

## The Electronic Arbitration System in the United Arab Emirates

Basma Amer OmarNadhmi  
International Islamic University Malaysia, Malaysia



DOI : <https://doi.org/10.61796/ejcblt.v2i2.1433>



### Sections Info

#### Article history:

Submitted: January 10, 2025  
Final Revised: January 17, 2025  
Accepted: February 08, 2025  
Published: February 28, 2025

#### Keywords:

Electronic arbitration  
United Arab Emirates  
Electronic commerce disputes

### ABSTRACT

**Objective:** The rapid expansion of electronic commerce has created new legal challenges, particularly in resolving disputes arising from electronic contracts, and this study seeks to clarify the concept and procedures of electronic arbitration in the UAE, examine its technical and legal environment, and evaluate its capacity to serve as a legislative model for other countries. **Method:** The UAE has addressed these challenges by introducing comprehensive legislation, most notably Federal Law No. 6 of 2018 on arbitration, supported by amendments to the Civil Procedures Law and specialized arbitration centers. **Result:** Findings reveal that the UAE has successfully created a robust framework that integrates electronic communication technologies with arbitration procedures, supported by advanced infrastructure, specialized centers, and enforceable legal rules, making it distinct within the Arab region. **Novelty:** Unlike traditional approaches, the UAE's system institutionalizes electronic arbitration through dedicated laws, modernized technical infrastructure, and specialized centers, demonstrating that adopting electronic arbitration not only enhances efficiency, transparency, and fairness but also provides a legislative reference point for other nations seeking to regulate electronic dispute resolution in line with international practices.

## INTRODUCTION

### Defining the Subject

Electronic media used in resolving disputes arising from electronic commerce contracts possess several advantages, including the accuracy of information and processes, diverse applications, the ability to operate for extended periods without frequent malfunctions, and high efficiency in managing, storing, retrieving, and reusing data and information. Additionally, these tools facilitate the execution of required operations without the need for human presence, while also reducing costs, effort, and time, and streamlining procedures. These factors have contributed to their widespread use in public life, particularly in the legal realm, encompassing legislation, judiciary, jurisprudence, and arbitration practices [1].

Despite this global advancement, which has led to the proliferation of electronic media for resolving disputes related to electronic commerce contracts on national, regional, and international levels, there remains a legislative gap in the laws of most Arab countries. This gap pertains to the role of such media in transactions between individuals, companies, or others, as well as in judicial and arbitration procedural processes [2].

However, there has been legislative progress in the procedural judicial system of the United Arab Emirates under the Civil Procedures Law of 1992, as amended by Laws No. 10 of 2014, No. 10 of 2017, and No. 6 of 2018, further amended by Federal Decree No. 15 of 2023. This partial legislative development in UAE law has raised several issues,

particularly regarding the role of electronic media in arbitration agreements, the selection of arbitral tribunals, and arbitration disputes [3].

The use of these electronic media in procedural processes, in general, and in arbitration, in particular, within the UAE, has resulted in what is referred to as the "logistics of litigation or arbitration." This term denotes the optimization of time, effort, and financial resources, along with reducing labor and simplifying procedures, with the goal of achieving performance quality, preventing fraud, forgery, and bribery, and ensuring swift and fair justice by granting each party their rightful entitlements [4].

### **The Importance of the Research**

The importance of this research lies in examining the success of the UAE's electronic arbitration experience in resolving commercial disputes, particularly in light of the growing need to settle disputes arising from commercial activities using modern communication tools, rather than relying on traditional arbitration methods. Furthermore, the significance of this research extends to the potential benefit for other national legislations that suffer from a legislative gap in regulating electronic arbitration. These legislations could leverage the success of the UAE's experience in this area [5].

### **The Research Problem**

The UAE has established itself as a contemporary model for electronic arbitration by resolving disputes using Federal Law No. (6) of 2018 concerning arbitration and employing modern communication technologies and electronic tools. Additionally, specialized arbitration rules exist in arbitration centers such as the Sharjah International Commercial Arbitration Centre and the Ras Al Khaimah Commercial Reconciliation and Arbitration Centre. These centers provide rules that disputing parties can resort to in case they fail to agree on a specific mechanism within their agreements [6].

### **This study seeks to answer the following question:**

What is the nature of the legal and regulatory environment that has contributed to the success of the electronic arbitration experience in the UAE?

### **Fourth: Research Objectives**

1. To clarify the concept of electronic arbitration in resolving commercial disputes in the United Arab Emirates.
2. To understand the electronic environment in which arbitration takes place and the tools used to complete arbitration procedures.
3. To determine whether arbitration can be considered electronic if only one stage of the dispute resolution process relies on electronic means.

## **RESEARCH METHOD**

To address the problem posed within the scope of our study, we adopted the analytical method to examine the legal texts related to the subject, in light of legal theories, and by referencing judicial rulings. Additionally, we employed the comparative method, studying the legal systems of Iraq, Egypt, and Lebanon to highlight the similarities and differences between them and to analyze how each system addresses the topic of the electronic arbitration system in the United Arab Emirates.

## **Research Structure**

To answer the posed problem, we divided our study into two chapters, with each chapter comprising two sections:

- Chapter One: The nature of electronic arbitration in the United Arab Emirates.
- Chapter Two: The procedures followed in conducting arbitration cases.

## **RESULTS AND DISCUSSION**

### **Chapter One**

#### **The Nature of Electronic Arbitration in the UAE**

With the widespread adoption of electronic contracting at the national level, the need for national legislation governing electronic transactions has arisen. This is due to the emergence of numerous legal challenges associated with electronic contracts, which prompted the United Arab Emirates to issue laws regulating the application of electronic arbitration to disputes arising from electronic commerce contracts and preparing the technological environment to align with the requirements of electronic arbitration. Recognizing the importance of the subject and aiming to address it with precision, this chapter is divided into two sections. The first section is dedicated to exploring the concept of electronic arbitration, while the second section focuses on outlining the procedures followed at the start of arbitration disputes [7].

