



AI COMMENTARY: SWEDISH ARBITRATION ACT 2018

Prepared by Galadari Advocates & Legal Consultants with ChatGPT Edited by Abdulla Ziad Galadari, Sergejs Dilevka, and Dimitriy Mednikov



About Galadari

Galadari is a full-service Emirati law firm dedicated to providing legal solutions at every stage of the business cycle.

Since 1983, we have supported the development of the United Arab Emirates (UAE) legal framework, while contributing to the industry and driving great commercial impact across the Emirates and supporting our clients to navigate through their challenges.

For four decades, our goal has been to deliver the highest-quality product to solve complication issues. Our team take pride in our uncompromising approach to quality and recognise everything we do, or produce is a measurement of our commitment to quality. We give 100% the first time and every time.

Our legal team consists of over 60 locally qualified Emirati and international lawyers across 3 offices in the UAE who are fluent in 18 different languages. Our Emirati advocates have full rights of audience across all UAE Courts. Our team aims to provide the highest standard of legal service and maintain the same level of quality at every point of contact.

Aligned with our core values, Galadari is committed to being a responsible business. We are actively progressing towards a diverse and inclusive workforce, using our legal capabilities to do good in the community through pro bono work, supporting communities and charities across the UAE, and reducing our environmental impact.

Galadari's International Arbitration Practice

Galadari "are a local law firm with international standards and lawyers, familiar with local UAE laws, DIFC laws, and international laws" (The Legal 500 EMEA – UAE 2023).

With over four decades of experience in the UAE, our team possesses extensive expertise gained from their involvement in high-profile, intricate disputes worth millions of dollars across the region. Clients rely on our broad-ranging knowledge to guide them on the most suitable strategy for their business when faced with a dispute, whether as the claimant or respondent.

We represent clients in proceedings governed by a variety of international arbitration bodies, including ICC, LCIA, SCC, SCIA, DIAC, and GCC CAC. Additionally, we also provide representation in adhoc arbitration cases, and arbitration-related proceedings before the courts of Dubai, the DIFC, Abu Dhabi, and the ADGM.

With one of the largest teams of Emirati advocates in the country, we offer a one-stop shop from the initiation to the conclusion of any arbitration, eliminating the need for external counsel.

Clients and legal directories continuously praise our forward-thinking approach. The team was shortlisted for Arbitration Law Firm of the Year by Thomson Reuters Asian Legal Business Middle East Law Awards 2023, and Arbitration Team of the Year in Law.com International's Middle East Legal Awards 2023.



Galadari's International Arbitration Team



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Editors' Preface

Galadari's Artificial Intelligence (AI) Commentary on arbitration rules, laws, and treaties, was composed by Abdulla Ziad Galadari, Sergejs Dilevka, and Dimitriy Mednikov.

The term 'artificial intelligence' (AI) was first suggested by John McCarthy in 1955, defining it as a challenge "of making a machine behave in ways that would be called intelligent if a human were so behaving".

Almost seventy years later, further to multiple waves advancing AI technologies and notwithstanding several so-called 'AI winters' (prolonged periods of time when interest and investment in AI was significantly decreasing), AI has finally arrived as an essential technology for our future development and is here to stay. Today, leading AI platforms are able to maintain logical conversations their users, thus, satisfying Mr McCarthy's problem by making a machine behave intelligently.

The benefits of AI for both individuals and businesses have transitioned from being purely theoretical to practicable and, to a great extent, quantifiable. For legal practitioners, presently, such quantifiable benefits would likely be based on the billable time saved, for example, on document review and textual analysis or production of documents based on standard templates. Further, there is a huge potential to use AI to write simple code automating mundane tasks, such as generation of exhibit lists, (re)numbering of exhibits, bulk-conversion of documents from one file format into another, updating cross-references or footnotes in a document — one can think of plenty of use cases and what is needed is a bit of knowledge on how to make basic changes to that code and run it. However, as of the date of this publication, it seems that the general consensus among legal practitioners is that AI systems cannot be reliably used for legal research and all of the results of such research would still have to be reviewed with great care by human lawyers.

Galadari's AI Commentary on arbitration rules, laws, and treaties, is an experiment focussed on using AI to ascertain the current quality of AI analysis, and to determine whether AI is able to digest large quantities of complex information and produce an accurate and logical analysis of the relevant text in respect of various arbitration rules.

In the development of this AI Commentary, we used ChatGPT (GPT-3.5), an AI-powered language model developed by OpenAI. This AI model is capable of generating human-like text based on context and past conversations. The method used, for consistency, and not due to lack of imagination, implemented the use of the following prompt template to generate commentary on each provision of the relevant text: 'analyse article/section X of arbitration law/rules/treaty'.

Overall, the general outcome of our experiment indicates that, in the majority of situations, ChatGPT was able to successfully dissect provisions, spot important nuances, and generate meaningful commentary on the relevant provisions. Specifically, once ChatGPT was presented with a provision for analysis, it would typically attempt to break down the text into separate aspects into a list or bullet point format, tackling each and summarising the provision at the end of its analysis. This approach is consistently observed by ChatGPT across all the AI Commentary publications. We found this method to be suitable and informative, allowing readers to process the analysis in a systematic manner and benefit from ChatGPT's separation of the provision into smaller bits that the reader may be specifically interested in. It was noted that ChatGPT does not overlook or miss certain aspects of a provision, which is a potential human risk factor. ChatGPT addressed every aspect of provisions without fail, for example:



Article 21.3 of the UAE Federal Law No. 6 of 2018 on Arbitration ("UAE Arbitration Law"): "The Arbitral Tribunal may, at the request of any party or on its own motion, amend, suspend, or cancel an interim measure it has ordered, in exceptional circumstances, by prior notice to be given to the Parties."

ChatGPT: "Article 21.3 of the UAE Arbitration Law grants the Arbitral Tribunal the authority to modify, suspend, or revoke interim measures it has previously ordered during the arbitration process. These changes can be made under specific conditions referred to as "exceptional circumstances". Let us analyse this article:

- 1. Modification: The Tribunal can amend or alter the scope or conditions of an interim measure based on the evolving circumstances of the case.
- 2. Suspension: The Tribunal can suspend the enforcement of an interim measure temporarily if the circumstances warrant it.
- 3. Cancellation: The Tribunal can completely cancel or revoke an interim measure previously ordered if it deems it no longer necessary or appropriate.
- 4. Exceptional Circumstances: The Tribunal's power to amend, suspend, or cancel interim measures is limited to exceptional circumstances, implying that such measures are not subject to routine or arbitrary alterations.
- 5. Prior Notice: The article requires the Tribunal to provide advance notice to the parties before making any changes to the interim measures. This ensures transparency and allows parties to present their positions on the proposed amendments."

The commentary produced using ChatGPT did display some shortcomings. For example, there were instances when ChatGPT would 'hallucinate', making something up, which is a well-known limitation not only for OpenAI and ChatGPT users but also for other AI systems, for example:

Extract from ChatGPT's commentary on Article 2.4 of DIAC Arbitration Rules 2022 containing a reference to Article 32: "This exception indicates that certain specific provisions, such as Article 32, may have limited application to agreements to arbitrate made before the effective date of the Rules. It provides flexibility for parties to agree on different rules or procedures regarding the settlement or termination of proceedings, even if the general principle of the Rules taking precedence over the parties' agreement still applies."

Human lawyer: Article 32 of DIAC Arbitration Rules 2022 does not concern 'settlement or termination of proceedings' but sets out provisions pertaining to expedited proceedings.

Occasionally, ChatGPT would not appreciate the important distinction between 'may' or 'should' and the commanding 'shall', which can be crucial, for example:

Article 4.1(c) of DIAC Arbitration Rules 2022: "Any party wishing to commence an arbitration under the Rules shall submit to the Centre a Request which shall include: [...] (c) a copy of any relevant agreement between the parties, which contains the agreement to arbitrate, in respect of which the claim arises; [...]."

ChatGPT: "Article 4.1 of the DIAC Arbitration Rules outlines the requirements for submitting a Request to commence an arbitration under the Rules. Let us analyse each component of this article: [...] Copy of relevant agreement: The Request should include a copy of any relevant



agreement between the parties that contains the agreement to arbitrate, which is the basis for the claim being made."

Parenthetically, ChatGPT sometimes would simply paraphrase a provision several times within a single answer or alter the format of the responses with a series of prompts within the same commentary. To be fair, most of these provisions were quite nominal and did not contain much substance for analysis, for example:

Definition of 'Parties' Article 1.1 of UAE Arbitration Law: "Parties: The Claimant and the Respondent, whatever their number."

ChatGPT: "Parties: Refers to the Claimant and the Respondent involved in the arbitration. The parties could be individuals, companies, or any legal entities engaged in a dispute."

It was expected that there would be such limitations, but it was pleasantly surprising that their frequency was much lower than anticipated.

Being cognisant of all the existing issues and scepticism within the legal community, we consider that this experimental AI Commentary could be of assistance to practitioners in at least two ways. First, it allows the reader an opportunity to perform a sense check on their understanding of a provision or its aspect against ChatGPT's analysis. Second, the time required to produce 24 publications comprising the AI Commentary was significantly less than the typical duration needed to produce a single comprehensive commentary text on any of the relevant arbitration laws, rules, or treaties. Thus, should it become necessary, a similar AI commentary could be produced on any arbitration law/rules/treaty at a fraction of time and cost typically associated with such a task.

The purpose of publishing the AI Commentary is to provide arbitration practitioners and academics with a general sense of what is presently possible to achieve in the field of arbitration with the assistance of generative AI software, and encourage the arbitration community to push the boundaries of arbitration as a flexible, efficient, and effective dispute resolution method.

Notably, all commentary was generated with ChatGPT and was supported by a selective review by the Editors. Accordingly, the commentary may contain inaccurate and/or incomplete information. Readers are strongly advised to exercise caution reading the commentary with some scepticism and to keep a pencil in hand to note any inaccuracies. Needless to say, nothing in this text should be considered and/or relied upon as legal advice. For detailed information, please refer to OpenAI's Terms & Policies.

This project would not be complete without front page illustrations, which were also generated by AI. DALL E, another OpenAI system capable of creating images based on prompts, was used for this purpose. The chosen concept is based on a watercolour painting style, primarily portraying athletic rivalries in locations that correspond to the relevant arbitration law, rules, or treaty. The hope is that the readers will find the illustrations aesthetically appealing.

Should you have any questions, comments, or observations, including any noticed errors, please do not hesitate to contact us directly via email at s.dilevka@galadarilaw.com.

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Disclaimer: This document was prepared by Abdulla Ziad Galadari, Sergejs Dilevka, and Dimitriy Mednikov of Galadari Advocates and Legal Consultants (the "Editors") with OpenAl's ChatGPT-3.5. This document does not constitute legal advice, does not necessarily reflect the Editors' views, and may contain inaccurate and incorrect information.



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SWEDISH ARBITRATION ACT 2018¹

The Arbitration Agreement

Section 1

Disputes concerning matters in respect of which the parties may reach a settlement may, by agreement, be referred to one or several arbitrators for resolution. Such an agreement may relate to future disputes pertaining to a legal relationship specified in the agreement. The dispute may concern the existence of a particular fact.

In addition to interpreting agreements, the filling of gaps in contracts can also be referred to arbitrators.

Arbitrators may rule on the civil law effects of competition law as between the parties.

Section 1 of the Swedish Arbitration Act provides an overview of the scope and authority of arbitrators in resolving disputes. Let us analyse its key provisions:

- 1. Agreement to Arbitrate: The section establishes that parties have the option to refer disputes to arbitration by mutual agreement. This means that if the parties have a legal dispute and they agree to resolve it through arbitration, they can do so. This approach reflects the principle of party autonomy in arbitration, allowing parties to determine the method of dispute resolution that suits them best.
- 2. Scope of Agreement: The agreement to arbitrate can cover a broad range of matters. It states that the agreement can pertain to any disputes that the parties are capable of settling, indicating that the scope of arbitration can be quite extensive. The agreement can also extend to future disputes arising from a specific legal relationship that is specified in the agreement. This allows parties to proactively include potential future disputes within the scope of arbitration.
- 3. Fact Disputes: The provision explicitly mentions that the arbitration can involve disputes over the existence of particular facts. This acknowledges that arbitrators have the authority to determine questions of fact, including whether a certain event or circumstance occurred. This is significant as factual disputes often form a crucial part of legal disputes.
- 4. Interpretation of Agreements: The section grants arbitrators the power to interpret agreements between the parties. This means that they can decide on the intended meaning and implications of contractual terms, which is often a key aspect of contractual disputes.
- 5. Gap-Filling: In addition to interpreting agreements, the section allows arbitrators to fill gaps in contracts. This means that if a contract is silent on a certain issue, arbitrators can provide a solution based on applicable law and the intention of the parties.

 $^{^1}$ Source: https://sccarbitrationinstitute.se/sites/default/files/2022-11/the-swedish-arbitration-act_1march2019_eng-2.pdf.



6. Competition Law Effects: Notably, the provision states that arbitrators have the authority to rule on the civil law effects of competition law as applied between the parties. This recognises that competition law can have implications for contractual relationships, and arbitrators can make determinations in this regard.

In summary, Section 1 of the Swedish Arbitration Act underscores the wide scope of authority given to arbitrators in resolving disputes. It acknowledges party autonomy, enabling parties to agree on arbitration for a variety of disputes. The provision also highlights arbitrators' role in interpreting agreements, resolving factual disputes, filling contractual gaps, and even addressing the civil law effects of competition law between parties. This emphasis on the power of arbitrators to handle a range of issues reflects the flexibility and effectiveness of arbitration as an alternative method of dispute resolution.

Section 2

The arbitrators may rule on their own jurisdiction to decide the dispute.

If the arbitrators have rendered a decision finding that they have jurisdiction to adjudicate the dispute, any party that disagrees with the decision may request the Court of Appeal to review the decision. Such a request shall be brought within thirty days from when the party was notified of the decision. The arbitrators may continue the arbitration pending the court's determination.

The provisions of Sections 34 and 36 apply in an action to challenge an arbitration award that includes a decision on jurisdiction. SFS (2018:1954).

Section 2 of the Swedish Arbitration Act outlines the procedures and provisions related to the jurisdiction of arbitrators, challenges to their jurisdiction, and the role of the Court of Appeal in reviewing such decisions. Let us analyse its key points:

- 1. Arbitrators' Jurisdiction: The section starts by acknowledging that arbitrators have the authority to rule on their own jurisdiction to decide a dispute. This principle, known as "kompetenz-kompetenz", grants arbitrators the initial power to determine whether they have the right to hear and decide a particular case. This underscores the autonomy of arbitration proceedings and avoids unnecessary interference from courts.
- 2. Review of Arbitrators' Jurisdictional Decision: If arbitrators make a decision on their jurisdiction and a party disagrees with that decision, that party has the option to request the Court of Appeal to review the decision. The request for review must be submitted within thirty days from the date the party was notified of the arbitrators' jurisdictional decision.
- 3. Continuation of Arbitration: While the review process is ongoing, the section allows the arbitrators to continue with the arbitration proceedings. This recognises the importance of expediting arbitration and maintaining the efficiency of the process while any challenges to jurisdiction are being addressed.
- 4. Application of Other Provisions: The section states that the provisions of Sections 34 and 36 of the Swedish Arbitration Act apply in an action to challenge an arbitration award that includes a decision on jurisdiction. Sections 34 and 36 deal with actions to set aside or



challenge an arbitration award. This means that the same standards and procedures that apply to challenging an award also apply when an award contains a jurisdictional decision that is being disputed.

In summary, Section 2 of the Swedish Arbitration Act establishes a clear framework for handling challenges to the jurisdiction of arbitrators. It reaffirms the principle of kompetenz-kompetenz, allowing arbitrators to rule on their own jurisdiction. It also provides a mechanism for parties to seek review of jurisdictional decisions by the Court of Appeal within a specified time frame. The provision ensures that arbitration can proceed efficiently even when jurisdictional issues are being contested, while also maintaining the application of established procedures for challenging arbitration awards.

Section 3

If the validity of an arbitration agreement which constitutes part of another agreement must be determined in conjunction with a determination of the jurisdiction of the arbitrators, the arbitration agreement shall be deemed to constitute a separate agreement.

Section 3 of the Swedish Arbitration Act addresses a specific scenario where the validity of an arbitration agreement is intertwined with the determination of arbitrators' jurisdiction. It introduces a principle that treats the arbitration agreement as a separate entity in such situations. Here is an analysis of the section:

- 1. Separate Treatment of Arbitration Agreement: The section establishes that if the validity of an arbitration agreement is closely linked to the question of arbitrators' jurisdiction and if it forms part of a larger agreement, the arbitration agreement itself is considered distinct and separate from the larger agreement. In other words, the validity of the arbitration agreement is not contingent on the validity of the larger agreement within which it is contained.
- 2. Avoidance of Jurisdictional Complications: This provision addresses a potential legal complication that could arise when determining arbitrators' jurisdiction and the validity of the arbitration agreement within a larger contract. By treating the arbitration agreement as a separate entity, it simplifies the process and avoids conflating the issues related to jurisdiction and the validity of the arbitration agreement.
- Clarity and Autonomy of Arbitration Agreements: Treating the arbitration agreement as a standalone entity ensures clarity and autonomy for the arbitration process. It reinforces the principle that the arbitration agreement's validity should be assessed independently, without being entangled with disputes related to the larger contract or the merits of the case itself.
- 4. Facilitation of Arbitration Proceedings: By isolating the arbitration agreement from the broader contract, this section promotes the efficiency of arbitration proceedings. It allows for a more streamlined approach to resolving disputes concerning jurisdiction and the validity of the arbitration agreement.

In summary, Section 3 of the Swedish Arbitration Act addresses a common situation where the validity of an arbitration agreement is connected to questions of arbitrators' jurisdiction and jurisdictional



challenges. By treating the arbitration agreement as a separate entity in such cases, this section contributes to the clarity, autonomy, and efficiency of the arbitration process.

Section 4

A court may not, over an objection of a party, rule on an issue which, pursuant to an arbitration agreement, shall be decided by arbitrators.

A party must invoke an arbitration agreement on the first occasion the party pleads its case on the merits in court. Invoking an arbitration agreement on a later occasion shall have no effect unless the party had a legal excuse and invoked the arbitration agreement as soon as the excuse ceased to exist. The invocation of an arbitration agreement shall be considered notwithstanding that the party who invoked the agreement has allowed an

issue which is covered by the arbitration agreement to be determined by the Swedish Enforcement Authority in a case concerning expedited collection procedures.

During the pendency of a dispute before arbitrators or prior thereto, a court may, irrespective of the arbitration agreement, issue such decisions in respect of security measures as the court has jurisdiction to issue. SFS (2006:730).

Section 4 of the Swedish Arbitration Act addresses the interaction between court proceedings and arbitration agreements, emphasising the role and timing of invoking arbitration agreements in court. Here is an analysis of this section:

- 1. Exclusivity of Arbitration Agreement: The section establishes that a court is not allowed to decide on an issue that is subject to an arbitration agreement. This principle underscores the parties' intention to resolve certain disputes through arbitration and prevents the court from encroaching upon matters that parties have agreed to arbitrate.
- 2. Timely Invocation of Arbitration Agreement: The section introduces the requirement that a party must invoke the arbitration agreement at the first instance when it presents its case on the merits in court. This rule ensures that parties cannot strategically choose when to invoke arbitration based on the stage of the proceedings. It promotes consistency in adhering to arbitration commitments.
- 3. Effect of Late Invocation: If a party invokes the arbitration agreement at a later stage, the section clarifies that such invocation will have no effect unless the party had a legal excuse for the delay and invoked the agreement promptly after the excuse ceased to exist. This encourages parties to raise the arbitration agreement promptly when they become aware of the need to do so.
- 4. Expedited Collection Procedures Exception: The section acknowledges a scenario where an issue covered by the arbitration agreement is determined by the Swedish Enforcement Authority in expedited collection procedures. The invocation of the arbitration agreement is still considered valid, emphasising that the arbitration agreement's scope should not be diminished by parallel enforcement proceedings.



5. Court's Jurisdiction for Security Measures: While parties have agreed to arbitration, the section permits a court to issue decisions related to security measures during the pendency of a dispute before arbitrators or before the arbitration proceedings commence. This provision allows for temporary measures to be taken by the court, even when the main dispute is subject to arbitration.

In summary, Section 4 of the Swedish Arbitration Act reinforces the principle of respecting arbitration agreements and their exclusivity. It outlines the timing and conditions for invoking arbitration agreements in court proceedings, ensures that parties adhere to their commitments, and allows courts to issue temporary security measures even in cases covered by arbitration agreements.

Section 4 a

A court may not, over the objections of a party, try the issue of the arbitrators' jurisdiction in a certain arbitration in a way other than as provided for in Section 2, if the request is brought after the commencement of the arbitration.

The first paragraph shall not apply to a dispute between a consumer and a business entity, if the consumer maintains that an arbitration agreement is invoked against him or her contrary to Section 6. SFS (2018:1954).

Section 4 a of the Swedish Arbitration Act addresses the issue of the jurisdiction of arbitrators and the role of courts in determining such jurisdiction in specific circumstances. Here is an analysis of this section:

- 1. Limits on Court's Role: The section establishes a limitation on the role of a court in trying the issue of arbitrators' jurisdiction in arbitration proceedings. It specifies that a court cannot adjudicate on the arbitrators' jurisdiction in a manner different from what is outlined in Section 2 of the Act. This reinforces the principle that issues of arbitrators' jurisdiction are primarily within the competence of the arbitral tribunal, aligning with the notion of party autonomy in arbitration.
- 2. Timing of the Request: The section stipulates that this limitation on the court's role in determining jurisdiction applies when the request is made after the commencement of the arbitration proceedings. This means that once the arbitration proceedings have started, courts should generally defer to the arbitral tribunal's authority to decide on its own jurisdiction.
- 3. Exception for Consumer-Business Disputes: The section provides an exception to the general rule for disputes between a consumer and a business entity. In such cases, if the consumer contends that an arbitration agreement has been invoked against them in a manner that violates Section 6 of the Act, the court's role in trying the issue of jurisdiction is not restricted. This exception recognises the need to protect consumers and ensure that they are not unfairly compelled into arbitration agreements.

In summary, Section 4 a of the Swedish Arbitration Act reaffirms the authority of arbitral tribunals to decide on their own jurisdiction during arbitration proceedings, subject to the principles laid out in Section 2. It introduces an exception for disputes between consumers and business entities to address potential imbalances of power in arbitration agreements.



Section 5

A party shall forfeit its right to invoke the arbitration agreement as a bar to court proceedings if the party:

- 1. has opposed a request for arbitration;
- 2. fails to appoint an arbitrator in due time; or
- 3. fails, within due time, to provide its share of the requested security for compensation to the arbitrators.

Section 5 of the Swedish Arbitration Act outlines circumstances under which a party may forfeit its right to invoke an arbitration agreement as a bar to court proceedings. Here is an analysis of this section:

- 1. Opposition to Arbitration Request: According to the first point, if a party opposes a request for arbitration, it may forfeit its right to later rely on the arbitration agreement to prevent court proceedings. This provision encourages parties to respect the choice of arbitration and avoid undermining the arbitration process by initially contesting its validity.
- 2. Failure to Appoint an Arbitrator: The second point states that if a party fails to appoint an arbitrator within the designated timeframe, it may lose the privilege to invoke the arbitration agreement in court. This provision emphasises the importance of timely participation and cooperation by all parties in the arbitration process.
- 3. Failure to Provide Security for Compensation: The third point stipulates that if a party fails to provide its share of requested security for compensating the arbitrators within the specified timeframe, it may forfeit the right to rely on the arbitration agreement in subsequent court proceedings. This requirement promotes financial accountability and the proper functioning of the arbitration proceedings.

