



**ARBITRATION UNDER THE
AUSPICES OF THE
CAIRO REGIONAL CENTRE**

**REGIONAL CENTRE FOR INTERNATIONAL
COMMERCIAL ARBITRATION
CAIRO**

(Established under the auspices
of the Asian-African Legal
Consultative Committee)



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REGIONAL CENTRE FOR INTERNATIONAL COMMERCIAL ARBITRATION AT CAIRO

INTRODUCTION

The Regional Centre for International Commercial Arbitration at Cairo has been established in pursuance of a decision adopted by the Asian-African Legal Consultative Committee on the 23rd of January, 1978 at its Nineteenth Session held at Doha, in co-operation with and the assistance of the Government of the Arab Republic of Egypt as a part of the AALCC's integrated disputes settlement scheme in the economic and commercial field.

The establishment of the Regional Centre is the culmination of a series of efforts on the part of the developing countries ever since the Havana Conference held in 1947-1948 at international and regional levels within and outside the United Nations to provide a fair and adequate system for settlement of disputes arising out of international commercial transactions including foreign investments.

On the 28th of January, 1978 letters were signed between the Government of Egypt and AALCC which brought the Regional Centre for International Arbitration at Cairo into being by organizing financial and other facilities to be provided by the Government of Egypt to the Centre, for a period of three years.

Another agreement by exchange of letters was signed in Cairo between the Minister of Justices of Egypt and the Secretary-General of the Committee on the 15th of November 1983, on the same lines, stipulating that the Centre shall continue to function in accordance with the terms and conditions set out in these letters.

The agreement was approved by the People's Assembly of A.R.E. on March 20th, 1984. It was ratified on March 24th, 1984 and the Presidential Decree 104/1984 was issued in this regard.

Furthermore, a third agreement was concluded in May, 1986 for the renewal of this agreement for another period of three years. Constitutional procedures are taking place for its approval by the People's Assembly, and for its ratification.

The Regional Centre functions under the auspices of the Asian-African Legal Consultative Committee. It is a non profit making institution and has been established with the objective of providing a system for settlement of disputes for the benefit of parties engaged in trade and commerce and investments with and within the region.

The Centre has an autonomous international character. The chief executive is the Director. The seat of the Centre is Cairo. It enjoys all the privileges accorded to other international organizations in accordance with International Law.

One of the principal functions entrusted to the Centre is the provision of facilities for arbitration under the rules of the Centre for settlement of disputes in matters arising out of commercial transactions including investment disputes through fair, expeditious and inexpensive Procedures. Hence, recourse to arbitration institutions outside the region may no longer become necessary.

The rules for arbitration under the auspices of the Centre are the UNCITRAL Arbitration Rules of 1976 with certain modifications and adaptations.

Unlike other institutional arbitrations the rules of the Centre allow a great deal of flexibility in the conduct of proceedings of the arbitration. It leaves wide discretion to the parties with regard to the choice of arbitrators, the place of arbitration and the applicability of the procedural rules.

The facilities for arbitration under the auspices of the Centre can be availed of by the parties who may request for it, whether governments, individuals or bodies corporate, provided that the dispute is of an international character, i.e. the parties to the disputes belong to, or are resident in two or more different jurisdictions.

The Centre maintains an international panel of arbitrators and another panel for conciliators. Each panel contains the names of a number of eminent jurists, judges and diplomats drawn from the

countries in the Asian-African Region as well as the countries which have close economic links or large investments in the Asian-African Region.

The names in each panel are to be included upon the recommendation of the appropriate authorities in the respective governments or by the Centre.

The arbitration shall be held either at the seat of the Regional Centre at Cairo or at any other place chosen by the parties.

The languages used in the Centre are English, French or Arabic according to the agreement of the parties, such an agreement may be incorporated in a contract between the parties out of which the disputes and differences have arisen, or by a separate agreement which the parties may enter into.

The Director of the Centre shall, at the request of the arbitral tribunal or either party, make available or arrange for such facilities and assistance for the conduct of arbitral proceedings as may be required including suitable accommodations for sittings of the arbitral tribunal, secretarial assistance and interpretation facilities.

The Centre shall, at the request of a party, render all assistance for the enforcement of awards which may be made in the arbitration proceedings held under the auspices of the Centre.

The costs of arbitration including the registration fee, the fees of arbitrators as also the expenses reasonably incurred by the Centre in connection with the arbitration as well as its administrative charges would be borne by the parties.

