

# International Arbitration

## Definition of International Arbitration

International conflicts can be solved via litigation or via Alternative Dispute Resolution processes such as mediation or arbitration.

[International Arbitration](#) is a method of resolving disputes between individuals, companies, or governments on an international scale. It involves appointing a neutral third party, known as an arbitrator, to settle the dispute based on international law, including treaties and agreements such as The [New York Convention](#) or the UNCITRAL Model Law. There are three main types of International Arbitration: **Commercial**, which deals with disputes between businesses in different countries; **Interstate**, which resolves conflicts between governments; and **Investor-State**, which settles disputes between nations and private foreign investors. (Shonk, 2024).

## Main International Arbitration Institutions

### Global

[UNCITRAL \(United Nations Commission on International Trade Law\)](#): “The United Nations Commission on International Trade Law is the core legal body of the United Nations system in the field of international trade law.”

[ICSID \(International Centre for Settlement of Investment Disputes\)](#): “The world’s leading institution devoted to international investment dispute settlement. States have agreed on ICSID as a forum for investor-State dispute settlement in most international investment treaties and in numerous investment laws and contracts.”

[ICC \(International Chamber of Commerce\)](#): The ICC is the world’s leading arbitral institution. Despite the ICC holding the formal title of a Court, it does not make any formal judgements on disputes matters, instead administers arbitration by exercising judicial supervision of arbitration proceedings.

### Europe (including Spain)

[CIAM – CIAR \(Centro Internacional de Arbitraje de Madrid – Centro Iberoamericano de Arbitraje\)](#): Formed from the merger of CAM, CIMA and the Spanish Court of Arbitration offers independent, transparent and efficient international dispute resolution.

[SCC Arbitration Institute](#): The Stockholm Chamber of Commerce offers a neutral arena for resolving global commercial disputes, registering nearly 200 cases annually, totaling 2 billion euro.

**European Court of Arbitration:** Assists litigants by promoting arbitration and mediation, operating under the patronage of the Council of Europe and various local Alsace-Moselle institutions.

## UK

**LCIA – London Court of International Arbitration:** The London Court of International Arbitration is the oldest arbitration body in the world and a leading global institution. It offers arbitration and other alternative dispute resolution proceedings.

**CIArb:** The CIArb is an international center of excellence providing education, training and resources. It serves as a global hub for practitioners, policy makers, academics and businesses.

**ICCA – International Council for Commercial Arbitration:** International Council for Commercial Arbitration is a global NGO focused on promoting and enhancing the use of and processes of international dispute resolution methods.

## US

**AAA – American Arbitration Association:** non-profit organization that leads arbitral institution in the US.

**ICDR - The International Centre for Dispute Resolution:** part of the international branch of the abovementioned American Arbitration Association (AAA).

**CPR - International Institute for Conflict Prevention & Resolution:** is an independent nonprofit organization that promotes the prevention and resolution of conflict.

## LATAM

**CIAC – The Inter-American Commercial Arbitration Commission:** leading arbitration institution, dedicated to the administration of arbitrations and mediations in the American Hemisphere, Spain and Portugal.

**A Câmara de Conciliação, Mediação e Arbitragem Ciesp/Fiesp:** The Ciesp/Fiesp Conciliation, Mediation and Arbitration Chamber was established in May 1995 by the Center for Industries of the State of São Paulo (Ciesp) and the Federation of Industries of the State of São Paulo (Fiesp).

**El Centro de Arbitraje de México (CAM):** institution specialized in the provision of administration services for private commercial arbitration procedures.

## Examples of International Arbitration cases

### **The case of Aguas Argentinas**

This case was a 12-year long dispute between Argentina and four private companies that were involved in a high-profile investment arbitration case concerning the world's largest concession. In 2015, the arbitration tribunal ruled in favor of the investors' companies with awards totaling \$405 million for Freshfields' clients. In 1993, Argentina granted four European companies the right to offer water and wastewater services in Buenos Aires using the concession of Aguas Argentinas (AA). AA invested substantial capital with the AWG Group offering hundreds of millions of dollars in loans from multilateral banks. In return, the AWG Group was promised to be compensated from tariffs paid by consumers over the 30-year concession term. By 2002, Argentina entered a grave economic crisis, which led to the damaging of the AA's equity value. Later, ["the claimant sued for damaged pursuant to the France-Argentina, Spain-Argentina and UK-Argentina bilateral investment treaties \(BITs\)."](#)

### **Joined perspective Case: Spain and UK**

#### **The Prestige sinking: London P&I Club v. Spain**

This case involves a dispute stemming from the sinking of the Greek-owned and Bahamas-operated oil tanker Prestige off the coast of Spain in 2002, resulting in significant environmental damage. The Spanish state and other parties sought damage compensation in criminal proceedings against the tanker's owners and their liability insurer, the London P&I Club. The P&I Club initiated arbitration proceedings in London, leading to an arbitral award limiting their liability to 1 billion USD. Meanwhile, the Spanish proceedings concluded in 2018, with the Spanish state entitled to approximately 2.3 billion EUR in damages.

