Interim remedies in support of arbitration in Qatar

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For an introduction to arbitration in Qatar, see Practice Note: <u>Arbitration in Qatar—an introduction</u>. **Interim relief—the tribunal's powers to grant interim remedies**

Qatar Law No. 2/2017 promulgating the Civil and Commercial Arbitration Law (the 'New Arbitration Law') governs arbitral tribunals' ability to issue provisional measures or interim awards.

The old arbitration law contained in Articles 190–210 of Qatar Law No. 13/1990 promulgating the Civil and Commercial Procedure Law (CCPL) did not include express provision for arbitral tribunals to issue provisional measures or interim awards. However, the New Arbitration Law provides arbitral tribunals with the full authority to issue provisional measures or interim awards that are dictated by the nature of dispute or for the purpose of preventing irreparable harm. Such provisional measures or interim awards include but not limited to the following measures:

- maintaining or restoring the status quo pending determination of the dispute
- adopting a measure to prevent the occurrence of current or imminent damage, or that would
 prejudice the arbitration process itself, or to prevent the adoption of procedures that may possibly result in such damage or prejudice
- providing a means of preserving the assets by means of which later awards may be executed, and
- preserving evidence that could be important or material to the determination of the dispute

An arbitral tribunal is further permitted to amend, stay or cancel any of the provisional measures or interim awards it has issued on the application of the parties or on its own motion.

Under the New Arbitration Law, the party who requests an interim measure or award is liable for any costs and compensation for any damages caused by such measure or award to any party, if the arbitral tribunal subsequently decides that the measure or the award was not warranted by the circumstances. The arbitral tribunal may require the former party to pay costs and compensation at any time during the proceedings.

The authors are not aware of any reported judgments on the topic of provisional measures or interim awards by either the local Qatari courts or the Civil and Commercial Court of the Qatar Financial Centre (QFC) since the enactment of the New Arbitration Law on 12 April 2017.

One of the key highlights of the New Arbitration Law is the inclusion of the QFC Court as one of the supervising courts with jurisdiction to set-aside or enforce arbitral awards. The 'competent court' is defined in the New Arbitration Law as 'the Civil and Commercial Arbitral Disputes Circuit in the Court of Appeals [i.e. the local courts], or the First Instance Circuit of the Civil and Commercial Court of the Qatar Financial Centre, pursuant to the agreement of the Parties [i.e. the QFC Court]'. This means that where the parties have agreed to designate the QFC Court as the competent court, this court will have exclusive jurisdiction to deal with all matters relating to that dispute.

Qatar also has its own arbitral institution. The Qatar International Centre for Conciliation and Arbitration (QICCA) is the only permanent arbitration institution in Qatar, administering arbitrations under (i) the QICCA Rules, which are based on/inspired by the UNCITRAL Arbitration Rules, and (ii) the UNCITRAL Arbitration Rules (or providing some administrative services). QICCA also acts as appointing authority under the UNCITRAL Arbitration Rules.

References:

United Nations Commission for International Trade Law

Qatar International Court and Dispute Resolution Centre and the Chartered Institute of Arbitrators (CIArb), both based in the QFC, also market arbitration as a form of dispute resolution pursuant to, respectively, the QFC Arbitration Regulations and the CIArb Arbitration Rules; however, neither of them formally administers arbitrations within Qatar itself.

The QICCA Rules empowers arbitral tribunals to order interim or conservatory measures—which are any temporary measures by which arbitral tribunals order a party, including but without limitation to, (i) maintain or restore the status quo pending the outcome of the dispute; (ii) take action that would prevent, or refrain from taking action that is likely to cause current or intermittent harm or prejudice to the arbitral process; (iii) provide a means of preserving assets for satisfaction of a subsequent award; and (iv) preserve evidence that may be relevant and material to the resolution of the dispute.

Similar to the approach adopted in the UNCITRAL Arbitration Rules, Article 27.3 of the QICCA Rules provides that the party requesting an interim measure shall satisfy the arbitral tribunal that (i) harm not adequately reparable by an award of damages is likely to result if the measure is not ordered, and such harm substantially outweighs the harm that is likely to result to the party against whom the measure is directed if the measure is granted; and (ii) there is a reasonable possibility that the requesting party will succeed on the merits of the claim and the determination on this possibility shall not affect the discretion of the arbitral tribunal in making any subsequent determination.

It is worth noting that arbitral tribunals constituted under the QFC Arbitration Regulations are empowered to grant protective measures by virtue of Article 22 of the Regulations.

Interim relief—assistance from the courts in support of arbitration

The New Arbitration Law provides that a party in whose favour the order for provisional measures or an interim award is issued may, after obtaining the arbitral tribunal's written permission, request the competent judge to order the enforcement of the order or award issued by the tribunal. The competent judge should order the enforcement of the interim order or award, unless such order or award contradicts the law or public policy.

The competent judge is the enforcement judge in the First Instance Circuit of the Qatar Civil Court (ie the domestic court) or the enforcement judge in the Civil and Commercial Court of the QFC, pursuant to the agreement of the parties. However, the QFC Court can only act as the competent court by agreement, certainly insofar as parties who do not otherwise have a nexus to the QFC are concerned. Absent agreement, the Qatari Court of Appeal is the competent court and the first instance court of Qatar is the competent enforcement judge by default—a matter on which the QFC Court has opined in its *Note on Ruling* [2023] QIC F 16 (not reported by Lexis+® UK).

The New Arbitration Law also provides that in situations where the arbitral tribunal does not have jurisdiction, or is incapable to act effectively at the time, the competent judge, on the application of one of the parties, may order interim or precautionary measures, including the measures stipulated in Article 17 of the New Arbitration Law, either before the commencement of or during the arbitral proceedings; and such application shall not be deemed a waiver by the party of its right to uphold the arbitration agreement.

The fact that the tribunal has now been expressly authorised under the New Arbitration Law to rule on applications for interim relief, is a significant improvement on the old arbitration law and is likely to mean less interference from the local courts and more certainty concerning the tribunal's own powers.

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