

# Legal 500

## Country Comparative Guides 2024

### The Netherlands

#### International Arbitration

#### Contributor

Florent

The logo for Florent, featuring the word "florent" in a lowercase, sans-serif font. The "f" is white, and the rest of the word is in a dark blue color. The logo is set against a white square background.

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This country-specific Q&A provides an overview of international arbitration laws and regulations applicable in The Netherlands.

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# The Netherlands: International Arbitration

## 1. What legislation applies to arbitration in your country? Are there any mandatory laws?

Since 1986, the Dutch arbitration act (the 'Arbitration Act') is set out in the Fourth Book of the Dutch Code of Civil Procedure (the 'DCCP'). The majority of provisions of the Arbitration Act are non-mandatory. The mandatory rules of the Arbitration Act include the rule on arbitrability (Article 1020(3) DCCP), the rule that the Tribunal shall consist of an uneven number of arbitrators (1026 DCCP), the principle of equal treatment of the parties (Article 1036 (2) DCCP), the rule that arbitrators shall be independent and impartial (Article 1033(1) DCCP) and the rule that in principle and save for an express agreement between the parties to the contrary, awards shall be reasoned (Article 1057 (1) DCCP).

## 2. Is your country a signatory to the New York Convention? Are there any reservations to the general obligations of the Convention?

The Netherlands is a signatory to the New York Convention ('NYC'). The NYC entered into force in the Netherlands on 7 June 1959. The Netherlands filed a declaration of reciprocity, as provided by Article 1(3) of the NYC.

## 3. What other arbitration-related treaties and conventions is your country a party to?

The Netherlands is a party to various multilateral and bilateral investment treaties that contain arbitration sections, most notably the Energy Charter Treaty ('ECT'). As regards the ECT, we note that on the 27<sup>th</sup> of June 2024 the Netherlands has withdrawn from the ECT. Under Article 47 (2) ECT any such withdrawal shall take effect upon the expiry of one year after the date of the notification. Therefore, the withdrawal from the ECT by the Netherlands shall take effect on the 28<sup>th</sup> of June 2025. According to Article 47(3) of the ECT (the Sunset Clause), all investments covered by the ECT at the time the withdrawal takes effect will continue enjoying protection for 20 years from such date.

## 4. Is the law governing international arbitration in

## your country based on the UNCITRAL Model Law? Are there significant differences between the two?

The Arbitration Act was inspired by the 1976 UNCITRAL Rules and by the *travaux préparatoires* of the UNCITRAL Model Law of 1985. There are no significant differences between the current version of the Arbitration Act and the UNCITRAL Model Law of 1985.

## 5. Are there any impending plans to reform the arbitration laws in your country?

In 2015, the Arbitration Act was extensively amended in order to (amongst others) improve the efficiency of arbitration proceedings and to enlarge the parties' autonomy. Major changes in legislation are not to be expected on the short term.

## 6. What arbitral institutions (if any) exist in your country? When were their rules last amended? Are any amendments being considered?

The Netherlands hosts a variety of arbitration institutes, most of which apply their own arbitration rules. The Netherlands Arbitration Institute ('NAI') (founded in 1949) is the largest general arbitration institute in the Netherlands. On the 22<sup>nd</sup> of June 2024, the NAI celebrated its 75<sup>th</sup> anniversary. The Arbitration Board for the Building Industry (founded in 1907) is a renowned arbitration institute for construction disputes ('ABBI'). There are also various specialised institutions for specific markets.

