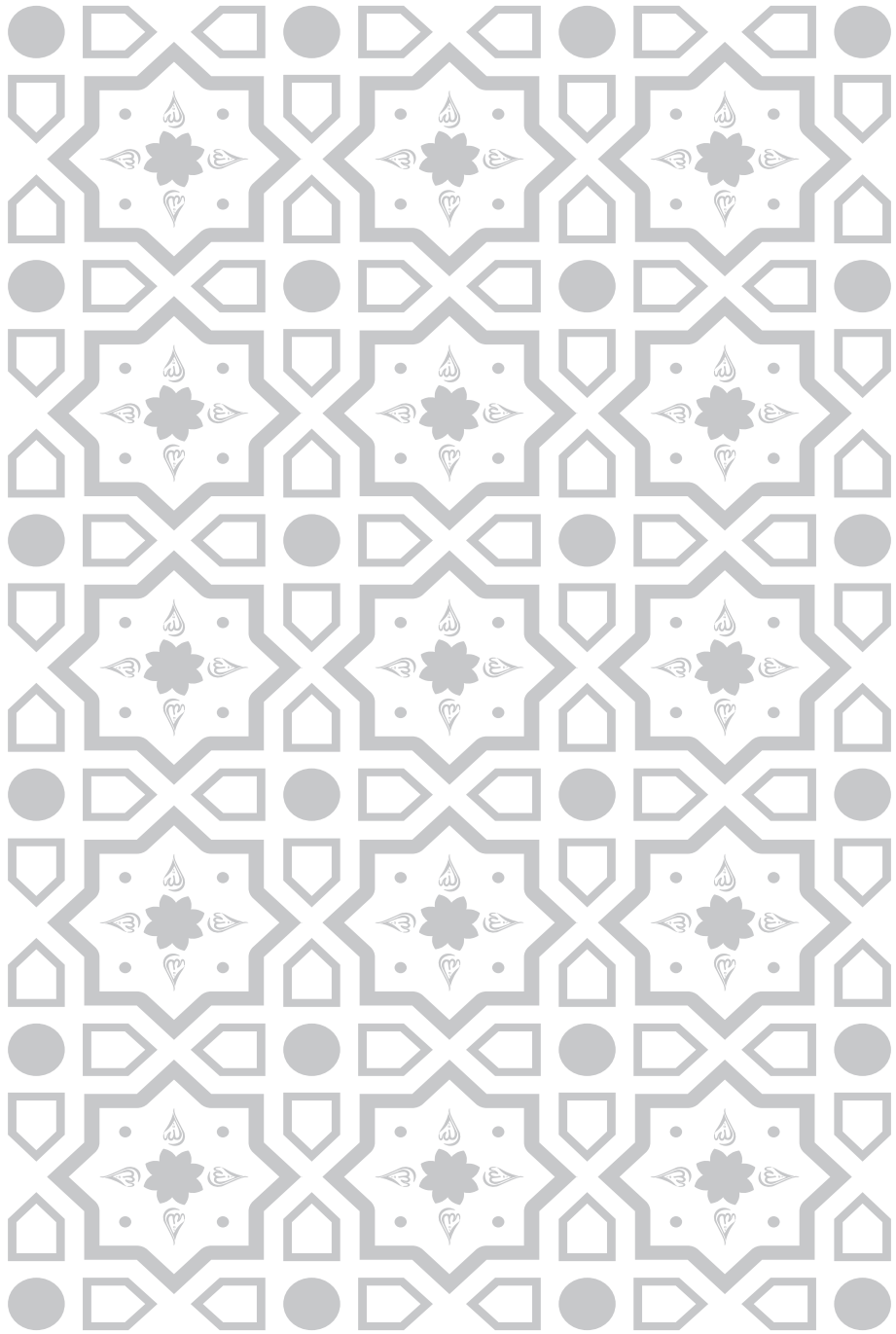
Chapter VII: Recourse against Arbitral Award (Art. 34)	95
Article 34: Application for Setting Aside as Exclusive Recourse against Arbitral Award.....	95
Core Issue 1	97
Comparative Practice	97
Research Question	97
Approach of Saudi Courts.....	97
Core Issue 2.....	99
Comparative Practice	99
Research Question	99
Approach of Saudi Courts.....	100
Core Issue 3.....	101
Comparative Practice	101
Research Question	101
Approach of Saudi Courts.....	102
Core Issue 4.....	104
Comparative Practice	104
Research Question	106
Approach of Saudi Courts.....	106
Chapter VIII: Recognition and Enforcement of Arbitral Awards (Arts. 35–36)	109
Article 36: Grounds for Refusing Recognition or Enforcement	109
Core Issue.....	110
Comparative Practice	111
Research Question	111
Approach of Saudi Courts.....	111
Grounds for Annulment of Arbitral Awards	112

Arbitral Awards under the SCCA Arbitration Rules.....	119
First Arbitration Case.....	119
Second Arbitration Case.....	121
Third Arbitration Case.....	122
Part II—Legislative Analysis: Model Law, Saudi Arbitration Law, and Draft Law.....	125
Background and Methodology.....	127
Thematic Comparative Analysis.....	129
Scope and Territoriality.....	129
Criteria for “International” Arbitration.....	132
Arbitrability.....	135
Definitions.....	137
Party Autonomy in Procedural Matters.....	139
References to Documents Relating to Arbitration Rules.....	140
Counterclaims.....	141
International Origin and General Principles.....	142
Receipt of Written Communications.....	144
Waiver of the Right to Object.....	147
Extent of Court Intervention.....	148
Judicial Authority for Certain Functions of Arbitration Assistance and Supervision.....	150
Definition and Form of the Arbitration Agreement.....	151
Requirement of the Arbitration Agreement To Be “In Writing”.....	153
Form of Written Arbitration Agreement.....	154
Arbitration Agreements and Substantive Claims Before the Courts..	157
Arbitration Agreement and Interim Measures by the Courts.....	159
Number of Arbitrators.....	160

Conditions of Arbitrator Appointment.....	162
Appointment of Arbitrators.....	163
Arbitrator’s Impartiality and Independence: Disclosure	167
Grounds for Challenge	169
Challenge Procedures	171
Failure or Impossibility to Act.....	174
Appointment of Substitute Arbitrators	176
Competence–Competence.....	178
Authority of the Arbitral Tribunal to Order Interim Measures ...	181
Equal Treatment of the Parties	193
Determination of Procedural Rules.....	194
Place of Arbitration.....	196
Commencement of Arbitral Proceedings	198
Language of Arbitration	199
Statements of Claim and Defense	201
Amendment of Claims and Defenses	203
Hearings and Written Proceedings.....	204
Default of a Party.....	207
Use of Experts.....	209
Judicial Assistance.....	211
Rules Applicable to the Subject Matter of the Dispute.....	213
Decision-Making by Panel of Arbitrators.....	215
Settlement of the Dispute.....	218
Form of Award.....	219
Delivery of the Arbitral Award.....	222
Termination of Arbitral Proceedings.....	223

Correction of the Arbitral Award.....	226
1. At the Request of a Party.....	226
Correction of the Arbitral Award.....	228
2. On the Arbitral Tribunal's Own Initiative	228
Interpretation of the Arbitral Award	229
Additional Awards	232
Grounds for Recourse Against Arbitral Awards	234
Time Limit for Annulment Actions.....	237
Suspension of Annulment Actions	238
Recognition and Enforcement of Arbitral Awards.....	240
Requirements for the Enforcement of Arbitral Awards.....	241
Grounds for Refusing Recognition or Enforcement	243
Stay of Enforcement of Arbitral Awards	246







Introduction

The launch of Saudi Vision 2030 in 2016 by His Royal Highness Prince Mohammed bin Salman bin Abdulaziz Al Saud, Crown Prince and Prime Minister, marked a landmark moment that charted a bold new direction for the Kingdom of Saudi Arabia. More than a strategic policy framework encompassing a series of major initiatives and projects, Vision 2030 signaled a transformative national agenda that has reshaped multiple sectors and redefined the Kingdom's position in global economic and legal indices.

One of the most striking features of this transformation has been the extraordinary scale and pace of legal and regulatory reform. Within less than seven years, more than 2,700 legislative instruments have been enacted, amended, or reviewed, alongside more than 970 governmental reforms. These reforms have been characterized by an unprecedented level of coordination and synergy across public, private, and nonprofit sectors. Rather than incremental adjustments, they represent a holistic modernization of entire ecosystems across diverse industries and sectors, producing structural and qualitative improvements that have attracted significant international recognition.

This reform agenda has also driven significant progress in the field of arbitration. Legislative updates, judicial development, and sustained governmental support—combined with targeted capacity-building initiatives and significant investments in automation, digitalization, and artificial intelligence—have collectively strengthened arbitration and alternative dispute resolution mechanisms in the Kingdom. Within a relatively short period, Saudi Arabia has developed an arbitration ecosystem comparable to those that have evolved over several decades in more established jurisdictions.

The International Bar Association identifies three core criteria that should be considered when selecting the seat of arbitration, which also reflect the stability of the arbitral environment in a State: (1) that it be a party to the Convention on the Recognition and Enforcement of Foreign Arbitral Awards (New York, 1958) (“the New York Convention”), (2) that its legal framework be supportive of arbitration and permit arbitration in the subject matter of the dispute, and (3) that its courts demonstrate a record of neutral judgments supportive of the arbitration process.⁽¹⁾ The Kingdom of Saudi Arabia has been a Contracting State to the New York Convention since 1994.

Given this context, and as part of the ongoing efforts of the SCCA, this study presents a comprehensive comparative analysis of the Kingdom’s arbitration framework. It examines the evolution of the Kingdom’s legislative and judicial approaches to arbitration, evaluates their alignment with internationally recognized best practices, and contributes to enhanced transparency and accessibility for stakeholders in the global arbitration community.

Specifically, the study examines the extent to which the UNCITRAL Model Law on International Commercial Arbitration (1985), as amended in 2006 (“the Model Law”), is reflected in the Saudi legal framework. This analysis addresses both the legislative dimension—through the current Saudi Arbitration Law (2012), promulgated by Royal Decree No. M/34 dated April 16, 2012 (24/5/1433H), and the Draft Saudi Arbitration Law currently under consideration (“the Draft Law”)—and the judicial dimension, through an examination of court decisions and arbitral practice within the Kingdom.

This research was undertaken in response to an official invitation from the Board of Editors for the Digest Revision of the United Nations Commission on International Trade Law (UNCITRAL), requesting that

(1) *IBA Guidelines for Drafting International Arbitration Clauses*, adopted by a resolution of the International Bar Association Council on October 7, 2010, at p. 13, ¶ 22.

the SCCA prepare the Country Report on Saudi Arabia. The report will form part of the forthcoming edition of the UNCITRAL *Digest of Case Law on the Model Law on International Commercial Arbitration*, a key reference publication that documents jurisprudence relating to the Model Law and supports the consistent interpretation and application of its provisions. Through this contribution, Saudi Arabia continues to fulfill its role as a full member of UNCITRAL and to support the development and dissemination of international arbitration jurisprudence.

To achieve these objectives, the study is structured into two principal parts.

Part I presents a detailed analysis of arbitration-related judgments issued by the Saudi Courts of Appeal between January 2023 and June 2025. The review covers 967 judicial decisions provided by the Ministry of Justice. The study's findings and identified jurisprudential trends are supported by references to the relevant rulings. To enhance transparency and facilitate access to primary sources, the judgments have been translated into English and made available, to the extent possible and subject to applicable restrictions, through a direct link, enabling readers to consult the full texts. This approach strengthens the credibility, transparency, and practical utility of the study.

Part II provides a legislative comparison of the Model Law and the Saudi Arbitration Law, which currently governs arbitration proceedings in the Kingdom. The analysis also considers the Draft Law published for public consultation at the end of 2025. It identifies areas of convergence and divergence between these frameworks and evaluates how they address the evolving needs of arbitration users.

The outputs of this project also implement several initiatives mandated by the Council of Ministers of Saudi Arabia to further develop the Kingdom's arbitration ecosystem. These initiatives were communicated through Royal Court Directive No. 89280, dated May 30, 2025 (3/12/1446H) and issued by His Excellency the Chief of the Royal Court.

Among them is the translation and publication of selected judicial principles and decisions relating to commercial arbitration, aimed at enhancing awareness within the international arbitration community of Saudi judicial practice, improving predictability in the application of the Saudi Arbitration Law by Saudi courts, and strengthening legal certainty.

The Council of Ministers further directed the preparation of studies examining international perceptions of arbitration in Saudi Arabia, as well as the development of applied and statistical research in this field, with results to be published to promote transparency and support informed engagement with the arbitration framework.

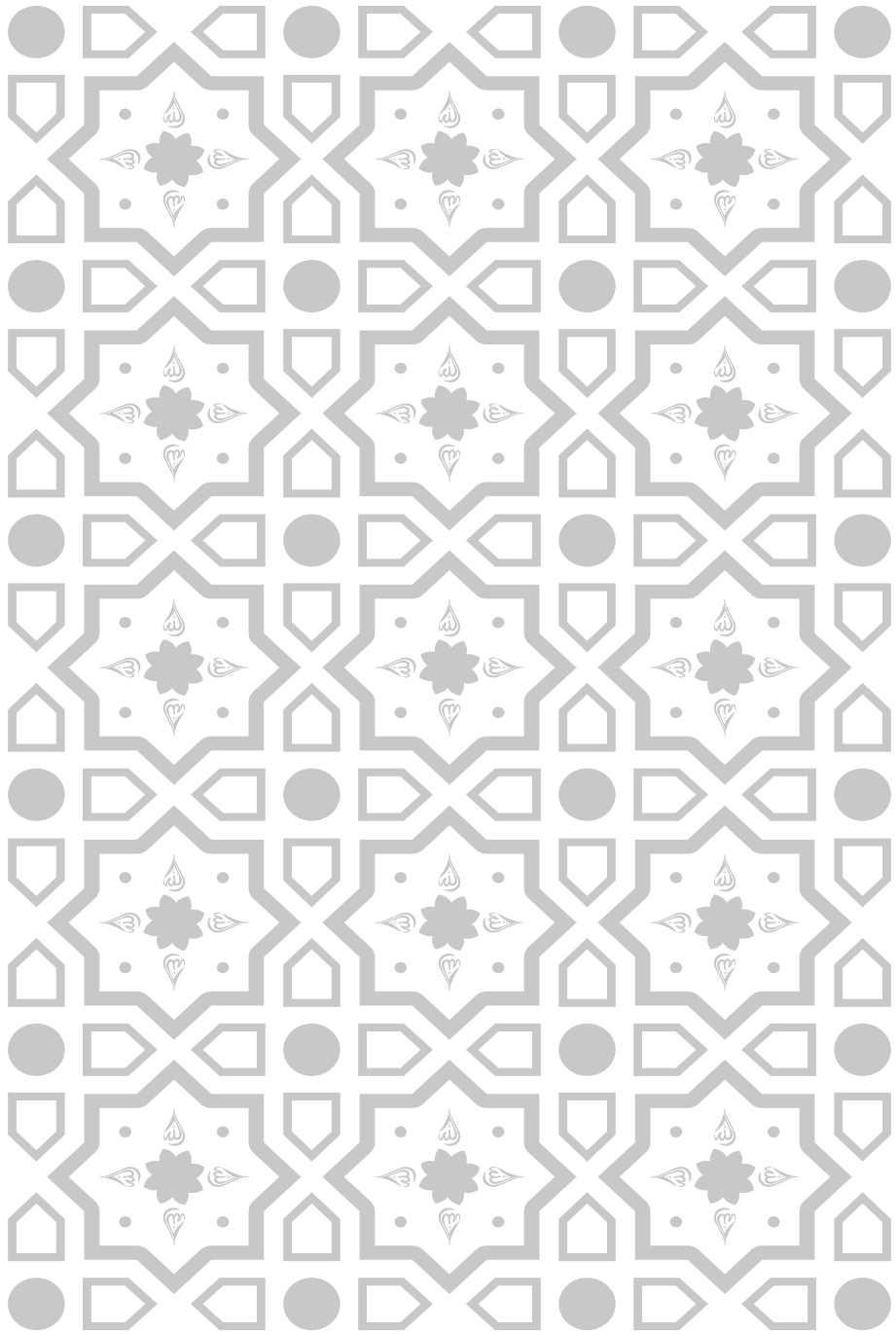
This report was prepared by the SCCA through its newly established internal initiative, Sadeed for Legal Research and Development, dedicated to supporting research and thought leadership in this field.

The SCCA extends its sincere appreciation to all those who contributed to this project. Special thanks are due to the Saudi Competitiveness and Business Center (“Tayseer”) for its partnership and support. The SCCA also acknowledges the valuable cooperation of the Ministry of Justice in providing the appellate court judgments that formed the foundation of this study. Appreciation is likewise extended to the Ministry of Commerce, the Bankruptcy Commission, and all institutions and individuals whose contributions made this work possible.

It is hoped that this project will contribute to a deeper international understanding of the continued development of arbitration in Saudi Arabia, including the evolution of its legislative framework, judicial practice, and broader arbitration ecosystem.



**Part I—Case Law Analysis:
Judicial Rulings and Arbitral
Awards in Saudi Arabia**



Background and Methodology

This part of the report presents a structured review of judicial rulings and selected arbitral awards in the Kingdom of Saudi Arabia. The core of the analysis provides an article-by-article examination of the provisions of the Model Law, focusing on their treatment in international practice and their application in Saudi jurisprudence. This is followed by a brief overview of cases involving annulment proceedings, and concludes with a discussion of selected arbitral awards rendered under the SCCA Arbitration Rules.

The core study is based on a dataset of 967 judicial rulings issued between January 2023 and June 2025, provided by the Ministry of Justice. It supplements four prior studies prepared by the SCCA in 2021, 2022, 2023, and 2025, which examined over 2,300 judgments issued by the Courts of Appeal between 2017 and 2023.⁽²⁾ The present study encompasses all categories of arbitration brought before the Saudi courts and is not limited to commercial arbitration. In all cases examined, the seat of arbitration was in the Kingdom, and the applicable law was the Saudi Arbitration Law. The judgments analyzed—both in the article-by-article review and in the section on grounds of annulment of arbitral awards—were issued by the courts of appeal, which act as the competent judicial authority in arbitration matters under Saudi law. A limited number of arbitral awards administered by the SCCA are considered separately at the end of this part.

The Saudi Arbitration Law does not, in its substantive provisions, distinguish between domestic and international arbitration, except in

(2) See Hamed H. Merah and Christian P. Alberti, *The Middle Eastern and African Arbitration Review 2025: Saudi Arabia*, Global Arbitration Review (April 15, 2025); Dara Sahab, SCCA Saudi Case Law Study: Three Years in Review, 41(6) J. Int'l Arb. 723 (2024).

Article 3, which defines when arbitration is considered international. In practice, this distinction is primarily relevant for determining jurisdiction, as Article 8 designates the Court of Appeal in Riyadh as the default competent court for international arbitration cases, unless the parties agree to designate another court of appeal within the Kingdom.

The analytical framework follows the structure of the Model Law, which comprises 36 articles organized into eight chapters. The 2006 amendments introduced Chapter IV A and several additional provisions, including 11 lettered articles (2A, 17A–17J). This study is limited to those provisions for which judicial application was identified in the reviewed dataset. Accordingly, Chapter IV A (Arts. 17 and 17A–17J), as well as Articles 2, 2A, 6, 8, 9, 15, 20–23, 25–27, and 35, are not addressed, as no relevant judicial practice was observed.

Within the selected provisions, the case law analysis proceeds in the order of the Model Law. For each article, the relevant provisions are first outlined, followed by the core issues identified by the research team. A brief overview of comparative practice in other jurisdictions is then provided, followed by the research questions guiding the examination of Saudi case law. The findings of that examination are subsequently presented, highlighting how Saudi courts have approached and resolved these issues.

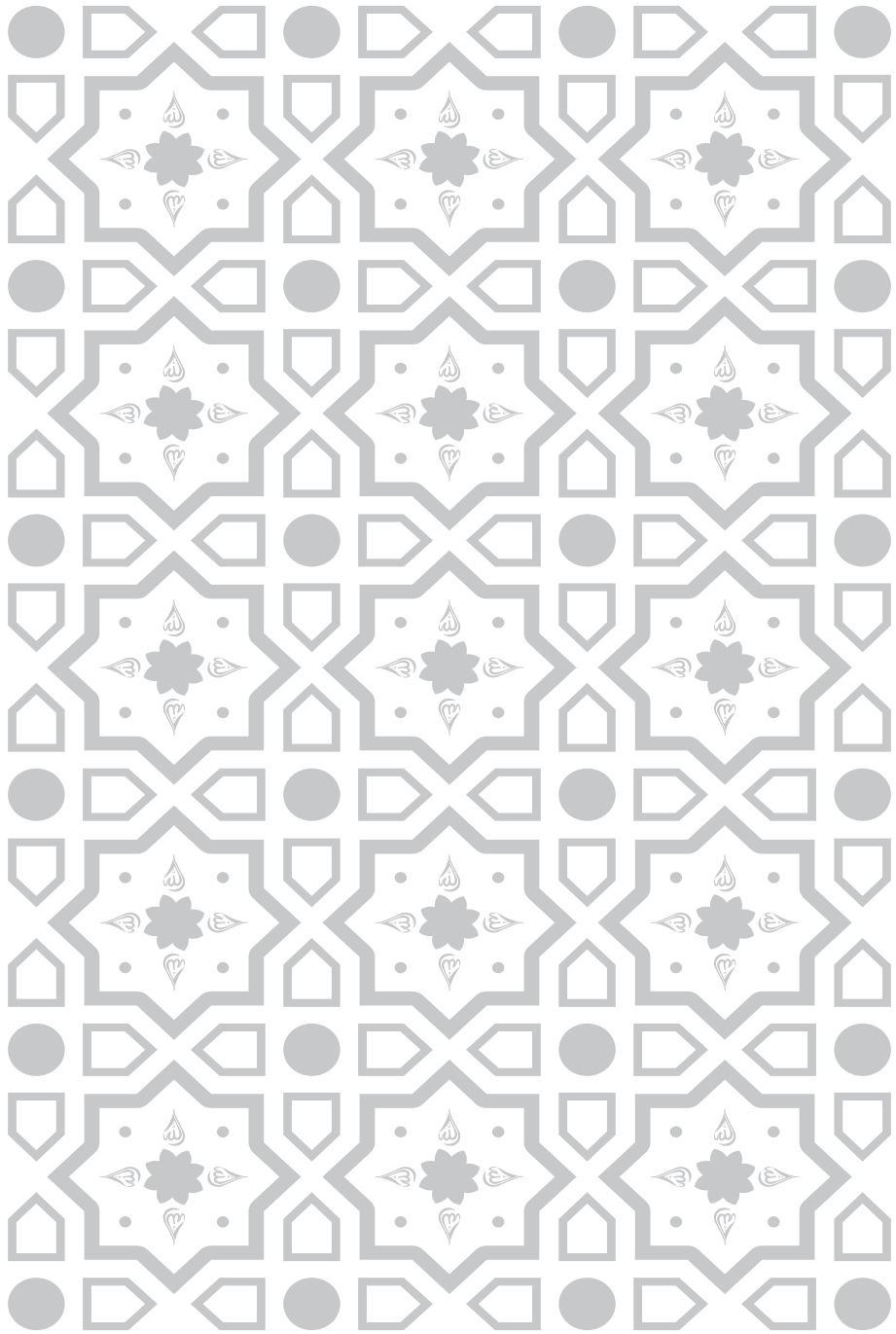
It should be noted that some cases were decided by reference to multiple provisions of the Saudi Arbitration Law and therefore appear in more than one article analysis corresponding to the relevant equivalent Model Law provision. Moreover, not all sections contain each of these analytical components in full. For Articles 4 and 13, research questions were not formulated in advance but various applications emerged from the judicial analysis itself. For Articles 31 and 32, the research team formulated core issues and research questions at the outset of the study. However, the review did not identify judicial applications directly addressing those specific questions. Nevertheless, the study did identify cases applying

these provisions in other contexts, and those applications are discussed in the relevant sections. In addition, the comparative practice discussed under issue 4 of Article 34 is equally relevant to Article 36.

Following the article-by-article analysis, this part of the report provides an overview of cases involving annulment actions, before concluding with a discussion of three arbitral awards rendered under the SCCA Arbitration Rules.

To promote transparency and facilitate further research, the Saudi judicial decisions cited in this report will be made available, to the extent possible and subject to applicable restrictions, through the following [link](#).





Chapter I: General Provisions (Arts. 1–6)

Chapter I of the Model Law comprises Articles 1–6, and this analysis addresses provisions corresponding to Articles 1, 3, 4, and 5.

Article 1: Scope of Application

(5) This Law shall not affect any other law of this State by virtue of which certain disputes may not be submitted to arbitration or may be submitted to arbitration only according to provisions other than those of this Law.

(5) This Law shall not affect any other law of this State by virtue of which certain disputes may not be submitted to arbitration or may be submitted to arbitration only according to provisions other than those of this Law.

Core Issue

In analyzing Article 1 (5), the central issue concerns the extent to which domestic legislative provisions influence the arbitrability of disputes. This issue may be framed as follows: Do domestic legislative provisions requiring certain disputes to be brought before certain courts or to follow particular procedures exclude such disputes from the scope of arbitration, invalidate an otherwise valid and effective arbitration agreement, and therefore remove said disputes from the scope of application of the Model Law?

Comparative Practice

The prevailing approach in comparative jurisdictions is that the mere existence of legislation designating a competent court or prescribing specific procedures does not, in itself, render a dispute non-arbitrable. Exclusion from the scope of arbitration requires an express legislative provision to that effect. Accordingly, arbitration agreements remain valid and effective provided there is no express provision prohibiting recourse to arbitration. An exception is generally recognized in the context of bankruptcy and liquidation proceedings, where courts have held that liquidation or company dissolution procedures fall within the domain of insolvency or company law and are therefore not subject to arbitration agreements.⁽³⁾

Research Question

Have Saudi courts annulled arbitral awards on the grounds that the subject matter of disputes fall within the jurisdiction of a court or authority competent for a particular sector?

Approach of Saudi Courts

Judicial precedents indicate that, in the vast majority of cases, Saudi courts have declined to exclude disputes from the scope of arbitration. Only a limited number of rulings have reached a different conclusion.

For example, in cases in Riyadh in 2023 and Madinah in 2024, the court held that disputes relating to value-added tax are not arbitrable.⁽⁴⁾ In those instances, the arbitral award was partially annulled on the basis

(3) United Nations Commission on International Trade Law, *Digest of Case Law on the Model Law on International Commercial Arbitration*, at p. 11, ¶¶ 12–13; Peter Binder, *International Commercial Arbitration and Mediation in UNCITRAL Model Law Jurisdictions*, at p. 40 (4th ed. Wolters Kluwer 2019) (stating that “[c]ommon examples of issues exempt from arbitration are bankruptcy, antitrust, securities, patent, trademark and copyright issues”); United Nations, *Report of the Secretary-General: Possible Features of a Model Law on International Commercial Arbitration*, U.N. Doc. A/CN.9/207, at ¶ 55.

(4) Case No. 4430821540, Riyadh General Court of Appeal, April 13, 2023; Case No. 4530586898, Madinah General Court of Appeal, July 3, 2024.

that its rulings on VAT fall within the jurisdiction of the Tax Dispute and Violation Resolution Committees under Royal Decree No. M/113 dated July 25, 2017 (2/11/1438H).⁽⁵⁾ The annulment was confined to the portion of the award relating to tax, without affecting the validity of the remainder of the award.

In a 2025 case in Jeddah, the court held that acts undertaken by trustees in matters relating to endowments and wills, which require judicial authorization, fall within the category of family-related matters under Article 33 of the Law of Civil Procedure.⁽⁶⁾ As such, the arbitral tribunal lacked jurisdiction pursuant to Article 2 of the Saudi Arbitration Law, which explicitly excludes such disputes from arbitration.

Article 3: Receipt of Written Communications

(1) Unless otherwise agreed by the parties:

(a) any written communication is deemed to have been received if it is delivered to the addressee personally or if it is delivered at his place of business, habitual residence,

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- (5) The Tax Dispute and Violation Resolution Committees were established pursuant to Article 67 of the Income Tax Law, issued by Royal Decree No. M/1 dated March 6, 2004 (15/1/1425H), as amended by the Value Added Tax Law issued by Royal Decree No. M/113 dated July 25, 2017 (2/11/1438H). These committees adjudicate tax violations, disputes, and related public and private claims arising under tax laws and their implementing regulations, as well as decisions and instructions issued thereunder. Corresponding Tax Dispute and Violation Appellate Committees were also established to hear appeals. The Zakat, Tax, and Customs Committees function as independent adjudicatory bodies. The chairpersons and members of the tax committees are appointed by royal order, while those of the customs committees are appointed by ministerial decision.
- (6) Case No. 4630902266, Jeddah General Court of Appeal, April 12, 2025. This award was set aside primarily on the ground of non-arbitrability under Article 50(2) of the Saudi Arbitration Law. Nonetheless, the court also referenced public policy under the same provision; however, the reasoning was primarily grounded in non-arbitrability of disputes relating to endowments and wills as family-related matters. This case was therefore not included under Core Issue 4 of Article 34 concerning awards annulled on public policy grounds and was not counted in the corresponding statistics.

or mailing address; if none of these can be found after making a reasonable inquiry, a written communication is deemed to have been received if it is sent to the addressee's last-known place of business, habitual residence or mailing address by registered letter or any other means which provides a record of the attempt to deliver it;

(b) the communication is deemed to have been received on the day it is so delivered.

(2) The provisions of this article do not apply to communications in court proceedings.

Core Issue

With regard to Article 3 of the Model Law, the central issue can be framed in the following way: Where a written communication is delivered to a person other than the addressee—who is under no obligation to ensure that it reaches the addressee—does mere acknowledgment of receipt constitute sufficient evidence of the addressee's knowledge of its content?

Comparative Practice

Comparative case law reflects divergent approaches. Some courts have held that acknowledgment of receipt alone is insufficient to establish the addressee's knowledge of the content of the communication. Others have adopted a more functional approach, considering service effective where the communication is delivered to the place of business or address agreed upon in the contract, or to the party's last-known address, provided it is not returned undelivered. Under this view, proper dispatch to an agreed or designated address is deemed sufficient to establish valid service.⁽⁷⁾

(7) See UNCITRAL Digest, *supra* note 3, at p. 17, ¶¶ 3–4.

Research Question

Have Saudi courts and arbitral tribunals considered delivery of a written communication to a person other than the addressee, at an address agreed upon by the parties, sufficient to establish the addressee's knowledge of its content?

Approach of Saudi Courts

Judicial practice in the Kingdom reflects an approach that emphasizes the validity of agreed means of communication. Although the Arbitration Law does not expressly provide for this, it is noteworthy that the Implementing Regulations of the Arbitration Law recognize the validity of notifications made by electronic means under Article 3(1), subject to the provisions governing notifications set out in the Law.

In a 2024 case in Makkah, the arbitral tribunal relied on the communication methods expressly confirmed by the parties, in the absence of any contrary agreement regarding service procedures.⁽⁸⁾ It held that notifications effected via mobile message (SMS), comparable applications such as WhatsApp, or designated email addresses of the parties and their legal representatives constituted valid service, provided there was evidence that the communication had reached the relevant contact details. The tribunal considered proof of delivery to the agreed means or address as sufficient to establish valid service. This approach aligns with the broader trend that treats service as effective where communication is sent to an address or method designated by the parties, absent any agreement to the contrary.

In a similar case in Riyadh earlier that year, the respondent challenged the validity of service.⁽⁹⁾ The court rejected this argument, finding it unsubstantiated after the claimant demonstrated that the communication had been sent to the approved email address, while the respondent

(8) Case No. 4630338072, Makkah General Court of Appeal, October 19, 2024.

(9) Case No. 4630051606, Riyadh Labor Court of Appeal, July 25, 2024.

failed to prove non-receipt. The court indicated that written communications transmitted through postal correspondence are presumed to have reached the addressee, unless the addressee establishes otherwise. The screenshots of the email submitted by the respondent as evidence were deemed insufficient to rebut this presumption. The court thus reaffirmed that the burden of proving non-receipt lies with the addressee, and that a mere assertion of lack of knowledge does not negate the legal effect of service when it has been effected through the means agreed by the parties.

In a 2023 case in Riyadh, the judicial analysis revealed a direct application of the standard of valid service as a ground for annulment under Article 50 (1) (c) of the Saudi Arbitration Law (corresponding to Article 34 (2) (a) (ii) of the Model Law). The party seeking annulment argued that service had been effected via WhatsApp messages sent to a mobile number other than his officially registered number on the Absher platform and with the Real Estate General Authority.⁽¹⁰⁾ He contended that no notification had been received through a legally recognized channel.

The court found that the opposing party had failed to provide proof of proper service in accordance with Article 6 of the Saudi Arbitration Law (corresponding to Article 3 of the Model Law), or in compliance with Article 5 of the Procedural Rules of the Saudi Real Estate Arbitration Center.⁽¹¹⁾ It concluded that this deficiency in service deprived the applicant of the opportunity to present his defense. Accordingly, the court held that the conditions for annulment under Article 50 (1) (c) were satisfied, as the lack of proper notification directly impaired the party's right to be heard.

(10) Absher is an electronic platform operated by the Saudi Ministry of Interior that provides services to citizens, residents, and visitors, including official registration of mobile numbers for communication and service delivery. See <https://www.absher.sa/portal/landing.html>.

(11) Case No. 4430985146, Riyadh General Court of Appeal, June 15, 2023.

Article 4: Waiver of Right to Object

A party who knows that any provision of this Law from which the parties may derogate or any requirement under the arbitration agreement has not been complied with and yet proceeds with the arbitration without stating his objection to such non-compliance without undue delay or, if a time-limit is provided therefor, within such period of time, shall be deemed to have waived his right to object.

Core Issue

The central issue concerning Article 4 of the Model Law is whether a party's failure to object, within the applicable time limit, to the continuation of proceedings when a violation has been committed by the arbitral tribunal in a matter open to party derogation constitutes a waiver of the right to raise that objection at a later stage.

Comparative Practice

Comparative jurisprudence supports a strict application of this principle. For example, the Supreme Court of Jordan has held that a party's failure to object to the continuation of arbitral proceedings after the expiry of the prescribed time limit constitutes a waiver of the right to object and can even be construed as implicit consent to the extension of that time limit.⁽¹²⁾

Research Question

No specific question was formally posed in relation to this provision. Rather, the issue emerged from the review of judicial practice.

Approach of Saudi Courts

The judicial examination confirms that Saudi courts consistently apply the waiver principle in line with Article 7 of the Saudi Arbitration Law

(12) Cited in UNCITRAL Digest, *supra* note 3, at p. 143, ¶ 42.

(corresponding to Article 4 of the Model Law). Where a party proceeds with arbitration despite knowledge of a procedural violation in matters subject to party autonomy, subsequent annulment pleas based on that violation are rejected.⁽¹³⁾ The courts have held that such conduct constitutes a waiver of the right to object, and that these claims do not fall within the exhaustive grounds for annulment under Article 7.

This approach is illustrated in several recurring scenarios. To take two examples, in a 2024 case in Al-Qassim where the arbitral tribunal exceeded the agreed time limit, the court upheld the award on the basis that neither party raised an objection during the proceedings, thereby waiving their right to rely on the irregularity.⁽¹⁴⁾

In a Riyadh case later that year, a party applied to annul an arbitral award, alleging a disqualifying relationship between an arbitrator and the opposing party.⁽¹⁵⁾ The court rejected the claim because the challenge had not been raised during the arbitration. The party's continued participation in the proceedings was treated as a waiver, rendering the annulment claim "invalid in this respect."

Article 5: Extent of Court Intervention

**In matters governed by this Law, no court shall intervene
except where so provided in this Law.**

Core Issue

The central issue concerning Article 5 of the Model Law is whether courts may intervene in arbitration proceedings beyond the circumstances

(13) See, e.g., Case No. 4630250289, Riyadh General Court of Appeal, September 23, 2024; Case No. 4430627972, Asir Province Commercial Court of Appeal, February 25, 2023; Case No. 4631048118, Makkah General Court of Appeal, May 26, 2025; Case No. 4530627070, Al-Qassim General Court of Appeal, January 2, 2024; Case No. 4530595221, Riyadh General Court of Appeal, December 31, 2023.

(14) Case No. 4530627070, Al-Qassim General Court of Appeal, January 2, 2024.

(15) Case No. 4630250289, Riyadh General Court of Appeal, September 23, 2024.

explicitly specified by law, such as grounds for annulment or refusal of recognition and enforcement.

Comparative Practice

Comparative jurisprudence reflects a tendency toward a restrictive interpretation of judicial authority. Courts have generally confined their intervention to the matters expressly mentioned in the Model Law, thereby reinforcing the principle of minimal judicial interference.⁽¹⁶⁾

Research Question

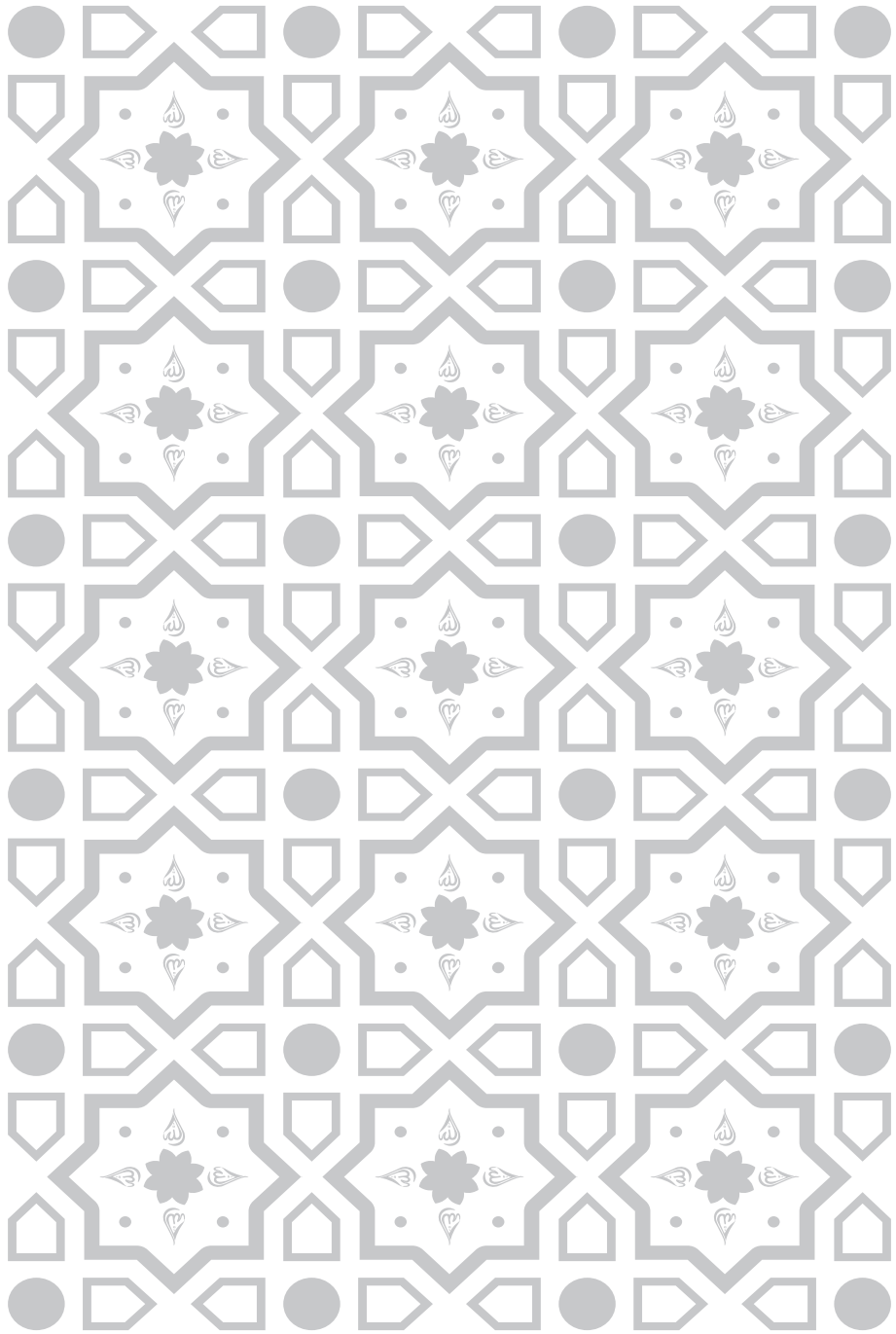
Have Saudi courts affirmed that judicial intervention in arbitration is impermissible except in the exhaustively defined circumstances set out in law?

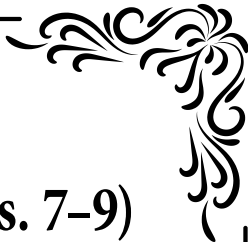

Approach of Saudi Courts

The judicial examination demonstrates a uniform approach: Saudi courts consistently restrict their intervention to the circumstances expressly provided for in the Saudi Arbitration Law. No rulings were identified in which the courts extended their supervisory role beyond these statutory limits.⁽¹⁷⁾

(16) See, e.g., UNCITRAL, *CLOUT Abstracts*, A/CN.9/SER.C/ABSTRACTS/5; *Vibroflotation A.G. v. Express Builders Co. Ltd.*, [1994] H.K.C.F.I. (High Ct.) (Aug. 15, 1994); *Quintette Coal Ltd. v. Nippon Steel Corp.*, [1991] 1 W.W.R. 219 (B.C. C.A.) (the court noted the worldwide trend toward restricting the scope of judicial intervention into commercial arbitration and stated that the award could be justified under the terms of the contract; thus, the court was prevented from intervening under Art. 34 (2) (a) (iii) of the Model Law).

(17) For examples, see Case No. 4430998436, Jeddah General Court of Appeal, June 21, 2023; Case No. 4430796902, Jeddah Commercial Court of Appeal, April 5, 2023; Case No. 4630489554, Jeddah General Court of Appeal, November 30, 2024; Case No. 4431015112, Jeddah General Court of Appeal, June 18, 2023; Case No. 4431015467, Jeddah Labor Court of Appeal, June 19, 2023; Case No. 4530303471, Jeddah Commercial Court of Appeal, October 12, 2023; Case No. 4630338072, Makkah General Court of Appeal, October 19, 2024; Case No. 4630437383, Jeddah Commercial Court of Appeal, November 14, 2024.





Chapter II: Arbitration Agreement (Arts. 7–9)

Chapter II of the Model Law comprises Articles 7–9, and this Analysis addresses provisions corresponding to Article 7, Options I and II, only.

Article 7

Option I: Definition and Form of Arbitration Agreement

(1) “Arbitration agreement” is an agreement by the parties to submit to arbitration all or certain disputes which have arisen or which may arise between them in respect of a defined legal relationship, whether contractual or not. An arbitration agreement may be in the form of an arbitration clause in a contract or in the form of a separate agreement.

(2) The arbitration agreement shall be in writing.

(3) An arbitration agreement is in writing if its content is recorded in any form, whether or not the arbitration agreement or contract has been concluded orally, by conduct, or by other means.

(4) The requirement that an arbitration agreement be in writing is met by an electronic communication if the information contained therein is accessible so as to be useable for subsequent reference; “electronic communication” means any communication that the parties make

by means of data messages; “data message” means information generated, sent, received or stored by electronic, magnetic, optical or similar means, including, but not limited to, electronic data interchange (EDI), electronic mail, telegram, telex or telecopy.

(5) Furthermore, an arbitration agreement is in writing if it is contained in an exchange of statements of claim and defence in which the existence of an agreement is alleged by one party and not denied by the other.

(6) The reference in a contract to any document containing an arbitration clause constitutes an arbitration agreement in writing, provided that the reference is such as to make that clause part of the contract.

Option II: Definition of Arbitration Agreement

“Arbitration agreement” is an agreement by the parties to submit to arbitration all or certain disputes which have arisen or which may arise between them in respect of a defined legal relationship, whether contractual or not.

Core Issue

The central issue in relation to Article 7 of the Model Law is whether, in the context of multiple interrelated contracts, the existence of a written arbitration clause in one contract is to be considered valid in other contracts, or whether a separate written arbitration clause is required in each contract.

