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CVR 3162 7885



NEW RULES FOR THE DANISH INSTITUTE OF ARBITRATION

1 April 2021

Introduction

The Danish Institute of Arbitration (the "Institute") has adopted a new set of rules which come into force today 1 April 2021 and which will consequently be applicable in all cases brought before the Institute from this date onwards (unless otherwise agreed between the parties in the arbitration agreement).

We have taken a closer look at the new rules and highlighted the most relevant and significant changes and implementations below.

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Impartiality and Independence – Article 20(4)

The parties will now be obligated to immediately inform the Institute, the arbitral tribunal, and the other party in writing of the identity of any third party who has undertaken to finance costs in the case and who thus has a financial interest in the outcome of the case.

Representation Relations – Article 23

As a new implementation, a party shall notify the Institute, the arbitral tribunal, and the other party as soon as possible in the event of changes to the party's representation (i.e. if one party in any way decides to change its legal counsel).

In the event that the change of the party's representation implies any reasonable doubts as to the impartiality and independence of any arbitrator, the Chairman's Committee of the Institute may – after having consulted the tribunal and the parties – exclude the new or added representative of the party from participating in the proceedings, unless the change of representation can be reasonable justified.

Disclosure of Documents and other Evidence – Article 33

As another new implementation, the tribunal may, at the request of one of the parties, order the other party to disclose documents or other evidence, which is at the disposal of that party and which the tribunal considers to be of possible relevance to the case. If any party fails to comply with such request without reasonable cause, the tribunal may in its assessment of the evidence attach this evidential significance to the benefit of the other party.

Written Communication – Article 3

All written communication between the parties, the tribunal, and the Institute must now by default be conducted electronically.

Language in the Statement of Claim – Article 5

If no agreement has been entered into in terms of the procedural language of the case, or if the parties disagree on the language applicable, the statement of claim must be submitted in the same language that is used in the parties' arbitration agreement.

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Telecommunication – Article 36 (2)

The parties will now be able to decide whether the oral hearing must, in full or in part, be given by using telecommunication, if the tribunal deems it will be appropriate and sound, and special reasons otherwise justify it.

Our Comments

The rules are to a great extent a consequence of the increasing demands for digitalization and the various difficulties and the necessity of practical solutions, which have emerged during the COVID-19 pandemic. Furthermore, the rules reflect the Institute's increased focus on efficiency and transparency, which is shown in particular by the implementation of Articles 20(4) and 23 that aim to accommodate issues regarding independence and impartiality, which in many cases prolong the case processing time.

In summary, the new rules have been subject to significant changes and now contain 52 articles compared to 36 articles in the previous version. Consequently, the new rules will in our opinion have a large impact on future arbitration cases under the Institute and should therefore carefully be taken into consideration.

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If you have any questions or require further information regarding any of the above, please do not hesitate to contact us:



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