

This unofficial translation is provided by the U.S. Institute of Peace as a reference material to accompany Special Report No. 345, [Dispute Resolution and Justice Provision in Yemen](#), by Erica Gaston and Nadwa al-Dawsari (USIP 2014). Where translation is unclear, additional phrases are inserted using [] or the original Arabic phrase is included in parentheses.

Yemen Arbitration Law

Issued on 27 Ramadan, 1412 Hijra, equivalent to 31.3.1992, by Presidential Decree according to the Law No. (22) for the year 1992, regarding Arbitration

Chairman of the Presidency Council:

After the consideration of the Yemen Republic Declaration Agreement;

And the Constitution of the Yemen Republic;

And the Republican Decree number 1 of the year 1996 regarding the formation of the Council of Ministers;

And after the approval of the Presidency Council;

Does hereby decide:

Chapter 1

General provisions

Article 1

This law shall be named the arbitration law.

Article 2

The statements and expressions mentioned hereunder, shall, for the purposes of this Law, have the meaning stated for each, unless otherwise indicated by the content:

Arbitration: The willful appointment by the two parties [to a dispute] of one or more person, to decide between them, without referring their differences or conflict to the competent court.

Commercial arbitration: Any arbitration in which the parties thereto are natural or juridical persons exercising commercial, economic, or investment businesses of any type, whether they are Yemenis, Arabs, or foreigners

National Arbitration: Indicates that parties to the dispute hold the Yemeni nationality.

International Arbitration: Parties to the arbitration carry different nationalities, or [the parties'] domicile or headquarters are in a different country or countries; or if the arbitration is conducted in an international arbitration center.

Arbitration agreement: The consent of both parties to resort to arbitration, as stipulated by the arbitration instrument (i.e. a separate contract) or the arbitration clause (any item in a contract).

Jury: The committee comprising a single arbitrator or several arbitrators in accordance with the terms of the arbitration agreement or the provisions of this Law.

Competent Court: The court authorized to address the dispute, or the court to which this Law refers any disputes outside the jurisdiction of arbitration committees.

Conciliation (الصلح): The agreement of the two parties to authorize one arbitrator or more to decide on issues between them without recourse to the competent court, based on the principles of justice and fairness.

Article 3

The provisions of this law apply to any arbitration conducted in the Republic of Yemen, and to any arbitration conducted abroad if the parties thereto have agreed accordingly.

Article 4

The arbitration shall commence by any utterance/wording indicative of such and upon the approval of the arbitrator. Arbitration shall be effected/take effect in writing only.

Article 5

Arbitration shall not be conducted in the following cases:

1. Huddud (Islamic penalties), oath of condemnation and the annulment of marriage contracts.
2. Contestation and rejection of judges' [decisions].
3. Disputes related to enforced implementation procedures.
4. All other issues where settlement by conciliation is not permissible.
5. All issues regarding public order.

Article 6

For arbitration to be valid, the following conditions shall apply:

First: The party requesting arbitration has the right to act on the subject of the arbitration, provided arbitration is not accepted from the custodian or executor except for an interest, or from the appointed party, except with the court's permission.*

Second: The arbitrator shall enjoy full eligibility, and shall be fair and appropriate for deciding disputes.

Article 7

Without prejudice to the provisions of this law, parties in the arbitration, even if one or both of them is not of a Yemeni citizen, may agree on the law to which the arbitration is subject, in form and substance, and on the arbitration language and venue.

Article 8

Appeals courts shall have jurisdiction in cases referred by this Law to the judiciary, unless the parties to the arbitration agreed to refer the issue to another court

Article 9

If a party was aware of a violation committed against the provisions of this Law, or any of the provisions of the arbitration agreement, and continued with the arbitration proceedings, without contesting it with the agreed period, or within the nearest possible time, he shall forfeit his right to object and is considered to have waived this right.

Article 10

The parties to the arbitration may agree to suspend the arbitration process before the arbitrator or the arbitration committee for the period deemed to be appropriate. The arbitrator or the arbitration committee shall approve this [suspension]. The dispute shall resume after the expiry of the suspension period by a request to be submitted to the arbitrator or the arbitration committee or both.

Article 11

The judge shall not be an arbitrator in any dispute before him even if requested by the parties themselves. Judges shall not have the right to refer the dispute to each other for arbitration, whether directly or indirectly.