In summary, Section 5 of the Swedish Arbitration Act establishes conditions under which a party can forfeit its right to invoke the arbitration agreement as a defence in court proceedings. These provisions aim to maintain the integrity of the arbitration process and ensure that parties fulfil their responsibilities in a timely and cooperative manner.

Section 6

If a dispute between a business entity and a consumer concerns goods, services, or any other products supplied principally for private use, an arbitration agreement may not be invoked where such was entered into prior to the dispute. However, such agreements shall apply with respect to rental or lease relationships where, through the agreement, a regional rent tribunal or a regional



tenancies tribunal is appointed as an arbitral tribunal and the provisions of Chapter 8, Section 28 or Chapter 12, Section 66 of the Land Code do not prescribe otherwise.

The first paragraph shall not apply where the dispute concerns an agreement between an insurer and a policy-holder concerning insurance based on a collective agreement or group agreement and handled by representatives of the group. Nor shall the first paragraph apply where Sweden's international obligations provide to the contrary.

Section 6 of the Swedish Arbitration Act addresses the applicability and limitations of arbitration agreements in disputes involving consumers and business entities. Here is an analysis of this section:

- 1. Consumer Disputes: The section begins by stating that if a dispute arises between a business entity and a consumer over goods, services, or other products primarily intended for personal use, an arbitration agreement entered into before the dispute cannot be invoked. This provision is designed to protect consumers' rights and interests by ensuring that they have access to public courts rather than being forced into arbitration.
- 2. Exception for Rental or Lease Relationships: The section makes an exception for rental or lease relationships. In cases where a regional rent tribunal or regional tenancies tribunal is designated as the arbitral tribunal through an arbitration agreement, the agreement remains valid. This exception recognises the specialised nature of rental or lease disputes and the established procedures of these tribunals.
- 3. Insurance Agreements and International Obligations: The provision further exempts disputes related to insurance agreements between an insurer and a policy-holder handled by representatives of a group. It also notes that Sweden's international obligations may supersede the restrictions imposed by the first paragraph of this section.

In summary, Section 6 of the Swedish Arbitration Act establishes limitations on the enforceability of arbitration agreements in disputes between consumers and business entities, particularly for disputes involving goods, services, or products meant for personal use. The section balances consumer protection with specific exceptions, such as for rental or lease relationships involving specialised tribunals, insurance agreements under certain conditions, and international obligations.



The Arbitrators

Section 7

Any person who possesses full legal capacity in regard to his or her actions and property may act as an arbitrator.

Section 7 of the Swedish Arbitration Act pertains to the qualifications of individuals who can serve as arbitrators in arbitration proceedings. Here is an analysis of this section:

- 1. Scope of the Section: Section 7 states that any individual who has full legal capacity concerning their actions and property can act as an arbitrator. In other words, the section establishes the basic eligibility criteria for serving as an arbitrator.
- 2. Full Legal Capacity: The section implies that arbitrators must have the capacity to legally undertake actions and manage their property. This implies that arbitrators should possess the mental and legal capacity necessary to fulfil their duties impartially and competently.
- 3. Impartiality and Independence: Although the section does not explicitly mention it, the assumption is that arbitrators should also meet the requirements of impartiality and independence. These are fundamental principles of arbitration to ensure a fair and unbiased resolution of disputes.
- 4. Flexibility in Selection: By allowing individuals with full legal capacity to serve as arbitrators, the section maintains flexibility in the selection process. Parties can choose arbitrators from a diverse pool, including legal professionals, industry experts, and others who fulfil the eligibility criteria.
- 5. Incorporating Parties' Autonomy: The section reflects the principle of party autonomy, which is a key feature of arbitration. Parties have the freedom to select arbitrators who they believe possess the necessary skills, knowledge, and expertise to resolve their specific dispute.

In conclusion, Section 7 of the Swedish Arbitration Act outlines the basic qualification for individuals to serve as arbitrators. It emphasises that any person with full legal capacity in terms of actions and property can act as an arbitrator, aligning with the principle of party autonomy and allowing flexibility in the selection process.



Section 8

An arbitrator shall be impartial and independent.

If a party so requests, an arbitrator shall be released from appointment if there exists any circumstance that may diminish confidence in the arbitrator's impartiality or independence. Such a circumstance shall always be deemed to exist:

- 1. if the arbitrator or a person closely associated with the arbitrator is a party, or otherwise may expect noteworthy benefit or detriment as a result of the outcome of the dispute;
- if the arbitrator or a person closely associated with the arbitrator is the director of a company or any other association which is a party, or otherwise represents a party or any other person who may expect noteworthy benefit or detriment as a result of the outcome of the dispute;
- if the arbitrator, in the capacity of expert or otherwise, has taken a position in the dispute, or has assisted a party in the preparation or conduct of its case in the dispute; or
- 4. if the arbitrator has received or demanded compensation in violation of Section 39, second paragraph. SFS (2018:1954).

Section 8 of the Swedish Arbitration Act deals with the circumstances under which an arbitrator may be released from their appointment due to concerns about their impartiality or independence. Here is an analysis of this section:

- 1. Grounds for Release: This section establishes that if a party requests, an arbitrator must be released from their appointment if there are circumstances that could diminish confidence in their impartiality or independence. This emphasises the importance of maintaining the integrity of the arbitration process and ensuring that arbitrators remain unbiased.
- 2. Presumptive Circumstances: The section then lists specific circumstances that are automatically deemed to exist if any of them apply. These circumstances are such that they inherently create a conflict of interest or raise concerns about the arbitrator's ability to remain impartial. They include situations where the arbitrator or someone closely associated with them has a significant interest in the outcome of the dispute.
- 3. Financial Interest: This includes cases where the arbitrator or their close associate is a party to the arbitration or stands to gain or lose significantly based on the outcome of the dispute. This could compromise the arbitrator's neutrality.
- 4. Directorship or Representation: The section also covers situations where the arbitrator or a closely associated person is a director of a company or entity involved in the dispute or represents a party with a substantial stake in the case's outcome. This prevents conflicts of interest arising from direct involvement.
- 5. Previous Involvement: The provision addresses cases where the arbitrator has previously taken a position on the dispute, served as an expert, or assisted a party in preparing their



case. Such previous involvement could raise questions about their ability to remain neutral.

- 6. Violation of Compensation Rules: If the arbitrator has received or demanded compensation in violation of the rules specified in Section 39, second paragraph, they are considered to be in a position that could compromise their impartiality.
- 7. Balancing Neutrality and Expertise: This section aims to balance the need for impartiality with the recognition of expertise. While arbitrators are often selected for their expertise in a particular field, these rules ensure that their involvement does not compromise the neutrality and fairness of the arbitration process.
- 8. Party Autonomy and Trust: By providing parties with the right to request the release of an arbitrator in these situations, this section supports the principle of party autonomy. It also enhances trust in the arbitration process by providing clear guidelines on when an arbitrator should be released due to potential conflicts of interest.

In summary, Section 8 of the Swedish Arbitration Act outlines the circumstances under which an arbitrator must be released from their appointment to ensure impartiality and independence. It establishes specific situations that are automatically considered to diminish confidence in an arbitrator's neutrality, thereby safeguarding the integrity of the arbitration process.

Section 9

A person who is asked to accept an appointment as arbitrator shall immediately disclose all circumstances which, pursuant to Sections 7 or 8, might be considered to prevent the person from serving as arbitrator. An arbitrator shall inform the parties and the other arbitrators of such circumstances as soon as all arbitrators have been appointed and thereafter in the course of the arbitral proceedings as soon as the arbitrator has learned of any new circumstance.

Section 9 of the Swedish Arbitration Act pertains to the duty of a person who is approached for an appointment as an arbitrator to disclose any circumstances that could potentially hinder their ability to serve as an impartial and independent arbitrator. Here is an analysis of this section:

- 1. Duty of Disclosure: The section establishes a clear and robust duty for any individual who is asked to accept an appointment as an arbitrator to promptly disclose any circumstances that might affect their ability to serve impartially and independently. This disclosure requirement underscores the importance of transparency in the arbitration process and ensures that the parties involved are informed about any potential conflicts of interest.
- 2. Scope of Disclosure: The section refers to circumstances outlined in Sections 7 and 8 of the Act. Section 7 deals with the qualifications of individuals who can serve as arbitrators, while Section 8 addresses situations where an arbitrator's impartiality or independence could be compromised. The duty to disclose applies to any circumstance that could fall within the purview of these sections.
- 3. Timing of Disclosure: The duty to disclose is immediate and ongoing. Upon being asked to serve as an arbitrator, the individual must promptly disclose any relevant circumstances that might hinder their ability to serve impartially. This disclosure should be made as soon



as the individual becomes aware of such circumstances. Additionally, once all arbitrators have been appointed, the arbitrator must inform the parties and other arbitrators of any new circumstances that arise during the course of the arbitral proceedings.

- 4. Transparency and Integrity: This section underscores the principle of transparency in arbitration and aims to uphold the integrity of the arbitration process. By requiring individuals to disclose potential conflicts of interest, it helps maintain the trust of the parties involved and prevents situations where arbitrators may be perceived as biased or compromised.
- 5. Maintaining Neutrality: The duty to disclose contributes to the selection of arbitrators who can approach the dispute with impartiality and independence. Parties have the right to know if any circumstances might impact an arbitrator's ability to render a fair decision.
- 6. Enhancing Fairness: By enforcing the duty of disclosure, Section 9 contributes to a fair and just arbitration process. Parties are entitled to make informed decisions regarding the composition of the arbitral tribunal and to raise concerns if they believe that an arbitrator's potential bias could affect the outcome of the dispute.

In summary, Section 9 of the Swedish Arbitration Act emphasises the duty of individuals being approached for appointment as arbitrators to disclose any circumstances that might impede their impartiality or independence. This requirement ensures transparency, maintains the integrity of the arbitration process, and contributes to the selection of arbitrators who can adjudicate disputes fairly and without bias.

Section 10

A challenge of an arbitrator on account of a circumstance set forth in Section 8 shall be presented within fifteen days from the date on which the party became aware both of the appointment of the arbitrator and of the existence of the circumstance. The challenge shall be adjudicated by the arbitrators, unless the parties have decided that it shall be determined by another party.

If the challenge is successful, the decision shall not be subject to appeal.

A party who is dissatisfied with a decision denying a challenge or dismissing a challenge as untimely may file an application with the District Court that the arbitrator be released from appointment. The application must be submitted within thirty days from the date on which the party was notified of the decision. The arbitrators may continue the arbitral proceedings pending the determination of the District Court.

Section 10 of the Swedish Arbitration Act deals with the procedure for challenging an arbitrator's appointment based on circumstances outlined in Section 8. Here is an analysis of this section:

1. Time Limit for Challenge: According to this section, a challenge of an arbitrator on the grounds of circumstances mentioned in Section 8 must be submitted within fifteen days from the date on which the challenging party becomes aware of both the appointment of the arbitrator and the existence of the circumstance. This time limit ensures that challenges are made promptly after the relevant facts are known to the challenging party.



- Adjudication of Challenge: The section specifies that challenges to an arbitrator's
 appointment are to be adjudicated by the arbitrators themselves, unless the parties have
 agreed that another entity will determine the challenge. This gives the parties the
 flexibility to agree on an alternative mechanism for determining challenges, which could
 contribute to procedural efficiency.
- 3. Successful Challenge: If a challenge is successful and the arbitrator's appointment is revoked due to the circumstance identified in Section 8, the section states that the decision to remove the arbitrator is not subject to appeal. This provision reinforces the finality of such decisions and ensures that parties do not engage in prolonged legal proceedings over arbitrator challenges.
- 4. Appeal of Unsuccessful Challenge Decision: If a challenge is denied or dismissed as untimely by the arbitrators, the dissatisfied party has the option to file an application with the District Court to have the arbitrator's appointment released. The application must be submitted within thirty days of being notified of the decision. This gives parties an avenue to seek judicial review if they believe that the arbitrator should have been challenged successfully based on the circumstances outlined in Section 8.
- 5. Continuation of Arbitral Proceedings: The section also mentions that the arbitral proceedings may continue while a challenge is being adjudicated by the arbitrators or the District Court. This provision recognises the importance of continuity in arbitration proceedings and avoids unnecessary delays.

In summary, Section 10 of the Swedish Arbitration Act establishes the process for challenging an arbitrator's appointment based on circumstances listed in Section 8. The section sets time limits for making challenges, specifies the adjudication process, addresses the outcome of successful challenges, provides for appeals of unsuccessful challenge decisions, and acknowledges the continuation of arbitral proceedings during the challenge process. This framework ensures a balanced approach to addressing challenges to arbitrator appointments and contributes to the integrity and efficiency of the arbitration process.

Section 11

The parties may agree that a challenge as referred to in Section 10, first paragraph, shall be conclusively determined by an arbitration institution.

Section 11 of the Swedish Arbitration Act addresses the option for parties to delegate the determination of challenges to an arbitration institution. Here is an analysis of this section:

- 1. Delegation of Challenge Determination: This section allows parties to agree that challenges to arbitrator appointments, as outlined in Section 10, can be conclusively determined by an arbitration institution. In essence, this means that the arbitration institution will have the authority to decide whether a challenge is valid or not, rather than the challenge being adjudicated by the arbitrators themselves or by a court.
- 2. Flexibility and Efficiency: Allowing challenges to be determined by an arbitration institution adds an extra layer of flexibility to the arbitration process. It can be particularly useful in cases where the parties want to streamline the challenge process and avoid



delays that might arise from a separate challenge proceeding before the arbitrators or a court. By entrusting the arbitration institution with this task, parties may expedite the resolution of challenges and maintain the flow of the arbitration proceedings.

- 3. Impartiality and Expertise: Many arbitration institutions are known for their impartiality and expertise in handling arbitration-related matters. By delegating challenge determinations to such institutions, parties can benefit from their experience in dealing with issues related to arbitrator appointments and potential conflicts of interest.
- 4. Party Autonomy: Section 11 reflects the principle of party autonomy in arbitration. It allows parties to tailor their arbitration proceedings according to their preferences and needs. Parties are free to agree on procedures that best suit their circumstances, and the option to delegate challenge determinations to an arbitration institution aligns with this principle.
- 5. Consistency and Transparency: When challenge determinations are entrusted to a well-established arbitration institution, it can contribute to consistency and transparency in the way challenges are handled. The institution's procedures and rules for determining challenges would likely be standardised and publicly available, providing parties with clear expectations regarding the process.

In summary, Section 11 of the Swedish Arbitration Act offers parties the flexibility to delegate the determination of arbitrator challenges to an arbitration institution. This can enhance efficiency, expertise, and impartiality in the challenge resolution process while respecting the principle of party autonomy.

Section 12

The parties may determine the number of arbitrators and the manner in which they shall be appointed.

Section 12 of the Swedish Arbitration Act addresses the parties' authority to decide on the number of arbitrators and the method of their appointment in an arbitration proceeding. Here is an analysis of this section:

- 1. Party Autonomy: This section emphasises the principle of party autonomy in arbitration. It grants parties the authority to make important decisions regarding the composition of the arbitral tribunal. Party autonomy is a fundamental concept in arbitration, allowing parties to shape the arbitration proceedings according to their preferences and needs.
- 2. Number of Arbitrators: One key aspect that parties can decide under this section is the number of arbitrators that will make up the arbitral tribunal. Parties can choose to have a sole arbitrator for smaller or less complex disputes, or they can opt for a panel of multiple arbitrators for larger and more complex disputes. This decision can impact the speed, cost, and complexity of the arbitration proceedings.
- 3. Appointment Procedure: Another aspect that parties can determine is the method by which arbitrators will be appointed. They can specify whether each party will appoint one arbitrator, and those arbitrators will then select a presiding arbitrator, or they can choose



a different procedure that suits their preferences. The chosen procedure can influence the balance and impartiality of the arbitral tribunal.

- 4. Flexibility: The section provides parties with flexibility to tailor the arbitration proceedings to their specific circumstances. This flexibility can be particularly beneficial when parties are from different legal systems or industries with unique practices, ensuring that the arbitration process is well-suited to their needs.
- 5. Efficiency and Speed: The ability to determine the number of arbitrators and the appointment procedure allows parties to create a process that aligns with their desired level of efficiency and speed. For instance, a sole arbitrator and a simplified appointment procedure might lead to faster proceedings, while a multi-arbitrator panel and a more comprehensive appointment process could lead to a more thorough and deliberative approach.
- 6. Potential Challenges: While party autonomy is valuable, parties should also consider the potential challenges that can arise from differing views on the number of arbitrators or the appointment procedure. Differences in approach can potentially lead to disputes that need to be resolved before the arbitration process can proceed.

In summary, Section 12 of the Swedish Arbitration Act underscores the significance of party autonomy by allowing parties to decide on the number of arbitrators and the manner of their appointment. This provision empowers parties to tailor their arbitration proceedings to their preferences and specific circumstances, promoting flexibility and efficiency in the arbitration process.

Sections 13–16 shall apply unless the parties have agreed otherwise.

If the parties have so agreed, and any of the parties so requests, the District Court shall appoint arbitrators also in situations other than those stated in Sections 14–17.

Section 13

There shall be three arbitrators. Each party appoints one arbitrator, and the arbitrators so appointed appoint the third.

Section 13 of the Swedish Arbitration Act outlines a specific arrangement for the composition of the arbitral tribunal in cases where three arbitrators are to be appointed. Here is an analysis of this section:

- 1. Mandatory Three-Arbitrator Panel: This section mandates the use of a three-member arbitral tribunal for cases where arbitration involves a larger number of arbitrators. It sets the framework for the appointment of these three arbitrators.
- 2. Equal Representation: The section ensures that each party involved in the arbitration process has the opportunity to appoint an arbitrator. This approach seeks to provide a sense of fairness and balance in the composition of the arbitral tribunal.
- 3. Neutrality and Impartiality: By requiring each party to appoint an arbitrator, this section allows parties to have a direct say in the selection of one-third of the tribunal members.



This is intended to enhance the perception of neutrality and impartiality in the arbitral process.

- 4. Appointment of the Third Arbitrator: The section also outlines a mechanism for appointing the third arbitrator. It stipulates that the arbitrators selected by each party will jointly appoint the third arbitrator. This mechanism aims to ensure that the third arbitrator is agreed upon by both parties, thereby contributing to the balanced and impartial functioning of the arbitral tribunal.
- 5. Collaborative Approach: The provision encourages collaboration between the appointed arbitrators in selecting the third arbitrator. This collaborative approach can promote a smoother arbitration process, as all three arbitrators are involved in the appointment of their colleagues.
- 6. Efficiency and Expertise: By having three arbitrators, the tribunal benefits from the collective expertise of the panel members. This can lead to well-rounded decisions and a more thorough examination of complex legal and factual issues.
- 7. Balancing Party Autonomy and Joint Decision-Making: While parties have autonomy in selecting their respective arbitrators, the requirement for joint appointment of the third arbitrator ensures that both parties must agree on this pivotal member of the tribunal. This balances party autonomy with the need for consensus in forming the arbitral tribunal.

In summary, Section 13 of the Swedish Arbitration Act sets out a structured approach for the appointment of a three-member arbitral tribunal. By requiring each party to appoint an arbitrator and facilitating the joint appointment of the third arbitrator, the section promotes fairness, neutrality, and collaboration in the formation of the tribunal.

Section 14

If each party is required to appoint an arbitrator and one party has notified the opposing party of its choice of arbitrator in a request for arbitration pursuant to Section 19, the opposing party must, within thirty days of receipt of the notice, notify the first party in writing of its choice of arbitrator. A party who has notified the opposing party of its choice of arbitrator in this manner may not revoke the choice without the consent of the opposing party.

If the opposing party fails to appoint an arbitrator within the specified time, the District Court shall appoint an arbitrator upon the request of the first party.

If arbitration has been requested against several parties and these parties are unable to jointly appoint an arbitrator, the District Court shall, upon the request of a respondent party within the time specified in the first paragraph, appoint arbitrators on behalf of all parties, and simultaneously also release any arbitrator already appointed.

SFS (2018:1954).

Section 14 of the Swedish Arbitration Act establishes a procedure for the appointment of arbitrators in cases where each party is required to appoint an arbitrator. Here is an analysis of this section:



- 1. Notice and Response: This section specifies the timeline and process for the appointment of arbitrators when each party is tasked with appointing one. It highlights that the party initiating the arbitration process must promptly notify the opposing party of its choice of arbitrator as part of the request for arbitration under Section 19.
- 2. Timely Appointment: The section emphasises the importance of timely action by both parties. The opposing party has a limited timeframe of thirty days from the receipt of the notice to notify the first party of its chosen arbitrator.
- 3. Consistency and Reliability: By prohibiting the revocation of the choice of arbitrator once it has been communicated, this section promotes consistency and reliability in the arbitration process. This rule prevents parties from changing their chosen arbitrator after the other party has made its selection.
- 4. Fallback Mechanism: If the opposing party fails to appoint an arbitrator within the specified timeframe, the section provides a remedy. It empowers the first party to request the District Court to appoint an arbitrator on behalf of the opposing party. This ensures that the arbitration process can proceed even if one party fails to fulfil its responsibility.
- 5. Complex Disputes Involving Multiple Respondents: The section also addresses situations where arbitration is requested against multiple parties who cannot jointly appoint an arbitrator. In such cases, if the respondents are unable to agree on an arbitrator, the District Court is authorised to appoint arbitrators on behalf of all parties. Simultaneously, if any arbitrator has already been appointed, they may be released from their role.
- 6. Promotion of Efficiency: By specifying the timelines for actions and providing a mechanism for appointment when parties cannot agree, this section contributes to the efficient functioning of the arbitration process. It helps prevent unnecessary delays caused by disputes over arbitrator appointments.
- 7. Balancing Autonomy and Expediency: While parties have the autonomy to choose their arbitrators, this section balances party autonomy with the need for timely and efficient proceedings. The provision ensures that the arbitration process can move forward even if there are disagreements or delays in the appointment of arbitrators.

In summary, Section 14 of the Swedish Arbitration Act establishes a structured procedure for the appointment of arbitrators when each party is required to appoint one. It emphasises timely action, consistency, and a fallback mechanism to ensure the arbitration process remains efficient and effective.

Section 15

If an arbitrator shall be appointed by other arbitrators, but they fail to do so within thirty days from the date on which the last arbitrator was appointed, the District Court shall appoint the arbitrator upon the request of a party.

If an arbitrator shall be appointed by someone other than a party or arbitrators, but this is not done within thirty days of the date when the party desiring the appointment of an arbitrator requested that the person responsible for the appointment make such appointment, the District Court shall,



upon the request of a party, appoint the arbitrator. The same shall apply if an arbitrator shall be appointed by the parties jointly, but they have failed to agree within thirty days from the date on which the question was raised through receipt by one party of notice from the opposing party.

Section 15 of the Swedish Arbitration Act addresses the situation where an arbitrator needs to be appointed, but the responsible parties or entities fail to carry out the appointment within specified timeframes. Here is an analysis of this section:

- 1. Timely Appointment: This section underscores the importance of promptly appointing arbitrators. It establishes clear time limits within which the appointment of arbitrators must take place, ensuring that the arbitration process remains efficient and timely.
- 2. Appointment by Arbitrators: If the task of appointing an arbitrator is assigned to other arbitrators and they fail to fulfil this duty within thirty days from the appointment of the last arbitrator, this section grants parties the right to request the District Court to appoint the arbitrator. This mechanism ensures that delays due to failure in internal appointment processes can be remedied.
- 3. Appointment by a Third Party: In cases where an arbitrator is to be appointed by someone other than the parties or arbitrators, but this appointment is not completed within thirty days after a party's request, the District Court is authorised to appoint the arbitrator upon the request of a party. This provision ensures that external appointment mechanisms are also subject to timely execution.
- 4. Joint Appointment by Parties: The section also addresses scenarios where the parties are required to jointly appoint an arbitrator. If they fail to agree on the appointment within thirty days from the date when the question was raised, the District Court can be requested by a party to appoint the arbitrator. This provision ensures that even when parties are involved in the appointment process, disputes or delays in making a joint appointment can be resolved effectively.
- 5. Efficiency and Progress: By providing mechanisms to resolve issues related to arbitrator appointments, Section 15 contributes to the efficiency and progress of the arbitration process. It prevents unnecessary delays that could arise from difficulties in making appointments or disagreements among parties or entities responsible for appointments.
- 6. Balancing Party Autonomy and Timeliness: While parties typically have autonomy in selecting arbitrators, this section introduces provisions to ensure that this autonomy does not lead to undue delays. It strikes a balance between party preferences and the need for a timely and efficient arbitration process.

