



## **Arbitration clause in Dutch contracts**

If parties have a dispute, the most common way is to go to court. The judicial judgments can also be enforced in other countries outside the Netherlands, but in some cases it is better to opt for arbitration proceedings. This is often the case if the other party is outside the European Union or if that country does not recognise Dutch judgments easily. In that case the arbitration can offer a solution. The Convention on the Recognition and Enforcement of Foreign Arbitral Awards, also known as the "New York Arbitration Convention" or the "New York Convention", is one of the key instruments in international arbitration. The New York Convention applies to the recognition and enforcement of foreign arbitral awards and the referral by a court to arbitration. Many states are a member of this Convention.

## **NAI**

The Netherlands Arbitration Institute (Stichting Nederlands Arbitrage Instituut; "NAI") operates on a non-profit basis and performs its duties entirely independently and impartially. The NAI aims to promote a number of different types of alternative dispute resolution: arbitration, binding advice and mediation, in particular by providing trade and industry with soundly regulated arbitral, binding advice and mediation procedures. The NAI is the largest general arbitration institute in the Netherlands, a solid and innovative organisation with by far the most experience with and knowledge of different forms of ADR. The legal relation between the arbitrators and the parties, between the arbitrators and the NAI and between the NAI and the parties is governed by Dutch law. As a general arbitration institute, the NAI offers one station for disputes that may arise from a broad variety of agreements, whether it is a licence agreement, a building contract, an IT contract, an employment contract or disputes that arise out of mergers or acquisitions. If necessary, hundreds specialised and experienced NAI arbitrators, binding advisors and mediators are at your disposal to decide and settle disputes on the basis of the well-known NAI Rules.

## **Arbitration clause**

To make the arbitration applicable, it is important that the parties agree in a contract on a so-called arbitration clause. Parties are free to write the text of their contract as they wish, but the following elements must be included in this clause.

- Number of arbitrators:

The arbitral tribunal shall be composed of one arbitrator/three arbitrators.

- Method of appointment:  
The arbitral tribunal shall be appointed according to the list procedure.
- Place of arbitration:  
The place of arbitration shall be ..... (city)
- Language:  
The proceedings shall be conducted in the ..... language.
- Measure for decision-making:  
The arbitral tribunal shall decide as amiable compositeur.
- Consolidation:  
Consolidation of the arbitral proceedings with other arbitral proceedings, as provided for in Article 1046 of the Dutch Code of Civil Procedure and Article 39 of the Arbitration Rules of the Netherlands Arbitration Institute, is excluded.

**What does it mean for you?**

If you wish to opt for arbitration proceedings, it is advisable to include an arbitration clause in your contract with the elements as described above.

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