### **Section One**

#### **The Concept of Electronic Arbitration**

To comprehensively address the topic, this section is divided into two subsections. The first subsection is dedicated to defining electronic arbitration, while the second subsection discusses the distinction of electronic arbitration from similar systems [8].

### **Subsection One**

#### **Definition of Electronic Arbitration**

To shed light on the definition of electronic arbitration in some detail, the topic will be addressed from multiple perspectives consecutively. First, we will examine the linguistic definition of electronic arbitration, followed by its terminological definition, as outlined below:

#### **First: Linguistic Definition of Electronic Arbitration**

In linguistic terms, arbitration refers to delegating the matter to a person or persons to judge a dispute between its parties without imposing specific conditions. The expression "we appointed someone as an arbitrator" means we authorized them to judge between us, and "we appealed to God" means we called upon God's judgment [9].

The term arbitration is derived from the root word, which means to judge or decide. For instance, the expressions "He judged for him," "He judged against him," and "He judged between them" illustrate this meaning. The phrase "He appointed someone as arbitrator" implies assigning them as a judge [10].

As for "electron," linguistic dictionaries define it as a particle with a negative electric charge, where its charge forms the indivisible unit of electricity [11].

In summary, the linguistic origin of the term arbitration refers to the resolution of disputes between parties, preventing injustice and aggression, and achieving justice among the disputants [12].

### **Second: Terminological Definition of Electronic Arbitration**

Electronic arbitration has been defined as: "The resolution of disputes and conflicts through the Internet without the need for the physical presence of the parties to the arbitration in one place". It has also been defined as: "Arbitration conducted through the Internet in accordance with specific rules, without the need for the disputing parties or arbitrators to meet in a specific location" [13].

Additionally, electronic arbitration has been described as: "An agreement between the parties to resolve a current or potential dispute in the future by resorting to arbitration using the Internet". Furthermore, it has been defined as: "A special electronic judicial system aimed at resolving disputes that arise or are likely to arise electronically between parties involved in electronic commerce, based on an agreement among them to that effect" [14].

From the aforementioned definitions, it is clear that electronic arbitration is an advanced method for resolving commercial disputes. It differs from traditional arbitration by employing modern means based on audio-visual transaction technologies. The widespread use of the Internet in legal transactions, particularly commercial ones, has led to the emergence of a new form known as electronic commerce [15].

It is worth noting that national legislations have not addressed the concept of electronic arbitration, neither in procedural laws nor in arbitration laws, including Iraqi legislation. Therefore, it is proposed that the Iraqi legislator draft a specific law on arbitration inspired by the Model Law on International Commercial Arbitration, providing appropriate and comprehensive legal rules for electronic arbitration. These rules should enable the parties involved to fully understand electronic arbitration before deciding to adopt it. Moreover, these rules should safeguard the interests of the disputing parties, similar to the practices of the World Intellectual Property Organization (WIPO), the Electronic Court, and the American Arbitration Association. Such a framework would contribute to advancing the Iraqi economy and attracting foreign investment [16].

In conclusion, it is evident that electronic arbitration is a developed form of traditional arbitration. We can define electronic arbitration in electronic commerce contracts as: "An alternative to ordinary courts for resolving a specific dispute related to an electronic commercial contract between the parties, conducted by an electronic arbitrator and through electronic means [17]."

### **Subsection Two**

#### **Distinction of Electronic Arbitration from Similar Systems**

Alongside electronic arbitration, other methods such as electronic negotiation, electronic mediation, reconciliation, and electronic settlement have emerged. These methods have gained acceptance compared to ordinary judicial proceedings due to their efficiency in resolving disputes quickly [18]. Accordingly, we will explain these methods and distinguish them from arbitration via electronic means as follows:

### **First: Distinction of Electronic Arbitration from Electronic Mediation**

Electronic arbitration and electronic mediation share the requirement of mutual agreement between the disputing parties to allow the mediator to assist them in resolving the dispute. Both can be applied to matters that are subject to amicable settlement. However, electronic mediation differs from arbitration via electronic means in several key aspects:

#### **A. Authority of the Arbitrator vs. Mediator**

The arbitrator issues a binding decision to resolve the dispute, which holds the authority of *res judicata* and is enforceable against the disputing parties. On the other hand, the mediator's role is to facilitate dialogue, bring viewpoints closer, and propose solutions to achieve a final resolution of the dispute without issuing a binding decision. The final decision rests with the disputing parties themselves. The mediator does not possess the authority to compel the parties to adhere to the proposed settlement. This distinction is emphasized in Article 13(1) of the Mediation Rules of the World Intellectual Property Organization (WIPO), which allows the mediator to resolve the dispute in any manner deemed appropriate without possessing binding authority over the parties [19].

#### **B. Withdrawal Option**

In electronic mediation, the parties can withdraw from the process at any stage. In contrast, in electronic arbitration, the parties cannot unilaterally withdraw once the arbitration process is initiated [20].

#### **C. Nature of the Relationship**

Mediation typically occurs between parties who share a close connection in their commercial relationships and wish to resolve disputes amicably to preserve their business ties. In contrast, arbitration may involve parties without prior connections and without concern for maintaining their commercial relationship after the dispute is resolved.

#### **D. Formality**

Arbitration is a more formal process compared to mediation. While both share the goal of dispute resolution, arbitration involves the arbitrator hearing evidence, questioning witnesses from both sides, and ultimately issuing a binding decision. Mediation, on the other hand, is more flexible and informal, focusing on collaborative problem-solving rather than formal adjudication [21].

### **Second: Distinction of Electronic Arbitration from Electronic Settlement**

There are points of both agreement and difference between settlement and arbitration. Both rely on the mutual agreement of the disputing parties; without such agreement, no settlement can occur. This requirement also applies to electronic arbitration, as it necessitates a prior agreement to resort to this method. Similarly, electronic settlement requires an agreement to utilize it. Electronic settlement, in essence, is a conventional settlement process conducted using electronic means such as the Internet. Both processes also share similarities in the tools employed to carry them out, as both rely on electronic means.