In March 2024 the NAI's new arbitration rules were issued (the 2024 NAI Arbitration Rules). The 2024 NAI Arbitration Rules were issued mainly for the purpose of increasing the efficiency and accelerating the resolution of disputes. An example of the implementation of such intended purpose is the introduction of a regime of expedited proceedings applying to all proceedings with a financial interest of up to EUR 1 million unless expressly excluded and to all other proceedings where an express choice is made by the parties for such proceedings. In expedited proceedings the arbitral tribunal consists of a sole arbitrator. There shall only be one hearing and each party is entitled to file just one written statement (save for the case that a counter claim is filed). The new rules provide

for the anonymised publication of out of court decisions on the challenge of arbitrators as provided by the NAI-Rules since 2015 (Article 7(3) of the 2024 NAI Arbitration Rules). Under the new rules, the seat of all arbitrations is Amsterdam, unless the parties shall decide otherwise. This choice was made to facilitate the access to the NCC Court of Appeal for setting aside proceedings in English. In addition to the quest for more efficiency and speed, the issuance of the new regulations was triggered by the institute's desire to promote sustainability, diversity and inclusivity.

## 7. Is there a specialist arbitration court in your country?

There are no specialist courts in the Netherlands for arbitration-related matters.

## 8. What are the validity requirements for an arbitration agreement under the laws of your country?

Under Dutch law a valid arbitration agreement requires that there is (i) a validly concluded agreement under general rules of contract law, providing for (ii) the settlement by arbitration of (iii) disputes having arisen or to arise out of a defined legal relationship (Article 1020 DCCP).

## 9. Are arbitration clauses considered separable from the main contract?

Yes, pursuant to Article 1053 DCCP an arbitration agreement shall be considered and decided upon as a separate agreement. If a Tribunal's jurisdiction is challenged, the Tribunal shall rule on its jurisdiction. Tribunals are allowed to deny jurisdiction *ex officio* if it is found that the dispute submitted to them is not arbitrable.

## 10. Do the courts of your country apply a validation principle under which an arbitration agreement should be considered valid and enforceable if it would be so considered under at least one of the national laws potentially applicable to it?

Yes. According to Article 10:166 of the Dutch Civil Code ('DCC') an arbitration agreement shall be considered valid and enforceable to the extent this would be the case according to (i) the law chosen by the parties, (ii) the law

of the place of arbitration or (iii) the law that applies to the legal relationship to which the arbitration agreement pertains.

## 11. Is there anything particular to note in your jurisdiction with regard to multi-party or multi-contract arbitration?

Third parties can join or intervene in pending arbitration proceedings, provided that the third party is a signatory to the arbitration agreement in force between the original parties. On the same basis, third parties can be impleaded in pending arbitration proceedings (Article 1045 DCCP). Where arbitration proceedings on related issues are pending, their consolidation can be requested under Article 1046 DCCP. The proceedings will then to the extent practicable be conducted in parallel by one single Tribunal, rendering two single awards.

## 12. In what instances can third parties or non-signatories be bound by an arbitration agreement? Are there any recent court decisions on these issues?

Third parties having acquired contractual rights or duties by for instance assignment, delegation, or subrogation will as a rule be bound by the arbitration agreement relating to such rights or duties, as agreed between the original contracting parties. Whether in the event of a pledged claim the collecting pledgee is bound by the arbitration agreement between the pledger and its debtor is uncertain. The question was answered in the affirmative by at least three arbitral awards rendered under the rules of the ABBI. In certain cases, the Courts have decided to the contrary.

## 13. Are any types of dispute considered non-arbitrable? Has there been any evolution in this regard in recent years?

Disputes may be non-arbitrable as a result of a specific rule of law or as a result of the operation of public policy. For instance, only the Courts have jurisdiction to cancel a patent (Article 80 Patents Act). Public policy may bring about the non-arbitrability of a dispute where third-party rights are likely to be involved, such as inquiries into the company's affairs due to mismanagement or the nullification of an appointment of a company's representative.

#### 14. Are there any recent court decisions in your country concerning the choice of law applicable to an arbitration agreement where no such law has been specified by the Parties?

Article 10:166 DCC allows the parties to elect the law that shall apply to the substantive validity of an arbitration agreement. In the absence of such choice, the validity of arbitration agreements is determined by the law of the seat of arbitration or by the law governing the relationship between the parties, to which the arbitration agreement refers. The substantive validity of the arbitration agreement is evidenced by any of the aforesaid laws. According to Article 10:166 DCC, these laws are of equal ranking.