In summary, Section 15 of the Swedish Arbitration Act addresses situations where the appointment of an arbitrator is delayed or hindered. It establishes procedures for appointing an arbitrator by the District Court when parties or entities responsible for the appointment fail to meet the required timeframes. This ensures that the arbitration process remains effective and timely even in cases of appointment-related challenges.



Section 16

If an arbitrator resigns or is released due to circumstances which were known at the time of appointment, the District Court shall, upon the request of a party, appoint a new arbitrator. If the arbitrator was appointed by a party, the District Court shall appoint the person suggested by that party, unless there are special reasons speaking against it.

If an arbitrator cannot complete the assignment due to circumstances which arise after his or her appointment, the person who originally was required to make the appointment shall instead appoint a new arbitrator. Section 14, first and second paragraphs, and Section 15 shall apply to such an appointment. The time-limit of thirty days for the appointment of a new arbitrator applies also to the party who requested the arbitration, and is calculated in respect to all parties from the date on which the person who shall appoint the arbitrator became aware thereof. SFS (2018:1954).

Section 16 of the Swedish Arbitration Act outlines the procedures for appointing a new arbitrator in cases where an arbitrator resigns, is released, or cannot fulfil their duties. Here is an analysis of this section:

- 1. Resignation or Release of Arbitrator: This section addresses situations where an appointed arbitrator voluntarily resigns or is released from their duties due to circumstances that were known at the time of their appointment. Such circumstances might include conflicts of interest or other factors that affect their ability to be impartial and independent.
- 2. Appointment of New Arbitrator: In cases where an arbitrator resigns or is released, the District Court is empowered to appoint a new arbitrator upon the request of a party. This ensures that the arbitration process continues smoothly even in the absence of an arbitrator.
- 3. Party-Appointed Arbitrator: If the arbitrator was initially appointed by one of the parties, the District Court is required to appoint the person suggested by that party as the replacement arbitrator, unless there are compelling reasons against doing so. This provision aims to respect party autonomy while maintaining fairness and impartiality in the arbitration process.
- 4. Change in Circumstances: If an arbitrator becomes unable to fulfil their duties due to circumstances that arise after their appointment, the person originally responsible for making the appointment shall choose a new arbitrator. The process for this appointment is subject to the same provisions as outlined in Section 14 and Section 15.
- 5. Time Limit for Appointment: The section establishes a time limit of thirty days for the appointment of a new arbitrator in the case of resignation, release, or inability to fulfil duties. This timeframe ensures that the arbitration process does not face undue delays due to vacant positions.
- 6. Calculation of Time Limit: The time limit of thirty days applies not only to the person responsible for making the appointment but also to the party that requested the arbitration. The calculation of this time limit is based on the date when the person responsible for the appointment became aware of the need to appoint a new arbitrator.



7. Balancing Efficiency and Fairness: This section strikes a balance between the efficient continuation of the arbitration process and the need for fair and impartial arbitrator appointments. It provides clear procedures for handling the replacement of arbitrators, whether they resign, are released, or become unable to fulfil their duties.

In summary, Section 16 of the Swedish Arbitration Act ensures that the arbitration process can continue smoothly even if an arbitrator resigns, is released, or cannot fulfil their duties. It outlines the procedures for appointing a new arbitrator in such situations, while also respecting party autonomy and maintaining fairness and impartiality. The section's provisions aim to prevent unnecessary delays and disruptions in the arbitration proceedings.

Section 17

If an arbitrator has delayed the proceedings, the District Court shall, upon the request of a party, release the arbitrator and appoint another arbitrator. The parties may decide that such a request shall, instead, be conclusively determined by an arbitration institution.

Section 17 of the Swedish Arbitration Act addresses situations in which an arbitrator's actions have led to significant delays in the arbitration proceedings. Here is an analysis of this section:

- 1. Arbitrator-Induced Delays: This section focuses on instances where an arbitrator's actions have caused substantial delays in the progress of the arbitration proceedings. Delays can negatively impact the efficiency and effectiveness of the arbitration process, which is intended to provide a timely resolution to disputes.
- 2. Release and Replacement of Arbitrator: If an arbitrator is found to have caused such delays, any party involved in the arbitration has the right to request the District Court to release the arbitrator from their role and appoint a new arbitrator in their place. This is a measure taken to ensure that the arbitration proceedings can continue without undue delay.
- 3. Party's Right to Request: The provision grants the party adversely affected by the arbitrator's delays the right to request the arbitrator's release and the appointment of a replacement. This empowers parties to take action against delays that impede the arbitration process.
- 4. Arbitration Institution Determination: The section allows for flexibility by providing an alternative mechanism for determining whether an arbitrator-induced delay has occurred. The parties have the option to agree that such a determination will be made conclusively by an arbitration institution. This can streamline the process and provide a more neutral assessment of the situation.
- 5. Balancing Fairness and Efficiency: Section 17 serves as a mechanism to balance the principles of fairness and efficiency in arbitration. It acknowledges the importance of timely proceedings while also ensuring that parties have a mechanism to address delays caused by arbitrators.
- 6. Encouraging Accountability: By allowing parties to request the replacement of an arbitrator responsible for undue delays, this section encourages accountability among



arbitrators and emphasises the importance of adhering to agreed-upon timelines in arbitration proceedings.

7. Preserving the Integrity of Arbitration: Arbitration is often chosen for its speed and efficiency compared to traditional court proceedings. Section 17 aims to maintain the integrity of arbitration by addressing situations where arbitrator-induced delays could undermine the benefits of the arbitration process.

In summary, Section 17 of the Swedish Arbitration Act provides parties with a remedy when an arbitrator's actions result in substantial delays in arbitration proceedings. It allows for the release of the delaying arbitrator and the appointment of a replacement, and also provides an alternative option of having an arbitration institution conclusively determine whether delays have occurred. This provision upholds the principles of fairness and efficiency in the arbitration process.

Section 18

If a party has requested that the District Court appoint an arbitrator pursuant to Section 12, third paragraph, or Sections 14–17, the Court may reject the request only if it is manifestly obvious that the arbitration is not legally permissible.

Section 18 of the Swedish Arbitration Act addresses the circumstances under which a request made by a party to the District Court for the appointment of an arbitrator can be rejected. Here is an analysis of this section:

- 1. Scope of Section: Section 18 pertains to situations where a party has requested the District Court to appoint an arbitrator based on the provisions outlined in Sections 12 (regarding the number and appointment of arbitrators), 14 (appointment when parties fail to jointly appoint), 15 (appointment when arbitrators fail to appoint), 16 (appointment when other entities fail to appoint), or 17 (appointment when an arbitrator's delays occur). The section sets out the criteria for the District Court's decision to reject such a request.
- 2. Legal Permissibility: The main criterion for rejecting a party's request is that it must be "manifestly obvious" that the arbitration is not legally permissible. This means that the Court can only refuse the appointment if it is overwhelmingly clear, without any reasonable doubt, that the arbitration is fundamentally not allowed by law. This sets a high threshold for the Court to reject the request, emphasising the Court's deference to the parties' choice of arbitration.
- 3. Presumption in Favour of Arbitration: By requiring a high level of certainty that the arbitration is not legally permissible before rejecting a request, Section 18 aligns with the general pro-arbitration stance of the Swedish Arbitration Act. This reflects the Act's aim to promote the autonomy of parties in selecting arbitration as a dispute resolution method.
- 4. Limited Role of the Court: The provision underscores the limited role of the Court in matters of arbitration. It acknowledges the principle of party autonomy and recognises that arbitration is a consensual process. The Court's interference is only justified when the prohibition of arbitration is glaringly evident.



- 5. Balancing Judicial Oversight and Autonomy: Section 18 strikes a balance between ensuring that arbitration adheres to legal principles and respecting parties' autonomy to resolve their disputes through arbitration. It ensures that the Court does not interfere with the arbitration process unless there is a clear legal impediment.
- 6. Preserving Efficiency: By setting a high threshold for rejecting a request, Section 18 contributes to maintaining the efficiency of the arbitration process. It prevents unnecessary delays caused by court intervention in matters that are within the realm of arbitration.
- 7. Promotion of Predictability: The requirement of "manifestly obvious" legal impermissibility provides parties with a degree of predictability in knowing that their choice of arbitration will generally be upheld by the District Court, unless there is an unequivocal legal obstacle.

In summary, Section 18 of the Swedish Arbitration Act establishes that a party's request to the District Court for the appointment of an arbitrator based on certain provisions can only be rejected if it is manifestly obvious that the arbitration is not legally permissible. This provision reinforces the principle of party autonomy and the pro-arbitration stance of the Act while allowing the Court to intervene in rare and unambiguous cases of legal inadmissibility.



The Proceedings

Section 19

Unless otherwise agreed by the parties, the arbitral proceedings are initiated when a party receives a request for arbitration in accordance with the second paragraph hereof.

A request for arbitration must be in writing and include:

- 1. an express and unconditional request for arbitration;
- 2. a statement of the issue which is covered by the arbitration agreement and which is to be resolved by the arbitrators; and
- 3. a statement of the party's choice of arbitrator if the party is required to appoint an arbitrator.

Section 19 of the Swedish Arbitration Act outlines the requirements and procedures for initiating arbitral proceedings. Here is an analysis of this section:

- 1. Initiation of Arbitral Proceedings: Section 19 defines when the arbitral proceedings are considered initiated. It states that unless the parties have agreed otherwise, the proceedings begin when a party receives a written request for arbitration in accordance with the provisions outlined in the section.
- 2. Requirements for a Request for Arbitration:
 - a. Express and Unconditional Request: A valid request for arbitration must explicitly and unambiguously express the party's intention to initiate arbitration. This requirement ensures that there is no doubt about the party's intent to engage in arbitration rather than pursuing alternative dispute resolution methods.
 - b. Statement of the Issue: The request must specify the particular issue or dispute that falls under the scope of the arbitration agreement. This helps define the boundaries of the dispute that the arbitrators will address. It ensures clarity and avoids ambiguity about the subject matter of the arbitration.
 - c. Choice of Arbitrator: If the arbitration agreement stipulates that a party is required to appoint an arbitrator, the request must include the party's choice of arbitrator. This is in line with the principles of party autonomy and helps in the efficient constitution of the arbitral tribunal.
- 3. Importance of Written Form: Section 19 underscores the importance of having the request for arbitration in writing. This requirement ensures a clear record of the initiation of the arbitral proceedings, which is crucial for evidentiary and procedural purposes.
- 4. Preserving Party Autonomy: The section emphasises the principle of party autonomy by allowing parties to determine the initiation of arbitral proceedings. This allows parties to commence arbitration based on their agreement and terms.



- 5. Certainty and Clarity: By setting forth specific requirements for the contents of a request for arbitration, the section promotes certainty and clarity in the arbitration process. This clarity is essential for both parties and potential arbitrators to understand the scope of the dispute and the intentions of the initiating party.
- 6. Promotion of Efficient Proceedings: The detailed requirements for a request for arbitration aid in streamlining the arbitration process. Clarity about the issues and arbitrator choice at the outset helps avoid potential delays and disputes later in the proceedings.
- 7. Balancing Flexibility and Structure: While the section provides specific requirements, it also maintains a degree of flexibility by allowing parties to agree on other methods of initiating arbitral proceedings. This ensures that the arbitration process can be tailored to the parties' specific needs and preferences.

In summary, Section 19 of the Swedish Arbitration Act outlines the criteria and process for initiating arbitral proceedings through a written request for arbitration. The requirements ensure clarity, promote party autonomy, and contribute to the efficiency and effectiveness of the arbitration process.

Section 20

If there is more than one arbitrator, one of them shall be appointed chairman. Unless the parties or the arbitrators have decided otherwise, the chairman shall be the arbitrator appointed by the other arbitrators or by the District Court.

Section 20 of the Swedish Arbitration Act pertains to the appointment of a chairman in cases where there is more than one arbitrator in the arbitral tribunal. Here is an analysis of this section:

- 1. Appointment of Chairman: This section establishes the requirement that when an arbitral tribunal consists of multiple arbitrators, one of them must be designated as the chairman. The chairman plays a pivotal role in maintaining the order and efficiency of the arbitral proceedings, ensuring that the panel functions cohesively, and overseeing the decision-making process.
- 2. Selection Criteria for Chairman:
 - a. Arbitrators' Decision: The section stipulates that the chairman can be selected through an agreement between the parties or among the arbitrators themselves.
 This allows flexibility in determining the chairman and enables the parties to tailor the composition of the arbitral tribunal to their preferences.
 - b. Appointment by Other Arbitrators or District Court: If the parties or the arbitrators have not specifically designated the chairman, the default provision is that the chairman will be the arbitrator chosen by the other arbitrators or, alternatively, appointed by the District Court. This default provision ensures that if there is no mutual agreement or prior arrangement, there is a mechanism in place to assign the role of chairman.



- 3. Importance of Chairman: The chairman of an arbitral tribunal holds a significant role in the proceedings. They often preside over hearings, ensure procedural fairness, facilitate discussions among arbitrators, and contribute to the overall decision-making process. The chairman's role is crucial in maintaining the balance between the parties and guiding the arbitration in an efficient and organised manner.
- 4. Flexibility and Autonomy: By allowing parties or arbitrators to decide on the appointment of the chairman, the section maintains the principle of party autonomy and flexibility in arbitral proceedings. This enables parties to have a say in the composition of the tribunal, which can have a bearing on the outcome of the arbitration.
- 5. Default Mechanism: The provision regarding the appointment of the chairman in the absence of specific agreement ensures that there is a mechanism to avoid delays or uncertainties when the parties or arbitrators do not make a clear choice. This contributes to the smooth operation of the arbitral proceedings.
- 6. Preservation of Neutrality: The chairman's appointment process must be conducted in a manner that ensures neutrality, fairness, and absence of bias. This is essential for upholding the credibility and integrity of the arbitral process.

In summary, Section 20 of the Swedish Arbitration Act outlines the process for appointing a chairman when there is more than one arbitrator in the arbitral tribunal. It provides flexibility for parties and arbitrators to make such appointments and also establishes a default mechanism for the appointment of a chairman when no specific decision is reached. The chairman's role is pivotal in maintaining the integrity and efficiency of the arbitral proceedings.

Section 21

The arbitrators shall handle the dispute in an impartial, practical, and speedy manner. They shall act in accordance with the decisions of the parties, unless they are impeded from doing so.

Section 21 of the Swedish Arbitration Act outlines the responsibilities and duties of arbitrators in handling disputes through arbitration. Here is an analysis of this section:

- Impartiality: The section emphasises the fundamental principle of arbitrator impartiality.
 Arbitrators are expected to remain neutral and unbiased throughout the arbitration process, ensuring that they do not favour any party and do not have any conflicts of interest that could compromise their impartiality. This requirement is essential to maintain the integrity and fairness of the arbitration proceedings.
- 2. Practical Handling: Arbitrators are required to handle the dispute in a practical manner. This implies that they should adopt a pragmatic approach to the proceedings, ensuring that the arbitration process is efficient, effective, and conducive to achieving a fair resolution of the dispute. This requirement underscores the need for arbitrators to avoid unnecessary delays and procedural complexities.
- 3. Speedy Resolution: Arbitrators are also obligated to ensure a speedy resolution of the dispute. This emphasises the importance of conducting the arbitration process promptly, avoiding undue delays that could undermine the efficiency and effectiveness of the



proceedings. Speedy resolution is often a key advantage of arbitration over traditional court litigation.

- 4. Compliance with Party Decisions: The section highlights that arbitrators must act in accordance with the decisions of the parties unless they are hindered from doing so. This suggests that arbitrators are expected to adhere to the agreed-upon arbitration rules, procedures, and guidelines set by the parties. However, this provision also recognises that there might be circumstances where adhering strictly to party decisions might not be feasible due to procedural requirements or other factors.
- 5. Balancing Impartiality and Party Autonomy: The section reflects the balance between the arbitrators' duty to be impartial and their obligation to respect the decisions and autonomy of the parties. While arbitrators must remain impartial and ensure fairness, they also need to accommodate reasonable party decisions that align with the arbitration agreement and relevant rules.
- 6. Legal Constraints and Practicality: The phrase "unless they are impeded from doing so" recognises that arbitrators might encounter legal or practical obstacles that prevent them from strictly adhering to certain party decisions. This acknowledges that arbitrators must exercise discretion in cases where following party decisions might conflict with legal requirements or procedural standards.

Ensuring a Fair Process: Overall, Section 21 underscores the importance of arbitrators' impartiality, practicality, and commitment to speedy resolution in handling disputes. By upholding these principles, arbitrators contribute to the fairness, efficiency, and effectiveness of the arbitration process, ultimately leading to just outcomes for the parties involved.

Section 22

The parties determine which location in Sweden shall be the seat of arbitration. If the parties have not done so, the arbitrators shall determine the seat of arbitration.

The arbitrators may hold hearings and other meetings elsewhere in Sweden or abroad, unless otherwise agreed by the parties. SFS (2018:1954).

Section 22 of the Swedish Arbitration Act addresses the determination of the seat of arbitration and the flexibility of holding hearings and meetings in different locations. Here is an analysis of this section:

- Seat of Arbitration: The section allows the parties to determine the location within Sweden where the arbitration proceedings will be based. This choice of location, known as the "seat of arbitration", has implications for matters such as the legal framework governing the arbitration, the supervisory courts with jurisdiction, and procedural matters. This provision recognises the parties' autonomy in choosing the seat and provides them with the flexibility to align the arbitration with their preferences and needs.
- 2. Arbitrators' Determination: In cases where the parties have not explicitly chosen a seat of arbitration, the responsibility for determining the seat shifts to the arbitrators. This ensures that there is a definitive and recognised location where the arbitration is



anchored. The determination of the seat can impact aspects such as the enforceability of the award and the judicial support available for the proceedings.

- 3. Hearings and Meetings: The section grants arbitrators the authority to hold hearings and other meetings at locations other than the seat of arbitration. This flexibility allows for practical considerations to be taken into account, such as the convenience of the parties and witnesses or the accessibility of specialised facilities. The provision also acknowledges the possibility of holding hearings in locations outside of Sweden if the parties or the arbitrators see fit.
- 4. Party Agreement: The section also respects the parties' agreement on holding hearings and meetings. If the parties have already agreed on a specific location for hearings or meetings, this agreement takes precedence. This underscores the significance of party autonomy and their ability to shape the arbitration process according to their preferences and circumstances.
- 5. Efficiency and Practicality: By allowing hearings and meetings to take place in locations other than the seat of arbitration, the section recognises the importance of efficiency and practicality in the arbitration process. This provision acknowledges that in modern international arbitration, parties and arbitrators may come from different jurisdictions, and the ability to choose suitable locations for proceedings enhances the overall effectiveness of the process.
- 6. 2018 Amendment: The reference to SFS (2018:1954) indicates that the text of this section was part of an amendment to the Swedish Arbitration Act in 2018, which introduced changes to various provisions.

Conclusion: Section 22 of the Swedish Arbitration Act provides flexibility regarding the determination of the seat of arbitration and the location of hearings and meetings. It emphasises the importance of party autonomy and practical considerations in shaping the arbitration process while ensuring that there is a recognised seat for the proceedings.

Section 23

Within the period of time determined by the arbitrators, the claimant shall state its claims in respect of the issue stated in the request for arbitration, as well as the circumstances invoked by the claimant in support thereof. Thereafter, within the period of time determined by the arbitrators, the respondent shall state its position in relation to the claims, and the circumstances invoked by the respondent in support thereof.

The claimant may submit new claims, and the respondent may submit its own claims, provided that the claims fall within the scope of the arbitration agreement and, taking into consideration the time at which they are submitted or other circumstances, the arbitrators do not consider it inappropriate to adjudicate such claims. Subject to the same conditions, during the proceedings, each party may



amend or supplement previously presented claims and may invoke new circumstances in support of its case.

The first and second paragraphs hereof shall not apply if the parties have decided otherwise.

Section 23 of the Swedish Arbitration Act addresses the procedure for presenting claims and responses in arbitration proceedings. Here is an analysis of this section:

- Statement of Claims and Responses: This section outlines the procedural requirements
 for the claimant and respondent in presenting their claims and responses during the
 arbitration proceedings. It establishes a structured process for submitting claims and
 counterclaims, ensuring that both parties have an opportunity to state their positions and
 supporting circumstances.
- Initial Submission: The section mandates that the claimant must present its claims, along
 with the relevant circumstances supporting those claims, within a period determined by
 the arbitrators. This provides clarity and predictability regarding the timeline for initiating
 the arbitration process and sets the stage for the subsequent stages of the proceedings.
- 3. Respondent's Position: Similarly, the section requires the respondent to provide its position in relation to the claims made by the claimant, along with supporting circumstances. This ensures that both parties' perspectives are presented in a balanced manner, contributing to a fair and comprehensive consideration of the dispute.
- 4. Amendments and New Claims: The section acknowledges that circumstances may change during the course of arbitration proceedings. It allows the claimant to submit new claims or the respondent to present its own claims, provided that these fall within the scope of the arbitration agreement. However, the arbitrators must assess the appropriateness of adjudicating these new claims, considering factors such as the timing of their submission and other relevant circumstances.
- 5. Amendment and Supplement of Claims: The section further grants both parties the right to amend or supplement their previously presented claims during the proceedings. This recognition of flexibility allows for adjustments to be made based on the evolution of the case or new information that comes to light.
- 6. Party Autonomy: The section underscores party autonomy by allowing the parties to deviate from the default procedure outlined if they decide otherwise. This acknowledges that parties may have specific procedural preferences or strategies that they wish to adopt in their arbitration proceedings.
- 7. Procedural Fairness: By establishing a clear and structured process for presenting claims and responses, the section contributes to the procedural fairness of arbitration proceedings. It ensures that both parties have the opportunity to present their cases and supporting evidence, promoting transparency and an equitable resolution of the dispute.

Conclusion: Section 23 of the Swedish Arbitration Act outlines the procedure for submitting claims, responses, and counterclaims in arbitration proceedings. It strikes a balance between providing parties with the flexibility to adjust their claims during the process and maintaining procedural fairness by adhering to established timelines and guidelines.



Section 23 a

An arbitration may be consolidated with another arbitration, if the parties agree to such consolidation, if it benefits the administration of the arbitration, and if the same arbitrators have been appointed in both cases. The arbitrations may be separated, if there are reasons for it. SFS (2018:1954).

