



Report of The MIAS Task Force on “Technology-Related Dispute Resolution And Adjudication: Model Clauses And Guidance Texts” in the Secretariat’s Note (A/Cn.9/Wg.II/Wp.236) to be Considered at The Seventy-Ninth Session of UNCITRAL Working Group II, February 12-16, New York, New York.

The MIAS Task Force on issues being considered by UNCITRAL Working Group II has prepared the following comments on “Technology-Related Dispute Resolution And Adjudication: Model Clauses And Guidance Texts” in the Secretariat’s Note (A/Cn.9/Wg.II/Wp.236). The Task Force has focused only on the “Model Clause on Highly Expedited Arbitration,” the “Model Clause on Adjudication,” and the “Model Clause on Confidentiality.” The Task Force’s comments appear in table format. The first column contains the relevant paragraphs from the Secretariat Note on which the Task Force is commenting. The second column presents the MIAS Task Force’s comments. We hope that these comments are helpful to the Working Group and look forward to the WG’s dialogue on the Model Clauses and Guidance Texts.

Respectfully Submitted this 10th Day of February 2024,
The Miami International Arbitration Society Task Force on Issues Being Considered by UNCTRIAL Working Group II

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Excerpts from Secretariat’s Note	MIAS Task Force Comment
II. Model Clause on Highly Expedited Arbitration	
A. Draft model clause	
7. (a) If the parties have not reached agreement on the appointment of an arbitrator [7] days after a proposal has been received by all other parties, the arbitrator shall, at the request of a party, be appointed by the appointing authority in accordance with article 8(2) of the UNCITRAL Arbitration Rules as promptly as possible;	The phrase “proposal has been received” could be the subject of contention. Should the proposal be a “written” proposal?
B. Draft Annotation, Paragraph 4:	

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<p>4. Parties may jointly agree on a sole arbitrator before (possibly in the arbitration agreement) and after the dispute arises. If the parties have not agreed on a sole arbitrator, the appointing authority will, at the request of the parties, appoint a sole arbitrator [7] days after a proposal for the appointment of an arbitrator has been received by all other parties. This modifies the 15-day time period in article 8(2) of the EARs (A/CN.9/1159, para. 23).</p>	<p>The accompanying annotation would then also refer to “written” proposal for the appointment of an arbitrator. And a sentence could be added that would explain that the date of receipt would be verified by the method of transmission (e-mail, facsimile, express/overnight delivery, or hand delivery).</p> <p><i>NOTE that these comments apply to the Model Clause on Adjudication as well (Paragraph 2(b) on page 6/19) and are not repeated below.</i></p>
<p>7 (d) The period of time for making the award shall be [45][60][90] days;</p> <p>(e) Option 1: The period of time in subparagraph (d) may be extended but shall not exceed a total of [90][120][180] days;</p> <p>Option 2: The period of time in subparagraph (d) may not be extended;</p> <p>B. Draft Annotation, Paragraph 10</p> <p>10. Parties should note that a rigid time frame for making the award, together with the non-application of article 16(2) to (4) of the EARs, may result in an award not being made within such a time frame and unenforceable under article V(1)(d) of the New York Convention or set aside in accordance with the domestic legislation 4 (A/CN.9/1159, paras. 28–29).</p>	<p>Presumably, parties that have agreed to this process at the time of contract formation have already considered the nature of disputes that may arise and are willing to establish strict time limits for a resolution. (And certainly this would seem to be right if parties adopt the procedures in Draft Model Clause A at the time a dispute arises, as unlikely as this scenario might be.)</p> <p>Given the admonition in Draft Annotation, Paragraph 10, it seems appropriate for the Draft Annotation to state that the selection of the Tribunal should take into account the ability of the arbitral tribunal to satisfy the deadlines established by the parties. It would be prudent for the parties to ensure that the arbitral tribunal has the availability as a</p>