Despite their many points of agreement, electronic arbitration and electronic settlement differ in several aspects, including the following:

#### **A. Nature of Dispute Resolution**

In settlement, resolving the dispute involves one party waiving part of its claims. If the other party refuses to compromise and insists on all of its claims, the dispute remains unresolved. In contrast, arbitration whether conventional or electronic resolves disputes through the application of the law, ensuring a conclusive resolution [22].

#### **B. Legal Binding Nature**

An arbitration decision, whether conventional or electronic, holds the same authority as a judicial ruling and is enforceable like a court judgment. On the other hand, settlement whether conventional or electronic resolves the dispute through a contract or agreement between the parties. This agreement is considered final as it puts an end to disputes, particularly when reached during ongoing litigation. Furthermore, a settlement agreement between the parties terminates the dispute entirely and is not subject to the legal appeals available under the law [23].

### **Section Two**

#### **Procedures Followed at the Beginning of the Arbitration Dispute**

Given the importance of encompassing all aspects of the subject, this section is divided into two subsections. The first subsection is dedicated to explaining the mechanism for forming the electronic arbitration tribunal, while the second subsection discusses the technical infrastructure used to implement the electronic arbitration process.

##### **Subsection One**

#### **Mechanism for Forming the Electronic Arbitration Tribunal**

To detail the mechanism for forming the electronic arbitration tribunal, the topic will be addressed from multiple perspectives. First, we will discuss the formation of the tribunal based on the will of the parties, followed by the formation of the tribunal through the judiciary, and finally, the formation of the electronic arbitration tribunal according to electronic bodies, as follows:

##### **First: Formation of the Tribunal Based on the Will of the Parties**

The arbitration tribunal is formed based on the will of the disputing parties, which is the general principle, as the parties are allowed to choose whoever they deem appropriate to act as an arbitrator. This flexibility has been one of the key reasons for the development and widespread adoption of arbitration. The authority of the parties also extends to determining the number of arbitrators. They may opt for a single arbitrator, while others may prefer having multiple arbitrators, often three [24].

Article 9 of the current UAE Arbitration Law states:

"1- The arbitration tribunal shall be formed by agreement of the parties from one or more arbitrators. If they do not agree on the number of arbitrators, the number shall be three, unless the competent authority decides otherwise [25].

2- If there are multiple arbitrators, their number must be odd; otherwise, the arbitration shall be null and void."

Additionally, Article 10 of the same law outlines the conditions that must be met by the arbitrator, while Article 11 explains the method of selecting the arbitration tribunal. Furthermore, Article 27(1) of the same law states:

"Arbitration procedures commence on the day following the completion of the formation of the arbitration tribunal, unless the parties agree otherwise."

In most cases, the arbitration tribunal consists of three arbitrators. This preference arises because disputes in the field of international, especially electronic, commerce are of such significance and complexity that it would be difficult for a single arbitrator to bear the responsibility of resolving the dispute. Additionally, having multiple arbitrators allows the disputing parties to include individuals with diverse qualifications, addressing both the legal and technical aspects raised by the electronic dispute [26].

In a ruling by the UAE Federal Supreme Court, it was stated:

"While the principle of party autonomy in choosing the arbitrator is upheld if there is no provision obliging them to appoint one, it is conditional upon the arbitrator not being affiliated with one of the parties or having previously expressed an opinion on the dispute. An arbitrator who has already disclosed their opinion on the matter should not undertake arbitration, as this compromises their independence, impartiality, and the neutrality required in an arbitration tribunal, which acts as a substitute for the judicial authority that has original jurisdiction over all disputes except those explicitly excluded by specific provisions" [27].

### **Second: Formation of the Arbitration Tribunal through the Judiciary**

The second method for appointing arbitrators is through the judiciary. Here, the judiciary acts as an alternative authority, intervening to fulfill the role that the parties have neglected to undertake, representing the judiciary's positive role. Some argue that choosing this method for appointing arbitrators undermines the integrity of the legal arbitration system, as it conflicts with the principle of trust and confidence that disputing parties should have in selecting their arbitrators, as well as with the principle of party autonomy [28].

According to Articles 203 and 204 of the UAE Civil Procedure Law, issued under Federal Decree-Law No. (42) of 2022, if the parties agree to arbitration but fail to agree on the arbitrators, or if any arbitrator refuses to act, resigns, is dismissed, is disqualified, or is otherwise unable to perform their duties, and a dispute arises between the parties regarding this matter, the competent court originally tasked with hearing the arbitration-related dispute shall, upon the request of one of the parties, appoint the necessary arbitrators. The court's decision in this regard is final and cannot be appealed through any means [29].

Further, Article 13 of the current UAE Arbitration Law states:

"If one of the parties breaches the agreed-upon procedures for selecting arbitrators, or if no agreement exists on these procedures, or if the two appointed arbitrators fail to agree on a matter requiring their joint decision, or if a third party, including the designated authority, fails to fulfill its responsibilities in this regard, the court shall, upon the request of one of the parties, carry out the required procedure unless the agreement

specifies another method for completing the procedure. The decision issued in this regard is final and cannot be appealed through any means [30].

In cases where the two arbitrators cannot agree on the selection of a third arbitrator, the role of the competent court becomes essential in appointing arbitrators. The legislature's decision to involve the judiciary in appointing arbitrators is a natural and necessary step to fill the gap in their appointment. This ensures that the purpose for which the disputing parties resorted to arbitration namely, the resolution of their disputes through a process that is faster and less costly compared to ordinary judicial proceedings is achieved.