Comparative Practice

Comparative practice reflects a nuanced and balanced approach. While party autonomy remains the primary governing principle, many

modern legal systems around the world the extension of arbitration agreements across multiple interrelated contracts under specific conditions—such as the existence of a common contractual scheme, unity of economic transaction, or closely connected factual and legal circumstances—regardless of whether the arbitration clauses in these contracts are in writing.

Conversely, other systems narrow the tribunal’s authority for fear of infringing on the autonomy of the parties and the specificity of their agreement, particularly due to the strict standards of some laws and of the New York Convention, provided that the arbitration clause is in writing.⁽¹⁸⁾

Research Question

Have Saudi courts or arbitral tribunals upheld the extension of arbitration clauses to related contracts in the absence of an explicit written agreement in each contract?

Approach of Saudi Courts

The judicial examination indicates that Saudi courts recognize limited forms of implicit consent, particularly where grounded in legally binding instruments. However, extension of arbitration agreements remains the exception rather than the rule, and is carefully circumscribed to avoid undermining the consensual foundation of arbitration.

In a 2024 case in Riyadh, the court upheld the applicability of an arbitration clause contained in the articles of association governing a real estate development.⁽¹⁹⁾ Although the claimant argued the absence of a direct

(18) See UNCITRAL Secretariat, *Possible Future Work in the Area of International Commercial Arbitration*, U.N. Doc. A/CN.9/460, at pp. 8–9, ¶¶ 28–30 (1999). In one case, the Supreme Court of Hungary has also indicated that an arbitration clause in a framework agreement may extend to disputes arising from related contracts. The court refused to nullify the arbitral award, holding that such extension is valid in light of the broad arbitration clause in the framework agreement. See also UNCITRAL Digest, *supra* note 3, at p. 143, ¶ 40.

(19) Case No. 4630480719, Riyadh General Court of Appeal, November 28, 2024.

arbitration agreement, the court held that the claimant's ownership of the unit entailed acceptance of the articles of association, including an express arbitration clause contained in Article 40 of the charter of the owners' association, which provides that any disputes shall be resolved through arbitration and administered by the Saudi Real Estate Arbitration Center. The clause was therefore binding without the need for a separate written agreement or clause in another contract.

In a 2023 Riyadh case, the court found that the contract between the parties did not contain an arbitration clause.⁽²⁰⁾ The claimant instead relied on an arbitration submission agreement attached to the case file. The court held that this agreement related only to a specific dispute existing at the time it was concluded and did not have broader scope. It therefore refused to extend the agreement to a subsequent dispute that had not yet arisen when it was signed. The court emphasized that, as a general rule, arbitration cannot be extended to other disputes without clear and express written consent.

In a 2024 case in Al-Qassim, the court annulled an arbitral award on the basis that no arbitration agreement existed between the claimant in arbitration and the party seeking annulment.⁽²¹⁾ The dispute arose from a land investment contract concluded between a company and the claimant, while the arbitral award was ultimately rendered against the company's owner following the company's dissolution. It indicated that the arbitration clause was contained in a land investment contract agreed between the parties, and that contractual effects are limited to those contracting parties. It further found that since the company's financial patrimony is separate from that of its owner or partner, no valid basis existed for the party seeking annulment to be bound by the arbitral award, as he was not a party to the arbitration agreement.

(20) Case No. 4530382416, Riyadh General Court of Appeal, November 1, 2023.

(21) Case No. 4630130312, Al-Qassim General Court of Appeal, August 15, 2024.

Chapter III: Composition of Arbitral Tribunal (Arts. 10–15)

Chapter III of the Model Law comprises Articles 10–15, and this analysis addresses provisions corresponding to Articles 10–14.

Article 10: Number of Arbitrators

- (1) The parties are free to determine the number of arbitrators.
- (2) Failing such determination, the number of arbitrators shall be three.

Core Issue

The central issue concerning Article 10 of the Model Law is whether, in the event of the resignation or recusal, disqualification, or failure to perform of an arbitrator, a truncated arbitral tribunal may validly continue considering the proceedings and render an award with an even number of arbitrators, or with fewer arbitrators than agreed upon by the parties, without appointing a replacement.⁽²²⁾

Comparative Practice

Comparative international practice generally upholds the principle of compliance with the number of arbitrators agreed by the parties or stipulated in national laws based on the Model Law. As a rule, the absence or resignation of an arbitrator requires replacement, and continuation by a truncated tribunal is generally viewed

(22) A truncated arbitral tribunal is one that becomes incomplete after its proper constitution—e.g., due to resignation, successful challenge, or refusal of an arbitrator to participate—yet continues the proceedings or renders an award.

as a violation of the procedural agreement between the parties and prejudicial to the principle of equality, potentially leading to the annulment of the award.

That said, a limited and pragmatic trend has emerged in certain jurisdictions, allowing the remaining arbitrators to proceed where basic guarantees are met, such as the issuance of a majority award or the existence of an express or implied agreement between the parties permitting continuation. This approach, however, remains an exception to the rule and is typically applied with significant reservations, given concerns over the integrity and legitimacy of the tribunal's composition.⁽²³⁾

Research Question

Have Saudi courts accepted that an arbitral tribunal may continue proceedings after the resignation or recusal, disqualification, or failure to perform of one of its members, provided that certain guarantees are satisfied, such as issuance of a majority award or agreement by the parties?

Approach of Saudi Courts

The judicial examination indicates a predominantly strict approach, requiring compliance with the agreed composition of the tribunal.

In a 2023 case in Eastern Province, the court held that the arbitral tribunal could not continue as a two-member tribunal after the resignation of one of its members.⁽²⁴⁾ The award, rendered by the remaining two arbitrators, was found to violate the parties' agreement, which required a three-person tribunal (one chair and two members). The court observed that the award violated the parties' agreed procedural rules, which stipulated that it must be rendered by the tribunal with *all* its members.

(23) UNCITRAL Secretariat, *Possible Future*, *supra* note 18, at pp. 22–24, ¶¶ 86–91; Ilias Bantekas, Commentary on Article 15, in *UNCITRAL Model Law on International Commercial Arbitration*, at pp. 290–91 (Cambridge Univ. Press 2020).

(24) Case No. 4530284026, Eastern Province General Court of Appeal, October 9, 2023.

It further noted that the award was not signed by the third arbitrator and did not explain the absence of such signature. As such, the award was deemed to violate Article 42 (1) and paragraphs (d), (e), and (g) of Article 50 (1) of the Saudi Arbitration Law (corresponding to Articles 31 (1)–(3) and 34 (2) (a) (iv) of the Model Law).

In another Asir Province case, in 2024, the court annulled the award due to a material defect in the tribunal's composition.⁽²⁵⁾ It found that one arbitrator had not participated in the confidential substantive deliberations on the case and had limited his position to contesting the tribunal's validity, not addressing the origins of the dispute. As a result, substantive deliberations were affectively conducted by only two arbitrators. The court considered this a material irregularity under Article 13 of the Saudi Arbitration Law (requiring an odd number of arbitrators) and ruled to annul the award on the grounds established by Article 50 (1) (e) (where tribunal composition violates the law or party agreement).

However, the analysis did identify limited exceptions to this prevailing approach. For example, in a Jeddah case in 2023, the court rejected an annulment claim where an arbitrator's recusal occurred after the close of proceedings.⁽²⁶⁾ It found that the tribunal had addressed the issue in its reasoning and concluded that the integrity of the proceedings had not been compromised. Accordingly, the award was upheld despite the arbitrator's recusal following the proceedings.

Article 11: Appointment of Arbitrators

(2) The parties are free to agree on a procedure of appointing the arbitrator or arbitrators, subject to the provisions of paragraphs (4) and (5) of this article.

(25) Case No. 4630380810, Asir Province General Court of Appeal, October 29, 2024.

(26) Case No. 4530343520, Jeddah General Court of Appeal, November 1, 2023.

Core Issue

With regards to Article 11 (2) of the Model Law, the central issue concerns the scope of party autonomy in determining the procedure for appointing arbitrators, and whether such autonomy extends to excluding judicial intervention in cases where the agreed procedure fails.

Comparative Practice

Comparative practice confirms that party autonomy in this area is not absolute. While parties are free to determine the appointment mechanism, they cannot exclude the intervention of courts or designated appointing authorities where the agreed procedure breaks down. Nor can they derogate from mandatory rules ensuring that such intervention is final, binding, and not subject to appeal.⁽²⁷⁾

Research Question

Have Saudi courts treated that the parties' freedom to determine the method of appointing arbitrators as absolute?

Approach of Saudi Courts

Judicial examination indicates that Saudi courts generally uphold party autonomy in the appointment of arbitrators and abide by agreed contractual or statutory mechanisms. However, this autonomy is subject to overriding considerations of procedural fairness and arbitrator impartiality, and courts have intervened in a limited number of cases where these principles are compromised.

In a case in Madinah in 2025, the court annulled an arbitral award after finding that the arbitral tribunal had been appointed unilaterally by the respondent on the basis of a clause in the contract between both parties.⁽²⁸⁾ The court held that such an arrangement constituted a breach of the principle of procedural fairness, thereby justifying an-

(27) UNCITRAL Digest, *supra* note 3, at p. 59, ¶¶ 6–7.

(28) Case No. 4631034735, Madinah General Court of Appeal, May 21, 2025.

nulment under Articles 15, 16, and 50 (1) (a) and (e) of the Saudi Arbitration Law.

In a case earlier that year in Eastern Province, the court found invalid a contractual clause conferring jurisdiction on an “Legal Affairs Arbitration Committee” of a company that was itself a party to the dispute.⁽²⁹⁾ The court found that the composition of the committee—being comprised of the party’s employees—undermined the principle of impartiality mandated by the Saudi Arbitration Law. With the consent of the company’s legal representative to the appointment of the arbitrator by the court, the court invalidated the paragraph concerning the appointment of the tribunal and proceeded to appoint a sole arbitrator.

In a 2025 case in Riyadh, the court held that a change in the composition of the arbitral tribunal without the knowledge of one of the parties constituted grounds for annulment.⁽³⁰⁾ The court relied on evidence indicating that the original arbitration submission nominated a specific arbitrator as the presiding one, supporting the plaintiffs’ argument that it had not been informed of the subsequent change. Applying Article 29 (1) of the Law of Evidence—under which an ordinary document signed by a person has probative force against them unless explicitly denied, and such denial is precluded once the substance of the document has been discussed before the court—the court rejected the defendant’s denial that they had not received the documents relating to this change. Concluding that the defect in composition affected the validity of the arbitral submission agreement itself, the court annulled the award.

The majority of the remaining cases under examination reflect routine judicial intervention. Where one party failed to appoint an arbitrator, courts appointed one on their behalf, in accordance with statutory

(29) Case No. 4430922657, Eastern Province General Court of Appeal, May 22, 2023.

(30) Case No. 4630862663, Riyadh Commercial Court of Appeal, March 18, 2025.

mechanisms to ensure the proper constitution of the tribunal and the continuation of the proceedings.

Article 12: Grounds for Challenge

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

Article 12 (2) of the Model Law gives rise to two principal issues regarding the grounds for challenging an arbitrator: (1) their impartiality or independence, and (2) their qualifications.

Core Issue 1

The first issue concerns whether the challenge of an arbitrator requires proof of actual absence of impartiality or lack of independence, or whether it is sufficient that the circumstances objectively give rise to justifiable doubts as to the arbitrator's impartiality or independence.

Comparative Practice

Comparative jurisprudence generally adopts a “justifiable doubts” standard. German courts have consistently held that it is not necessary to prove the actual absence of impartiality; rather, it is sufficient that the circumstances give rise to reasonable and objectively justified doubts. This standard is broadly aligned with that used in local law for challenging judges, while also taking into account the specificities of arbitration, including the parties' freedom of appointment. As such, only relationships or circumstances of sufficient gravity justify disqualification.⁽³¹⁾

(31) UNCITRAL Digest, *supra* note 3, at pp. 65–66, ¶¶ 10–11.

Research Question

Have Saudi courts found that the mere existence of circumstances giving rise to justifiable doubts is sufficient to challenge an arbitrator, without requiring proof of actual absence of impartiality?

Approach of Saudi Courts

Judicial examination confirms that Saudi courts apply a standard based on the existence of circumstances giving rise to justifiable doubts as to the impartiality or independence of the arbitrator, in accordance with Article 16 of the Saudi Arbitration Law, without requiring proof of the actual absence of impartiality.

In a 2023 case in Eastern Province, a party sought to challenge an arbitrator before the arbitral tribunal, which rejected the request on the basis that the alleged facts were insufficient to raise justifiable doubts as to impartiality.⁽³²⁾ After the arbitral award was rendered, the same party appealed the tribunal's decision before the court. The court upheld the tribunal's reasoning, citing Article 16 and stating that the circumstances invoked did not amount to objective grounds justifying disqualification.

Core Issue 2

The second issue concerns whether an arbitrator's failure to meet the required qualifications constitutes sufficient grounds for refusing enforcement of the arbitral award.

Comparative Practice

Article 12 (2) of the Model Law permits challenges where an arbitrator fails to meet the qualifications agreed upon by the parties—without stipulating what those qualifications should be. International practice generally follows this flexible approach to party autonomy and does not impose mandatory legal qualifications for arbitrators. Given

(32) Case No. 4430476843, Eastern Province General Court of Appeal, January 4, 2023.

that arbitration generally involves legal analysis, most arbitrators *do* possess formal legal credentials. However, it is also worth noting that arbitral institutions tend to emphasize expertise relevant to the dispute or specific qualifications to enable arbitrators to perform functions in accordance with their rules. For example, the 1966 Convention of the International Centre for Settlement of Investment Disputes (“the ICSID Convention”) requires arbitrators to be persons “of high moral character and [possess] recognized competence in the fields of law, commerce, industry or finance.”⁽³³⁾

Research Question

Have Saudi courts found that the failure of arbitrators to meet the qualifications required by law is sufficient to refuse enforcement of the arbitral award?

Approach of Saudi Courts

While Article 16 (3) of the Saudi Arbitration Law, like the Model Law, permits challenges against arbitrators where they lack the qualifications agreed upon by the parties, it extends this to include statutory qualifications. These qualifications appear in Article 14, which requires that arbitrators possess full legal capacity, be of good reputation and conduct, and hold at least a university degree in Sharia or law—with the caveat that, in multi-member tribunals, this final requirement is satisfied if met by the presiding arbitrator.

Judicial practice in the Kingdom demonstrates a strict application of these statutory requirements. In one 2023 case in Riyadh, the court found that the presiding arbitrator did not meet the requirement under

(33) Richard Mosk & Tom Ginsburg, *Becoming an International Arbitrator: Qualifications, Disclosures, Conduct, and Removal*, in Daniel Kolkey, Richard Chernick & Barbara Reeves Neal, *Practitioner’s Handbook on International Arbitration and Mediation* p. 339, paras. 351-52, Chapter (I.9).

Article 14 that he hold a degree in Sharia or law.⁽³⁴⁾ As a result, the arbitral award was deemed to have been issued in violation of mandatory provisions of the Saudi Arbitration Law. The court held that such a defect prevented the award from acquiring *res judicata* authority and precluded its enforcement, on the basis that non-compliance with statutory requirements governing tribunal composition constitutes a violation of public policy under Article 55 (2) (b). Accordingly, the award was denied enforcement.

It is worth noting that the Draft Law departs from this approach by abolishing the requirement that arbitrators possess a degree in law or Sharia. By implication, parties are granted broader discretion to appoint arbitrators from non-legal backgrounds, in line with prevailing international practice, particularly in disputes of a technical nature.

Article 13: Challenge Procedure

(1) The parties are free to agree on a procedure for challenging an arbitrator, subject to the provisions of paragraph (3) of this article.

(2) Failing such agreement, a party who intends to challenge an arbitrator shall, within fifteen days after becoming aware of the constitution of the arbitral tribunal or after becoming aware of any circumstance referred to in article 12(2), send a written statement of the reasons for the challenge to the arbitral tribunal. Unless the challenged arbitrator withdraws from his office or the other party agrees to the challenge, the arbitral tribunal shall decide on the challenge.

(3) If a challenge under any procedure agreed upon by the parties or under the procedure of paragraph (2) of this article

(34) Case No. 4530325161, Riyadh General Court of Appeal, October 23, 2023.

is not successful, the challenging party may request, within thirty days after having received notice of the decision rejecting the challenge, the court or other authority specified in article 6 to decide on the challenge, which decision shall be subject to no appeal; while such a request is pending, the arbitral tribunal, including the challenged arbitrator, may continue the arbitral proceedings and make an award.

Core Issues

Article 13 of the Model Law gives rise to two interrelated issues, which are treated together in the analysis: first, whether the participation of the challenged arbitrator in deciding the challenge petition conflicts with the principle *nemo iudex in causa sua* (no one may be a judge in their own cause); second, how this issue is addressed where the challenge is directed against a sole arbitrator, the entire tribunal, or initiated by a co-arbitrator.

Comparative Practice

International practice varies. While the Model Law allows the arbitral tribunal to decide on the challenge, many national laws and arbitral institutional rules mitigate concerns over impartiality by expressly excluding the challenged arbitrator from deliberations or by transferring decision-making authority to an independent appointing authority or an administrative body within the arbitral institution. These mechanisms aim to reinforce confidence in the integrity and neutrality of the process.⁽³⁵⁾

Research Question

No specific question was formally posed in relation to this article; the issue emerged from the review of judicial practice.

(35) Ilias Bantekas *et al.* (eds.), *UNCITRAL Model Law on International Commercial Arbitration*, at pp. 248–50 (Cambridge Univ. Press 2020).

Approach of Saudi Courts

Unlike many national laws and institutional rules, the Saudi Arbitration Law does not expressly prohibit the challenged arbitrator from participating in the consideration of the challenge requests, including in cases involving a sole arbitrator. Nor does it require that the decision be transferred to an independent body. However, it does establish procedural safeguards, notably the right of the challenging party to refer the matter to the competent court if the tribunal rejects or fails to decide on the challenge.

Judicial practice reflects the application of these provisions. In a 2025 case in Riyadh, the court held that a sole arbitrator's failure to rule on a challenge petition constituted a material procedural defect leading to the annulment of the arbitral award.⁽³⁶⁾ The claimant had petitioned for the arbitrator's recusal at the first hearing, but the arbitrator failed to decide on the petition and continued proceedings, scheduling a second hearing despite the claimant's repeated requests for recusal. The court found that the continuation of the case without a ruling on the challenge petition rendered the proceedings invalid and led to annulment under Article 50 (1) (g) of the Arbitration Law, as it impaired the integrity of the process.

The courts have also drawn a clear distinction between the mere submission of a challenge and a formal ruling of disqualification. In a case in Jeddah in 2023, the claimant requested the annulment of an arbitral award, arguing that the tribunal's authority had lapsed due to the recusal of the presiding arbitrator, rendering prior proceedings invalid.⁽³⁷⁾ The court rejected this argument, stating that the arbitration period had not expired because both parties had authorized the tribunal to extend it, as documented in the facts of the arbitral award. The court also clarified that authorization is not revoked, and prior procedures not deemed

(36) Case No. 4630695739, Riyadh General Court of Appeal, February 1, 2025.

(37) Case No. 4530553266, Jeddah General Court of Appeal, December 16, 2023.

void, unless a formal ruling has been made disqualifying the arbitrator. The court relied on Article 17 (4) of the Arbitration Law, which confirms that a disqualification ruling renders all prior proceedings—including an award—null and void.⁽³⁸⁾ Since the presiding arbitrator in this case was not disqualified, the court concluded that the tribunal's procedures remained valid and effective, and therefore rejected the annulment request.

Article 14: Failure or Impossibility to Act

(1) If an arbitrator becomes *de jure* or *de facto* unable to perform his functions or for other reasons fails to act without undue delay, his mandate terminates if he withdraws from his office or if the parties agree on the termination. Otherwise, if a controversy remains concerning any of these grounds, any party may request the court or other authority specified in article 6 to decide on the termination of the mandate, which decision shall be subject to no appeal.

(2) If, under this article or article 13(2), an arbitrator withdraws from his office or a party agrees to the termination of the mandate of an arbitrator, this does not imply acceptance of the validity of any ground referred to in this article or article 12(2).

Core Issue

The key issue regarding Article 14 of the Model Law is whether an arbitrator's mandate may be terminated solely on the basis of delay in the proceedings, or whether termination is limited to situations where the arbitrator fails or becomes unable to perform their duties in a manner that is substantial—such that the delay is gross, unjustified, or effectively impedes the arbitral process.

(38) The court referred to Article 16 (4) of the Saudi Arbitration Law; however, the correct provision appears to be Article 17 (4).

Comparative Practice

Comparative jurisprudence adopts a restrictive interpretation of the “failure to act without undue delay” standard. It generally requires more than mere procedural delay or inefficiency, or a failure to achieve optimal speed or efficiency. Termination is typically justified only where there is clear and unjustified inaction amounting to a serious dereliction of duty, or where the arbitrator is effectively unable to proceed. Ordinary delays or procedural inefficiencies are not, in themselves, generally considered as sufficient grounds to terminate the mandate.⁽³⁹⁾

Research Question

Have Saudi courts terminated an arbitrator’s mandate where their inability to perform their duties—regardless of the underlying cause—results in undue and unjustified delay in the arbitral proceedings?

Approach of Saudi Courts

Judicial practice reflects a functional and interventionist approach where delay is linked to a breakdown in the arbitrator’s ability to perform their role.

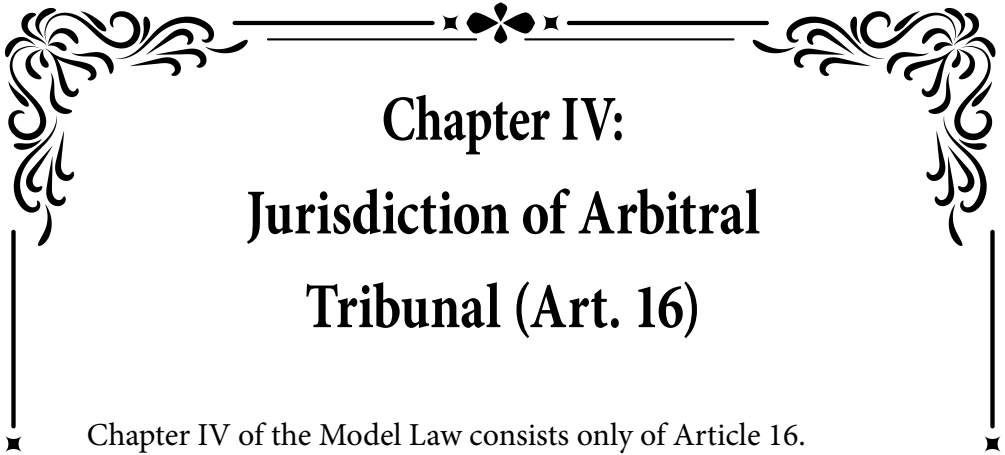
In a 2024 case in Riyadh, it was found that the arbitrator—appointed by the respondent—failed to perform his duties due to the respondent’s failure to pay the agreed arbitration fees.⁽⁴⁰⁾ This resulted in a material disruption and unjustified delay in the proceedings, without the parties reaching an agreement to dismiss him. The claimant had requested the arbitrator’s removal on the grounds that his fees were excessively high and, in order to ensure the continuation of the arbitration, expressed its willingness to pay the fees of a replacement arbitrator. The respondent, however, insisted on maintaining the appointment while continuing to

(39) Ilias Bantekas, Commentary on Article 14, in *UNCITRAL Model Law on International Commercial Arbitration*, at pp. 264–65 (Cambridge Univ. Press 2020).

(40) Case No. 4630353188, Riyadh General Court of Appeal, October 22, 2024.

withhold payment, thereby effectively stalling the proceedings. In response to the claimant's request, the court decided to terminate the arbitrator's mandate and appoint a replacement. The court's decision was grounded, under Article 18 of the Saudi Arbitration Law, in the need to preserve the effectiveness and continuity of the arbitral process, treating the arbitrator's inability to act—regardless of its underlying cause—as sufficient grounds for termination where it results in undue and unjustified delay.





Chapter IV: Jurisdiction of Arbitral Tribunal (Art. 16)

Chapter IV of the Model Law consists only of Article 16.

Article 16: Competence of Arbitral Tribunal to Rule on its Jurisdiction

(1) The arbitral tribunal may rule on its own jurisdiction, including any objections with respect to the existence or validity of the arbitration agreement. For that purpose, an arbitration clause which forms part of a contract shall be treated as an agreement independent of the other terms of the contract. A decision by the arbitral tribunal that the contract is null and void shall not entail *ipso jure* the invalidity of the arbitration clause.

(2) A plea that the arbitral tribunal does not have jurisdiction shall be raised not later than the submission of the statement of defence. A party is not precluded from raising such a plea by the fact that he has appointed, or participated in the appointment of, an arbitrator. A plea that the arbitral tribunal is exceeding the scope of its authority shall be raised as soon as the matter alleged to be beyond the scope of its authority is raised during the arbitral proceedings. The arbitral tribunal may, in either case, admit a later plea if it considers the delay justified.

(3) The arbitral tribunal may rule on a plea referred to in paragraph (2) of this article either as a preliminary question

or in an award on the merits. If the arbitral tribunal rules as a preliminary question that it has jurisdiction, any party may request, within thirty days after having received notice of that ruling, the court specified in article 6 to decide the matter, which decision shall be subject to no appeal; while such a request is pending, the arbitral tribunal may continue the arbitral proceedings and make an award.

The analysis of Article 16 raises two principal issues.

Core Issue 1

The first issue is whether the court may decide on the arbitral tribunal's jurisdiction at the outset, or whether the tribunal retains primary authority to make the initial determination of its own jurisdiction.

Comparative Practice

Comparative practice reflects broad acceptance among States of the principle of competence–competence adopted by the Model Law, whereby the arbitral tribunal has primary authority to rule on its jurisdiction, subject to judicial review. Courts generally defer to the tribunal's initial determination, whether the decision is rendered as a preliminary ruling or within the final award.⁽⁴¹⁾

Research Question

To what extent do Saudi courts defer jurisdictional objections to arbitral tribunals under the principles of competence–competence and separability?

Approach of Saudi Courts

Judicial precedents consistently affirm the arbitral tribunal's primary competence to determine its jurisdiction.

(41) Ilias Bantekas, *Commentary on Article 16*, in *UNCITRAL Model Law on International Commercial Arbitration*, at pp. 299–300 (Cambridge Univ. Press 2020).

In a 2023 case in Eastern Province, the court held that the arbitration clause remained valid and in effect as a condition independent of the underlying contract, despite arguments from the respondent's legal representatives that the contract itself had been superseded by a subsequent agreement.⁽⁴²⁾ The court ruled that the arbitral tribunal is competent to decide on its jurisdiction, including determining objections relating to the existence, validity, or scope of the arbitration agreement, in accordance with Article 20 of the Saudi Arbitration Law. The court also held that, as a general rule, the arbitration clause in the contract in question is presumed valid and effective owing to its independence from the other terms of the contract. It therefore referred the respondent's challenge of agreement invalidity to the tribunal, deeming that such pleas fall within its mandate under law.

In a case in Makkah the same year, the court declined to examine a plea of invalidity directly, holding that the matter should first be determined by the arbitral tribunal once constituted.⁽⁴³⁾ This reflects a clear application of the principle of competence–competence.

Core Issue 2

The second issue is whether a challenge to the validity of the underlying contract, on grounds such as forgery, fraud, or corruption, affects the validity and survival of the arbitration clause.

Comparative Practice

The prevailing international approach upholds the doctrine of separability, under which the arbitration clause is treated as an autonomous agreement. Accordingly, challenges to the validity of the main contract do not, in principle, invalidate the arbitration clause or prevent the tribunal from proceeding to consider the dispute.⁽⁴⁴⁾

(42) Case No. 4530332712, Eastern Province General Court of Appeal, October 19, 2023.

(43) Case No. 4530064951, Makkah General Court of Appeal, August 9, 2023.

(44) Bantekas, Commentary on Article 16, *supra* note 41, at pp. 301–2.

At the same time, comparative jurisprudence diverges on procedural aspects. For example, German courts have held that failure to raise jurisdictional objections at an early stage constitutes waiver, and such objections may not be invoked later on proceedings, for example upon an application to set aside or a refusal to enforce the award. In contrast, Singaporean courts have held that such failure does not preclude invocation at later stages, based on the principle of freedom to choose remedies.⁽⁴⁵⁾

Research Question

To what extent do Saudi courts uphold the separability of arbitration clauses where the underlying contract is invalid or terminated?

Approach of Saudi Courts

Judicial examination demonstrates a clear and consistent adherence to the doctrine of separability. Saudi courts have repeatedly held that the arbitration clause constitutes an independent agreement that survives the invalidity, rescission, or termination of the underlying contract.⁽⁴⁶⁾ Even in cases where the contract as a whole has been declared null and void, courts have maintained the validity of the arbitration clause, provided that it is not itself defective.⁽⁴⁷⁾ This approach reflects a direct application of Article 21 of the Saudi Arbitration Law, and aligns closely with the dominant trend in international arbitration practice.



(45) *Id.* at p. 305.

(46) Among which, e.g., Case No. 4430585396, Jeddah General Court of Appeal, February 13, 2023.

(47) For example, in Case No. 4630778016, Al-Qassim Court of Appeal, February 20, 2025.



Chapter V: Arbitral Proceedings (Arts. 18–27)

Chapter V comprises Articles 18–27, and this analysis addresses provisions corresponding to Articles 18, 19, and 24.

Article 18: Equal Treatment of Parties

The parties shall be treated with equality and each party shall be given a full opportunity of presenting his case.

Core Issue

The core issue concerning Article 18 of the Model Law is whether the requirement that each party be given “full opportunity” to present its case should be interpreted literally, or whether it is sufficient that the opportunity afforded is reasonable and adequate in the circumstances.

Comparative Practice

Comparative jurisprudence adopts a functional and flexible interpretation of the “full opportunity” standard, treating it as requiring that parties be given a *sufficient and reasonable* opportunity to present their case, rather than an unlimited or exhaustive one. This interpretation aims to balance due process with procedural fairness, preventing parties from invoking the standard to delay or obstruct proceedings.⁽⁴⁸⁾ This approach is reinforced by provisions in the Model Law that limit the timing of certain defenses or documents to later stages of proceedings. For example, Article 16 (2) requires that jurisdictional objections be raised no later than the submission of the statement of defense. During the drafting of the Model Law, proposals were made—notably by

(48) Binder, *supra* note 3, at p. 331.

Norway and the IBA—to replace the term “full” with “sufficient,” reflecting this more pragmatic understanding.⁽⁴⁹⁾

Research Question

Have Saudi courts found that limiting the opportunities afforded to the parties—such as time limits or access to submissions and evidence—materially impair a party’s ability to present its case?

Approach of Saudi Courts

Judicial practice demonstrates a substantive application of the “full opportunity” standard with respect to the parties’ right to present their case focusing on whether procedural limitations has materially affected a party’s ability to present its case.

In a 2024 case in Riyadh, the respondent applied for annulment, arguing that he had been unable to present his defense due to lack of access to the opposing party’s submissions and evidence.⁽⁵⁰⁾ The case file shows that the respondent had formally lodged an objection with the secretariat of the arbitral tribunal, requesting access to the claimant’s answers to his evidence and objecting to the tribunal having received such materials without affording him the same access. This objection was documented both in the case materials and in the arbitral award itself. However, the tribunal failed to take any action in response.

The respondent contended that he had not been informed of the appointment of an expert and was therefore unable to respond to the claimant’s evidence, which proved material to the outcome. In support of his claim, he invoked Article 27 of the Saudi Arbitration Law (corresponding to Article 18 of the Model Law), which guarantees equal treatment and “full and equal opportunity” to present one’s case, as well

(49) United Nations Secretary-General, *Analytical Compilation of Comments by Governments and International Organizations on the Draft Model Law on International Commercial Arbitration*, U.N. Doc. A/CN.9/263 (March 19, 1985).

(50) Case No. 4531120165, Riyadh General Court of Appeal, June 1, 2024.

as Article 31 (equivalent to Article 24 (3) of the Model Law), which requires that all documents and information relied upon by the tribunal be communicated to both parties.

The respondent stated that, after he submitted his evidence concerning the claimant's failure to pay, the arbitral tribunal presented that evidence to the claimant and obtained a response contradicting the account statement, without informing him either of the presentation of the evidence or of the receipt of the response, notwithstanding that the response contained matters requiring reply. He argued that this constituted a violation of the principle of equality between the parties in the exchange of submissions and evidence.

The court held that these violations—on the basis invoked by the respondent and supported by the relevant statutory provisions—fell within the circumstances set out in Article 50 (1) (c) and (g) of the Arbitration Law. It further rejected the argument that the respondent had forfeited his right to object within the prescribed period, on the ground that the violations only became apparent to him upon issuance of the award, as stated in his claim.

On this basis, the court concluded that the actions of the arbitral tribunal, as alleged by the respondent and substantiated by the documents, had materially affected his ability to present his defense. It further found that these violations were inseparable from the award and could not be treated as divisible defects, thereby requiring the annulment of the award in its entirety.

This application demonstrates that the Saudi judiciary gives substantive effect to the “full opportunity” standard. A material impairment of the right to defense—whether resulting from denial of access to the opposing party's submissions and evidence or from failure to notify the parties of material procedural steps—constitutes sufficient grounds for annulment of the arbitral award under Article 50 of the Arbitration Law.

Article 19: Determination of Rules of Procedure

(1) Subject to the provisions of this Law, the parties are free to agree on the procedure to be followed by the arbitral tribunal in conducting the proceedings.

(2) Failing such agreement, the arbitral tribunal may, subject to the provisions of this Law, conduct the arbitration in such manner as it considers appropriate. The power conferred upon the arbitral tribunal includes the power to determine the admissibility, relevance, materiality and weight of any evidence.

Core Issue

The core issue relating to Article 19 of the Model Law is the extent to which an arbitral tribunal is free to regulate proceedings in the absence of agreement between parties on specific procedural rules.

Comparative Practice

International jurisprudence generally recognizes that the arbitral tribunal enjoys broad authority to regulate the proceedings where the parties have not agreed on specific rules. This includes the power to conduct the proceedings in a manner it deems appropriate, such as admitting or excluding evidence, assessing its probative value, and determining whether the proceedings will be conducted on the basis of written submissions, oral hearings, or a combination of both.⁽⁵¹⁾

Research Question

Have Saudi courts considered arbitral tribunals to have broad discretion to conduct the proceedings in the absence of party agreement, without limitation?

(51) Manuel A. Gomez & Ikram Ullah, Article 19: Determination of Rules of Procedure, in *UNCITRAL Model Law on International Commercial Arbitration*, at p. 550 (Cambridge Univ. Press 2020).

Approach of Saudi Courts

Judicial examination demonstrates a direct application of the principle that the arbitral tribunal possesses broad authority to manage proceedings in the absence of party agreement. This approach is consistent with both prevailing jurisprudence and the Model Law.

In a case in Asir in 2023, the claimant argued that the arbitral tribunal had committed procedural violations warranting annulment of the arbitral award, relying on a number of applications and objections he had made during the proceedings.⁽⁵²⁾ The court held that the grounds invoked could not justify annulment, as they did not fall within the exhaustive grounds set out in Article 50 of the Saudi Arbitration Law. It further noted that the claimant's applications were recorded in the arbitral award and that the tribunal was not obliged to respond to each of them, given its discretionary authority to determine the procedures it considers appropriate for resolving the dispute.

In another case, decided in Riyadh in 2024, the court rejected the claimant's application for annulment of the arbitral award on the ground that the arbitration period had allegedly expired prior to the issuance of the award.⁽⁵³⁾ The court found that the arbitral tribunal had extended the arbitration period by an additional 30 days, a measure permitted under Article 40 (2) of the Saudi Arbitration Law, which authorizes the tribunal to extend the arbitration period provided that such extension does not exceed six months, unless the parties agree otherwise.

In contrast to cases involving the absence of procedural agreement between the parties, a 2025 commercial case in Riyadh concerned an institutional arbitration in which the parties had expressly agreed to apply the rules of a designated arbitral institution.⁽⁵⁴⁾ In this case, the court

(52) Case No. 4430627972, Asir Province Commercial Court of Appeal, February 25, 2023, cited earlier in connection with Article 4 of the Model Law.

(53) Case No. 4531098065, Riyadh Court of Appeal, June 5, 2024.

(54) Case No. 4731430608, Riyadh Court of Appeal (Commercial), May 26, 2025.

examined whether a decision of the Court of the Saudi Center for Commercial Arbitration (“the SCCA Court”) rejecting a request to challenge an arbitrator could be subject to judicial review. The dispute arose in the context of an arbitration administered by the SCCA under its Rules, pursuant to the parties’ agreement and subject to the Saudi Arbitration Law.

Following the appointment of a sole arbitrator, the claimant submitted a request to challenge the appointment under Article 14 (3) of the Arbitration Law, on the basis that the arbitrator did not hold a university degree in Sharia or legal studies. After the arbitral tribunal rejected the challenge, the claimant referred the matter to the SCCA Court, which is an independent body under Article 3 (1) of the SCCA Rules and is vested with authority, under Article 18 (6), to decide arbitrator challenges where the parties do not agree and the arbitrator does not voluntarily withdraw.

The SCCA Court rejected the challenge. The claimant then brought an action before the Riyadh Court of Appeal, objecting to that decision and naming the SCCA itself as a respondent. He argued that, by exercising powers relating to the appointment of arbitrators and the determination of challenge requests, the SCCA functioned as the effective decision-maker rather than a neutral body, and that its decisions—given their impact on the arbitral proceedings—should be subject to judicial review.

The SCCA argued that the claim was inadmissible under its Rules, relying in particular on Article 21, which excludes liability for acts or omissions connected to arbitration (unless prohibited by applicable law) and prohibits parties from joining the SCCA or its bodies in judicial or other proceedings related to the arbitration.

In addressing the claimant’s objection, the Riyadh court stated that the parties had expressly agreed to apply the SCCA Rules, and that such agreement entails adherence to the procedural framework established by those Rules, including provisions governing arbitrator challenges. It noted that Article 17 (1) of the Saudi Arbitration Law permits the parties

to agree on challenge procedures, and that the SCCA Rules confer jurisdiction on the SCCA Court to decide such challenge, while providing that its decisions are final and binding and not subject to appeal or reconsideration under Article 3 (2) of the Rules.

On this basis, the court held that the decision of the SCCA Court was not subject to judicial challenge, and that entertaining the claim would contradict the parties' agreement. It therefore declared the claim inadmissible.

Although the court did not expressly cite Article 21 of the SCCA Rules, its reasoning reflected the substance of that provision, and its conclusion aligns with the argument advanced by the SCCA. The court also did not refer to Article 4 of the Saudi Arbitration Law—which permits parties to delegate procedural determinations to a third party (including any individual, body, organization, or arbitration center inside or outside the Kingdom)—but its reasoning is consistent with it.

The court's decision also aligns with international arbitration principles and the Model Law, particularly the recognition of party autonomy in determining procedural rules (Art. 19) and arbitrator challenge mechanisms (Art. 13). It also reflects the principle of limited judicial intervention (Art. 5), as the court declined to interfere with procedures governed by the parties' agreement and the applicable institutional rules (in this case the SCCA Rules), thereby upholding the authority of the chosen arbitral framework.

Article 24: Hearings and Written Proceedings

(1) Subject to any contrary agreement by the parties, the arbitral tribunal shall decide whether to hold oral hearings for the presentation of evidence or for oral argument, or whether the proceedings shall be conducted on the basis of documents and other materials. However, unless the parties have agreed that no hearings shall be held,

the arbitral tribunal shall hold such hearings at an appropriate stage of the proceedings, if so requested by a party.

(2) The parties shall be given sufficient advance notice of any hearing and of any meeting of the arbitral tribunal for the purposes of inspection of goods, other property or documents.

(3) All statements, documents or other information supplied to the arbitral tribunal by one party shall be communicated to the other party. Also any expert report or evidentiary document on which the arbitral tribunal may rely in making its decision shall be communicated to the parties.

Core Issue

The key issue relating to Article 24 of the Model Law is whether the arbitral tribunal is required to provide the parties with sufficient advance notice of the date of any oral hearing or meeting of the arbitral tribunal, including activities such as inspection of goods or examination of documents.

Comparative Practice

Comparative jurisprudence consistently treats the obligation to provide sufficient advance notice as mandatory, enduring that each party has a fair opportunity to present its case in line with the requirements of Article 18 of the Model Law. This obligation extends to all hearings and evidentiary activities. While the parties may agree on specific notice periods, such agreements remain subject to the requirement of sufficient notice. A failure to provide adequate notice may constitute grounds for annulment or refusal of enforcement, although in certain contexts—such as interim measures—the notice requirement may be adjusted to preserve effectiveness.⁽⁵⁵⁾

(55) Binder, *supra* note 3, at pp. 372–73; UNCITRAL Digest, *supra* note 3, at pp. 111–12.

Research Question

Have Saudi courts held that a failure to provide sufficient advance notice of hearings, tribunal meetings, or inspection of evidence constitutes a ground for annulment or refusal of recognition and enforcement?

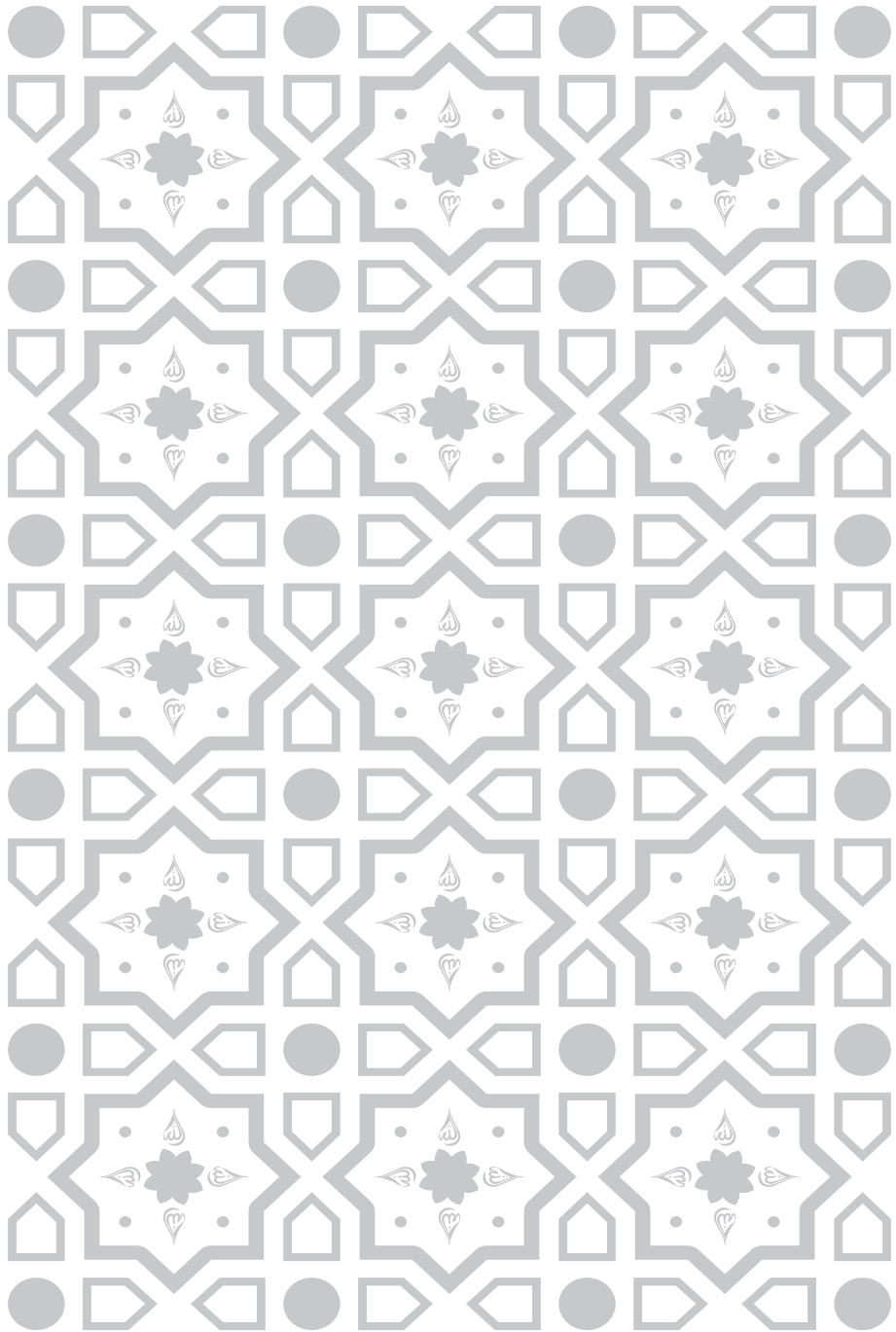
Approach of Saudi Courts

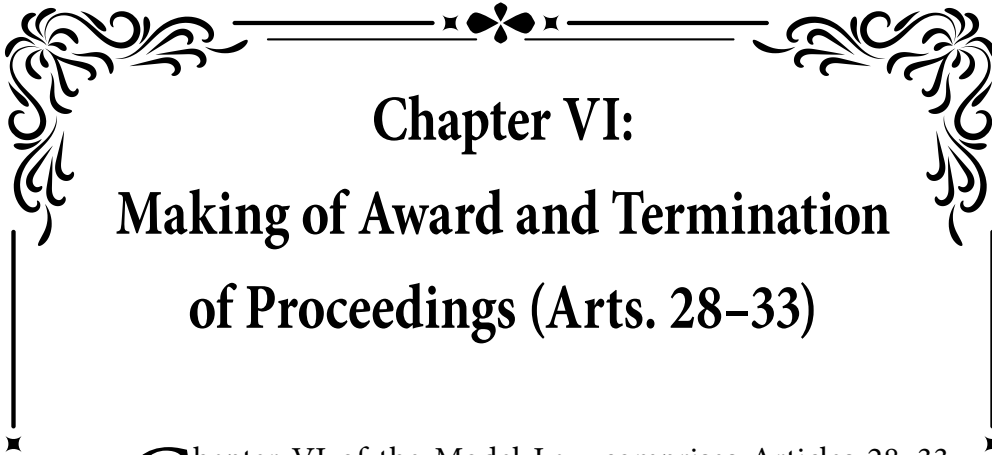
The judicial examination identified the 2024 Riyadh case discussed earlier in relation to Article 18 as also directly relevant to the notice and communication requirement under Article 24, particularly paragraph (3).⁽⁵⁶⁾ As we saw, the case involved a failure by the arbitral tribunal to allow the respondent access to the claimant's submissions and evidence, and a failure to notify the respondent of the appointment of an expert and of material responses requiring rebuttal.

