



### What is so unique about the BCDR-AAA's law?

BCDR-AAA's unique ADR legislation introduces two 'world firsts' in international ADR:

- Section 1: 'Statutory ADR Tribunals'; and
- Section 2: International arbitration with a 'Free Arbitration Zone' option.

### What is the "Free Arbitration Zone" option?

Under Section 2 of the BCDR-AAA law, parties can choose to arbitrate by agreement, and uniquely, it also provides the option for parties to make use of the innovative 'Free Arbitration Zone' (FAZ) where the arbitration award will not be subject to challenge in Bahrain. Here, the BCDR-AAA has the jurisdiction to hear a dispute if the parties agree in writing to settle it through the Chamber. There is no criteria for the amount of money contested and also no requirement that the dispute be international or commercial. The only requirement is that the parties have agreed to submit their dispute to the BCDR-AAA.

Disputes referred to arbitration under Section 2 can be administered by any rules of the parties choosing - including under the International Arbitration Rules developed by the AAA and adopted by the BCDR-AAA.

For the free arbitration zone to work effectively for parties, they must agree that a non-Bahraini law will be applied and that the award should be enforced outside of Bahrain and in the country whose law has been selected to govern the dispute.

### Is the BCDR-AAA an independent body?

Yes. The July 2009 statute establishing the BCDR-AAA in Bahraini law provides for independence by statute and the Chamber's own mission statement, guarantees the Chamber's independence. In addition, the unique joint venture with the American Arbitration Association indicates the independence of the Chamber, which is reflected through the appointment of two senior members of the AAA, the CEO and SVP, as the BCDR-AAA's members of the Board of Trustees.

### Does the BCDR-AAA facilitate Mediation services?

Yes. Under Section 2 of the BCDR-AAA rules, parties can choose to have their cases administered with us by agreement. BCDR-AAA is a full service ADR provider and takes Mediation and other ADR mechanisms seriously. The core service provided by BCDR-AAA is to administer Mediation and Arbitration cases. Frequently the best way to resolve any dispute is by party settlement.

BCDR-AAA will provide the parties with experienced Mediators and ensure quality management with the support of the in-house Case Management and its trained professionals.

### Who are the Mediators & Arbitrators?

Beside the BCDR-AAA's roster, parties will have access to the AAA's international roster of Mediators/Arbitrators. Parties can specify to the BCDR-AAA what particular background and expertise they are seeking and the Chamber will provide them with a list of candidates possessing those qualities. Alternatively, the parties can choose a Mediator/Arbitrator who is not on the roster of the Chamber or of the AAA.

### What are Statutory ADR Tribunals?

Under Section 1 of the BCDR-AAA law, disputes involving either financial institutions licensed by the Central Bank of Bahrain or international commercial matters where the contested sum exceeds 500,000BD (approximately US\$1.3 million) will automatically be heard by the BCDR-AAA, rather than the local courts, for the rapid, final and binding resolution of disputes.

### Does the BCDR-AAA invest in training and development?

Training and development of mediators and arbitrators locally and across the region from legal and non-legal backgrounds is very important. The BCDR-AAA invests heavily in training of an international standard such as at the AAA in New York and the Chartered Institute of Arbitrators in London as well as workshops for lawyers, judges and other practitioners across the wider region.

### How is the BCDR-AAA different from other ADR centres?

Only the BCDR-AAA offers both the 'Free Arbitration Zone' and 'Statutory ADR Tribunals'. These innovations and all the traditional dispute resolution services are offered by local experts with international training and standards of service required to ensure the rapid and effective resolution of commercial disputes. Furthermore, as a joint venture with the world's largest provider of ADR services, the AAA, quality assurance is guaranteed.

### When should parties contact the BCDR-AAA?

Thinking Ahead: Parties need not wait until they are in conflict to approach the BCDR-AAA. Pre-emptive action can be taken in the form of a future disputes clause inserted into contracts that are tailored to the parties' needs.

Further, if the contract already exists, parties can work with the BCDR-AAA to administer the arbitration or mediation clause via a post-contract dispute clause.

Finally, if parties are already in the midst of a dispute, the BCDR-AAA can assist in bringing them to the table when there is no mention of ADR in the contract.

Model clauses are available on the BCDR-AAA website ([bcdr-aaa.org](http://bcdr-aaa.org)) and parties are encouraged to contact the BCDR-AAA directly.



The BCDR-AAA continues to make ADR more accessible. In order to ensure the Chamber is affordable, user friendly and efficient, we have brought the very latest in technology in-house. To aid the business of ADR, we have introduced the very latest in translation technology, digital audio video session recording, conferencing facilities and state-of-the-art case management technology – all offered at competitive rates.

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