#### 15. How is the law applicable to the substance determined? Is there a specific set of choice of law rules in your country?

Article 1054(2) DCCP provides that a choice of law between the parties shall be respected by the Tribunal. Absent such choice of law, the Tribunal shall apply the rules of law that it considers appropriate (the so-called *voie directe*). In so doing, the Tribunal is not bound by any conflict of law rule (including Regulation (EC) 593/2008 ('*Rome-I*')), but tribunals will often seek guidance in existing conflict of law rules in the place of arbitration or elsewhere.

#### 16. In your country, are there any restrictions in the appointment of arbitrators?

Yes. The arbitrator should be a natural person of legal capacity (Article 1023 DCCP). A person's nationality shall not constitute an impediment for his appointment unless the parties shall agree otherwise with a view to issues of independence and impartiality. Tribunals shall be composed of an uneven number of arbitrators (see also question 1).

#### 17. Are there any default requirements as to the selection of a tribunal?

Yes. Members of the Tribunal are appointed by the method agreed upon between them or in the absence thereof by the parties jointly. If within three months a tribunal is not appointed, a request may be filed to the Court for the appointment of the missing arbitrator(s) (Article 1027 DCCP).

#### 18. Can the local courts intervene in the selection of arbitrators? If so, how?

Yes. Not only can the Courts appoint one or more arbitrators if after three months from the notice of arbitration not all members of the Tribunal were appointed (see the answer to question 17) (Article 1027 DCCP), but it can also fix the number of arbitrators in the tribunal (Article 1026 DCCP). In both cases the decision of a Court occurs upon a request by either party. The Court has no authority to (at the time of appointment) assess the quality of the arbitrator of its own accord.

#### 19. Can the appointment of an arbitrator be challenged? What are the grounds for such challenge? What is the procedure for such challenge?

Yes. An arbitrator may be challenged if there is justified doubt about his/her impartiality or independence (Article 1033(1) DCCP). Within ultimately four weeks from the moment the reasons for challenging became known to the challenging party, the challenge shall be communicated to the relevant arbitrator, the other party or parties and to the remaining arbitrators. If the challenged arbitrator does not resign from the Tribunal within two weeks, the matter may be taken to Court for a decision on the merits. The parties are allowed to agree that challenges shall be handled by an independent third person rather than by a Court. They may also agree to extend or shorten the time-limits set out in the Arbitration Act (Article 1035 DCCP).

#### 20. Have there been any recent developments concerning the duty of independence and impartiality of the arbitrators, including the duty of disclosure?

This year, the NAI introduced additional safeguards for the independence and impartiality of arbitrators, including: (i) a new disclosure requirement concerning third-party funding, (ii) stricter declarations of independence, impartiality, availability, and electronic accessibility for arbitrators, (iii) mandatory contact with the NAI when co-arbitrators appoint a chairperson, and (iv) improvements to the challenge procedure for arbitrators, including an anti-abuse provision. See also our answer to question 6.

#### 21. What happens in the case of a truncated

## tribunal? Is the tribunal able to continue with the proceedings?

An arbitrator having been released from his mandate shall be replaced. Unless the parties have agreed otherwise, the arbitral proceedings shall be suspended by operation of law (Articles 1029 and 1030 DCCP).

## 22. Are arbitrators immune from liability?

Essentially, arbitrators are providers of services to the parties. As such they may be held liable for damages by the parties or one of them. According to two judgements by the Supreme Court rendered in 2009 and 2016, the test for an arbitrator's liability is his or her 'intentional or knowingly recklessly acting' in the performance of his duties, or his acting with 'manifest gross disregard for what constitutes proper performance of duties'.<sup>1</sup>

### Footnote(s):

<sup>1</sup> Supreme Court 4 December 2009, ECLI:NL:HR:2009:BJ7834 (*Greenworld*) and Supreme Court 30 September 2016, ECLI:NL:HR:2016:2215 (*Qnow*).

