The Swiss Chambers’ Arbitration Institution recommends the use of the following model arbitration clause:

Any dispute, controversy, or claim arising out of, or in relation to, this contract, including the validity, invalidity, breach, or termination thereof, shall be resolved by arbitration in accordance with the Swiss Rules of International Arbitration of the Swiss Chambers’ Arbitration Institution in force on the date on which the Notice of Arbitration is submitted in accordance with these Rules.

The number of arbitrators shall be …
(“one”, “three”, “one or three”);

The seat of the arbitration shall be …
(name of city in Switzerland, unless the parties agree on a city in another country);

The arbitral proceedings shall be conducted in …
(insert desired language).

Further information is available on www.swissarbitration.org
Swiss Rules of International Arbitration

In 2004, several Swiss Chambers of Commerce jointly adopted the Swiss Rules of International Arbitration, which replaced their individual arbitration rules. In 2012, the Swiss Rules were slightly revised for the first time so as to increase their efficiency and cost effectiveness. The Swiss Rules are available in English (the original version) and in more than a dozen other languages. They can be downloaded from www.swissarbitration.org.

Arbitration is efficient, confidential and enforceable

Arbitration is generally more expeditious than proceedings before State courts. Arbitrators are independent practitioners specialized in the field of dispute resolution. Contrary to State court judgments, arbitral awards remain confidential. Pursuant to certain international conventions, they are enforceable in almost all countries.

Free choice of arbitrators, applicable law, language and counsel

The parties are free to designate their arbitrator(s), to select the applicable law, the language of the proceedings, the seat of arbitration, and their own legal counsel, in Switzerland or abroad.

Benefits of Switzerland as the place of arbitration

If the seat of the arbitration is in Switzerland, the parties will enjoy the many advantages offered by Swiss arbitration law. As a key advantage, Swiss arbitration law does not allow for any undue interference by State courts during or after the proceedings. Switzerland is one of the few jurisdictions where any application to set aside an award, must be brought directly to the country’s highest court. Very limited grounds are available and applications rarely succeed. The Swiss Supreme Court will render its decision within four months on average. Setting aside proceedings usually do not prevent the award from being enforced in the meantime. This reduces the risk of costly and lengthy post-arbitration litigation.

Another advantage of Swiss arbitration law combined with the Swiss Rules is the absence of any significant disruption to the arbitral proceedings in case an arbitrator is challenged on the basis of lack of independence and impartiality. The decision on the challenge is taken by the Arbitration Court and a party may only raise the issue before the State courts by seeking to have the award set aside by the Swiss Supreme Court at the end of the arbitration.

Swiss arbitration law is also easily accessible and available in several languages. The same applies to the Swiss arbitration-related matters and commentaries on arbitration in Switzerland.

Easy initiation of proceedings

Parties may submit their dispute to arbitration if their contract includes an arbitration clause to that effect or if they agree to resort to arbitration once the dispute has arisen. The party wishing to initiate arbitration proceedings may simply send a Notice of Arbitration containing the main information about the parties and the dispute to the Secretariat of the Court to one of the addresses listed in the Swiss Rules or on www.swissarbitration.org and pay the registration fee.

Lean administration

Arbitrations under the Swiss Rules are administered by the Arbitration Court, which is comprised of experienced international arbitration practitioners and is assisted in its work by a Secretariat. Appropriate mechanisms ensure the independence and impartiality of the acting members of the Court. The same committee of the Arbitration Court supervises each arbitration from beginning to end in co-operation with the Secretariat. This allows decisions to be rendered swiftly. Questions of particular importance, such as challenges of arbitrators, are submitted to the Court’s Special Committee. The decisions of the Special Committee are usually rendered within a few working days.

Confidentiality

Awards and orders rendered by the arbitral tribunal, as well as all materials submitted by the parties, are confidential. Confidentiality is also preserved by the involvement of the same committee of the Arbitration Court throughout each arbitration.

Expedited Procedure

One of the major cost factors in arbitration is the duration of the proceedings. Under the Expedited Procedure of the Swiss Rules, the award has to be rendered within six months by a sole arbitrator. This procedure will apply whenever the parties so agree or if the amount in dispute does not exceed CHF 1 million (approx. USD 1.1 million), and is particularly cost effective.

Availability of interim relief

The Swiss Rules allow for effective and prompt interim relief to be granted when needed. Interim relief may be sought before the arbitral tribunal or before an emergency arbitrator appointed by the Arbitration Court within a few days when the arbitral tribunal has not yet been constituted.

Cost effectiveness

The arbitrators’ fees and administrative costs charged by the Swiss Chambers’ Arbitration Institution are moderate, in particular when compared with the parties’ legal costs. They are calculated principally as a percentage of the amount in dispute in accordance with the schedule of costs contained in the Swiss Rules. The costs calculator available on www.swissarbitration.org provides a reliable indication of these costs.

Where the amount in dispute is less than CHF 2 million, the Swiss Chambers’ Arbitration Institution does not charge any administrative costs. The Swiss Rules ensure an effective control over the fees and expenses of the arbitrators. These are subject to the Arbitration Court’s approval and may be adjusted if necessary. The Arbitration Court issues guidelines to arbitrators to that effect.

Arbitration and Mediation

In addition to arbitration, the Swiss Chambers’ Arbitration Institution has adopted Rules for Commercial Mediation. These rules are particularly suitable if the parties are willing to make a joint effort to find an amicable solution to their dispute, and if they require the assistance of a neutral to do so. If successful, mediation proceedings are much faster and considerably less costly than arbitration. The Mediation Rules suggest ways of combining arbitration and mediation. The Swiss Rules of International Arbitration themselves allow the arbitral tribunal, with the agreement of the parties, to take steps to facilitate the settlement of the dispute.

E F F I C I E N T , C O S T E F F E C T I V E , R E L I A B L E

Case statistics:
– Almost 40% of the cases are heard under the Expedited Procedure
– The average duration of the proceedings is 11 months, and 6 months under the Expedited Procedure
– More than two thirds of the cases are conducted in English
– Parties from more than 100 countries participate in Swiss Rules arbitration proceedings
– Amounts in dispute vary between CHF 50,000 and CHF 1.6 billion. (the average amount in dispute being CHF 16 million)

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