Article 12

Arbitration shall not end with the death of any of the parties to the dispute. If one of the heirs is ineligible, arbitration will end, unless it [is accepted or continued] by the custodian of this ineligible party, or with the approval of the court to continue the arbitration by the representative. The same shall apply if one of the parties to the arbitration lost his eligibility before the arbitration decision was issued.

Article 13

Competent courts or those agreed to by the parties to the arbitration shall promptly address the issues referred to them according to the provisions of this law.

Article 14

The parties to the arbitration shall bear all fees and expresses relating to the arbitration process, including the arbitrators' fees, according to what was decided by the arbitration committee.

Chapter 2

Arbitration Agreement

Article 15

Agreement to arbitration shall be made in writing only, whether prior to the dispute or conflict or after, even if the parties to the arbitration had initiated the suit before the court. The agreement shall be deemed null and void unless it is issued in writing. The agreement is considered to be in writing if included an arbitration document, arbitration clause, letters or telegrams, or other modern communications methods

Article 16

The arbitration agreement may be made in the form of an independent contract (Arbitration document) or in the form of a provision in the contract (Arbitrations clause). In the latter case, the arbitration clause shall be treated as an agreement independent of the other contract conditions. If it was decided that the contract is null and invalid, this shall not result in revoking the arbitration clause.

Article 17

The arbitrator or arbitrators shall be appointed in the arbitration agreement. With the exception of arbitration between spouses, or in cases where the parties agree otherwise, if the arbitrators were many, their number must be odd. Otherwise, the arbitration shall be null and void.

Article 18

If any temporary or preventive procedure was taken by the court based on the request of any of the arbitrations parties, it shall be considered correct and not contradictory to the arbitration agreement, whether this procedure was been taken prior to or during the commencement of the arbitration procedures.

Article 19

The court before which a lawsuit has been raised in connection with a dispute or conflict in which there exists an arbitration agreement, shall refer the parties to arbitration, except in the following events:

- A. If it was evident to the court that the arbitration agreement is null or cancelled, or does not include the dispute submitted before it.
- B. If the parties continue with litigation procedures before the court, the arbitration agreement is considered not to have existed.

Chapter 3

Formation of the Arbitration Committee

Article 20

An arbitrator shall not be [someone who is] incompetent, quarantined, deprived of his civil rights, or ineligible to arbitrate. An arbitrator's acceptance of the task shall be in writing

Article 21

The parties to the arbitration may agree on the number of arbitrators. Otherwise, the arbitrators shall be three.

Article 22

While observing the provisions stipulated by this Law, the arbitration parties are entitled to agree on the time to select the arbitrator or the arbitration committee, and how to appoint the arbitrator or arbitrators. In the event that no agreement was reached, the following shall apply:

- A: If it was necessary to form the arbitration committee of an individual arbitrator, the competent court shall appoint him based on the request of one of the parties.
- B: If it was necessary to form the arbitration committee of more than two arbitrators, each party shall select one arbitrator to represent him.
- C: If it was necessary to form the arbitration committee of more than two arbitrators, each party shall select one arbitrator to represent him, and the two arbitrators shall agree on the third. In case the two arbitrators did not agree on the third arbitrator within the thirty days following the appointment of the last arbitrator, the competent court shall appoint him upon the request of one of the parties. The arbitration committee shall be chaired by the arbitrator selected by the parties' arbitrators or the competent court.

Article 23

An arbitrator may be rejected for the same reasons a judge is rejected and considered ineligible for passing judgment, or if it was evident that conditions agreed on or stipulated by the provisions of this Law were not present. These causes must have occurred or appeared after the issuance of the arbitration agreement. However, it is not permissible under any circumstances, for any of the parties to the arbitration to reject the arbitrator he appointed or participated in appointing, except for reasons found after the date of appointment. In any case, a person approached with the potential of appointment as an arbitrator should disclose the name of the person who approached him, stating all circumstances that may shed suspicion on his neutrality and independence.

Article 24

The request to reject an arbitrator shall be submitted to the competent court within one week from the date of notifying the rejection applicant, or the day he was informed of the circumstances justifying the rejection. The competent court shall promptly decide on the request within one week. If the court rejects the request, the applicant requesting the rejection may appeal the decision before a higher court on the date of receiving the decision. If the court of jurisdiction did not decide on the rejection request within one week, it is considered that the court has rejected the request. The application to reject may also be submitted to the arbitration committee itself, in which case the same procedures stated in this article shall be applied.

Article 25

If the arbitrator was not able to perform his task, [or acted] in a manner which may interrupt the continuity of the arbitration proceedings, and failed to resign, the two parties may agree to dismiss him, or any of the parties may be submit a request to the arbitration committee or the competent court to do so.