## 23. Is the principle of competence-competence recognised in your country?

Yes, this principle is laid down in Article 1052(2) DCCP.

## 24. What is the approach of local courts towards a party commencing litigation in apparent breach of an arbitration agreement?

On the assumption of the arbitration agreement's validity and enforceability, the Court shall decline jurisdiction subject to such jurisdiction being challenged by the other party (Article 1022 DCCP). Absent the other party's timely challenge, and on the assumption that the Court otherwise has jurisdiction, the Court shall proceed on the merits.

## 25. What happens when a respondent fails to participate in the arbitration? Can the local courts compel participation?

If the defendant has been given a proper opportunity to defend, but fails to do so, the Tribunal may render an award immediately, whereby the claim may be granted unless it appears to the Tribunal to be unlawful or unfounded (Article 1043a DCCP). Prior to pronouncing its

award, the Tribunal may grant the opportunity to the claimant to supply evidence of one or more of its statements. The Courts have no authority to actually compel a party to appear in arbitration proceedings.

## 26. Can third parties voluntarily join arbitration proceedings? If all parties agree to the intervention, is the tribunal bound by this agreement? If all parties do not agree to the intervention, can the tribunal allow for it?

Yes, the Tribunal may permit a third party having any interest in pending arbitral proceedings to join or intervene therein upon its written request, provided that the same arbitration agreement between the parties and the third party shall be in force or take effect as between the original parties, and unless the parties have agreed otherwise (Article 1045(1) DCCP (impleader) and Article 1054a(1) DCCP (intervention)). The parties shall be given an opportunity to express their views on the joinder or intervention (Article 1045(2) and 1045(3) DCCP), but it is the Tribunal that ultimately decides whether to admit the third party.

## 27. What interim measures are available? Will local courts issue interim measures pending the constitution of the tribunal?

During arbitral proceedings the Tribunal has the authority to pronounce interim measures upon a request by a party, save for the rendering of freezing orders (Article 1043b (1) DCCP). Interim measures may be pronounced in separate proceedings for the sole purpose of interim measures to be granted, provided the rendering of such measures is covered by the arbitration agreement (Article 1043b (2) DCCP). If a request for interim measures is taken to Court, and if the respondent invokes the existence of an arbitration agreement prior to raising its defence, the Court shall deny jurisdiction unless the remedy in question cannot or not timely be obtained in arbitration.

## 28. Are anti-suit and/or anti-arbitration injunctions available and enforceable in your country?

In the Netherlands, anti-suit injunctions are rarely applied for and the cases where such injunctions are granted are even smaller in number. For an anti-suit injunction to be awarded a party's action in Court should be qualified as an abuse of right. For that to be the case, evidence should be provided that the intended action should be qualified



as a nonstarter from the beginning.<sup>2</sup> Based on cases decided by the EU Court of Justice, a Court of a Member State shall not order a party to abstain from commencing legal proceedings in another Member State.<sup>3</sup>

An order sought by the Polish Republic against the Dutch claimant in arbitration proceedings in London under the 1992 Polish-Dutch BIT to bring about the termination or the suspension thereof, was denied by the Amsterdam provisional relief judge.<sup>4</sup> The Polish Republic's main argument was that, as a result of the CJEU's judgment in the *Achmea* case<sup>5</sup> and of the subsequent termination of all intra-EU BITs by the multilateral agreement between the EU member States of 5 May 2020, the arbitration clause in the Polish-Dutch BIT of 1992 was no longer valid. Holding that jurisdiction on the issue of the validity of an arbitration agreement solely lies with the Courts of the seat of arbitration, which is London, the claim for termination of the proceedings was denied. The claim for suspension of the arbitration proceedings, based on the investors continuing the proceedings notwithstanding the arbitration clause's lack of validity (abuse of right), was mainly dismissed on the ground of a lack of certainty as to the position of the English Courts on the issue of jurisdiction if such issue would be submitted to them in the future.<sup>6</sup>

In another recent judgment by the provisional relief judge of the Amsterdam Court, Spain's request to withdraw proceedings initiated in the United States for the grant of exequatur for a Swiss arbitral award was also denied.<sup>7</sup>

#### Footnote(s):

<sup>2</sup> See for instance the NAI award 4368 of 15 April 2016, *TvA* 2018/4.

