



Global Arbitration Review

VIAC unveils new rules

Lacey Yong 21 December 2017





Christmas market in Vienna, istock.com/sborisov

The Vienna International Arbitration Centre has amended its rules, introducing new provisions on gender diversity, security for costs and the efficiency of proceedings as well as allowing the centre to handle domestic disputes for the first time in its 42-year history.

The new <u>rules</u>, which were last updated five years ago, take effect on 1 January 2018 and will apply to all proceedings beginning after 31 December.

The most notable amendments include provisions on domestic arbitrations, which come seven months after the Austrian Parliament passed legislation in May allowing parties to choose any arbitral institution to hear their domestic disputes. Previously, the centre was required to refer domestic cases to the arbitration centre of a regional economic chamber. It is hoped that allowing VIAC to administer them will greatly increase the centre's caseload, says secretary general **Alice Fremuth-Wolf.**

There are other amendments applying to international arbitrations. Following gender diversity initiatives such as the Equal Representation in Arbitration Pledge - which celebrated its first anniversary this year - the latest rules provide that terms referring to natural persons such as "claimant" or "arbitrator" shall apply to all genders

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and be used in a "gender-specific manner" in practice.

There are also provisions to encourage efficiency, including a new electronic case management system to administer proceedings and a requirement that arbitrators, parties and counsel conduct proceedings cost-effectively.

The power of arbitrators has been further enhanced. Arbitrators may consider whether parties and counsel have contributed to the efficiency of the proceedings when issuing a decision on costs. They may also order the claimant to provide security for costs and to terminate the proceedings if the claimant fails to comply with the order.

A revamped fee schedule also lies at the heart of the amended rules. Registration and administrative fees have been reduced for low amounts in dispute, though the administrative fee has been increased for high-value claims. As for arbitrators' fees, the secretary general has greater flexibility to increase them on a case-by-case basis and to decrease them for inefficient conduct of proceedings.

It has been an eventful year for VIAC. In May, it <u>appointed</u> **Guenther Horvath** as president. Horvath replaces **Anton Baier**, who led the centre for six years.

The centre also helped organise the first-ever <u>GAR Live Vienna</u> in October. At that conference, Fremuth-Wolf announced she would be taking over the role of secretary general of VIAC, with **Elisabeth Vanas-Metzler** replacing her as deputy secretary general.

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