## **Subsection Two**

### **Technical Infrastructure Used in the Implementation of Electronic Arbitration**

To shed light on the technical infrastructure used in the implementation of electronic arbitration in greater detail, we will address the topic from multiple perspectives. First, we will discuss the equipment used in electronic arbitration, followed by the software utilized, and finally, the arbitration centers operating in the United Arab Emirates. The discussion proceeds as follows:

#### **First: Equipment**

The equipment refers to the digital tools and technologies used as alternatives to traditional procedures to ensure the smooth execution of the arbitration process. Arbitration sessions in electronic arbitration centers in the UAE are conducted under optimal conditions by meeting all technical requirements in terms of equipment and software. This includes designing hearing rooms in a flexible and modern way to accommodate the needs of the arbitration sessions.

Video conferencing technology, implemented through various programs, has proven effective in facilitating fully-fledged sessions. To meet all the requirements of fair arbitration, emphasis has been placed on satisfying the technical needs of the disputing parties. This includes providing a fully digital service, robust technical infrastructure, software solutions, and a secure and strong internet connection. High-performance personal or portable computers equipped with powerful processors and sufficient memory are used to ensure smooth arbitration proceedings. Additionally, precise microphones are provided for speaker systems and discussions to enhance audio clarity.

Other equipment includes headsets or sound systems designed to minimize distortion, along with video conferencing facilities featuring multiple high-quality cameras. These systems are used to document arbitration sessions during visual meetings. They also include room monitoring platforms, projectors, and large or dual displays for presenting documents, video sessions, presentations, and live audio and video feeds from the designated room. For security purposes, silent video monitoring is also implemented [31].

Moreover, storage devices are utilized to securely preserve documents and data, along with electronic signature devices, such as signature pads or electronic pens, which are used to sign digital documents. A specialized website is also provided, where



participants can book sessions and obtain information about the center, including the specifications and details of the hearing rooms.

These measures collectively represent the foundational step in establishing a robust technical infrastructure in terms of equipment and devices.

### **Second: Software Used**

Programming languages and software used in arbitration centers vary, but they share common goals of ensuring quality, seamless performance, clarity, and comprehensive analysis of information on websites. These systems utilize various software (platforms), including:

- a. Video conferencing platforms such as Zoom, Microsoft Teams, and Google Meet for conducting virtual sessions.
- b. Document management software like Google Drive or Dropbox for exchanging, managing, and storing arbitration-related files.
- c. Electronic signature software such as DocuSign or Adobe Sign for signing agreements and decisions.
- d. Data protection software to ensure information security and confidentiality.

### **Third: Arbitration Centers Operating in the United Arab Emirates**

To provide a detailed overview of arbitration centers operating in the UAE, we will discuss these centers in the following manner:

#### **1. Dubai International Arbitration Centre (D.A.I.C)**

The Dubai International Arbitration Centre was established by the Dubai Chamber of Commerce and Industry in 1994 as a center for conciliation and commercial arbitration. It is the oldest arbitration center in Dubai and enjoys legal personality, as well as financial and administrative independence. The center has the legal capacity to carry out activities and transactions that achieve its objectives. Its headquarters are located in Dubai, with a branch in the Dubai International Financial Centre (DIFC) [32].

#### **2. Sharjah International Commercial Arbitration Centre (S.I.C.A.C)**

This center was established on March 22, 2009, by an Amiri Decree, followed by Administrative Decision No. (12/2015) issued by the Chairman of the Board of Directors of the Sharjah Chamber of Commerce and Industry on July 6, 2015, granting the center administrative, regulatory, and financial independence. Located in the Emirate of Sharjah, it is a semi-governmental institution specializing in arbitration, recognized for its accuracy, high professionalism, and flexibility. The center has a unique feature of issuing rulings and decisions within six months from the date of the first arbitration session. It is a non-profit organization aiming to assist businesspersons in overcoming obstacles and enabling them to contribute to economic development and stability throughout the UAE [33].

#### **3. Ras Al Khaimah Commercial Conciliation and Arbitration Centre**

The Ras Al Khaimah Commercial Conciliation and Arbitration Centre was established in 2008 as one of the initiatives of the "Ras Al Khaimah Chamber." It provides the following services:

- Resolving commercial disputes.

- Offering lists of conciliators, arbitrators, experts, and translators.
- Providing suitable locations for holding conciliation and arbitration sessions.
- Offering administrative and organizational services.

The center ensures speed, flexibility, and confidentiality in conciliation and arbitration procedures. It charges low fees for resolving commercial disputes, grants parties the freedom to select conciliation and arbitration panels, and ensures the binding and final nature of arbitration awards.

## **Section Two**

### **Procedures Followed During the Arbitration Dispute**

The general principle in electronic arbitration is that the arbitration tribunal is not bound by the procedural rules and regulations that constrain state judges. Once the arbitration tribunal concludes the hearing of the defense and prosecution, as well as the examination of evidence, it closes the oral proceedings in preparation for issuing the electronic arbitration decision. This decision must include several elements mandated by national laws, such as providing reasoning for the decision, and listing the names, addresses, and nationalities of the parties involved. Recognizing the importance of this topic and aiming to address it comprehensively, this section is divided into two subsections:

- Subsection One: Examines the procedures of electronic arbitration disputes.
- Subsection Two: Discusses decisions issued in electronic arbitration disputes.

#### **Subsection One**

##### **Procedures of Electronic Arbitration Disputes**

To comprehensively address the topic, this subsection is divided into two branches:

1. Branch One: Outlines the initiation procedures for electronic arbitration.
2. Branch Two: Explores the progression of electronic arbitration disputes.

#### **Branch One**

##### **Initiation Procedures for Electronic Arbitration**

When a dispute arises between two parties and there is an electronic arbitration clause or agreement (via an electronic center, virtual court, or electronic method), electronic signature technology allows the electronic arbitration tribunal to verify the sender and their correspondence. The tribunal notifies the recipient via email to initiate arbitration procedures unless otherwise agreed. The claimant must first notify the other party and then notify the arbitration tribunal. In some cases, the claimant can notify the arbitrator on behalf of the other party if authorized to do so. Procedural matters are governed by a set of rules established by arbitration institutions with websites on the internet, unless the parties agree otherwise [34].