All communication should be addressed to:

The Director
Regional Centre for International
Commercial Arbitration
3, Abu El-Feda Bldg., 9th floor, Abu
El-Feda St., Zamalek, Cairo, EGYPT.
Tel Nos: (02) 3401335/3401336/3401337
Telex No.: 22261 RCIAC UN.

PART 1
STATUTE OF THE REGIONAL
CENTRE
FOR INTERNATIONAL COM-
MERCIAL
ARBITRATION AT CAIRO

CHAPTER I

GENERAL PROVISIONS

ARTICLE (1)

The Regional Centre for International Commercial Arbitration at Cairo was established in pursuance of the decision taken by the Asian-African Legal Consultative Committee on the 23rd of January, 1978. The Centre shall function in accordance with the provisions of the present statute.

ARTICLE (2)

- 1 — The Centre is an independent international institution having its own international status in the field of international commercial arbitration.
- 2 — The Centre is a non-profit making institution and has been established with the objective of providing a system for settlement of international commercial disputes by arbitration.

CHAPTER II

FUNCTIONS

ARTICLE (3)

The Centre shall function under the auspices of the Asian-African Legal Consultative Committee.

ARTICLE (4)

The Centre shall function as a co-ordinating agency in the AALCC's disputes settlement scheme for promotion of activities in the field of international commercial arbitration including rendering of assistance in the growth and development of national institutions within the region and bringing about their inter co-operation. The Centre will, from time to time, hold and assist in holding meetings, conferences or seminars and take such other steps as may be deemed appropriate in furtherance of these objectives.

ARTICLE (5)

The principal officer of the Centre shall be the Director who may be assisted by an Alternate Director, where appropriate, and such other officials and staff members as may be determined from time to time.

ARTICLE (6)

The Centre shall serve as an international institution in the field of arbitration and perform the following functions:

1. Providing for arbitration under the auspices of the Centre where appropriate;
2. Promoting international commercial arbitration in the region;
3. Co-ordinating and assisting the activities of existing arbitral institutions particularly among those within the region;
4. Rendering assistance in the conduct of *ad hoc* arbitrations particularly those held under the UNCITRAL Arbitration Rules and
5. Assisting in the enforcement of arbitral awards.

ARTICLE (7)

The Centre shall collect statistics and information with regard to facilities available in the countries of the region for conduct of arbitration and shall, from time to time, publish a list of institutions competent in the field. The Centre shall also endeavour to prepare a compilation of national arbitration laws in force in the various countries of the region.

ARTICLE (8)

The Centre shall maintain an international panel of arbitrators and another panel for conciliators and make both of

them available for consultation by interested parties.

ARTICLE (9)

The Centre shall act in co-operation with the liaison bodies appointed by governments under the AALCC's Dispute Settlement Scheme.

ARTICLE (10)

The Centre shall enter into agreements with national and international institutions where appropriate.

ARTICLE (11)

The Centre shall take such steps as may be deemed appropriate to promote the wider use and application of the UNCITRAL Arbitration Rules within the region.

CHAPTER III ARBITRATION

ARTICLE (12)

Where the parties to a contract have agreed in writing that disputes and differences arising out of or in relation to that contract shall be settled through arbitration under the auspices of the Regional Centre for Arbitration at Cairo, such disputes and differences shall be settled in accordance with the Rules of the Centre which are the UNCITRAL Arbitration Rules subject to certain modifications and adaptations as incorporated in the Rules.

ARTICLE (13)

The Centre, with a view to facilitating recourse to arbitration where the parties have agreed to settle their disputes through an *ad hoc* form of arbitration especially those under the UNCITRAL Arbitration Rules may at the written request of parties make available or arrange for such facilities and assistance for the conduct of arbitration proceedings as may be required. Facilities and assistance for this purpose may include the provision of suitable accommodation for sittings of the arbitral tribunal, secretarial assistance, custody of records and translation facilities.

ARTICLE (14)

If the venue of the *ad hoc* arbitration for which assistance has been sought, is a place other than the seat of the Centre, arrangements for provision of such facilities and assistance may be made with the liaison body, with a national or international institution where no liaison body has been appointed.

ARTICLE (15)

The Centre or the institution providing such assistance shall be entitled to receive from the parties reasonable charges for the facilities provided and to be reimbursed of the expenses incurred by it.