<sup>3</sup> EC Court of Justice 15 April 2004 Case number C-159/02 (*Turner/Grovit*) and EU Court of Justice 10 February 2009, case number C-195.07 (*West Tankers*).

<sup>4</sup> District Court of Amsterdam 1 September 2022, ECLI:NL:RBAMS:2022:5772.

<sup>5</sup> CJEU 6 March 2018, C-284/16, ECLI:EU:C:2018:158 (*Achmea*).

<sup>6</sup> District Court of Amsterdam 1 September 2022, ECLI:NL:RBAMS:2022:5772.

<sup>7</sup> District Court of Amsterdam 15 March 2023, ECLI:NL:RBAMS:2023:1541.

### 29. Are there particular rules governing evidentiary matters in arbitration? Will the local courts in your jurisdiction play any role in the obtaining of evidence? Can local courts compel witnesses to participate in arbitration proceedings?

There are no specific rules of evidence in arbitration. The rules of procedure shall be determined at the Tribunal's discretion (Article 1039(1) DCCP). The parties may file a request to the Courts for a preliminary hearing of witnesses to be organized. In the case of unwilling witnesses, the tribunal may file a petition to a Court to appoint a judge who shall interrogate the unwilling witness together with the tribunal (Article 1041a DCCP).

### 30. What ethical codes and other professional standards, if any, apply to counsel and arbitrators conducting proceedings in your country?

There is no specific code of conduct for arbitration. There is however a general code of conduct for counsel. This code applies when counsel acts in his/her professional capacity and in rare cases outside of such capacity (for instance when harm has been caused to the legal profession).

### 31. In your country, are there any rules with respect to the confidentiality of arbitration proceedings?

The issue of confidentiality in arbitration is unregulated in the laws of the Netherlands. Yet it is common ground among practitioners that confidentiality is to be observed with respect to all aspects of the arbitral proceedings save if disclosure is required by law, such as in the case of Court proceedings on an arbitral award's setting aside. The duty of confidentiality is included in the arbitration rules of certain arbitration institutes, such as the NAI.

### 32. How are the costs of arbitration proceedings estimated and allocated? Can pre- and post-award interest be included on the principal claim and costs incurred?

The Arbitration Act contains no rules on the estimation and allocation of costs as such. The issue of costs and their allocation to the parties is accordingly a matter for the arbitration rules of the relevant arbitration institute or

for the parties to be settled. The NAI rules provide that the costs of arbitration consisting of the administration costs charged by the institute and the arbitrators' costs and fees, and the parties' costs of legal assistance shall be determined by the tribunal (subject to the arbitrators' fees being determined by the administrator) and shall in principle be borne by the unsuccessful party. The parties are allowed to claim full compensation of their costs of legal assistance. Such claims will generally be accepted by the tribunal to the extent it is found that these costs were reasonable and necessary.

The interest awarded depends on the applicable substantive law. The Tribunal may therefore award pre- and post-award interest on the basis of the respective rules. Dutch law does not distinguish between pre- and post-award interest. Statutory interest or contractual interest will apply from the date the creditor is in default up to the date of full and final settlement.