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	precondition to the appointment. This could be done in Paragraph 4 and referenced again in Paragraph 10.
<p>B. Draft Annotation, Paragraphs 11-13</p> <p>11. Article 34(3) of the UARs requires the arbitral tribunal to state reasons in the award unless the parties agree otherwise. If permissible under the applicable law, parties could agree that no reasons should be given in the arbitral award, by including the following provision into the model clause: “The arbitral tribunal is not required to provide reasons in the award.” (A/CN.9/1159, para. 38).</p> <p>12. When considering whether to agree on a non-reasoned award, parties may take the following elements into consideration: - Awards can be issued more quickly if reasons do not need to be provided, promoting a faster resolution of the dispute; - Allowing the arbitral tribunal to make a non-reasoned award may lower arbitration costs; - A non-reasoned award would not allow parties to comprehend and therefore accept the decision; - If courts are required to assess the non-reasoned award, for instance in a setting aside proceeding, such assessment could require a time-consuming reopening of a number of issues; - In a number of jurisdictions, arbitral awards without a certain standard of reasoning may face challenges in enforceability.</p> <p>13. If permissible under the applicable law, the parties’ preference regarding the inclusion of reasons could be discussed with the arbitral tribunal when organizing the proceedings so that parties understand the implications of their decision for the completeness and enforceability of the award (A/CN.9/1159, paras. 39–40).</p>	<p>We see no harm in this paragraph (or the following Paragraphs 12 and 13), but realistically, the award should provide reasons.</p> <p>This does not mean that the award has to be lengthy. A tribunal that has committed to meet the deadline for an award as suggested above should have no difficulty articulating the reasons for an award in sufficient detail to satisfy applicable law. If anything, the Draft Annotation might encourage the elimination of the traditional restatement of every procedural step that has occurred before getting to the substance of the decision. That can be discussed with the tribunal when organizing the proceedings</p>

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<p><i>Note to the Working Group: The Working Group may consider adding language into the model clause to the effect that the arbitral tribunal does not need to provide reasons, as suggested in para. 11 and elaborating on the elements to consider in the annotations as suggested in para. 12. Another alternative is to state in the model clause or the annotations that any such agreement on a non-reasoned award should be addressed to the arbitral tribunal orally or in writing (A/CN.9/1159, para. 42). Yet another way could be for the parties to agree on that the reasons may be set forth in summary fashion, with the key findings and conclusions without delving into extensive details or providing a comprehensive analysis. However, the line between a reasoned and a summary award cannot be easily drawn and may depend on specific practices. Furthermore, in expedited arbitrations, parties anticipate a more streamlined and efficient process, which might include the expectation of receiving a concise award (A/CN.9/1159, paras. 38–42).</i></p>	<p>The Note demonstrates the thoughtfulness and thoroughness that the Secretariat is known for.</p> <p>We do not think it prudent to add anything to the model clause that would support a non-reasoned award. There is already enough said in the Draft Annotations about the potential for a non-reasoned award that the parties can figure out if they want one and can so advise the arbitral tribunal when the proceedings are being organized.</p> <p>We also do not regard a “concise award” as inconsistent with a “reasoned award.” Nor do we believe that setting forth reasons in summary fashion with key findings and conclusions precludes a “comprehensive analysis.” Because, traditionally, awards have included extensive details (and thus can go on for hundreds of pages) does not mean that a concise award with key findings and conclusions cannot be presented comprehensively.</p>
III. Model Clause on Adjudication	
<p>Wishing to have disputes settled by arbitration, Believing that certain disputes may be rapidly and efficiently resolved by an adjudicator, Committing to comply with the determination of such adjudicator and to the enforcement of this undertaking, Preserving the right to commence arbitration, the Parties agree as follows:</p> <p><i>Note to the Working Group: A preamble is included at the beginning of the model clause to outline the design of the model clause so as to help the parties</i></p>	<p>The Preamble is helpful in making the distinction between arbitration of disputes and the use of an adjudicator—a person apparently with an expertise in the subject matter of the dispute. Respectfully, thereafter, the Model Clause is confusing.</p> <p>As the MIAS WG II Task Force understands the goal, it is to put in</p>