The court held that these procedural deficiencies constituted a material violation of the right of defense and the party's "full opportunity" to present its case. It concluded that such breaches warranted annulment of the arbitral award in its entirety under Article 50 (1) (c) and (g) of the Saudi Arbitration Law.



(56) Case No. 4531120165, Riyadh General Court of Appeal, June 1, 2024.





Chapter VI: Making of Award and Termination of Proceedings (Arts. 28–33)

Chapter VI of the Model Law comprises Articles 28–33, and this analysis addresses provisions corresponding to all six articles. As noted earlier in the background and methodology section, the study did not identify judicial applications directly addressing the specific core issues and research questions initially formulated for Articles 31 and 32. Accordingly, the core issue, research question, and comparative practice components are omitted for those provisions. The review did, however, identify judicial applications of Articles 31 and 32 in other contexts, and those decisions are presented and analyzed in the relevant sections.

Article 28: Rules Applicable to Substance of Dispute

(1) The arbitral tribunal shall decide the dispute in accordance with such rules of law as are chosen by the parties as applicable to the substance of the dispute. Any designation of the law or legal system of a given State shall be construed, unless otherwise expressed, as directly referring to the substantive law of that State and not to its conflict of laws rules.

(2) Failing any designation by the parties, the arbitral tribunal shall apply the law determined by the conflict of laws rules which it considers applicable.

(3) The arbitral tribunal shall decide *ex aequo et bono* or as *amiable compositeur* only if the parties have expressly authorized it to do so.

(4) In all cases, the arbitral tribunal shall decide in accordance with the terms of the contract and shall take into account the usages of the trade applicable to the transaction.

Core Issue

The key issue identified in relation to Article 28 of the Model law is whether the court may review the arbitral tribunal's interpretation or application of the substantive law or rules of law designated by the parties, or whether its role is limited to verifying that the tribunal applied that chosen law.

Comparative Practice

Comparative practice establishes that misinterpretation or misapplication of substantive law does not constitute a ground for annulment or refusal of enforcement under Article 28. That provision requires arbitrators to apply the law or rules of law designated by the parties but does not authorize courts to review the correctness of the tribunal's interpretation or application.⁽⁵⁷⁾ The High Court of Australia, for instance, ruled in a 2013 case that the arbitral tribunal's interpretation or application of the chosen law need not be mirror that of a national court, provided that the tribunal has adhered to applying the law selected by the parties.⁽⁵⁸⁾

(57) UNCITRAL Digest, *supra* note 3, at p. 122, ¶ 3 (“German courts clarified that article 28 (1) permits a court only to consider if the award was based on the law chosen by the parties, and not whether the arbitral tribunal had misinterpreted or misapplied the law to the substance of the dispute”).

(58) UNCITRAL CLOUT Case No. 1246, *TCL Air Conditioner (Zhongshan) Co. Ltd. v. The Judges of the Federal Court of Australia, High Court of Australia*, March 13, 2013, [2013] HCA13, <https://documents.un.org/doc/undoc/gen/v13/838/25/pdf/v1383825.pdf>.

Research Question

Have Saudi courts considered themselves entitled to review the arbitral tribunal's interpretation or application of the chosen substantive law or rules of law, rather than being confined to verifying that the tribunal applied that law?

Approach of Saudi Courts

Judicial examination demonstrates a consistent position in Saudi case law that judicial oversight does not extend to reviewing the arbitral tribunal's interpretation of substantive law, nor to reassessing the evidence or procedural determinations made by the tribunal, provided that none of the exhaustive grounds for annulment set out in Article 50 of the Saudi Arbitration Law is established.

The courts have repeatedly held that arguments relating to the facts of the dispute, the evaluation of evidence, or the tribunal's conclusions in applying the law fall within the tribunal's discretionary authority and cannot form the basis for an annulment action.⁽⁵⁹⁾ In applying Article 50 (4), the courts have emphasized their role is limited to verifying the existence of one of the statutory grounds for annulment and does not extend to re-examining the merits of the dispute.

Accordingly, Saudi courts have reinforced the principle that errors in the interpretation of law or in the assessment of evidence do not, in themselves, constitute grounds for setting aside an arbitral award.

(59) See, e.g., Case No. 4430940390, Riyadh General Court of Appeal, May 27, 2023; Case No. 4530553266, Jeddah General Court of Appeal, December 16, 2023; Case No. 4531087991, Eastern Province Labor Court of Appeal, May 22, 2024; Case No. 4630416172, Jeddah General Court of Appeal, November 8, 2024; Case No. 4630604644, Jeddah General Court of Appeal, January 1, 2025; Case No. 4630672471, Riyadh General Court of Appeal, January 23, 2025; Case No. 4630777755, Madinah General Court of Appeal, February 24, 2025; Case No. 4630847961, Eastern Province General Court of Appeal, March 13, 2025.

Article 29: Decision-Making by a Multi-Member Arbitral Tribunal

In arbitral proceedings with more than one arbitrator, any decision of the arbitral tribunal shall be made, unless otherwise agreed by the parties, by a majority of all its members. However, questions of procedure may be decided by a presiding arbitrator, if so authorized by the parties or all members of the arbitral tribunal.

Core Issue

The key issue in relation to Article 29 of the Model Law is whether an arbitral award may validly be rendered without the participation of an arbitrator who refuses to vote.

Comparative Practice

Comparative practice generally accepts that an arbitral award may be issued by a majority of arbitrators, and that participation of all members of the tribunal in the final decision is not required for validity, provided that all arbitrators have been given a genuine opportunity to participate in the deliberations.⁽⁶⁰⁾ However, some arbitration regimes, notably the German one, impose additional safeguards, requiring prior notification to the parties if an award is to be rendered without the participation of an arbitrator who refuses to vote, failing which the award may be subject to annulment.⁽⁶¹⁾

Research Question

Have Saudi courts upheld the validity of arbitral awards rendered by a majority, notwithstanding the abstention of one arbitrator, provided that the arbitrator was afforded the opportunity to participate in the proceedings?

(60) Binder, *supra* note 3, at p. 408.

(61) *Id.* at p. 409. See also Case No. 662—Germany/Saarländisches Oberlandesgericht: 4 Sch 2/02 (October 29, 2002).

Approach of Saudi Courts

Judicial examination reveals a precedent directly addressing this issue. In a 2024 case in Asir Province, discussed earlier in relation to Article 10, one arbitrator was deemed not to have engaged in the merits of the dispute but confined his position to contesting the validity of the tribunal's constitution.⁽⁶²⁾ This indicated that he did not participate in the confidential substantive deliberations held in the case. The court found that the deliberations leading to the award were conducted solely by the remaining two arbitrators, effectively resulting in a tribunal that lacked the participation of its full complement.

On this basis, the court held that the non-participation of one arbitrator in the deliberative process constituted a defect in the composition of the tribunal. It classified this defect as a ground for annulment under Article 50 (1) (e) of the Saudi Arbitration Law (corresponding to Article 34 (2) (a) (iv) of the Model Law), read in conjunction with Article 39 (1) (corresponding to Article 29 of the Model Law). Moreover, this meant the award had effectively been rendered by a tribunal composed of only two arbitrators, in violation of Article 13 of the Saudi Arbitration Law (corresponding to Article 10 of the Model Law), which requires an odd number of arbitrators. Accordingly, the court declared the arbitral award null and void.

Article 30: Settlement of Dispute

(1) If, during arbitral proceedings, the parties settle the dispute, the arbitral tribunal shall terminate the proceedings and, if requested by the parties and not objected to by the arbitral tribunal, record the settlement in the form of an arbitral award on agreed terms.

(2) An award on agreed terms shall be made in accordance with the provisions of Article 31 and shall state that it is

(62) Case No. 4630380810, Asir Province General Court of Appeal, October 29, 2024.

an award. Such an award has the same status and effect as any other award on the merits of the case.

Core Issue

The core issue relating to Article 30 of the Model Law is whether recording a settlement as an arbitral award requires requests by both parties, or whether a request by one party suffices where genuine agreement exists between the parties.

Comparative Practice

Although the provision refers to the submission of a request by both parties together, prevailing practice accepts that a request by one party is sufficient, provided that there is clear and mutual consent to the settlement. Nonetheless, practitioners and legal scholars generally recommend that the parties submit a joint request to satisfy the tribunal that an actual agreement on the settlement exists.⁽⁶³⁾

Research Question

Have Saudi courts upheld the decisions of arbitral tribunals to terminate proceedings following settlement and record such settlement in the form of an arbitral award?

Approach of Saudi Courts

Judicial examination identifies a 2023 case in Eastern Province relating to Article 45 of the Saudi Arbitration Law (corresponding to Article 30 of the Model Law).⁽⁶⁴⁾ The arbitral tribunal recorded a settlement reached between the parties and issued an award confirming it, stating that the parties were bound to comply with it as a final and

(63) Michael Polkinghorne & Poorvi Satija, Article 30: Settlement, in *UNCITRAL Model Law on International Commercial Arbitration*, at pp. 772–804 (Cambridge Univ. Press 2020).

(64) Case No. 4431011212, Eastern Province Court of Appeal, June 20, 2023.

binding resolution of the dispute. The settlement was thus embodied in the final award, which subsequently came before the competent court. One of the parties applied for enforcement after the statutory period for bringing an annulment action had expired without any such action being filed. The court accordingly ordered enforcement of the award.

While this case illustrates the operation of the Saudi law equivalent to Article 30 through the recording of a settlement in the form of an arbitral award, it does not resolve the question of whether a request for such recording must be made jointly by both parties or whether a unilateral request is sufficient where an actual agreement on the settlement exists.

Article 31: Form and Contents of Award

(1) The award shall be made in writing and shall be signed by the arbitrator or arbitrators. In arbitral proceedings with more than one arbitrator, the signatures of the majority of all members of the arbitral tribunal shall suffice, provided that the reason for any omitted signature is stated.

(2) The award shall state the reasons upon which it is based, unless the parties have agreed that no reasons are to be given or the award is an award on agreed terms under article 30.

(3) The award shall state its date and the place of arbitration as determined in accordance with article 20(1). The award shall be deemed to have been made at that place.

(4) After the award is made, a copy signed by the arbitrators in accordance with paragraph (1) of this article shall be delivered to each party.

Approach of Saudi Courts

The judicial examination showed a direct application of the article text not anticipated by the research team regarding the signing of the arbitral award and giving the reason why the minority did not sign. In a case in Eastern Province in 2023, noted earlier in relation to Article 10, the court found that the award had not been signed by one of the arbitrators and did not state the reason for the missing signature.⁽⁶⁵⁾ It held that this omission violated both the parties' agreed procedural framework and the formal requirements under Article 42 (1) of the Saudi Arbitration Law (corresponding to Article 31 (1)–(3) of the Model Law), which requires that the reason for a missing signature be stated. The court therefore concluded that the award was rendered in violation of the law, constituting grounds for annulment.

Article 32: Termination of Arbitral Proceedings

(1) The arbitral proceedings are terminated by the final award or by an order of the arbitral tribunal in accordance with paragraph (2) of this article.

(2) The arbitral tribunal shall issue an order for the termination of the arbitral proceedings when:

(a) the claimant withdraws his claim, unless the respondent objects thereto and the arbitral tribunal recognizes a legitimate interest on his part in obtaining a final settlement of the dispute;

(b) the parties agree on the termination of the proceedings;

(c) the arbitral tribunal finds that the continuation of the proceedings has for any other reason become unnecessary or impossible.

(65) Case No. 4530284026, Eastern Province General Court of Appeal, October 9, 2023.

(3) The mandate of the arbitral tribunal terminates with the termination of the arbitral proceedings, subject to the provisions of articles 33 and 34(4).

Approach of Saudi Courts

Judicial examination identified a case in Jeddah in 2023 in which enforcement of an arbitral award was refused on public policy grounds.⁽⁶⁶⁾ The court based its decision on the fact that the claimant had previously applied for the enforcement of the same award, which was refused, and that the arbitral tribunal's mandate had been exhausted upon issuance of the award terminating the dispute (per Article 41 of the Saudi Arbitration Law, corresponding to Article 32 of the Model Law), and that it was not permissible for the tribunal to revisit the matter thereafter. As the award submitted for enforcement had been rendered after the tribunal's mandate had lapsed, the court found that it was without jurisdiction, in violation of public policy, and therefore refused enforcement under Article 55 (2) (b) of the Saudi Arbitration Law.

Article 33: Correction and Interpretation of Award; Additional Award

(1) Within thirty days of receipt of the award, unless another period of time has been agreed upon by the parties:

(a) a party, with notice to the other party, may request the arbitral tribunal to correct in the award any errors in computation, any clerical or typographical errors or any errors of similar nature;

(b) if so agreed by the parties, a party, with notice to the other party, may request the arbitral tribunal to give an interpretation of a specific point or part of the award.

(66) Case No. 4530595144, Jeddah Court of Appeal, December 26, 2023.

If the arbitral tribunal considers the request to be justified, it shall make the correction or give the interpretation within thirty days of receipt of the request. The interpretation shall form part of the award.

(2) The arbitral tribunal may correct any error of the type referred to in paragraph (1)(a) of this article on its own initiative within thirty days of the date of the award.

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

(4) The arbitral tribunal may extend, if necessary, the period of time within which it shall make a correction, interpretation or an additional award under paragraph (1) or (3) of this article.

(5) The provisions of article 31 shall apply to a correction or interpretation of the award or to an additional award.

Core Issue

The key issue concerning Article 33 of the Model Law is whether the omission of certain expenses (such as investigative report costs and witness fees) from an arbitral award may be treated as a correctable error, or whether such omission falls outside the scope of permissible correction.

Comparative Practice

Comparative practice shows some flexibility in interpreting the notion of “error.” For example, in one case in the late 1990s, the Singapore

International Arbitration Centre extended it beyond purely clerical, typographical, or computational mistakes to include errors in estimation, incorrect data use, and inadvertent omissions and errors in drafting. On this broader view, the tribunal deemed itself competent to correct errors and omissions in the cost certificate.⁽⁶⁷⁾

Research Question

Have Saudi courts treated the tribunal's omission of part of the expenses in an arbitral award as a computational, clerical, typographical, or similar error that can be corrected?

Approach of Saudi Courts

Judicial examination demonstrates a restrictive approach to the correction of arbitral awards, directly applying Article 47 (2) of the Saudi Arbitration Law (corresponding to Article 33 (2) of the Model Law).

In a case in Riyadh in 2024, one party applied to annul a correction decision issued by the arbitral tribunal, while the other argued that the decision be confirmed and enforced.⁽⁶⁸⁾ The matter was referred to the court, which found that the tribunal had exceeded its statutory permissible bounds of correction by adding a new paragraph to the dispositive section of the award terminating the dispute that had not appeared in the original version (which the court had already affirmed for enforcement). Pursuant to Article 47 (2), which states that such decisions may be annulled upon application by a party if the tribunal is found to have exceeded its limits of correction, subject to the provisions of Articles 50 and 51, the court ruled to annul the correction.

A separate judicial application emerged in relation to additional awards. Although additional awards did not form part of the core issue

(67) UNCITRAL CLOUT Case No. 207, Singapore Int'l Arbitration Ctr. (SIAC), Arb. No. 6 of 1996 (February 6, 1998) (unpublished).

(68) Case No. 4630585826, Riyadh General Court of Appeal, December 26, 2024.



initially identified for Article 33 by the research team, the case nevertheless demonstrates an application related to Article 48 of the Saudi Arbitration Law (corresponding to Article 33 (3)–(5) of the Model Law).

In a case in Riyadh in 2025, one party applied to annul an additional award on the ground that it had been issued by a truncated arbitral tribunal.⁽⁶⁹⁾ The court found that the additional award had been issued by two arbitrators only, and that the third arbitrator had been absent from the hearings and deliberations relating to the additional award, as expressly noted the award. The court further held that this violated Article 13 of the Saudi Arbitration Law, which requires an odd number of arbitrators, providing that the arbitration is void otherwise.

The court rejected the claimant's argument that the third arbitrator refused to sign the award, reasoning that the arbitrator's refusal to perform his obligations does not authorize the remaining tribunal members to deliberate and render an award where the composition of the tribunal is in violation of the Saudi Arbitration Law. Instead, the court emphasized that the tribunal should have followed the procedure stipulated in Article 18 of the Saudi Arbitration Law to terminate the arbitrator's mandate when he failed to perform without unjustifiable delay.



(69) Case No. 4630675259, Riyadh Labor Court of Appeal, January 23, 2025.



Chapter VII:
Recourse against Arbitral Award (Art. 34)

Chapter IV of the Model Law solely consists of Article 34.

✦ **Article 34: Application for Setting Aside as Exclusive Recourse** ✦
against Arbitral Award

(1) Recourse to a court against an arbitral award may be made only by an application for setting aside in accordance with paragraphs (2) and (3) of this article.

(2) An arbitral award may be set aside by the court specified in article 6 only if:

(a) the party making the application furnishes proof that:

(i) a party to the arbitration agreement referred to in article 7 was under some incapacity; or the said agreement is not valid under the law to which the parties have subjected it or, failing any indication thereon, under the law of this State; or

(ii) the party making the application was not given proper notice of the appointment of an arbitrator or of the arbitral proceedings or was otherwise unable to present his case; or

(iii) the award deals with a dispute not contemplated by or not falling within the terms of the submission to arbitration, or contains decisions

on matters beyond the scope of the submission to arbitration, provided that, if the decisions on matters submitted to arbitration can be separated from those not so submitted, only that part of the award which contains decisions on matters not submitted to arbitration may be set aside; or

(iv) the composition of the arbitral tribunal or the arbitral procedure was not in accordance with the agreement of the parties, unless such agreement was in conflict with a provision of this Law from which the parties cannot derogate, or, failing such agreement, was not in accordance with this Law; or

(b) the court finds that:

(i) the subject-matter of the dispute is not capable of settlement by arbitration under the law of this State; or

(ii) the award is in conflict with the public policy of this State.

(3) An application for setting aside may not be made after three months have elapsed from the date on which the party making that application had received the award or, if a request had been made under article 33, from the date on which that request had been disposed of by the arbitral tribunal.

(4) The court, when asked to set aside an award, may, where appropriate and so requested by a party, suspend the setting aside proceedings for a period of time determined by it in order to give the arbitral tribunal an opportunity to resume the arbitral proceedings or to take

such other action as in the arbitral tribunal's opinion will eliminate the grounds for setting aside.

Regarding Article 34 of the Model Law, three key issues were identified.

Core Issue 1

The first issue concerns the extent to which the court's role, when considering annulment actions, is limited to the grounds exhaustively defined in the law, and whether those grounds may be interpreted expansively.

Comparative Practice

Comparative jurisprudence generally affirms that judicial review of arbitral awards must remain strictly confined to the grounds specified in legislation, without expansion of judicial insight or the introduction of grounds not otherwise stipulated.⁽⁷⁰⁾ This reflects the broader international trend of minimizing court intervention to enhance the effectiveness of arbitration and safeguard party autonomy.

Research Question

Have Saudi courts limited the grounds for annulment of the arbitral award to those exhaustively set out in the Saudi Arbitration Law?

Approach of Saudi Courts

Judicial practice demonstrates a strict adherence to the exhaustive annulment grounds laid out in Article 50 of the Saudi Arbitration Law (corresponding to Article 34 of the Model Law). Courts have, without exception, held that their role in annulment proceedings is limited to verifying the existence of one of these grounds and does not extend to re-examining the facts, the merits of the dispute, or the tribunal's evaluation of evidence.

(70) A view made plain by the Court of Appeal of British Columbia in *Quintette Coal Ltd. v. Nippon Steel Corporation*, [1991] 1 WWR 219, at ¶¶ 28–31 (Ct. Appeal B.C.).

In a notable case in Al-Qassim in 2025, the court considered multiple pleas raised by the annulment applicant and rejected them all, relying on both the tribunal's reasoning and the applicable provisions of the law.⁽⁷¹⁾ The applicant argued that the tribunal had been improperly constituted. The court rejected this, noting that the arbitrator had been appointed by the court of appeal, that the Arbitration Law permits a tribunal to consist of one or more arbitrators, and that the appointment was consistent with the terms of the arbitration agreement. It further observed that the procedures reflected in the award—including the appointment of an expert to review the parties' technical reports—did not support the alleged irregularity.

The applicant also contended that the arbitration agreement had lapsed and that the award was rendered out of time. The court found that the award had been pronounced in the presence of the parties within the agreed period, which had been extended, and clarified that any delay in finalizing or issuing the written award does not affect the validity of the arbitration period. The plea was therefore dismissed.

Further, the applicant alleged that the tribunal had disregarded agreed contractual terms and committed procedural violations by not allowing the expert to be examined in a hearing attended by both parties. The court found no such violations in the award and held that, in any event, these arguments did not fall within the exhaustive grounds for annulment under Article 50. It also emphasized that a party's failure to raise objections during the proceedings constitutes a waiver of the right to rely on them, pursuant to Article 7.

Reaffirming the limited scope of annulment review, the court held that it could not revisit the merits of the dispute or reassess the tribunal's evaluation of the evidence, in line with Article 50 (4). It therefore rejected the annulment application and, upon confirming the award, ordered its enforcement in accordance with Article 51 (2).

(71) Case No. 4631023277, Al-Qassim Court of Appeal, May 17, 2025.

Core Issue 2

The second issue concerns whether the issuance of an arbitral award after the expiry of the agreed or statutorily prescribed time in the applicable arbitration law or rules limit constitutes a ground for setting aside the award.

Comparative Practice

Comparative jurisprudence reflects some divergence: while certain courts have treated the expiry of the arbitral time limit as a basis for annulment, the dominant view is that delay alone does not automatically justify setting aside the award, particularly in the absence of prejudice or timely objection.⁽⁷²⁾ In 2025, the Indian Supreme Court examined whether undue and unexplained delay in the issuance of an arbitral award impacts its validity. In that case, the arbitrator closed the proceedings in July 2012 but did not announce the award until March 2016, without justifying the delay. The court held that the delay in delivery is not an independent ground for annulment under the 1996 Indian Arbitration Act and that each case must be assessed individually. However, the court found that annulment may be justified where such delay adversely affects the final award or its findings, particularly where the delay remains unexplained, holding that this contravenes the public policy in India.⁽⁷³⁾

Research Question

Have Saudi courts annulled arbitral awards on the ground that the arbitration exceeded the time limit agreed upon by the parties or the time limit prescribed by the applicable rules or the Saudi Arbitration Law?

(72) UNCITRAL Digest, *supra* note 3, at pp. 143, 152, ¶¶ 42, 85.

(73) *Lancor Holdings Limited v. Prem Kumar & Ors.*, 2025 INSC 1277, at ¶ 63 (i) (Indian S. Ct.), https://api.sci.gov.in/supremecourt/2019/6448/6448_2019_11_1501_65336_Judgement_31-Oct-2025.pdf.

Approach of Saudi Courts

Saudi judicial practice reflects a fact-sensitive approach centered on waiver, consent, and the subsistence of the tribunal's mandate.

As discussed earlier in relation to Article 4, the court in the 2024 Al-Qassim case refused to annul an arbitral award issued after the expiry of the statutory time period because the parties had failed to object during the proceedings.⁽⁷⁴⁾ The court treated such inaction as an implicit waiver of their right to rely on the time-limit violation, consistent with Article 7 of the Arbitration Law.

In another case, in Riyadh in 2023, the court reached a different conclusion due to a material difference in the facts of the case.⁽⁷⁵⁾ The court found that the tribunal's exceeding the statutory time period constituted grounds for annulment as neither party had acted in any way that might be construed as consenting to a continuation of proceedings beyond the time limit, nor had there been any indication of waiver of such a plea. The court found that the tribunal had neither rendered the award within the default 12-month period from commencement of proceedings in the absence of party agreement (as per Article 40 (1) of the Saudi Arbitration Law) nor validly extended that period up to a maximum of six additional months (per Article 40 (2)).

It further noted that the claimant had requested termination of the proceedings prior to the issuance of the award, reinforcing the conclusion that the tribunal issued the award after its mandate had already lapsed. Additional evidentiary factors strengthened this conclusion: the date recorded in the award did not correspond to a formal pronouncement session attended by the parties, a point corroborated by a member of the tribunal in the case file, thus confirming that the actual issuance occurred after the expiry of the mandate. Accordingly, the court held that the award had been rendered after expiry with no lawful extension, thus violating the provisions of the Arbitration Law and necessitating its annulment.

(74) Case No. 4530627070, Al-Qassim General Court of Appeal, January 2, 2024.

(75) Case No. 4430579861, Riyadh General Court of Appeal, February 1, 2023.

In other cases, the courts rejected annulment claims based on expiry where the tribunal *had* lawfully extended the arbitration period by an additional 30 days⁽⁷⁶⁾ or where the parties had expressly agreed to such extension.⁽⁷⁷⁾

Core Issue 3

The third issue addresses the extent to which the competent court may annul an arbitral award on the ground that the arbitral tribunal exceeded, or failed to exercise, the authority granted to it under the arbitration agreement.

Comparative Practice

Comparative jurisprudence generally adopts a broad interpretation of the arbitral tribunal's mandate, which is primarily decided by the parties. Annulment on the ground that the tribunal exceeded its authority under Article 34 (2) (a) (iii) of the Model Law typically arises where the tribunal decides matters not submitted to arbitration, not falling within the terms of the arbitration agreement, or exceeding the scope of the arbitration agreement. A tribunal's failure to decide issues submitted to arbitration may lead to annulment only where it causes prejudice to either party of the dispute. Conversely, a tribunal's improper exercise of its authority resulting from an error of law or fact has not been regarded as a ground to justify annulment of the award.⁽⁷⁸⁾

Research Question

Have Saudi courts considered that an arbitral tribunal exceeds its mandate, warranting annulment of the award, where it decides matters

(76) For example, in Case No. 4531098065, Riyadh Court of Appeal, June 5, 2024, cited earlier in relation to Article 19.

(77) For example, in Case No. 4530553266, Jeddah General Court of Appeal, December 16, 2023, cited earlier in relation to Article 13 and 28.

(78) UNCITRAL Digest, *supra* note 3, at pp. 151–52, ¶¶ 80–83.

not submitted to arbitration, not falling within the terms of the arbitration agreement, or falling beyond the scope of the arbitration agreement?

Approach of Saudi Courts

The judicial analysis revealed a rich body of jurisprudence addressing this question, including numerous applications of Article 50 (1) (f) of the Saudi Arbitration Law (corresponding to Article 34 (2) (a) (iii) of the Model Law), concerning the limits of the arbitral tribunal's mandate under the arbitration agreement. The reviewed decisions addressed, among other matters, disputes relating to attorneys' fees, whether arbitral tribunals had ruled on matters not requested by the parties or beyond the scope of the arbitration agreement, and the consequences of such findings for the annulment of arbitral awards. These issues are illustrated through four judicial precedents discussed below.

In a 2025 case in Jeddah, the court partially annulled an arbitral award on the basis that the arbitral tribunal had exceeded its authority by deciding matters not requested by the parties. In the arbitration proceedings, the claimant had sought the termination of a tripartite lease agreement concluded with the respondents, which had been executed and acknowledged by all parties. The arbitral tribunal, however, ruled that the contract was null and void and further held that the parties should be restored to the position they occupied prior to the conclusion of the contract. The court held that the legal effects of annulment differ fundamentally from those of termination. It further found that annulment had neither been requested by the parties nor constituted a necessary legal consequence of rejecting the request for termination, since the contract could either remain valid or be declared void. Accordingly, the court concluded that the tribunal had exceeded the scope of the matters submitted to arbitration and annulled the portion of the award relating to the nullification of the contract pursuant to Article 50 (1) (f) of the Saudi Arbitration Law.⁽⁷⁹⁾

(79) Case No. 4631092403, Jeddah General Court of Appeal, June 22, 2025.

The second judgment was issued by the Makkah Court of Appeal in 2024, where the court partially annulled an award on the ground that the tribunal had ruled on matters falling outside the scope of the arbitration agreement. In that case, the parties had entered into several contracts, each identified by a distinct contract number. The claimant subsequently applied to the Court of Appeal for the appointment of an arbitrator on behalf of the respondent, expressly limiting the request to the dispute relating to Contract No. (15). The court observed that the contract constituting the subject matter of the arbitration had been specifically identified by number in a manner that left no ambiguity as to scope of the tribunal's mandate. Despite this, the arbitral award addressed disputes relating not only to Contract No. (15), but also to Contracts Nos. (6) and (8). The court held that the tribunal's jurisdiction had been expressly confined to disputes relating to Contract No. (15) and that consideration of disputes arising under the other contracts therefore exceeded the tribunal's authority. Accordingly, the court partially annulled the award.⁽⁸⁰⁾

The third and fourth judgments concerned the authority of arbitral tribunals to award attorneys' fees in arbitration. In one case in Riyadh in 2025, the court partially annulled an award after the tribunal ruled on the attorneys' fees despite the respondent's argument that the tribunal lacked jurisdiction over that issue. The court relied on Article 28 (5) of the Implementing Regulation to the Code of Law Practice, which provides that disputes concerning attorneys' fees fall within the jurisdiction of the courts and are to be determined by the judge who heard the original claim. Where the original claim was heard before a forum other than the courts, disputes relating to attorneys' fees are to be determined in accordance with the subject-matter jurisdiction rules of the courts, as stated in the Law of Civil Procedure. The court further held that the arbitration agreement did not expressly provide that claims for attorneys' fees fell within its scope, and that the arbitration clause was limited to disputes arising out of the contract itself. Accordingly, the tribunal's

(80) Case No. 4531190414, Makkah Court of Appeal, July 6, 2024.

determination of attorneys' fees concerned a matter not covered by the arbitration agreement. On the basis of Article 50 (1) (f) of the Saudi Arbitration Law, the court annulled the portion of the award dealing with attorneys' fees.⁽⁸¹⁾

By contrast, in a 2024 case in Eastern Province, the court reached a different conclusion regarding an arbitral award granting attorneys' fees. In that case, one of the parties argued that the arbitral tribunal had exceeded its jurisdiction by deciding a claim for attorneys' fees, contending that such a claim fell outside the scope of the arbitration agreement. The court rejected this argument and held that the claim for attorneys' fees arose directly out of the dispute already before the tribunal and constituted an ancillary request that, by its nature, fell within the tribunal's jurisdiction. The court also rejected the party's argument concerning the invalidity of the arbitration agreement, holding that the same party had previously agreed to arbitration during proceedings concerning the appointment of an arbitrator. According to the court, that conduct constituted an acknowledgment of the arbitral tribunal's jurisdiction and precluded the party from subsequently challenging it.⁽⁸²⁾

Core Issue 4

The fourth issue addresses the extent to which the competent court has authority to annul an arbitral award on the ground that it violates the public policy of the State.

Comparative Practice

It is settled jurisprudence that the scope of annulment actions remains limited to the grounds set out in Article 34 of the Model Law. Challenges based on arbitrator impartiality are generally considered inadmissible where they have already been presented to the arbitral tribunal or competent

(81) Case No. 4630650494, Riyadh Commercial Court of Appeal, January 19, 2025.

(82) Case No. 4630244724, Eastern Province Labor Court of Appeal, September 19, 2024.

authority and decided during the arbitral proceedings. Moreover, comparative practice consistently affirms that annulment actions are not avenues for re-examining the merits of a dispute but procedures aimed solely at verifying the existence and credibility of the arbitral award.⁽⁸³⁾

Within this framework, the public policy of a State operates as a narrowly construed ground for annulment. Courts have limited its application to serious violations of fundamental legal or ethical principles. These include breaches that impact the foundations of public and economic life, such as corruption, fraud, and bribery, or serious procedural irregularities that undermine the integrity of the arbitral process.⁽⁸⁴⁾

This points to a key distinction comparative jurisprudence makes between *procedural* and *substantive* public policy. Procedural public policy concerns fundamental guarantees such as the right to be heard and the duty to provide reasoning in awards; a breach of these principles is considered a violation of public policy where there is a causal link between the breach and the content of the arbitral award.⁽⁸⁵⁾ Substantial public policy, by contrast, relates to core principles of justice and fairness, but does not extend to correcting errors in legal reasoning, contractual interpretation, or evidential assessment, unless such errors constitute material breaches such as corruption or fraud, or render the award in violation of fundamental principles of justice. Accordingly, courts do not generally set aside arbitral awards solely for legal or factual errors, but only where the award is in clear and serious conflict with the foundational principles of the legal order.⁽⁸⁶⁾

(83) See, e.g., Grupo Carce, S.A. de C.V. v. Pipetroniz, S.A. de C.V., RC-1542/2001 (Séptimo Tribunal Colegiado en Materia Civil del Primer Circuito Dec. 6, 2001) (Mex.) (unpublished), abstract available at CLOUT case 655.

(84) UNCITRAL Digest, *supra* note 3, at p. 160, ¶ 132.

(85) *Id.* at p. 161, ¶¶ 133–35.

(86) *Id.* at p. 161, ¶ 136.

Research Question

To what extent do Saudi courts rely on public policy and Sharia grounds to annul arbitral awards?

Approach of Saudi Courts

Saudi courts adopt a highly restrictive approach to annulment on public policy and Sharia grounds. They have consistently held that a mere procedural or formal irregularity does not justify annulment unless it falls within the exhaustive grounds set out in Article 50 of the Arbitration Law. Courts also reaffirm that annulment proceedings do not permit re-examination of the merits, facts, or evidentiary assessment of the arbitral award.

It should be noted that annulment on public policy grounds is extremely rare in the Kingdom, largely because courts have emphasized that the grounds for annulment are limited to Article 50 and that they are not permitted to revisit the facts of the case or the reasoning of the awards. Of the approximately 3,300 judicial decisions between 2017 and 2025 reviewed by the present study and the four previous studies by the SCCA mentioned in the background and methodology section, only 565 involved annulment motions. Of these, only 13 resulted in annulment on the basis of violation of Sharia or public policy (2.3%), underscoring the Saudi judiciary's consistent and arbitration-supportive stance. However, there are limited exceptions, and the present study identified one case of partial annulment on Sharia grounds, in which the court also relied on public policy and other grounds, as well as two additional cases of annulment based on public policy grounds (full annulment).

In a case decided in Jeddah in January 2025, the court annulled an award after it found that the arbitral tribunal had misapplied statutory limitation rules.⁽⁸⁷⁾ The tribunal had dismissed a claim, providing that the statutory time limit to hear the case had lapsed under Article 296 (b) of

(87) Case No. 4630656012, Jeddah General Court of Appeal, January 16, 2025.

the Law of Civil Transactions, which prevented the case from being heard.⁽⁸⁸⁾ The court, however, held that the arbitral tribunal had misapplied the statute of limitations rules by applying the Law of Civil Transactions, which became effective in June 2023, to a matter that had commenced before that law had entered into force. This was deemed in breach of the royal decree promulgating the law, which exempted the law's provisions on limitation periods from applying to cases already in progress when the law took effect. Concluding that the tribunal had violated this mandatory rule in the royal decree, the court found that the award was in breach of public policy, thereby justifying annulment under Article 50 (2) of the Arbitration Law.

In a 2023 case in Riyadh, the court, in an action to annul an arbitral award, examined the award's formal and procedural validity and whether it violated the tenets of Sharia or public policy.⁽⁸⁹⁾ The dispute concerned a lease agreement that the parties had chosen not to register on the required electronic platform (Ejar), despite Article 16 of the contract providing that it would be governed by and interpreted according to the laws of the Kingdom.⁽⁹⁰⁾ Under Council of Ministers Decision No. 292, supported by a subsequent Minister of Justice bulletin, unregistered lease agreements are not considered valid and do not produce legal or administrative effects. Although the lease agreement in question was concluded after these rules came into effect, which apply to lease agreements on any property, the arbitral tribunal nonetheless

(88) Law of Civil Transactions, issued by Royal Decree No. M/191 dated June 18, 2023 (29/11/1444H), <https://laws.moj.gov.sa/en/legislation/PBbHmywh1XMP-Kyv3NtQLg>.

(89) Case No. 4530340196, Riyadh General Court of Appeal, October 22, 2023.

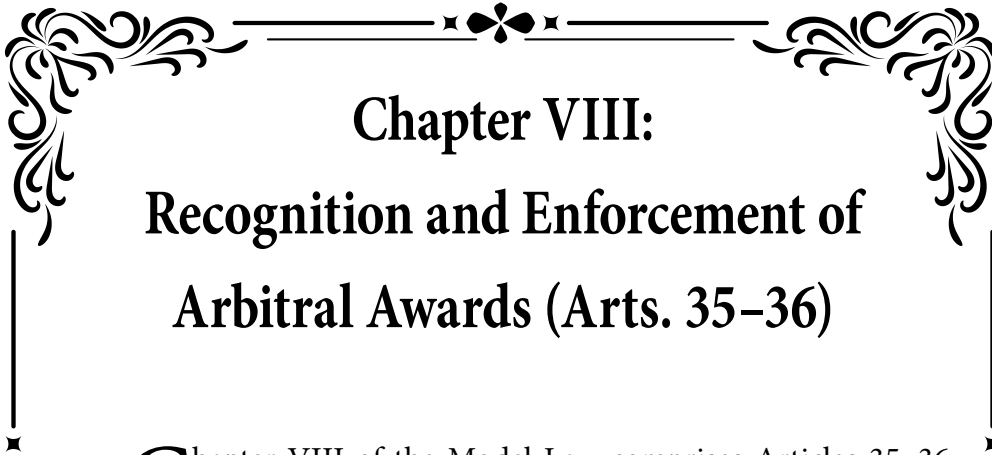
(90) Ejar is an integrated electronic platform established to regulate the real estate rental sector in the Kingdom of Saudi Arabia and to safeguard the rights of the parties to the tenancy relationship, including tenants, landlords, and real estate brokers. The platform provides a range of digital services and solutions aimed at developing the rental sector, streamlining its procedures, and facilitating its operations, thereby promoting balance among stakeholders, enhancing confidence in rental transactions, and supporting investment in the real estate sector, Real Estate General Authority - EJAR.

treated it as valid and, in its award, ordered the parties to register it. The court found that this approach conflicted with the applicable regulatory framework, which clearly requires registration as a condition of validity. It therefore held that the award violated public policy and annulled it.

Finally, the third case involved annulment not only on public policy grounds but also on grounds related to Sharia principles and Article 50 (1) of the Saudi Arbitration Law. In a 2024 case in Riyadh, the court partially annulled an award on the grounds it violated Article 50 (1) (f) of the Saudi Arbitration Law (corresponding to Article 34 (2) (a) (iii) of the Model Law), public policy, and Sharia principles. The court found that the arbitral tribunal had awarded arbitration fees to be paid to itself without any request from the parties, as stated in the second and third orders of the arbitral award regarding fees. The court held that this violated the arbitration agreement between the parties and exceeded the tribunal's mandate, as the proceedings had already concluded without a determination on the merits. It found that these two orders in the award addressed a matter outside the scope of the arbitration agreement, contrary to Article 50 (1) (f) of the Saudi Arbitration Law, and was issued by a tribunal whose mandate had expired. In addition, the orders were found to lack adequate reasoning regarding the fees or why they were owed, and did not comply with the requirements governing arbitrators' fees under Article 24 of the Saudi Arbitration Law. On this basis, the court concluded that the amount awarded also violated the tenets of Sharia and public policy. It therefore annulled those specific paragraphs while confirming the remainder of the award.⁽⁹¹⁾



(91) Case No. 4630279062, Riyadh General Court of Appeal, October 7, 2024.



Chapter VIII:

Recognition and Enforcement of Arbitral Awards (Arts. 35–36)

Chapter VIII of the Model Law comprises Articles 35–36, and this analysis addresses provisions corresponding to Article 36 only.

Article 36: Grounds for Refusing Recognition or Enforcement

(1) Recognition or enforcement of an arbitral award, irrespective of the country in which it was made, may be refused only:

(a) at the request of the party against whom it is invoked, if that party furnishes to the competent court where recognition or enforcement is sought proof that:

(i) a party to the arbitration agreement referred to in article 7 was under some incapacity; or the said agreement is not valid under the law to which the parties have subjected it or, failing any indication thereon, under the law of the country where the award was made; or

(ii) the party against whom the award is invoked was not given proper notice of the appointment of an arbitrator or of the arbitral proceedings or was otherwise unable to present his case; or

(iii) the award deals with a dispute not contemplated by or not falling within the terms of the submission to arbitration, or it contains decisions on matters beyond the scope of the submission to arbitration, provided that, if the decisions on matters submitted to arbitration can be separated from those not so submitted, that part of the award which contains decisions on matters submitted to arbitration may be recognized and enforced; or

(iv) the composition of the arbitral tribunal or the arbitral procedure was not in accordance with the agreement of the parties or, failing such agreement, was not in accordance with the law of the country where the arbitration took place; or

(v) the award has not yet become binding on the parties or has been set aside or suspended by a court of the country in which, or under the law of which, that award was made; or

(b) if the court finds that:

(i) the subject-matter of the dispute is not capable of settlement by arbitration under the law of this State; or

(ii) the recognition or enforcement of the award would be contrary to the public policy of this State.

Core Issue

The issue concerning Article 36 (1) (b) (ii) focuses on the grounds for refusing recognition and enforcement of an award on public policy grounds.

Comparative Practice

The comparative practice on public policy considerations has already been covered under core issue 4 of Article 34 above.⁽⁹²⁾

Research Question

Have Saudi courts, at the enforcement stage, used their authority to verify that an arbitral award does not contravene public policy or the principles of Sharia, and refused to recognize or enforce such awards that have?

Approach of Saudi Courts

Article 55 (2) (b) of the Saudi Arbitration Law (which corresponds to Article 36 (1) (b) (ii) of the Model Law) grants courts the authority to verify upon enforcement that the arbitral award does not violate the provisions of Sharia or public order, permitting full or partial annulment where such violations exist.

In a 2025 case in Jeddah, the court considered an application brought by the claimant to enforce an arbitral award issued by a sole arbitrator in a dispute arising from a lease agreement between the parties.⁽⁹³⁾ The award ordered the rescission of the contract and that the respondent return the leased property and pay rent, taxes, fines, and arbitral fees.