### **33. What legal requirements are there in your country for the recognition and enforcement of an award? Is there a requirement that the award be reasoned, i.e. substantiated and motivated?**

Foreign awards rendered in States bound by the NYC are capable of recognition and enforcement in accordance with the requirements of the referenced convention (Article 1075 DCCP). Article 1076 DCCP allows for the enforcement and recognition of any foreign award, irrespective of whether such award was rendered in a State outside or within the NYC's territorial scope. According to Article VII(1) of the NYC, recognition or enforcement must not be sought on the basis of the rules of the NYC, if recognition or enforcement can also be obtained otherwise. Unlike the position in the event of a petition for leave to be granted to enforce a domestic award, there is no requirement for a foreign award to be declared enforceable or recognised. Yet, both under Article 1075 DCCP and under Article 1076 DCCP the lack of (adequate) reasoning in an award may constitute a ground for a refusal of the recognition or enforcement to the extent the lack of reasoning may qualify as a Tribunal's non-observance of its mandate or as an infringement of public policy. See also question 38.

### **34. What is the estimated timeframe for the recognition and enforcement of an award? May a party bring a motion for the recognition and enforcement of an award on an ex parte basis?**

Leave for enforcement of a domestic award will as a rule

be pronounced *ex parte*. It is for the Courts to decide at their discretion whether or not to allow the debtor to appear and to raise a defence. Accordingly, deciding on a decision on a request for enforcement will be a matter of weeks at most. Where a request for leave for enforcement of a foreign award is filed, a hearing shall be held, which the debtor shall be summoned to attend. Depending on the relevant time limits to be observed and on the debtor's domicile or place of establishment, it may take some time before a hearing can be held, and before the decision can be rendered.

### **35. Does the arbitration law of your country provide a different standard of review for recognition and enforcement of a foreign award compared with a domestic award?**

Yes, the test for refusal of a petition for leave to enforce a domestic award is whether upon a summary investigation, it is found plausible that the award will be set aside or revoked or that it is contrary to public policy. For foreign awards the test is either whether one of the grounds for refusal of Article V NYC will apply or whether one of the grounds for refusal of Article 1076 DCCP will apply. The latter are similar but not identical to the grounds set out in Article V NYC.

### **36. Does the law impose limits on the available remedies? Are some remedies not enforceable by the local courts?**

By and large, and provided the issue on which they are requested to pronounce is arbitrable, Tribunals can award the same remedies as the regular Courts.

### **37. Can arbitration awards be appealed or challenged in local courts? What are the grounds and procedure?**

Since 1986 it is no longer possible to appeal an arbitral award in Court. The remedies against (partial) final awards are (i) an award's setting aside and (ii) its revocation.

The grounds for setting aside are (i) the lack of a valid arbitration agreement, (ii) irregular composition of the arbitral tribunal, (iii) non-compliance with the tribunal's mandate (iv) non-compliance with signature requirements, (v) lack of reasoning; and (vi) infringement of public policy (Article 1065 DCCP).

The grounds for revocation are (i) fraud discovered after

the award was made (ii) discovery of forged documents underlying the award and (iii) discovery of new documents having a potential impact on the arbitral decision (Article 1068 DCCP).

Claims for setting aside and revocation are brought before one of the (four) Courts of Appeal, whose judgements can be appealed by the Supreme Court on points of law or lack of reasoning by the Court of Appeal.

### **38. Can the parties waive any rights of appeal or challenge to an award by agreement before the dispute arises (such as in the arbitration clause)?**

Unless one of the parties is a consumer, the parties are allowed to agree to waive their right to file appeal against a judgement on an award's setting aside (Article 1064a (5) DCCP).

### **39. In what instances can third parties or non-signatories be bound by an award? To what extent might a third party challenge the recognition of an award?**

The issue of third parties having acquired contractual rights to which an arbitration agreement applies was discussed in our answer to question 12. By definition, arbitral awards cannot be held against parties that are not in any way bound by the arbitration agreement. Under the Dutch Code of Civil procedure, a third party (C), whose rights are impaired by a judgement between the parties (A) and (B) may challenge the judgement rendered as third party opponent. The law does not provide for a similar action against an arbitral award.

