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Legal Bulletin December 2011

New Rules for Arbitration

Over the past years, arbitration has grown in Brazil and is widely accepted as a method of dispute resolution, often provided for in commercial contracts. Leading arbitration organizations in Brazil and abroad have issued new rules to better serve parties' interests in resolving disputes with greater convenience and flexibility.

In January 2012, the rules of the Court of Arbitration of the International Chamber of Commerce (ICC), in place since 1998, will feature new provisions. For instance, the rules will now provide expressly for a meeting between the parties to determine procedures for the arbitration; allow for the appointment of an "emergency arbitrator" to decide urgent matters that arise before the creation of the arbitration panel; and enable parties to consolidate claims and develop rules specific for disputes involving multiple contracts or parties.

In keeping with the ICC model, two Brazilian arbitration organizations—the Arbitration Center of the Chamber of Commerce Brazil-Canada (CCBC – Centro de Arbitragem da Câmara de Comércio Brasil-Canadá) and the Market Arbitration Panel (CAM – Câmara de Arbitragem do Mercado)—have made corresponding changes to their rules.

Under CCBC's current rules the presiding arbitrator must be selected from the CCBC's list of approved arbitrators. Under the new rules, applicable from 2012 onwards, this restriction will no longer exist. The arbitrators' duty of disclosure has also been expanded, and there are more detailed rules addressing disputes involving requests for urgent or provisional rulings.

With regard to CAM, the new rules expand the parties' rights to determine their own procedures,. The new rules aim to increase the efficiency of the arbitration process. For instance, the new rules eliminate the need to for a hearing to choose between regular and simplified procedures ("procedimento ordinário") and "procedimento sumário") as well as the need for a "Declaration of Consent" ("Termo de Anuência") to commence an arbitration. Instead, the arbitration clause in the original contract will be deemed as sufficient consent.

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