According to Article (42) of the UAE Arbitration Law, agreements are made electronically on a short duration for resolving disputes due to the ease and speed of communication compared to traditional methods, which typically require more time [35].

It is worth noting that permanent electronic arbitration centers on the internet have a general secretariat that handles the receipt of arbitration requests electronically. The secretariat ensures all required information is complete before presenting the request to

the arbitration tribunal. The date the secretariat receives the request is considered the initiation date of the procedures. In electronic arbitration, the time between sending and receiving the request is negligible, with the date of sending being almost identical to the date of receipt.

In practice, the claimant submits the arbitration request electronically by visiting the designated arbitration center's website on the internet. The claimant clicks on the button for referring the dispute to the center for resolution. At this point, a pre-prepared arbitration request form appears, which the claimant fills out. The form must specify several key details, most notably:

- The identities of both the claimant and the respondent, including their addresses, which are determined through email, as this will serve as the primary means of communication between the parties [36].

The electronically submitted request addresses the determination of the facts and issues in dispute, the claimant's demands, the number of arbitrators, and the selection of procedures. It also includes sending a copy of the arbitration agreement, a list of evidence and significant data concerning the claim, alongside the payment of administrative fees as defined by the center's regulations, which are also paid electronically. The request specifies whether the claimant will send the submission to the respondent directly or delegate the center to do so on their behalf. Additionally, it determines the timeframe within which the center completes the submission and the respondent receives it. Once the request has been submitted and received in this manner, arbitration proceedings are deemed to have officially commenced. Preliminary sessions may also be agreed upon during which a record is prepared. This record addresses agreements on matters such as defining the moment when proceedings begin. It includes the signatures of the parties or their representatives and the arbitrators, confirming their acceptance of the arbitration assignment and the contents of the record. The date of this record is considered the starting point of the arbitration proceedings [37].

The arbitrator's acceptance of their assignment must be in writing. It is worth noting that in the case of electronic arbitration, "writing" takes the form of electronic writing. Electronic writing and electronic documents are granted the same evidentiary status as official and customary written documents, provided they meet the technical and procedural requirements stipulated in the applicable regulations.

The claimant must electronically submit evidence supporting their claim within the timeframe agreed upon by the parties or, if not specified in the agreement, within the period determined by the arbitration center approached. In this manner, the dispute is formally referred to arbitration.

## **Branch Two**

### **The Progression of Electronic Arbitration Proceedings**

Arbitration proceedings are conducted through sessions managed via the internet, making it difficult to determine a specific physical location for the arbitration itself. Despite this challenge, the determination of a location remains important and is left to the parties to decide, or they may delegate the arbitration tribunal or center to determine

it, taking into account the nature of the case and the suitability of the location for the parties involved [38].

According to Article 28 of the UAE Arbitration Law, selecting the internet as the place of arbitration is a right reserved for the parties to the arbitration. Alternatively, the parties may specify a particular country as the seat of arbitration, or the arbitration tribunal may determine the location, considering the circumstances of the case and the convenience of the parties. The tribunal may hold sessions with the parties or deliberate through modern means of communication and electronic technologies, and it delivers or sends session records to the parties.

This determination is symbolic, aimed at fulfilling the legal significance of the arbitration venue. Once the place is determined, arbitration sessions begin, during which copies or originals of documents, evidence, or party submissions are sent electronically via email. The tribunal reviews and responds to these submissions using the same electronic mechanism, as stipulated in Article 31 of the UAE Arbitration Law, without the need for oral electronic hearings. The tribunal may also schedule electronic sessions by setting specific dates and times, or without specifying them, and may hold sessions on official holidays or conduct one or more sessions through closed-circuit television systems.

In electronic arbitration, sessions take on a different format, utilizing electronic tools that allow for the exchange of images and voices between parties (teleconferencing). Email facilitates the transfer of party submissions and documents instantly, enabling real-time transmission of visuals and providing each party with the opportunity to view the other and the tribunal entirely. Each party can present their arguments before the other and the tribunal. Accordingly, Article 33(3) of the UAE Arbitration Law stipulates: "Sessions may be held through modern means of communication that do not require the physical presence of the parties at the sessions" [38].

Electronic arbitration sessions are not limited to listening to the parties but also extend to hearing witnesses, including expert witnesses. This is noted in Article 35 of the UAE Arbitration Law. However, a legal issue may arise in such cases, as the testimony of one witness must be heard without the presence of another. In such instances, the tribunal may encrypt the session proceedings for the witness who should not hear the testimony of others. This encryption is implemented after the witness provides their testimony and the tribunal gathers the required information.

In accordance with Article 31 of the UAE Arbitration Law, a copy of all submissions, documents, or other papers submitted by one party to the arbitration tribunal must be sent to the other party. Similarly, both parties must electronically exchange reports from experts, documents, and other evidence as agreed upon electronically. This ensures that each party has the opportunity to review and respond electronically. The arbitration tribunal must ensure compliance with this process; otherwise, any documents not exchanged electronically before the closure of proceedings are excluded from discussion and judgment [39].

However, the arbitral tribunal may face a problem, as it might require the originals of the submitted documents, which is addressed in Article 31 of the UAE Arbitration Law. The documents submitted and exchanged electronically may not allow the tribunal to review their originals.

Accordingly, all procedures proceed electronically, starting from the request for a witness or expert, through the tribunal's approval of the request, the expert's preparation of their report and its submission to the tribunal, and ending with the discussion between the expert and any of the arbitration parties. This is in accordance with Article 34 of the UAE Arbitration Law, while considering that the specific nature of electronic commerce requires an expert specialized in this field.