After confirming that the statutory requirements for enforcement were satisfied, the court examined the substance of the award to assess its compliance with Sharia and public policy. It found that the orders relating to the rescission of the contract, the value of rent, and associated amounts were consistent with the applicable principles, and granted enforcement in respect of those parts.

However, the court noted that the award also required the respondent to pay a delay penalty. The court held that this constituted *riba* (interest)

(92) See UNCITRAL Digest, *supra* note 3, at pp. 183–85, ¶¶ 52–62.

(93) Case No. 4630643243, Jeddah Court of Appeal, January 14, 2025.

prohibited under the tenets of Sharia due to Fatwa No. (24678), which prohibits increasing rent due to late payment (rent fixed as a liability being considered a debt).⁽⁹⁴⁾ On that basis, it refused to enforce this portion of the award on the grounds that it violated Sharia and public policy, while allowing enforcement of the remaining parts.

Grounds for Annulment of Arbitral Awards

This study pays particular attention to the annulment of arbitral awards in the Kingdom and the statutory grounds on which such actions may be based—whether related to public policy, Sharia, or the other grounds set out in Article 50 of the Saudi Arbitration Law. An extensive review of judicial precedents was undertaken to identify prevailing trends in court practice.

The examination yielded the following results:

First: A total of 967 arbitration-related judgments obtained from the Ministry of Justice were analyzed for the period from January 2023 to June 2025, including 194 cases in which parties filed applications to annul arbitral awards. This means that 20.1 percent of the judgments reviewed involved annulment applications.

Second: Annulment applications were rejected in 174 cases (89.7% of the total). Rejections were based either on procedural grounds—primarily failure to comply with statutory time limits—or on the merits, where none of the exhaustive grounds under Article 50 were satisfied. Across all judgments, courts consistently affirmed that the grounds for annulment are exclusive and not subject to expansion or analogy. They also reiterated that courts of appeal may not examine the facts or subject matter of the dispute, nor reassess the tribunal’s evaluation of evidence, in accordance with Article 50 (4).

(94) Fatwa No. (24678), which was issued by the Permanent Committee for Scholarly Research and Ifta, prohibits imposing an increase on rent if the tenant delays payment, as this constitutes *riba*.

Third: The courts ruled to annul arbitral awards, in whole or in part, in only 20 cases (10.3% of annulment applications). Of these, 12 cases resulted in full annulment (6.2%) and 8 in partial annulment (4.1%).

Fourth: Only one case (0.5% of annulment applications) involved annulment on the basis a violation of the tenets of Sharia.⁽⁹⁵⁾ In that case, however, the court also relied on public policy and Article 50(1)(f) of the Saudi Arbitration Law.

Fifth: In only three judgments (1.55% of annulment applications) did the courts annul arbitral awards on public policy grounds, including the judgment noted above involving additional grounds. These cases have been discussed under core issue 4 in the section on Article 34 of the Model Law.⁽⁹⁶⁾

Sixth: The principal grounds for annulment identified in the reviewed judgments are summarized below. Most of these have already been addressed in the earlier article-by-article analysis of the Model Law provisions.

Full annulment

- Violation of public policy due to the retroactive application of the Law of Civil Transactions to a statute of limitations matter that had commenced to run before its entry into force.⁽⁹⁷⁾
- Violation of public policy by recognizing an unregistered lease agreement, contrary to Council of Ministers Decision No. 292, which requires registration as a condition of validity.⁽⁹⁸⁾

(95) Case No. 4630279062, Riyadh General Court of Appeal, October 7, 2024.

(96) Case No. 4530340196, Riyadh General Court of Appeal, October 22, 2023; Case No. 4630279062, Riyadh General Court of Appeal, October 7, 2024; Case No. 4630656012, Jeddah General Court of Appeal, January 16, 2025.

(97) Case No. 4630656012, Jeddah General Court of Appeal, January 16, 2025.

(98) Case No. 4530340196, Riyadh General Court of Appeal, October 22, 2023.

- Issuance of the award by a truncated tribunal and absence of the third arbitrator's signature without stating the reason for the signature's absence.⁽⁹⁹⁾
- Defective service through a WhatsApp number other than the party's officially registered number.⁽¹⁰⁰⁾
- Non-arbitrability of the dispute (e.g., matters relating an endowment trustee falling within family law and thus not capable of settlement by arbitration).⁽¹⁰¹⁾
- Non-participation of one arbitrator in the confidential deliberations on the merits, constituting a defect in the composition of the tribunal.⁽¹⁰²⁾
- Change in the tribunal's composition without the knowledge or consent of a party.⁽¹⁰³⁾
- Appointment of the tribunal by one party in violation of procedural fairness.⁽¹⁰⁴⁾
- Denial of the right to present a defense due to failure to communicate submissions, evidence, or expert-related decisions.⁽¹⁰⁵⁾
- Expiry of the arbitration period without lawful extension, coupled with issuance of the award after termination of proceedings.⁽¹⁰⁶⁾

(99) Case No. 4530284026, Eastern Province General Court of Appeal, October 9, 2023.

(100) Case No. 4430985146, Riyadh General Court of Appeal, June 15, 2023.

(101) Case No. 4630902266, Jeddah General Court of Appeal, April 12, 2025.

(102) Case No. 4630380810, Asir Province General Court of Appeal, October 29, 2024.

(103) Case No. 4630862663, Riyadh Commercial Court of Appeal, March 18, 2025.

(104) Case No. 4631034735, Madinah General Court of Appeal, May 21, 2025.

(105) Case No. 4531120165, Riyadh General Court of Appeal, June 1, 2024.

(106) Case No. 4430579861, Riyadh General Court of Appeal, February 1, 2023.

- Issuance of an award against a party not bound by an arbitration agreement.⁽¹⁰⁷⁾
- Failure to comply with the formal requirements for the award.⁽¹⁰⁸⁾

Partial annulment

- Two arbitral awards were annulled due to the inclusion of VAT despite the tribunal lacking jurisdiction over such matters (falling within the competence of the Committee for Tax Disputes and Violations).⁽¹⁰⁹⁾
- Tribunal exceeding its authority in issuing a correction decision.⁽¹¹⁰⁾
- Award of arbitration fees without a party request, after proceedings had concluded, and without sufficient reasoning, in violation of Sharia and public policy.⁽¹¹¹⁾
- Award of attorney's fees despite the tribunal's lack of jurisdiction and issue being outside scope of arbitration.⁽¹¹²⁾
- Inclusion of matters not requested by the parties.⁽¹¹³⁾
- Tribunal exceeding its jurisdiction by ruling on a contract not covered by the arbitration agreement.⁽¹¹⁴⁾
- Issuance of an additional award without the participation of all arbitrators.⁽¹¹⁵⁾

(107) Case No. 4630130312, Al-Qassim General Court of Appeal, August 15, 2024.

(108) Case No. 4630695739, Riyadh General Court of Appeal, February 1, 2025.

(109) Case No. 4430821540, Riyadh General Court of Appeal, April 13, 2023; Case No. 4530586898, Madinah General Court of Appeal, July 3, 2024.

(110) Case No. 4630585826, Riyadh General Court of Appeal, December 26, 2024.

(111) Case No. 4630279062, Riyadh General Court of Appeal, October 7, 2024.

(112) Case No. 4630650494, Riyadh Commercial Court of Appeal, January 19, 2025.

(113) Case No. 4631092403, Jeddah General Court of Appeal, June 22, 2025.

(114) Case No. 4531190414, Makkah Court of Appeal, July 6, 2024.

(115) Case No. 4630675259, Riyadh Labor Court of Appeal, January 23, 2025.

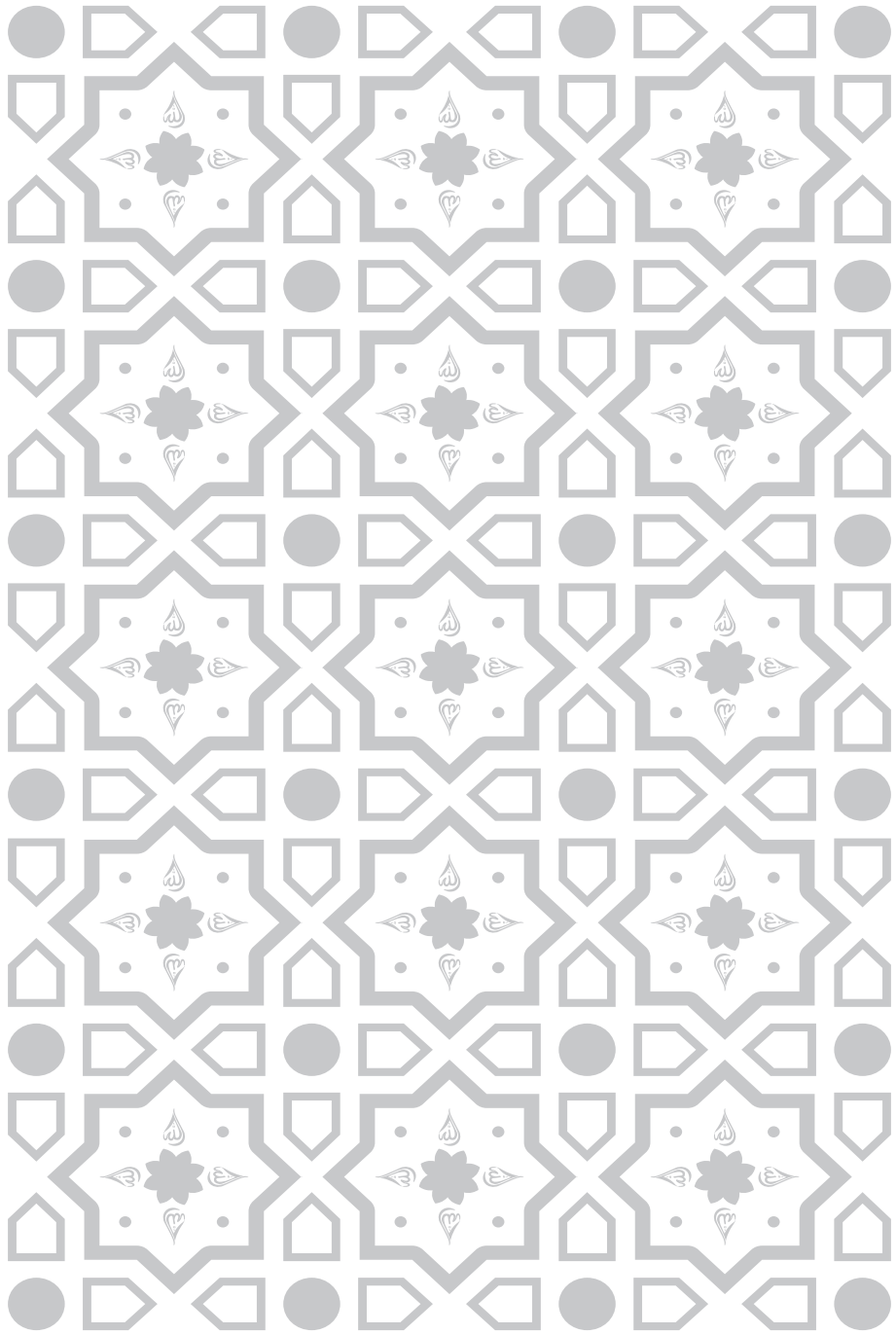


Table 1. Common Grounds for Annulment by Saudi Courts

No.	Annulment ground	Relevant provision in the Saudi Arbitration Law	Relevant provision in the Model Law	Brief description of judicial application	Example from this study
1	Absence of a valid arbitration agreement	Article 50 (1) (a)	Article 34 (2) (a) (i)	Where the existence of a binding arbitration agreement between the parties is not established.	Extension of the award to a person who was not a party to the arbitration agreement.
2	Improper notification and denial of the right to present a defense	Article 50 (1) (c)	Article 34 (2) (a) (ii)	Where a party was not properly notified, thereby impairing its right to present a case.	Failure to notify a party of the opposing party's submissions or the tribunal's appointment of an expert, thereby prejudicing its ability to respond.
3	Issuance of award by an improperly constituted arbitral tribunal	Article 50 (1) (e)	Article 34 (2) (a) (iv)	Where an award is issued by a truncated tribunal or in violation of the parties' agreement.	Issuance of an award by a truncated tribunal contrary to the agreed composition.
4	Violation of fundamental procedural rules affecting the award	Article 50 (1) (g)	Article 34 (2) (a) (iv)	Failure to comply with essential procedural requirements in a manner affecting the validity of the award.	Continuation of proceedings by a sole arbitrator without deciding a pending challenge against him.

Country Report

No.	Annulment ground	Relevant provision in the Saudi Arbitration Law	Relevant provision in the Model Law	Brief description of judicial application	Example from this study
5	Non-arbitrability of the subject matter	Article 50 (2)	Article 34 (2) (b) (i)	Where the dispute concerns matters not capable of settlement by arbitration under Saudi law	Disputes relating to VAT or personal status matters.
6	Violation of public policy	Article 50 (2)	Article 34 (2) (b) (ii)	Where the award contains provisions that violate mandatory rules or public policy in the Kingdom.	Recognition of an unregistered lease agreement in violation of a Council of Ministers decision.
7	Violation of Sharia principles	Article 50 (2)	—	Where the award contains provisions contrary to applicable Sharia principles.	Partial annulment of an award relating to arbitration fees in violation of Sharia and public policy, as well as procedural irregularities.





Arbitral Awards under the SCCA Arbitration Rules

The final section of this part departs from the article-by-article analysis and review of annulment proceedings and examines a selection of arbitral awards under the SCCA Rules. It focuses on how arbitral tribunals addressed specific procedural issues in practice. The research team reviewed three awards administered by the SCCA and observed that, in all cases, the tribunals applied the SCCA Rules in a manner consistent with the Saudi Arbitration Law (as the law of the seat in all three cases) and the Model Law.

First Arbitration Case

In the first case, the tribunal addressed the respondent's non-compliance with procedural requirements and its impact on the conduct of the proceedings.⁽¹¹⁶⁾

The tribunal found that the respondent had failed to attend hearings, declined to submit substantive defenses, and limited participation to formal objections. It requested the respondent to file a substantive response to the claimant's claims, not limit itself to only formal defenses, and attend scheduled hearings. The respondent failed to comply with these requests.

In light of these circumstances, the tribunal concluded that the respondent's conduct—particularly its failure to attend hearings despite notification, submit documents requested by the tribunal, or engage with the merits of the dispute—constituted a breach in arbitral procedure and caused a delay in the proceedings. On that basis, it proceeded with the arbitration notwithstanding the respondent's failure to participate.

(116) Final Arbitral Award, Case No. (SCCA-0299), March 19, 2024.

In doing so, the tribunal relied on Article 32 of the SCCA Rules and Article 35 of the Saudi Arbitration Law, corresponding to Article 25 (b) and (c) of the Model Law, which empowers tribunals to continue proceedings and render a final award despite a party's default.

In the same case, the tribunal had earlier issued a preliminary award on jurisdiction pursuant to Article 24 (1) of the SCCA Rules, corresponding to Article 20 of the Saudi Arbitration Law and Article 16 (1) of the Model Law. In its final award, the tribunal stated that this jurisdictional ruling constituted a final award not subject to challenge, including an action for annulment. It relied on Article 51 (1) of the Saudi Arbitration Law, noting that the award had become final upon the expiry of the 60-day annulment period at the seat. The tribunal further held that this principle applied equally to preliminary awards.

On the other hand, the tribunal amended the procedural timetable to ensure that both parties were afforded a fair opportunity to respond. Despite the timetable requiring a substantive response on the merits, the respondent failed to comply and instead confined its submissions to a procedural defense, arguing for the claim to be dismissed on the basis that it was time-barred under the Labor Law.

As the procedural order had expressly required that the parties respond to the merits, the tribunal amended it to allow the claimant to respond to the respondent's procedural objection. This step was taken pursuant to Article 27 (1) of the SCCA Rules, corresponding to Article 18 of the Model Law, in order to preserve equality between the parties and ensure that each was given a full opportunity to present its case.

The tribunal then proceeded to determine the dispute on the basis of the documents and evidence on record. In doing so, it applied Article 32 of the SCCA Rules and Article 35 of the Saudi Arbitration Law, which grant the tribunal the authority to continue the proceedings and issue an award notwithstanding a party's failure to participate.

Second Arbitration Case

In the second case, the emergency arbitrator addressed several objections concerning her jurisdiction to hear the case and the limits of her authority to grant urgent relief.⁽¹¹⁷⁾

At the outset, the emergency arbitrator rejected the argument that the absence of a pending arbitration precluded consideration of the emergency application. The claimant had filed a request for emergency measures and subsequently submitted a request for arbitration under the expedited rules within 10 days. The respondent argued that the emergency application should be dismissed on the grounds that no arbitration proceedings were yet pending.

The emergency arbitrator found this objection to be unfounded. She held that her jurisdiction is established once an application for emergency relief is submitted in accordance with Article 1 of Appendix III of the SCCA Rules, even if the substantive claim has not yet been filed, provided that a request for arbitration is filed within the prescribed period (10 days) from the date of receipt of the emergency application.

In this regard, she clarified that the existence of a pending arbitration at the time the emergency application is submitted is not required; rather, it is sufficient that the request for arbitration be submitted within the specified timeframe. This approach is consistent with Article 17 (2) of the Model Law, which contemplates that decisions on interim measures may precede the final award on the merits.

The emergency arbitrator further emphasized that she could not determine the merits of the dispute or take measures that would affect the underlying substantive rights. In this context, she considered that a request to suspend the enforcement of obligations arising from promissory notes was closely connected to the merits of the dispute. She clarified that emergency relief must be limited to temporary measures that

(117) Emergency Arbitral Award, Case No. (SCCA-0350), February 14, 2024.

do not prejudice or affect the substance of the disputed rights. This approach is consistent with Article 17 of the Model Law, which establishes the principle that interim measures are intended to prevent immediate harm rather than to resolve the merits of the dispute.

The emergency arbitrator also confirmed that the grant of interim measures requires the existence of urgency and a risk of imminent harm that cannot be adequately remedied at a later stage. She found that the applicant had failed to establish the required elements of urgency, harm, and seriousness. In her award, she held that the record contained no evidence of actual harm that would justify suspending of the party's services or demonstrate a risk of disruption to the applicant's commercial interests or reputation. She further noted that the applicant's delay in paying the case registration fees—more than one month after submitting the request—undermined any claim of urgency.

In light of these considerations, the emergency arbitrator rejected the application. The conclusion is consistent with the framework set out in Article 17 (2) of the Model Law.

Third Arbitration Case

In the third case, the arbitrator addressed the respondent's objection that the claim had not been properly formulated, as well as the effect of discrepancies between the request for arbitration and the subsequent statement of claim on the validity of the procedures.⁽¹¹⁸⁾

The respondent sought dismissal on the grounds that claimant's request for arbitration did not sufficiently specify the works performed by it in accordance with the parties' agreement in the contract, and lacked supporting evidence, arguing that the claim was not formulated in a manner that would permit consideration on the merits.

The arbitrator rejected this argument, finding that the request for arbitration contained the essential elements required to establish the

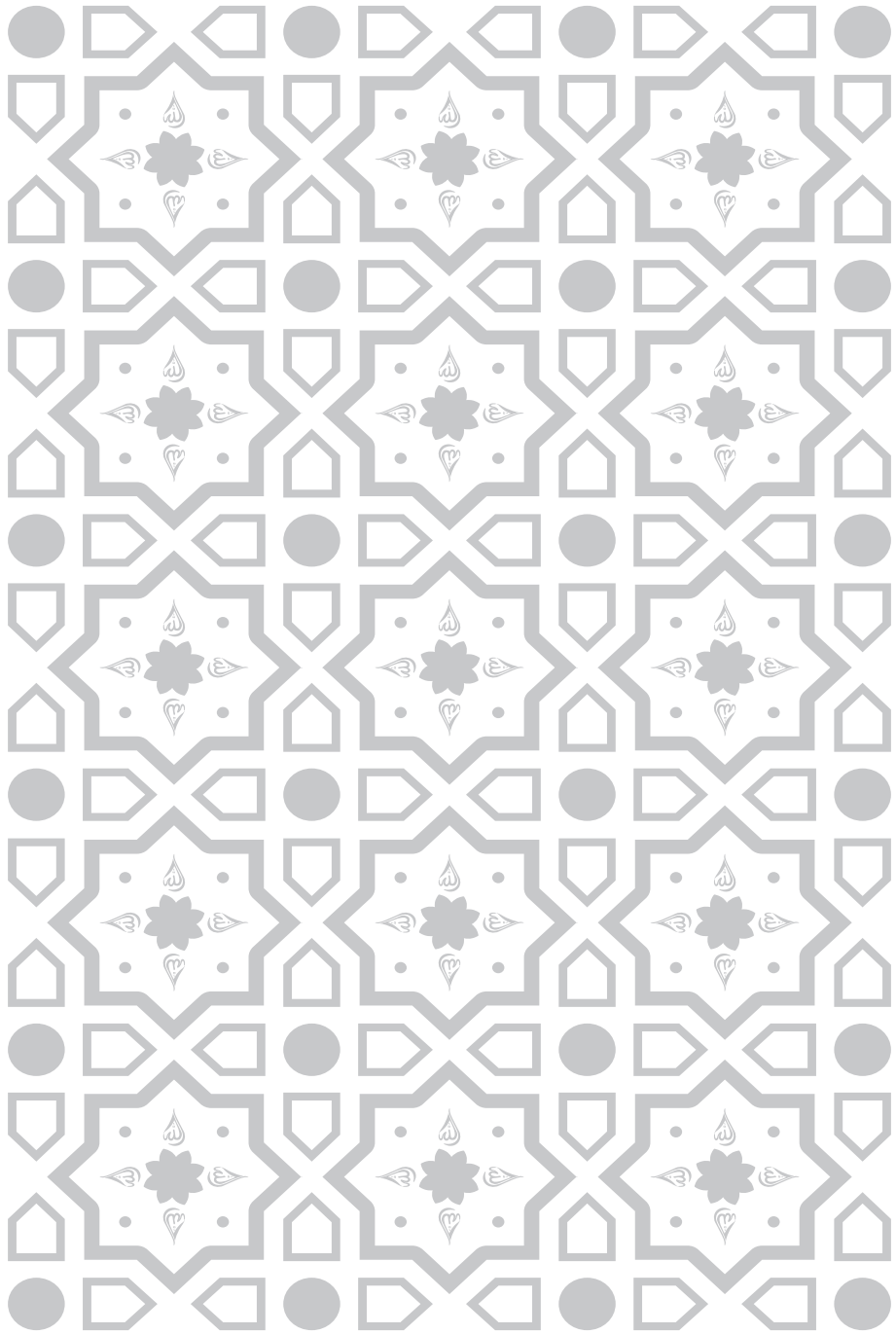
(118) Final Arbitration Award, Case No. (SCCA-0541), May 28, 2025.

claim. He further held that amendments or refinements to the facts in the statement of claim do not, in themselves, render the claim inadmissible. Rather, the relevant consideration is the final formulation of the claims and supporting facts, provided that any amendments are made in accordance with the applicable procedural framework.

In addressing the alleged deficiencies in the request for arbitration, the arbitrator clarified that the absence of certain details or supporting data at the initial stage does not necessarily invalidate the claim, so long as the submission adequately identifies the subject matter of the dispute and defines its scope.

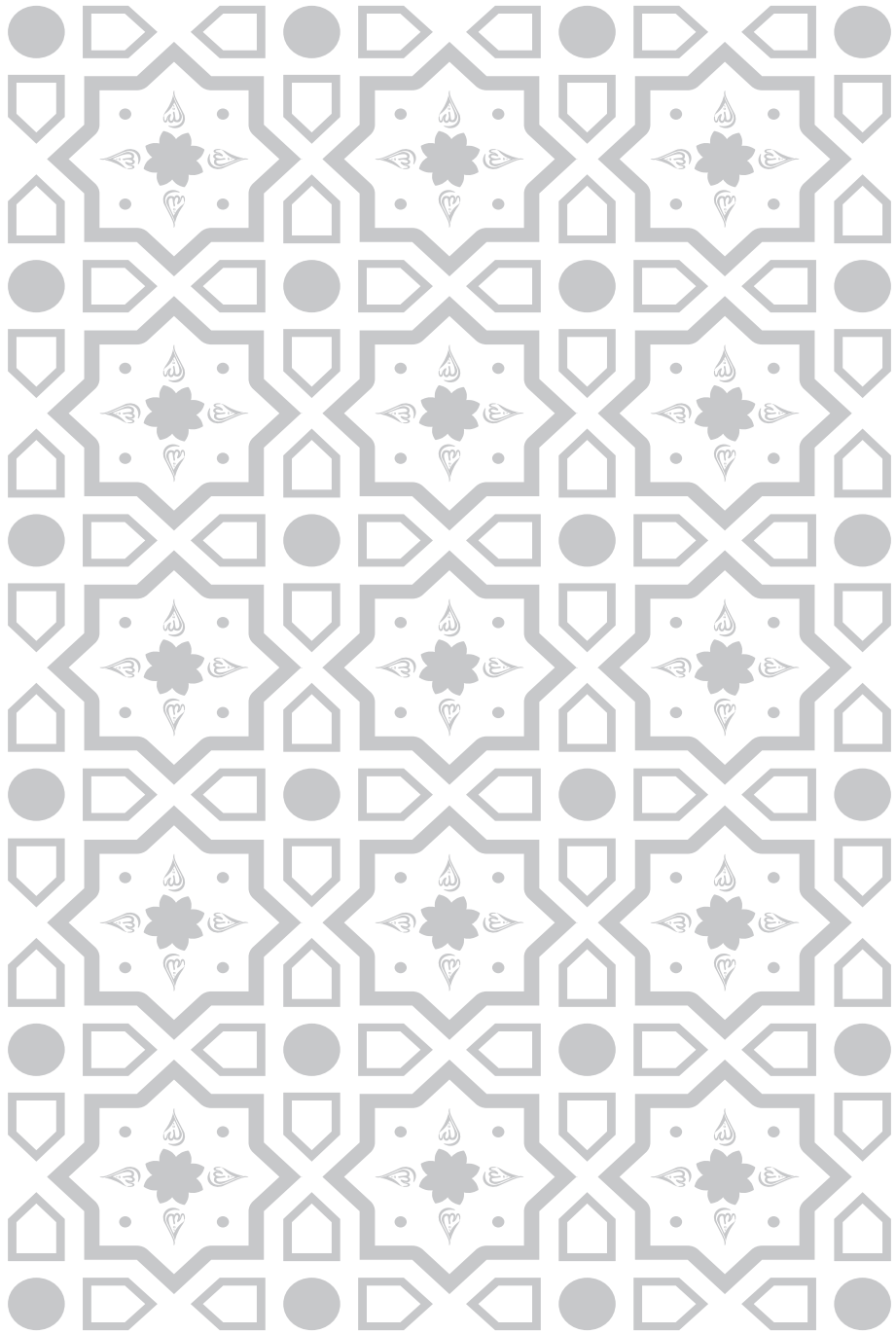
This approach is consistent with Article 23 (2) of the Model Law, which permits the amendment of claims and defenses during the proceedings, as well as Article 19 (2), which grants the tribunal discretion to conduct the proceedings in the manner it considers appropriate, while ensuring procedural fairness and the parties' right to present their cases.





Part II

**Legislative Analysis: Model Law,
Saudi Arbitration Law, and Draft Law**





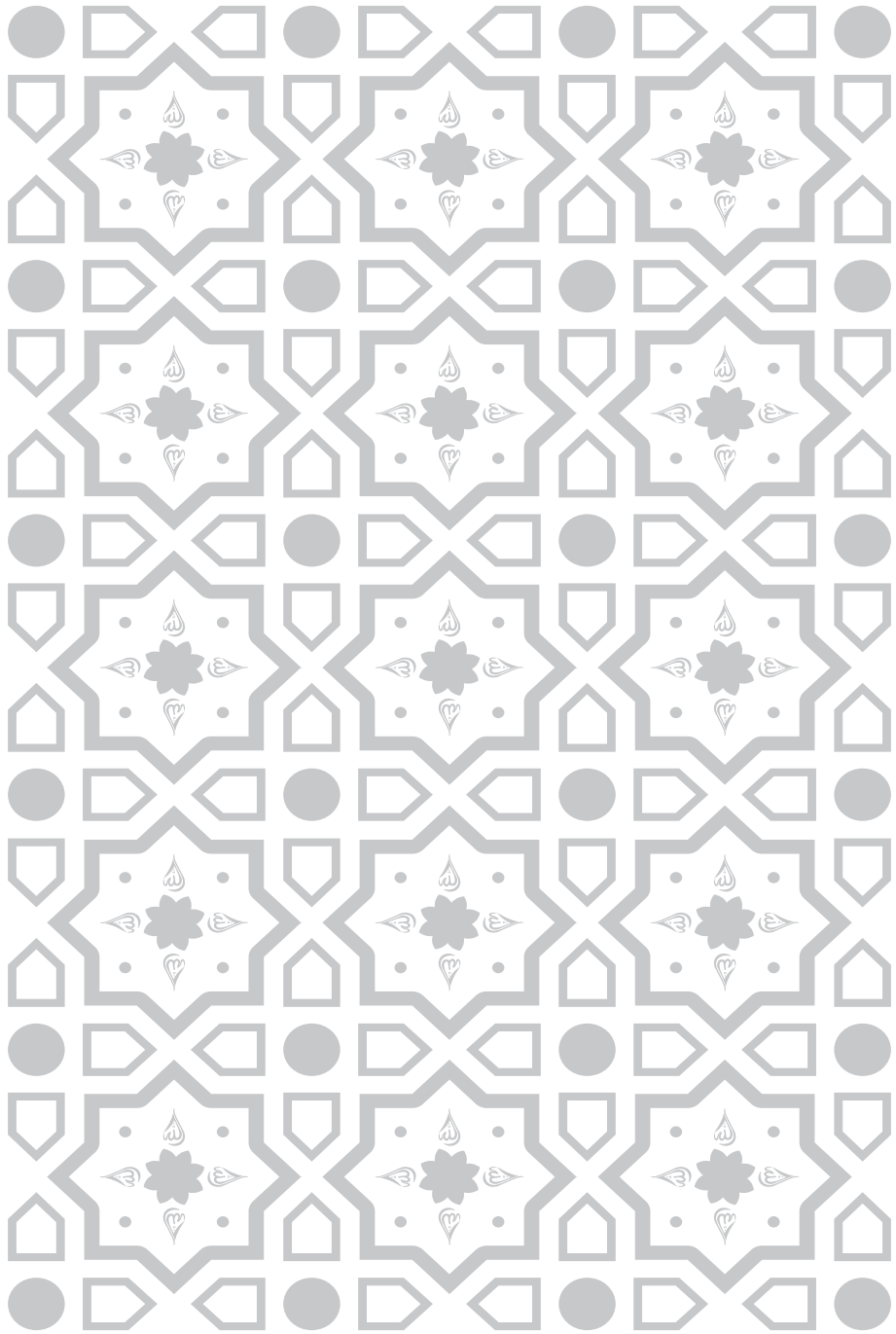
Background and Methodology

This part of the report adopts an analytical methodology based on a direct textual comparison of the provisions of the Model Law and their corresponding provisions in the Saudi Arbitration Law and the Draft Law.

The methodology proceeds on the premise that the Model Law constitutes the principal international reference framework for the Saudi Arbitration Law and for comparable national arbitration statutes. Each provision of the Model Law is examined individually, and the corresponding Saudi text—both the current law and the proposed Draft Law (where applicable)—is presented without rephrasing or attributing implicit meanings, in order to preserve textual accuracy and analytical objectivity. As a result, the tables do not provide an exhaustive account of *all* provisions contained in the Saudi Arbitration Law or the Draft Law; rather they include only those provisions that reflect, whether fully or with variation, the substance or structure of the relevant Model Law provision.

The comparison follows the structural sequence of the Model Law, which provides a comprehensive and logically ordered procedural framework. Fifty-five sections are presented under designated headings, with the corresponding provisions arranged side by side in a single table, thereby enabling a systematic identification of points of convergence and divergence.

This approach is intended to highlight the degree of legislative alignment between the Model Law, the Saudi Arbitration Law, and the Draft Law, while also identifying areas of particularity or development in the draft text. Similarity functions as the analytical baseline; differences in wording or minor procedural detail are addressed only where they are legally or systematically significant in light of the specific circumstances of national legislation.



Thematic Comparative Analysis

Scope and Territoriality

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>Article 1 (1), (2)</p> <p>(1) This Law applies to international commercial arbitration, subject to any agreement in force between this State and any other State or States.</p> <p>(2) The provisions of this Law, except articles 8, 9, 17 H, 17 I, 17 J, 35 and 36, apply only if the place of arbitration is in the territory of this State.</p>	<p>Article 2</p> <p>Without prejudice to the provisions of Sharia and international conventions to which the Kingdom is party, the provisions of this Law shall apply to any arbitration regardless of the nature of the legal relationship subject of the dispute, if this arbitration takes place in the Kingdom or is an international commercial arbitration taking place abroad and the parties thereof agree that the arbitration shall be subject to the provisions of this Law. The provisions of this Law shall not apply to family-related disputes or to matters not subject to reconciliation.</p>	<p>Article 2</p> <p>1. Without prejudice to the rules of Sharia and to the provisions of international treaties to which the Kingdom is a party, the provisions of this Law shall apply to all arbitration—whatever the legal nature of the relationship subject to the dispute—in either of the following cases:</p> <ol style="list-style-type: none"> a. if the seat of arbitration is in the Kingdom; or b. if it is an international commercial arbitration seated outside the Kingdom and the parties have agreed to subject it to the provisions of this Law. <p>2. The provisions of Articles 16 and 17 shall apply to every arbitration, regardless of its seat.</p> <p>3. If the seat of arbitration has not been determined, the competent court shall have jurisdiction to issue the decisions referred to in Articles 21 and 24 whenever the domicile of the claimant or the respondent is in the Kingdom.</p>

Article 1 (1) and (2) of the Model Law limits its scope of application to international commercial arbitration and expressly recognizes the primacy of obligations arising from international conventions in force between States, ensuring that its application does not prejudice a State's international commitments.

Article 2 of the Saudi Arbitration Law adopts a corresponding approach by providing that the law applies to all arbitrations, including international commercial arbitration, without prejudice to the provisions of international conventions to which the Kingdom is a party. This provision is materially aligned with the Model Law in affirming the supremacy of international treaties, although the wording reflects the requirements of domestic legislative drafting. The law incorporates this principle within the framework of statutory sovereignty, not as a technical exception but as a general legal obligation. This reflects a legislative effort to balance an openness to and robust environment for international arbitration with the preservation of the domestic statutory framework.

Article 2 of the Draft Law maintains this approach, but articulates more clearly that certain provisions apply irrespective of the place of arbitration. In particular: (1) Article 16 requires courts to refer disputes to arbitration where a valid arbitration agreement exists, provided the respondent raises the objection prior to any submission on the merits. This corresponds to Article 8 of the Model Law, which—by virtue of Article 1 (2)—applies irrespective of the seat; and (2) Article 17 permits a party, before or during arbitral proceedings, to seek interim or precautionary measures from a court, which may grant such relief unless otherwise agreed. This reflects the extraterritorial application of Articles 9 and 17 J of the Model Law.

Furthermore, in the absence of agreement on the seat, and where either party is domiciled in the Kingdom, the Draft Law empowers the competent court to assist in constituting the arbitral tribunal where no

agreement exists (Article 21) and to support arbitrator challenge procedures (Article 24). These developments reflect a legislative trend toward greater legal certainty and enhanced attractiveness of the arbitration regime in the Kingdom, aligning the wording of the Draft Law more closely with international standards, without departing from the sovereign statutory framework of the law.



Criteria for “International” Arbitration

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>Article 1 (3), (4) (3) An arbitration is international if: (a) the parties to an arbitration agreement have, at the time of the conclusion of that agreement, their places of business in different States; or (b) one of the following places is situated outside the State in which the parties have their places of business: (i) the place of arbitration if determined in, or pursuant to, the arbitration agreement; (ii) any place where a substantial part of the obligations of the commercial relationship is to be performed or the place with which the subject-matter of the dispute is most closely connected; or (c) the parties have expressly agreed that the subject matter of the arbitration agreement relates to more than one country. (4) For the purposes of paragraph (3) of this article: (a) if a party has more than one place of business, the place of business is that which has the closest relationship to the arbitration agreement;</p>	<p>Article 3 Under this Law, arbitration shall be international if the dispute is related to international commerce, in the following cases: 1. If the head office of the parties to an arbitration agreement is located in more than one country at the time of conclusion of the arbitration agreement. If a party has multiple places of business, consideration shall be given to the place of business most connected to the subject matter of the dispute. If either or both parties have no specific place of business, consideration shall be given to their place of residence. 2. If the head office of the two parties to arbitration is located in the same country at the time of conclusion of the arbitration agreement, and one of the following places is located outside said country: a) The place of arbitration as determined by or pursuant to the arbitration agreement;⁽¹¹⁹⁾</p>	<p>Article 4 Arbitration shall be deemed international under this Law if its subject matter concerns an international commercial dispute in any of the following cases: 1. The principal place of business of each of the parties to the arbitration is located in different countries at the time of concluding the arbitration agreement. If a party has multiple places of business, the place most closely connected with the dispute shall be considered; if a party has no specific place of business, the habitual residence shall be considered. 2. The principal place of business of each of the parties is located in the same country at the time of concluding the arbitration agreement, but any of the following places is situated outside that country: a. the seat of arbitration, if it has been determined, designated in the arbitration agreement, or provided for in a manner for its designation;</p>

(119) While the provisions of the Saudi Arbitration Law in this report generally follow the official translated version published by the Saudi Bureau of Experts at the Council of Ministers, Official Translation Department, some minor alterations have been made to correct errors in the translation. These include correcting typos and making minor adjustments to punctuation. More substantive alterations are identified and explained with a footnote. Here, the term “venue” has been replaced with “place” of arbitration to more accurately reflect the meaning of the original Arabic term in the law.

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>(b) if a party does not have a place of business, reference is to be made to his habitual residence.</p>	<p>b) Any place where a substantial part of the obligations arising from the commercial relationship between the two parties is executed; c) The place most connected to the subject matter of the dispute. 3. If both parties agree to resort to an organization, standing arbitration tribunal, or arbitration center situated outside the Kingdom. 4. If the subject matter of the dispute covered by the arbitration agreement is connected to more than one country.</p>	<p>b. the place where a substantial part of the obligations arising from the commercial relationship between the parties is to be performed; or c. the place most closely connected with the subject matter of the dispute. 3. The parties to the arbitration have agreed to resort to an organization, a permanent arbitral institution, or an arbitration center whose headquarters is located outside the Kingdom. 4. The subject matter of the dispute covered by the arbitration agreement relates to more than one country, or the parties have expressly agreed to that effect.</p>

Article 1 (3) and (4) of the Model Law adopts a broad, multi-criteria definition of international arbitration. It combines a party-based criterion, based on the parties having different places of business, with a territorial criterion, under which the arbitration is international if the place of arbitration, the place of substantial performance of obligations, or the place most closely connected with the dispute is situated outside the State of the parties' places of business. It also includes a separate, agreement-based criterion, whereby the parties expressly agree that the subject matter of the arbitration agreement relates to more than one country, and provides technical rules for situations involving multiple places of business or none, relying on the test of closest connection or habitual residence.

Article 3 of the Saudi Arbitration Law adopts a structure closely aligned with the Model Law while reorganizing the criteria under a single framework based on whether the dispute relates to international

commerce. It incorporates almost all the elements of the Model Law—different places of business, the three territorial variants, and the criterion of links to more than one State—and adds a procedural criterion where the arbitration is conducted under the auspices of a center located outside the Kingdom (para. 3). It also adopts the Model Law’s rules on multiple places of business and habitual residence. The overall approach reflects an effort to reconcile the international framework with domestic regulatory considerations.

Article 4 of the Draft Law continues this approach with greater clarity and systematic integration. It preserves the existing criteria of the current Saudi law and expressly consolidates the criterion of links to more than one State and the express-agreement-based criterion within a single provision (Article 4 (4)), thereby affirming the relevance of party autonomy alongside the party-based and territorial criteria. The draft thus moves closer to the Model Law in terms of structural coherence and completeness, while retaining wording within a controlled framework calibrated to the domestic legislative context.



Arbitrability

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>Article 1 (5) (5) This Law shall not affect any other law of this State by virtue of which certain disputes may not be submitted to arbitration or may be submitted to arbitration only according to provisions other than those of this Law.</p>	<p>Article 2 Without prejudice to the provisions of Sharia and international conventions to which the Kingdom is party, the provisions of this Law shall apply to any arbitration regardless of the nature of the legal relationship subject of the dispute, if this arbitration takes place in the Kingdom or is an international commercial arbitration taking place abroad and the parties thereof agree that the arbitration shall be subject to the provisions of this Law. The provisions of this Law shall not apply to family-related disputes or to matters not subject to reconciliation.</p>	<p>Article 3 No agreement to arbitrate may be made in matters of personal status or in issues where reconciliation is not legally permissible.</p>

Article 1 (5) of the Model Law affirms that arbitration does not operate independently of the broader legislative regime of a State. It expressly recognizes the primacy of national laws that may exclude certain disputes from arbitration or impose specific conditions on their arbitrability. As a model instrument, it refrains from defining such disputes or their associated criteria, leaving their determination to the sovereign discretion of the national legislature.

Article 2 of the Saudi Arbitration Law adopts a more expansive yet specific formulation. It conditions the applicability of arbitration on compliance with international conventions and with the tenets of Islamic law, which form part of public policy. It further provides that

arbitration may extend to all disputes, regardless of their nature or origin, except for personal status matters and disputes not subject to reconciliation. Unlike the general deference found in the Model Law, this constitutes the incorporation of an explicit substantive criterion within the statutory text.

Article 3 of the Draft Law maintains this approach, reaffirming that arbitration is not permitted in personal status disputes or matters not subject to reconciliation.



Definitions

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>Article 2 (a), (b), (c) For the purposes of this Law: (a) “arbitration” means any arbitration whether or not administered by a permanent arbitral institution; (b) “arbitral tribunal” means a sole arbitrator or a panel of arbitrators; (c) “court” means a body or organ of the judicial system of a State;</p>	<p>Article 1 In this Law, the following terms shall have the meanings assigned thereto, unless the context requires otherwise: 1. Arbitration Agreement: An agreement between two or more parties to refer to arbitration all or certain disputes which have arisen or which may arise between them in respect of a defined legal relationship, whether contractual or otherwise. An arbitration agreement may be in the form of an arbitration clause in a contract or in the form of a separate arbitration agreement. 2. Arbitral Tribunal: A sole arbitrator or a panel of arbitrators in charge of deciding a dispute referred to arbitration. 3. Competent Court: A court having legal jurisdiction to decide disputes agreed to be referred to arbitration.</p>	<p>Article 1 For the purposes of this Law, the following terms shall have the meaning assigned to them, unless the context otherwise requires: Arbitration Agreement: an agreement between two or more parties to submit to arbitration all or certain disputes which have arisen, or which may arise between them in respect of a defined legal relationship, whether contractual or not. Arbitral Tribunal: a sole arbitrator or a panel of arbitrators appointed to decide the dispute, also including the emergency arbitrator appointed under the arbitration rules agreed upon by the parties. Arbitration Parties: the two or more parties to an arbitration agreement or, where arbitration proceedings do not involve all of the parties to the arbitration agreement, parties to the arbitration proceedings. Claim: the arbitration claim, the counterclaim that may be brought by the respondent against the claimant, or the cross-claim that may be brought by one party in the arbitration proceedings against another party on the same side of the proceedings.</p>

Country Report

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
		<p>Award: a decision of the arbitral tribunal on the substance of the dispute or grants an interim measure, including interim or partial awards. This does not include procedural orders related to the administration of the case.</p>

Article 2 of the Model Law adopts a minimal functional approach to definitions. It confines itself to essential concepts required for the operation of the text and avoids elaboration. Arbitration is defined broadly and neutrally, without distinction between institutional or ad hoc proceedings. The arbitral tribunal is defined flexibly to include a sole arbitrator or a panel of arbitrators, and “court” is described in general terms as an organ of the State’s judiciary system, with further specification left to national law and general rules of interpretation.

Article 1 of the Saudi Arbitration Law reflects a tendency toward greater conceptual precision within the domestic statutory framework. It expands the section by adding a detailed definition of the arbitration agreement and replaces the generic reference to “court” with the term “competent court,” thereby specifying judicial authority more explicitly and ensuring that jurisdiction is unambiguous. At the same time, the definition of the arbitral tribunal remains materially aligned with that of the Model Law.