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<p><i>understand the provisions set forth in the subsequent paragraphs. However, the Working Group may wish to consider whether the “preamble” needs to be part of the model clause, or if it is sufficient to have an introductory text as a note, in particular as the text only generally sums up what paragraphs 1–4 regulate in detail.</i></p> <p>1. Any dispute, controversy or claim arising out of or relating to this contract, or breach, termination or invalidity thereof (“Dispute”), shall be settled by arbitration in accordance with the UNCITRAL Arbitration Rules with the following additions:</p> <p>(a) The appointing authority shall be... [name of institution or person].</p> <p>(b) The number of arbitrators shall be... [one or three].</p> <p>(c) The place of the arbitration shall be... [town and country].</p> <p>(d) The language to be used in the arbitral proceedings shall be....</p> <p>2. Any dispute, controversy or claim arising out of or relating to this contract, or breach, termination or invalidity thereof may be settled by adjudication in accordance with the following: . . .</p> <p>...</p> <p>4. (a) The referral of a matter to adjudication and the arbitration pursuant to paragraphs 2 and 3 shall not preclude a party from referring the same matter to arbitration under paragraph 1;</p> <p>(b) If a matter is referred to arbitration pursuant to paragraph 1, the parties shall not be limited in submitting statements and evidence by the proceedings of adjudication and arbitration under paragraphs 2 and 3;</p>	<p>place an “expert” – now called an “adjudicator” – who would resolve certain kinds of disputes that require rapid decision making and lend themselves to a rapid decision (or assist parties to avoid a dispute). A Dispute Resolution Board in a construction project would be an example of this concept.</p> <p>There is no distinction between Paragraph 1 and Paragraph 2 to explain which process – arbitration or adjudication – a party must follow.</p> <p>The problem comes from the identical scope language in both Paragraphs 1 and 2: “Any dispute, controversy or claim arising out of or relating to this contract, or breach, termination or invalidity thereof (‘Dispute’), . . .”</p> <p>Paragraph 10 of the Secretariat’s Note recognizes the problem by suggesting that the scope of the “adjudication” be limited. The Secretariat is being too modest, however. The scope language in both paragraphs cannot be identical.</p> <p>The intent here is to allow an adjudicator to apply her specialized expertise to assist the parties in the resolution of a dispute on a rapid basis. This is going to be a project or contract-specific matter and the parties are best suited to identify the scope of issues that can be referred to the adjudicator.</p>

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<p>(c) If a matter is referred to arbitration pursuant to paragraph 1, the arbitral tribunal shall not be limited by the proceedings of adjudication and arbitration under paragraphs 2 and 3, in conducting the proceeding and making the award.</p> <p>***</p> <p>Paragraph 10 of the Secretariat’s Note:</p> <p>10. The Working Group may wish to consider, whether the scope of disputes that may be determined through adjudication should be unlimited, as per paragraph 2 of this model clause and reflected in para. 5 of the annotations. In other words, it is for the parties to choose which disputes to refer to adjudication and for the adjudicator to determine, pursuant to paragraph 2(g), whether the dispute is suitable for settlement through adjudication. Alternatively, considering that the notion of adjudication was put forward to prevent disputes from stalling the cash flow in long-term projects, and mindful that the scope needs to be circumscribed clearly, limiting the scope of disputes to monetary claims is a possibility. A monetary payment order tends to be simple and may be made with relative ease by an adjudicator. The downside of limiting the scope to monetary claims could be that disputes over non-monetary claims that may be usefully resolved by an adjudicator with expertise on the technical matter might be precluded. In defining the scope, the Working Group has also discussed whether or not disputes over the termination or invalidity of the contract or those over irreversible claims should be included (A/CN.9/1129, para. 69; A/CN.9/1159, paras. 48–52).</p> <p>DRAFT ANNOTATIONS</p> <p>5. Parties may wish to agree on the scope of issues that would be suitable for determination by an</p>	<p>So, the Working Group may wish to bracket the Scope language with something like the following:</p> <p>***</p> <p>[The parties should identify the scope of the adjudicator’s authority based on the specific needs of the project identified in the parties’ contract].</p> <p>***</p> <p>Paragraph 5 of the Draft Annotations contemplates this change and we would urge that the Model Clause reflect what is reality: there has to be a different scope for an adjudication than there is for an arbitration.</p> <p>Then the Annotation can give more fulsome examples of the types of disputes that the parties might wish to consider as candidates for adjudication. Paragraph 10 already does this in part, and so does Draft Annotation No. 5, but instead of saying, “The Working Group may wish to consider” a different scope for adjudication, Paragraph 2 of the draft Model Clause should be modified to limit the scope to that agreed to by the parties, as suggested above.</p> <p>We also note that the decision of the adjudicator is binding on the parties. It is highly unlikely that the Model Clause would ever be adopted if the Model Clause maintains the identical scope for arbitration as well as adjudication, since the latter results in a very truncated process that would</p>