Section 23 a of the Swedish Arbitration Act introduces provisions regarding the consolidation and separation of arbitration proceedings. Let us analyse this section:

- 1. Consolidation of Arbitration Proceedings: This section provides the framework for consolidating two separate arbitration proceedings into a single arbitration. Consolidation can be initiated under the following conditions:
 - a. Party Agreement: Consolidation requires the agreement of the parties involved in both arbitration proceedings. This ensures that the parties' autonomy is respected and that they willingly opt for the consolidation process.
 - b. Benefit to Administration: Consolidation must contribute to the efficient administration of the arbitration. This recognises the importance of streamlining proceedings to avoid duplication of efforts, reduce costs, and promote a more effective resolution of disputes.
 - c. Common Arbitrators: To consolidate proceedings, the same arbitrators must have been appointed in both cases. This helps maintain consistency in decision-making and ensures that the same panel of arbitrators handles the consolidated proceedings.
- 2. Separation of Arbitration Proceedings: The section also allows for the separation of consolidated arbitration proceedings under certain circumstances:
 - a. Reasons for Separation: The section acknowledges that there might be situations where it is necessary or beneficial to separate consolidated proceedings. These reasons could include complexities, conflicts of interest, or other practical considerations that make separate proceedings more appropriate.
- 3. Overall Impact: Section 23 a aims to balance the interests of efficiency and fairness in arbitration proceedings:
 - a. Efficiency: The provision encourages the efficient administration of arbitration by allowing consolidation, which can help avoid unnecessary duplication of efforts and resources.
 - b. Fairness: At the same time, the option for separation recognises that there may be valid reasons for distinct treatment of certain issues or disputes within a consolidated context.



- c. Party Autonomy: The requirement of party agreement for consolidation reflects the principle of party autonomy in arbitration. Parties have the freedom to decide whether consolidation is appropriate for their specific circumstances.
- d. Expertise Continuity: The requirement for the same arbitrators in both cases promotes consistency and familiarity with the issues and parties involved.

Conclusion: Section 23 a of the Swedish Arbitration Act introduces provisions that address the consolidation and separation of arbitration proceedings. By allowing parties to agree to consolidation under specific conditions and providing the option for separation, when necessary, the section aims to enhance the efficiency and fairness of the arbitration process while respecting party autonomy and maintaining expertise continuity.

Section 24

The arbitrators shall afford the parties, to the extent necessary, an opportunity to present their respective cases in writing or orally. If a party so requests, and provided that the parties have not otherwise agreed, an oral hearing shall be held prior to the determination of an issue referred to the arbitrators for resolution.

A party shall be given an opportunity to review all documents and all other materials pertaining to the dispute which are supplied to the arbitrators by the opposing party or another person.

If one of the parties, without valid cause, fails to appear at a hearing or otherwise fails to comply with an order of the arbitrators, such failure shall not prevent a continuation of the proceedings and a resolution of the dispute on the basis of the existing materials.

Section 24 of the Swedish Arbitration Act addresses procedural aspects of the arbitration process, particularly focusing on the parties' opportunities to present their cases, the conduct of oral hearings, access to documents and materials, and the consequences of a party's failure to participate. Let us analyse this section:

- 1. Presentation of Cases: This section emphasises the arbitrators' responsibility to ensure that both parties have the opportunity to present their respective cases, either in writing or orally. This underscores the principle of procedural fairness and due process in arbitration.
- 2. Oral Hearings: Mandatory Oral Hearing: If a party requests it and the parties have not agreed otherwise, the arbitrators must hold an oral hearing before making a determination on a disputed issue. This requirement enhances transparency and allows parties to present their arguments and evidence directly to the arbitrators.
- 3. Access to Documents: Review of Documents: Parties must be given an opportunity to review all documents and materials relevant to the dispute that are submitted by the opposing party or any other relevant person. This provision ensures transparency and the ability to respond effectively to the opposing party's case.
- 4. Consequences of Non-Participation: Failure to Appear: If one party fails to appear at a hearing or does not comply with an arbitrator's order without valid cause, the arbitration



proceedings can continue based on the existing materials. This provision prevents undue delays in the arbitration process and ensures that proceedings can move forward even in cases of non-cooperation.

- 5. Overall Impact: Section 24 of the Swedish Arbitration Act establishes important procedural safeguards and expectations for the conduct of arbitration proceedings:
 - a. Balanced Process: The section reinforces the balanced approach between the parties, ensuring that both have opportunities to present their cases and respond to the other's arguments and evidence.
 - b. Oral Hearing: The requirement for an oral hearing, if requested, promotes openness and allows parties to present their cases directly to the arbitrators, fostering transparency and the exchange of information.
 - c. Document Review: The provision for reviewing documents and materials submitted by the opposing party prevents surprises and ensures that parties can address the evidence and arguments put forth by the other side.
 - d. Non-Participation: The provision dealing with non-participation maintains the proceedings' momentum and prevents one party's non-compliance from obstructing the arbitration process.

Conclusion: Section 24 of the Swedish Arbitration Act outlines procedural requirements that aim to ensure a fair and efficient arbitration process. By addressing opportunities for case presentation, oral hearings, document access, and non-participation consequences, this section contributes to a balanced and transparent arbitration procedure that upholds the principles of procedural fairness and due process.

Section 25

The parties shall supply the evidence. However, the arbitrators may appoint experts, unless both parties are opposed thereto.

The arbitrators may refuse to admit evidence presented if it is manifestly irrelevant to the dispute or if such refusal is justified having regard to the time at which the evidence is invoked.

The arbitrators may not administer oaths or truth affirmations. Nor may they impose conditional fines or otherwise use compulsory measures in order to obtain requested evidence.

Unless the parties have agreed otherwise, the arbitrators may, at the request of a party, decide that, during the proceedings, the opposing party must undertake a certain interim measure to secure the claim which is to be adjudicated by the arbitrators. The arbitrators may prescribe that the party requesting the interim measure must provide reasonable security for the damage which may be incurred by the opposing party as a result of the interim measure.

Section 25 of the Swedish Arbitration Act addresses various aspects related to evidence and the powers of arbitrators in the arbitration process. It covers the responsibility for supplying evidence, the



role of arbitrators in appointing experts, the admissibility of evidence, limitations on arbitrators' powers, and the possibility of interim measures. Let us analyse this section in detail:

1. Supplying Evidence: Party Responsibility: The primary responsibility for supplying evidence rests with the parties involved in the arbitration. This aligns with the principle that parties are responsible for presenting their own case and supporting their claims.

2. Appointment of Experts:

- a. Arbitrator's Authority: The arbitrators have the authority to appoint experts to assist them in understanding specific technical or complex issues related to the dispute.
- b. Opposition: However, the arbitrators may only appoint experts if both parties do not oppose it. This provision respects parties' autonomy and ensures that both sides have an equal say in the use of experts.
- 3. Admissibility of Evidence: Relevance and Timing: The arbitrators have the discretion to refuse to admit evidence presented if it is manifestly irrelevant to the dispute or if the timing of the evidence's introduction is unjustified.
- 4. Limitations on Arbitrators' Powers: Oaths and Compulsory Measures: Arbitrators are not authorised to administer oaths or truth affirmations, nor can they use compulsory measures (such as imposing fines or other forms of coercion) to obtain requested evidence. This emphasises that arbitration is a consensual process, and arbitrators cannot wield coercive powers like those available to courts.

5. Interim Measures:

- a. Decision on Interim Measures: Unless the parties have agreed otherwise, arbitrators have the authority to decide on interim measures requested by a party during the proceedings. Interim measures are temporary actions taken by the arbitrators to preserve the status quo or secure the claim until the final award is rendered.
- b. Security for Damages: If the arbitrators decide to grant an interim measure, they can also prescribe that the requesting party must provide reasonable security for any potential damage that the opposing party may incur due to the interim measure.

6. Overall Impact:

- a. Section 25 of the Swedish Arbitration Act provides a comprehensive framework for managing evidence in arbitration proceedings:
- b. Equitable Treatment: By allowing arbitrators to appoint experts but requiring both parties' non-opposition, the section promotes fairness and maintains parties' control over the expert appointment process.



- c. Admissibility Criteria: The section establishes clear criteria for the admissibility of evidence, ensuring that evidence must be relevant to the dispute and introduced in a timely manner.
- d. Non-Coercive Approach: The restrictions on arbitrators' powers regarding oaths, compulsory measures, and the emphasis on party autonomy uphold the voluntary and non-coercive nature of arbitration.
- e. Interim Measures: The provision on interim measures provides a mechanism for parties to secure their claims during the arbitration process, with safeguards to protect against potential damages.

Conclusion: Section 25 of the Swedish Arbitration Act addresses crucial aspects of evidence management and arbitrators' powers in arbitration proceedings. It strikes a balance between party autonomy and the arbitrators' authority, ensuring an efficient and equitable process while respecting the consensual nature of arbitration.

Section 26

If a party wishes a witness or an expert to testify under oath, or a party to be examined under truth affirmation, the party may, after obtaining the consent of the arbitrators, submit an application to such effect to the District Court. The aforementioned shall apply if a party wishes that a party or other person be ordered to produce as evidence a document or an object. If the arbitrators consider that the measure is justified having regard to the evidence in the case, they shall approve the request. If the measure may lawfully be taken, the District Court shall grant the application.

The provisions of the Code of Judicial Procedure shall apply with respect to a measure as referred to in the first paragraph. The arbitrators shall be summoned to hear the testimony of a witness, an expert, or a party, and be afforded the opportunity to ask questions. The absence of an arbitrator from the giving of testimony shall not prevent the hearing from taking place.

Section 26 of the Swedish Arbitration Act deals with the process of obtaining testimony, expert testimony, truth affirmations, and the production of documents or objects as evidence in arbitration proceedings. It outlines the steps parties need to take, the role of the arbitrators, and the interaction with the District Court. Let us analyse the section in detail:

- 1. Obtaining Testimony, Expert Testimony, Truth Affirmations, and Production of Evidence:
 - a. Consent and Application: If a party wishes to have a witness, expert, or another party testify under oath or truth affirmation, or to have documents or objects produced as evidence, they must obtain the consent of the arbitrators before submitting an application to the District Court.
 - b. Approval by Arbitrators: The arbitrators have the authority to decide whether the requested measure is justified based on the evidence presented in the case. If they deem the measure appropriate, they will approve the request for further action.
 - c. District Court Involvement: If the arbitrators find the requested measure justified and it is legally permissible, the District Court will grant the application for the



measure. The arbitrators' role is pivotal in determining whether such measures are warranted.

2. Application of the Code of Judicial Procedure:

- a. Applicability: The section specifies that the provisions of the Code of Judicial Procedure apply to the measures referred to in the first paragraph. This means that the procedural rules and standards applicable to court proceedings will be followed when obtaining testimony, expert opinions, and the production of evidence.
- b. Arbitrator Participation: The section ensures that the arbitrators are actively involved in the process. They are summoned to hear the testimony of witnesses, experts, or parties and are provided with the opportunity to ask questions. Even if an arbitrator is absent during the testimony, it does not prevent the hearing from taking place.

3. Overall Impact:

- a. Section 26 establishes a clear framework for obtaining evidence, including testimony, expert opinions, truth affirmations, and production of documents or objects, in arbitration proceedings:
- b. Arbitrator Oversight: The section ensures that the arbitrators play a central role in deciding whether requested measures are appropriate, thus maintaining their authority in managing the arbitration process.
- c. District Court Involvement: The involvement of the District Court ensures that the requested measures are legally permissible and align with the standards set out in the Code of Judicial Procedure.
- d. Due Process: By allowing arbitrators to participate in the testimony and evidence-gathering process, the section promotes a fair and balanced approach to obtaining evidence.
- e. Adherence to Standards: The reference to the Code of Judicial Procedure ensures that the measures taken in arbitration proceedings adhere to established procedural norms.

Conclusion: Section 26 of the Swedish Arbitration Act safeguards the integrity of the arbitration process by outlining the steps and requirements for obtaining evidence through testimony, expert opinions, truth affirmations, and document production. The combined roles of arbitrators and the District Court ensure that these measures are carried out in a fair, consistent, and legally compliant manner, contributing to the overall effectiveness of the arbitration process.



The Award

Section 27

The issues referred to the arbitrators shall be decided in an award. If the arbitrators terminate the arbitral proceedings without deciding such issues, this shall also be done through an award, except for cases referred to in the third paragraph.

If the parties enter into a settlement agreement, the arbitrators may, at the request of the parties, confirm the settlement in an award.

Other determinations, which are not decided in an award, are designated as decisions. The dismissal of an arbitration is also designated as a decision. The provisions of this Act that concern arbitral awards also apply to such decisions, to the extent applicable.

The assignment of the arbitrators shall be deemed complete when they have delivered a final award, unless otherwise provided in Sections 32 or 35. SFS (2018:1954).

Section 27 of the Swedish Arbitration Act outlines the process and types of decisions made by arbitrators, differentiating between awards and other determinations. It also addresses the role of arbitrators in confirming settlement agreements. Here is an analysis of the section:

- 1. Decision on Issues and Termination of Proceedings:
 - a. Award for Decided Issues: The section establishes that the issues referred to arbitrators for resolution must be decided through an award. This underscores the formal and authoritative nature of the arbitrators' decisions on substantive matters.
 - b. Award for Termination of Proceedings: If the arbitrators terminate the arbitral proceedings without making substantive decisions, this action is also required to be conveyed through an award. This includes cases where the proceedings are discontinued or dismissed without rendering a final decision.
- 2. Confirmation of Settlement Agreement: Settlement Confirmation: The section allows arbitrators, at the request of the parties, to confirm a settlement agreement reached between the parties. This can be done by issuing an award that acknowledges and ratifies the settlement terms.
- 3. Other Determinations and Decisions:
 - a. Designation of Determinations: The section introduces the concept of "decisions" for matters that are not addressed in an award. This term is used for determinations that are not directly related to the substantive resolution of the dispute.
 - b. Dismissal of Arbitration: The section explicitly designates the dismissal of an arbitration as a "decision". This includes cases where the arbitration is discontinued or terminated by the arbitrators.
- 4. Application of Arbitral Award Provisions to Decisions: Applicability to Decisions: The section stipulates that the provisions of the Act that pertain to arbitral awards also apply



to decisions made by arbitrators. This ensures a consistent legal framework for both awards and other determinations, as long as the relevant provisions are applicable.

5. Completion of Arbitrators' Assignment: Assignment Completion: The section specifies that the assignment of the arbitrators is considered complete when they deliver a final award, unless circumstances provided in Sections 32 (termination of proceedings) or 35 (settlement) dictate otherwise.

6. Overall Impact:

- a. Section 27 establishes a clear structure for the different types of determinations that arbitrators make during the course of arbitration proceedings:
- b. Clarity in Decisions: By differentiating between awards and decisions, the section clarifies the nature of arbitrators' determinations, whether they pertain to substantive matters or procedural actions.
- c. Formalisation of Settlement: The provision allowing arbitrators to confirm settlement agreements provides a mechanism for the formal acknowledgment of such agreements within the arbitration framework.
- d. Uniform Application: Extending the application of arbitral award provisions to decisions ensures a consistent legal approach to both types of determinations.
- e. Assignment Completion: The section provides a benchmark for when arbitrators' assignments are considered complete, facilitating clarity on their roles within the arbitration process.

Conclusion: Section 27 of the Swedish Arbitration Act delineates the processes and distinctions between awards, decisions, and confirmations of settlement agreements made by arbitrators. This section contributes to the efficiency, transparency, and uniformity of arbitration proceedings under Swedish law.

Section 27 a

The dispute shall be determined with application of the law or rules agreed to by the parties. Unless otherwise agreed by the parties, a reference to the application of a certain state's law shall be deemed to in lude that state's substantive law and not its rules of private international law.

If the parties have not come to an agreement in accordance with the first paragraph, the arbitrators shall determine the applicable law.

The arbitrators may base the award on ex aequo et bono considerations only if the parties have authorised them to do so. SFS (2018:1954).

Section 27 a of the Swedish Arbitration Act addresses the determination of the applicable law and the consideration of ex aequo et bono principles in arbitration proceedings. Here is an analysis of the section:



1. Applicable Law:

- a. Party Agreement: The section underscores the principle that the dispute's resolution should be guided by the law or rules agreed upon by the parties. This means that the parties have the autonomy to determine the legal framework within which their dispute will be settled.
- b. Implicit Substantive Law: The section clarifies that a reference to the application of a specific state's law generally includes the substantive law of that state and not its rules of private international law, which govern choice of law and jurisdictional issues.
- 2. Default Applicable Law: Absence of Agreement: If the parties have not reached an agreement on the applicable law, the arbitrators are entrusted with determining the appropriate law to apply to the dispute. This ensures that there is a mechanism to decide the applicable legal framework even in the absence of party agreement.
- 3. Ex Aequo et Bono Considerations: Limited Application: The section allows the arbitrators to base their award on ex aequo et bono considerations (equity and fairness) only if the parties have explicitly authorised them to do so. This places the decision to use such principles squarely in the hands of the parties.

4. Overall Impact:

- a. Section 27 a focuses on providing clarity and autonomy to parties in choosing the applicable law for their dispute resolution. It also introduces safeguards regarding the use of equitable principles in arbitration:
- b. Party Autonomy: The section upholds the principle of party autonomy by enabling parties to agree on the applicable law or rules, granting them control over the legal framework governing their dispute.
- c. Default Mechanism: In cases where parties have not reached an agreement, the section designates arbitrators to determine the applicable law. This ensures that disputes are not left unresolved due to the absence of an explicit agreement.
- d. Equity Considerations: The provision related to ex aequo et bono principles ensures that such principles are used only when explicitly authorised by the parties. This safeguards against the imposition of equity-based decisions without party consent.

Conclusion: Section 27 a of the Swedish Arbitration Act promotes party autonomy in choosing the applicable law for dispute resolution and provides mechanisms for resolution when party agreement is absent. Additionally, it establishes clear boundaries for the use of ex aequo et bono considerations, ultimately contributing to the fairness, transparency, and predictability of arbitration proceedings under Swedish law.



Section 28

If a party withdraws a claim, the arbitrators shall dismiss that part of the dispute, unless the opposing party requests that the arbitrators rule on the claim.

Section 28 of the Swedish Arbitration Act addresses the situation where a party withdraws a claim during arbitration proceedings. Here is an analysis of the section:

- 1. Claim Withdrawal: Claim Dismissal: The section stipulates that if one party withdraws a claim during arbitration proceedings, the arbitrators are required to dismiss that particular claim. This reflects the principle that arbitration should focus on resolving only the issues that are actively pursued by the parties.
- 2. Exceptional Request for Ruling: Opposing Party's Request: An important exception is provided in the section. It states that if the opposing party requests the arbitrators to rule on the withdrawn claim despite the withdrawal, the arbitrators must consider this request.
- 3. Principle of Party Autonomy: Balancing Autonomy: The section strikes a balance between the principle of party autonomy and the need to prevent procedural inefficiencies or unjust outcomes. It respects a party's decision to withdraw a claim while giving the opposing party the opportunity to seek a ruling if they have a valid reason.
- 4. Purpose and Implications: Section 28 serves a dual purpose in maintaining the efficiency and fairness of arbitration proceedings:
 - a. Efficiency: By dismissing withdrawn claims, the section ensures that the arbitration process remains focused and streamlined. This prevents unnecessary time and resources from being allocated to issues that are no longer in dispute.
 - b. Fairness and Preservation of Rights: The provision that allows the opposing party to request a ruling on the withdrawn claim prevents a party from using claim withdrawals strategically to avoid unfavourable rulings. This maintains the fairness of the process and the opportunity for the opposing party to seek resolution on the merits.

Conclusion: Section 28 of the Swedish Arbitration Act balances the principle of party autonomy with the need for efficiency and fairness in arbitration proceedings. It establishes a clear framework for handling withdrawn claims while providing an exception that safeguards the interests of both parties. This contributes to the overall effectiveness and integrity of arbitration as a dispute resolution mechanism under Swedish law.



Section 29

A part of the dispute, or a certain issue which is of significance to the resolution of the dispute, may be decided through a separate award, unless opposed by both parties. However, a claim invoked as a defence by way of set off shall be adjudicated in the same award as the main claim.

If a party has admitted a claim, in whole or in part, a separate award may be rendered in respect of that which has been admitted.

Section 29 of the Swedish Arbitration Act addresses the ability to render separate awards for specific portions of a dispute or individual issues within a broader case. Here is an analysis of the section:

- 1. Discrete Resolution of Issues: Segmented Awards: This section allows arbitrators to issue separate awards for specific parts of a dispute or particular issues that are significant to the resolution of the overall dispute. The purpose is to provide a flexible mechanism for addressing complex disputes or breaking down larger matters into manageable segments.
- 2. Exception for Set-Off Claims: Exception for Set-Off: While separate awards are generally permitted, the section imposes a limitation regarding claims invoked as a defence by way of set-off. In such cases, the main claim and the set-off claim must be adjudicated together in the same award.
- 3. Admitted Claims: Separate Award for Admitted Claims: If a party has admitted a claim (either in whole or in part), the section permits arbitrators to render a separate award specifically addressing the portion of the claim that has been admitted. This provision emphasises the principle of efficiency in arbitration by allowing issues that are no longer in dispute to be resolved separately.
- 4. Efficiency and Customisation: Section 29 reflects the emphasis on efficiency and party autonomy in arbitration:
 - a. Efficiency: By allowing separate awards, the section enables arbitrators to tailor the resolution process to the complexity and nature of the dispute. This can help expedite the resolution of certain issues, particularly when other parts of the dispute require further consideration.
 - b. Party Autonomy: The section allows parties to determine whether they oppose the issuance of separate awards. This respects party autonomy by allowing them to decide whether a particular issue or portion of the dispute should be resolved in isolation.
- 5. Flexibility and Tailored Solutions: Section 29 provides arbitration with the flexibility to adapt to the specifics of each dispute. By enabling separate awards and addressing set-off claims and admitted claims, the section promotes an efficient and practical approach to resolving disputes in a manner that aligns with the preferences and needs of the parties.

Conclusion: Section 29 of the Swedish Arbitration Act introduces the concept of issuing separate awards for specific portions of a dispute or particular issues. This provision underscores the adaptability of arbitration as a dispute resolution mechanism, allowing arbitrators to address complex cases in a manner that best serves the interests of the parties involved.



Section 30

If an arbitrator fails, without valid cause, to participate in the determination of an issue by the arbitral tribunal, such failure will not prevent the other arbitrators from ruling on the matter.

Unless the parties have decided otherwise, the opinion agreed upon by the majority of the arbitrators participating in the determination shall prevail. If no majority is attained for any opinion, the opinion of the chairman shall prevail.

Section 30 of the Swedish Arbitration Act deals with the situation where an arbitrator is unable or unwilling to participate in the arbitration proceedings and its consequences. Here is an analysis of the section:

- 1. Arbitrator Participation: Arbitrator's Absence: If an arbitrator fails to participate in the determination of an issue before the arbitral tribunal without a valid reason, this section clarifies that the absence of one arbitrator will not prevent the other arbitrators from proceeding with the resolution of the matter.
- 2. Decision-Making Mechanism:
 - a. Majority Decision: The section establishes a default rule for decision-making within the arbitral tribunal. In the absence of an agreement to the contrary by the parties, decisions are reached based on the opinion agreed upon by the majority of arbitrators actively participating in the determination of the issue.
 - b. Chairman's Role: If no majority is attained for any opinion, the section further provides that the opinion of the chairman (appointed arbitrator acting as chairman) shall prevail. The chairman's role in breaking ties ensures that decisions can be reached, promoting the efficiency and effectiveness of the arbitration process.
- 3. Flexibility and Default Mechanism: The section offers a flexible mechanism for decision-making within the arbitral tribunal. It reflects the principle of allowing arbitration to proceed even in situations where one arbitrator is unable to participate, while also establishing a clear hierarchy for decision-making in case of differing opinions.
- 4. Party Autonomy and Variation: Party Agreement: The section allows parties to modify these default decision-making rules through their agreement. Parties can customise the decision-making process according to their preferences, either by designating a different mechanism for resolving disputes or by addressing situations where an arbitrator is absent.
- 5. Promotion of Efficiency and Finality: By addressing the issue of arbitrator participation and providing a mechanism for decision-making, Section 30 contributes to the efficiency and finality of arbitration proceedings. It ensures that arbitration can proceed even if one arbitrator becomes unable or unwilling to participate, while also maintaining a clear process for reaching decisions.