ARTICLE (16)

The Centre may also provide facilities and assistance to other arbitral institutions for conduct of arbitrations administered by them. The provision of such assistance shall be in accordance with the terms and conditions incorporated in the agreement with the institution concerned.

CHAPTER IV

RENDERING OF ASSISTANCE TO PARTIES INCLUDING ENFORCEMENT OF AWARDS

ARTICLE (17)

The Centre may generally render assistance to any party which may approach the Centre for advice on any matter concerning arbitration including preparation of appropriate arbitration clauses, or guidance in the conduct of arbitration.

ARTICLE (18)

1. The Centre shall at the request of any party, render advice and assistance in the enforcement of an arbitral award made in proceedings held under the auspices of the Centre, in *ad hoc* arbitrations which had been serviced by the Centre, or in arbitrations administered by an institution with whom the Centre has entered into arrangements.
2. The Centre providing such assistance would be entitled to make reasonable charges and to be reimbursed of the actual expenses that may be incurred by it.

CHAPTER V

MISCELLANEOUS PROVISIONS

ARTICLE (19)

The costs of arbitration including the fees of arbitrators and the expenses reasonably incurred by the Centre in connection with arbitration as well as its administrative charges would be borne by the parties according to the proportions and rules in the annexed appendix (I).

ARTICLE (20)

The languages used in the Centre are English, French or Arabic according to the agreement of the parties, or the decision of the arbitration tribunal.

ARTICLE (21)

The arbitration shall be held either at the seat of the Regional Centre at Cairo or at any other place chosen by the parties, or as decided by the arbitration tribunal.

PART 2

AALCC's *DISPUTES SETTLEMENT SCHEME*

The 'AALCC's scheme has been brought into being in order to meet the growing and urgent needs for an adequate and fair machinery for settlement of disputes in international transactions in the economic field particularly in the context of the emergence of the new international economic order. During the past three decades serious efforts have been under way towards transforming the economy of the developing countries into a balanced economic structure through broad and fundamental changes in the pattern of trade and commerce and marketing primary commodities as also through a programme of rapid industrialization. This has naturally led to a phenomenal increase in economic and commercial transactions to which government undertakings, private institutions as well as bodies corporate have been parties. The development projects undertaken by several countries in the region have acquisition of know-how or construction project in favour of companies or corporations resident in other countries. Such transactions had necessarily given rise to a number of disputes and differences between the parties which needed to be settled.

The pattern generally followed for settlement of disputes in such cases including transactions as between parties

of the region among themselves has hitherto been to resort to arbitration under the auspices of private institutions or chambers of commerce located in the West and conducted in accordance with the rules and practices of those institutions. These institutions, had emerged during the colonial period as a necessary corollary of a colonial economic system and commercial activities at the metropolitan capitals and centres of the day. Experience has shown that arbitrations held under the auspices of some of these institutions were unduly prolonged and costly and procedures adopted by certain associations of trade at time worked unfavourably to the interests of the nationals of the developing countries. Moreover, there had been a strong feeling in many circles that it was derogatory for governments and governmental institutions to submit themselves to arbitration under the auspices of private arbitral institutions or chambers of commerce outside the region. It has also been pointed out in some of the studies prepared for United Nations agencies that the institutions which had their origin in the colonial period were unsuitable for the present complex world trade especially as between unequal partners and that the process of industrialization in developing countries was being impeded due to the lack of an adequate system for settlement of disputes.

Notwithstanding this unsatisfactory state of affairs and inspite of the success achieved in the Latin America and the COMECON countries to evolve dispute

settlement systems of their own, little changes could be brought about in relation to economic and commercial transactions in so far as the Asian-African region was concerned, and resort to arbitral institutions outside the region had been a continuing factor. This has been primarily due to the absence of any viable institution within the region which could provide adequate facilities for settlement of disputes in international transactions, the difficulties and uncertainties experienced in resorting to *ad hoc* arbitrations and perhaps more so due to the superior bargaining position of the parties who wished to invest or trade in the Asian-African Region.

During the seventies and the early eighties the number of disputes and differences referred to these bodies at the instance of the parties outside the region had reached alarming proportions and the result of this continuing trend of resorting to private institutions has not been satisfactory to either side. It has not been uncommon for foreign contractors to use the prospect of an expensive and protracted arbitration as a form of pressure on developing countries to accede to their demands. At the same time there have been occasions where governments faced with an arbitration by a tribunal in whose composition they had little choice had raised the plea of sovereign immunity. Furthermore, the municipal courts on several occasions were left with no alternative but to refuse to enforce an arbitral award rendered under unfair procedures or in violation of

the principles of natural justice. The result has been a sense of uncertainty and instability and consequent reluctance on the part of many states and their nationals to enter into foreign collaborations or to invest abroad.