Article 33(8) of the same law states: "The arbitral tribunal has the discretionary authority to determine the rules of evidence to be followed, the admissibility, relevance, or weight of any evidence presented by any of the parties concerning a fact or expert opinion. It also has the power to determine the time, method, and form in which such evidence will be exchanged between the parties and submitted to the tribunal." [40]

Thus, arbitration procedures can progress electronically up to the deliberation stage and the issuance of an award resolving the dispute. Deliberation among the members of the arbitral tribunal can take place while they are in different locations via the internet. It may also occur through telephone, fax, or video conferencing, as there is no specific format required for deliberation. Consequently, the second paragraph of Article 28 of the UAE Arbitration Law provides: "The arbitral tribunal, unless otherwise agreed by the parties, may hold deliberation sessions through modern means of communication and electronic technologies. The arbitral tribunal shall deliver or send the session record to the parties."

## **Section Two**

### **Decisions Issued in Electronic Arbitration Disputes**

To comprehensively address the subject, this section is divided into two branches:

- The first branch focuses on the preparation and issuance of electronic arbitration awards.
- The second branch examines the enforcement of electronic arbitration awards and their effects.

#### **First Branch**

##### **Preparation and Issuance of Electronic Arbitration Awards**

To outline the mechanisms for preparing and issuing arbitration awards, the discussion will focus on the most important conditions that must be met during the stages of preparation and issuance. These conditions are divided into substantive and formal requirements, as follows:

##### **First: Substantive Conditions**

To highlight the most important substantive conditions required during the preparation and issuance of arbitration awards, these conditions will be discussed in detail from various perspectives, as follows:

### **1. The Award Must Address All Aspects of the Dispute**

The award does not need to cover every issue raised by the parties before the arbitrators. However, arbitrators cannot address matters beyond what the parties have requested, nor can they rule on matters not requested by the parties, as arbitrators derive their authority from the arbitration agreement. Arbitration is an exceptional legal pathway and is thus limited to what the parties have agreed upon. Exceeding the arbitrator's mandate is grounds for nullification. If the portions of the award that exceed the mandate can be separated from the rest, the nullity will only affect those specific portions. Otherwise, the entire award will be void.

### **2. The Award Must Be Issued in Accordance with the Law Chosen by the Parties**

This applies to both procedural and substantive aspects. Ignoring the parties' choice of law and issuing the award based on another law is grounds for nullification, unless the arbitrator has been authorized to act as an amiable compositeur (authorized to decide based on principles of equity). Therefore, if the arbitrator is not authorized to act as an amiable compositeur, they must decide the dispute based on the law agreed upon by the parties. The arbitrator cannot disregard this law and rely solely on considerations of equity or justice, nor can they ignore a personal right of one party derived from a provision in the governing law or stipulated in the contract regulating the parties' relationship.

### **3. The Award Must Be Issued by Majority Vote Unless Otherwise Agreed by the Parties**

If the arbitration tribunal consists of more than one arbitrator, the award may be issued by a majority vote. Unanimity is not required unless the parties have explicitly agreed otherwise. Reference can be made to Article 41(2) of the UAE Arbitration Law, which addresses the elements of the award, including the requirement for the majority to sign the award. The reasons for the minority's failure to sign must also be recorded. In such cases, according to the aforementioned law, dissenting opinions must be written or attached and are considered an integral part of the award. Furthermore, the award may be signed electronically unless the parties agree otherwise, as stipulated in Paragraph 6 of Article 41 of the UAE Arbitration Law.

### **Second: Formal Requirements**

The formal elements of the arbitration award must include the preamble of the award, the date of its issuance, the names and addresses of the parties, the names, nationalities, and roles of the arbitrators, the arbitrators' signatures on the dispositive part of the award, reference to the arbitration agreement within the award, the place of issuance, as well as the details of the facts, procedures, dispositive findings, and the deliberations among the members of the arbitral tribunal. The key formal requirements are detailed as follows:

#### **1. The Award Must Be Written and Dated**

An arbitration award must be in written form, regardless of whether the arbitrators have been authorized to act as amiable compositeurs or are not bound to follow a specific law. Writing the award is a prerequisite for its validity; without it, the award cannot be

considered an arbitration award, nor does an oral award acquire the authority of res judicata or become enforceable. Most legal systems require the submission of an original, certified, or authenticated copy of the award when requesting its enforcement, which is only conceivable with a written award.

The award must also include the date of its issuance. This requirement is essential for determining:

- The start date for filing an annulment appeal.
- The start date for calculating interest on awarded sums.
- The period during which a party may request an interpretation of the award, an additional award, or correction of material errors.
- The date on which the arbitrators are deemed to have exhausted their mandate.

## **2. Mention of the Arbitration Location**

The importance of mentioning the arbitration location is particularly evident in determining the nationality of the arbitration award. The nationality determines:

- The competent court to hear annulment proceedings.
- The court authorized to issue the enforcement order.

If the place of issuance is not mentioned, the award is deemed to have been issued at the seat of arbitration.

## **3. The Award Must Be Signed by the Arbitrators**

The award must be signed by the majority of the arbitrators. If one of the arbitrators refrains from signing, the reason for this abstention must be stated. Failing to mention the reasons for abstention renders the award vulnerable to annulment. However, a dissenting opinion itself does not carry legal weight, nor does it constitute grounds for annulment. Signing the final page of the award is sufficient, provided it is connected to the reasoning.

This is explicitly stated under Article 212 of the UAE Civil Procedures Law and the final paragraph of Article 41 of the UAE Arbitration Law.

## **Second Branch**

### **Enforcement of Electronic Arbitration Awards and Their Effects**

To address the enforcement of electronic arbitration awards and their effects, the discussion will cover two main areas:

1. The enforcement of electronic arbitration awards.
2. Appeals against electronic arbitration awards and their effects.

#### **First: Enforcement of Electronic Arbitration Awards**

The arbitration dispute concludes with the issuance of the final award from the arbitration tribunal. However, the arbitrators' mandate does not end entirely, as there are specific instances where they may still act, such as interpreting the award, correcting material errors within it, or issuing a supplementary award, as previously mentioned.