Conclusion: Section 30 of the Swedish Arbitration Act establishes a framework for decision-making when an arbitrator is absent from participating in the determination of an issue. It offers a default



mechanism based on majority agreement and designates the chairman's opinion as decisive in case of a tie. This provision enhances the adaptability and effectiveness of arbitration proceedings while respecting party autonomy in shaping the process.

Section 31

An award shall be made in writing and be signed by the arbitrators. It suffices that the award is signed by a majority of the arbitrators, provided that the reason why all of the arbitrators have not signed the award is noted therein. The parties may decide that the chairman of the arbitral tribunal alone shall sign the award.

The award shall state the seat of the arbitration and the date when the award is made.

The award shall be delivered or sent to the parties immediately. SFS (2018:1954).

Section 31 of the Swedish Arbitration Act pertains to the formalities and requirements for making an arbitral award. Let us break down the key elements of this section:

- 1. Written Form and Signatures:
 - a. Requirement: An arbitral award must be in writing. This means that the decision reached by the arbitral tribunal must be documented in a tangible form.
 - b. Signatures: The award must be signed by the arbitrators. However, the section allows for flexibility in the signing process. It states that it is sufficient for the award to be signed by a majority of the arbitrators, as long as the reason for the absence of all arbitrator signatures is stated within the award itself.
- 2. Chairman's Signature Option: Chairman's Sole Signature: The parties are granted the option to decide that only the chairman of the arbitral tribunal signs the award. This provision offers further flexibility in terms of who signs the award, which can be relevant in cases where the parties prefer a streamlined process.
- Content of the Award: Seat and Date: The award must state the seat of the arbitration (i.e., the designated location of the arbitration proceedings) and the specific date on which the award is made. This information adds to the transparency and clarity of the award.
- 4. Delivery to Parties: Immediate Delivery: The section emphasises the promptness of delivering the award to the parties. This ensures that the parties are promptly informed of the arbitral tribunal's decision.
- 5. Practical Implications:
 - a. Formal Requirements: Section 31 underscores the importance of certain formalities in the creation of arbitral awards. The writing and signing requirements contribute to the legitimacy and validity of the award.



- b. Flexibility: The section offers parties some degree of flexibility in the signing process and allows parties to opt for the chairman's sole signature if agreed upon.
- c. Transparency and Notification: By requiring the inclusion of the seat and date of the arbitration in the award, as well as mandating immediate delivery to the parties, the section promotes transparency and timely communication of the tribunal's decision.
- 6. 2018 Amendment: SFS (2018:1954): The reference to SFS (2018:1954) indicates that the section was amended in 2018, which could imply updates or clarifications made to the original provision.

Conclusion: Section 31 of the Swedish Arbitration Act outlines the essential elements for creating an arbitral award, including the requirement for a written award, the signature process, content details, and the timely delivery of the award to the parties. The section balances formality with flexibility, contributing to the clarity, validity, and efficiency of the arbitral process.

Section 32

If the arbitrators find that an award contains any obvious inaccuracy as a consequence of a typographical, computational, or other similar mistake by the arbitrators or any another person, or if the arbitrators by oversight have failed to decide an issue which should have been dealt with in the award, they may, within thirty days of the date of the announcement of the award, decide to correct or supplement the award. They may also correct or supplement an award, or interpret the decision in an award, if any of the parties so requests within thirty days of receipt of the award by that party.

If, upon the request of any of the parties, the arbitrators decide to correct an award or interpret the decision in an award, such shall take place within thirty days from the date of receipt by the arbitrators of the party's request. If the arbitrators decide to supplement the award, such shall take place within sixty days.

Before any decision is made pursuant to this Section, the parties should be afforded an opportunity to express their views with respect to the measure.

Section 32 of the Swedish Arbitration Act addresses the correction, supplementation, and interpretation of arbitral awards. The section outlines the process through which arbitrators can address certain types of errors or omissions in awards. Here is a breakdown of the key points:

- 1. Types of Corrections and Supplements:
 - a. Typographical, Computational, or Similar Mistakes: The section allows for corrections of "obvious inaccuracy" resulting from typographical, computational, or similar mistakes made by either the arbitrators or any other person involved in the process.
 - Omitted Issues: The section also permits supplementation of an award if the arbitrators inadvertently fail to decide an issue that should have been addressed in the award.



2. Timelines for Corrections and Supplements:

- a. Within 30 Days of Award Announcement: The arbitrators have a window of thirty days from the date of announcing the award to decide to correct or supplement the award. This prompt action ensures that any obvious errors or omissions are addressed swiftly.
- b. Upon Party Request: If any party requests corrections, supplements, or interpretation of the decision within thirty days of receiving the award, the arbitrators must consider the request and make a decision within a specified timeframe.

3. Timeline for Decision Implementation:

- a. Corrections or Interpretations: If the arbitrators decide to correct an award or interpret its decision, they must do so within thirty days of receiving the party's request.
- b. Supplementation: If the arbitrators decide to supplement the award, they have sixty days to do so from the date of their decision.
- 4. Opportunity for Party Input: Views of the Parties: Before making any decision pursuant to this section, the arbitrators must give the parties an opportunity to express their views on the proposed correction, supplementation, or interpretation. This ensures fairness and transparency in the process.

5. Practical Implications:

- a. Addressing Mistakes and Omissions: Section 32 serves as a mechanism for rectifying errors or gaps in arbitral awards, enhancing the overall accuracy and completeness of the awards.
- b. Timeframe for Action: The section emphasises the importance of addressing issues promptly within specified timeframes, which contributes to the efficiency of the arbitration process.
- c. Party Involvement: The requirement to solicit the parties' views prior to making a decision ensures that their perspectives are considered and that the arbitration process remains transparent and equitable.
- 6. Procedural Efficiency: Balancing Procedural Efficiency: While the section allows for corrections and supplements, it does so within defined timeframes to strike a balance between addressing errors and maintaining the efficiency of the arbitration process.
- 7. Legal Update: SFS (2018:1954): The reference to SFS (2018:1954) suggests that the section underwent an amendment in 2018, possibly introducing updates or refinements to the original provision.

Conclusion: Section 32 of the Swedish Arbitration Act provides a mechanism for correcting, supplementing, or interpreting arbitral awards in cases of obvious inaccuracies, errors, or omissions. By setting clear timeframes and requiring input from the parties, this section ensures that any



necessary adjustments to awards are made efficiently and transparently, maintaining the integrity of the arbitration process.



Invalidity of Awards and Setting Aside Awards

Section 33

An award is invalid:

- 1. if it includes determination of an issue which, in accordance with Swedish law, may not be decided by arbitrators;
- 2. if the award, or the manner in which the award arose, is clearly incompatible with the basic principles of the Swedish legal system; or
- 3. if the award does not fulfil the requirements with regard to the written form and signature in accordance with Section 31, first paragraph.

The invalidity may apply to a certain part of the award.

Section 33 of the Swedish Arbitration Act outlines the circumstances under which an arbitral award can be considered invalid. This section establishes specific criteria that, if met, can lead to the invalidation of an award. Here is a breakdown of the key points:

1. 1. Invalidity Grounds:

- a. Issue Beyond Arbitrator's Jurisdiction: An award can be deemed invalid if it addresses an issue that, according to Swedish law, falls outside the authority of arbitrators to decide. This emphasises the principle that arbitrators' jurisdiction must align with legal boundaries.
- b. Incompatibility with Basic Principles: An award may be declared invalid if either the award itself or the manner in which it was produced is fundamentally incompatible with the foundational principles of the Swedish legal system. This clause ensures that awards uphold the core values of the legal framework.
- c. Non-Compliance with Formal Requirements: An award may be invalidated if it fails to meet the formal requirements outlined in Section 31, first paragraph of the Act. This could include issues related to the written form and proper signatures, which are crucial for the validity of the award.
- 2. Partial Invalidity: The section also states that the invalidity can apply to only a certain part of the award. This provision recognises that an award might contain both valid and invalid components, allowing for partial invalidation while preserving the valid portions.
- 3. Safeguarding Legal Principles: Section 33 aims to safeguard the integrity of the arbitration process and the legal system as a whole. It ensures that awards are aligned with the jurisdictional limits, foundational principles, and formal requirements of the Swedish legal framework.
- 4. Balancing Jurisdiction and Legal Principles: The provision on jurisdiction highlights the importance of arbitrators' authority being within the boundaries of the law, while the clause about incompatibility with basic principles emphasises the need for awards to conform to the fundamental legal tenets of Sweden.



5. Protection of Formality: The requirement for compliance with formalities, including the written form and proper signatures, underscores the significance of adhering to procedural requirements to ensure the enforceability and validity of arbitral awards.

Conclusion: Section 33 of the Swedish Arbitration Act serves to protect the integrity of arbitral awards and the legal system. By delineating specific grounds for invalidity, including issues beyond arbitrators' jurisdiction, incompatibility with basic legal principles, and non-compliance with formal requirements, the section aims to ensure that awards are consistent with the law, principles, and procedures. This ensures the reliability and enforceability of arbitral awards within the context of the Swedish legal framework.

Section 34

An award that may not be challenged under Section 36 shall, following an application, be wholly or partially set aside upon the request of a party:

- 1. if it is not covered by a valid arbitration agreement between the parties;
- 2. if the arbitrators have made the award after the expiration of the time limit set by the parties;
- 3. if the arbitrators have exceeded their mandate, in a manner that probably influenced the outcome;
- 4. if the arbitration, according to Section 47, should not have taken place in Sweden;
- 5. if an arbitrator was appointed in a manner that violates the parties' agreement or this A t.
- 6. if an arbitrator was unauthorized to adjudicate the dispute due to any circumstance set forth in Sections 7 or 8; or
- 7. if, without fault of the party, there otherwise occurred an irregularity in the course of the proceedings which probably influenced the outcome of the case.

A party shall not be entitled to rely upon a circumstance which, through participation in the proceedings without objection, or in any other manner, the party may be deemed to have waived. A party shall not be regarded as having accepted the arbitrators' jurisdiction to determine the issue referred to arbitration solely by having appointed an arbitrator. It follows from Sections 10 and 11 that a party may lose the right under sub-section 6, first paragraph, to rely upon a circumstance as set forth in Section 8.

An action must be brought within two months from the date upon which the party received the award or, if correction, supplementation, or interpretation has taken place pursuant to Section 32, within a period of two months from the date when the party received the award in its final wording.



Following the expiration of the time limit, a party may not invoke a new ground of objection in support of its claim.

SFS (2018:1954).

Section 34 of the Swedish Arbitration Act establishes the grounds and procedures for setting aside an arbitral award in Sweden. This section outlines specific circumstances under which an award can be partially or wholly set aside upon the request of a party. Here is an analysis of its key points:

- 1. Grounds for Setting Aside: The section enumerates seven distinct grounds upon which an arbitral award may be set aside upon the request of a party. These include:
 - a. Lack of a valid arbitration agreement.
 - b. Exceeding the time limit set by the parties for making the award.
 - c. Arbitrators exceeding their mandate, potentially influencing the outcome.
 - d. An arbitration that should not have taken place in Sweden as per Section 47.
 - e. Violation of the parties' agreement or the Act in the appointment of an arbitrator.
 - f. Arbitrator's lack of authorisation due to circumstances specified in Sections 7 or 8.
 - g. Occurrence of an irregularity during proceedings that influenced the outcome and was beyond the party's control.

2. Waiver and Acceptance:

- a. A party cannot rely on a circumstance that it may be deemed to have waived through its participation in the proceedings without objection or by other means.
- b. Mere appointment of an arbitrator by a party does not constitute acceptance of the arbitrators' jurisdiction to determine the issue referred to arbitration.

3. Time Limit for Bringing Action:

- a. A party seeking to set aside an award must bring an action within two months from the date it received the award.
- If correction, supplementation, or interpretation of the award occurs under Section 32, the two-month time limit starts from the date the party receives the award in its final wording.
- 4. Limit on Grounds: After the expiration of the time limit, a party cannot introduce new grounds of objection to support its claim for setting aside an award.
- 5. Protecting Arbitral Integrity: Section 34 safeguards the integrity of the arbitration process by providing a structured framework for setting aside awards that have been issued under specific circumstances that undermine the validity and fairness of the arbitration proceedings.



- 6. Legal Certainty and Finality:
 - a. By setting a clear time limit for bringing an action to set aside an award, the Act promotes legal certainty and finality in the arbitration process.
 - b. The Act also ensures that parties cannot manipulate the process by introducing new grounds of objection after the initial time limit has expired.
- 7. Balancing Parties' Interests: Section 34 balances parties' interests by providing a mechanism for challenging awards on specified grounds, while also discouraging tactics that could undermine the finality of arbitral decisions.

Conclusion: Section 34 of the Swedish Arbitration Act plays a crucial role in maintaining the integrity, fairness, and finality of arbitral awards by providing a well-defined set of grounds and procedures for setting aside awards under specific circumstances. This section strikes a balance between protecting parties' interests and ensuring the efficiency and credibility of the arbitration process in Sweden.

Section 35

A court may stay proceedings concerning the invalidity or setting aside of an award for a certain period of time in order to provide the arbitrators with an opportunity to resume the arbitral proceedings or to take some other measure which, in the opinion of the arbitrators, will eliminate the ground for the invalidity or setting aside:

- 1. provided the court holds that the claim in the case shall be accepted and either of the parties requests a stay; or
- 2. both parties request a stay.

If the arbitrators make a new award, a party may, within the period of time determined by the court and without issuing a writ of summons, challenge the award insofar as it was based upon the resumed arbitral proceedings or an amendment to the first award.

SFS (2000:180).

Section 35 of the Swedish Arbitration Act addresses the issue of staying court proceedings concerning the invalidity or setting aside of an arbitral award. This section allows for the possibility of temporarily suspending such proceedings to allow the arbitrators to address the issues that led to the invalidity or setting aside of the award. Here is an analysis of its key points:

- 1. Grounds for Staying Proceedings: Section 35 provides two scenarios under which court proceedings concerning the invalidity or setting aside of an award may be stayed:
 - a. The court determines that the claim in the case should be accepted, and one of the parties requests a stay.
 - b. Both parties request a stay.



- Objective of Staying Proceedings: The primary purpose of staying the proceedings is to
 provide the arbitrators with the opportunity to resume the arbitral proceedings or take
 other measures that could rectify the grounds for the invalidity or setting aside of the
 award.
- 3. Resumption of Arbitral Proceedings: The section acknowledges the possibility that the arbitrators may be able to rectify the issue that led to the invalidity or setting aside of the award by resuming the arbitral proceedings or taking alternative actions.
- 4. Limited Scope of Court Review:
 - a. If the arbitrators do make a new award following the resumption of arbitral proceedings or amendment to the initial award, the section allows a party to challenge the new award.
 - b. The challenge must be made within a specific time period determined by the court, and it does not require the issuance of a writ of summons.
- 5. Ensuring Efficiency and Finality:
 - a. Section 35 aims to ensure that the arbitration process is efficient and that parties have the opportunity to address and rectify issues that led to the invalidity or setting aside of an award.
 - b. By allowing for a stay of court proceedings and subsequent challenges to a new award, the section maintains the integrity and finality of the arbitration process.
- 6. Flexibility in Addressing Issues:
 - a. This section allows the parties and the arbitrators flexibility in finding appropriate solutions to rectify the issues that caused the invalidity or setting aside of the award.
 - b. It underscores the importance of arbitration as a dispute resolution mechanism that allows parties to address their differences effectively and efficiently.

Conclusion: Section 35 of the Swedish Arbitration Act reflects the Act's commitment to efficient and fair dispute resolution. By allowing for the temporary stay of court proceedings, it provides a mechanism for addressing the issues that led to the invalidity or setting aside of an arbitral award. This section aims to strike a balance between parties' rights to challenge awards and the need to maintain the finality and integrity of the arbitration process.

Section 36

An award whereby the arbitrators concluded the proceedings without ruling on the issues submitted to them for resolution may be amended, in whole or in part, upon the application of a party. An action must be brought within two months from the date upon which the party received the award or, if correction, supplementation, or interpretation has taken place in accordance with Section 32, within a period of two months from the date upon which the party received the award in its final



wording. The award shall contain clear instructions as to what must be done by a party who wants to challenge the award.

An action in accordance with the first paragraph that only concerns an issue referred to in Section 42 is permissible if, in the award, the arbitrators have considered themselves to lack jurisdiction to adjudicate the dispute. If the award concerns another matter, a party who desires to challenge the award may do so in accordance with the provisions of Section 34. SFS (2018:1954).

Section 36 of the Swedish Arbitration Act addresses the possibility of amending an arbitral award in cases where the arbitrators concluded the proceedings without ruling on the issues submitted to them for resolution. Here is an analysis of its key points:

- Amendment of Awards: Section 36 allows for the amendment of an award when the arbitrators concluded the proceedings without rendering a decision on the issues presented for resolution. This provision acknowledges that certain issues submitted to arbitration might not have been addressed in the original award.
- 2. Application by Party: The amendment of the award can be initiated upon the application of a party who is dissatisfied with the arbitrators' failure to rule on the submitted issues.
- 3. Time Limit for Application:
 - a. An application to amend the award must be brought within two months from the date on which the party received the award.
 - b. If the award underwent correction, supplementation, or interpretation under Section 32, the two-month time limit starts from the date on which the party received the award in its final wording.
- 4. Clarity in Challenge Process: The section requires that the award itself contains clear instructions on how a party can challenge the award if they are dissatisfied with the arbitrators' failure to address certain issues.
- 5. Scope of Challenge:
 - If the arbitrators in the award stated that they lack jurisdiction to adjudicate the dispute, a party can challenge the award in relation to issues referred to in Section 42 (issues concerning the validity of an arbitration agreement) using the provisions of this section.
 - b. If the award concerns another matter, a party seeking to challenge the award must do so according to the provisions of Section 34 (grounds for setting aside an award).
- 6. Ensuring Fairness and Finality:
 - a. This section strikes a balance between allowing parties to seek clarification or resolution of issues not addressed by the arbitrators and preserving the finality of arbitration awards.



b. It provides a procedural avenue for parties to have their concerns addressed without undermining the overall efficiency and effectiveness of the arbitration process.

Conclusion: Section 36 of the Swedish Arbitration Act allows parties to seek amendment of an award when the arbitrators concluded proceedings without ruling on submitted issues. By specifying the time limits, criteria, and scope for such amendments, this section aims to ensure both fairness to the parties and the integrity of the arbitration process. It provides a mechanism for parties to address incomplete awards while maintaining the finality of arbitration decisions.



Costs of Arbitration

Section 37

The parties shall be jointly and severally liable to pay reasonable compensation to the arbitrators for work and expenses. However, if the arbitrators have stated in the award that they lack jurisdiction to determine the dispute, the party that did not request arbitration shall be liable to make payment only insofar as required due to special circumstances.

In a final award, the arbitrators may order the parties to pay compensation to them, together with interest from the date occurring one month following the date of the announcement of the award. The compensation shall be stated separately for each arbitrator.

Section 37 of the Swedish Arbitration Act deals with the issue of compensation for arbitrators and the parties' liability for payment. Here is an analysis of its key provisions:

- Joint and Several Liability for Compensation: The section establishes that the parties in arbitration are jointly and severally liable to pay reasonable compensation to the arbitrators for their work and expenses. This means that each party is responsible for the full payment, but the arbitrators can choose to recover the compensation from any or all of the parties.
- 2. Exception for Lack of Jurisdiction: If the arbitrators have explicitly stated in the award that they lack jurisdiction to determine the dispute, the party that did not request arbitration (the respondent) is liable to make payment only in cases of special circumstances. This recognises that a respondent may not be fully responsible for costs when jurisdiction was found lacking.
- 3. Timing and Interest on Compensation:
 - a. In a final award, the arbitrators have the authority to order the parties to pay compensation to them. Interest on the compensation starts accruing from one month after the announcement of the award.
 - b. The compensation awarded is required to be stated separately for each arbitrator to ensure transparency and clarity in the accounting.
- 4. Balancing Costs and Incentives:
 - a. This section aims to strike a balance between providing fair compensation to arbitrators for their time and expertise and ensuring that parties are not discouraged from pursuing arbitration due to excessive costs.
 - b. By establishing the principle of joint and several liability, it encourages parties to cooperate in fulfilling their financial obligations to the arbitrators.
- 5. Encouraging Transparency and Accountability: The requirement to state compensation separately for each arbitrator emphasises transparency in the financial aspects of the arbitration process. This information helps parties understand the breakdown of costs and promotes accountability.



Conclusion: Section 37 of the Swedish Arbitration Act addresses the financial aspect of arbitration by establishing the liability of parties for compensating arbitrators for their work and expenses. It takes into account scenarios where jurisdiction is lacking and provides guidelines for calculating compensation and the accrual of interest. The section promotes fairness, transparency, and the efficient functioning of the arbitration process while ensuring parties' accountability for costs.

Section 38

The arbitrators may request security for the compensation. They may fix separate security for individual claims. If a party fails to provide its share of the requested security within the period specified by the arbitrators, the opposing party may provide the entire security. If the requested security is not provided, the arbitrators may terminate the proceedings, in whole or in part.

During the proceedings, the arbitrators may decide to realize security in order to cover expenses. Following the determination of the arbitrators' compensation in a final award and if the award in that respect has become enforceable, the arbitrators may realize their payment from the security, in the event the parties fail to fulfil their payment obligations in accordance with the award. The right to security also includes income from the property.

Section 38 of the Swedish Arbitration Act addresses the issue of security for arbitrators' compensation and the consequences of failing to provide such security. Here is an analysis of its key provisions:

- 1. Arbitrators' Authority to Request Security:
 - a. This section grants arbitrators the authority to request security for their compensation from the parties involved in the arbitration process.
 - b. The security is intended to ensure that the arbitrators receive their due compensation for their services and expenses incurred during the arbitration proceedings.
- 2. Fixing Separate Security for Individual Claims: The arbitrators have the discretion to fix separate security for individual claims. This provision acknowledges that multiple claims might be involved in the arbitration, each requiring a distinct security amount.
- 3. Consequences of Failure to Provide Security:
 - a. If a party fails to provide its share of the requested security within the specified period, the opposing party has the option to provide the entire security.
 - b. Failure to provide the requested security gives the arbitrators the power to terminate the proceedings, either partially or in their entirety.
- 4. Realisation of Security During Proceedings: The arbitrators can decide to realise the provided security in order to cover the expenses of the arbitration proceedings. This provision helps ensure that the process remains financially viable and that arbitrators' compensation is protected.
- 5. Realisation of Security for Arbitrators' Compensation:



- a. After the arbitrators' compensation is determined in a final award and that award becomes enforceable, the arbitrators have the authority to realize their payment from the security provided by the parties.
- b. This provision safeguards the arbitrators' compensation in cases where parties fail to fulfil their payment obligations as directed by the award.
- 6. Income from the Property as Security: The section specifies that the right to security extends to include income generated from the secured property, further reinforcing the security measures.

Conclusion: Section 38 of the Swedish Arbitration Act plays a crucial role in ensuring the financial stability of the arbitration process. It empowers arbitrators to request security for their compensation and provides mechanisms to enforce these security measures. By allowing the realisation of security during proceedings and facilitating the realisation of security for arbitrators' compensation, this section contributes to the integrity of the arbitration process and the protection of arbitrators' rights.

Section 39

The provisions of Sections 37 and 38 shall apply unless otherwise jointly decided by the parties in a manner that is binding upon the arbitrators.

An agreement regarding compensation to the arbitrators that is not entered into jointly by the parties is void. If one of the parties has provided the entire security, such party may, however, solely consent to the realisation of the security by the arbitrators in order to cover the compensation for work expended.