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<p>adjudicator. Parties could limit the scope to certain remedies, such as monetary compensation, as monetary awards could be relatively easy to reverse if necessary. In different jurisdictions, adjudication has been used in other areas, including valuation, specific performance regarding delivery of goods and specific performance in construction contracts. Adjudication might not be suitable for purely legal matters (A/CN.9/1129, para. 69; A/CN.9/1159, paras. 48–52).</p>	<p>result in a binding determination enforceable by an arbitration.</p>
<p>Model Clause 2. Any dispute, controversy or claim arising out of or relating to this contract, or breach, termination or invalidity thereof may be settled by adjudication in accordance with the following:</p> <p>(a) A party shall communicate a request for adjudication containing a detailed description of the basis of the dispute and an indication of the determination being requested to all other parties and the adjudicator agreed by the parties or appointed pursuant to paragraph 2(b);</p> <p>(b) If the parties have not reached an agreement on the appointment of an adjudicator [7] days after a proposal made by a party has been received by all other parties, an independent and impartial adjudicator shall, at the request of any party, be appointed by the appointing authority as promptly as possible;</p> <p>(c) The appointing authority shall be... [name of institution or person];</p> <p>(d) The adjudicator shall consult with the parties promptly and within 3 days from his/her appointment. The adjudicator may hold additional consultations with the parties or request additional information he/she deems necessary;</p>	<p>The goal is an expedient determination on an issue that is suitable to an expedient determination. Giving examples of such issues in the annotation, as noted above, would be very beneficial to the UNCITRAL arbitration community.</p> <p>The major roadblock to an expedient determination is securing an adjudicator at the earliest possible time. Under the draft Model Clause, there is 7 days to obtain agreement on an adjudicator.</p> <p>Assuming no agreement, a party requests appointment of an adjudicator by the appointing authority “as promptly as possible.” How much time will this take? Since the appointing authority is named in the Model Clause, one would hope that it should not take too long. But we think it is fair to say that this process could take between 5 and 30 days, taking into account the potential for objections, time needed to vet the adjudicator (for availability, if nothing else) and for disclosures to be made.</p>