Ever since the Havana Conference held in 1947-1948, there has been a growing demand for establishment of suitable machinery in order to provide fair, inexpensive and expeditious procedures for settlement of disputes particularly those concerning development projects, foreign investments and transactions in primary commodities. The International Convention on Settlement of Investment Disputes which was concluded in the year 1965 even though of a limited application has been the first step towards creation of an acceptable system and has assisted to a large extent in creating stability and good faith in the field on foreign investments. The adoption of the UNCITRAL Arbitration Rules in 1976 and the encouragement given to it by the General Assembly has been another significant step in this direction since the UNCITRAL Rules provide for the first time a uniform but flexible set of procedures which could be universally applied in international arbitrations both *ad hoc* and institutional. The AALCC's dispute settlement scheme, brought about at an intergovernmental level, is complimentary to these efforts on the part of the United Nations and its various organs and agencies.

The question of organization of a disputes settlement scheme in relation to

economic and commercial transactions was first discussed at the Tokyo Session of the Asian-African Legal Consultative Committee held in 1974. At that Session, the Committee endorsed the recommendations of its Trade Law Sub-Committee that efforts should be made by member States to develop institutional arbitration in the region so that the flow of arbitration to countries outside the region could be reduced. At its Kuala Lumpur Session held in 1976, the Committee after further consideration of the matter decided to request the Secretariate to investigate into the feasibility of establishing regional centres and to ascertain the means of obtaining effective inter-institutional cooperation among the existing arbitral institutions in the region. The Committee's Secretariat in its report made to the Baghdad Session held in 1977 presented a scheme for establishment of regional arbitration centres on the basis of a general survey conducted by it in the light of the experience in the various parts of the world and more particularly in Latin America.

After extensive deliberation of the matter at that Session and subsequent consultations with member governments, the Committee at its Doha Session held in January 1978 decided upon the establishment of a Regional Centre at Kuala Lumpur, a second Centre at Cairo and a third Centre to be located in an African country to be decided upon by the Secretary General of the AALCC in consultation with the Governments concerned.

The Regional Centres are intended to function as co-ordinating agencies in the AALCC's disputes settlement system which envisages provision of institutional arbitration within the region; growth and effective functioning of national arbitration institutions; wider use and application of the UNCITRAL Arbitration Rules 1976 within the region; provision of facilities for *ad hoc* arbitrations as also in arbitrations held under the auspices of international institutions and rendering of assistance in the enforcement of awards.

The Regional Centres are international institutions which function under the auspices of the Asian-African Legal Consultative Committee. The tasks entrusted to the Centres in the light of the overall objectives of the AALCC's disputes settlement scheme include, **inter alia**, the following:

- a. Promoting international commercial arbitration in the regions;
- b. Co-ordinating and assisting the activities of existing arbitral institutions particularly among those within the region;
- c. Rendering assistance in the conduct of *ad hoc* arbitrations particularly those held under the UNCITRAL arbitration rules;
- d. Assisting in the enforcement of arbitral awards; and
- e. providing for arbitration under the auspices of the Centre where appropriate.

The AALCC's Scheme and particularly the establishment of the regional centres represent an effort on the part of the developing countries at an inter-governmental level to provide for the first time a system for settlement of disputes on an integrated pattern with regard to international transactions of economic and commercial nature. The scheme is unique in many ways especially with regard to its broad-based nature in bringing within the system all activities in the field of commercial arbitration within the region whether institutional or *ad hoc*. The unique nature of the scheme, which is being applied for the first time in any part of the world, is further evidenced by the fact that it creates no vested interest in any particular institution and the broad objectives which the scheme tries to promote is provision of an adequate, inexpensive and fair procedure through which economic and commercial disputes can be settled within the region. Thus, the work which is being undertaken in the field of commercial arbitration by various Chambers of Commerce and other national institutions in the region not only remain unaffected, but steps are contemplated which would enhance their effective functioning by encouraging parties to resort to local institutions within the area of the disputes. Furthermore, through provision of facilities for conduct of *ad hoc* arbitrations as also those held under the auspices of international bodies or institutions even outside the region, the scheme envisages the growth, the wider use and general acceptance of arbitration as a means for set-

tlement of disputes by parties within the region.