Article 1 of the Draft Law continues this development by introducing additional definitions that reflect contemporary arbitral practice. It incorporates the concept of an emergency arbitrator within the definition of the arbitral tribunal and defines the parties, the claims, and the arbitral award, including interim and partial awards. This shift signals a movement from general operational definitions toward more detailed procedural framing designed to anticipate practical problems in modern institutional arbitration.

Party Autonomy in Procedural Matters

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>Article 2 (d) (d) where a provision of this Law, except article 28, leaves the parties free to determine a certain issue, such freedom includes the right of the parties to authorize a third party, including an institution, to make that determination;</p>	<p>Article 4 In cases where this Law allows the parties to arbitration to choose the procedure to be followed in a certain issue, this shall include the right of the two parties to authorize a third party to choose said procedure. A third party in this respect includes any individual, tribunal, organization, or arbitration center within the Kingdom or abroad.</p>	<p>Article 6 Where this Law allows the parties to determine the procedure to be followed in a particular matter, the parties may authorize a third party to make that determination. For this purpose, “third party” includes any individual, institution, organization, or arbitration center—whether in the Kingdom or abroad—including its procedural rules.</p>

Article 2 (d) of the Model Law establishes party autonomy in procedural matters as a fundamental principle of arbitration. It grants parties the right to determine issues left to their discretion under the Model Law and permits them to authorize a third party, including an institution, to perform such functions. An express exception is made in relation to Article 28, concerning the law applicable to the subject matter of the dispute, reflecting a deliberate balance between procedural autonomy and coherence in the determination of substantive law.

Article 4 of the Saudi Arbitration Law adopts a materially similar principle. It recognizes the parties’ right to determine procedural matters where permitted by statute and confirms that this right includes authorization of third parties. The law further specifies that such third parties may include individuals, arbitral tribunals, organizations, and arbitration centers, whether inside or outside the Kingdom. This formulation strengthens the institutional dimension of arbitration and enhances openness to international practices while situating party autonomy within the statutory framework.

Article 6 of the Draft Law maintains this structure but introduces greater specificity. At the end of the provision, it expressly provides that the procedural rules of the authorized third party form part of the authorization itself. This reflects a clearer legislative inclination toward empowering arbitration centers to apply their procedural regimes in full and reduces ambiguity regarding the scope of delegated powers. This development should be understood as enhancing procedural certainty and enshrining institutional arbitration as the preferred option in the Saudi legal environment.

References to Documents Relating to Arbitration Rules

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>Article 2 (e) (e) where a provision of this Law refers to the fact that the parties have agreed or that they may agree or in any other way refers to an agreement of the parties, such agreement includes any arbitration rules referred to in that agreement;</p>	<p>Article 5 If both parties to arbitration agree to subject the relationship between them to the provisions of any document (model contract, international convention, etc.), the provisions of such document, including those related to arbitration, shall apply, provided that this is not in conflict with the provisions of Sharia.</p>	<p>Article 7 If the parties to arbitration agree to subject their relationship to the provisions of a model contract, an international agreement, or any other document, the provisions of that document—including those relating specifically to arbitration—shall apply, provided that they do not conflict with the rules of Sharia.</p>

Article 2 (e) of the Model Law treats party agreement as encompassing any arbitration rules referred to therein, without requiring that such rules be incorporated into the text. This approach reflects a flexible understanding that elevates party autonomy and recognizes the validity of referencing institutional or regulatory rules as constituting part of the arbitration agreement itself.

Article 5 of the Saudi Arbitration Law adopts a more detailed formulation. It refers not only to arbitration rules but also to situations in which the underlying relationship is made subject to the provisions of a specific document—such as a model contract or international convention—whose arbitration provisions thereby become applicable.

The provision is expressly conditioned on compliance with Islamic law, reflecting the regulatory character of the statutory framework and the subordination of party autonomy to an overarching public policy.

Article 7 of the Draft Law preserves this approach without material change. It refines the wording by replacing the phrase “both parties to arbitration” with “parties to arbitration” (using an Arabic plural that indicates more than two parties). This adjustment indicates greater drafting precision and comprehensiveness while maintaining the same substantive limitation grounded in Islamic law. The overall philosophy remains more structured and controlled than the broader flexibility reflected in the Model Law.

Counterclaims

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>Article 2 (f) <i>(f)</i> where a provision of this Law, other than in articles 25(a) and 32(2) (a), refers to a claim, it also applies to a counter-claim, and where it refers to a defence, it also applies to a defence to such counter-claim.</p>	—	—

Article 2 (f) of the Model Law adopts an express interpretative rule broadening the scope of the terms “claim” and “defense” (spelled the British “defence” in the text). Unless specifically excluded, references to a claim extend automatically to counterclaims, and references to a defense include a defense to a counterclaim. This technique prevents procedural lacunae and ensures formal parity between the arbitration parties throughout the arbitral process. Rather than regulating counterclaims in isolated provisions, the Model Law integrates them horizontally across the procedural framework.

The Saudi Arbitration Law contains no equivalent general interpretative clause. It does not establish a rule whereby references to “claim” or “defense” are deemed automatically to include counterclaims and related responses.

Counterclaims are nevertheless recognized in principle. Under Article 30 (2) of the law, the arbitral tribunal may hear a counterclaim provided that it falls within the scope of the arbitration agreement or is sufficiently connected to the subject matter of the dispute. The procedural consequences of counterclaims are therefore governed by the tribunal’s jurisdictional determination and, where applicable, by the chosen arbitration rules, rather than by a comprehensive interpretative provision of general application.

The Draft Law maintains this approach. Although it employs the term “counterclaim” within its provisions and in its definition of a claim, it does not introduce a stand-alone interpretative rule that becomes binding whenever the terms “claim” or “defense” appear, equivalent to Article 2 (f) of the Model Law. Instead, it continues to regulate counterclaims through jurisdictional and procedural provisions. The legislative technique thus continues the current law’s approach of practical recognition rather than systematic textual extension. This confirms reliance on the arbitral tribunal’s discretionary authority and on the applicable procedural framework, rather than on an express legislative broadening of terminology across the statute.

International Origin and General Principles

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>Article 2 A</p> <p>(1) In the interpretation of this Law, regard is to be had to its international origin and to the need to promote uniformity in its application and the observance of good faith.</p> <p>(2) Questions concerning matters governed by this Law which are not expressly settled in it are to be settled in conformity with the general principles on which this Law is based.</p>	—	—

Article 2 A of the Model Law affirms its international character and directs that it be interpreted with due regard to its transnational origin, the promotion of uniform application among States, and the observance of good faith (para. 1).

It further establishes a structured gap-filling mechanism: matters governed by the law but not expressly resolved are to be settled in accordance with the general principles underlying the Model Law itself (para. 2). This provision situates the text within an autonomous interpretative framework designed to foster coherence across jurisdictions.

The Saudi Arbitration Law contains no equivalent provision. It does not direct courts or tribunals to consider an international legislative origin or to promote uniform interpretation. The law operates as domestic legislation, albeit subject to the applicable provisions of international conventions to which the Kingdom is a party.

Nor does it adopt an express reference to the “general principles” underlying the statute as a method of guiding interpretation or resolving legislative gaps. In practice, unresolved issues are addressed through reference to applicable laws, general jurisprudential principles, and the parties’ agreement, rather than through a self-contained interpretative mandate comparable to Article 2 A of the Model Law.

The Draft Law maintains this approach. It does not introduce a provision analogous to Article 2 A concerning international origin, uniformity of application, or recourse to general principles of international arbitration.

Although its drafting reflects greater alignment with contemporary arbitral terminology, the resolution of legislative gaps remains anchored in the broader domestic legal framework rather than in an autonomous body of transnational arbitral principles.

Receipt of Written Communications

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>Article 3</p> <p>(1) Unless otherwise agreed by the parties:</p> <p>(a) any written communication is deemed to have been received if it is delivered to the addressee personally or if it is delivered at his place of business, habitual residence or mailing address; if none of these can be found after making a reasonable inquiry, a written communication is deemed to have been received if it is sent to the addressee's last-known place of business, habitual residence or mailing address by registered letter or any other means which provides a record of the attempt to deliver it;</p> <p>(b) the communication is deemed to have been received on the day it is so delivered.</p> <p>(2) The provisions of this article do not apply to communications in court proceedings.</p>	<p>Article 6</p> <p>1. Unless otherwise agreed upon by the parties to arbitration regarding notifications, a written notice shall be delivered to the addressee personally, or to his designee, or to the mailing address specified in the contract subject of the dispute, in the arbitration agreement, or the document governing the relationship addressed by the arbitration.</p> <p>2. If the written notice cannot be delivered to the addressee according to paragraph (1) above, it shall be deemed to have been received if it is sent by registered mail to the addressee's last-known place of business, habitual residence, or known mailing address.</p> <p>3. The provisions of this Article shall not apply to judicial notifications relating to court proceedings with regard to nullification of the arbitration award.</p>	<p>Article 8</p> <p>1. Unless otherwise agreed upon by the parties regarding notifications, the notice shall be served to the recipient personally—or to his representative—or sent to the mailing address specified in the contract subject to the dispute, in the arbitration submission agreement, or in the document governing the relationship that is the subject of the arbitration. The term “mailing address” includes any email address previously used by the parties in their dealings or previously communicated by one party to the other in a message.</p> <p>2. If delivery to the recipient in accordance with paragraph 1 is not possible after making reasonable inquiries, the notice shall be deemed received if sent by registered mail to the recipient's last known place of business, habitual residence, or known mailing address, or by electronic means to the recipient's mobile phone or email address.</p>

Arbitration in Saudi Arabia

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
		<p>3. The communication is deemed to have been received on the day it is so delivered as specified in the two preceding paragraphs. A message sent by email is deemed received on the date shown in its data as the sending date, provided there is no indication of a transmission error.</p> <p>4. The provisions of this article do not apply to communications in court proceedings.</p> <p>5. Unless otherwise specifically provided, the time periods stipulated in the Law begin on the day following the notification, unless otherwise agreed by the parties. If the last day of the period falls on an official holiday—at the recipient's habitual residence or place of business—the period shall be extended to the first working day thereafter.</p>

Article 3 of the Model Law adopts a flexible, functional concept of receipt of written communications. It relies on a presumption of receipt where reasonable inquiries have been made and the communication has been sent to the addressee's last known place of business, habitual residence, or mailing address through verifiable means (para. 1). In such cases, delivery is deemed effective on the date of actual receipt. Communications relating to court proceedings are expressly excluded from the scope of this provision (para. 2). This approach reflects an intention to facilitate arbitral proceedings and to avoid procedural disruption arising from difficulties in formal notification.

Article 6 of the Saudi Arbitration Law reflects a broadly similar approach. It adopts the same general philosophy and stipulations while placing more specific controls on the notification process by linking communications to the contract subject of the dispute, the arbitration submission agreement, or the document governing the relationship between the parties (para. 1). It also recognizes alternate methods of delivery where notification cannot be effected by registered mail to the last known address or premises (para. 2). While aligned in principle with the Model Law, the Saudi provision narrows the judicial exception by limiting it to notifications relating to court proceedings for the annulment of an arbitral award, rather than the broader “communications in court proceedings” in the Model Law.⁽¹²⁰⁾

Article 8 of the Draft Law develops this framework further in light of contemporary communication practices. It expands the concept of “mailing address” to include an email address used or communicated by the parties, expressly recognizes notification electronic and mobile notifications, and introduces a clearer temporal presumption for the completion of electronic notice (paras. 1–3). The draft also adds an express provision governing the method of calculating the commencement of the periods referred to in the law (para. 5). At the same time, it retains the requirements of reasonable inquiry and the exclusion of judicial notifications in general (paras. 2, 4). The draft aligns itself more with the Model Law, expressly excluding communications in court proceedings from this article, whereas the Saudi Arbitration Law merely excludes “judicial notifications relating to court proceedings with regard to nullification of the arbitration award.” The draft therefore reflects a legisla-

(120) Both Article 6 of the Arbitration Law and Article 8 of the Draft Law use the same Arabic term to refer to “arbitration submission agreements.” However, the official English translation of Article 6 of the Arbitration Law renders the term as “arbitration agreement,” whereas the Draft Law translates the identical Arabic wording as “arbitration submission agreement.” This is noteworthy because Article 1 of the Arbitration Law expressly distinguishes between an “arbitration agreement” and an “arbitration submission agreement,” while the Draft Law omits that distinction from its definitions section.

tive effort to align international arbitration standards with the demands of speed and reliability in modern practice while preserving procedural safeguards. In this respect, the draft anticipates developments currently under consideration by UNCITRAL Working Group II concerning additional provisions to the Model Law to encompass electronic notices in arbitration. Nevertheless, the provisions of the draft Saudi law appear more progressive and broader in their express recognition of the validity of electronic notifications.

Waiver of the Right to Object

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>Article 4 A party who knows that any provision of this Law from which the parties may derogate or any requirement under the arbitration agreement has not been complied with and yet proceeds with the arbitration without stating his objection to such non-compliance without undue delay or, if a time-limit is provided therefor, within such period of time, shall be deemed to have waived his right to object.</p>	<p>Article 7 If a party to arbitration proceeds with arbitration procedures knowing that a violation of a provision of this Law, which may be agreed to be violated, or of a term in the arbitration agreement, was committed and he fails to object to such violation within the agreed upon period or within 30 days from his knowledge of the violation in the absence of an agreement, this shall be deemed a waiver of said party's right to object.</p>	<p>Article 9 A party who knows that any provision of this Law from which the parties may derogate or any requirement under the arbitration agreement has not been complied with and yet proceeds with the arbitration without stating his objection to such non-compliance within the agreed time limit or, in the absence of such agreement, within 15 days from the date on which he became aware of the breach, shall be deemed to have waived his right to object.</p>

Article 4 of the Model Law establishes the principle that the right to object may be forfeited through procedural silence. A party that proceeds with the arbitration despite being aware of a violation of provisions from which the parties may derogate, or of a breach of the arbitration agreement, and fails to object without undue delay—or within any time limit provided—shall be deemed to have waived its right to object. The Model

Law leaves the assessment of what constitutes “without undue delay,” as well as the determination of any applicable time limits, to the parties’ agreement or to the procedural rules governing the arbitration.

Article 7 of the Saudi Arbitration Law adopts the same principle but formulates it in a more prescriptive manner. It establishes an express time limit for the exercise of the right to object. The objection must be raised within the time agreed by the parties or, in the absence of such agreement, within 30 days from the date on which the party became aware of the violation. This approach reflects a regulatory preference for greater procedural certainty by reducing disputes over the meaning of delay and limiting the possibility of later procedural objections.

Article 9 of the Draft Law preserves the same conceptual framework but introduces a significant modification by reducing the default objection period from 30 days to 15 days. This adjustment indicates a legislative tendency toward accelerating arbitral proceedings and imposing stricter procedural discipline on the parties, while maintaining the overall structure established in the current law and broadly inspired by the Model Law.

Extent of Court Intervention

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
Article 5 In matters governed by this Law, no court shall intervene except where so provided in this Law.	—	—

Article 5 of the Model Law adopts the principle of limited judicial intervention, providing that courts may intervene in matters governed by the law only where such intervention is expressly authorized. This rule

is designed to safeguard the independence of the arbitral process and to minimize the risk of judicial interference that could disrupt the conduct of arbitral proceedings or reintroduce such disputes into courts.

The Saudi Arbitration Law does not contain a provision identical to Article 5 of the Model Law. However, Article 8 of the Saudi law provides that the court of appeal originally competent to hear the dispute shall have jurisdiction over actions for annulment of arbitral awards and over matters referred to the competent court under the Law. Although the statute does not include an explicit general clause limiting judicial intervention, the reference to matters “referred to the competent court pursuant to this Law” in Article 8 indicates that judicial involvement is confined to the specific situations enumerated in the statute. Judicial practice in the Kingdom has generally confirmed this interpretation. Further support for this approach appears in Article 2 of the Implementing Regulations of the Arbitration Law, which clarifies that the competent court is the court of appeal with original jurisdiction over the dispute, except in the cases specified in the Articles 9 (1), 12, and 40 (3) of the Saudi Arbitration Law. Together, these provisions demonstrate that recourse to the courts is limited to instances expressly provided for in the law and its regulations, and is not open-ended.

The Draft Law follows the same general approach while employing wording that more clearly affirms the principle of limited judicial intervention. For instance, Article 10 of the Draft Law stipulates that the Commercial Court of Appeal shall have jurisdiction over applications to set aside arbitral awards, as well as any matters referred to the competent court under this Law, except those addressed in Article 16. This refinement reflects the experience gained in the application of the current law and suggests a legislative effort to align more closely with the UNCITRAL model while preserving the domestic statutory framework governing jurisdiction.

Judicial Authority for Certain Functions of Arbitration Assistance and Supervision

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>Article 6</p> <p>The functions referred to in articles 11(3), 11(4), 13(3), 14, 16(3) and 34(2) shall be performed by ... [Each State enacting this model law specifies the court, courts or, where referred to therein, other authority competent to perform these functions.]</p>	<p>Article 8</p> <p>1. The court of appeal originally deciding the dispute shall have jurisdiction to consider an action to nullify the arbitration award and matters referred to the competent court pursuant to this Law.</p> <p>2. In case of an international commercial arbitration within the Kingdom or abroad, the court of appeal originally deciding the dispute in the city of Riyadh shall have jurisdiction, unless the two parties to arbitration agree on another court of appeal within the Kingdom.</p>	<p>Article 10</p> <p>1. The Commercial Court of Appeal shall have jurisdiction to hear applications to set aside an arbitral award, as well as matters referred to the competent court under this Law, except for the matters provided in Article 16.</p> <p>2. For international commercial arbitration, jurisdiction lies with the Riyadh Commercial Court of Appeal, unless the parties to the arbitration agree on a different court of appeal within the Kingdom.</p>

Article 6 of the Model Law establishes the principle that each State shall determine the judicial body or other authority responsible for performing supportive and supervisory functions in relation to arbitration. It does not impose a specific institutional arrangement but leaves it to States and national legislation to designate the competent court or authority responsible for functions such as the appointment of arbitrators, decisions on challenges to arbitrators, limited review of jurisdiction, and actions for the annulment of arbitral awards. This approach reflects the Model Law's general philosophy of flexibility and respect for the diversity of national judicial systems.

Article 8 of the Saudi Arbitration Law adopts a more centralized formulation. It assigns these functions to the court of appeal that would originally have had jurisdiction over the dispute, while designating the city of Riyadh as the seat of jurisdiction for international commercial arbitration. This structure reflects a regulatory preference for concentrating

judicial authority in order to ensure consistency in application and to avoid fragmentation in judicial oversight, even if this approach departs from the institutional flexibility offered by the Model Law.

Article 10 of the Draft Law introduces a further institutional refinement. It replaces the standard of the “originally competent” court in the current statute with a specialized jurisdiction by assigning these functions specifically to the Commercial Court of Appeal, while maintaining Riyadh as the central forum for matters relating to international commercial arbitration. This development reflects an effort to learn from past experience and enhance judicial specialization and efficiency through the accumulation of institutional expertise. At the same time, the draft remains broadly consistent with the Model Law’s philosophy of limiting judicial involvement to specifically defined functions.

Definition and Form of the Arbitration Agreement

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>Article 7 (1) <i>Option 1 (As adopted by the Commission at its thirty-ninth session, in 2006)</i> (1) “Arbitration agreement” is an agreement by the parties to submit to arbitration all or certain disputes which have arisen or which may arise between them in respect of a defined legal relationship, whether contractual or not. An arbitration agreement may be in the form of an arbitration clause in a contract or in the form of a separate agreement.</p>	<p>Article 1 1. Arbitration Agreement: An agreement between two or more parties to refer to arbitration all or certain disputes which have arisen or which may arise between them in respect of a defined legal relationship, whether contractual or otherwise. An arbitration agreement may be in the form of an arbitration clause in a contract or in the form of a separate arbitration agreement.</p>	<p>Article 1 Arbitration Agreement: an agreement between two or more parties to submit to arbitration all or certain disputes which have arisen, or which may arise between them in respect of a defined legal relationship, whether contractual or not.</p>

Country Report

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p><i>Option 2 (As adopted by the Commission at its thirty-ninth session, in 2006)</i> “Arbitration agreement” is an agreement by the parties to submit to arbitration all or certain disputes which have arisen or which may arise between them in respect of a defined legal relationship, whether contractual or not.</p>		

Article 7 (1) of the Model Law adopts a broad, functional definition of the arbitration agreement that has been widely reflected in national legislation and comparative practice. It focuses on the parties’ consent to submit disputes to arbitration, regardless of the nature of the underlying legal relationship, and expressly covers both existing and future disputes. The agreement may take the form of either an arbitration clause contained in a contract or a separate agreement. This formulation reflects a flexible approach aimed at facilitating recognition of arbitration agreements and minimizing formal disputes concerning their existence or classification.

Article 1 of the Saudi Arbitration Law adopts a definition that is largely similar in form and content, though slightly broader wording with respect to the number of parties involved (“two or more”). It also expressly distinguishes between an arbitration clause and an arbitration submission agreement. This distinction reflects the tendency of the Saudi legislation to refine legal concepts within the domestic statutory framework, providing greater classificatory clarity while preserving the core flexibility characteristic of international arbitration law.

Article 1 of the Draft Law simplifies the definition while retaining its basic structure. It removes the explicit reference to the forms of agreement—namely the arbitration clause and the submission agreement (though the term “submission agreement” is used elsewhere in the draft,

namely Article 8 (1))—while defining the arbitration agreement in substantive terms. This approach suggests an effort to streamline the definitional provision and reduce interpretative complexity, while leaving the regulation of form and related details to other parts of the statute. This thus brings the draft’s provision closer to a concise, normative formulation without reaching the level of detail found in the existing law.

Requirement of the Arbitration Agreement To Be “In Writing”

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>Article 7 (2) <i>Option 1 (As adopted by the Commission at its thirty-ninth session, in 2006)</i> (2) The arbitration agreement shall be in writing.</p>	<p>Article 9 (2) 2. The arbitration agreement shall be in writing; otherwise, it shall be void.</p>	<p>Article 13 (1) 1. An arbitration agreement must be in writing; otherwise, it shall be null and void.</p>

Article 7 (2) of the Model Law requires that an arbitration agreement be in writing as a formal condition for its validity. The provision is formulated in neutral and declaratory terms, requiring the existence of a written agreement without expressly specifying the legal consequences of non-compliance. This approach reflects the character of the Model Law as a framework instrument, establishing a minimum standard of certainty while protecting party autonomy by leaving the determination of sanctions and related procedural consequences to national legislation.

Article 9 (2) of the Saudi Arbitration Law adopts a more explicit formulation. It not only requires the arbitration agreement to be in writing but also expressly provides that failure to comply with this requirement results the agreement being void. This reflects a regulatory preference for greater legal certainty by ensuring that recourse to arbitration is based on clearly documented consent. The approach also corresponds to the treatment of arbitration as a departure from ordinary judicial jurisdiction and reflects practical considerations within the domestic legal environment.

Article 13 (1) of the Draft Law preserves this legislative structure without material change. It reiterates the requirement that the arbitration agreement be in writing and maintains the same express consequence of nullity in the event of non-compliance (simply replacing “void” with “null and void”). This continuity indicates the stability of the regulatory approach and the legislature’s intention to maintain a clear and unequivocal rule regarding the formal validity of arbitration agreements.

Form of Written Arbitration Agreement

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>Article 7 (3), (4), (5), (6) <i>Option 1 (As adopted by the Commission at its thirty-ninth session, in 2006)</i> (3) An arbitration agreement is in writing if its content is recorded in any form, whether or not the arbitration agreement or contract has been concluded orally, by conduct, or by other means. (4) The requirement that an arbitration agreement be in writing is met by an electronic communication if the information contained therein is accessible so as to be useable for subsequent reference; “electronic communication” means any communication that the parties make by means of data messages; “data message” means information generated, sent, received or stored by electronic, magnetic, optical or similar means, including, but not limited to, electronic data interchange (EDI), electronic mail, telegram, telex or teletype</p>	<p>Article 9 (3) 3. An arbitration agreement shall be deemed written if it is included in a document issued by the two parties or in an exchange of documented correspondence, telegrams, or any other electronic or written means of communication. A reference in a contract or a mention therein of any document containing an arbitration clause shall constitute an arbitration agreement. Similarly, any reference in the contract to the provisions of a model contract, international convention, or any other document containing an arbitration clause shall constitute a written arbitration agreement, if the reference clearly deems the clause part of the contract.</p>	<p>Article 13 (2), (3) 2. The arbitration agreement is in writing if it is included in a document issued by the parties. 3. An arbitration agreement is deemed to be in writing in the following cases: a. if its content is recorded in any form, whether or not the arbitration agreement or the contract containing the arbitration clause has been concluded orally, in writing, or by conduct. This includes situations where its content is established through exchanges of correspondence, telegrams, or other digital means of communication; b. a reference in a contract to another contract, or the incorporation by reference of another contract containing an arbitration clause, is to constitute an arbitration agreement in writing;</p>

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>(5) Furthermore, an arbitration agreement is in writing if it is contained in an exchange of statements of claim and defence in which the existence of an agreement is alleged by one party and not denied by the other.</p> <p>(6) The reference in a contract to any document containing an arbitration clause constitutes an arbitration agreement in writing, provided that the reference is such as to make that clause part of the contract.</p>		<p>c. any reference in a contract to the provisions of a model contract, an international convention, or any other document containing an arbitration clause shall be considered as a written arbitration agreement, provided the reference clearly indicates that the clause is part of the contract;</p> <p>d. when, in statements of claim or defense in adversarial proceedings, one party asserts the existence of an arbitration agreement and the other party does not deny it.</p>

Article 7 (3)–(6) of the Model Law expands the concept of a written arbitration agreement through a functional approach. It relies on a standard based on the recording of the agreement’s content in a form capable of subsequent reference, rather than on a traditional form of writing. Under this approach, an arbitration agreement is considered to be in writing if its content is recorded by any means, even where the agreement was concluded orally or through conduct (para. 3). Electronic communications and data messages satisfy this requirement if they allow the content to be retained for later reference (para. 4). The provision also recognizes that an exchange of statements of claim and defense, where the existence of the arbitration agreement is not denied, constitutes evidence of a written agreement (para. 5). Likewise, a reference in a contract to another document containing an arbitration clause is sufficient if the reference incorporates that clause into the contract (para. 6). This formulation reflects a flexible philosophy aimed at preserving the effectiveness

and autonomy of arbitration agreements and avoiding unnecessary invalidation on purely formal grounds.

Article 9 (3) of the Saudi Arbitration Law adopts a more cautious formulation while retaining a relatively broad understanding of writing. It requires that arbitration agreement be evidenced by a document issued by both parties, by documented correspondence, or by written or electronic means of communication. It also recognizes references to documents, model contracts, or international conventions containing arbitration clauses, provided that the reference clearly incorporates the clause. However, the statute does not expressly treat the exchange of statements of claim and defense without denial as sufficient proof of a written agreement, nor does it adopt the “capable of subsequent reference” standard as an independent criterion. Instead, the law places greater emphasis on the existence of a discernible written record, reflecting a preference for evidentiary certainty and the avoidance of disputes regarding the existence of the arbitration agreement.

Article 13 (2)–(3) of the Draft Law moves closer to the structure and wording of the Model Law. It expressly provides that the writing requirement is satisfied when the content of the arbitration agreement is documented in any form, even where the agreement was concluded orally or through conduct, and it recognizes electronic communications and digital correspondence. The draft also introduces an express rule that an exchange of statements of claim and defense, where the arbitration agreement is not denied, constitutes a written agreement. At the same time, it preserves references to model contracts and international conventions containing arbitration clauses. In doing so, the draft combines the flexible approach of the Model Law with the existing statutory framework, narrowing the gap with international standards while maintaining the evidentiary safeguards characteristic of the domestic legal system.

Arbitration Agreements and Substantive Claims Before the Courts

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>Article 8</p> <p>(1) A court before which an action is brought in a matter which is the subject of an arbitration agreement shall, if a party so requests not later than when submitting his first statement on the substance of the dispute, refer the parties to arbitration unless it finds that the agreement is null and void, inoperative or incapable of being performed.</p> <p>(2) Where an action referred to in paragraph (1) of this article has been brought, arbitral proceedings may nevertheless be commenced or continued, and an award may be made, while the issue is pending before the court.</p>	<p>Article 11</p> <p>1. A court before which a dispute, which is the subject of an arbitration agreement, is filed shall dismiss the case if the defendant raises such defense before any other claim or defense.</p> <p>2. Filing the action referred to in paragraph (1) of this Article does not preclude the commencement or continuation of the arbitration proceedings or the rendering of the arbitration award.</p>	<p>Article 16 (1), (2)</p> <p>1. A court before which an action is brought in a matter which is the subject of an arbitration agreement shall, if the defendant so requests not later than when submitting any request or defense on the substance of the dispute, rule the claim inadmissible unless it finds that the agreement is null and void or incapable of being performed.</p> <p>2. Where an action referred to in the preceding paragraph of this article has been brought, arbitral proceedings may nevertheless be commenced or continued, and an award may be made.</p>

Article 8 of the Model Law seeks to enshrine the precedence of arbitration where a valid arbitration agreement exists. It requires courts to refer the parties to arbitration upon request, provided that the request is made no later than the submission of the first statement on the substance of the dispute (that is, prior to the consideration of the merits) (para. 1).

Judicial review at this stage is limited to a *prima facie* examination of whether the arbitration agreement is “null and void, inoperative or incapable of being performed.” The Model Law further affirms the autonomy of the arbitral process by providing that the initiation of court proceedings does not prevent the commencement or continuation of

arbitral proceedings, nor the issuance of an arbitral award (para. 2). This enforces a pro-arbitration framework, requiring courts to refer parties to arbitration where a valid agreement to arbitrate exists, while ensuring that arbitral proceedings are not obstructed and may continue even where the arbitration agreement is subject to judicial review as to whether it is null and void, inoperative, or incapable of being performed.

Article 11 of the Saudi Arbitration Law reflects the same underlying principle but adopts a more formal procedural formulation. Rather than directing courts to “refer” the parties to arbitration, it requires the court to dismiss the action if the defendant invokes the arbitration agreement before submitting any claim or defense on the merits (para. 1).

The statute does not articulate a detailed standard of judicial review comparable to the Model Law’s formulation concerning invalidity or inoperability of the agreement. Nevertheless, the practical effect is similar, as the provision safeguards the jurisdiction of the arbitral tribunal and allows arbitral proceedings and the issuance of the award to continue even when judicial proceedings have been initiated (para. 2).

Article 16 (1)–(2) of the Draft Law moves closer the structure and language of the Model Law while preserving domestic procedural terminology. It replaces the expression “dismiss the case” favored in the current statute with “rule the case inadmissible” and, similar to the Model Law, introduces an express provision authorizing the court to examine whether the arbitration agreement is invalid or incapable of being performed (para. 1).

This adjustment reflects an effort to clarify the scope of judicial review while maintaining the balance between respect for party autonomy and the limited supervisory role of the courts.

Arbitration Agreement and Interim Measures by the Courts

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>Article 9 It is not incompatible with an arbitration agreement for a party to request, before or during arbitral proceedings, from a court an interim measure of protection and for a court to grant such measure.</p>	<p>Article 22 (1) 1. The competent court may order provisional or precautionary measures, upon the request of either party, prior to commencing arbitration proceedings, or upon a request by the arbitration tribunal during arbitration proceedings. Said measures may be revoked in the same way, unless otherwise agreed upon by the two parties to arbitration.</p>	<p>Article 17 It is not incompatible with an arbitration agreement for a party to request, before or during arbitral proceedings, from a court an interim measure of protection and for a court to grant such measure, unless the parties have agreed otherwise.</p>

Article 9 of the Model Law establishes the principle that recourse to the courts for interim measures of protection—whether prior before or during arbitral proceedings—does not constitute a violation of the arbitration agreement and is not incompatible with it. Instead, such judicial intervention is treated as a supportive mechanism intended to preserve rights or protect the subject matter of the dispute without interfering with the autonomy of the arbitral process.

Article 22 (1) of the Saudi Arbitration Law adopts this principle while regulating it in more specific terms. It expressly recognizes the authority of the competent court to order interim or provisional measures upon the request of parties before the commencement of arbitral proceedings and allows such measures to be requested during the proceedings upon application by the arbitral tribunal. The statute also provides for the possibility of revoking these measures. In this respect, it extends the procedural framework beyond the Model Law by granting the arbitral tribunal a direct role in triggering judicial assistance, while maintaining the underlying principle that such recourse does not conflict with the arbitration agreement.

Article 17 of the Draft Law adopts wording closer to the formulation of the Model Law by emphasizing that an arbitration agreement is not incompatible with the request for interim measures of protection. At the same time, it simplifies the structure of the provisions and, like the Model Law, limits applications for such measures to the parties to the arbitration, rather than to the arbitral tribunal. This revision reflects a movement toward greater alignment with international formulations while reducing the procedural detail present in the current statute.

Number of Arbitrators

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>Article 10</p> <p>(1) The parties are free to determine the number of arbitrators.</p> <p>(2) Failing such determination, the number of arbitrators shall be three.</p>	<p>Article 13</p> <p>The arbitration tribunal shall be composed of one arbitrator or more, provided that the number of arbitrators is an odd number; otherwise, the arbitration shall be void.</p>	<p>Article 19</p> <p>1. The parties may agree to constitute the arbitral tribunal with a sole arbitrator or with multiple arbitrators. Failing such agreement, there is to be a sole arbitrator.</p> <p>2. If the tribunal comprises multiple arbitrators, their number must be odd; otherwise, the arbitration shall be void. However, the arbitration agreement is not invalid merely because it provides for an even number of arbitrators, in which case an additional arbitrator shall be appointed to complete the tribunal.</p>

Article 10 of the Model Law emphasizes party autonomy in determining the composition of the arbitral tribunal. It grants the parties freedom to agree on the number of arbitrators and establishes a simple

default rule that the tribunal shall consist of three arbitrators in the absence of such agreement. The provision does not impose sanctions for procedural irregularities relating to the number of arbitrators, reflecting a pragmatic approach aimed at preserving the continuity of the arbitral process and avoiding unnecessary disruption.

Article 13 of the Saudi Arbitration Law adopts the same basic premise of party autonomy but introduces an additional requirement that the number of arbitrators be one or more, provided that the number be odd. The law further provides that failure to comply with this requirement results in the invalidity of the arbitration. This reflects a legislative preference for procedural certainty, the protection of the integrity of the arbitral award, and the avoidance of deadlock within the tribunal, although it does so at the expense of the greater flexibility found in the Model Law.

Article 19 of the Draft Law adopts an intermediate approach between the Model Law and the Saudi Arbitration Law. It retains the requirement that the number of arbitrators be odd, otherwise the arbitration is void (para. 2). However, it introduces a saving mechanism: an arbitration agreement is not invalid merely because it specifies an even number of arbitrators; instead, this defect is corrected procedurally by appointing an additional arbitrator. The draft also provides that, in the absence of agreement between the parties, the tribunal shall consist of a sole arbitrator (para. 1). This approach seeks to reduce the risk of formal nullity while maintaining the safeguard against evenly divided tribunals, thereby promoting procedural stability without abandoning the underlying regulatory framework.



Conditions of Arbitrator Appointment

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>Article 11 (1), (2)</p> <p>(1) No person shall be precluded by reason of his nationality from acting as an arbitrator, unless otherwise agreed by the parties.</p> <p>(2) The parties are free to agree on a procedure of appointing the arbitrator or arbitrators, subject to the provisions of paragraphs (4) and (5) of this article.</p>	<p>Article 14</p> <p>An arbitrator shall satisfy the following conditions:</p> <ol style="list-style-type: none"> 1. Be of full legal capacity. 2. Be of good conduct and reputation. 3. Be a holder of at least a university degree in Sharia or law. If the arbitration tribunal is composed of more than one arbitrator, it shall be sufficient that the chairman of the tribunal meets such requirement. 	<p>Article 20</p> <ol style="list-style-type: none"> 1. An arbitrator must be a natural person with full legal capacity and not deprived of the exercise of civil rights as a result of a criminal conviction. 2. Unless otherwise agreed by the parties, the arbitrator is not required to be of any particular nationality.

Article 11 (1)–(2) of the Model Law adopts a minimal standard with respect to the conditions of arbitrator appointments. It requires only that no person shall be precluded from acting as an arbitrator on the basis of their nationality, leaving the parties free to determine other conditions and the procedure for appointments, subject to other provisions in the article (discussed in the next section). This formulation reflects the Model Law’s emphasis on party autonomy and flexibility in the constitution of arbitral tribunals.

Article 14 of the Saudi Arbitration Law introduces additional conditions. It requires that arbitrators possess full legal capacity, be of good conduct and reputation and, in certain cases, possess a university degree in Sharia or law. This latter requirement applies to a sole arbitrator or, in a multi-member tribunal, the presiding arbitrator, but not to the other members. The distinction reflects a policy choice to ensure that the individual directing the proceedings possesses a formal legal background, thereby strengthening the legal discipline of the arbitral process.

Article 20 of the Draft Law moves closer to the Model Law approach, while retaining or modifying conditions from the current statute. It

adopts the Model Law’s condition on nationality. It removes the academic qualification requirement present in the current law but retains its condition that the arbitrator possess full legal capacity. Finally, it replaces the requirement that the arbitrator be of good conduct and reputation with a more specific criterion, requiring instead that the arbitrator not be deprived of full civil rights as a result of a criminal conviction. This reform reflects a shift toward contemporary international arbitration practice by expanding party autonomy and facilitating the participation of specialists and international arbitrators, while maintaining the fundamental requirement of legal capacity within the domestic legal framework.

Appointment of Arbitrators

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>Article 11 (2), (3), (4), (5) (2) The parties are free to agree on a procedure of appointing the arbitrator or arbitrators, subject to the provisions of paragraphs (4) and (5) of this article. (3) Failing such agreement, (a) in an arbitration with three arbitrators, each party shall appoint one arbitrator, and the two arbitrators thus appointed shall appoint the third arbitrator; if a party fails to appoint the arbitrator within thirty days of receipt of a request to do so from the other party, or if the two arbitrators fail to agree on the third arbitrator within thirty days of their appointment, the appointment shall be made, upon request of a party, by the court or other authority specified in article 6;</p>	<p>Article 15 1. The two parties to the arbitration shall agree on the appointment of arbitrators. If they fail to reach an agreement, the following shall apply: a) If the arbitration tribunal is composed of one arbitrator, the competent court shall appoint said arbitrator. b) If the arbitration tribunal is composed of three arbitrators, each party shall appoint one arbitrator, and the two appointed arbitrators shall appoint the umpire. If a party fails to appoint his arbitrator within 15 days following the reception of a petition to this effect from the other party, or if the two appointed arbitrators fail to agree on the appointment of the umpire within 15 days from the date of appointment of the</p>	<p>Article 21 1. The parties are free to agree on the procedure for constituting the arbitral tribunal. 2. Failing such agreement, and if the dispute involves two parties, the following procedures shall be followed: a. If the arbitral tribunal is to consist of a sole arbitrator and the parties are unable to agree on the arbitrator, he shall be appointed, upon request of a party, by the competent court. b. If the arbitral tribunal is to consist of three arbitrators, each party shall appoint one arbitrator, and the two arbitrators thus appointed shall appoint the third arbitrator; if a party fails to appoint the arbitrator within 15 days of receipt of a request to do so from the other party,</p>

Country Report

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>(b) in an arbitration with a sole arbitrator, if the parties are unable to agree on the arbitrator, he shall be appointed, upon request of a party, by the court or other authority specified in article 6.</p> <p>(4) Where, under an appointment procedure agreed upon by the parties,</p> <p>(a) a party fails to act as required under such procedure, or</p> <p>(b) the parties, or two arbitrators, are unable to reach an agreement expected of them under such procedure, or</p> <p>(c) a third party, including an institution, fails to perform any function entrusted to it under such procedure, any party may request the court or other authority specified in article 6 to take the necessary measure, unless the agreement on the appointment procedure provides other means for securing the appointment.</p>	<p>last arbitrator, the competent court, pursuant to a petition filed by the party seeking to expedite the arbitration, shall appoint the umpire within 15 days from the date of submission of the petition. The umpire, whether selected by the two appointed arbitrators or appointed by the competent court, shall preside over the arbitration tribunal. These provisions shall apply to cases where the arbitration tribunal is composed of more than three arbitrators.</p> <p>2. If the two parties to the arbitration fail to agree on the procedures for the appointment of arbitrators, or if one of the parties fails to adhere to such procedures, or if the two appointed arbitrators fail to agree on a matter that requires their agreement, or if a third party fails to perform a function entrusted thereto under such procedure, the competent court shall, pursuant to a petition filed by the party seeking to expedite the arbitration, take the necessary measure or action unless the agreement provides for other means for completing such measure or action.</p>	<p>or if the two arbitrators fail to agree on the third arbitrator within 15 days from the date of appointment of the latter of them, the appointment shall be made, upon request of any party with an interest in prompt action, by the competent court within 15 days from the date of submitting the request. The third arbitrator appointed either by the two appointed arbitrators or by the competent court shall be the presiding arbitrator of the tribunal. These terms shall also apply in the event that the arbitral tribunal is composed of more than three arbitrators.</p> <p>3. If the arbitration involves more than two parties and the parties have not agreed on the constitution of the tribunal or the procedures for its constitution, the competent court shall constitute the tribunal.</p> <p>4. Where, under an appointment procedure agreed upon by the parties, a party fails to act as required under such procedure, or if the two arbitrators are unable to reach an agreement expected of them under such procedure, the competent court—upon request of any party with an interest in prompt action—shall take the necessary measure or action, unless the agreement provides other means for securing the appointment.</p>

Arbitration in Saudi Arabia

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>(5) A decision on a matter entrusted by paragraph (3) or (4) of this article to the court or other authority specified in article 6 shall be subject to no appeal. The court or other authority, in appointing an arbitrator, shall have due regard to any qualifications required of the arbitrator by the agreement of the parties and to such considerations as are likely to secure the appointment of an independent and impartial arbitrator and, in the case of a sole or third arbitrator, shall take into account as well the advisability of appointing an arbitrator of a nationality other than those of the parties.</p>	<p>3. In appointing an arbitrator, the competent court shall observe the conditions stipulated in the arbitration agreement and the conditions required under this Law, and shall issue its decision for appointment of the arbitrator within 30 days from the petition submission date.</p> <p>4. Without prejudice to the provisions of Articles 49 and 50 of this Law, the decision of the competent court for appointment of the arbitrator according to paragraphs (1) and (2) of this Article shall not be independently subject to any form of appeal.</p>	<p>5. The competent court, in appointing an arbitrator, shall have due regard to any conditions stipulated in the parties' agreement, the nature of the subject matter of the arbitration, and any qualifications that the dispute may require of the arbitrator. It shall issue its decision on the appointment within 30 days from the date of submitting the request.</p> <p>6. The competent court decision on a matter entrusted by paragraph 2 or 3 of this article shall be subject to no appeal independently.</p>

Article 11 (2)–(5) of the Model Law reinforces the primacy of party autonomy in the constitution of the arbitral tribunal while providing limited and precautionary judicial intervention where necessary. It grants the parties freedom to agree on the procedure for appointing arbitrators and establishes a precise default mechanism when such agreement is absent, including defined time limits (paras. 2–4). The court or competent authority assumes a subsidiary role where the parties, the two arbitrators in a three-member tribunal, or a third party, including an institution, fail to act. Decisions made by the court or authority in this context are final and not subject to appeal (para. 5). The Model Law further directs that, when making appointments, regard should be given to considerations of independence and impartiality, and it recommends that in international arbitration the sole arbitrator or presiding arbitrator be of a nationality different from that of the parties where appropriate.

Article 15 of the Saudi Arbitration Law generally follows this framework. It recognizes the parties' freedom to determine the method of appointment and adopts procedural mechanisms broadly comparable to those of the Model Law in situations where no agreement exists, whether the arbitration involves a sole arbitrator or a multi-member tribunal (para. 1). The statute also provides for intervention by the competent court where the parties fail to act, where an agreed procedure breaks down, or where a third party entrusted with appointment fails to perform its role (para. 2). As in the Model Law, the decision of the court on appointment is final and not independently subject to appeal (para. 4). At the same time, the Saudi law adopts a more structured formulation of judicial intervention, accompanied by shorter procedural timeframes and a more detailed delineation of the court's role (paras. 2–4). It also provides that the third arbitrator in a three-member tribunal serves as the presiding arbitrator, and it does not include any express reference to nationality as a consideration in the appointment process. This demonstrates a clear alignment with the Model Law, while incorporating shorter procedural timeframes to ensure the efficient constitution of the arbitral tribunal.