### **40. Have there been any recent court decisions in your jurisdiction considering third party funding in connection with arbitration proceedings?**

Dutch law does not put particular restrictions on litigation funding or the degree of control that a third party litigation funder can assume in the funded lawsuit. Third party litigation funding is on the rise in the Netherlands, especially in class action lawsuits. In such lawsuits, the Courts may critically assess third party funding arrangements and may conclude that the funding agreement needs to be adjusted. In very extreme cases, a funder may be rejected. We are not aware of any court decisions considering third party funding in connection to arbitration.

Pursuant to the 2024 NAI Arbitration Rules (see question

6), it is mandatory, when initiating arbitration with NAI, to disclose the name of any non-party to the arbitration with an economic interest in the outcome due to an agreement to fund a parties (counter)claims.

### **41. Is emergency arbitrator relief available in your country? Are decisions made by emergency arbitrators readily enforceable?**

Yes. In our answer to question 27, we have stated that – to the extent the issuance of provisional measures is covered by an arbitration agreement – such interim measures can be obtained in arbitration proceedings. The Tribunal may in such a case pronounce an award which is accordingly capable of being enforced. In such cases a party may decide to commence arbitration proceedings on the merits, but it quite often happens that the parties are happy to proceed on the sole basis of the provisional measures as pronounced. In case proceedings on the merits are pending already, a request for provisional measures can usually be filed with the Tribunal that was appointed to decide on the merits.

### **42. Are there arbitral laws or arbitration institutional rules in your country providing for simplified or expedited procedures for claims under a certain value? Are they often used?**

There are no legal provisions in cases as contemplated above. The 2024 NAI Arbitration Rules introduced a regime of expedited proceedings applying to all proceedings with a financial interest of up to EUR 1 million unless expressly excluded and to all other proceedings where an express choice is made by the parties for such proceedings. We refer to our answer to question 6. Also, the ABBI provides for expedited proceedings in its arbitration rules.

### **43. Is diversity in the choice of arbitrators and counsel (e.g. gender, age, origin) actively promoted in your country? If so, how?**

Diversity is actively promoted in the Netherlands, also within law firms and the judiciary. The NAI signed the Equal Representation in Arbitration Pledge in order to promote equal opportunities for women within the field of arbitration, which will be reflected in the selection of arbitrators by the NAI. The ABBI also expressed its aim to increase the amount of women appointed as arbitrators.



#### 44. Have there been any recent court decisions in your country considering the setting aside of an award that has been enforced in another jurisdiction or vice versa?

Save in the event of exceptional circumstances an enforcement order relating to an arbitral award that has been set aside by the competent authority abroad is likely to be refused by the Dutch Courts (cf. Article V(1), preamble and (e) NYC and Article 1076(1)(g) DCCP). In a case on the enforcement of arbitral awards between Yukos Capital (Luxemburg) and (a predecessor of) Rosneft, that had been set aside by a Russian Court, an enforcement order was rendered nevertheless by the Amsterdam Court of Appeal on the ground of the Russian Court's lack of independence and impartiality, which was qualified as an *exceptional circumstance*.<sup>8</sup> By contrast to the Court of Appeal's judgment, enforcement orders were refused in a case where an arbitral award between two Russian parties, each unrelated to the Russian Federation, had been set aside by the competent Russian Court and in a case of the revocation of an arbitral award under Czech arbitration law, by another Czech Tribunal. In neither of these cases, exceptional circumstances were held to exist.<sup>9</sup>

##### Footnote(s):

<sup>8</sup> Amsterdam Court of Appeals 28 April 2009, ECLI:NL:GHAMS:2009:BI2451.

<sup>9</sup> Supreme Court 24 November 2017, ECLI:NL:HR:2017:2992; Supreme Court 15 June 2018, ECLI:NL:HR:2018:918.

#### 45. Have there been any recent court decisions in your country considering the issue of corruption? What standard do local courts apply for proving of corruption? Which party bears the burden of proving corruption?