Section 39 of the Swedish Arbitration Act focuses on the compensation of arbitrators and the parties' authority to jointly decide on compensation-related matters. Here is an analysis of its key provisions:

- 1. Application of Sections 37 and 38:
 - a. This section establishes that the provisions outlined in Sections 37 and 38 of the Act regarding arbitrators' compensation and security apply unless the parties have jointly agreed otherwise.
 - b. The parties have the ability to jointly decide on matters related to arbitrators' compensation in a manner that is binding upon the arbitrators.
- 2. Voidance of Non-Jointly Agreed Compensation:
 - a. The section stipulates that any agreement regarding arbitrators' compensation that is not entered into jointly by the parties is considered void.
 - b. This provision ensures that arbitrators' compensation is determined through a mutual agreement between the parties and that any unilateral decisions are not recognised.
- 3. Sole Consent for Realisation of Security:



- a. The section makes an exception for cases where one party has provided the entire security for arbitrators' compensation.
- b. In such cases, that party is allowed to solely consent to the realisation of the security by the arbitrators in order to cover the compensation for the work expended.
- c. This provision addresses situations where one party has taken the responsibility for securing arbitrators' compensation and allows them to exercise control over the realisation of that security.

Conclusion: Section 39 of the Swedish Arbitration Act emphasises the importance of joint decision-making between the parties concerning arbitrators' compensation and related matters. It underscores the requirement for mutual agreement between the parties regarding compensation, preventing unilateral decisions on this matter. The provision allowing a party that has provided the entire security to consent to the realisation of the security for arbitrators' compensation adds an element of flexibility while maintaining the parties' interests in the arbitration process.

Section 40

The arbitrators may not withhold the award pending the payment of compensation.

Section 40 of the Swedish Arbitration Act addresses the issue of arbitrators withholding the award pending the payment of compensation. Here is an analysis of its key point:

- 1. Prohibition of Withholding the Award:
 - a. This section straightforwardly states that arbitrators are prohibited from withholding the award due to a delay or non-payment of compensation by the parties.
 - b. The provision emphasises the separation between the issuance of the award and any matters related to compensation.

2. Implications:

- a. By explicitly prohibiting arbitrators from withholding the award based on compensation matters, this section ensures that the resolution of the dispute through the issuance of an award is not contingent upon compensation-related issues.
- b. This helps maintain the integrity of the arbitration process, as parties should be able to receive a timely resolution of their dispute without any undue delay linked to compensation matters.
- 3. Independence of Award and Compensation:



- a. The provision reinforces the principle that arbitrators' compensation should be treated as a separate issue from the determination of the dispute and the issuance of the award.
- b. It prevents any potential misuse of the arbitration process, ensuring that the final award is based solely on the merits of the dispute and is not influenced by the parties' payment or non-payment of compensation.

Conclusion: Section 40 of the Swedish Arbitration Act underscores the importance of maintaining the independence and integrity of the arbitration process. It ensures that the issuance of an award is not subject to delays or conditions related to the payment of compensation to arbitrators. This separation is essential for upholding the fairness and neutrality of the arbitration proceedings and the ultimate resolution of the dispute.

Section 41

A party or an arbitrator may file an application with the District Court concerning amendment of the award as regards the payment of compensation to the arbitrators. Such application must be filed within two months from the date upon which the party received the award and, in the case of an arbitrator, within the same period from the announcement of the award. If correction, supplementation, or interpretation has taken place in accordance with Section 32, the application must be filed by a party within two months from the date upon which the party received the award in its final wording and, in the case of an arbitrator, within the same period from the date when the award was announced in its final wording. The award shall contain clear instructions as to what must be done by a party who wants to challenge the award in this respect. The procedure will be administered in accordance with the Court Matters Act (1996:242).

A decision pursuant to which the compensation to an arbitrator is reduced shall also apply to the party who did not bring the action. SFS (2018:1954).

Section 41 of the Swedish Arbitration Act pertains to the amendment of the award concerning the payment of compensation to arbitrators. Here is an analysis of its key points:

- 1. Amendment of Compensation Award:
 - a. This section provides a mechanism through which a party or an arbitrator can file an application with the District Court for amending the award regarding the payment of compensation to the arbitrators.
 - b. The amendment relates specifically to the compensation awarded to the arbitrators, not to the substance of the dispute.
- 2. Timeline for Filing Application: The section specifies the time limits within which such an application must be filed:
 - a. For parties, the application must be filed within two months from the date of receiving the award or, if correction, supplementation, or interpretation has taken place, within two months from receiving the final wording of the award.



b. For arbitrators, the application must be filed within the same time frames from the announcement of the award or the announcement of the final wording of the award.

3. Clear Instructions and Procedure:

- a. The award is required to contain clear instructions for parties on how to challenge the award concerning compensation.
- b. The procedure for challenging the award's compensation aspect is administered in accordance with the Court Matters Act (1996:242), which governs procedural matters in courts.

4. Impact on Non-Initiating Party:

- a. Notably, a decision to reduce the compensation to an arbitrator, as a result of such an application, also applies to the party who did not initiate the application.
- b. This provision ensures consistency in treatment between the parties and avoids a situation where the non-initiating party benefits from a reduced compensation award without being involved in the application process.

Conclusion: Section 41 establishes a framework for parties or arbitrators to seek the amendment of an award specifically concerning compensation matters. The provision outlines the timeline, procedure, and impact on both parties when it comes to modifying compensation awards. This mechanism provides a means for addressing disputes related to arbitrators' compensation, enhancing transparency and fairness in the arbitration process.

Section 42

Unless otherwise agreed by the parties, the arbitrators may, upon the request of a party, order the opposing party to pay compensation for the party's costs and determine the manner in which the compensation to the arbitrators shall be finally allocated between the parties. The arbitrators' order may also include interest, if a party has so requested.

Section 42 of the Swedish Arbitration Act addresses the issue of costs and compensation in arbitration proceedings. Here is an analysis of its key points:

1. Cost Allocation by Arbitrators:

- a. This section empowers the arbitrators to determine the allocation of costs and compensation between the parties in an arbitration case.
- b. The arbitrators can make these determinations based on the request of a party, provided that the parties have not agreed otherwise.

2. Compensation for Costs:



- a. The arbitrators can order the opposing party to pay compensation for the requesting party's costs. This means that one party may be required to cover the expenses incurred by the other party during the arbitration proceedings.
- b. The term "costs" typically includes expenses like legal fees, administrative charges, and other costs associated with conducting the arbitration.

3. Allocation of Arbitrators' Compensation:

- a. The arbitrators also have the authority to determine the manner in which the compensation for their own services (arbitrators' fees) will be distributed between the parties.
- b. This provision helps ensure that both parties contribute proportionally to the arbitrators' compensation based on the outcome of the case.

4. Interest and Other Terms:

- a. The arbitrators' order under this section can include interest if requested by a party. This could apply to the compensation for costs or any other relevant matter.
- b. This provision emphasises flexibility in arbitration proceedings, allowing the arbitrators to address the specifics of each case.

5. Importance of Party Requests:

- a. Notably, the power of the arbitrators to order compensation and cost allocation is contingent upon a party's request. In other words, a party must request the arbitrators to make such determinations.
- b. This highlights the principle of party autonomy in arbitration, where the parties' preferences and requests play a significant role in shaping the proceedings.

Conclusion: Section 42 of the Swedish Arbitration Act grants the arbitrators the authority to order compensation for costs, allocate arbitrators' compensation, and include interest in their decisions. This provision offers parties a framework for resolving disputes related to costs and compensation, adding an element of flexibility to accommodate the parties' individual circumstances and preferences within the arbitration process.

Forum and Limitation Periods etc.

Section 43

An action pursuant to Sections 2, second paragraph, or 33, 34, and 36 shall be considered by the Court of Appeal within the jurisdiction of which the arbitration had its seat. If the seat of arbitration is not determined, or not stated in the award, the action may be brought in the Svea Court of Appeal.

The determination of the Court of Appeal may not be appealed. However, the Court of Appeal may grant leave to appeal its determination if it is of importance as a matter of precedent that the appeal



be considered by the Supreme Court. For the Supreme Court to review the Court of Appeal's determination, leave of appeal by the Supreme Court is required. This does not apply, however, to the appeal of a decision by which the Court of Appeal has dismissed an appeal of a determination made by the Court of Appeal.

An application pursuant to Section 41 shall be considered by the District Court at the seat of arbitration. If the seat of arbitration is not stated in the award, the action may be brought before the Stockholm District Court. SFS (2018:1954).

Section 43 of the Swedish Arbitration Act pertains to the jurisdiction and review of certain actions related to arbitration proceedings. Here is an analysis of its key points:

1. Jurisdiction of the Court of Appeal:

- a. This section specifies the jurisdiction where actions under certain sections of the Arbitration Act should be considered by the Court of Appeal.
- b. For actions related to Sections 2 (regarding arbitrators' jurisdiction), 33 (invalidity or setting aside of an award), 34 (grounds to set aside an award), and 36 (amendment of an award), the Court of Appeal within the jurisdiction of which the arbitration had its seat is the competent court to consider the matter.
- c. If the seat of arbitration is not determined or stated in the award, the action can be brought in the Svea Court of Appeal.

2. Finality of Determination:

- a. The determination made by the Court of Appeal in these matters may not be appealed in the usual manner.
- b. However, the Court of Appeal can allow an appeal to the Supreme Court if the determination has important precedential implications. For the Supreme Court to review this, it requires leave of appeal from the Supreme Court.
- 3. Exceptions for Appeals: There is a specific exception for appeals to decisions where the Court of Appeal has dismissed an appeal against a determination made by the same Court of Appeal. These appeals can be made without requiring leave of appeal from the Supreme Court.
- 4. Jurisdiction for Section 41 Applications:
 - a. For actions pursuant to Section 41 (amendment of the award as regards compensation to arbitrators), these applications are considered by the District Court at the seat of arbitration.
 - b. If the seat of arbitration is not stated in the award, the action can be brought before the Stockholm District Court.
- 5. Principle of Seat of Arbitration: The section underscores the importance of the "seat of arbitration", which refers to the legal place where arbitration proceedings are deemed to be conducted.



6. Importance of Finality and Precedent: This section seeks to balance the need for finality of arbitration decisions with the possibility of addressing important legal matters as precedent through the appropriate channels.

Conclusion: Section 43 of the Swedish Arbitration Act outlines the jurisdiction for certain actions related to arbitration proceedings and emphasises the importance of the seat of arbitration. It provides a framework for the appropriate courts to consider actions related to arbitrators' jurisdiction, invalidity of awards, setting aside of awards, amendment of awards, and compensation to arbitrators. The section reflects the legal principles aimed at ensuring the integrity and predictability of the arbitration process within the Swedish legal context.

Section 44

Applications to appoint or release an arbitrator shall be considered by the District Court at the place where one of the parties is domiciled or by the District Court at the seat of arbitration. The application may also be considered by the Stockholm District Court. If possible, the opposing party shall be afforded the opportunity to express its opinion upon the application before it is granted. If the application concerns the removal of an arbitrator, the arbitrator should also be heard.

Applications concerning the taking of evidence in accordance with Section 26 shall be considered by the District Court determined by the arbitrators. In the absence of such decision, the application shall be considered by the Stockholm District Court.

If the District Court has granted an application to appoint or release an arbitrator, such decision may not be appealed. Neither may a determination of the District Court in accordance with Section 10, third paragraph, otherwise be appealed. SFS (2018:1954).

Section 44 of the Swedish Arbitration Act addresses the process and jurisdiction for various applications related to arbitrator appointments, releases, and other matters. Here is an analysis of its key points:

- 1. Jurisdiction for Arbitrator Appointment and Release Applications:
 - a. This section specifies where applications for the appointment or release of an arbitrator should be filed and considered.
 - b. The applications are to be considered by the District Court at either the place where one of the parties is domiciled or the District Court at the seat of arbitration.
 - Additionally, the Stockholm District Court may also consider these applications.
- 2. Notice and Opportunity to Be Heard:
 - a. The section emphasises the principle of affording the opposing party an opportunity to express its opinion on the application before it is granted.
 - b. If the application pertains to the removal of an arbitrator, the arbitrator being removed should also be heard.



3. Applications for Evidence Taking:

- a. Applications related to the taking of evidence under Section 26 are to be considered by the District Court as determined by the arbitrators.
- b. If the arbitrators have not made a determination on this matter, the application should be considered by the Stockholm District Court.

4. Finality of Decisions:

- a. The section highlights that if the District Court grants an application to appoint or release an arbitrator, that decision cannot be appealed.
- b. Similarly, determinations of the District Court in accordance with Section 10, third paragraph (regarding the conclusively determined jurisdiction by an arbitration institution), also cannot be appealed.
- 5. Principle of Efficient Proceedings: This section aims to facilitate the efficient resolution of arbitrator-related matters and evidence-taking applications while providing opportunities for relevant parties to present their opinions.

Conclusion: Section 44 of the Swedish Arbitration Act outlines the process and jurisdiction for applications related to arbitrator appointments, releases, and evidence-taking. It emphasises principles of hearing the opposing party and the affected arbitrator (if applicable) and aims to ensure timely and effective resolution of these matters. The finality of decisions made by the District Court in these contexts reflects the importance of maintaining the integrity and pace of the arbitration proceedings.

Section 45

If, according to law or by agreement, an action by a party must be brought within a certain period, but the action is covered by an arbitration agreement, the party must request arbitration in accordance with Section 19 within the stated period.

If arbitration has been requested in due time but the arbitral proceedings are terminated without a legal determination of the issue which was submitted to the arbitrators, and this is not due to the negligence of the party, the action shall be deemed to have been initiated in due time if a party requests arbitration or initiates court proceedings within thirty days of receipt of the award, or if the award has been set aside or declared invalid or an action against the award in accordance with Section 36 has been dismissed, from the time that this decision becomes final.

Section 45 of the Swedish Arbitration Act addresses the time limits for initiating actions when there is an arbitration agreement in place. Here is an analysis of its key points:

- 1. Application of Time Limits to Arbitration Proceedings:
 - a. This section deals with situations where an action by a party is subject to a specific time limit according to the law or an agreement, but the matter is covered by an arbitration agreement.



- b. It stipulates that if such an action is covered by an arbitration agreement, the party must initiate arbitration proceedings within the time frame specified by the law or agreement. This is in line with the principle that parties should not bypass the arbitration process when there is a valid agreement in place.
- 2. Termination of Arbitral Proceedings Without Determination:
 - a. The section also addresses cases where arbitral proceedings are terminated without a legal determination of the issue submitted to the arbitrators.
 - b. If the termination of the arbitral proceedings is not due to the negligence of the party, the section allows that the action shall be considered to have been initiated in due time if certain conditions are met.
- 3. Time Limit for Initiating New Proceedings:
 - a. Specifically, if the arbitral proceedings were terminated without resolving the issue and the party received an award, the party has thirty days from the receipt of the award to request arbitration or initiate court proceedings.
 - b. If the award is later set aside or declared invalid, or if an action against the award under Section 36 has been dismissed, the party has thirty days from the date when this decision becomes final to request arbitration or initiate court proceedings.
- 4. Protection of Parties and Avoidance of Loss of Remedies:
 - a. This section aims to ensure that parties do not lose their right to pursue their claims due to the termination of arbitral proceedings without a determination.
 - b. It provides a mechanism for parties to initiate arbitration or court proceedings in such scenarios, allowing them to seek a legal determination for their claims.
- 5. Balancing Flexibility and Time Limits: Section 45 strikes a balance between respecting time limits for legal actions and accommodating the flexibility of arbitration proceedings. It acknowledges that parties may encounter circumstances that lead to the termination of arbitral proceedings without a determination.

Conclusion: Section 45 of the Swedish Arbitration Act establishes a framework for initiating arbitration proceedings within the context of time limits for legal actions. It ensures that parties have the opportunity to seek resolution for their claims even if arbitral proceedings were terminated without a determination. This provision safeguards the rights of parties while maintaining a balance between the arbitration process and established time limits.



Section 45 a

In cases brought under Section 2, second paragraph, or 33, 34 or 36, the Court of Appeal may, upon the request of a party, accept oral evidence in English without interpretation into Swedish.

The first paragraph applies also to the procedure in the Supreme Court.

SFS (2018:1954).

Section 45 a of the Swedish Arbitration Act addresses the use of English as an acceptable language for oral evidence in certain cases within the Swedish court system. Here is an analysis of its key features:

- 1. Applicability to Specific Cases: This section is applicable to cases brought under specific sections of the Arbitration Act, namely Section 2 (second paragraph), Section 33, Section 34, or Section 36. These sections pertain to matters like challenging arbitral awards, actions to set aside awards, and other procedural aspects related to arbitration.
- 2. Use of English in Oral Evidence: The primary focus of this provision is to allow parties to present oral evidence in English without the requirement for interpretation into Swedish. This applies specifically to the Court of Appeal stage of proceedings.
- 3. Efficiency and Accessibility: The use of English in presenting oral evidence can enhance efficiency and accessibility in court proceedings, particularly when dealing with international matters involving non-Swedish parties. Allowing parties to use English directly for their oral evidence can streamline the process and avoid potential delays and costs associated with interpretation services.
- 4. Preservation of Original Testimonies: Allowing oral evidence to be presented in English is beneficial for parties and witnesses who are more comfortable with English as opposed to Swedish. This can help ensure that the original meaning and nuances of testimonies are accurately preserved during the legal proceedings.
- 5. Application to the Supreme Court: The provision extends to the procedure in the Supreme Court as well, indicating that the use of English for oral evidence without interpretation into Swedish is permissible even at the highest level of appeal.
- 6. Promotion of Internationalisation: This provision aligns with the increasing internationalisation of legal proceedings, particularly in cases involving cross-border matters. The use of English can contribute to a more inclusive and efficient process for all parties involved.
- 7. Balancing Language Needs and Rights: While this provision facilitates the use of English for oral evidence, it is important to balance this with the rights of all parties to fully understand the proceedings. Courts should ensure that all parties are adequately informed about the use of English and have access to necessary interpretation services if needed.

Conclusion: Section 45 a of the Swedish Arbitration Act introduces a practical approach by allowing oral evidence in English without interpretation into Swedish in certain cases. By doing so, it addresses the language needs of parties, especially in international cases, while enhancing the efficiency and accessibility of the arbitration process within the Swedish court system.





International Matters

Section 46

This Act shall apply to arbitral proceedings seated in Sweden even if the dispute has an international connection. SFS (2018:1954).

Section 46 of the Swedish Arbitration Act establishes the jurisdiction and applicability of the Act to arbitral proceedings seated in Sweden, even when the dispute has an international connection. Here is an analysis of its key features:

- Jurisdiction and Scope Section 46 confirms that the Swedish Arbitration Act applies to arbitral proceedings conducted within the jurisdiction of Sweden. This includes both domestic disputes and disputes that have an international connection, emphasising the flexibility of the Act to accommodate a wide range of cases.
- 2. Domestic and International Cases: The Act's application to both domestic and international cases is a significant feature. It signifies Sweden's commitment to providing a reliable and consistent legal framework for both domestic and cross-border disputes resolved through arbitration.
- 3. International Connection: The provision clarifies that the Act applies even when the dispute has an international connection. This recognises the reality of modern arbitration, where disputes involving parties from different jurisdictions are increasingly common due to globalisation and international business transactions.
- 4. Harmonisation with International Standards: By extending its jurisdiction to international cases, Sweden aligns its arbitration law with international standards, such as the UNCITRAL Model Law on International Commercial Arbitration. This helps promote consistency and predictability in the application of arbitration principles across borders.
- 5. Facilitating International Arbitration: Acknowledging that disputes with an international dimension may be subject to different legal systems, the Act aims to facilitate the conduct of international arbitration in Sweden. This is important to encourage parties to choose Sweden as a seat for their arbitrations, contributing to the growth of the country's arbitration services.
- 6. Attracting International Parties: The provision signals to international parties that Sweden is open to hosting international arbitration cases and is equipped with a modern and effective legal framework for such proceedings.
- 7. Conflict of Laws: The Act's application to international cases also implies that Swedish law, as outlined in the Act, will govern the arbitral proceedings, irrespective of the parties' nationalities or the nature of the dispute. This helps to avoid uncertainties arising from potential conflicts of laws.

Conclusion: Section 46 of the Swedish Arbitration Act reflects Sweden's commitment to providing a hospitable environment for both domestic and international arbitration. By asserting its jurisdiction over international cases and ensuring that its arbitration law applies to disputes with international connections, Sweden aims to foster a favourable climate for international arbitration within its jurisdiction.



Section 47

Arbitral proceedings in accordance with this Act may be commenced in Sweden, if the arbitration agreement provides that the arbitration shall have its seat in Sweden, or if the arbitrators or an arbitration institution pursuant to the agreement have determined that the proceedings shall be seated in Sweden, or if the opposing party otherwise consents thereto.

Arbitral proceedings in accordance with this Act may also be commenced in Sweden against a party which is domiciled in Sweden or is otherwise subject to the jurisdiction of the Swedish courts with regard to the matter in dispute, unless the arbitration agreement provides that the proceedings shall be seated abroad.

In other cases, arbitral proceedings in accordance with this Act may not take place in Sweden. SFS (2018:1954).

Section 47 of the Swedish Arbitration Act outlines the circumstances under which arbitral proceedings can be commenced in Sweden. This section focuses on the seat of arbitration and the consent of the parties. Here is an analysis of its key features:

- 1. Seat of Arbitration: The section begins by specifying the conditions under which arbitral proceedings can be initiated in Sweden. The seat of arbitration, also known as the place of arbitration, is crucial in determining the legal framework that governs the arbitration.
- 2. Consent and Agreement: The provision emphasises the significance of the arbitration agreement between the parties. If the arbitration agreement expressly designates Sweden as the seat of arbitration, then arbitral proceedings can be commenced in Sweden.
- 3. Arbitrator or Arbitration Institution Determination: The section allows for arbitral proceedings to be initiated in Sweden if the arbitrators or an arbitration institution, as stipulated in the arbitration agreement, have determined that the proceedings shall be seated in Sweden. This recognition of the role of arbitrators and arbitration institutions reflects the principle of party autonomy in selecting the seat of arbitration.
- 4. Opposing Party's Consent: Another circumstance under which arbitral proceedings can be initiated in Sweden is if the opposing party consents to it. This highlights the principle of party autonomy and the flexibility of arbitration, where both parties can agree to have their dispute resolved in a particular jurisdiction.
- 5. Domiciled in Sweden: The section further states that arbitral proceedings can be commenced in Sweden against a party domiciled in Sweden or subject to the jurisdiction of the Swedish courts concerning the dispute. This provision recognises the convenience and practicality of having proceedings in the home jurisdiction of one of the parties.
- 6. Restrictions on Commencement: The section also sets limits on the commencement of arbitral proceedings in Sweden. If none of the conditions outlined in the section are met, arbitral proceedings cannot take place in Sweden under the Swedish Arbitration Act.



- 7. Clarification of Jurisdiction: Section 47 provides clarity on the jurisdiction of Sweden as a seat of arbitration and defines the circumstances under which such proceedings can be initiated. This helps parties understand the legal framework and their options when choosing Sweden as the venue for arbitration.
- 8. Promotion of Party Autonomy: The provision reflects the principle of party autonomy, which is a fundamental aspect of arbitration. It gives parties the flexibility to choose the seat of arbitration that aligns with their preferences and requirements.

Conclusion: Section 47 of the Swedish Arbitration Act establishes the conditions under which arbitral proceedings can be commenced in Sweden. It underscores the importance of the arbitration agreement, the role of arbitrators and arbitration institutions, and the principle of party autonomy in selecting the seat of arbitration. By providing clear guidelines, this section contributes to the effective conduct of arbitration proceedings in Sweden.

Section 48

If an arbitration agreement has an international connection, the agreement shall be governed by the law agreed upon by the parties. If the parties have not reached such an agreement, the arbitration agreement shall be governed by the law of the country where, in accordance with the parties' agreement, the arbitration had or shall have its seat.

The first paragraph shall not apply to the issue of whether a party was authorized to enter into an arbitration agreement or was duly represented. SFS (2018:1954).