Article 21 of the Draft Law maintains the general structure of the current statute while moving somewhat closer to the language and philosophy of the Model Law. The basic appointment framework remains unchanged, including the rule that judicial appointment decisions are final and not subject to appeal (para. 6). However, the draft introduces explicit provisions addressing arbitrations involving multiple parties (paras. 2–3) and expands the criteria guiding court appointments to include the nature of the dispute and the qualifications required of the arbitrator (para. 5). These adjustments indicate a legislative effort to increase flexibility and ensure that tribunal composition corresponds more closely to the practical needs of the dispute. A notable difference from the Model Law nevertheless remains in the absence of any express reference to nationality as a separate criterion in arbitrator selection.

Arbitrator’s Impartiality and Independence: Disclosure

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>Article 12 (1) (1) When a person is approached in connection with his possible appointment as an arbitrator, he shall disclose any circumstances likely to give rise to justifiable doubts as to his impartiality or independence. An arbitrator, from the time of his appointment and throughout the arbitral proceedings, shall without delay disclose any such circumstances to the parties unless they have already been informed of them by him.</p>	<p>Article 16 (1) 1. An arbitrator shall have no interest in the dispute.⁽¹²¹⁾ He shall also disclose to the arbitration parties in writing, from the time of his appointment and throughout the arbitration proceedings, any circumstances likely to give rise to justifiable doubts as to his impartiality or independence, unless he has already informed them thereof.</p>	<p>Article 22 The arbitrator must have no interest in the dispute. Before accepting the appointment, he shall disclose any circumstances likely to give rise to justifiable doubts as to his impartiality or independence. Throughout the arbitral proceedings, the arbitrator shall without delay disclose any such circumstances upon becoming aware of them to the parties unless they have already been informed of them by him.</p>

Article 12 (1) of the Model Law establishes a principle of preventive transparency in arbitration. It requires any person approached for possible appointment as an arbitrator to disclose any circumstances likely to give rise to justifiable doubts regarding their impartiality or independence. This obligation continues throughout the arbitral proceedings. The provision is intentionally open-ended, relying on the standard of “justifiable doubts” without providing an exhaustive list of circumstances, thereby ensuring normative flexibility compatible with the international character of arbitration.

Article 16 (1) of the Saudi Arbitration Law follows this approach and adopts the same standard of justifiable doubts. It further requires that the disclosure be made in writing from the time of appointment and

(121) The official English translation of Article 16 (1) of the current law states: “An arbitrator shall have no vested interest in the dispute.” However, this is an error, as the equivalent to the word “vested” does not appear in the Arabic versions of the Draft Law and current law. It is thus deleted here.

continue throughout the proceedings whenever circumstances arise that may affect impartiality and independence. In addition, the statute expressly prohibits the arbitrator from having any interest in the dispute. Although this prohibition reflects a concept closely related to the Model Law's standard of independence, its explicit formulation demonstrates the Saudi legislature's tendency to specify the content of the principle more directly within the statutory text.

Article 22 of the Draft Law retains the same conceptual structure found in both the Model Law and the current Saudi statute but introduces a slightly more precise temporal formulation of the disclosure obligation. It distinguishes between disclosure prior to appointment and disclosure of circumstances arising during the course of the proceedings, emphasizing that the arbitrator must "without delay" disclose such circumstances upon becoming aware of them. These refinements reflect an effort to enhance procedural clarity and discipline while maintaining the same underlying principles of impartiality and independence.



Grounds for Challenge

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>Article 12 (2) (2) An arbitrator may be challenged only if circumstances exist that give rise to justifiable doubts as to his impartiality or independence, or if he does not possess qualifications agreed to by the parties. A party may challenge an arbitrator appointed by him, or in whose appointment he has participated, only for reasons of which he becomes aware after the appointment has been made.</p>	<p>Article 16 (2), (3), (4) 2. The arbitrator shall be barred from considering or hearing a case for the same reasons for which a judge is barred, even if neither arbitration party so requests. 3. An arbitrator may not be disqualified except in the presence of circumstances giving rise to justifiable doubts as to his impartiality or independence, or if he lacks the qualifications agreed upon by the arbitration parties, without prejudice to the provisions of Article 14 of this Law. 4. Neither arbitration party may disqualify an arbitrator appointed by him, or in whose appointment he participated, except for reasons that become known after the appointment of such arbitrator.</p>	<p>Article 23 1. An arbitrator may be challenged only if circumstances exist that give rise to justifiable doubts as to his impartiality or independence, or if he does not possess qualifications agreed to by the parties, or if provided for by law. 2. A party may challenge an arbitrator appointed by him, or in whose appointment he has participated, only for reasons of which he becomes aware after the appointment has been made. 3. A challenge to an arbitrator shall not be admitted from a party who has previously submitted a challenge against the same arbitrator in the same arbitration on the same grounds. 4. A challenge shall not be admissible after the arbitral tribunal has declared the closure of the proceedings.</p>

Article 12 (2) of the Model Law establishes a limited set of grounds for challenging an arbitrator. Challenges are confined to two principal situations: the existence of circumstances giving rise to justifiable doubts as to the arbitrator’s impartiality or independence, and the absence of qualifications agreed upon by the parties. It also introduces an important procedural distinction: a party may challenge an arbitrator it has appointed, or whose appointment it participated in, only on the basis of circumstances of which the challenging party has become aware after

the appointment. This structure reflects a balance between safeguarding the integrity of the arbitral process and preventing the strategic use (and abuse) of challenge procedures as a means of delaying proceedings.

Article 16 (2)–(4) of the Saudi Arbitration Law largely follows this framework. It adopts similar substantive grounds for challenge. The law preserves the rule limiting challenges against an arbitrator appointed by the challenging party to circumstances discovered after the appointment (para. 4). In addition, the statute introduces a further safeguard by providing that, even if neither party raises the issue, an arbitrator may not hear a dispute in circumstances that would disqualify a judge from adjudicating the same case, including situations where the arbitrator has a direct or indirect interest in the dispute (para. 2).⁽¹²²⁾ This provision strengthens the guarantees of impartiality by requiring the arbitrator to refrain from acting in such circumstances on their own initiative even if the parties do not raise an objection.

Article 23 of the Draft Law maintains the same general framework but introduces additional procedural precision. It expands the grounds for challenges to include the qualifications required by the statute itself, in addition to those agreed upon by the parties (para. 1). It also introduces a provision that bars repeated challenge petitions against the same arbitrator on the same grounds (para. 3) and precludes the submission of challenges after the close of the pleading stage (para. 4). These adjustments reflect a legislative intention to reinforce procedural stability and to limit the potential for dilatory tactics, while preserving the core principles shared with the Model Law and the current statute.⁽¹²³⁾

(122) Article 94 of the Law of Civil Procedure, issued by Royal Decree No. M/1 dated November 25, 2013 (22/1/1435H), provides a list of such situations, including where the judge has a familial or marital relationship with a litigant, an existing dispute with a party, a representative or fiduciary connection, a direct or indirect interest in the case, or any prior involvement in the matter as adviser, representative, adjudicator, expert, or witness.

(123) Article 16 (1) of the current law uses the expression “justifiable doubts” in both the Arabic and English texts. However, Article 16 (3) uses the term “serious doubts” in the Arabic version, while the official English translation renders the same wording as “justifiable doubts.” The use of “serious” in the Arabic text appears to reflect a linguistic variation rather than a substantive departure from the established “justifiable doubts” standard.

Challenge Procedures

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>Article 13</p> <p>(1) The parties are free to agree on a procedure for challenging an arbitrator, subject to the provisions of paragraph (3) of this article.</p> <p>(2) Failing such agreement, a party who intends to challenge an arbitrator shall, within fifteen days after becoming aware of the constitution of the arbitral tribunal or after becoming aware of any circumstance referred to in article 12(2), send a written statement of the reasons for the challenge to the arbitral tribunal. Unless the challenged arbitrator withdraws from his office or the other party agrees to the challenge, the arbitral tribunal shall decide on the challenge.</p> <p>(3) If a challenge under any procedure agreed upon by the parties or under the procedure of paragraph (2) of this article is not successful, the challenging party may request, within thirty days after having received notice of the decision rejecting the challenge, the court or other authority specified in article 6 to decide on the challenge, which decision shall be subject to no appeal;</p>	<p>Article 17</p> <p>1. If the two parties to arbitration fail to agree on a procedure for disqualifying an arbitrator, the party who seeks to disqualify an arbitrator shall, within five days from the date of knowledge of the formation of the arbitration tribunal or of any circumstances justifying such disqualification, submit a written statement giving grounds for the disqualification to the arbitration tribunal. If the arbitrator sought to be disqualified fails to recuse himself or the other party rejects the petition for disqualification within five days from the date of submission thereof, the arbitration tribunal shall decide on the disqualification within 15 days from the date of receipt of such petition. If the disqualification is not successful, the party seeking disqualification may petition the competent court, within 30 days, to decide on the disqualification; said court's decision shall not be subject to any form of appeal.</p> <p>2. A disqualification petition may not be accepted from a party who has previously submitted a petition to disqualify the same arbitrator in the same arbitration on the same grounds.</p>	<p>Article 24</p> <p>1. If the parties have not agreed on a procedure for challenge, a written challenge shall be submitted to the arbitral tribunal, stating the grounds for the challenge within five days after the challenging party became aware of the constitution of the arbitral tribunal, or after becoming aware of any circumstance justifying the challenge. The other party shall be notified thereof. If the challenged arbitrator does not withdraw from his office and the other party does not agree to the challenge within 15 days after having received the challenge, the challenging party may, within 15 days after the expiry of that period, submit the challenge to the competent court. The competent court shall decide on the challenge within 15 days, and its decision shall be subject to no appeal.</p> <p>2. Submitting a challenge to the arbitral tribunal does not suspend the arbitral proceedings. While such a request is pending, the arbitral tribunal, including the challenged arbitrator, may continue the arbitral proceedings and make an award.</p>

Country Report

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>while such a request is pending, the arbitral tribunal, including the challenged arbitrator, may continue the arbitral proceedings and make an award.</p>	<p>3. Submission of a disqualification petition before an arbitration tribunal shall result in suspension of the arbitration proceedings. An appeal against the arbitration tribunal's decision rejecting the disqualification petition shall not result in suspension of the arbitration proceedings.</p> <p>4. If the petition to disqualify an arbitrator is accepted, whether by the arbitration tribunal or by the competent court when considering an appeal, all previous arbitration procedures, including the arbitration award, shall be deemed null and void.</p>	<p>3. Neither the withdrawal of the arbitrator nor the parties' agreement to remove the arbitrator shall imply acceptance of the validity of the grounds for the challenge.</p>

Article 13 of the Model Law adopts a flexible procedural structure for arbitrator challenges while ensuring the availability of judicial oversight. It allows the parties to agree on the procedure for challenging an arbitrator (para. 1). In the absence of such agreement, it establishes a default mechanism: the challenge must first be submitted to the arbitral tribunal within 15 days of the relevant circumstances becoming known or of the tribunal being constituted (para. 2). If the tribunal rejects the challenge, the challenging party may request a decision from the competent court or other authority within 30 days (para. 3). During this process, the arbitral tribunal—including the challenged arbitrator—may continue the proceedings and render an award pending the final determination of the challenge, thereby preserving the continuity and efficiency of the arbitration.

Article 17 of the Saudi Arbitration Law reflects the same general approach in recognizing party autonomy and providing a default procedure where no agreement exists. It also preserves the role of the competent

court as the final judicial authority whose decision is not subject to appeal. However, the Saudi law introduces certain procedural differences. It shortens the time limits for challenge submissions to within five days on which the constitution of the arbitral tribunal or the disqualifying circumstances become known, introduces a timeframe for the tribunal's decision on that challenge (15 days), and adopts the 30-day time limit on party petitions to the courts in the event of the tribunal rejecting the challenge. It also adds specific regulatory restrictions, most notably the prohibition on submitting repeated challenges based on the same grounds (para. 2). This restriction is also retained in Article 23 (3) of the Draft Law. Significantly, the statute provides that arbitral proceedings are suspended upon the submission of a challenge before the tribunal (para. 3). If the arbitrator is ultimately disqualified, all proceedings conducted with the participation of that arbitrator—including the award—are deemed void (para. 4). This approach reflects a more cautious regulatory stance than that adopted by the Model Law, treating the disqualification of an arbitrator as evidence that their appointment—and thus the tribunal's composition—was invalid from the outset.

Article 24 of the Draft Law moves closer to the structure of the Model Law by limiting the disruptive effects of challenge petitions. In contrast to the current statute, it expressly provides that the submission of a challenge does not suspend arbitral proceedings and allows the tribunal—including the challenged arbitrator—to continue the proceedings and render an award pending the final determination of the challenge (para. 2). At the same time, the draft preserves the decisive role of the competent court, whose decision remains final and not subject to appeal. The Draft Law aligns with the current law in requiring challenges to be submitted to the arbitral tribunal, but differs in mandating notice to the other party and assigning decision-making to the competent court if the arbitrator does not recuse himself or the parties do not agree (para. 1), whereas under the current law the tribunal decides first, with recourse to the court only if the challenge is rejected. This reform maintains core elements of the current

Saudi law while reducing procedural rigidity and promoting greater efficiency in arbitration. Differences from the Model Law remain primarily in the specific time limits (which largely follow those in the current Saudi law) and procedural pacing rather than in the underlying principles.

Failure or Impossibility to Act

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>Article 14</p> <p>(1) If an arbitrator becomes <i>de jure</i> or <i>de facto</i> unable to perform his functions or for other reasons fails to act without undue delay, his mandate terminates if he withdraws from his office or if the parties agree on the termination. Otherwise, if a controversy remains concerning any of these grounds, any party may request the court or other authority specified in article 6 to decide on the termination of the mandate, which decision shall be subject to no appeal.</p> <p>(2) If, under this article or article 13(2), an arbitrator withdraws from his office or a party agrees to the termination of the mandate of an arbitrator, this does not imply acceptance of the validity of any ground referred to in this article or article 12(2).</p>	<p>Article 18</p> <p>1. If an arbitrator fails to perform his functions or ceases to do so in a manner that leads to unjustifiable delay in arbitration proceedings, and yet does not recuse himself, and the two arbitration parties do not agree on dismissing him, the competent court may dismiss him pursuant to a petition by either party; said court's decision shall not be subject to any form of appeal.</p> <p>2. Unless appointed by the competent court, an arbitrator may not be dismissed except by the consent of the two parties to arbitration, without prejudice to the provisions of paragraph (1) of this Article. The dismissed arbitrator may claim compensation unless such dismissal is attributed to him.</p>	<p>Article 25</p> <p>1. If an arbitrator becomes <i>de jure</i> or <i>de facto</i> unable to perform his functions, fails to commence them, or fails to act without undue delay, and does not withdraw, and the arbitration parties have not agreed to remove him, the competent court may remove the arbitrator, upon request of any party by a decision which shall be subject to no appeal.</p> <p>2. Submitting the request referred to in the preceding paragraph with the competent court does not suspend the arbitral proceedings, and the arbitral tribunal, including the arbitrator whose removal is sought, may continue the proceedings and make an award.</p>

Article 14 of the Model Law seeks to ensure the continuity of arbitration by addressing situations in which an arbitrator becomes unable to perform their functions or fails to act. It allows the arbitrator to

withdraw voluntarily or the parties to agree on the termination of the mandate (para. 1). If disagreement arises, the matter may be referred to the competent court or authority for a final determination. The Model Law affirms an important safeguard: an arbitrator's withdrawal or the parties' agreement to terminate the mandate does not constitute recognition of the validity of the grounds for challenge (para. 2). This approach protects procedural efficiency while ensuring that the arbitrator's position is not implicitly prejudiced by the circumstances of termination.

Article 18 of the Saudi Arbitration Law generally follows this framework. It regulates situations in which an arbitrator becomes unable to perform their duties, fails to act, or causes unjustifiable delay in the proceedings (para. 1). In such cases, the competent court may order the removal of the arbitrator by a final decision that is not subject to appeal if the arbitrator does not voluntarily withdraw or the parties fail to reach agreement on removal. The statute retains the principle that party agreement constitutes the primary mechanism for termination where the appointment was not made by the court. A distinctive feature of the Saudi law, however, is its express treatment of the question of compensation for the arbitrator if removal occurs for reasons not attributable to the arbitrator (para. 2). The issue is not expressly addressed in the Model Law and reflects a more detailed legislative treatment of the consequences of removal.

Article 25 of the Draft Law aligns more closely with the wording of the Model Law. It reiterates that withdrawal or party agreement on termination does not constitute acknowledgment of the validity of any grounds for challenge (para. 1). It also revises the regulation of cases of incapacity or failure to act using language similar to that of the Model Law. In addition, the draft introduces a procedural development absent from the current statute: the submission of a challenge does not suspend arbitral proceedings, and the tribunal—

including the challenged arbitrator—may continue the proceedings and render an award (para. 2). This modification reflects a legislative effort to enhance procedural efficiency and limit opportunities for strategic disruption.

Appointment of Substitute Arbitrators

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>Article 15 Where the mandate of an arbitrator terminates under article 13 or 14 or because of his withdrawal from office for any other reason or because of the revocation of his mandate by agreement of the parties or in any other case of termination of his mandate, a substitute arbitrator shall be appointed according to the rules that were applicable to the appointment of the arbitrator being replaced.</p>	<p>Article 19 If the mandate of an arbitrator expires due to his death, disqualification, dismissal, recusal, disability, or any other reason, a replacement shall be appointed according to the procedures followed in the appointment of the arbitrator whose mandate has expired.</p>	<p>Article 26 (1) (2) 1. Where the mandate of an arbitrator terminates by reason of death, challenge, removal, withdrawal, incapacity, or for any other reason, a substitute arbitrator shall be appointed in accordance with the procedure followed in appointing the arbitrator whose mandate has terminated, unless otherwise agreed by the parties. 2. The termination of an arbitrator's mandate for any of the reasons stated in the preceding paragraph does not affect the validity of the decisions in which that arbitrator participated, including his agreement to the appointment of the presiding arbitrator.</p>

Article 15 of the Model Law establishes a general principle designed to preserve the continuity of the arbitral tribunal and prevent the disruption of proceedings. Whenever an arbitrator's mandate terminates—whether as a result of challenge, withdrawal, incapacity, agreement of the parties, or any other reason—a substitute arbitrator must be appointed according to the same rules that governed the appointment of the arbitrator being replaced. The provision does not distinguish among the various reasons for or consequences of termination and instead applies a neutral procedural rule aimed at maintaining the stability of the arbitration process.

Article 19 of the Saudi Arbitration Law adopts essentially the same approach. It provides that a substitute arbitrator must be appointed when an arbitrator's mandate terminates for any reason. The statute enumerates the principal situations in which termination may occur, including death, challenge, removal, withdrawal, and incapacity, while maintaining the same procedural rule governing the appointment of the replacement. Like the Model Law, the Saudi statute does not expressly regulate the effect of such termination on decisions previously taken by the tribunal, indicating that its primary concern lies with ensuring the continuity of the tribunal rather than addressing the procedural consequences of replacement.

Article 26 (1)–(2) of the Draft Law preserves this rule and remains substantively compatible with both the Model Law and the existing Saudi statute. However, it introduces two notable refinements. First, it allows the parties to agree on an alternative procedure for appointing the substitute arbitrator, thereby reinforcing the principle of party autonomy (para. 1).

Second, it expressly provides that the termination of an arbitrator's mandate does not affect the validity of decisions previously made by the tribunal, including the arbitrator's participation in the appointment of the presiding arbitrator (para. 2).

This addition represents a legislative development aimed at addressing a practical uncertainty, strengthening procedural stability, and reducing the likelihood of disputes concerning the validity of earlier actions of the tribunal.



Competence–Competence

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>Article 16</p> <p>(1) The arbitral tribunal may rule on its own jurisdiction, including any objections with respect to the existence or validity of the arbitration agreement. For that purpose, an arbitration clause which forms part of a contract shall be treated as an agreement independent of the other terms of the contract. A decision by the arbitral tribunal that the contract is null and void shall not entail <i>ipso jure</i> the invalidity of the arbitration clause.</p> <p>(2) A plea that the arbitral tribunal does not have jurisdiction shall be raised not later than the submission of the statement of defense. A party is not precluded from raising such a plea by the fact that he has appointed, or participated in the appointment of, an arbitrator. A plea that the arbitral tribunal is exceeding the scope of its authority shall be raised as soon as the matter alleged to be beyond the scope of its authority is raised during the arbitral proceedings. The arbitral tribunal may, in either case, admit a later plea if it considers the delay justified.</p>	<p>Article 20</p> <p>1. The arbitration tribunal shall decide on any pleas related to its jurisdiction, including those based on the absence of an arbitration agreement, expiry or nullity of such agreement, or non-inclusion of the subject-matter of the dispute in the agreement.</p> <p>2. Pleas of lack of jurisdiction shall be raised on the dates referred to in Article 30(2) of this Law. The appointment or participation in the appointment of an arbitrator by either party shall not preclude his right to file any such pleas. The plea that the arbitration agreement does not include matters raised by the other party while the dispute is being reviewed must be raised immediately; otherwise, the right to raise such plea shall terminate. In all cases, the arbitration tribunal may accept a late plea if it deems the delay justified.</p> <p>3. The arbitration tribunal shall decide on pleas referred to in paragraph (1) of this Article prior to deciding on the subject of the dispute. However, it may join said pleas to the subject and decide on both.</p>	<p>Article 28</p> <p>1. The arbitral tribunal may rule on its own jurisdiction, including any objections with respect to the non-existence, termination, or invalidity of the arbitration agreement, or the non-applicability of the arbitration agreement to the subject matter of the dispute.</p> <p>2. A plea that the arbitral tribunal does not have jurisdiction shall be raised within the time limits referred to in paragraph 2 of Article 38 of this Law. A party is not precluded from raising such a plea by the fact that he has appointed, or participated in the appointment of, an arbitrator. A plea that a defense raised or a claim submitted by the other party falls beyond the scope of arbitration agreement shall be raised as soon as the defense or claim alleged to be beyond the scope of arbitration agreement is raised; otherwise, the right to raise the plea shall lapse. The arbitral tribunal may, in all cases, admit a late plea if it considers the delay justified.</p>

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>(3) The arbitral tribunal may rule on a plea referred to in paragraph (2) of this article either as a preliminary question or in an award on the merits. If the arbitral tribunal rules as a preliminary question that it has jurisdiction, any party may request, within thirty days after having received notice of that ruling, the court specified in article 6 to decide the matter, which decision shall be subject to no appeal; while such a request is pending, the arbitral tribunal may continue the arbitral proceedings and make an award.</p>	<p>If the arbitration tribunal decides to dismiss the plea, such plea may not be raised except through the filing of a case to nullify the arbitration award ending the entire dispute, pursuant to Article 54 of this Law.</p> <p>Article 21</p> <p>An arbitration clause which forms part of a contract shall be treated as an agreement independent of the other terms of the contract. The nullification, revocation, or termination of the contract which includes said arbitration clause shall not entail nullification of the arbitration clause therein, if such clause is valid.</p>	<p>3. The arbitral tribunal may rule on a plea referred to in paragraph 1 of this article either as a preliminary matter before ruling on the merits, or it may join them to the merits and decide on both together in the final arbitral award.</p> <p>4. If the arbitral tribunal, by a preliminary decision before ruling on the merits, rejects the plea of lack of jurisdiction, either party may challenge this decision before the competent court within 30 days of being notified thereof. Such a challenge does not suspend the arbitral proceedings, and the arbitral tribunal may continue the proceedings and make the final arbitral award.</p>

Article 16 of the Model Law affirms the principle that the arbitral tribunal has the authority to rule on its own jurisdiction (that is, it has *competence over jurisdiction*). This includes determining objections relating to the existence, validity, or scope of the arbitration agreement. The Model Law also establishes the independence of the arbitration clause from the underlying contract, ensuring that the invalidity or termination of the main contract does not automatically affect the arbitration agreement (para. 1). Jurisdictional objections may be decided either as a preliminary matter or within an award on the merits (paras. 2–3). Where the tribunal rules on jurisdiction as a preliminary question, the Model Law allows limited judicial review within a short period, while expressly providing that such review does not suspend arbitral proceedings (para.

3). This structure reflects a balance between arbitral autonomy, procedural efficiency, and narrowly confined judicial oversight.

Article 20 of the Saudi Arbitration Law broadly aligns with these principles. It recognizes the tribunal's authority to rule on objections to its jurisdiction, including claims that the arbitration agreement does not exist, is invalid, or does not cover the subject matter of the dispute (para. 1). It also affirms that participation in appointing an arbitrator does not prevent a party from raising jurisdictional objections (para. 2). Similar to the Model Law, the statute permits the tribunal to accept late jurisdictional pleas if justified and allows the issue of jurisdiction to be decided together (or *joined*) with the merits (para. 3). The principal difference lies in the timing of judicial review. Under the Saudi law, if the tribunal rejects a jurisdictional objection, that decision cannot be immediately challenged at the preliminary stage before the courts; judicial oversight is deferred to the annulment stage following the final award ending the dispute. This approach emphasizes procedural finality and seeks to curtail parallel judicial proceedings during arbitration. In Article 21, the statute confirms the independence of the arbitration clause, consistent with the Model Law.

Article 28 of the Draft Law moves closer to the UNCITRAL framework while maintaining the same foundation. It preserves the tribunal's authority (or competence) to determine its jurisdiction and the independence of the arbitration clause (para. 1). However, it introduces the possibility of judicial review of a preliminary decision rejecting a jurisdictional objection within a specified time period (30 days), while expressly providing that such review does not suspend arbitral proceedings. The draft thus combines the existing law's emphasis on arbitral effectiveness with the Model Law's approach of allowing limited early judicial oversight, reflecting an effort to balance procedural efficiency with judicial safeguards.

Authority of the Arbitral Tribunal to Order Interim Measures

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>Article 17</p> <p>(1) Unless otherwise agreed by the parties, the arbitral tribunal may, at the request of a party, grant interim measures.</p> <p>(2) An interim measure is any temporary measure, whether in the form of an award or in another form, by which, at any time prior to the issuance of the award by which the dispute is finally decided, the arbitral tribunal orders a party to:</p> <p>(a) Maintain or restore the status quo pending determination of the dispute;</p> <p>(b) Take action that would prevent, or refrain from taking action that is likely to cause, current or imminent harm or prejudice to the arbitral process itself;</p> <p>(c) Provide a means of preserving assets out of which a subsequent award may be satisfied; or</p> <p>(d) Preserve evidence that may be relevant and material to the resolution of the dispute.</p>	<p>Article 22</p> <p>1. The competent court may order provisional or precautionary measures, upon the request of either party, prior to commencing arbitration proceedings, or upon a request by the arbitration tribunal during arbitration proceedings. Said measures may be revoked in the same way, unless otherwise agreed upon by the two parties to arbitration.</p> <p>2. The competent court may, upon a request by the arbitration tribunal, issue an order of judicial delegation.</p> <p>3. The arbitration tribunal may, as it deems fit, seek the assistance of the competent agency in the arbitration proceedings, such as calling a witness or an expert, ordering the submission of a document or a copy thereof, reviewing said document, or any other proceeding, without prejudice to the right of the arbitration tribunal to conduct said proceeding independently.</p>	<p>Article 29</p> <p>1. The parties may agree that the arbitral tribunal—upon the request of any party—shall have the authority to order either of them to take such interim or precautionary measures as the nature of the dispute may require, including to:</p> <p>a. maintain or restore the status quo pending determination of the dispute;</p> <p>b. take action that would prevent, or refrain from taking action that is likely to cause, current or imminent harm or prejudice to the arbitral process itself;</p> <p>c. provide a means of preserving assets out of which a subsequent award may be satisfied; or</p> <p>d. preserve evidence that may be relevant and material to the resolution of the dispute.</p> <p>2. The arbitral tribunal may require the requesting party to provide appropriate security for the implementation of the measure.</p>

Country Report

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
	<p>Article 23</p> <p>1. The two parties to arbitration may agree that the arbitration tribunal shall, upon the request of either party, order either party to take, as it deems fit, any provisional or precautionary measures required by the nature of the dispute. The arbitration tribunal may require the party requesting such measures to provide a sufficient financial guarantee for the execution of such proceeding.</p> <p>2. If the party against whom the order has been issued fails to execute such an order, the arbitration tribunal may, upon the request of the other party, authorize said party to take necessary measures for its execution, without prejudice to the right of the arbitration tribunal or the other party to request the competent agency to enforce such order.</p>	

Arbitration in Saudi Arabia

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>Article 17 A</p> <p>(1) The party requesting an interim measure under article 17(2)(a), (b) and (c) shall satisfy the arbitral tribunal that:</p> <p>(a) Harm not adequately reparable by an award of damages is likely to result if the measure is not ordered, and such harm substantially outweighs the harm that is likely to result to the party against whom the measure is directed if the measure is granted; and</p> <p>(b) There is a reasonable possibility that the requesting party will succeed on the merits of the claim. The determination on this possibility shall not affect the discretion of the arbitral tribunal in making any subsequent determination.</p> <p>(2) With regard to a request for an interim measure under article 17(2)(d), the requirements in paragraphs (1)(a) and (b) of this article shall apply only to the extent the arbitral tribunal considers appropriate.</p>	<p>—</p>	<p>Article 30</p> <p>1. The arbitral tribunal shall order an interim or precautionary measure if it is satisfied that the following conditions are met:</p> <p>a. Harm not adequately reparable by the final award of damages is likely to result if the measure is not ordered, and such harm substantially outweighs the harm that is likely to result to the party against whom the measure is directed if the measure is granted.</p> <p>b. There is a reasonable possibility that the requesting party will succeed on the merits of the claim. The determination on this possibility shall not affect the discretion of the arbitral tribunal in making any subsequent determination.</p> <p>2. The arbitral tribunal may require the requesting party to disclose any material change in the circumstances on the basis of which the measure was requested or granted.</p> <p>3. The arbitral tribunal may modify, suspend, or terminate an interim or precautionary measure it has granted, upon application of any party or on the arbitral tribunal's own initiative, provided that it notifies the parties accordingly.</p>

Country Report

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>Article 17 B</p> <p>(1) Unless otherwise agreed by the parties, a party may, without notice to any other party, make a request for an interim measure together with an application for a preliminary order directing a party not to frustrate the purpose of the interim measure requested.</p> <p>(2) The arbitral tribunal may grant a preliminary order provided it considers that prior disclosure of the request for the interim measure to the party against whom it is directed risks frustrating the purpose of the measure.</p> <p>(3) The conditions defined under article 17A apply to any preliminary order, provided that the harm to be assessed under article 17A(1) (a), is the harm likely to result from the order being granted or not.</p>	—	—

Arbitration in Saudi Arabia

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>Article 17 C</p> <p>(1) Immediately after the arbitral tribunal has made a determination in respect of an application for a preliminary order, the arbitral tribunal shall give notice to all parties of the request for the interim measure, the application for the preliminary order, the preliminary order, if any, and all other communications, including by indicating the content of any oral communication, between any party and the arbitral tribunal in relation thereto.</p> <p>(2) At the same time, the arbitral tribunal shall give an opportunity to any party against whom a preliminary order is directed to present its case at the earliest practicable time.</p> <p>(3) The arbitral tribunal shall decide promptly on any objection to the preliminary order.</p> <p>(4) A preliminary order shall expire after twenty days from the date on which it was issued by the arbitral tribunal. However, the arbitral tribunal may issue an interim measure adopting or modifying the preliminary order, after the party against whom the preliminary order is directed has been given notice and an opportunity to present its case.</p> <p>(5) A preliminary order shall be binding on the parties but shall not be subject to enforcement by a court. Such a preliminary order does not constitute an award.</p>	<p>—</p>	<p>—</p>

Country Report

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>Article 17 D The arbitral tribunal may modify, suspend or terminate an interim measure or a preliminary order it has granted, upon application of any party or, in exceptional circumstances and upon prior notice to the parties, on the arbitral tribunal's own initiative.</p>	—	—
<p>Article 17 E (1) The arbitral tribunal may require the party requesting an interim measure to provide appropriate security in connection with the measure. (2) The arbitral tribunal shall require the party applying for a preliminary order to provide security in connection with the order unless the arbitral tribunal considers it inappropriate or unnecessary to do so.</p>	—	—

Arbitration in Saudi Arabia

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>Article 17 F</p> <p>(1) The arbitral tribunal may require any party promptly to disclose any material change in the circumstances on the basis of which the measure was requested or granted.</p> <p>(2) The party applying for a preliminary order shall disclose to the arbitral tribunal all circumstances that are likely to be relevant to the arbitral tribunal's determination whether to grant or maintain the order, and such obligation shall continue until the party against whom the order has been requested has had an opportunity to present its case. Thereafter, paragraph (1) of this article shall apply.</p>	—	—

Country Report

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>Article 17 G The party requesting an interim measure or applying for a preliminary order shall be liable for any costs and damages caused by the measure or the order to any party if the arbitral tribunal later determines that, in the circumstances, the measure or the order should not have been granted. The arbitral tribunal may award such costs and damages at any point during the proceedings.</p>	—	—

Arbitration in Saudi Arabia

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>Article 17 H</p> <p>(1) An interim measure issued by an arbitral tribunal shall be recognized as binding and, unless otherwise provided by the arbitral tribunal, enforced upon application to the competent court, irrespective of the country in which it was issued, subject to the provisions of article 17 I.</p> <p>(2) The party who is seeking or has obtained recognition or enforcement of an interim measure shall promptly inform the court of any termination, suspension or modification of that interim measure.</p> <p>(3) The court of the State where recognition or enforcement is sought may, if it considers it proper, order the requesting party to provide appropriate security if the arbitral tribunal has not already made a determination with respect to security or where such a decision is necessary to protect the rights of third parties.</p>	<p>—</p>	<p>—</p>

Country Report

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>Article 17 I</p> <p>(1) Recognition or enforcement of an interim measure may be refused only:</p> <p>(a) At the request of the party against whom it is invoked if the court is satisfied that:</p> <p>(i) Such refusal is warranted on the grounds set forth in article 36(1)(a)(i), (ii), (iii) or (iv); or</p> <p>(ii) The arbitral tribunal's decision with respect to the provision of security in connection with the interim measure issued by the arbitral tribunal has not been complied with; or</p> <p>(iii) The interim measure has been terminated or suspended by the arbitral tribunal or, where so empowered, by the court of the State in which the arbitration takes place or under the law of which that interim measure was granted; or</p> <p>(b) If the court finds that:</p> <p>(i) The interim measure is incompatible with the powers conferred upon the court unless the court decides to reformulate the interim measure to the extent necessary to adapt it to its own powers and procedures for the purposes of enforcing that interim measure and without modifying its substance; or</p>	—	<p>Article 31</p> <p>1. The party in whose favor the interim or precautionary measure has been granted may request the competent court to enforce the arbitral tribunal's order for such measure, and the competent court shall issue its decision on the request within 15 days.</p> <p>2. Enforcement of an interim measure may be refused only if:</p> <p>a. such refusal is warranted on the grounds set forth in paragraph 2 of Article 65 of this Law;</p> <p>b. the arbitral tribunal's decision referred to in paragraph 2 of Article 29 of this Law has not been complied with by the requesting party; or</p> <p>c. the interim measure has been suspended, terminated, or modified pursuant to paragraph 3 of Article 30 of this Law.</p>

Arbitration in Saudi Arabia

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>(ii) Any of the grounds set forth in article 36(1)(b)(i) or (ii), apply to the recognition and enforcement of the interim measure.</p> <p>(2) Any determination made by the court on any ground in paragraph (1) of this article shall be effective only for the purposes of the application to recognize and enforce the interim measure. The court where recognition or enforcement is sought shall not, in making that determination, undertake a review of the substance of the interim measure.</p>		
<p>Article 17 J A court shall have the same power of issuing an interim measure in relation to arbitration proceedings, irrespective of whether their place is in the territory of this State, as it has in relation to proceedings in courts. The court shall exercise such power in accordance with its own procedures in consideration of the specific features of international arbitration.</p>	—	—

Across multiple provisions, the Model Law recognizes a broad authority of the arbitral tribunal to order interim measures prior to the final award. It provides a detailed framework defining such measures, which may include maintaining the status quo, preventing harm, preserving assets, or safeguarding evidence. The Model Law also establishes substantive conditions for granting interim relief, including the likelihood of irreparable harm and

a reasonable possibility that the requesting party will succeed on the merits. It further regulates related procedural matters such as the provision of security, disclosure obligations, modification or termination of measures, allocation of costs and damages, and judicial recognition and enforcement. In addition, the Model Law introduces a system of preliminary orders as exceptional, urgent measures, although such orders are not independently enforceable by courts, as they may only be requested in conjunction with an application for interim measures under the Article 17 B (1). Overall, this regime reflects a policy of strengthening the effectiveness of arbitration while maintaining precise procedural safeguards.

The Saudi Arbitration Law adopts a generally comparable approach but regulates interim measures in a less detailed manner. It distributes authority between the courts and the arbitral tribunal. The courts may order interim or provisional measures before the commencement of arbitration and during the proceedings, while the tribunal may be empowered to grant such measures if the parties have agreed to confer this authority. The Saudi law also allows the tribunal to require financial security and provides for enforcement through the competent judicial authority if the measures are not complied with voluntarily. Unlike the Model Law, however, the statute does not provide an extensive definition or classification of interim measures, nor does it establish comprehensive substantive standards governing their issuance. It also does not incorporate a system of preliminary orders. Enforcement of tribunal-ordered measures remains dependent on direct judicial intervention, reflecting a more cautious legislative approach toward granting autonomous enforcement powers to arbitral tribunals.

The Draft Law clearly moves significantly closer to the structure of the UNCITRAL framework. It provides a more detailed enumeration of the forms of interim measures, largely mirroring the Model Law, and adopts similar substantive conditions governing their issuance. It also introduces provisions addressing disclosure, modification, and termination of such measures, and establishes an expedited judicial mechanism for enforcing

orders issued by the arbitral tribunal, while limiting the grounds on which enforcement may be refused. These reforms strengthen the procedural effectiveness and autonomy of arbitration. Nonetheless, the draft stops short of adopting the system of preliminary orders contained in the Model Law, indicating a continued effort to balance alignment with international arbitration standards and the supervisory role of the domestic judiciary.

Equal Treatment of the Parties

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>Article 18 The parties shall be treated with equality and each party shall be given a full opportunity of presenting his case.</p>	<p>Article 27 The two parties to arbitration shall be treated equally, allowing each party a full and equal opportunity to present his case or defense.</p>	<p>Article 33 The parties shall be treated with equality, and each party shall be given a reasonable and equal opportunity of presenting his case or defense.</p>

Article 18 of the Model Law establishes party equality as a fundamental principle of arbitration. It requires that the parties be treated with equality and that each party be given a full opportunity to present its case without discrimination. This rule reflects the core guarantees of procedural fairness and due process, ensuring that arbitration proceedings respect the parties’ rights of defense and maintain the legitimacy of the arbitral process.

Article 27 of the Saudi Arbitration Law adopts the same principle and closely mirrors the Model Law in substance. It affirms equality between the parties while employing slightly more explicit wording, stating that each party must be afforded a “full and equal” opportunity to present its claim or defense. This formulation emphasizes procedural balance between claim and defense without departing from the underlying philosophy of the Model Law, reinforcing the commitment to fairness and equality in the conduct of arbitral proceedings.

Article 33 of the Draft Law preserves the same general framework but introduces a modest linguistic adjustment by referring to a “reasonable

and equal” opportunity for each party to present its case or defense. Although this modification does not alter the fundamental guarantee of equality, it affords the arbitral tribunal somewhat greater discretion in assessing whether procedural opportunities are reasonable in light of the circumstances of the dispute. In contrast to the “full opportunity” language used in the Model Law and “full and equal” in the current Saudi statute, the draft formulation reflects a slightly more flexible regulatory approach while maintaining the core principle of procedural fairness.

Determination of Procedural Rules

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>Article 19</p> <p>(1) Subject to the provisions of this Law, the parties are free to agree on the procedure to be followed by the arbitral tribunal in conducting the proceedings.</p> <p>(2) Failing such agreement, the arbitral tribunal may, subject to the provisions of this Law, conduct the arbitration in such manner as it considers appropriate. The power conferred upon the arbitral tribunal includes the power to determine the admissibility, relevance, materiality and weight of any evidence.</p>	<p>Article 25</p> <p>1. The two parties to arbitration may agree on the procedures to be followed by the arbitration tribunal in conducting the proceedings, including their right to subject such proceedings to the enforced rules of any organization, agency, or arbitration center within the Kingdom or abroad, provided that said rules are not in conflict with the provisions of <i>Sharia</i>.</p> <p>2. In the absence of such agreement, the arbitration tribunal may, subject to the provisions of <i>Sharia</i> and this Law, adopt the arbitration proceedings it deems fit.</p>	<p>Article 32</p> <p>1. The arbitration parties may agree on the procedures to be followed by the arbitral tribunal, which includes their right to make these procedures subject to the rules in force in any organization, authority, or arbitral institution inside or outside the Kingdom, provided they do not conflict with the provisions of <i>Sharia</i>.</p> <p>2. Failing such agreement, the arbitral tribunal may, subject to the provisions of <i>Sharia</i> and this Law, conduct the arbitration in such manner as it considers appropriate. The power conferred upon the arbitral tribunal includes the power to determine the admissibility, relevance, materiality, and weight of any evidence.</p>

Article 19 of the Model Law places strong emphasis on party autonomy in determining the procedural framework of arbitration. The parties are free to agree on the rules governing the conduct of proceedings (para. 1). In the absence of such agreement, the arbitral tribunal is granted broad authority to conduct the arbitration in the manner it considers appropriate (para. 2). This includes determining the admissibility, relevance, materiality, and weight of evidence. The provision provides a flexible procedural framework intended to facilitate efficient arbitration without the constraints of rigid procedural formalities.

Article 25 of the Saudi Arbitration Law follows the same general approach. It recognizes the parties' freedom to determine the applicable procedural rules but expressly expands certain provisions, allowing the parties to adopt the rules of arbitral institutions or arbitration centers, whether within or outside the Kingdom (para. 1). This demonstrates a clear alignment with the UNCITRAL philosophy of procedural flexibility. At the same time, the statute introduces an explicit qualification: neither the parties' agreement nor the tribunal's procedural discretion may contravene the provisions of public policy in the Kingdom, which includes the principles of Islamic law (paras. 1–2). This limitation reflects the incorporation of domestic legal considerations without fundamentally altering the flexible structure of arbitration procedure.

Article 32 of the Draft Law further develops this approach and moves closer to the wording of the Model Law. It maintains the same basic framework of party autonomy and tribunal discretion (para. 1), while more clearly affirming the tribunal's authority to admit evidence and evaluate its relevance and probative value (para. 2). Substantively, the draft approaches near-complete convergence with the UNCITRAL text. The continuing reference to compliance with public policy, including Islamic law, remains a distinct domestic feature, illustrating the effort to harmonize international arbitration standards with the requirements of the national legal system.