In providing for arbitration under the auspices of the Regional Centres, AALCC's aim has primarily been to fill a gap which now exists for settlement of disputes ~~inter se~~ between parties of the region comprising a group of countries which are so closely linked politically, culturally and economically. The rules of the Centre contemplate an effective machinery and its utility is enhanced by the fact that arbitrations under the auspices of the Centre can be held at any place chosen by the parties.

The AALCC's integrated disputes settlement scheme has two major objectives. The first is to bring about a system under which disputes and differences arising out of transactions in which both the parties belong to the Asian-African and Pacific regions could be settled under fair, inexpensive and adequate procedures. The second is to encourage parties to have their arbitrations within the region where the investment is made or if the place of performance under an international transaction is a country within this region.

PART 3

RULES FOR ARBITRATION OF THE REGIONAL CENTRE FOR INTERNATIONAL COMMERCIAL ARBITRATION AT CAIRO

RULE (1)

- a. Parties who may wish to avail themselves of the arbitration facilities provided by Regional Centre for International Commercial Arbitration at Cairo (hereinafter referred to as "the Centre"), shall make a written request to its Director for this purpose, intimating at the same time that they have entered into an agreement under which they have agreed to refer their disputes and differences for settlement by arbitration under the auspices of and the rules of the Centre.
- b. Where the parties to a contract have agreed in writing* that disputes in relation to that contract shall be settled by arbitration in accordance with the Rules of Arbitration of the Centre, then such disputes shall be settled in accordance with the **UNCITRAL** Arbitration Rules subject to the modifications set forth in present rules.

* It is recommended that the arbitration agreement or clause which would enable the Centre to administer the arbitration is concluded according to the pattern which be found in the Annexed Appendix (II).

- c. The rules applicable to the arbitration shall be those in force at the time of the commencement of the arbitration unless the parties have agreed otherwise.

RULE (2)

- a. The claimant shall file with the Director of the Centre a copy of the notice of arbitration served on the respondent.
- b. The parties shall also file with the Director of the Centre a copy of any other notice including a notification, communication or proposal concerning the arbitral proceedings.
- c. If the parties have agreed on an appointing authority other than the Centre, they shall inform the Director of the Centre of the name of that authority.

RULE (3)

- a. Unless the parties have agreed otherwise or if the appointing authority designated refuses to act or fails to appoint the arbitrator, the Centre shall be the appointing authority for the purpose of the **UNCITRAL** Arbitration Rules and these Rules.
- b. Where, pursuant to article 6 or 7 (3) of the **UNCITRAL** Arbitration Rules and paragraph (1) of this Rule, the Centre is to appoint a sole arbitrator or the presiding arbitrator, the list of names to be communicated by the Centre to the parties shall be drawn from the International Panel of Arbitrators maintained by the Centre.

- c. Where, pursuant to article 7 (2) (a) of the **UNCITRAL** Arbitration Rules and Paragraph (1) of this Rule, the Centre is to appoint the second arbitrator, the Centre shall appoint the arbitrator from the International Panel of Arbitrators maintained by the Centre.

RULE (4)

The Director of the Centre shall, at the request of the arbitral tribunal or either party, make available, or arrange for, such facilities and assistance for the conduct of arbitration proceedings as may be required, including suitable accommodation for sittings of the arbitral tribunal, secretarial assistance and interpretation facilities.

RULE (5)

- a. The parties shall furnish to the Director of the Centre copies of the statement of claim, the statement of defence and any amendments thereto which they file with the arbitral tribunal.
- b. Unless the parties agree otherwise, the sole arbitrator or the presiding arbitrator shall, at the conclusion of the proceedings, furnish to the Director of the Centre a complete set of records.

RULE (6)

The arbitral tribunal shall furnish to the Director of the Centre a signed copy of

the award made by it, whether interim, interlocutory, partial or final. The Director of the Centre shall render all assistance in the filling or registration of the award whom the same is required by the law of the country where the award is made.