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<p>(e) Within [10/14 days] of the consultation, the other party or parties shall communicate a response to the request;</p> <p>(f) The adjudicator may conduct the proceedings as he/she considers appropriate, provided that the parties are treated with equality and that each party is given a reasonable opportunity to present its case;</p> <p>(g) The adjudicator may determine that the matter submitted to him/her in whole or in part is not suitable for adjudication;</p> <p>(h) The adjudicator shall make a determination within [30 days] from the date of his/her appointment stating the reasons. [In exceptional circumstances and after having consulted the parties, the adjudicator may extend the period of time for making the determination but shall not exceed a total of [60] days];</p> <p>(i) The determination of the adjudicator shall be binding on the parties and the parties shall comply with the determination without delay.</p>	<p>Consultation takes place within 3 days after the appointment.</p> <p>Within 10-14 days thereafter, a response is made to the request for adjudication.</p> <p>Assuming no evidence is received beyond the parties’ submissions and a hearing is not held, the adjudicator issues a decision within 30-60 days from the date of the appointment.</p> <p>Assuming no agreement on the adjudicator’s appointment, by our count this means that a decision is rendered 7 + (5-30) + (30-60), or 42 days to 97 days after the initiation of the dispute, assuming the appointment of the adjudicator “as promptly as possible” results in no more than a 5-30 day window.</p>
<p>DRAFT ANNOTATIONS</p> <p>1. Alongside arbitration, this model clause optionally provides adjudication as a streamlined and efficient means/mechanism to handle potential disputes that may arise during a contractual relationship (A/CN.9/1129, para.56; A/CN.9/1159, paras. 45–47).</p> <p>2. The in-built adjudication procedure is a rapid process, with a determination expected to be rendered within [30 days]. The parties contractually commit to abide by the decision made by the adjudicator (“determination”). Paragraph 3 sets forth a mechanism to ensure compliance with this commitment by providing for a highly expedited</p>	<p>Assuming compliance with the adjudicator’s determination, the parties will have reached a resolution within 6 to 14 weeks.</p> <p>Plainly, parties to an agreement can decide if this is too long for the types of disputes that they decide to tender to the adjudicator.</p> <p>The MIAS Task Force believes that the Model Clause should contain an option for appointment of the adjudicator at the time of contract formation. It may be that a “board” or “panel” of adjudicators can be</p>

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<p>arbitration should a party fail to comply with the determination. Importantly, parties retain recourse to arbitration as outlined in paragraphs 1 and 4, should the need arise. Parallel proceedings might hence occur (A/CN.9/1129, paras. 74–77; A/CN.9/1159, para. 53).</p> <p>3. Alternatively, parties may consider dispute avoidance and resolution procedures, before differences escalate to a point where adjudication or legal proceedings become necessary, such as the appointment of an accompanying neutral at the beginning of the project or of a board of experts to recommend a solution or mediate settlements to resolve the differences (A/CN.9/1129, para. 59; A/CN.9/1159, paras. 67–69).</p> <p>...</p> <p>7. Parties may agree on the adjudicator before the dispute arises to streamline the proceedings and save time and cost. Parties should, however, be aware of the possible consequences of agreeing on an adjudicator before the dispute arises. The agreed adjudicator may not always be able to perform its role when requested. For instance, if the dispute arises many years after the contract was formed, the agreed adjudicator may have a conflict of interest, lack the willingness to act as an adjudicator, or be unavailable due to other commitments, death or illness. Unlike in arbitration, there is no procedure to replace an agreed adjudicator in case its replacement is required. Furthermore, the expertise required for resolving potential disputes might be uncertain at the time of the contract formation, and the chosen adjudicator’s expertise may not align with that required to decide on the specific issues in dispute (A/CN.9/1129, para. 70).</p>	<p>identified from whom the adjudicator can be rapidly identified if a dispute suitable for adjudication arises.</p> <p>Paragraph 3 of the Draft Annotations contemplates such a process. The MIAS Task Force believes that the Model Clause should contain the bracketed option to appoint the “neutral” or “board of experts” at the time of contract formation.</p> <p>We recognize the concern expressed in Paragraph 7 of the Draft Annotation. That is why a “board of experts” is preferable, the idea being that only one member of the board would be the adjudicator, but there would always be someone available to serve.</p> <p>We also think it unlikely that the “expertise” would be unavailable. The parties should be able to determine the type of expertise needed and identify appropriately qualified persons to meet that need.</p> <p>But if this issue is truly a concern, there is no reason why the parties cannot agree to select the adjudicator through the process outlined in the Model Clause by agreement. We would also like to think that any adjudicator who is not qualified to resolve a “adjudicative” dispute would so state and withdraw. We believe further that the issue of a need for unexpected expertise can be</p>