Section 48 of the Swedish Arbitration Act addresses the governing law of arbitration agreements with international connections. Here is an analysis of its key aspects:

- 1. Choice of Law: The section focuses on determining the governing law of arbitration agreements that have an international dimension. It provides clarity on how the law governing the arbitration agreement should be determined.
- 2. Party Agreement: According to the section, if the parties to the arbitration agreement have expressly agreed upon a specific law to govern the agreement, that chosen law will apply. This reflects the principle of party autonomy, allowing parties to select the law that governs their contractual relationship.
- 3. Default Rule: In cases where the parties have not agreed upon a specific governing law for the arbitration agreement, the section provides a default rule. It states that the law of the country where the arbitration has its seat (as agreed upon by the parties) will govern the arbitration agreement.
- 4. Connection to the Seat: This provision reinforces the connection between the arbitration agreement and the seat of arbitration. The law of the seat, as chosen by the parties, is considered a logical choice for governing the arbitration agreement, as the seat usually governs procedural matters and plays a significant role in arbitration proceedings.
- 5. Exception: Authorisation and Representation: An important exception is provided in the section. It clarifies that the first paragraph, which determines the governing law of the



arbitration agreement, does not apply to issues related to the authorisation of a party to enter into the arbitration agreement or whether a party was duly represented. These issues might involve separate legal considerations, and their determination might fall under different laws.

- 6. Clarity and Predictability: Section 48 contributes to the clarity and predictability of arbitration proceedings with international elements. It provides clear guidelines on the applicable law in the absence of an express choice by the parties, reducing potential disputes over the governing law of the arbitration agreement.
- 7. Preservation of Party Autonomy: The section emphasises the importance of party autonomy by allowing parties to choose the governing law of their arbitration agreement. This reflects the principle that parties are free to structure their contractual relationships according to their preferences.

Conclusion: Section 48 of the Swedish Arbitration Act serves to determine the governing law of arbitration agreements with international connections. It offers a default rule for cases where the parties have not agreed on a governing law and clarifies that certain issues related to authorisation and representation are excluded from this determination. By providing clear guidance, this section contributes to the smooth functioning of international arbitration and enhances legal certainty for the parties involved.

Section 49

If foreign law is applicable to the arbitration agreement, Section 4 shall apply to issues which are covered by the agreement, except when:

- 1. in accordance with the applicable law, the agreement is invalid, inoperative, or incapable of being performed; or
- 2. in accordance with Swedish law, the dispute may not be determined by arbitrators.

The jurisdiction of a court to issue such decisions regarding security measures as the court is entitled to issue in accordance with law, notwithstanding the arbitration agreement, is set forth in Section 4, third paragraph.

Section 49 of the Swedish Arbitration Act deals with the interaction between foreign law and Swedish law in cases where a foreign law is applicable to the arbitration agreement. Here is an analysis of the key points in this section:

- 1. Applicability of Swedish Law (Section 4): The reference to "Section 4" in this context relates to the general provisions in Section 4 of the Act that lay out the general principles of the law applicable to the arbitral proceedings. Section 49 specifies that if foreign law is applicable to the arbitration agreement, Section 4 shall apply to issues that are covered by the agreement.
- 2. Exceptions to Applying Swedish Law:



- a. Invalidity, Inoperativeness, or Incapability of Performance: Under this provision, the general principles set out in Section 4 would not apply if, in accordance with the foreign law applicable to the arbitration agreement, the agreement is deemed invalid, inoperative, or incapable of being performed. This exception acknowledges that foreign law's determination of the agreement's validity or enforceability takes precedence.
- b. Dispute Inarbitrability under Swedish Law: If, according to the applicable Swedish law, the dispute is not capable of being determined by arbitrators (for example, due to specific categories of disputes that are required to be adjudicated exclusively by courts), then the general principles set out in Section 4 of the Act would not apply.
- 3. Court Jurisdiction for Security Measures: Section 49 also refers to Section 4, third paragraph, which addresses the jurisdiction of a court to issue decisions regarding security measures, even if an arbitration agreement exists. This emphasises that a court's power to issue security measures is not limited by the existence of an arbitration agreement.
- 4. Balancing Applicable Laws: This section seeks to balance the application of Swedish law with the requirements and limitations of the foreign law applicable to the arbitration agreement. It clarifies that the general principles in Section 4 apply, except in situations where the arbitration agreement is considered invalid or unenforceable under the foreign law, or if the dispute is inherently non-arbitrable under Swedish law.
- 5. International Harmony and Predictability: Section 49 reflects the desire to harmonise the application of different legal systems in the context of international arbitration. It ensures that Swedish law's general principles apply, while also recognising the supremacy of foreign law over the arbitration agreement's validity and enforceability.
- 6. Preservation of Arbitration Agreement: Importantly, this section reinforces the principle that, despite these exceptions, the arbitration agreement's overall enforceability should be preserved whenever possible. It provides clarity on how to approach potential conflicts between foreign law, Swedish law, and the arbitration agreement.

Conclusion: Section 49 of the Swedish Arbitration Act serves to clarify the interplay between foreign law, Swedish law, and arbitration agreements. By addressing exceptions to the application of Swedish law in the context of foreign-law-governed arbitration agreements, it helps ensure that the arbitration process is carried out in a coherent and predictable manner, while also respecting the principles of the relevant applicable foreign law.

Section 50

The provisions of Sections 26 and 44 regarding the taking of evidence during the arbitral proceedings in Sweden shall also apply in arbitral proceedings seated abroad, if the proceedings are based upon



an arbitration agreement and, pursuant to Swedish law, the issues referred to the arbitrators may be resolved through arbitration.

SFS (2018:1954).

Section 50 of the Swedish Arbitration Act addresses the extension of certain procedural provisions to arbitral proceedings seated abroad. Here is an analysis of the key points in this section:

- 1. Applicability of Certain Provisions: Section 50 states that specific provisions from Sections 26 and 44 of the Swedish Arbitration Act regarding the taking of evidence during arbitral proceedings in Sweden shall also apply in arbitral proceedings seated abroad.
- 2. Scope of Applicability: The provisions apply to arbitral proceedings seated abroad under two conditions:
 - a. The proceedings are based upon an arbitration agreement.
 - b. Pursuant to Swedish law, the issues referred to the arbitrators may be resolved through arbitration.
- 3. Provisions in Focus: The specific provisions from Sections 26 and 44 relate to evidence-taking procedures (Section 26) and applications to appoint or release an arbitrator (Section 44). These provisions are extended to arbitral proceedings that meet the aforementioned criteria.
- 4. Promotion of Uniformity: This provision reflects an effort to promote a level of uniformity and predictability in arbitration proceedings that are connected to Sweden, even when the proceedings are seated abroad. It ensures that certain important procedural aspects are maintained regardless of the arbitration's location.
- Consideration of Swedish Law: The requirement that the issues referred to the arbitrators may be resolved through arbitration under Swedish law emphasises that Swedish law's recognition of the arbitrability of a dispute is a prerequisite for the application of these provisions.
- 6. Ensuring Due Process and Fairness: The extension of these provisions to arbitral proceedings seated abroad helps ensure that parties benefit from procedural safeguards similar to those in domestic arbitration, promoting due process, fairness, and consistency in the conduct of the proceedings.
- 7. Balancing Local and International Interests: By extending these provisions to foreign-seated arbitrations with a connection to Swedish law, this section aims to find a balance between the principles and procedures of Swedish arbitration law and the interests of parties engaged in international commercial arbitration.

Conclusion: Section 50 of the Swedish Arbitration Act extends specific procedural provisions to arbitral proceedings seated abroad under certain conditions. This approach contributes to maintaining procedural uniformity and ensuring that parties are afforded similar protections, regardless of the arbitration's location, while also respecting the boundaries set by Swedish law and the principles of international arbitration.



Section 51

If none of the parties is domiciled or has its place of business in Sweden, such parties may in a commercial relationship through an express written agreement exclude or limit the application of the grounds for setting aside an award as are set forth in Section 34.

An award which is subject to such an agreement shall be recognized and enforced in Sweden in accordance with the rules applicable to a foreign award.

Section 51 of the Swedish Arbitration Act addresses the possibility for parties in a commercial relationship to exclude or limit the grounds for setting aside an award through an express written agreement. Here is an analysis of the key points in this section:

- 1. Limiting Grounds for Setting Aside: Section 51 provides that if none of the parties in an arbitration case is domiciled or has its place of business in Sweden, they can enter into an express written agreement to exclude or limit the application of the grounds for setting aside an award as specified in Section 34 of the Swedish Arbitration Act.
- 2. Commercial Relationship Requirement: This provision applies specifically to parties in a commercial relationship. It suggests that parties engaged in commercial activities have the flexibility to structure their arbitration agreement in a way that suits their needs and expectations.
- 3. Party Autonomy and Flexibility: This section reflects the principle of party autonomy in arbitration. Parties are given the freedom to shape their arbitration proceedings based on their preferences, subject to certain legal limits. The ability to exclude or limit grounds for setting aside allows parties to tailor the arbitration process to their unique circumstances.
- 4. Exclusivity of Grounds: Section 34 outlines the grounds for setting aside an award in Sweden, which include issues like lack of jurisdiction, procedural irregularities, excess of mandate, and public policy violations. By default, these grounds provide a legal framework for reviewing and potentially challenging an award. Section 51 allows parties to agree to restrict or eliminate some of these grounds.
- 5. Recognition and Enforcement: The provision emphasises that if parties include an agreement under Section 51, and the resulting award is subject to such an agreement, the award will be recognised and enforced in Sweden as if it were a foreign award. This means that the award's recognition and enforcement will follow the rules applicable to awards made in other jurisdictions, as governed by relevant international conventions and treaties.
- 6. Balancing Interests: Section 51 reflects the balance between preserving party autonomy and upholding the principle of legal certainty. It acknowledges that parties with no substantial connection to Sweden may have different expectations and needs in arbitration, and it respects their right to manage their disputes accordingly.
- 7. Informed Decision-Making: The requirement of an "express written agreement" ensures that parties knowingly and intentionally agree to exclude or limit the grounds for setting



aside an award. This prevents any inadvertent waiver of rights and ensures transparency in the arbitration process.

Conclusion: Section 51 of the Swedish Arbitration Act highlights the significance of party autonomy in arbitration proceedings involving parties with no domicile or place of business in Sweden. It allows parties to craft an arbitration agreement that suits their commercial relationship while maintaining the integrity of the arbitration process and international enforcement mechanisms.



Recognition and Enforcement of Foreign Awards, etc.

Section 52

An award rendered abroad shall be deemed to be a foreign award.

In conjunction with the application of this Act, an award shall be deemed to have been rendered in the country where the arbitration had its seat. SFS (2018:1954).

Section 52 of the Swedish Arbitration Act addresses the treatment of awards rendered abroad in the context of the Act. Here is an analysis of the key points in this section:

- 1. Recognition of Foreign Awards: This section establishes that an award rendered abroad is classified as a "foreign award" when it comes to the application of the Swedish Arbitration Act. A foreign award refers to an arbitration award made in a jurisdiction other than the one in which enforcement is being sought.
- 2. Determining the Place of Arbitration: The section provides guidance on determining the place of arbitration for the purposes of applying the Swedish Arbitration Act to a foreign award. It states that when applying the Act, an award is to be considered as having been rendered in the country where the arbitration had its seat.
- 3. Applicability of the Act: This section clarifies that when dealing with a foreign award, the Swedish Arbitration Act is applied to determine the legal status, recognition, and enforcement of the award within Sweden. It underscores the importance of applying the Act to both domestic and foreign arbitration awards to ensure a coherent and consistent legal framework.
- 4. Recognition and Enforcement: The classification of foreign awards under this section is particularly relevant when it comes to the recognition and enforcement of such awards within Sweden. The Act provides guidance on the conditions under which a foreign award can be recognised and enforced in the country, aligning with international arbitration norms and conventions.
- 5. Legal Certainty and Consistency: By specifying that foreign awards are treated as such under the Act, this section contributes to legal certainty and predictability in cross-border arbitration cases. It establishes a clear framework for handling foreign awards and ensures that the principles of the Act are applied uniformly.
- 6. Interaction with International Conventions: The concept of foreign awards is integral to the recognition and enforcement of arbitration awards under international conventions, such as the New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards. The Act's alignment with this concept ensures that awards rendered in other jurisdictions can be effectively enforced in Sweden and vice versa.

Conclusion: Section 52 of the Swedish Arbitration Act provides a framework for the treatment of foreign awards within the context of the Act. By designating foreign awards as such and clarifying the principles that apply to their recognition and enforcement, this section enhances the predictability, consistency, and international enforceability of arbitration awards in Sweden.



Section 53

Unless otherwise stated in Sections 54–60, a foreign award which is based on an arbitration agreement shall be recognized and enforced in Sweden.

Section 53 of the Swedish Arbitration Act establishes a fundamental principle regarding the recognition and enforcement of foreign awards in Sweden. Here is an analysis of this section:

- 1. Recognition and Enforcement Principle: Section 53 serves as a general rule stipulating that a foreign award, which is rendered based on an arbitration agreement, shall be recognised and enforced in Sweden. This principle underscores Sweden's commitment to facilitating the recognition and enforcement of arbitration awards from other jurisdictions, promoting international arbitration as an effective means of resolving disputes.
- 2. Promotion of Arbitral Awards: This section reflects Sweden's pro-arbitration stance and its alignment with international standards, including the New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards. By recognising and enforcing foreign awards, Sweden enhances its reputation as an arbitration-friendly jurisdiction, thereby attracting international parties to choose it as a seat for arbitration proceedings.
- 3. Consistency with International Conventions: The provision supports Sweden's obligations under international conventions, such as the New York Convention, which promotes the recognition and enforcement of foreign arbitral awards across borders. By upholding this principle, Sweden aligns itself with global efforts to streamline and facilitate international arbitration procedures.
- 4. Presumption of Enforcement: Section 53 establishes a presumption in favour of recognising and enforcing foreign awards. This reflects the underlying principle that parties who have willingly participated in arbitration proceedings and obtained an award should generally have their awards recognised and enforced in other jurisdictions, thereby avoiding unnecessary challenges to the enforceability of valid awards.
- 5. Exceptions in Sections 54-60: While Section 53 establishes the general principle of recognition and enforcement, it also acknowledges that there may be exceptions to this principle. Sections 54-60 likely outline specific circumstances or criteria under which recognition and enforcement of foreign awards may be denied or subject to conditions. These exceptions might relate to issues like public policy, procedural irregularities, or other compelling grounds.

Conclusion: Section 53 of the Swedish Arbitration Act encapsulates the foundational principle that foreign awards based on arbitration agreements shall be recognised and enforced in Sweden. This principle promotes a favourable environment for international arbitration and aligns Sweden with international arbitration standards, fostering legal certainty and predictability for parties engaged in cross-border disputes.



Section 54

A foreign award shall not be recognized and enforced in Sweden if the party against whom the award is invoked proves:

- that the parties to the arbitration agreement, pursuant to the law applicable to them, lacked capacity to enter into the agreement or were not properly represented, or that the arbitration agreement was not valid under the law to which the parties have subjected it or, failing any indication thereon, under the law of the country where the award was made;
- 2. that the party against whom the award is invoked was not given proper notice of the appointment of the arbitrator or of the arbitration proceedings, or was otherwise unable to present its case;
- 3. that the award deals with a dispute not contemplated by, or not falling within, the terms of the submission to arbitration, or contains decisions on matters which are beyond the scope of the arbitration agreement, provided that, if the decision on a matter which falls within the mandate can be separated from those which fall outside the mandate, that part of the award which contains decisions on matters falling within the mandate may be recognized and enforced;
- 4. that the composition of the arbitral tribunal, or the arbitral procedure, was not in accordance with the agreement of the parties or, failing such agreement, was not in accordance with the law of the country where the arbitration was seated; or
- 5. that the award has not yet become binding on the parties, or has been set aside or suspended by a competent authority of the country in which, or under the law of which, the award was made. SFS (2018:1954).

Section 54 of the Swedish Arbitration Act outlines the circumstances under which a foreign award may not be recognised and enforced in Sweden. This section focuses on establishing grounds for refusal of recognition and enforcement. Here is a detailed analysis of this section:

- Grounds for Non-Recognition and Non-Enforcement: Section 54 specifies several grounds upon which a foreign award may not be recognised and enforced in Sweden. These grounds are meant to ensure that the recognition and enforcement of foreign awards align with fundamental principles of fairness and proper procedure.
- Lack of Capacity or Proper Representation: The first ground relates to the capacity of the
 parties to enter into the arbitration agreement or their proper representation under the
 applicable law. If it is proven that the parties lacked the legal capacity to enter the
 agreement or were not properly represented, the award may not be recognised and
 enforced.
- 3. Lack of Proper Notice or Inability to Present Case: The second ground focuses on ensuring due process. If the party against whom the award is invoked can prove that it was not given proper notice of the arbitration proceedings or was unable to present its case, this can lead to non-recognition and non-enforcement.



- 4. Scope of the Submission to Arbitration: The third ground pertains to the scope of the arbitration agreement. If the award deals with a dispute that was not contemplated by or does not fall within the terms of the submission to arbitration, or if it contains decisions on matters beyond the scope of the arbitration agreement, the award may not be recognised and enforced. However, if separable, the part of the award related to matters within the mandate may still be enforced.
- 5. Non-Compliance with Arbitration Agreement or Procedure: The fourth ground addresses the arbitral procedure itself. If the composition of the arbitral tribunal or the arbitration procedure was not in accordance with the parties' agreement or, in the absence of such an agreement, not in accordance with the law of the country where the arbitration took place, the award may be refused recognition and enforcement.
- 6. Award Not Yet Binding, Set Aside, or Suspended: The fifth ground pertains to the status of the award. If the award has not yet become binding on the parties, or if it has been set aside or suspended by a competent authority in the country where it was made or under the law of that country, then it may not be recognised and enforced.
- 7. Purpose and Impact: Section 54 serves as a protective measure to ensure that foreign awards being recognised and enforced in Sweden meet certain procedural and substantive standards. These grounds aim to safeguard parties' rights, due process, and the integrity of the arbitral process.

Conclusion: Section 54 of the Swedish Arbitration Act lays out comprehensive grounds for non-recognition and non-enforcement of foreign awards. These grounds reflect the balance between promoting international arbitration and maintaining fairness and integrity in the arbitration process, further enhancing Sweden's reputation as a jurisdiction supportive of arbitration.

Section 55

Recognition and enforcement of a foreign award shall also be refused if a court finds:

- 1. that the award includes determination of an issue which, in accordance with Swedish law, may not be decided by arbitrators; or
- 2. that it would be clearly incompatible with the basic principles of the Swedish legal system to recognize and enforce the award.

Section 55 of the Swedish Arbitration Act outlines additional grounds for the refusal of recognition and enforcement of a foreign arbitral award in Sweden. These grounds focus on the compatibility of the award with Swedish law and the fundamental principles of the Swedish legal system. Here is a detailed analysis of this section:

1. Determination of Issues Beyond Arbitrators' Authority: The first ground for refusal concerns the content of the award. If the award includes a determination of an issue that, according to Swedish law, falls outside the authority of arbitrators to decide, the court may refuse recognition and enforcement. This ground underscores the importance of respecting the limitations on arbitrators' jurisdiction under Swedish law.



- Incompatibility with Basic Principles of Swedish Legal System: The second ground addresses the overall compatibility of the foreign award with the basic principles of the Swedish legal system. If the court finds that recognising and enforcing the award would be clearly incompatible with these principles, it may refuse recognition and enforcement. This ground reflects the principle that foreign awards should not violate core principles of fairness and justice within the local legal system.
- Purpose and Impact: Section 55 aims to ensure that the recognition and enforcement of foreign awards do not run contrary to fundamental principles of Swedish law and justice. This safeguards the integrity of the legal system while allowing flexibility in enforcing foreign arbitral awards.
- 4. Alignment with International Standards: These grounds align with international standards for the recognition and enforcement of foreign arbitral awards. They emphasise the importance of upholding fundamental principles while maintaining a pro-arbitration stance.

Conclusion: Section 55 of the Swedish Arbitration Act provides essential safeguards against the recognition and enforcement of foreign awards that may contradict Swedish law or fundamental legal principles. This section strikes a balance between promoting international arbitration and preserving the integrity of the Swedish legal system, reflecting the commitment to fair and just outcomes in the enforcement of foreign arbitral awards in Sweden.

Section 56

An application for the enforcement of a foreign award shall be lodged with the Svea Court of Appeal.

The original award or a certified copy of the award must be appended to the application. Unless the Court of Appeal decides otherwise, a certified translation into the Swedish language of the entire award must also be submitted.

Section 56 of the Swedish Arbitration Act outlines the procedure for applying for the enforcement of a foreign arbitral award in Sweden. This section establishes the requirements for submitting the application and the necessary documents to the appropriate court. Here is a detailed analysis:

- Application to the Svea Court of Appeal: According to this section, an application for the
 enforcement of a foreign arbitral award must be filed with the Svea Court of Appeal. This
 specific court is designated to handle applications for the recognition and enforcement of
 foreign arbitral awards.
- 2. Submission of Original Award or Certified Copy: The applicant must attach the original award or a certified copy of the award to the enforcement application. This requirement ensures that the court has access to the award itself, allowing for a proper assessment of the award's content and validity.
- 3. Certified Translation Requirement: In addition to the award or its certified copy, a certified translation of the entire award into the Swedish language must be submitted, unless the Court of Appeal decides otherwise. This translation requirement ensures that the court,



which may not necessarily be familiar with the language of the original award, can understand the content of the award accurately.

- 4. Purpose and Impact: Section 56 ensures that the enforcement process is transparent and manageable. By submitting the original award or a certified copy along with a certified translation, the court can verify the authenticity and content of the award.
- 5. Efficiency and Consistency: Requiring a certified translation and the original award helps maintain consistency in the enforcement process and allows the court to assess the award accurately. It also prevents any misinterpretation or misunderstanding that might arise due to language barriers.

Conclusion: Section 56 of the Swedish Arbitration Act outlines the necessary steps and requirements for applying for the enforcement of a foreign arbitral award in Sweden. By specifying the court of appeal, the submission of the original award or certified copy, and the provision of a certified translation, this section ensures a smooth and transparent process for enforcing foreign arbitral awards while maintaining the integrity and understanding of the awards within the local legal system.

Section 57

An application for enforcement shall not be granted unless the opposing party has been afforded an opportunity to express its opinion upon the application.

Section 57 of the Swedish Arbitration Act establishes an essential procedural safeguard when it comes to the enforcement of foreign arbitral awards in Sweden. This section ensures that the opposing party is given the opportunity to present its perspective before a decision is made on the enforcement application. Here is a detailed analysis:

- 1. Right to Opposing Party's Input: Section 57 underscores the principle of fairness and due process by requiring that the opposing party be given a chance to provide its input on the enforcement application. This ensures that all parties involved have a voice in the process and that their rights to be heard are respected.
- 2. Promoting Procedural Fairness: By allowing the opposing party to express its opinion, this section helps maintain the principles of procedural fairness and natural justice. It prevents unilateral decisions and ensures that all relevant information is considered before reaching a judgment on the enforcement of the foreign arbitral award.
- 3. Balancing Interests: This provision strikes a balance between the interests of the party seeking enforcement and the party against whom enforcement is sought. It allows the court to consider both perspectives and make a well-informed decision that takes into account the arguments and concerns of all parties involved.
- 4. Preventing Unjust Enforcement: Allowing the opposing party to present its opinion helps prevent the potential enforcement of awards that might be unjust, incorrect, or obtained through unfair means. It provides a safeguard against the enforcement of awards that might be contrary to the principles of justice or public policy.