Article 52 of the UAE Arbitration Law provides that:

"An arbitration award shall have the same enforceability as a judicial judgment, provided that it is ratified by the court for enforcement."

Similarly, Article 55 of the same law outlines the procedures for enforcing an arbitration award, as follows:

1. Any party wishing to enforce an arbitration award must submit a request for ratification and enforcement to the president of the court, accompanied by the following:
  - a. The original arbitration award or a certified copy thereof.
  - b. A copy of the arbitration agreement if it was not included in the award.
  - c. A certified Arabic translation of the arbitration award if it is not in Arabic.
  - d. A copy of the record of deposit of the award at the court.
2. The president of the court or a designated judge shall order the ratification and enforcement of the arbitration award unless there is evidence of one or more grounds for nullifying the award, as described in Article 53(1) of this law.

This legal provision simplifies and organizes the enforcement of arbitration awards by designating the president of the court or a judge as the competent authority to issue an enforcement order. This is done at the request of either party to the arbitration. Among the documents required for this request is a record proving that the award has been deposited with the court registry, as previously mentioned. This demonstrates that the legislator requires the award to be deposited with the court registry as a condition for issuing an enforcement order.

Based on the above, an arbitrator's award cannot serve as an enforceable instrument unless it is ratified by the president of the court where the award was deposited. The enforcement order issued by the court is a necessary procedure to validate the arbitrator's award for enforcement. This order confirms the enforceability of the award and ensures compliance with the law. The arbitrator's award, once issued, carries the authority of *res judicata* and has all the effects of judicial judgments, even if no enforcement order has been issued yet.

### **Second: Contesting Electronic Arbitration Awards**

Arbitration awards are considered judicial acts, which entails that they cannot be challenged except through specific legal avenues established by law. However, the contractual nature of the arbitration agreement, which is the source of arbitrators' authority, has allowed for the introduction of the annulment action as a means to challenge arbitration awards. An arbitration award may only be annulled through this singular legal mechanism: the action for annulment of an arbitration award. This is a substantive declaratory action that can be initiated by any party with an interest, whether the party against whom the arbitration was decided or even a third party [41].

### **General Rule on Challenging Arbitration Awards**

As a general rule, arbitration awards cannot be challenged through ordinary means of appeal. However, to ensure justice for the parties who have chosen arbitration, the UAE legislator has provided in Article 53 of the UAE Arbitration Law that, "in cases where certain conditions are met, an interested party may apply to the competent court to annul the arbitration award. These conditions are exhaustively listed."

The action for annulment is the only method through which electronic arbitration awards can be contested or objected to. Its primary purpose is to address errors in the



law or facts that may have occurred in the arbitration award. It is noteworthy that arbitration awards cannot be appealed through the standard procedures applicable to judicial judgments, as electronic arbitration awards have distinct characteristics that set them apart from court rulings. The aim of the annulment action is not to reconsider the merits of the award but rather to request its nullification due to specific legal grounds provided by the law.

### **Clarification Regarding Article 53**

Upon examining the above article, it becomes evident that its wording contains a certain ambiguity. The phrase "an action for annulment of an arbitration award is not admissible" found at the beginning of Article 53 of the UAE Arbitration Law was intended by the legislator to outline the grounds for annulment. However, this phrasing has led to confusion between the grounds for annulment and the conditions for admissibility of such an action.

It is critical to distinguish between the two:

- Grounds for annulment: These are generally substantive or procedural violations that invalidate the arbitration award. Such invalidation can only occur if these grounds are proven and is only declared by a judicial ruling.
- Conditions for admissibility: These pertain to the procedural prerequisites for filing the annulment action, such as timelines or jurisdictional requirements.

The confusion in the wording of the article has caused some to conflate these two distinct concepts, resulting in a misinterpretation of the law.

## **CONCLUSION**

**Fundamental Finding :** The Emirati experience in electronic arbitration has created a successful environment for resolving e-commerce contract disputes through a set of legal rules and an integrated and appropriate electronic framework for electronic arbitration, allowing the parties involved to become fully acquainted with all aspects before adoption, making it a model for other national legislations. The findings further show that the use of modern communication tools has led to the emergence of a new and rapid method for resolving e-commerce contract disputes, and that electronic arbitration in e-commerce contracts has its own autonomy and independence with distinctive considerations related to speed and efficiency. The United Arab Emirates has succeeded in organizing and applying electronic arbitration due to its financial and technical capabilities, confidentiality, alignment of its legislation with international trade dispute resolution, and the provision of a legislative framework, while there is no legal obstacle to accepting electronically concluded arbitration agreements, as long as they are readable, unalterable, and storable, and the applicable law is determined by the law of the parties' choice. **Implication :** These findings imply that the UAE's framework provides a comprehensive model that balances legal certainty, efficiency, and party autonomy, while serving as a legislative reference for other countries with gaps in electronic arbitration regulation. **Limitation :** However, the study indicates that shortcomings remain in ensuring uniformity of application and in addressing potential challenges

during appeals and annulments, as the competent court exercises broad authority which may raise concerns about predictability. **Future Research :** Future studies should expand on these findings by exploring the establishment of permanent electronic arbitration centers, the development of registries of electronic arbitrators, the creation of accredited electronic certification authorities, and the promotion of electronic arbitration culture at local, regional, and international levels to strengthen trust, accessibility, and effectiveness in electronic dispute resolution.