The case raised questions about the recognition and enforcement of the arbitral award in the UK, given the subsequent Spanish judgment. The issues centered around whether the UK judgment entered in the terms of the arbitral award could prevent the recognition of the Spanish judgment, and whether recognition could be refused on public policy grounds due to conflicting judgments.

The CJEU held that the UK judgment could not prevent the recognition of the Spanish judgment, as the latter's outcome could not have been achieved in UK courts without infringing fundamental objectives of the Brussels I Regulation. These objectives include principles of free movement of judgments, legal certainty, and the right to an effective remedy. Additionally, the CJEU ruled that the notion of res judicata cannot be invoked as a ground for refusal of recognition under the Brussels I Regulation.

The judgment has significant implications, particularly in the context of EU law, but its relevance in the UK is limited due to the country's departure from the Brussels regime.

You can find out more about the case here:

<https://curia.europa.eu/jcms/upload/docs/application/pdf/2022-06/cp220104en.pdf>

# Professional Career as an International Arbitrator

## General requirements

### 1. Educational degree(s) and/or professional license(s) appropriate to your field of expertise:

- a. Masters of Laws (LL.M) or Doctor of Juridical Science (S.J.D)
  - i. **Spain:** International arbitration is governed by the Spanish Arbitration Act enacted by the Ministry of Justice and is based on the UNCITRAL Model Law;
  - ii. **The UK:** Chartered Institute of Arbitrators (CI Arb) offer training courses, diplomas and memberships or fellowships to become an arbitrator in the UK, but there is no need to be licensed there to practice as an arbitrator under the Arbitration Act;
  - iii. **The US:** The requirements to be an arbitrator vary from organization to organization - example: AAA (American Arbitration Association, n.d.);
  - iv. **Latam:** Arbitrators are often lawyers, retired judges, or business professionals who are experts in a specific or narrow field;
- b. Honors, awards and citations indicating leadership in your field;
- c. Training or experience in arbitration and/or other forms of dispute resolution;
- d. Membership in a professional association(s);
- e. Be fluent in one or more of the official languages of the Center (English, French, and Spanish);
- f. Other relevant experience or accomplishments (e.g. published articles).

### 2. Neutrality:

- a. Freedom from bias and prejudice;
- b. Ability to evaluate and apply legal, business, or trade principles.

### 3. Judicial Capacity:

- a. Ability to manage the hearing process;
- b. Thorough and impartial evaluation of testimony and other evidence.

### 4. Reputation:

- a. Held in the highest regard by peers for integrity, fairness and good judgment;
- b. High moral character and competence in the fields of law, commerce, industry or finance.

### 5. Commitment to ADR Process:

- a. Willingness to devote time and effort when selected to serve.

## Additional useful information

Importance of networking and of being updated:

- [Careers in Arbitration](#)
- [CEA – Club Español e Iberoamericano del Arbitraje](#)
- [IE Arbitration Club](#)

Law firms with IA/IDR services (check the law firm office of the country of your interest):

- [CMS \(Dispute Resolution – International Arbitration\)](#)
- [White & Case \(International Arbitration\)](#)
- [Freshfields Bruckhaus Deringer \(International Arbitration\)](#)
- [Bird & Bird \(International Dispute Resolution\)](#)
- [Linklaters \(International Arbitration\)](#)
- [Cremades y Asociados \(Arbitraje\)](#)
- [Gamero y Bravo Asociados](#)
- [Armesto y Asociados](#)
- [Bullard Falla Ezcurra](#)
- [Three Crowns](#)
  
- [Chambers & Partners](#)
- Check International Arbitrator Directories

Blogs about International Arbitration:

- [Kluwer Arbitration Blog](#)
- [Swiss Arbitration](#)
- [Global Arbitration Review](#)
- [The American Review of International Arbitration](#)
- [Ciar Global](#)

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