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<p>Model Clause on Adjudication</p> <p>2.</p> <p>(h) The adjudicator shall make a determination within [30 days] from the date of his/her appointment stating the reasons. [In exceptional circumstances and after having consulted the parties, the adjudicator may extend the period of time for making the determination but shall not exceed a total of [60] days];</p> <p>11. The adjudicator should provide a determination stating the reasons to the parties, to allow them to understand and accept the decision.</p> <p><i>Note to the Working Group: the Working Group may wish to consider whether the determination could be issued with no reasons.</i></p>	<p>addressed in the parties’ agreement with appropriate text.</p> <p>We believe that the reference to reasons for the determination belongs in the Model Clause. And we do not believe that the determination should be issued without reasons. It should not be difficult or time consuming to explain a determination in a setting such as is contemplated by this rapid adjudicative process.</p>
<p>Model Clause on Adjudication</p> <p>4. (a) The referral of a matter to adjudication and the arbitration pursuant to paragraphs 2 and 3 shall not preclude a party from referring the same matter to arbitration under paragraph 1;</p> <p>(b) If a matter is referred to arbitration pursuant to paragraph 1, the parties shall not be limited in submitting statements and evidence by the proceedings of adjudication and arbitration under paragraphs 2 and 3;</p> <p>(c) If a matter is referred to arbitration pursuant to paragraph 1, the arbitral tribunal shall not be limited by the proceedings of adjudication and arbitration under paragraphs 2 and 3, in conducting the proceeding and making the award.</p>	<p>The MIAS Task Force found Paragraph 4 of the draft Model Clause on Adjudication to be confusing.</p> <p>How much process is being sought here? It appears that there could be two arbitrations and one adjudication addressing the same dispute. That does not seem desirable when the goal is a rapid process to resolve certain kinds of disputes in an expedient manner.</p> <p>We would urge the Working Group to avoid parallel proceedings. Once the “Scope” is settled upon, and once the appointment of the adjudicator is finalized (either ex ante or post-contract formation), the parties</p>

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<p>DRAFT ANNOTATIONS</p> <p>18. Paragraph 4 indicates that parties could institute adjudication (paragraph 2) and arbitration (paragraph 1) either simultaneously or consecutively, partially or even wholly covering the same issues. Hence, adjudication and arbitration may theoretically be conducted in parallel. It is also highlighted in paragraph 4(c) that arbitration under paragraph 1 is not limited by the determination of the adjudicator, and the arbitral tribunal may conduct a full and de novo review of the merits of the adjudicator’s determination on both issues of facts and law, pursuant to the EARs or the UARs. Consequently, the parties’ statements and evidence provided in the adjudication procedure and the subsequent arbitration pursuant to paragraph 3 do not have any bearing on an arbitration under paragraph 1 (A/CN.9/1129, paras. 74–77; A/CN.9/1159, para. 53), and neither have the decisions made by the adjudicator or the arbitral tribunal under paragraph 3.</p> <p>19. For the sake of clarity, the party not satisfied with the determination by the adjudicator and the subsequent award made by the arbitral tribunal pursuant to paragraph 3 should bring them to the attention of the arbitral tribunal in the arbitration under paragraph 1. The arbitral tribunal, in making its award in the arbitration pursuant to paragraph 1, should take into account any consequences of the determination of the adjudicator and the arbitral award made by the arbitral tribunal pursuant to paragraph 3.</p> <p><i>Note to the Working Group: the Working Group will note that reference to specific conditions in the relevant model clause in A/CN.9/WG.II/WP.234 for initiating an arbitration are removed given the Working Group’s concern that delineating a specific</i></p>	<p>should be able to obtain a determination on disputes within the scope of the adjudicator’s authority in a timely manner that will be complied with.</p> <p>The backstop of a compliance arbitration may still be necessary in some cases, but we know from experience that bodies like construction boards do function well and produce resolutions that facilitate the completion of projects instead of delays in such completion.</p>