Place of Arbitration

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>Article 20</p> <p>(1) The parties are free to agree on the place of arbitration. Failing such agreement, the place of arbitration shall be determined by the arbitral tribunal having regard to the circumstances of the case, including the convenience of the parties.</p> <p>(2) Notwithstanding the provisions of paragraph (1) of this article, the arbitral tribunal may, unless otherwise agreed by the parties, meet at any place it considers appropriate for consultation among its members, for hearing witnesses, experts or the parties, or for inspection of goods, other property or documents.</p>	<p>Article 28</p> <p>The two parties to arbitration may agree on the venue of arbitration within the Kingdom or abroad. In the absence of such an agreement, the venue of arbitration shall be determined by the arbitration tribunal, taking into consideration the circumstances of the case, including the convenience of the venue to both parties. This shall not prejudice the power of the arbitration tribunal to convene at any venue it deems appropriate for deliberation; hearing of witnesses, experts, or the parties to the dispute; inspection of the subject matter of the dispute; or examination of documents or review thereof.</p>	<p>Article 35</p> <p>1. The parties are free to agree on the place of arbitration, whether inside or outside the Kingdom. Failing such agreement, the place of arbitration shall be determined by the arbitral tribunal having regard to the circumstances of the case, including the convenience of the parties.</p> <p>2. Notwithstanding determining the place of arbitration, the arbitral tribunal may, unless otherwise agreed by the parties, meet at any place it considers appropriate for deliberations among its members, for hearing witnesses, experts, or the parties, or for the inspection of goods or the examination of documents. It may hold virtual meetings using modern technology.</p>

Article 20 of the Model Law establishes a flexible approach to determining the place of arbitration as a procedural element that does not affect the essence of jurisdiction. It prioritizes party autonomy by allowing the parties to freely agree on the seat of arbitration (para. 1). In the absence of such agreement, the arbitral tribunal is empowered to determine the place of arbitration, taking into account the circumstances of the case and the convenience of the parties. The Model Law also distinguishes clearly between the legal “place of arbitration” (the seat) and the physical locations where procedural activities may occur,

such as hearings, deliberations, witness examinations, or inspections of evidence (para. 2). This distinction underscores the legal and functional nature of the seat of arbitration rather than treating it as a strictly geographical location.

Article 28 of the Saudi Arbitration Law closely follows this framework. It likewise recognizes the primacy of party agreement in determining the place of arbitration and grants the arbitral tribunal the authority to designate it if the parties have not done so, with consideration for the circumstances of the dispute and the suitability of the location for the parties. Similar to the Model Law, the statute confirms that the determination of the seat does not prevent the tribunal from holding meetings or conducting arbitral proceedings in other locations when appropriate. The Saudi law additionally clarifies that the place of arbitration may be either inside or outside the Kingdom. This clarification reflects a regulatory statement of sovereign jurisdictional scope rather than a substantive divergence from the philosophy of the Model Law.

Article 35 of the Draft Law preserves the same conceptual and procedural structure found in both the Model Law and the current Saudi statute. However, it introduces an explicit technological dimension by providing that the arbitral tribunal may conduct meetings or hearings virtually, “using modern technology,” unless the parties agree otherwise (para. 2). This addition does not alter the underlying legal framework but instead represents a practical extension responding to the realities of digital communication and remote proceedings, while maintaining the principles of flexibility and procedural function that characterizes the concept of the place of arbitration.



Commencement of Arbitral Proceedings

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>Article 21 Unless otherwise agreed by the parties, the arbitral proceedings in respect of a particular dispute commence on the date on which a request for that dispute to be referred to arbitration is received by the respondent.</p>	<p>Article 26 The arbitration proceedings shall commence on the day a request for arbitration made by one arbitration party is received by the other party, unless otherwise agreed upon by both parties.</p>	<p>Article 34 Unless otherwise agreed by the parties, the arbitral proceedings commence on the date on which a request for that dispute to be referred to arbitration is received by the respondent.</p>

Article 21 of the Model Law determines that arbitral proceedings commence on the date when the request for arbitration is received by the respondent, unless the parties have agreed on a different point in time. This rule reflects a practical and objective standard that links the commencement of proceedings to the verifiable fact of receipt. By doing so, the Model Law provides a clear reference point for the calculation of procedural time limits and other legal effects associated with the initiation of arbitration.

Article 26 of the Saudi Arbitration Law adopts essentially the same approach. Arbitral proceedings commence on the date on which one of the parties to the arbitration receives the request for arbitration from the other party, while preserving the possibility for the parties to agree otherwise. The reliance on the fact of receipt demonstrates strong alignment with the UNCITRAL model. The only minor distinction lies in the wording: the Saudi statute refers to “one arbitration party,” whereas the Model Law refers to the “respondent.” In practice, this linguistic difference has no substantive impact on the operation of the rule.

Article 34 of the Draft Law maintains the same fundamental principle by continuing to treat receipt of the request for arbitration as the decisive moment for the commencement of proceedings. At the same time, it introduces more standardized terminology by explicitly referring to

the “respondent,” mirroring the provision in the Model Law. This refinement reflects a legislative effort to improve terminological precision while preserving the core approach shared with the Model Law and the existing Saudi statute, namely the reliance on the objective fact of receipt and the continued primacy of party autonomy.

Language of Arbitration

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>Article 22</p> <p>(1) The parties are free to agree on the language or languages to be used in the arbitral proceedings. Failing such agreement, the arbitral tribunal shall determine the language or languages to be used in the proceedings. This agreement or determination, unless otherwise specified therein, shall apply to any written statement by a party, any hearing and any award, decision or other communication by the arbitral tribunal.</p> <p>(2) The arbitral tribunal may order that any documentary evidence shall be accompanied by a translation into the language or languages agreed upon by the parties or determined by the arbitral tribunal.</p>	<p>Article 29</p> <p>1. Arbitration shall be conducted in Arabic, unless the arbitration tribunal or the two parties to arbitration agree on another language or languages. Such agreement or decision shall apply to the language of the written statements and notes, oral arguments, and any decision, message, or award made by the arbitration tribunal, unless otherwise agreed upon by both parties or decided by the arbitration tribunal.</p> <p>2. The arbitration tribunal may require that all or some of the written documents submitted in the case be accompanied by a translation into the language or languages used in the arbitration. In case of multiple languages, the arbitration tribunal may limit the translation to some of them.</p>	<p>Article 36</p> <p>1. Unless the tribunal decides or the arbitration parties agree that another language or languages be used, arbitration shall be conducted in Arabic. The agreement or decision shall apply to written statements by a party, any hearing, and any award, decision, or other communication by the arbitral tribunal, unless the parties agree or the arbitral tribunal decision otherwise specifies.</p> <p>2. The arbitral tribunal may decide that any or part of the written documents submitted in the proceedings be accompanied by a translation into the language or languages of the arbitration. In cases using multiple languages, the tribunal may limit translations to certain languages.</p>

Article 22 of the Model Law affirms party autonomy in determining the language of arbitration. It provides that the parties are free to agree on the language or languages to be used in the proceedings (para. 1).

In the absence of such agreement, the arbitral tribunal is empowered to determine the appropriate language. The chosen language applies to the entire arbitral process, including written submissions, hearings, and the issuance of decisions, while the tribunal may require translations of documentary evidence where necessary (para. 2). This approach reflects the Model Law's neutral and flexible philosophy, designed to facilitate international arbitration without privileging any particular national language.

Article 29 of the Saudi Arbitration Law adopts the same basic framework. It recognizes the parties' freedom to agree on the language or languages of arbitration and allows the arbitral tribunal to determine the language where no agreement exists (para. 1). The tribunal also retains authority to require translations and regulate the use of languages during proceedings, including limiting translations to certain languages (para. 2). The principal difference lies in the statutory starting point: the Saudi law designates Arabic as the default language of arbitration unless the parties agree otherwise or the tribunal determines another language. While this distinction reflects the domestic legal context of the statute, it does not significantly alter the practical operation of the rule, as party autonomy and tribunal discretion remain fully preserved and the provision maintains alignment with the procedural framework of the international model.

Article 36 of the Draft Law maintains this approach and largely reproduces the wording of the current statute. Arabic remains the presumed procedural language in the absence of agreement, while the freedom of the parties to determine another language or multiple languages are fully retained (para. 1). The tribunal's powers regarding translation and multilingual proceedings are likewise preserved (para. 2). Although the draft does not move closer to the purely neutral formulation of the Model Law by removing the presumption of Arabic, it maintains substantial functional convergence with both the existing statute and the UNCITRAL framework, confirming a legislative intention to preserve domestic legal continuity while adhering to internationally recognized arbitration standards.

Statements of Claim and Defense

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>Article 23 (1) (1) Within the period of time agreed by the parties or determined by the arbitral tribunal, the claimant shall state the facts supporting his claim, the points at issue and the relief or remedy sought, and the respondent shall state his defence in respect of these particulars, unless the parties have otherwise agreed as to the required elements of such statements. The parties may submit with their statements all documents they consider to be relevant or may add a reference to the documents or other evidence they will submit.</p>	<p>Article 30 1. Within the period of time agreed upon by the parties or determined by the arbitration tribunal, the plaintiff shall send to the defendant and to each arbitrator a written statement of his claim, containing his name and address, the name and address of the defendant, a full statement of the facts of the claim, his demands and evidence, and any other matter required by the agreement of the two parties to be mentioned in this statement. 2. Within the period of time agreed upon by the parties or determined by the arbitration tribunal, the defendant shall send to the plaintiff and to each arbitrator a written statement of his defense in response to the statement of claim. The defendant may include in his response any demands connected to the subject-matter of the dispute, or may assert any right arising therefrom for the purpose of set-off defense. This right may be asserted to the defendant even at a subsequent phase of the proceedings, if the arbitration tribunal deems such delay justified. 3. Each party may submit with the statement of claim or response thereto, as the case may be, copies of supporting documents and cite all or some of the documents as well as the evidence he intends to submit. This shall not prejudice the arbitration tribunal's right at any phase of the case to request the submission of the original documents on which either party relies, or copies thereof.</p>	<p>Article 38 1. Unless otherwise agreed by the parties or decided by the arbitral tribunal, the claimant shall, within the time agreed upon by the parties or set by the arbitral tribunal, submit to the respondent and each arbitrator a written statement of claim, including their name, address, the respondent's name and address, a description of the case facts, his claims and supporting grounds, and any other matter that should be mentioned in that statement according to the parties' agreement. 2. Unless otherwise agreed by the parties or decided by the arbitral tribunal, the respondent shall, within the time agreed by the parties or the time set by the tribunal, submit to the claimant, the other parties, and each arbitrator a written defense in response to the claim statement. The respondent may include in this reply any counterclaim or set-off arising out of the dispute subject, even at a later stage, if the tribunal considers the delay justified. 3. The preceding paragraph's provisions apply to responses to counterclaim or cross-claim. 4. Each party may attach to the statement of claim or defense, as the case may be, the documents he relies upon and indicate all or some evidence he intends to present.</p>

Article 23 (1) of the Model Law establishes a flexible minimum standard for the content of the statement of claim and the statement of defense. Each party must present the facts of its claim or defense, identify the issues in dispute, and indicate the relief sought. Beyond these basic elements, the Model Law leaves broad discretion to the parties to determine the detailed procedural requirements and allows the arbitral tribunal to adjust deadlines and procedural arrangements where no agreement exists. The provision also permits parties to attach documents or refer to evidence they intend to submit, but it goes no further into formal details, limiting itself to these procedural fundamentals. This framework reflects the Model Law's general philosophy of procedural flexibility and the avoidance of excessive formalism.

Article 30 of the Saudi Arbitration Law follows the same fundamental approach while adopting a more detailed statutory formulation. It preserves the freedom of the parties and the tribunal to regulate procedural timelines and to attach or refer to supporting documents (para. 1). At the same time, the statute explicitly specifies certain elements that should be included in the statements of claim and defense, such as the names and addresses of the parties, the facts of the dispute, the substance of the claims or defenses asserted, and the supporting grounds. The law also recognizes the ability of the respondent (here referred to as the "defendant") to include in its defense related claims or a defense of set-off and permits the submission of additional claims during the proceedings at the tribunal's discretion (para. 2). These provisions reflect substantial alignment with the Model Law in principle, combined with a more structured legislative articulation.

Article 38 of the Draft Law further strengthens convergence with the UNCITRAL framework while retaining the detailed structure of the existing statute. It expands the terminology to expressly recognize counterclaims and cross-claims and regulates the responses to such claims (paras. 1–3). It also reaffirms the arbitral tribunal's discretionary authority to permit delay if deemed justified (para. 2). In this respect, the draft combines the flexibility characteristic of the Model Law with the more explicit procedural framework found in the Saudi statute, illustrating a fundamental consensus

alongside a slight variation in terminology and procedural expansiveness, reflecting a legislative effort to enhance clarity and procedural completeness while maintaining compatibility with international arbitration practice.

Amendment of Claims and Defenses

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>Article 23 (2) (2) Unless otherwise agreed by the parties, either party may amend or supplement his claim or defence during the course of the arbitral proceedings, unless the arbitral tribunal considers it inappropriate to allow such amendment having regard to the delay in making it.</p>	<p>Article 32 Either arbitration party may amend or complete his demands or defense during the arbitration proceedings, unless the arbitration tribunal decides not to accept the same to avoid delaying adjudication of the dispute.</p>	<p>Article 39 Unless otherwise agreed by the parties, either party may amend or supplement his claim or defense during the course of the arbitral proceedings, unless the arbitral tribunal considers it inappropriate to allow such amendment in order to prevent undue delay in the resolution of the dispute in the event of late submission.</p>

Article 23 (2) of the Model Law adopts a flexible approach to the amendment of claims and defenses during arbitral proceedings. It allows each party to amend or supplement its claim or defense as the proceedings progress, reflecting the non-rigid procedural nature of arbitration. At the same time, the Model Law grants the arbitral tribunal discretion to refuse such amendments where it considers them inappropriate due to the delay caused. This limitation serves primarily as a functional safeguard to preserve the orderly conduct of proceedings rather than as a restriction on the parties' right to present their case.

Article 32 of the Saudi Arbitration Law follows the same general principle. It permits both parties to amend or supplement their claims or defenses during the course of the proceedings while granting the arbitral tribunal discretionary authority to reject amendments when their acceptance would delay proceedings. Unlike the Model Law, which focuses

on delay as the principal ground for refusal, the Saudi statute frames the tribunal’s discretion in terms of preventing procedural obstruction (“delaying adjudication of the dispute”). This difference in wording does not substantially alter the underlying principle, as both approaches seek to balance procedural flexibility with the efficient progress of the arbitration.

Article 39 of the Draft Law maintains this approach while aligning more closely with the wording of the Model Law. It combines the concepts of delay and procedural obstruction by allowing the tribunal to reject amendments where late submission would impede the resolution of the dispute. This formulation reflects a legislative development aimed at harmonizing the domestic rule with international standards while preserving the same regulatory objective: allowing parties to refine their procedural positions without undermining the efficiency of arbitral proceedings.

Hearings and Written Proceedings

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>Article 24 (1) Subject to any contrary agreement by the parties, the arbitral tribunal shall decide whether to hold oral hearings for the presentation of evidence or for oral argument, or whether the proceedings shall be conducted on the basis of documents and other materials. However, unless the parties have agreed that no hearings shall be held, the arbitral tribunal shall hold such hearings at an appropriate stage of the proceedings, if so, requested by a party.</p>	<p>Article 33 1. The arbitration tribunal shall hold hearings to enable each of the two parties to present his case and submit his arguments and evidence. It may, unless the two parties to arbitration agree otherwise, deem the submission of written briefs and documents sufficient for adjudicating the dispute.</p>	<p>Article 41 (1), (2) 1. The arbitral tribunal shall hold hearings to enable the parties to explain and present their case, arguments, and evidence at an appropriate stage of the proceedings. Hearings may be held in person, remotely via video conferencing, or by other suitable means. The tribunal may also decide to rely solely on written submissions unless otherwise agreed by the arbitration parties.</p>

Arbitration in Saudi Arabia

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>(2) The parties shall be given sufficient advance notice of any hearing and of any meeting of the arbitral tribunal for the purposes of inspection of goods, other property or documents.</p> <p>(3) All statements, documents or other information supplied to the arbitral tribunal by one party shall be communicated to the other party. Also, any expert report or evidentiary document on which the arbitral tribunal may rely in making its decision shall be communicated to the parties.</p>	<p>2. The two parties to arbitration shall be given sufficient advance notice at the addresses they provided to the arbitration tribunal of the date of any hearing, award pronouncement, and any meeting of the arbitration tribunal for the purpose of inspecting the subject-matter of the dispute or any other property or the examination of documents.</p> <p>3. The arbitration tribunal shall record the summary of each hearing in minutes signed by the witnesses, experts, attending parties or their agents, and members of the arbitration tribunal. A copy thereof shall be delivered to each party, unless the two parties to arbitration agree otherwise.</p> <p>Article 31 A copy of any briefs, documents, or papers submitted by either party to the arbitration tribunal shall be sent to the other party. Likewise, a copy of any expert reports, documents, and any other evidence submitted to the tribunal to rely on in issuing its award shall be sent to both parties.</p>	<p>2. The arbitration parties shall be notified, at their registered addresses at the arbitral tribunal, of the date of any oral hearing or arbitral tribunal meeting for the purpose of inspecting the subject of the dispute or any other properties or the examination of documents, sufficiently in advance.</p> <p>Article 40 A copy of any memoranda, documents, or any other papers submitted to the arbitral tribunal by a party shall be sent to the other parties. Similarly, copies of expert reports, documents, and other evidence relied upon by the arbitral tribunal shall be sent to the arbitration parties.</p>

Article 24 of the Model Law establishes a flexible procedural framework for hearings while ensuring basic guarantees of adversarial proceedings and transparency. It allows the arbitral tribunal to deter-

mine whether the arbitration should proceed through oral hearings or on the basis of written submissions alone (para. 1). However, this discretion is limited by an important safeguard: an oral hearing must be held if requested by one of the parties, unless the parties have expressly agreed that no such hearing is required. The Model Law also requires that the parties receive adequate notice of hearings and that each party be given access to the other party's submissions, including expert reports and evidence on which the tribunal may base its decision (paras. 2–3).

The Saudi Arbitration Law broadly reflects this approach. Article 33 provides that hearings may be held to enable the parties to present their claims and defenses, while also permitting the proceedings to be conducted on the basis of written submissions where the parties agree (para. 1). Article 31 reinforces the adversarial principle by requiring the exchange of written submissions, documents, and expert reports between the parties. Compared with the Model Law, however, the Saudi statute adopts a somewhat more detailed procedural formulation. For example, it requires that minutes be recorded for hearings and that copies be provided to the parties (Art. 33 (3)). It also includes provisions relating to notification of the date of pronouncement of the award (Art. 33 (2)). These additions strengthen the formal procedural framework without altering the flexible structure underlying the UNCITRAL model.

The Draft Law follows the same general approach while introducing a notable procedural development. Article 41 preserves the rule that hearings may be held at an appropriate stage of the proceedings while allowing the arbitration to proceed on written submissions alone where appropriate. At the same time, it expressly recognizes the possibility of conducting hearings in person, remotely, or through other suitable means of communication. This addition represents a practical extension of the Model Law's principle of procedural flexibility, adapting the arbitration framework to contemporary technological practices. The draft also reiterates, in Article 40, the requirements of prior notification

and the exchange of submissions and evidence, demonstrating substantial alignment with the UNCITRAL philosophy while incorporating modern procedural tools.

Default of a Party

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>Article 25 Unless otherwise agreed by the parties, if, without showing sufficient cause, (a) the claimant fails to communicate his statement of claim in accordance with article 23(1), the arbitral tribunal shall terminate the proceedings; (b) the respondent fails to communicate his statement of defence in accordance with article 23(1), the arbitral tribunal shall continue the proceedings without treating such failure in itself as an admission of the claimant's allegations; (c) any party fails to appear at a hearing or to produce documentary evidence, the arbitral tribunal may continue the proceedings and make the award on the evidence before it.</p>	<p>Article 34 1. If the plaintiff, without acceptable justification, fails to submit a written statement of his claim in accordance with Article 30(1) of this Law, the arbitration tribunal shall terminate the arbitration proceedings, unless otherwise agreed upon by the two arbitrating parties. 2. If the defendant fails to submit a written response of his defense in accordance with Article 30(2) of this Law, the arbitration tribunal shall continue the arbitration proceedings, unless otherwise agreed upon by the two arbitrating parties. Article 35 If either party fails to appear at a hearing after notification, or fails to submit required documents, the arbitration tribunal may continue the arbitration proceedings and issue an award in the dispute, based on available evidence.</p>	<p>Article 42 1. If the claimant fails—without showing sufficient cause—to communicate his statement of claim in accordance with Article 38 (1) of this Law, the arbitral tribunal shall terminate the arbitration proceedings, unless otherwise agreed by the parties. 2. If the respondent fails—without showing sufficient cause—to communicate his statement of defense in accordance with Article 38 (2) of this Law, the arbitral tribunal shall continue the proceedings, without treating such failure as an admission of the claimant's allegations, unless otherwise agreed by the parties. 3. If a party fails—without showing sufficient cause—to attend a hearing after being notified, or to submit evidence or documents within the prescribed time, the arbitral tribunal may continue the proceedings and make the award on the evidence before it.</p>

Article 25 of the Model Law regulates the consequences of a party's default in a manner that balances procedural efficiency with the protection of due process. It distinguishes between several forms of default. If the claimant fails to submit the statement of claim, the arbitral tribunal shall terminate the proceedings, as the arbitration lacks the necessary procedural initiative. By contrast, if the respondent fails to submit a statement of defense, the arbitration continues without treating that failure as an admission of the claimant's allegations. The Model Law also permits the tribunal to proceed with the arbitration and render an award when a party fails to appear at a hearing or fails to produce documentary evidence, relying on the materials available. This framework avoids procedural paralysis while ensuring that no adverse legal presumptions automatically arise from the party's absence.

The Saudi Arbitration Law adopts the same conceptual structure. Article 34 provides for the termination of proceedings if the claimant fails to appear without acceptable justification (para. 1), while requiring the arbitration to continue if the respondent fails to submit a defense (para. 2). Article 35 addresses failure to attend hearings or to submit evidence, confirming the arbitral tribunal's authority to proceed and render an award on the basis of the available materials. In this respect, the Saudi statute preserves the substantive rule of the Model Law while distributing the relevant provisions across two separate articles, a structural difference that does not affect the underlying content.

Article 42 of the Draft Law moves toward closer textual alignment with the Model Law. It consolidates three scenarios of procedural default into a single provision organized in a sequential manner (paras. 1–3). It also introduces an express clarification that failure to submit a statement of defense does not constitute acceptance of the claimant's allegations. This addition strengthens procedural safeguards and eliminates any potential interpretative ambiguity. The draft therefore reflects an effort not merely to replicate the UNCITRAL text, but to adapt its procedural logic with greater clarity while maintaining the same balance between procedural effectiveness and the protection of the parties' rights of defense.

Use of Experts

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>Article 26</p> <p>(1) Unless otherwise agreed by the parties, the arbitral tribunal (a) may appoint one or more experts to report to it on specific issues to be determined by the arbitral tribunal; (b) may require a party to give the expert any relevant information or to produce, or to provide access to, any relevant documents, goods or other property for his inspection.</p> <p>(2) Unless otherwise agreed by the parties, if a party so requests or if the arbitral tribunal considers it necessary, the expert shall, after delivery of his written or oral report, participate in a hearing where the parties have the opportunity to put questions to him and to present expert witnesses in order to testify on the points at issue.</p>	<p>Article 36</p> <p>1. The arbitration tribunal may appoint one expert or more to submit a written or oral report on certain issues determined by the tribunal, and this shall be recorded in the minutes of the hearing. The arbitration tribunal shall notify both parties thereof, unless they agree otherwise.</p> <p>2. Each party shall provide the expert with information relating to the dispute and enable him to examine and inspect any documents, goods, or other property relating to the dispute which he requires. The arbitration tribunal shall decide any dispute that may arise between the expert and either party in this respect pursuant to a non-appealable decision.</p> <p>3. Upon receiving the expert's report, the arbitration tribunal shall provide each of the two parties with a copy of such report and allow each party to give opinion thereon. Both parties shall have the right to review and examine the documents upon which the expert relied. The expert shall submit his final report after reviewing the two parties' comments thereon.</p> <p>4. Upon submission of the expert's report, the arbitration tribunal may, at its own discretion or upon request of either party, decide to hold a hearing with the expert and allow both parties to discuss the report with him.</p>	<p>Article 44</p> <p>Unless otherwise agreed by the parties, the use of experts in arbitral proceeding shall be as follows:</p> <p>1. The arbitral tribunal may appoint one or more experts to report to it on specific issues to be determined by the arbitral tribunal, unless otherwise agreed by the parties.</p> <p>2. The parties shall provide the expert with any relevant information, enable him to check any required relevant documents, goods, or other property for his inspection. The tribunal shall resolve any disagreement between an expert and a party in this regard, and its decision shall be subject to no appeal.</p> <p>3. The arbitral tribunal shall send a copy of the expert's report to the arbitration parties, who shall be given an opportunity to comment.</p> <p>4. The arbitral tribunal, after the expert report is submitted, may, on its own initiative or at a party's request, hold a hearing to hear the expert, and give an opportunity to the parties to hear and put questions to him on his report.</p> <p>5. Each party may engage his own expert or experts to comment on the tribunal-appointed expert's report findings.</p> <p>6. The fees and expenses of the expert, appointed by the arbitral tribunal, shall be paid by the parties as decided by the arbitral tribunal.</p>

Article 26 of the Model Law enables the arbitral tribunal to engage expert assistance in resolving technical aspects of a dispute, while preserving a flexible procedural framework. The tribunal may appoint one or more experts and define the scope of their mandate (para. 1). The parties are required to cooperate with the expert by providing information, documents, or access to relevant materials. At the same time, the Model Law safeguards the parties' procedural rights by allowing them to examine the expert and to present their own expert witnesses where necessary (para. 2). The provision remains general in nature, outlining the essential framework without prescribing detailed procedural rules.

Article 36 of the Saudi Arbitration Law follows this approach while regulating the matter in a somewhat more detailed manner. It expressly confirms the tribunal's authority to appoint an expert and to assign specific issues for examination (para. 1). The parties are required to provide the expert with the necessary information and access to documents (para. 2), while retaining the right to review the expert's report, comment on its contents, and question the expert during a hearing (paras. 3–4). The statute also includes additional procedural provisions, such as recording the expert's report in the hearing minutes, allowing for preliminary and final reports, and resolving disputes between the expert and the parties through a decision of the tribunal that is not subject to appeal. These features illustrate a more detailed and structured legislative approach compared with the relatively generic formulation of the Model Law.

Article 44 of the Draft Law further develops this framework while remaining consistent with the principles of the Model Law and the general structure of the current statute. It introduces additional procedural clarity by expressly affirming the right of each party to appoint its own expert to respond to the report of the tribunal-appointed expert (para. 5). It also specifies that the arbitral tribunal shall determine the expert's fees and expenses (para. 6). These refinements aim to enhance transparency and

procedural balance between tribunal-appointed expertise and party participation. Overall, the draft demonstrates a legislative effort to refine the procedural framework and reduce ambiguity in practice while preserving the underlying philosophy of flexibility characteristic of modern arbitration systems.

Judicial Assistance

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>Article 27 The arbitral tribunal or a party with the approval of the arbitral tribunal may request from a competent court of this State assistance in taking evidence. The court may execute the request within its competence and according to its rules on taking evidence.</p>	<p>Article 22 (3) 3. The arbitration tribunal may, as it deems fit, seek the assistance of the competent agency in the arbitration proceedings, such as calling a witness or an expert, ordering the submission of a document or a copy thereof, reviewing said document, or any other proceeding, without prejudice to the right of the arbitration tribunal to conduct said proceeding independently.</p>	<p>Article 46 (2), (3) 2. The arbitral tribunal may request the competent court's assistance in conducting the arbitration proceedings as it deems necessary for the proper conduct of arbitration, including summoning a witness or expert, producing or inspecting documents or copies thereof, issuing a judicial commission, or other measures, without prejudice to the tribunal's own powers to do that independently. 3. The competent court may enforce the tribunal's requests within its powers and mandates.</p>

Article 27 of the Model Law recognizes a complementary relationship between arbitration and the judiciary in matters of evidence. It permits the arbitral tribunal—or a party with the tribunal's approval—to request assistance from the competent court in taking evidence. The execution of such requests remains subject to the authority of the court and its applicable procedural rules. This framework reflects a functional conception of the judiciary as a supportive institution that facilitates arbitral proceedings without intervening in their substantive conduct.

Article 22 (3) of the Saudi Arbitration Law follows the same general philosophy, recognizing that arbitral tribunals may require external

assistance in evidentiary matters. However, the statute formulates this concept more broadly by referring to the “competent agency” rather than explicitly limiting the assisting body to a court. It also provides illustrative examples of such assistance, including summoning witnesses or experts and obtaining documentary evidence. Although the terminology differs from that of the Model Law, the underlying objective remains the same: ensuring that arbitral proceedings can effectively obtain evidence where the tribunal’s authority alone may be insufficient. Additional provisions concerning judicial delegation further demonstrate a flexible regulatory approach rather than a substantive divergence from the UNCITRAL framework.

Article 46 (2) and (3) of the Draft Law moves closer to the Model Law by expressly identifying the “competent court” rather than the “competent agency” (para. 1). It also clarifies the forms of assistance that may be provided, including the possibility of judicial delegation for the execution of evidentiary requests. At the same time, it specifies that the court may carry out such requests within the limits of its jurisdiction (para. 2). These refinements strengthen institutional clarity and reinforce the complementary relationship between arbitration and the judiciary, thus more closely aligning with international arbitration standards, while maintaining the arbitral tribunal’s independence in managing evidentiary matters.



Rules Applicable to the Subject Matter of the Dispute

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>Article 28</p> <p>(1) The arbitral tribunal shall decide the dispute in accordance with such rules of law as are chosen by the parties as applicable to the substance of the dispute. Any designation of the law or legal system of a given State shall be construed, unless otherwise expressed, as directly referring to the substantive law of that State and not to its conflict of laws rules.</p> <p>(2) Failing any designation by the parties, the arbitral tribunal shall apply the law determined by the conflict of laws rules which it considers applicable.</p> <p>(3) The arbitral tribunal shall decide <i>ex aequo et bono</i> or as <i>amiable compositeur</i> only if the parties have expressly authorized it to do so.</p> <p>(4) In all cases, the arbitral tribunal shall decide in accordance with the terms of the contract and shall take into account the usages of the trade applicable to the transaction.</p>	<p>Article 38</p> <p>1. Subject to the provisions of <i>Sharia</i> and public order in the Kingdom, the arbitration tribunal shall, when deciding a dispute, consider the following:</p> <p>a) Apply to the subject matter of the dispute the rules agreed upon by the arbitration parties. If they agree on applying the law of a given country, then the substantive rules of that country shall apply, excluding rules relating to conflict of laws, unless agreed otherwise.</p> <p>b) If the arbitration parties fail to agree on the statutory rules applicable to the subject matter of the dispute, the arbitration tribunal shall apply the substantive rules of the law it deems most connected to the subject matter of the dispute.</p> <p>c) When deciding the dispute, the arbitration tribunal shall take into account the terms of the contract subject of the dispute, and prevailing customs and practices applicable to the transaction as well as previous dealings between the two parties.</p> <p>2. If the two parties to arbitration expressly agree to authorize the arbitration tribunal to settle the dispute amicably, it may rule on the dispute in accordance with the rules of equity and justice.</p>	<p>Article 47</p> <p>1. Without prejudice to <i>Sharia</i> and public policy in the Kingdom, the arbitral tribunal, when deciding a dispute, shall:</p> <p>a. decide the dispute in accordance with such rules of law as are chosen by the parties as applicable to the substance of the dispute. Any designation of the law or legal system of a given State shall be construed, unless otherwise expressed, as directly referring to the substantive law of that State and not to its conflict of laws rules.</p> <p>b. failing any designation by the parties, the arbitral tribunal shall apply the law determined by the conflict of laws rules which it considers applicable.</p> <p>c. decide in accordance with the terms of the contract and shall take into account the usages of the trade applicable to the transaction.</p> <p>2. The arbitral tribunal shall decide <i>ex aequo et bono</i> or as <i>amiable compositeur</i>, without being bound by the provisions of laws, only if the parties have expressly authorized it to do so.</p>

Article 28 of the Model Law places strong emphasis on party autonomy in determining the substantive law applicable to the dispute. It gives priority to the parties' choice of legal rules governing the merits and clarifies that a reference to the law of a particular State is to be understood as referring to its substantive law rather than its conflict of laws rules, unless the parties expressly indicate otherwise or fail to make such designation (paras. 1–2). The Model Law also provides that the arbitral tribunal may decide the dispute according to *ex aequo et bono* or as *amiable compositeur* only if the parties have expressly authorized it to do so (para. 3). At the same time, the tribunal must take into account the terms of the contract and relevant trade usages (para. 4). This framework reflects a neutral and internationally oriented approach designed to promote legal certainty and accommodate diverse legal systems.

Article 38 of the Saudi Arbitration Law broadly aligns with the structure and purpose of the Model Law provision. It likewise prioritizes the parties' agreement on the substantive rules governing the dispute and excludes the application of conflict of laws rules when the parties refer to the law of a particular State (para. 1). It also requires explicit authorization for the tribunal to decide the dispute on the basis of "equity and justice" rather than strict legal rules (para. 2). The Saudi Arbitration Law further requires the arbitral tribunal to take into account prior dealings between the parties, alongside the terms of the contract and applicable customs and practices, thereby going beyond the Model Law, which refers only to contractual terms and trade usages without expressly including prior dealings (para. 1 (c) of the current law and para. 4 of the Model Law, respectively). However, the statute introduces a structural limitation by providing that the applicable law and the resulting award must not contravene public policy in the Kingdom, which includes the principles of Islamic law. In addition, where the parties have not agreed on the applicable law, the Saudi statute adopts the "law most closely

connected to the dispute” standard rather than relying on conflict of laws rules. This approach reflects a more direct and pragmatic legislative technique, favoring substantive proximity to the dispute over abstract conflict of laws analysis.

Article 47 of the Draft Law moves somewhat closer to the normative wording of the Model Law while preserving the domestic legal framework and supremacy of domestic public policy. It reintroduces the conflict of laws method as the basis for determining the applicable law in the absence of party agreement, replacing the “most closely connected” standard found in the current statute (para. 1). The draft also emphasizes more clearly the distinction between substantive legal rules and conflict of laws rules. Furthermore, it expands the formulation concerning decisions based on equity and fairness, expressly allowing the tribunal—where authorized by the parties—to decide the dispute *ex aequo et bono* or as *amiable compositeur* without being strictly bound by statutory provisions (para. 2). These modifications demonstrate a legislative effort to bring the statute into closer alignment with international arbitration standards while maintaining the primacy of domestic public policy as a structural constraint.

Decision-Making by Panel of Arbitrators

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>Article 29 In arbitral proceedings with more than one arbitrator, any decision of the arbitral tribunal shall be made,</p>	<p>Article 39 (1) (2) (3) 1. If the arbitration tribunal is composed of more than one arbitrator, its decision shall be made by the majority vote of its members following confidential deliberation.⁽¹²⁴⁾</p>	<p>Article 48 1. The award issued by a multi-member arbitral tribunal shall be rendered by majority vote following confidential deliberation.</p>

(124) The official English translation of Article 39 (1) of the current law refers to “Deliberation shall be in camera.” However, the original Arabic is more accurately translated as “following confidential deliberation,” and that wording is preferred here.

Country Report

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>unless otherwise agreed by the parties, by a majority of all its members. However, questions of procedure may be decided by a presiding arbitrator, if so, authorized by the parties or all members of the arbitral tribunal.</p>	<p>2. If members of the arbitration tribunal fail to reach an agreement and a majority decision is not attainable, the arbitration tribunal may appoint a casting arbitrator within 15 days from the date of its decision regarding the same. Otherwise, the competent court shall appoint a casting arbitrator.</p> <p>3. Decisions regarding procedural matters may be issued by the presiding arbitrator, if so authorized by both parties in writing or by all members of the arbitration tribunal, unless otherwise agreed upon by both parties.</p>	<p>2. If there is no possibility of reaching a majority, the presiding arbitrator shall make the award, and dissenting members must attach their dissenting opinions, unless otherwise agreed by the parties.</p> <p>Article 49</p> <p>1. The arbitral tribunal may issue interim, emergency, or partial awards deciding parts of the claims before rendering the final award, unless otherwise agreed by the arbitration parties.</p> <p>2. Procedural orders may be issued by the presiding arbitrator if the parties authorize or all tribunal members consent, unless otherwise agreed by the arbitration parties.</p>

Article 29 of the Model Law establishes majority rule as the default method of decision-making in arbitral tribunals composed of more than one arbitrator. It also provides a narrowly defined exception whereby procedural decisions may be entrusted to the presiding arbitrator if the parties or all members of the tribunal expressly authorize such delegation. This framework reflects a functional philosophy aimed at ensuring procedural efficiency while preserving the principle of collective deliberation in deciding the dispute. At the same time, it leaves broad room for party autonomy to regulate the tribunal's internal functioning.

Article 39 of the Saudi Arbitration Law is largely consistent with this approach. It provides that arbitral awards shall be issued by a majority of the tribunal members following confidential deliberation (para. 1).

It also permits decisions on procedural matters to be delegated to the presiding arbitrator, who may decide such issues if authorized in writing by both parties or by all members of the tribunal, unless both parties agree otherwise (para. 3). However, the Saudi statute develops the regulation further by addressing situations in which a majority cannot be reached (para. 2). In such cases, it provides mechanisms to ensure that an award can still be rendered, including the appointment of a casting arbitrator by agreement of the parties or by the court. This level of detail represents a methodological difference from the Model Law, reflecting a legislative concern with preventing procedural deadlock and ensuring that the arbitral process culminates in a final award.

Article 48 of the Draft Law preserves the same basic rules regarding the issuance of awards based on majority vote following confidential deliberation among members of the tribunal (para. 1). Where a majority cannot be reached, however, Article 48 provides that the presiding arbitrator shall render the award, while the other members attach their dissenting opinions, unless the parties agree otherwise (para. 2), thereby maintaining continuity with both the current statute and the Model Law. Article 49 addresses the issuance of awards, first enumerating the various forms of arbitral awards that may be issued during the proceedings—such as partial, interim, and emergency awards—prior to the final award resolving the dispute, without expressly stipulating majority rule in this context (para. 1). It then provides that procedural orders may be issued by the presiding arbitrator if authorized by the parties (without a writing requirement) or consented to by all tribunal members (para. 2). This indicates that the draft redistributes the relevant rules across several provisions and places greater emphasis on the operational flexibility of the tribunal. The difference therefore lies primarily in legislative organization and drafting technique rather than in the underlying philosophy, which remains broadly aligned with the Model Law.

Settlement of the Dispute

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>Article 30</p> <p>(1) If, during arbitral proceedings, the parties settle the dispute, the arbitral tribunal shall terminate the proceedings and, if requested by the parties and not objected to by the arbitral tribunal, record the settlement in the form of an arbitral award on agreed terms.</p> <p>(2) An award on agreed terms shall be made in accordance with the provisions of article 31 and shall state that it is an award. Such an award has the same status and effect as any other award on the merits of the case.</p>	<p>Article 45</p> <p>If, during the arbitration proceedings, the parties agree on a settlement ending the dispute, they may request that the terms of settlement be recorded before the arbitration tribunal, which shall, in this case, issue an award which includes the terms of the settlement and ends proceedings. Such award shall have the same force and effect as arbitration awards.</p>	<p>Article 50</p> <p>If, during arbitral proceedings, the parties settle the dispute, the arbitral tribunal shall terminate the proceedings and, if requested by the parties, record the settlement in the form of an arbitral award on agreed terms. Such an award has the same status and enforceability as any other award on the merits of the case.</p>

Article 30 of the Model Law promotes the amicable settlement of disputes during arbitral proceedings and assigns the arbitral tribunal a neutral procedural role in facilitating such outcomes. Where the parties reach a settlement, the tribunal must terminate the proceedings, and it may—at the parties’ request—record the settlement in the form of an arbitral award on agreed terms, provided that the tribunal has no objections to doing so (para. 1). The Model Law further clarifies that such an award has the same legal effect as an award on the merits in terms of its binding force and enforceability (para. 2). The Model Law thus introduces consent awards, allowing settlement agreements to be recorded as final and binding arbitral awards.

Article 45 of the Saudi Arbitration Law closely follows this approach. It likewise recognizes the parties’ ability to resolve their dispute through settlement during the arbitration and requires the arbitral tribunal, upon request, to issue an award incorporating the agreed terms and terminating the proceedings. The fundamental convergence with the Model Law lies in the recognition that a settlement award enjoys the same, full enforceability

as any other arbitral award. However, the wording of the Saudi provision is somewhat more categorical, as it does not condition the issuance of the settlement award on the tribunal's lack of objection, thereby imposing a more mandatory formulation than that found in the Model Law.

Article 50 of the Draft Law proceeds in a similar direction while bringing the wording closer to that of the Model Law. It distinguishes more clearly between the procedural decision terminating the arbitration as a result of the settlement and the award recording the settlement terms when requested by the parties. As in both the existing Saudi statute and the Model Law, the draft confirms that an award on agreed terms has the same legal force and enforceability as other arbitral awards. This clarification reinforces the procedural distinction between termination and adjudication while maintaining the general philosophy of encouraging consensual resolution within the arbitral process.

Form of Award

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>Article 31 (1), (2), (3) (1) The award shall be made in writing and shall be signed by the arbitrator or arbitrators. In arbitral proceedings with more than one arbitrator, the signatures of the majority of all members of the arbitral tribunal shall suffice, provided that the reason for any omitted signature is stated.</p>	<p>Article 42 1. The arbitration award shall be made in writing and shall be reasoned and signed by the arbitrators. In case of multiple arbitrators, the signatures of the majority of arbitrators shall be sufficient, provided that grounds for the lack of signatures of the minority be recorded in the minutes.</p>	<p>Article 52 1. The arbitral award shall be in writing and signed by the arbitrators. In multi-member tribunals, the signatures of the majority shall be sufficient, provided the reasons for any omitted signatures are recorded. 2. Unless otherwise agreed by the parties, the award must state its reasons, except where it records a settlement under Article 50 of this Law.</p>

Country Report

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>(2) The award shall state the reasons upon which it is based, unless the parties have agreed that no reasons are to be given or the award is an award on agreed terms under article 30.</p> <p>(3) The award shall state its date and the place of arbitration as determined in accordance with article 20(1). The award shall be deemed to have been made at that place.</p>	<p>2. The arbitration award shall include the date of pronouncement and place of issuance; the names and addresses of the parties to the dispute; the names of the arbitrators as well as their addresses, nationalities, and capacities; a summary of the arbitration agreement and of the parties' statements, pleadings, and documents; a summary of the expert report (if any); and a text of the award. The award shall also determine the arbitrators' fees, costs of arbitration, and their distribution between the parties, without prejudice to the provisions of Article 24 of this Law.</p>	<p>3. The arbitral award shall include: the date and place of issuance; the names, addresses, nationalities, and roles of the parties and arbitrators; the arbitration agreement; a summary of claims, defenses, evidence, and arguments; the decision (operative part); reasons if required; the arbitrators' fees and costs of arbitration, and how it shall be allocated, taking into account, when allocating the costs, the outcome and conduct of the parties.</p> <p>4. The award is considered rendered at the place of arbitration, even if it was signed elsewhere or electronically, unless otherwise agreed by the parties.</p> <p>5. Unless otherwise agreed by the parties, the date of issuance of the award is the arbitrator's signature in the case of a sole arbitrator, and, in the case of multiple arbitrators, the date of the last signature.</p>

Article 31 (1)–(3) of the Model Law establishes a unified minimum standard governing the form and essential content of arbitral awards. It requires that the award be made in writing and signed by the arbitrator or arbitrators, state the reasons upon which it is based, and indicate the date and place of arbitration. The provision also incorporates a degree of procedural flexibility: in tribunals composed of multiple arbitrators, the signatures of the majority suffice provided that the reason for any missing signature is stated. Moreover, the requirement to state reasons may be waived by agreement of the parties or when the award records a settlement. This framework reflects a balanced approach that ensures procedural safeguards while respecting party autonomy and avoiding excessive formalism.

Article 42 of the Saudi Arbitration Law largely follows this approach. It likewise requires that the award be in writing, contain reasons, and bear the signatures of the majority of arbitrators, with an explanation provided (in the minutes) if a minority fails to sign (para. 1). As in the Model Law, the award must also state the date and place of issuance (para. 2). However, the Saudi provision expands significantly on the content requirements by providing a detailed and mandatory enumeration of additional elements, including the names and addresses of the parties and arbitrators, a summary of the proceedings, references to expert reports, and a specification of arbitrators' fees and arbitration expenses. This more detailed regulation reflects a legislative preference for procedural clarity and judicial oversight aimed at facilitating enforcement, even if it introduces a higher degree of formality than the Model Law.