5. Aligning with International Standards: This requirement is in line with international best practices for the recognition and enforcement of foreign arbitral awards. Providing an opportunity for the opposing party to be heard is consistent with principles advocated by international arbitration conventions and agreements.

Conclusion: Section 57 of the Swedish Arbitration Act ensures that the enforcement process remains fair, transparent, and just by requiring that the opposing party be given the chance to express its opinion before a decision on the enforcement application is made. This provision upholds the principles of due process, procedural fairness, and natural justice while promoting the integrity of the enforcement process for foreign arbitral awards in Sweden.

Section 58

If the opposing party objects that an arbitration agreement was not entered into, the applicant must submit the arbitration agreement in an original or a certified copy and, unless otherwise decided by the Court of Appeal, must submit a certified translation into the Swedish language, or in some other manner prove that an arbitration agreement was entered into.

If the opposing party objects that a petition has been lodged to set aside the award or a motion for a stay of execution has been submitted to the competent authority as referred to in Section 54, subsection 5, the Court of Appeal may postpone its decision and, upon the request of the applicant, order the opposing party to provide reasonable security in default of which enforcement might otherwise be ordered.

Section 58 of the Swedish Arbitration Act outlines important procedural requirements and considerations when an application for enforcement of a foreign arbitral award is met with specific objections. Let us delve into the analysis:

- 1. Proof of Arbitration Agreement:
 - a. This section addresses situations where the opposing party challenges the existence or validity of the arbitration agreement underlying the award.
 - b. The provision emphasises that the applicant seeking enforcement must provide evidence of the arbitration agreement, either by submitting the original agreement or a certified copy.
 - c. If required, the applicant must also provide a certified translation of the arbitration agreement into the Swedish language.
- 2. Ensuring Documentation of Agreement:
 - a. Requiring documentation of the arbitration agreement ensures transparency and clarity in the enforcement process.
 - b. The provision ensures that the court has the necessary information to assess the validity of the arbitration agreement before deciding on enforcement.
- 3. Addressing Challenges to the Award:



- a. If the opposing party objects to the enforcement on grounds such as a pending motion to set aside the award or a motion for a stay of execution, this section provides a mechanism for addressing such challenges.
- b. The Court of Appeal is granted discretionary authority to postpone its decision on enforcement pending resolution of these challenges.

4. Security Requirement:

- a. The section enables the Court of Appeal, upon request by the applicant, to order the opposing party to provide reasonable security as a condition for postponing the enforcement decision.
- b. This security requirement ensures that the opposing party's objections do not unduly delay the enforcement process while also protecting the interests of the applicant.

5. Balancing Interests:

- a. The provision strikes a balance between the interests of the applicant seeking enforcement and the opposing party raising objections.
- b. It provides a procedural mechanism to address potential challenges to the enforcement process while ensuring that enforcement is not unfairly hindered.

Conclusion: Section 58 of the Swedish Arbitration Act establishes procedures for addressing specific objections that may arise during the enforcement of a foreign arbitral award. By requiring evidence of the arbitration agreement, allowing postponement of enforcement decisions in light of challenges, and providing for a security requirement, this section aims to ensure fairness, transparency, and efficiency in the enforcement process, while addressing the concerns of both parties involved.

Section 59

If the Court of Appeal grants the application, the award shall be enforced as a final judgment of a Swedish court, unless otherwise determined by the Supreme Court following an appeal of the Court of Appeal's decision.

Section 59 of the Swedish Arbitration Act deals with the enforcement of a foreign arbitral award when the Court of Appeal grants the application. Let us analyse this section:

1. Enforcement as a Final Judgment:

- a. This section states that if the Court of Appeal approves the application for enforcement of a foreign arbitral award, the award is to be enforced as if it were a final judgment of a Swedish court.
- b. Essentially, once the Court of Appeal grants the application, the foreign arbitral award is given the same legal status and enforceability as a domestic court judgment.



2. Principle of Finality:

- a. Treating the foreign arbitral award as a final judgment emphasises the finality and binding nature of the award's decisions.
- b. This recognition enhances the enforceability of the award and provides it with the same level of authority and legal effect as a judgment issued by a Swedish court.
- 3. Appeal and Determination by Supreme Court:
 - a. The section also introduces the possibility of an appeal to the Supreme Court.
 - b. If either party disagrees with the Court of Appeal's decision to enforce the award, they can appeal to the Supreme Court.
 - c. The Supreme Court, upon reviewing the case, has the authority to either affirm or overturn the Court of Appeal's decision.
- 4. Ensuring Consistency and Fairness:
 - a. The provision contributes to consistency in enforcing foreign arbitral awards by treating them similarly to domestic judgments.
 - b. Allowing an appeal to the Supreme Court provides an additional layer of review to ensure fairness and proper application of the law.
- 5. Importance of Enforceability: Recognising foreign arbitral awards as enforceable judgments encourages international arbitration and provides parties with the confidence that their awards will be honoured in accordance with the same principles as domestic judgments.

Conclusion: Section 59 of the Swedish Arbitration Act outlines the consequences of the Court of Appeal's decision to grant an application for the enforcement of a foreign arbitral award. By treating the award as a final judgment of a Swedish court and allowing the possibility of an appeal to the Supreme Court, this section establishes a clear procedure for enforcing foreign arbitral awards while maintaining fairness, consistency, and the principles of due process.

Section 60

If a security measure has been granted in accordance with Chapter 15 of the Code of Judicial Procedure, in conjunction with the application of Section 7 of the same Chapter, a request for arbitration abroad which might result in an award which is recognized and may be enforced in Sweden shall be equated with the commencement of an action.

If an application for the enforcement of a foreign award has been lodged, the Court of Appeal shall examine a request for a security measure or a request to set aside such decision.

Section 60 of the Swedish Arbitration Act addresses the relationship between arbitration proceedings abroad and the enforcement of foreign arbitral awards. Let us analyse this section:



- 1. Equating Request for Arbitration Abroad with Commencement of Action:
 - a. This section establishes that when a request for arbitration abroad is made, which might lead to an award that can be recognised and enforced in Sweden, that request is equated with the commencement of a legal action.
 - b. This means that the process of initiating arbitration proceedings abroad is considered equivalent to filing a lawsuit in a domestic court in terms of its legal implications.
- 2. Security Measures and Equivalency with Actions:
 - a. The section specifies that if a security measure has been granted in accordance with the provisions outlined in Chapter 15 of the Code of Judicial Procedure, along with the application of Section 7 of the same chapter, the request for arbitration abroad is treated as if it were the initiation of a legal action.
 - b. This is important for situations where parties seek security measures before or during arbitration proceedings to protect their rights, assets, or interests.
- 3. Equating Enforcement of Foreign Award with Legal Action:
 - a. If an application for the enforcement of a foreign arbitral award has been lodged, this section mandates that the Court of Appeal should examine requests for security measures or requests to set aside such decisions related to the enforcement of the award.
 - b. This provision ensures that matters related to the enforcement of foreign arbitral awards are treated with a similar level of scrutiny and attention as legal actions brought before domestic courts.
- 4. Ensuring Consistency and Procedural Fairness: By equating requests for arbitration abroad with legal actions and ensuring that similar principles are applied to enforcement requests, this section contributes to a consistent and fair approach to both domestic and international dispute resolution processes.
- 5. Streamlining the Process: Treating certain arbitration-related actions as equivalent to legal actions streamlines the procedural framework and clarifies the legal implications of initiating arbitration proceedings abroad or seeking enforcement of foreign awards in Sweden.

Conclusion: Section 60 of the Swedish Arbitration Act establishes the legal equivalence between certain arbitration-related actions abroad and the commencement of legal actions in domestic courts. This provision ensures that requests for arbitration abroad, security measures, and enforcement of foreign awards are all handled with the appropriate level of attention and procedural fairness. It contributes to a coherent framework for handling various aspects of international arbitration within the Swedish legal system.



Provisional Regulations

1999:116

1. This Act shall enter into force on 1 April 1999, at which time the Arbitration Act (SFS 1929:145) and the Foreign Arbitration Agreements and Awards Act (SFS 1929:147) shall be repealed.

Regulation 1 of the Swedish Arbitration Act pertains to the effective date of the Act, the repeal of existing legislation, and the transition to the new legal framework. Let us analyse this regulation:

1. Effective Date:

- Regulation 1 specifies that the Swedish Arbitration Act shall enter into force on 1 April 1999.
- b. This means that the provisions of the new Arbitration Act would start applying from this date onwards.

2. Repeal of Existing Legislation:

- a. The regulation states that with the entry into force of the new Arbitration Act, two existing laws would be repealed.
- b. The first repealed law is the "Arbitration Act" (SFS 1929:145).
- c. The second repealed law is the "Foreign Arbitration Agreements and Awards Act" (SFS 1929:147).

3. Implications of Repeal:

- a. The repeal of the previous Arbitration Act and the Foreign Arbitration Agreements and Awards Act signifies that these laws would no longer be in effect once the new Arbitration Act takes effect.
- b. The old laws are being replaced by the new comprehensive Swedish Arbitration Act.

4. Transition to the New Legal Framework:

- a. The effective date and the repeal of the old laws mark a transition to the new legal framework for arbitration in Sweden.
- Any arbitration proceedings initiated after 1 April 1999 would be governed by the provisions of the new Swedish Arbitration Act.

5. Context and Impact:

- a. This regulation sets the stage for the implementation of the new arbitration legislation in Sweden.
- b. The new Arbitration Act aimed to modernise and streamline the arbitration process and bring it in line with international standards and best practices.



c. Repealing the old laws ensures that the legal landscape for arbitration in Sweden is consistent and up-to-date.

Conclusion: Regulation 1 of the Swedish Arbitration Act establishes the effective date of the Act, repeals the prior Arbitration Act and the Foreign Arbitration Agreements and Awards Act, and marks the transition to a new legal framework for arbitration in Sweden. This regulation is a key step in modernising the arbitration process in the country and aligning it with international standards.

The previous Act shall apply to arbitral proceedings which have been commenced prior to the
entry into force or, with respect to enforcement of a foreign award, when the application for
enforcement was lodged prior to the entry into force.

Regulation 2 of the Swedish Arbitration Act addresses the transitional provisions for arbitral proceedings that were initiated or for the enforcement of foreign awards that were applied for prior to the new Act's entry into force. Let us analyse this regulation:

- 1. Applicability of the Previous Act:
 - a. Regulation 2 states that the previous Arbitration Act (SFS 1929:145) shall apply to certain situations despite the new Act's entry into force.
 - b. The situations specified are those involving arbitral proceedings that were commenced prior to the entry into force of the new Act.
- 2. Arbitral Proceedings Commenced Prior to Entry into Force:
 - If arbitral proceedings were initiated before the effective date of the new Act (1
 April 1999), the previous Arbitration Act (SFS 1929:145) would still apply to those
 proceedings.
 - b. This means that ongoing arbitration cases that were already in progress under the old Act's provisions would continue to be governed by those provisions.
- 3. Enforcement of Foreign Awards:
 - a. The regulation also applies to the enforcement of foreign awards.
 - b. If an application for the enforcement of a foreign award was lodged before the new Act's effective date, the enforcement process would be subject to the provisions of the previous Arbitration Act.
- 4. Implications:
 - a. Regulation 2 ensures continuity and legal certainty by allowing arbitral proceedings and enforcement processes that were already in motion before the new Act's enactment to be completed under the rules of the previous Act.
 - b. This avoids disrupting ongoing cases by introducing new legal provisions midprocess.



5. Context and Impact:

- a. This regulation serves to manage the transition from the old arbitration legal framework to the new one in a way that respects the rights and expectations of parties involved in ongoing arbitration matters.
- b. It demonstrates an understanding of the need for stability and predictability in the resolution of disputes that were already underway before the new Act's implementation.

Conclusion: Regulation 2 of the Swedish Arbitration Act provides for the continued application of the previous Arbitration Act to arbitral proceedings that were commenced or for the enforcement of foreign awards that were applied for prior to the entry into force of the new Act. This regulation aims to ensure a smooth transition between the old and new legal frameworks for arbitration, maintaining consistency and legal predictability for ongoing cases.

3. Where an arbitration agreement has been concluded prior to the entry into force, the provisions of section 18, second paragraph, section 21, first paragraph, sub-section 1, and section 26, second and third paragraphs of the Arbitration Act (SFS 1929:145) shall apply, with respect to the period within which the award shall be rendered, to proceedings that are commenced within two years from the date of the entry into force of the new Act.

Regulation 3 of the Swedish Arbitration Act pertains to the transitional provisions related to the application of specific sections from the old Arbitration Act (SFS 1929:145) to arbitration agreements concluded prior to the new Act's entry into force. Let us break down this regulation:

- 1. Application to Arbitration Agreements Concluded Prior to Entry into Force:
 - a. Regulation 3 focuses on arbitration agreements that were concluded before the new Act's effective date (1 April 1999).
 - b. It specifies that certain provisions from the previous Arbitration Act (SFS 1929:145) shall continue to apply to arbitration proceedings arising from such pre-existing agreements.

2. Sections Covered:

- a. The regulation identifies the specific sections from the old Act that will continue to be relevant within the specified timeframe.
- b. Section 18, second paragraph: This section likely pertains to the timeframe within which the arbitration award must be rendered.
- c. Section 21, first paragraph, sub-section 1: This section likely addresses the impartial handling of disputes by arbitrators.
- d. Section 26, second and third paragraphs: This section likely relates to the procedure for submitting applications to the District Court and related processes.



3. Timeframe for Application:

- a. The provisions specified in Regulation 3 will apply to arbitration proceedings that are commenced within two years from the date the new Act enters into force.
- b. This implies that for arbitration agreements concluded prior to the new Act's effective date, parties have a window of two years to initiate proceedings that will be subject to the mentioned sections of the old Act.

4. Context and Purpose:

- a. Regulation 3 serves as a mechanism to ensure a smooth transition for arbitration proceedings stemming from agreements made before the new Act's enactment.
- b. By allowing certain provisions from the old Act to continue to apply within a defined period, the regulation recognises the legitimate expectations of parties who had entered into arbitration agreements under the previous legal framework.

5. Implications:

- a. This regulation provides legal certainty and clarity to parties with existing arbitration agreements by specifying the rules that will govern their proceedings during the transitional phase.
- b. It acknowledges the fact that parties would have structured their agreements and anticipated certain procedures based on the provisions of the old Act.

Conclusion: Regulation 3 of the Swedish Arbitration Act outlines the applicability of specific sections from the old Arbitration Act (SFS 1929:145) to arbitration proceedings initiated within two years of the new Act's entry into force, for agreements concluded before the new Act. This regulation aims to ensure that parties with existing agreements can continue their proceedings under the familiar provisions, maintaining consistency and respecting their expectations.

4. In the circumstances set forth in sub-sections 2 and 3, the parties may agree that only the new Act shall apply.

Regulation 4 of the Swedish Arbitration Act addresses the possibility for parties to agree that only the new Act shall apply in certain circumstances. Let us analyse the key aspects of this regulation:

- 1. Reference to Sub-Sections 2 and 3: Regulation 4 refers to "the circumstances set forth in sub-sections 2 and 3". This suggests that the regulation is related to specific conditions or situations outlined in the previous sections of the Act.
- 2. Flexibility in Choosing Applicable Law:
 - a. The regulation grants parties the option to agree that only the new Act shall apply to their arbitration proceedings.



- b. This provision reflects the principle of party autonomy in arbitration, allowing parties to customise the procedural and substantive aspects of their arbitration agreement.
- 3. Sub-Section 2: Applicability of the Old Act:
 - a. It is essential to refer to sub-section 2 mentioned in the regulation to understand the context fully.
 - b. Sub-section 2 likely outlines circumstances where certain provisions of the old Arbitration Act (SFS 1929:145) continue to apply to arbitration agreements concluded before the new Act's entry into force.
 - c. Parties may choose to override the application of those provisions by agreeing that only the new Act shall govern their proceedings.
- 4. Sub-Section 3: Time-Limited Application of Old Act:
 - a. Sub-section 3 might describe another set of circumstances in which specific sections of the old Act apply to arbitration agreements concluded before the new Act's entry into force.
 - b. Similar to sub-section 2, parties can decide that only the new Act shall govern, thereby potentially excluding the application of certain provisions from the old Act.
- 5. Purpose and Implications:
 - a. Regulation 4 provides parties with the freedom to tailor the legal framework that governs their arbitration proceedings.
 - b. By allowing parties to choose whether only the new Act applies, this regulation respects the parties' preferences and intentions while preserving the flexibility that arbitration is known for.
- 6. Legal Certainty and Consistency: The regulation contributes to legal clarity and consistency by allowing parties to establish a uniform legal basis for their arbitration, regardless of whether the old or new Act would have otherwise applied.

Conclusion: Regulation 4 of the Swedish Arbitration Act empowers parties to agree that only the new Act shall apply to their arbitration proceedings, even if certain circumstances specified in sub-sections 2 and 3 might have triggered the application of the old Act. This provision underscores the significance of party autonomy in arbitration and enables parties to create a tailored and coherent legal framework for their dispute resolution process.

5. References in statutes or other legislation to the Arbitration Act (SFS 1929:145) shall refer instead to the new Act.

Regulation 5 of the Swedish Arbitration Act addresses the issue of references to the repealed Arbitration Act (SFS 1929:145) in other statutes or legislation. Here is an analysis of this regulation:



1. Updating Legal References:

- a. Regulation 5 stipulates that references to the old Arbitration Act (SFS 1929:145) in other statutes or legislation shall be understood to refer to the new Act.
- b. This regulation is essentially a transitional provision that ensures that existing legal references in other laws, regulations, or documents remain accurate and applicable after the introduction of the new Arbitration Act.

2. Consistency and Clarity:

- a. The purpose of this regulation is to maintain consistency and clarity in the legal system by avoiding confusion caused by outdated references to the repealed Arbitration Act.
- b. As the old Act is being replaced by the new Act, updating references is crucial to prevent misunderstandings and ensure that the correct legal framework is followed.

3. Avoiding Interpretation Issues:

- If references to the old Act were not updated, there could be potential confusion regarding which provisions apply, leading to interpretation issues and legal uncertainty.
- b. By explicitly stating that references shall be understood to mean the new Act, this regulation aims to eliminate such ambiguity.

4. Facilitating Legal Transition:

- a. During legal transitions such as the enactment of a new law or the repeal of an old one, it is common to include provisions like Regulation 5 to address how references in existing legal documents should be treated.
- b. This helps to smoothly integrate the new legal framework without disrupting the continuity of existing laws.
- 5. Preserving Legislative Intent: By updating references to the new Act, Regulation 5 ensures that legislative intent is upheld. Laws are often interconnected, and accurate references are essential to maintain the intended legal relationships.

Conclusion: Regulation 5 of the Swedish Arbitration Act serves as a transitional provision that directs the updating of references from the repealed Arbitration Act (SFS 1929:145) to the new Act. This provision is designed to maintain legal clarity, consistency, and accurate interpretation during the transition to the new legal framework, thereby facilitating a seamless integration of the new Act into the broader legal landscape.



2018:1954

1. This Act shall enter into force on 1 March 2019.

Regulation 1 of the Swedish Arbitration Act addresses the commencement of the Act by specifying its effective date. Here is an analysis of this regulation:

1. Effective Date:

- a. Regulation 1 states that the Swedish Arbitration Act shall enter into force on 1 March 2019.
- b. The regulation establishes the date on which the new Act will become operative and applicable within the Swedish legal system.

2. Implementation Timing:

- a. By indicating the specific date of commencement, Regulation 1 provides legal certainty regarding when the provisions of the new Arbitration Act will take effect.
- b. This is important for ensuring a smooth transition from the previous legal framework to the new one.

3. Legislative Intent:

- a. The specified effective date reflects the legislative intent to enact the new Arbitration Act and have its provisions applied from that particular day onward.
- b. It demonstrates a deliberate decision by the lawmakers to replace the older legislation with the new Act on that specific date.

4. Transition Planning:

- a. Announcing the effective date well in advance allows legal practitioners, arbitrators, parties to disputes, and other stakeholders to prepare for the changes brought about by the new Act.
- b. It provides time for familiarisation with the Act's provisions and the adjustment of procedures accordingly.
- 5. Certainty and Consistency: Regulation 1 ensures that there is clarity regarding when the old Arbitration Act will be replaced by the new one. This prevents any ambiguity about which legal provisions are in effect at any given time.
- 6. Legal Continuity: During the transition from the old Act to the new Act, there may be ongoing arbitral proceedings or other legal matters. By setting a specific effective date, the regulation ensures a clear demarcation point for the application of the different legal regimes.

Conclusion: Regulation 1 of the Swedish Arbitration Act plays a fundamental role in establishing the date on which the new Act will come into force. By specifying 1 March 2019 as the effective date, this regulation provides clarity, certainty, and predictability in the transition from the previous Arbitration



Act to the new framework. It reflects the legislative intent to implement the new Act and is a foundational element in the process of legal reform and change.

- 2. Older provisions still apply to arbitral proceedings which have been commenced prior to the entry into force. Despite this, the following new provisions shall still apply:
 - (a) the applicable procedural order in Section 41 and the possibility to allow for oral evidence in English in Section 45 a in procedures initiated after the entry into force, and
 - (b) the requirement of leave to appeal in Section 43, second paragraph, for appeals of Court of Appeal determinations that are rendered after the entry into force.

Regulation 2 of the Swedish Arbitration Act addresses the transitional provisions and the interplay between the older provisions and the new provisions introduced by the Act. Here is an analysis of this regulation:

- 1. Commencement Timing:
 - a. Regulation 2 clarifies that the older provisions of the Arbitration Act still apply to arbitral proceedings that were commenced before the new Act's entry into force.
 - b. This provision ensures continuity in ongoing proceedings and respects the parties' expectations based on the legal framework in place when they initiated the arbitration.
- 2. Exceptional Application of New Provisions:
 - a. Despite the general application of older provisions, Regulation 2 stipulates that specific new provisions will apply to proceedings commenced before the entry into force of the new Act.
 - b. This exceptional application of certain new provisions indicates that the lawmakers intended to introduce these specific changes irrespective of when the arbitration was initiated.
- 3. New Procedural Orders:
 - a. Subsection (a) of Regulation 2 highlights that the applicable procedural order outlined in Section 41 of the new Act will apply to proceedings initiated after the new Act's entry into force.
 - b. This indicates the importance of the procedural order and its impact on the conduct of arbitral proceedings, aligning it with the new provisions for proceedings initiated after the Act's implementation.
- 4. Language of Oral Evidence:



- a. Subsection (a) also introduces the possibility of allowing oral evidence in English without interpretation into Swedish in proceedings initiated after the new Act's entry into force, as outlined in Section 45a.
- b. This provision recognises the significance of language flexibility in international arbitration, acknowledging the changing dynamics of cross-border disputes.
- 5. Leave to Appeal for Court of Appeal Determinations:
 - a. Subsection (b) of Regulation 2 emphasises that the new requirement of leave to appeal in Section 43, second paragraph, for appeals of Court of Appeal determinations applies to determinations rendered after the entry into force of the new Act.
 - b. This change introduces a procedural requirement for certain appeals, ensuring that parties have a clear understanding of the process for challenging Court of Appeal determinations.

6. Transitional Balance:

- a. Regulation 2 strikes a balance between the need for continuity in ongoing proceedings and the desire to introduce specific changes and improvements provided by the new Act.
- b. By applying selected new provisions to proceedings initiated after the entry into force, the regulation demonstrates a careful consideration of the practical impact of these provisions on ongoing arbitrations.

Conclusion: Regulation 2 of the Swedish Arbitration Act governs the transitional provisions between the older and new legal frameworks. It preserves the application of older provisions for ongoing proceedings while selectively introducing new provisions that address procedural orders, language of oral evidence, and the requirement of leave to appeal for certain determinations. This regulation ensures a smooth transition to the new Act while respecting the rights and expectations of parties involved in ongoing arbitral proceedings.





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