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<p><i>condition, including compliance with the determination, would pose difficulty and may limit a parties’ access to justice (A/CN.9/1159, para. 53). It is noted that statutory adjudication in some jurisdictions do not have restrictions on parallel proceedings as the time frame for adjudication and a full-fledged arbitration is very different, the risk of parallel proceedings does not have a substantial impact on cost or time. The Working Group may wish to consider whether potential parallel proceedings should be avoided and if so, how, and discuss the implications of such parallel proceedings.</i></p>	
<p>V. Model Clause on Confidentiality</p> <p>1. All aspects of the proceedings including all information disclosed by the parties in the proceedings and all non-public decisions or awards [that are not [lawfully] in the public domain] [including the existence of the proceeding itself], shall be kept confidential except and to the extent that such disclosure is required by legal duty, to protect or pursue a legal right or interest, or in relation to enforcement or challenging awards in legal proceedings before a court or other competent authority [, or for the purposes of having, or seeking, third-party funding of arbitration/legal, accounting or other professional services].</p> <p>2. [The arbitral tribunal or the adjudicator in the model clause on adjudication] and the parties shall seek the same undertaking of confidentiality in writing from all those that they involve in the proceeding.</p> <p>3. [The arbitral tribunal or the adjudicator] may, upon the request of a party make orders concerning the confidentiality of the arbitral proceedings and take measures for protecting confidential information.</p>	<p>The draft Model Clause on Confidentiality certainly has value to alert arbitrants to the need to agree on confidentiality.</p> <p>The difficulty with the Model Clause and with the concept of confidentiality in arbitration is enforcement.</p> <p>What happens if the breach of confidentiality occurs after an award is issued? Does the arbitral tribunal continue to have jurisdiction?</p> <p>And as noted by the Secretariat, individuals involved in the arbitration may be the source of a breach of confidentiality. What is the enforcement mechanism there?</p> <p>And how is a remedy to be determined? Liquidated damages? Once the “cat is out of the bag,” there are limits on what can be done to cure the breach.</p>

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<p>4. In the event of a breach of confidentiality, the parties may seek remedies.</p> <p>Draft Annotations</p> <p>4. However, when confidentiality encompasses the duty to not disclose the existence of the arbitration itself, it can pose challenges when parties or counsel need to contact witnesses, third-party funders, or other parties involved, which is what the bracketed text [, or for the purposes of having, or seeking, third-party funding of arbitration/legal, accounting or other professional services] seeks to clarify. Maintaining confidentiality while conducting these necessary activities would mean that according to paragraph 2, parties require a confidentiality/non-disclosure undertaking/agreement to ensure that the individuals/entities involved agree to maintain the confidentiality (A/CN.9/1159, para.78). ...</p> <p>9. Besides parties to the arbitration and the arbitral tribunal, other participants of the arbitral proceedings, such as the arbitral institutions, witnesses and experts, may be invited to agree on an undertaking, to ensure confidentiality where appropriate.</p> <p>10. In some circumstances, it may be for the parties themselves to enter into a confidentiality agreement with the participants that they seek involvement. In other circumstances, for example where the tribunal invites experts to become involved in the proceedings, it may be more appropriate to have the duty rest with the arbitral tribunal (A/CN.9/1129, paras. 91–92; A/CN.9/1159, para. 78).</p> <p><i>Paragraphs 3 and 4</i></p>	<p>This is not to say that a Model Clause on Confidentiality should not be proposed. It is to say that the practical difficulties of enforcement and remedies should be emphasized. There are no easy solutions here.</p>

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<p>11. An enforcement mechanism is highlighted in paragraphs 3 and 4 to ensure duties of confidentiality are complied with. Upon the request of a party, the arbitral tribunal may make orders and take appropriate measures concerning the confidentiality of the arbitral proceedings. In the event of a breach of confidentiality, the parties may seek remedies according to the applicable law (A/CN.9/1159, para. 76).</p> <p><i>Note to the Working Group: The Working Group may consider paragraph 3 based on article 22(3) of the ICC Rules on Arbitration and paragraph 4 highlighting that parties may seek remedies in the event of a breach of confidentiality (A/CN.9/1159, para. 76). In view of the different approaches in different jurisdictions no further details on possible remedies were provided.</i></p>	