By its judgment dated 22 October 2019, an arbitral award was set aside on account of the Hague Court of Appeal's finding that the contract underlying the parties' dispute was procured by corruption. That argument had also been discussed in the arbitral proceedings where it was rejected. In setting aside proceedings the Appellate Court proceeded to a full review of the argument (which was presented under the heading of *infringement of public policy*) and the Appellate Court decided to set aside the arbitral award. On appeal, the Appellate Court's decision was annulled by the Supreme Court's judgment of 16 July 2021 on a ground unrelated to the Court of Appeal's

finding that based on a full review of the issue of corruption,<sup>10</sup> the setting aside of the award was warranted on account of an infringement of public policy. The Supreme Court's judgment does not evidence that corruption is not or no longer to be considered as a case of infringement of public policy. The practitioners in arbitration are looking forward to a clearcut decision by the Supreme Court in this respect.

##### Footnote(s):

<sup>10</sup> Supreme Court 16 July 2021, JBPr 2022/5, ECLI:NL:HR:2021:1171 (*Wells/ Bariven*).

#### 46. What measures, if any, have arbitral institutions in your country taken in response to the COVID-19 pandemic?

The NAI, ABBI and other arbitral institutions followed the guidelines of the *National Institute for Public Health and the Environment* and have taken precautionary measures in light of COVID-19. The arbitral institutions continued operating remotely. Most hearings in arbitral proceedings were therefore held virtually or were postponed.

#### 47. Have arbitral institutions in your country implemented reforms towards greater use of technology and a more cost-effective conduct of arbitrations? Have there been any recent developments regarding virtual hearings?

Especially during and after the Covid-19 crisis, the use of virtual hearings has been on the rise. Article 1072b DCCP provides a legal basis for: (i) electronic communication during arbitral proceedings, (ii) digital submission of litigation documents; (iii) electronic awards and (iv) holding witness hearings and pleadings via videoconferencing. In November 2020 the NAI and the Dutch Arbitration Association have published the "The Hague Video Conferencing and Virtual Hearing Guidelines 2020" in order to give practical guidance on conducting a virtual hearing in (inter)national arbitrations through videoconferencing with the seat of arbitration in the Netherlands.

#### 48. Have there been any recent developments in your jurisdiction with regard to disputes on climate change and/or human rights?

Environmental, Social and Governance (ESG) related litigation is on the rise in the Netherlands. Most notable

are the Urgenda vs. the Dutch State case and Milieudefensie v Royal Dutch Shell case in which landmark decisions have been reached on obligations by the Dutch State and Royal Dutch Shell to reduce CO2emissions. On the 24<sup>th</sup> of July 2024, the District Court of Rotterdam addressed the accountability of a Brazilian mining company.<sup>11</sup> A group of residents from Maceió, in the Amazon region of Brazil, filed a lawsuit in the Netherlands against Braskem SA, a Brazilian mining firm. They alleged that mining activities in their area have caused earthquakes, leading to significant damage. The court ruled in their favour, issuing a declaratory judgment that holds Braskem liable for these damages.

Footnote(s):

<sup>11</sup> District Court of Rotterdam, ECLI:NL:RBROT:2024:6662.

**49. Do the courts in your jurisdiction consider international economic sanctions as part of their international public policy? Have there been any**

**recent decisions in your country considering the impact of sanctions on international arbitration proceedings?**

There is no recent case law on this matter.

**50. Has your country implemented any rules or regulations regarding the use of artificial intelligence, generative artificial intelligence or large language models in the context of international arbitration?**

The Netherlands has not implemented any rules or regulations regarding the use of artificial intelligence, generative artificial intelligence or large language models in the context of international arbitration. On the 21<sup>st</sup> of May 2024, the European Council approved the AI Act. The aim of the legislation is to promote the development and implementation of safe and reliable AI systems within the internal market of the European Union (EU). We do not expect this legislation to impact arbitration procedures.

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