RULE (7)

- a. For the purpose of these Rules, the term "costs" as specified in Article (38) of the **UNCITRAL** Arbitration Rules shall also include the expenses reasonably incurred by the Centre in connection with the arbitration as well as its administrative charges in accordance with the Annexed Appendix (I).
- b. The facilities made available by the Centre itself may be charged for on the basis of comparable costs.
- c. The administrative charges of the Centre shall be fixed by the Director of the Centre according to the Annexed Appendix (I).
- d. In some cases due to its complexity, nature of dispute, dispute, length of hearings the Director of the Centre may undertake consultations with the parties before giving advice to the arbitral tribunal. The Director of the Centre, in consultation with the arbitrators and the parties, shall settle the basis of assessment of fees and expenses.
- e. If the parties have designated an appointing authority other than the Centre, the fees and expenses of the appointing authority shall be fixed by the

Director of the Centre in consultation with the appointing authority.

RULE (8)

In lieu of the provisions of Article (41) of the **UNCITRAL** Arbitration Rules, the following provisions shall apply:

- a. The Director of the Centre shall prepare an estimate of the costs of arbitration and may request each party to deposit an equal amount as an advance for those costs.
- b. During the course of the arbitral proceedings the Director of the Centre may request supplementary deposits from the parties.
- c. If the required deposits are not paid in full within thirty days after the receipt of the request, the Director of the Centre shall so inform the parties in order that one or another of them may make the required payment. If such payment is not made the arbitral tribunal, after consultation with the Director of the Centre, may order the suspension or termination of the arbitral proceedings.
- d. The Director of the Centre may apply deposits towards disbursements for the costs of arbitration.
- e. After the award has been made, the Director of the Centre shall render an accounting to the parties of the deposits received and return any unexpended balance to the parties.

Appendix (I) Costs of Arbitration

The costs of arbitrations including the fees of arbitrators as also the expenses reasonably incurred by the Centre in connection with arbitration as well as its administrative charges would be borne by the parties according to the following proportions and rules.

I. Registration Fee:

Each party shall pay a hundred and fifty American Dollars (\$150) as a registration fee. This amount is to be paid to the Centre at the beginning of the proceedings.

II. Administrative Charges:

The administrative charges are determined in percent of value of subject-matter. The percentages applied to each successive slice of the subject-matter are to be added together. The amount of deposition is to be paid to the centre in American Dollars in accordance with the following table:

Value of subject-matter (in US Dollars)		Percentage	Remarks
Upto	50,000	3%	with a minimum of US\$500.00
50,001 Upto	100,000	2%	
100,001 Upto	500,000	1%	
500,001 Upto	1,000,000	0.80%	
1,000,001 Upto	2,000,000	0.40%	
2,000,001 Upto	5,000,000	0.15%	
5,000,001 Upto	10,000,000	0.07%	
10,000,001 Upto	50,000,000	0.03%	
More than :	50,000,000	0.01 %	

III. Arbitrators Fees:

The arbitrators fees are determined in percent of value of subject-matter. The percentages applied to each successive slice of the subject-matter are to be added together. The amount of deposition is to be paid to the Centre in American Dollars in accordance with the following tables:

Value of subject-matter (in US Dollars)		Percentage	Remarks
Upto	50,000	3%	with the
50,001 Upto	100,000	2%	minimum of
100,001 Upto	500,000	1%	US\$1,000 for
500,001 Upto	1,000,000	0.80%	each arbitrator
1,000,001 Upto	2,000,000	0.40%	and one thou-
2,000,001 Upto	5,000,000	0.15%	sand dollars
5,000,001 Upto	10,000,000	0.07%	for each of the
10,000,001 Upto	50,000,000	0.03%	three arbitra-
More than :	50,000,000	0.01%	tors.

IV. General Rules;

1. The arbitrators fees and the administrative charges would be paid to the Centre before the beginning of the proceedings.
2. The charges paid to the Centre do not include translation charges.
3. It should be stressed that the amount of the deposits in no way binds the final determination of the arbitrators' fees or of the administrative costs of the Centre in some cases. In these cases due to its complexity, nature of the dispute, length of hearings and the eminence and standing of the ar-

bitrators themselves, the charges and the fees would be fixed after consultation with the arbitrators and the parties.

4. The fees and charges of the Centre would be fixed taking into account the actual expenses incurred and also keeping in view the non-profit making character of the Centre.
5. The value of the subject-matter is evaluated in U.S. Dollars according to the rate of exchange of the Egyptian Central Bank on the day the request of arbitration is registered in the Centre.

Appendix (II)

Model Arbitration Clause

Any dispute, controversy or claim arising out of or relating to this contract, or the breach, termination or invalidity thereof, shall be settled by arbitration in accordance with the Rules for Arbitration of the Cairo Regional Arbitration Centre.