Article 52 of the Draft Law demonstrates a movement toward greater methodological alignment with the Model Law while preserving certain domestic features. It maintains the core requirements relating to the written form of the award, the statement of reasons, and the arbitrators' signatures (paras. 1–2). At the same time, it introduces several developments reflecting contemporary arbitral practice. These include express recognition of electronic signatures, a clearer determination of the moment at which the award is deemed to have been issued, and a rule that the award is considered to have been rendered at the place of arbitration even if it is physically signed elsewhere (paras. 4–5). The draft also introduces a more structured standard for the allocation of arbitration costs, linking cost distribution to the outcome of the dispute and the procedural conduct of the parties (para. 3). These additions represent regulatory refinements that modernize the framework without departing from the underlying philosophy of the Model Law.



Delivery of the Arbitral Award

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>Article 31 (4) (4) After the award is made, a copy signed by the arbitrators in accordance with paragraph (1) of this article shall be delivered to each party.</p>	<p>Article 43 (1) 1. The arbitration tribunal shall deliver to each arbitration party a true copy of the arbitration award within 15 days from its date of issuance.</p>	<p>Article 53 (1) 1. The arbitral tribunal shall deliver a certified copy of the award to each party within 15 days of issuance.</p>

Article 31 (4) of the Model Law addresses the delivery of arbitral awards with the aim of ensuring that the parties promptly receive the outcome of the proceedings. It requires the arbitral tribunal to deliver a signed copy of the award to each party once it has been issued. The Model Law does not elaborate further on the mechanics of delivery or impose a specific time limit, instead relying on the validity of the signatures and the procedural framework established by the tribunal. This restrained formulation reflects a preference for procedural flexibility while ensuring legal certainty regarding the communication of the award.

Article 43 (1) of the Saudi Arbitration Law adopts the same basic obligation but supplements it with a specific procedural deadline. It requires that a copy of the arbitral award be delivered to each party within 15 days from the date of its issuance. This additional temporal requirement illustrates the legislature’s concern with greater procedural discipline and predictability, while preserving the essential objective shared with the Model Law—namely, ensuring that both parties receive formal notice of the award.

Article 53 (1) of the Draft Law follows the same structure without introducing substantive change. It reproduces the existing rule concerning the delivery of the award and maintains the same 15-day time limit, while replacing the expression “each arbitration party” in the current law with “each of the arbitration parties”—a linguistic change to accommodate arbitrations involving multiple parties. Thus, the draft maintains full compatibility with the general approach of the Model Law while preserving the specific procedural discipline established in the Saudi statute.

Termination of Arbitral Proceedings

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>Article 32</p> <p>(1) The arbitral proceedings are terminated by the final award or by an order of the arbitral tribunal in accordance with paragraph (2) of this article.</p> <p>(2) The arbitral tribunal shall issue an order for the termination of the arbitral proceedings when:</p> <p>(a) the claimant withdraws his claim, unless the respondent objects thereto and the arbitral tribunal recognizes a legitimate interest on his part in obtaining a final settlement of the dispute;</p> <p>(b) the parties agree on the termination of the proceedings;</p> <p>(c) the arbitral tribunal finds that the continuation of the proceedings has for any other reason become unnecessary or impossible.</p> <p>(3) The mandate of the arbitral tribunal terminates with the termination of the arbitral proceedings, subject to the provisions of articles 33 and 34(4).</p>	<p>Article 41</p> <p>1. The arbitration proceedings shall terminate by the issuance of the award ending the dispute or by the issuance of a decision by the arbitration tribunal to end the proceedings in the following cases:</p> <p>a) If both parties agree to terminate the arbitration proceedings.</p> <p>b) If the plaintiff abandons the arbitration case, unless the arbitration tribunal decides, upon the defendant's request, that the latter has a genuine interest in the continuation of the arbitration proceedings until the dispute is decided.</p> <p>c) If the arbitration tribunal deems, for any other reason, the continuation of the arbitration proceedings pointless or impossible.</p> <p>d) If an order ending the arbitration proceedings is issued pursuant to Article 34(1) of this Law.</p> <p>2. The arbitration proceedings shall not terminate upon the death of either arbitration party or loss of his legal capacity, unless a person with capacity in the dispute agrees with the other party to terminate the arbitration.</p>	<p>Article 55</p> <p>1. The arbitration proceedings end with the issuance of the final award or by an order of the arbitral tribunal to terminate the case in the following instances:</p> <p>a. if the parties agreed to terminate arbitration;</p> <p>b. if the claimant abandons the case, unless the arbitral tribunal decide upon request of the respondent that he has a legitimate interest in the continuation of the proceedings;</p> <p>c. if the arbitral tribunal finds, for any other reason, that the continuation of arbitral proceedings is unnecessary or impossible;</p> <p>d. issuance of a termination order of arbitration proceedings under Article 50 of this Law;</p> <p>e. issuance of a termination order of arbitration proceedings under Article 42 (1) of this Law.</p> <p>2. The arbitral proceedings do not terminate upon the death or incapacity of an arbitration party unless the heirs or successors agree with the other party to terminate.</p>

Country Report

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
	<p>In such case, the deadline for the arbitration shall be extended for 30 days, unless the arbitration tribunal decides to extend it for a similar period or the parties to arbitration agree otherwise.</p> <p>3. Subject to the provisions of Articles 49, 50, and 51 of this Law, the mandate of the arbitration tribunal shall end upon completion of the arbitration proceedings.</p>	<p>In such cases, the arbitration period is to be extended by 30 days, unless the arbitral tribunal decides, or the arbitration parties agree, to extend it for a similar period.</p> <p>3. Taking into consideration of Articles 56, 57, and 58 of this Law, the arbitral tribunal's mandate ends upon termination of proceedings.</p>

Article 32 of the Model Law regulates the termination of arbitral proceedings either as a natural consequence of the issuance of the final award (para. 1) or as a procedural decision of the arbitral tribunal when continuation of the proceedings is no longer justified (para. 2). In the latter case, it identifies three principal situations in which termination may occur: the withdrawal of the claim, subject to consideration of the respondent's legitimate interest in obtaining a final resolution; the agreement of the parties to terminate the proceedings; or circumstances in which continuation becomes impossible or unnecessary. The provision further stipulates that termination of the proceedings normally results in the termination of the arbitral tribunal's mandate, subject to limited exceptions relating to the correction or interpretation of the award (para. 3). This framework reflects the general philosophy of procedural flexibility that characterizes the Model Law, while ensuring a balance between party autonomy and the orderly administration of arbitral justice.

Article 41 of the Saudi Arbitration Law closely follows this approach. It adopts the same conceptual basis for terminating proceedings either

through the issuance of a final award or by a decision of the arbitral tribunal under circumstances largely identical to those described in the Model Law (para. 1). In particular, it reflects strong convergence with respect to the respondent’s “genuine interest” (in the Model Law, “legitimate interest”) in the continuation of proceedings following a withdrawal of the claim and the recognition that termination may occur where continuation becomes impossible or without practical purpose. As in the Model Law, termination of proceedings is linked to the termination of the tribunal’s mandate, subject to other relevant provisions (para. 3). The Saudi statute introduces an additional regulatory element by addressing the consequences of the death or loss of legal capacity of one of the parties (para. 2). Rather than automatically terminating the arbitration, the law provides for the extension of procedural deadlines to allow the proceedings to continue. This feature—absent from the Model Law—constitutes a domestic legislative refinement rather than a departure from the underlying approach of the UNCITRAL text.

Article 55 of the Draft Law continues along the same line with only limited adjustments. It largely reproduces the structure and substance of the current law while maintaining close alignment with the Model Law’s conceptual framework. The draft preserves the same circumstances in which termination may occur but expands the cross-referencing to related provisions of the statute, thereby strengthening the internal coherence of the legislative scheme (para. 1). These refinements suggest a drafting effort aimed primarily at improving statutory clarity and systematic organization rather than altering the substantive balance between arbitral autonomy and procedural control. The draft therefore maintains continuity with both the existing Saudi legislation and the broader methodological orientation of the Model Law.



Correction of the Arbitral Award

1. At the Request of a Party

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>Article 33 (1) (a) (1) Within thirty days of receipt of the award, unless another period of time has been agreed upon by the parties: (a) a party, with notice to the other party, may request the arbitral tribunal to correct in the award any errors in computation, any clerical or typographical errors or any errors of similar nature;</p>	<p>Article 47 1. The arbitration tribunal shall, pursuant to its own decision or upon a request by either party, rectify any material errors in its award, whether in text or in calculation. The rectification shall be carried out without pleadings within 15 days following the date of rendering the award or of submitting the petition for rectification, as the case may be. 2. The rectification shall be issued by the arbitration tribunal in writing and both parties shall be notified of the same within 15 days from its date of issuance. If the arbitration tribunal exceeds its power in rectification, the decision of the tribunal may be nullified by an action for nullification subject to the provisions of Articles 50 and 51 of this Law.</p>	<p>Article 57 1. Unless otherwise agreed by the parties, the arbitral tribunal may correct the material errors in its award, written or computational, on its own initiative or at a party's request. The request shall be submitted within 15 days of receiving the arbitral award. The correction by the arbitral tribunal must be made without pleadings within 15 days of the award issuance or the submission of the request. 2. The correction shall be issued by the arbitral tribunal in writing and be notified to the parties within 15 days of its issuance. The correction decision shall be considered as a part of the award and subject to its provisions with the same legal effect.</p>

Article 33 (1) (a) of the Model Law establishes a specific, flexible mechanism for correcting arbitral awards, limited to computational, clerical, typographical, or similar errors. Such corrections may be requested by either party within 30 days of receiving the award, provided that the other party is notified of the request. This mechanism is designed to preserve the stability and finality of the award while allowing minor technical defects to be remedied without reopening the merits of the dispute. The provision concerns corrections initiated at the request

a party, while Article 33 (2) addresses corrections made by the arbitral tribunal on its own initiative (see below). This provision preserves the finality of the award while allowing the correction of technical errors upon a party's request.

Article 47 of the Saudi Arbitration Law adopts the same fundamental principle of restricting corrections to purely technical errors that do not affect the substantive determination of the dispute. However, it differs from the Model Law in two principal respects. First, it shortens the period within which a request for correction may be made from 30 days to 15 days. Second, it addresses both party-initiated corrections and corrections made by the arbitral tribunal on its own initiative within a single provision (para. 1), rather than separating them into distinct paragraphs as in the Model Law. The statute also introduces a further safeguard by providing that if the tribunal exceeds the permissible scope of correction, the resulting decision may be challenged through an annulment action (para. 2). This feature reflects a somewhat stricter approach to supervising the tribunal's post-award authority.

Article 57 of the Draft Law moves toward closer alignment with the Model Law while retaining the essential structure of the current Saudi provision. It recognizes that corrections may be made either on the tribunal's own initiative or at the request of a party and maintains the same time limits (15 days) to those found in the existing law (para. 1). The draft also introduces an important clarification by expressly stating that the correction decision forms an integral part of the arbitral award and is subject to the same legal regime (para. 2). This clarification strengthens legal certainty regarding the status and enforceability of such corrections, while preserving the shorter procedural timeframe characteristic of the Saudi legislative framework.

Correction of the Arbitral Award

2. On the Arbitral Tribunal's Own Initiative

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>Article 33 (2) (2) The arbitral tribunal may correct any error of the type referred to in paragraph (1)(a) of this article on its own initiative within thirty days of the date of the award.</p>	<p>Article 47 1. The arbitration tribunal shall, pursuant to its own decision or upon a request by either party, rectify any material errors in its award, whether in text or in calculation. The rectification shall be carried out without pleadings within 15 days following the date of rendering the award or of submitting the petition for rectification, as the case may be. 2. The rectification shall be issued by the arbitration tribunal in writing and both parties shall be notified of the same within 15 days from its date of issuance. If the arbitration tribunal exceeds its power in rectification, the decision of the tribunal may be nullified by an action for nullification subject to the provisions of Articles 50 and 51 of this Law.</p>	<p>Article 57 1. Unless otherwise agreed by the parties, the arbitral tribunal may correct the material errors in its award, written or computational, on its own initiative or at a party's request. The request shall be submitted within 15 days of receiving the arbitral award. The correction by the arbitral tribunal must be made within 15 days of the award issuance or the submission of the request. 2. The correction shall be issued by the arbitral tribunal in writing and be notified to the parties within 15 days of its issuance. The correction decision shall be considered as a part of the award and subject to its provisions with the same legal effect.</p>

Article 33 (2) of the Model Law recognizes the arbitral tribunal's authority to correct purely technical errors on its own initiative. This authority extends to clerical, computational, typographical, or similar mistakes and may be exercised within 30 days of the award, without a request from the parties. The provision does not address the effects of such corrections or the availability of recourse against them, treating correction as a limited supplementary act that does not affect the substantive determination of the dispute.

Article 47 (2) of the Saudi Arbitration Law reflects the same basic principle by recognizing the tribunal's authority to issue a correction

decision communicated to the parties. However, it shortens the relevant timeframe to 15 days from the date of the award and adds a layer of judicial oversight not expressly contemplated in the Model Law: where the tribunal exceeds the permissible scope of correction, the decision may be challenged through an annulment action. The provision does not expressly distinguish between corrections made on the tribunal’s own initiative and those made at the request of a party, nor does it redefine the categories of correctable errors. Its emphasis instead lies in preventing the use of the correction mechanism as a means of substantively modifying the award under the guise of correcting technical errors. This reflects a subtle difference in regulatory emphasis rather than a departure from the Model Law’s underlying approach.

Article 57 of the Draft Law moves toward closer alignment with the Model Law while introducing greater procedural precision. It expressly governs corrections made either on the tribunal’s own initiative or at the request of a party, retains the 15-day timeframe, and requires that parties be notified of the correction within the same period. It further clarifies that the correction forms an integral part of the award and is subject to the same legal regime. These refinements preserve the tribunal’s authority to correct technical errors while enhancing procedural clarity and reinforcing the legal integration of the correction with the original award.

Interpretation of the Arbitral Award

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>Article 33 (1)(b) (1) Within thirty days of receipt of the award, unless another period of time has been agreed upon by the parties:</p>	<p>Article 46 1. Either arbitration party may, within 30 days following the date of receipt of the arbitration award,</p>	<p>Article 56 1. Unless otherwise agreed by the parties, any of the arbitration parties may request the arbitral tribunal,</p>

Country Report

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>...</p> <p>(b) if so agreed by the parties, a party, with notice to the other party, may request the arbitral tribunal to give an interpretation of a specific point or part of the award.</p> <p>If the arbitral tribunal considers the request to be justified, it shall make the correction or give the interpretation within thirty days of receipt of the request. The interpretation shall form part of the award.</p>	<p>petition the arbitration tribunal to interpret any ambiguity in the award's dispositif.⁽¹²⁵⁾ The party requesting interpretation shall, prior to submitting the petition to the tribunal, notify the other party of said petition at the address specified in the arbitration award.</p> <p>2. The interpretation shall be issued in writing within 30 days following the date on which the petition for interpretation was submitted to the arbitration tribunal.</p> <p>3. The decision of interpretation shall be deemed complementary to the relevant arbitration award and subject to the rules applicable thereto.</p>	<p>within 30 days of receiving the arbitral award, to interpret any ambiguity in the award's dispositif. The requesting party shall notify the other party of his request at his address indicated in the arbitration award, before submission to the arbitral tribunal.</p> <p>2. The interpretation must be issued in writing within 30 days of the submission of the request to the arbitral tribunal and shall form part of the interpreted award and be subject to its provisions.</p>

Article 33 (1) (b) of the Model Law allows for the interpretation of an arbitral award in limited circumstances and subject to a significant restriction: the possibility of requesting interpretation must first be permitted by agreement of the parties. Where such agreement exists, a party may request interpretation of a specific point or part of the award within 30 days of receiving the award. The arbitral tribunal must determine whether the request is justified, and if so, it must issue the interpretation within 30 days of receiving the request. The interpretation is deemed to form an integral part of the original award. This mechanism reflects the Model Law's concern with preserving the authority and finality of arbitral awards while providing a narrowly tailored means of clarifying ambiguities without reopening the merits.

Article 46 of the Saudi Arbitration Law broadly follows this procedural framework but introduces two notable differences. First, it does not require prior agreement between the parties to permit interpretation;

(125) The official English translation of Article 46 (1) of the current law incorrectly refers to the "text of the award." In fact, the provision limits the scope of interpretation to the operative portion of the award (the dispositif), as reflected in the Arabic version. Both the Draft Law and the current law adopt identical wording in this respect; the discrepancy arises solely from a translation error of Article 46 (1) of the current law, and the correct wording is implemented here.

instead, it recognizes the right of either party to request interpretation as a statutory entitlement. Second, it limits the scope of interpretation to the operative portion of the award (the *dispositif*), in comparison with Model Law's provision that this be limited to "a specific point or part of the award." The provision nonetheless maintains procedural safeguards similar to those found in the Model Law, including that requests be made within 30 days of the issue of the award, that the requesting party notifies the other party of said request, and that the interpretation is issued within 30 days of receipt of the request (the Saudi law adds that interpretations are to be made "in writing"). The statute also includes an important clarification regarding legal effect, expressly providing that an interpretation decision is complementary to the arbitral award and is subject to the same provisions governing it, expanding the Model Law's provision that the interpretation forms "part of the award." This formulation reflects a pragmatic legislative approach aimed primarily at eliminating ambiguity that could arise during enforcement, while avoiding any reopening of substantive determinations.

Article 56 of the Draft Law demonstrates greater alignment with the structure of the Model Law while preserving the operational features of the current Saudi statute. It begins with a qualifying clause—"unless otherwise agreed by the parties"—which reintroduces a stronger emphasis on party autonomy. At the same time, it maintains the existing procedural 30-day timeframes and party notification requirements. It aligns with the current statute in that it limits the scope of interpretation to the operative portion of the award, without referring to other parts of the decision. Furthermore, the draft combines the wording of the two other instruments by providing that the interpretation must be in writing and shall form part of the award and be subject to its provisions. This clarification enhances statutory clarity and reduces the likelihood of disputes regarding the legal nature and consequences of interpretation.

Additional Awards

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>Article 33 (3), (4), (5)</p> <p>(3) Unless otherwise agreed by the parties, a party, with notice to the other party, may request, within thirty days of receipt of the award, the arbitral tribunal to make an additional award as to claims presented in the arbitral proceedings but omitted from the award. If the arbitral tribunal considers the request to be justified, it shall make the additional award within sixty days.</p> <p>(4) The arbitral tribunal may extend, if necessary, the period of time within which it shall make a correction, interpretation or an additional award under paragraph (1) or (3) of this article.</p> <p>(5) The provisions of article 31 shall apply to a correction or interpretation of the award or to an additional award.</p>	<p>Article 48</p> <p>1. Each arbitration party may, even upon expiry of the time limit for arbitration, petition, within 30 days following the date of receipt of the arbitration award, the arbitration tribunal to make an additional award as to claims presented during the arbitration proceedings but omitted from the award. The other party shall be notified of such petition on his address as indicated in the arbitration award prior to its submission to the arbitration tribunal.</p> <p>2. The arbitration tribunal shall issue its award within 60 days from the petition submission date, and it may, as it deems necessary, extend such period for an additional 30 days.</p>	<p>Article 58</p> <p>1. Unless otherwise agreed by the parties, either party may request the arbitral tribunal, within 30 days of receiving the arbitration award, to issue an additional arbitral award on any claims presented during the proceedings but omitted from the award. The other party must be notified at his address indicated in the arbitration award before submission to the arbitral tribunal.</p> <p>2. The arbitral tribunal shall issue the requested additional award within 60 days of submission of the request, and it may extend the period by an additional 30 days if considered necessary. The additional arbitral award shall be considered as part of the award and subject to its provisions.</p>

Article 33 (3)–(5) of the Model Law completes the framework governing post-award powers of the arbitral tribunal by providing a mechanism to address substantive omissions in an award. It allows any party, within 30 days of receipt of the award, to request the tribunal to render an additional award concerning claims that were presented during the proceedings but were not addressed in the award (para. 3). The tribunal must determine whether the request is justified and, if so, issue the additional award within 60 days. The

provision also permits the extension of procedural deadlines when necessary (para. 4) and stipulates that the additional award must conform to the same formal requirements governing the original award (para. 5). This mechanism reflects the Model Law's concern with ensuring the completeness of arbitral decisions while preserving their finality.

Article 48 of the Saudi Arbitration Law reflects the same conceptual approach and legislative purpose. It expressly authorizes the issuance of an additional arbitral award to address claims that were omitted from the original award, provided that parties request this within 30 days of receiving the award (para. 1). The tribunal must render its decision within 60 days of receiving such a request, but may extend this period to an additional 30 days where necessary (para. 2). Unlike the Model Law, however, the Saudi provision does not expressly state that the additional award forms an integral part of the original award. Despite this difference in wording, the practical function of the mechanism remains consistent with the Model Law's objective of ensuring that all claims submitted to arbitration are fully resolved.

Article 58 of the Draft Law moves further toward alignment with the Model Law while maintaining continuity with the existing statute. It preserves the same procedural structure and time limits for requesting and issuing an additional award, but it adds an explicit clarification that the additional award is complementary to the original award and subject to the same governing provisions. In doing so, the draft strengthens the doctrinal unity of arbitral awards and eliminates potential ambiguity regarding the legal status and enforceability of additional awards. This refinement reflects a broader legislative trend toward clarifying the internal coherence of the arbitral framework while maintaining its compatibility with the Model Law.

Grounds for Recourse Against Arbitral Awards

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>Article 34 (1), (2)</p> <p>(1) Recourse to a court against an arbitral award may be made only by an application for setting aside in accordance with paragraphs (2) and (3) of this article.</p> <p>(2) An arbitral award may be set aside by the court specified in article 6 only if:</p> <p>(a) the party making the application furnishes proof that:</p> <p>(i) a party to the arbitration agreement referred to in article 7 was under some incapacity; or the said agreement is not valid under the law to which the parties have subjected it or, failing any indication thereon, under the law of this State; or</p> <p>(ii) the party making the application was not given proper notice of the appointment of an arbitrator or of the arbitral proceedings or was otherwise unable to present his case; or</p> <p>(iii) the award deals with a dispute not contemplated by or not falling within the terms of the submission to arbitration, or contains decisions on matters beyond the scope of the submission to arbitration, provided that, if the decisions on matters submitted to arbitration can be separated from those not so submitted, only that part of the award which contains decisions on matters not submitted to arbitration may be set aside; or</p>	<p>Article 49</p> <p>Arbitration awards rendered in accordance with the provisions of this Law are not subject to any form of appeal, except for an action to nullify an arbitration award filed in accordance with the provisions of this Law.</p> <p>Article 50 (1), (2)</p> <p>1. An action to nullify an arbitration award shall not be admitted except in the following cases:</p> <p>a) If no arbitration agreement exists, or if such agreement is void, voidable, or terminated due to expiry of its term.</p> <p>b) If either party, at the time of concluding the arbitration agreement, lacks legal capacity, pursuant to the law governing his capacity.</p> <p>c) If either arbitration party fails to present his defense due to lack of proper notification of the appointment of an arbitrator or of the arbitration proceedings, or for any other reason beyond his control.</p> <p>d) If the arbitration award excludes the application of any rules which the parties to arbitration agree to apply to the subject matter of the dispute.</p>	<p>Article 60</p> <p>Arbitral awards, issued according to this Law, may not be subject to any of the means of appeal, except by raising a claim to annul the arbitral award in accordance with the provisions of this Law.</p> <p>Article 61 (1), (2)</p> <p>1. A claim to annul an arbitral award may only be accepted if:</p> <p>a. the arbitration agreement is absent, invalid, or expired, according to the legal provisions governing the arbitration agreement;</p> <p>b. one of the parties to the arbitration agreement, at the time of concluding the agreement, lacked or has limited capacity according to the law governing his capacity;</p> <p>c. one of the parties to the arbitration agreement failed to submit its defense due to lack of proper notice of the appointment of an arbitrator, the arbitration proceedings, or for reasons beyond its control;</p> <p>d. the tribunal disregarded the applicable rules of law agreed upon by the arbitration parties on the dispute subject;</p>

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>(iv) the composition of the arbitral tribunal or the arbitral procedure was not in accordance with the agreement of the parties, unless such agreement was in conflict with a provision of this Law from which the parties cannot derogate, or, failing such agreement, was not in accordance with this Law; or</p> <p>(b) the court finds that:</p> <p>(i) the subject-matter of the dispute is not capable of settlement by arbitration under the law of this State; or</p> <p>(ii) the award is in conflict with the public policy of this State.</p>	<p>e) If the composition of the arbitration tribunal or the appointment of arbitrators is carried out in a manner that violates this Law or the agreement of the parties.</p> <p>f) If the arbitration award rules on matters not included in the arbitration agreement. Nevertheless, if the sections of the award relating to matters subject to arbitration can be separated from those not subject thereto, then nullification shall apply only to the sections not subject to arbitration.</p> <p>g) If the arbitration tribunal fails to observe the conditions required for the award in a manner that affects its substance, or if the award is based on void arbitration proceedings that affect it.</p> <p>2. The competent court considering the nullification action shall, on its own initiative, nullify the award if it violates the provisions of <i>Sharia</i> and public order in the Kingdom or the agreement of the arbitration parties, or if the subject matter of the dispute cannot be referred to arbitration under this Law.</p>	<p>e. the tribunal has been established or arbitrators have been appointed in violation of the mandatory provisions of this Law that parties can not violate, or of the parties' agreement;</p> <p>f. the arbitration award ruled on matters outside the scope of the arbitration agreement. Nevertheless, if it is possible to separate the parts within the scope of arbitration and the parts outside its scope, which will be annulled; or</p> <p>g. the arbitral proceedings violated the parties' agreement or the mandatory provisions of this Law.</p> <p>2. The competent court hearing the annulment action shall, on its own initiative, set aside the arbitral award if the award is in conflict with <i>Sharia</i> and public policy in the Kingdom or if the subject matter of the dispute is not capable of settlement by arbitration under this Law.</p>

Article 34 (1)–(2) of the Model Law limits recourse against arbitral awards to a single procedural mechanism: an application for setting aside before the competent court (para. 1). The provision defines a limited and exhaustively enumerated set of grounds on which such an application may be based (para. 2). These grounds protect both the autonomy of the parties and the integrity of the arbitral process, including issues relating to legal capacity, the validity of the arbitration agreement,

proper notice, the scope of the arbitration agreement, the composition of the arbitral tribunal, and the conduct of the proceedings. Additional grounds relate to the legal order of the forum state, including the non-arbitrability of the dispute and conflicts with public policy. This narrow framework reflects the Model Law's overarching objective of safeguarding the finality of arbitral awards while allowing a minimal level of judicial oversight to ensure procedural fairness and compatibility with the fundamental legal order.

Articles 49 and 50 (1)–(2) of the Saudi Arbitration Law closely follow this approach. Article 49 establishes that arbitral awards are not subject to appeal and may only be challenged through an annulment action. Article 50 enumerates grounds for setting aside awards that largely correspond to those set out in the Model Law and adopts the same principle that an award may be partially annulled if it exceeds the scope of the arbitration agreement. Certain differences appear in the statutory wording, however. The Saudi law expressly includes violations of agreed procedural rules or mandatory requirements governing the form of the award where such violations affect its substance. It also explicitly identifies Islamic law as a component of the Kingdom's public policy. These elements represent expressions of the domestic legal environment rather than departures from the structural logic of the Model Law, although they expand the circumstances in which the court may intervene.

Articles 60 and 61 (1)–(2) of the Draft Law reaffirm and consolidate this legislative orientation. Article 61 retains the same general structure governing annulment actions and their grounds but employs wording that more clearly reflects the concept of “mandatory provisions of this Law that parties can not violate” (para. 1 (e)). It also retains the unified standard in the current statute requiring the court to act on its own initiative where the award violates public policy or Islamic law, or where the subject matter of the dispute is not capable of settlement by arbitration (para. 2). In doing so, the draft moves somewhat closer to the

general regulatory logic of the Model Law while maintaining the particular normative features of the Saudi legal framework. This continuity demonstrates the legislature’s ongoing commitment to aligning domestic arbitration law with the Model Law while preserving core elements of the national legal order.

Time Limit for Annulment Actions

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>Article 34 (3) (3) An application for setting aside may not be made after three months have elapsed from the date on which the party making that application had received the award or, if a request had been made under article 33, from the date on which that request had been disposed of by the arbitral tribunal.</p>	<p>Article 51 (1) 1. An action for nullification of the arbitration award shall be filed by either party within 60 days following the date of notification of said party of the award; and such action is admissible even if the party invoking nullification waives his right to do so prior to the issuance of the arbitration award.</p>	<p>Article 62 (1) 1. A claim of annulment against the arbitral award must be submitted within 60 days of notifying the parties of the award. A party’s waiver of its right to annul, before the issuance of the arbitration award, does not affect the acceptance of the claim.</p>

Article 34 (3) of the Model Law establishes a clear and limited time frame for challenging an arbitral award through an application for setting aside. As a default rule, such an application must be filed within three months from the date on which the party making the application received the award. Where a request has been made for correction, interpretation, or an additional award under Article 33, the time limit begins to run from the date on which that request is resolved. This structure reflects the Model Law’s methodological concern with ensuring the stability and finality of arbitral awards while preventing them from being exposed to indefinite or delayed challenges.

Article 51 (1) of the Saudi Arbitration Law adopts the same general philosophy of restricting recourse through a defined time limit but differs in certain procedural details. Most notably, it reduces the period for filing an annulment action to 60 days from the date on which the party is notified of

the award. Unlike the Model Law, the provision does not expressly link the commencement of this period to the resolution of requests for correction, interpretation, or additional awards. In addition, the Saudi statute emphasizes that any prior waiver of the right to bring an annulment action shall not prevent the court from accepting such an application once the award has been issued. This feature reflects the legislature’s intention to safeguard minimum judicial guarantees and prevent parties from relinquishing their right to challenge an award before its content is known.

Article 62 (1) of the Draft Law retains the same framework as the current statute without introducing substantive modification. It preserves the 60-day limitation period and reiterates the rule that a waiver made prior to the issuance of the award does not bar an annulment action. These provisions indicate a continued legislative preference for maintaining the existing balance between the finality of arbitral awards and the preservation of judicial review. Accordingly, the draft remains structurally aligned with the Model Law in its objective of ensuring legal certainty while differing in the specific duration of the limitation period and the method for calculating its commencement.

Suspension of Annulment Actions

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>Article 34 (4) (4) The court, when asked to set aside an award, may, where appropriate and so requested by a party, suspend the setting aside proceedings for a period of time determined by it in order to give the arbitral tribunal an opportunity to resume the arbitral proceedings or to take such other action as in the arbitral tribunal’s opinion will eliminate the grounds for setting aside.</p>	<p>—</p>	<p>Article 61 (5) 5. The court, requested to annul the arbitral award, may suspend annulment proceedings for up to 60 days at a party’s request to allow the arbitral tribunal to take any action or amendment on the award’s form or to remove grounds of annulment, without altering the substance of the award.</p>

Article 34 (4) of the Model Law embodies a policy preference for preserving arbitral awards where possible rather than setting them aside outright. It authorizes the court, upon request by a party and where it considers such action appropriate, to suspend annulment proceedings for a period of time in order to allow the arbitral tribunal to resume proceedings or take corrective measures capable of removing the grounds for annulment. This mechanism reflects the Model Law's broader philosophy of minimizing judicial interference in arbitration while promoting procedural economy and safeguarding the stability of arbitral awards.

The Saudi Arbitration Law contains no express provision equivalent to this mechanism. Although the court retains general authority to manage proceedings in accordance with procedural rules, the statute itself does not establish a specific procedure enabling the court to suspend annulment proceedings for the purpose of allowing the arbitral tribunal to remedy defects in the award. As a result, where a ground for annulment is established, the court typically proceeds directly to adjudication of the annulment action. While the law shares with the Model Law the broader objective of limiting judicial intervention, the absence of a statutory suspension mechanism means that the possibility of preserving the award through corrective action is not formally structured within the legislative framework.

Article 61 (5) of the Draft Law introduces a provision that closely mirrors the Model Law's approach. It expressly empowers the court, upon request of a party, to suspend annulment proceedings for a specified period—up to 60 days—in order to enable the arbitral tribunal to take formal steps or make corrections capable of eliminating the grounds for annulment. The provision also clarifies that such corrective action must not affect the substantive determination of the dispute. Through this mechanism, the draft adopts the international model's emphasis on preserving arbitral awards while adapting it to the domestic judicial environment by imposing a defined time limit and clearly delineating the scope of permissible corrective action.

Recognition and Enforcement of Arbitral Awards

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>Article 35 (1) (1) An arbitral award, irrespective of the country in which it was made, shall be recognized as binding and, upon application in writing to the competent court, shall be enforced subject to the provisions of this article and of article 36.</p>	<p>Article 52 Subject to the provisions of this Law, an arbitration award rendered in accordance with this Law shall have the authority of a judicial ruling and shall be enforceable.</p>	<p>Article 63 An arbitral award, rendered under this Law, shall have <i>res judicata</i> effect regardless of the country of issuance, and shall be enforceable, taking into consideration the provisions of Articles 64 and 65 of this Law.</p>

Article 35 (1) of the Model Law establishes the principle that arbitral awards are binding and enforceable regardless of the country in which they were rendered. It provides that an arbitral award shall be recognized as binding and enforced upon application to the competent court, subject only to the limited conditions specified in Articles 35 and 36. This formulation reflects the Model Law’s objective of promoting the international portability of arbitral awards by ensuring that their enforceability does not depend on the place of issuance, while confining judicial scrutiny to narrowly defined grounds.

Article 52 of the Saudi Arbitration Law similarly affirms the authority and enforceability of arbitral awards, though it frames the issue primarily in relation to awards rendered under the statute itself. It links the binding effect of the award to the condition that it has been issued “in accordance with this Law.” Foreign arbitral awards whose enforcement is sought in the Kingdom are governed instead by the provisions applicable to enforcement procedures, which fall under the jurisdiction of competent enforcement court. In such cases, the court applies the relevant domestic enforcement rules as well as international treaties and conventions to which the Kingdom is a party, including the New York Convention, in addition to any applicable bilateral or multilateral agreements. Although the wording differs

from that of the Model Law—the Saudi law providing that arbitral awards have “the authority of a judicial ruling”—the underlying principle recognizing the binding nature of such awards remains substantially consistent. The difference lies mainly in the legislative emphasis on the domestic regulatory framework and the separate treatment of foreign awards through the enforcement regime and international conventions.

Article 63 of the Draft Law moves more clearly toward the wording and structure of the Model Law. It expressly states that arbitral awards “shall have *res judicata* effect regardless of the country of issuance,” while retaining the current statute’s references to subsequent provisions governing the conditions for recognition, enforcement, and possible refusal. This formulation reflects a deliberate effort to align the statutory language more closely with international standards and reinforces the international enforceability of arbitral awards while maintaining the procedural safeguards provided in the national legislation.

Requirements for the Enforcement of Arbitral Awards

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>Article 35 (2) (2) The party relying on an award or applying for its enforcement shall supply the original award or a copy thereof. If the award is not made in an official language of this State, the court may request the party to supply a translation thereof into such language.</p>	<p>Article 53 The competent court, or designee thereof, shall issue an order for the enforcement of the arbitration award. The request for enforcement of the award shall be accompanied with the following:</p> <ol style="list-style-type: none"> 1. The original award or an attested copy thereof. 2. A true copy of the arbitration agreement. 3. An Arabic translation of the arbitration award attested by an accredited authority, if the award is not issued in Arabic. 4. Proof of the deposit of the award with the competent court, pursuant to Article 44 of this Law. 	<p>Article 64 The competent court shall issue an order to enforce the arbitration award. The application for enforcement shall be submitted with:</p> <ol style="list-style-type: none"> 1. the original award or a certified copy; 2. a copy of the arbitration agreement; and 3. a certified Arabic translation, if the award is issued in another language.

Article 35 (2) of the Model Law adopts a simplified approach to the procedural requirements for the recognition and enforcement of arbitral awards. It limits the applicant's burden to submitting the original arbitral award or a copy thereof. If the award is not written in an official language of the enforcing State, the court may request a translation. The provision does not impose additional documentary requirements or formalities, thereby reflecting a policy of minimizing procedural obstacles and facilitating access to enforcement while preserving the court's ability to verify the authenticity of the award.

Article 53 of the Saudi Arbitration Law generally corresponds to this approach but introduces additional formal requirements. In addition to submitting the original award or an certified copy, the applicant must provide a copy of the arbitration agreement and submit a certified Arabic translation if the award was issued in another language (paras. 1–3). The statute also requires proof that the award has been deposited with the competent court (para. 4). These additional elements constitute a regulatory expansion beyond the Model Law's minimal requirements and reflect the Saudi legislature's preference for closer procedural oversight in the enforcement stage, while maintaining the fundamental principle that arbitral awards are authoritative and enforceable.

Article 64 of the Draft Law retains the basic structure of the current statute but introduces certain adjustments that move it closer to the Model Law. It preserves the core requirements of submitting the original award or a certified copy, a copy of the arbitration agreement, and a certified translation where necessary (paras. 1–3). At the same time, the draft provision removes the requirement that the award be deposited with the competent court prior to enforcement. This modification simplifies the enforcement procedure and reduces formal barriers, thereby bringing the statutory framework more closely into line with the facilitative philosophy underlying the Model Law while still accommodating the procedural requirements of the domestic legal system.

Grounds for Refusing Recognition or Enforcement

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>Article 36 (1) (1) Recognition or enforcement of an arbitral award, irrespective of the country in which it was made, may be refused only: (a) at the request of the party against whom it is invoked, if that party furnishes to the competent court where recognition or enforcement is sought proof that: (i) a party to the arbitration agreement referred to in article 7 was under some incapacity; or the said agreement is not valid under the law to which the parties have subjected it or, failing any indication thereon, under the law of the country where the award was made; or (ii) the party against whom the award is invoked was not given proper notice of the appointment of an arbitrator or of the arbitral proceedings or was otherwise unable to present his case; or (iii) the award deals with a dispute not contemplated by or not falling within the terms of the submission to arbitration, or it contains decisions on matters beyond the scope of the submission to arbitration, provided that, if the decisions on matters submitted to arbitration can be separated from those not so submitted, that part of the award which contains decisions on matters submitted to arbitration may be recognized and enforced; or</p>	<p>Article 55 (2) 2. The order to execute the arbitration award under this Law shall not be issued except upon verification of the following: a) The award is not in conflict with a judgment or decision issued by a court, committee, or commission having jurisdiction to decide the dispute in the Kingdom of Saudi Arabia; b) The award does not violate the provisions of Sharia and public order in the Kingdom. If the award is divisible, an order for execution of the part not containing the violation may be issued. c) The award is properly notified to the party against whom it is rendered.</p>	<p>Article 65 (2) 2. Enforcement of the arbitration award shall only be granted after verifying that: a. the arbitration award does not contradict with a final judgment/ decision issued by a domestic court, commission, or an authority with the jurisdiction to adjudicate the dispute in the Kingdom of Saudi Arabia; b. the award does not breach the provisions of Sharia or public Policy in the Kingdom. If the award is severable, only the compliant part shall be enforced; and c. the award has been properly notified to the convicted party.</p>

Country Report

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>(iv) the composition of the arbitral tribunal or the arbitral procedure was not in accordance with the agreement of the parties or, failing such agreement, was not in accordance with the law of the country where the arbitration took place; or</p> <p>(v) the award has not yet become binding on the parties or has been set aside or suspended by a court of the country in which, or under the law of which, that award was made; or</p> <p>(b) if the court finds that:</p> <p>(i) the subject-matter of the dispute is not capable of settlement by arbitration under the law of this State; or</p> <p>(ii) the recognition or enforcement of the award would be contrary to the public policy of this State.</p>		

Article 36 (1) of the Model Law limits the grounds for refusing recognition or enforcement of an arbitral award to a narrowly defined set of exceptions. It systematically distinguishes between grounds that may be invoked by the party against whom the award is relied upon and those that the court may raise on its own initiative. This structure reflects the Model Law's general philosophy of supporting the authority and international enforceability of arbitral awards while restricting judicial intervention to essential matters, such as the legal capacity of the parties, the validity of the arbitration agreement, the integrity of the arbitral proceedings, the scope of the tribunal's jurisdiction, the arbitrability of the dispute, and compliance with public policy.

Article 55 (2) of the Saudi Arbitration Law produces largely the same practical outcome, although it adopts a different drafting technique. Rather than enumerating grounds for refusal in a structure parallel to that of the Model Law, it formulates them as conditions that

the enforcement judge must verify before granting enforcement. The substantive similarities nevertheless remain clear. The statute relies on requirements such as proper notification of the parties, the possibility of severing unenforceable portions of the award in the case of partial invalidity, and the prohibition of enforcement where the award conflicts with public policy. In addition, the Saudi provision introduces a condition that the arbitral award must not contradict a prior domestic judgment or decision. This requirement does not appear in the same form in the Model Law and reflects the particular demands of the domestic legal system in safeguarding the coherence of judicial decisions.

Article 65 (2) of the Draft Law essentially preserves the same approach adopted in the current statute. While refining the wording, it maintains the same principal conditions governing the refusal of enforcement. One notable clarification is the addition of the qualifier “final” with respect to any conflicting domestic judgment or decision. This refinement strengthens legal certainty by limiting the relevance of conflicting decisions to those that have acquired finality. Overall, the draft confirms the continuity of the Saudi legislative approach: it remains broadly aligned with the spirit of the Model Law while adapting the formulation to domestic legal requirements and the national understanding of public policy.



Stay of Enforcement of Arbitral Awards

Model Law (1985, am. 2006)	Saudi Arbitration Law (2012)	Draft Law
<p>Article 36 (2) (2) If an application for setting aside or suspension of an award has been made to a court referred to in paragraph (1)(a)(v) of this article, the court where recognition or enforcement is sought may, if it considers it proper, adjourn its decision and may also, on the application of the party claiming recognition or enforcement of the award, order the other party to provide appropriate security.</p>	<p>Article 54 Filing of a nullification action shall not stay the execution of the arbitration award. Nevertheless, the competent court may order a stay of execution if the plaintiff so requests in his nullification action and if his request is based on sound grounds. The competent court shall decide the stay of execution application within 15 days from the petition submission date. If the court decides a stay of execution, it may order that a bail or financial guarantee is provided. If the competent court orders a stay of execution, it shall decide on the nullification action within 180 days from the date of issuance of said order.</p>	<p>Article 65 (3) 3. The court may suspend enforcement proceedings for up to 60 days at a party's request to allow the arbitral tribunal to take any action or amendment on the award's form or to remove grounds of enforcement refusal, without altering the substance of the award.</p>

Article 36 (2) of the Model Law aims to strike a balance between the principle that arbitral awards are authoritative and the need to protect parties against the possible enforcement of a defective award. It therefore grants the enforcement court discretion to adjourn its decision on recognition or enforcement if an application to set aside or suspend the award is pending before a competent court. At the same time, the court may require the party seeking adjournment to provide appropriate security in order to safeguard the interests

of the party seeking enforcement. This framework avoids treating the mere existence of a challenge as an automatic ground for suspending enforcement and instead relies on a contextual judicial assessment of the circumstances and potential risks of enforcement or postponement.

Article 54 of the Saudi Arbitration Law substantially reflects this philosophy. It establishes that the filing of an annulment action does not automatically stay the enforcement of the arbitral award, thereby preserving the effectiveness of arbitration. However, the statute introduces a more detailed procedural framework. A stay of enforcement may be granted only upon an express request by the claimant in the annulment action and must be supported by serious grounds. The law further sets specific time limits for the court to decide on the request for a stay (15 days) and subsequently on the annulment action itself (180 days). In addition, the court may order the provision of a security or guarantee. These elements reveal a clear conceptual similarity with the Model Law, though expressed through a more structured and detailed regulatory approach.

Article 65 (3) of the Draft Law addresses the matter from a somewhat different perspective. It authorizes the court to suspend enforcement proceedings for a specified period—up to 60 days—not only in connection with an annulment action but also to allow the arbitral tribunal itself to undertake procedural steps or make formal corrections capable of eliminating the grounds for refusal of enforcement without affecting the substance of the award. This mechanism remains consistent with the broader philosophy of the Model Law, which favors preserving arbitral awards where possible. At the same time, it departs from the existing statute by introducing a more proactive remedial element by reopening the possibility for the tribunal to intervene and remedy procedural defects. In this respect,

the draft reflects an evolution toward prioritizing the preservation and stabilization of arbitral awards rather than simply suspending or continuing their enforcement.