## REFERENCES

- [1] I. Mustafa, et al., *Al-Mu'jam Al-Waseet*, vol. 1. Cairo: Islamic Library for Printing and Publishing, 1990.
- [2] I. Manzoor, *Lisan Al-Arab*, vol. 7, Article: Al-Darf. Beirut: Dar Al-Fikr, 1979.
- [3] A. N. I. H. Al-Jawhari, *Al-Sihah Taj Al-Lughah wa Sihah Al-Arabiya*. Cairo: Dar Al-Hadith, 2003.
- [4] A. b. F. b. Z. A. Al-Hussein, *Mu'jam Maqayees Al-Lughah*, vol. 3, A. S. M. Haroun, Ed. Beirut: Dar Al-Fikr, 1980.
- [5] I. H. Ebada, *The Non-Judicial Method in Resolving International Disputes*. Cairo: New University Press, 2018.
- [6] A. Z. Radwan, *General Principles in International Commercial Arbitration*. Alexandria: Mansha'at Al-Maaref, 2001.
- [7] A. W. Al-Nadawi, *Arbitration in Iraq*. Baghdad: Comparative Law Library, 2008.
- [8] E. Shaikhani, *Arbitration Clauses in Contracts Involving Government Entities*. Tripoli: Modern Institution for Books, 2008.
- [9] J. J. Al-Janahi, *The Arbitration System in the New International Environment*. Baghdad: Al-Moez for Publishing, 2018.
- [10] G. S. Sarah, *Arbitration and the Permissibility of Resorting to It in Resolving Disputes in International Contracts*. Cairo: Dar Al-Nahda Al-Arabiya, 2005.
- [11] H. M. Jouaid, "The Advantages and Disadvantages of Arbitration," *Legal Issues Journal*, Center for Legal Studies, Baghdad, no. 13, 2019.
- [12] H. Al-Haddad, *Arbitration in Arab Laws*. Amman: Dar Al-Thaqafa for Publishing and Distribution, 2014.
- [13] K. O. Ghassan, *The Arbitrator's Authority in Domestic Arbitration*. Beirut: Halabi Legal Publications, 2005.
- [14] R. A. A. K. D. Amer, *Legal Protection of Foreign Direct Investments and the Role of Arbitration in Resolving Its Disputes*. Cairo: National Center for Legal Publications, 2011.
- [15] T. M. Dweidar, *Litigation Guarantees in Arbitration Disputes*. Beirut: Halabi Legal Publications, 2009.
- [16] A. Mabrouk, *The Legal Framework for Implementing Arbitration Awards*. Cairo: Dar Al-Fikr wa Al-Qanun, n.d.
- [17] A. K. Alwan, *Al-Waseet in Public International Law*, vol. 2. Amman: Dar Al-Thaqafa for Publishing, 2006.
- [18] I. A. Al-Sheikh, *Arbitration in Administrative Contracts of an International Nature*. Cairo: Dar Al-Nahda Al-Arabiya, 2003.
- [19] M. A. S. Al-Tahyawi, *Conciliation and Arbitration in Civil and Commercial Matters*. Alexandria: Dar Al-Fikr Al-Jamie, 2003.

- [20] M. A. S. Al-Tahyawi, *Enforcement of Arbitration Awards*. Alexandria: Dar Al-Fikr Al-Jamie, 2006.
- [21] M. Ismail, *The International Commercial Arbitration Platform*, vol. 1. Cairo: Dar Al-Nahda Al-Arabiya, 2012.
- [22] M. M. Al-Jamal and O. M. Abdel Aal, *Arbitration in International and Domestic Private Relations*, vol. 1. Alexandria: Al-Fath for Printing and Publishing, 2008.
- [23] M. H. Al-Samarrai, *Legal Regulation of Foreign Investment*. Beirut: Zain Legal Publications, 2018.
- [24] N. A. K. Sabeq, *Rules and Procedures of Arbitration*. Beirut: Zain Legal Publications, 2018.
- [25] N. Hishad, *The World Trade Organization: Key Challenges for the Arab Economy*. Cairo: Egyptian General Book Authority, 2006.
- [26] N. A. A. T. Al-Jubaily, *Arbitration in Arab Laws*. Alexandria: Modern University Library, 2006.
- [27] A. S. A. B. R. Al-Ketbi, "The Legal Regulation of Electronic Arbitration Agreements in the UAE," M.S. thesis, Dept. Private Law, United Arab Emirates Univ., UAE, 2018.
- [28] H. S. Latifa, "Arbitration in Foreign Investment Contracts: A Comparative Study," M.S. thesis, College of Law, Univ. of Babylon, Iraq, 2009.
- [29] A. Iskandar, "Arbitration as a Means for Resolving International Disputes Peacefully," J. Legal, Economic, and Political Sciences, Faculty of Law, Iraq, vol. 37, no. 4, 2004.
- [30] H. A. Kazem, "Arbitration as a Means of Resolving International Trade Contract Disputes," Manar Al-Adala Journal, Faculty of Law, Univ. of Karbala, vol. 1, 2010.
- [31] T. K. Ajil, "Legislative Guarantees for Foreign Investors: A Comparative Study," in Proc. 19th Int. Conf. College of Law, United Arab Emirates Univ., 2011.
- [32] A. B. S. Thani, "Protection of Foreign Investments in Light of Non-Contractual Arbitration Systems," in Proc. 19th Int. Conf. College of Law, United Arab Emirates Univ., 2011.
- [33] A. T. Abdulaziz, "The Role of Arbitration in Administrative Contract Disputes," J. Faculty of Law, Al-Nahrain Univ., vol. 14, no. 3, 2012.
- [34] Iraqi Civil Code No. 41 of 1951.
- [35] Iraqi Code of Civil Procedure No. 83 of 1969.
- [36] Iraqi Electronic Signature and Electronic Transactions Law No. 78 of 2012.
- [37] Draft Iraqi Arbitration Law of 2011.
- [38] UAE Arbitration Law No. 6 of 2018 (as amended).
- [39] UAE Federal Civil Procedures Law No. 11 of 1992.
- [40] UAE Electronic Transactions and Commerce Law No. 1 of 2006.
- [41] UAE Federal Law No. 46 of 2021 on Electronic Transactions and Trust Services.

---

**\*Basma Amer OmarNadhmi (Corresponding Author)**

International Islamic University Malaysia, Malaysia

Email: [ammarbasma14@gmail.com](mailto:ammarbasma14@gmail.com)

---