Note:

Parties may wish to consider adding:

- a. The appointing authority shall be the Cairo Regional Arbitration Centre/
- b. The number of arbitrators shall be (one or three);
- c. The place of arbitration shall be (town or country);
- d. The language(s) to be used in the arbitral proceedings shall be
- e. The law applicable to this contract shall be that of

* Rules 3 of the Rules for Arbitration of the Cairo Regional Arbitration Centre provides that, unless otherwise agreed by the parties or if the appointing authority designated refuses to act or fails to appoint the arbitrator, the Centre shall be the appointing authority.

Appendix (1)

Costs of Arbitration

The costs of arbitrations including the fees of arbitrators and also the expenses reasonably incurred by the Centre in connection with arbitration as well as administrative charges are borne by the parties according to the following proportions and rules.

1. Registration Fee:

Each party shall pay Two Hundred and Fifty American Dollars (\$250.00) as a registration fee. This amount is to be paid to the Centre at the beginning of the proceedings.

11. Administrative Charges:

The administrative charges are determined in percent of value of subject-matter. The percentages applied to each successive slice of the subjectmatter are to be added together. The amount of deposition is to be paid to the Centre in American Dollars in accordance with the following table:

Value of Subject-Matter (In US Dollars)	Percentage	Remarks
Upto 100,000	2%	With the minimum of US\$1000. <u>00</u> and with the maximum of \$15,000. <u>00</u> for each case.
100,001 Upto 500,000	0.50%	
500,001 Upto 1,000,000	0.40%	
1,000,001 Upto 2,000,000	0.20%	
2,000,001 Upto 5,000,000	0.15%	
More than 5,000,000	0.10%	

III. Arbitrators Fees:

The arbitrators fees are determined in percent of value of subject-matter. The percentages applied to each successive slice of the subjectmatter are to be added together. The amount of deposition is to be paid to the Centre in American Dollars in accordance with the following table;

Value of Subject-Matter (in US Dollars)	Percentage	Remarks
Upto 100,000	2%	With the minimum of US \$1,000.00 for the sole arbitrator, or for each of the members of the Arbitral Tribunal, and with the maximum of US \$10,000.00 for the sole arbitrator or for each of the members of the Arbitral Tribunal.
100,001 Upto 500,000	1%	
500,001 Upto 1,000,000	0.80%	
1,000,001 Upto 2,000,000	0.40%	
2,000,001 Upto 5,000,000	0.15%	
More than 5,000,000	0.10%	

Appendix (1)
Costs of Arbitration

The costs of arbitrations including the fees of arbitrators and also the expenses reasonably incurred by the Centre in connection with arbitration as well as its administrative charges are borne by the parties according to the following proportions and rules.

1. Registration Fee:

Each party shall pay ^{Three}~~Two~~ Hundred and ~~Fifty~~ American Dollars (\$³⁰⁰~~250~~.00) as a registration fee. This amount is to be paid to the Centre at the beginning of the proceedings.

1.1. Administrative Charges:

The administrative charges are determined in percent of value of subject-matter. The percentages applied to each successive slice of the subjectmatter are to be added together. The amount of deposition is to be paid to the Centre in American Dollars in accordance with the following table:

Value of Subject-Matter (In US Dollars)	Percentage	Remarks
Upto 100,000	2%	With the minimum of US\$1000.00 and with the maximum of \$15,000.00 for each case.
100,001 Upto 500,000	0.50%	
500,001 Upto 1,000,000	0.40%	
1,000,001 Upto 2,000,000	0.20%	
2,000,001 Upto 5,000,000	0.15%	
More than 5,000,000	0.10%	

III. Arbitrators Fees

The arbitrators fees are determined in percent of value of subject-matter. The percentages applied to each successive slice of the subjectmatter are to be added together. The amount of deposition is to be paid to the Centre in American Dollars in accordance with the following table:

Value of Subject-Matter (In US Dollars)	Percentage	Remarks
Upto 100,000	2%	With the minimum of US \$1,000.00 for the sole arbitrator, or for each of the members of the Arbitral Tribunal, and with the maximum of US \$10,000.00 for the sole arbitrator or for each of the members of the Arbitral Tribunal.
100,001 Upto 500,000	1%	
500,001 Upto 1,000,000	0.80%	
1,000,001 Upto 2,000,000	0.40%	
2,000,001 Upto 5,000,000	0.15%	
More than 5,000,000	0.10%	