Article 26

A replacement of the arbitrator whose task ended, or who was dismissed, rejected, or who withdrew, shall be appointed according to the procedures of appointing the arbitrator whose task ended.

Chapter 4

Jurisdiction of the Arbitration Committee

Article 27

The arbitration committee is specialized in adjudicating disputes referred to it in accordance with this Law or according the conditions of the arbitration agreement itself.

Article 28

The arbitration committee should be specialized in adjudicating defenses related to the subject matter [of the matter at hand], including defenses presented indicating the absence, failure, or nullification, of the arbitration agreement, or the fact that it does not include the subject of the dispute. If the arbitration committee decided to reject the appeal, this decision may be appealed before the court of appeals within the following week after the appellant was notified.

Article 29

The arbitration committee shall comply with the arbitration agreement and shall not render any verdict in any issue not contained in the agreement or any issue not requested by the parties to the arbitration.

Article 30

The arbitration committee may order any of the parties to provide any guarantees it may deem necessary and appropriate for conducting a temporary or preventive procedure upon the request of the other party. In case of failure to provide the required guarantee, the arbitration committee may authorize the other party to implement the order at the expenses of the party refusing the execution

Article 31

The arbitration panel may request from the parties to the arbitration to provide the guarantees necessary for the progress of the arbitration procedures and the execution of the arbitration decision when it is issued.

Chapter 5

Arbitration Procedures

Article 32

The parties to the arbitration may agree on the procedures to be followed by the arbitration committee. If no agreement was reached, the committee may follow the procedures it sees appropriate, provided that the provisions of this law are observed and without prejudice to provisions of the Litigation Law, considered to be part of the Public Order article (33). The arbitration committee shall treat the parties to the arbitration on equal footing, and shall provide each of the parties equal opportunities to present and defend its case.

[Article 33 is missing from the Arabic original]

Article 34

Arbitration procedures shall commence from the date on which one of the parties receives a request from the other party to refer the dispute to arbitration according to the provisions of this Law or the provisions of the arbitrations agreement.

Article 35

The claimant party shall send a written statement of his claims to the defendant party and to every member of the arbitration panel within the agreed period or the period determined by the arbitration committee. The written statement shall contain the following information:

- The name and address of the claimant, and the name and address of defendant, with a complete description of suit details, identifying the disputed issues and claims, and what the two parties agreed to add it to the case file. The claimant shall attach to his data all other documents and evidence related to the disputed issue. The plaintiff shall have the right to amend his defense or claims, and add to them during the arbitration procedure, unless the arbitration committee sees this to have come too late.

Article 36

The defendant shall submit his defense statement in writing to the claimant and to all members of the arbitration committee. His response shall include every issue set out in the claims statement, and any other statements, claims, and other defenses which he may deem to be necessary. He shall attach to his defense statement all documents and other evidence relating to the dispute. The defendant shall have the right to amend his claims and defenses, or add to them during the arbitration procedures, unless the arbitration panel decided that it is too late to do so.

Article 37

A copy of all documents and evidences submitted by any of the two parties to the arbitration committee shall be submitted to the other party, and copies of all documents submitted to the committee such as the expert reports, evidence documents and others related to the dispute, shall be sent to each party.

Article 38

The arbitration committee shall hold sessions for verbal presentations to enable each party to explain the dispute subject and provide arguments and evidence. Sessions shall be secret and third parties not involved in the dispute shall not be allowed to attend.

Article 39

The arbitration committee shall notify the two parties of the verbal presentations' date and time, a sufficient time before they are to be held

Article 40

If the need arises to employ the services of experts or to hear witnesses, there shall be no need to take the oath.

Article 41

If the claimant failed to submit his case statement, the arbitration committee shall terminate all arbitration procedures, and is entitled to claim from the plaintiff all the expenses incurred in the process of commencing and finalizing the procedures. If the defendant failed to comply with defense statement, the arbitration committee shall continue the procedures. The failure of the defendant shall not be considered an acceptance of what was stated in the plaintiff statement. If one of the parties failed to attend a session or meeting, or failed to submit the required evidence, the arbitration committee shall proceed and issue its verdict in the dispute based on the submitted evidence before it, without prejudice of the rights of the parties stipulated by the provisions of this Law.

Article 42

The arbitration committee may appoint one or more experts to submit a written or verbal report about any issues it deems related to the dispute subject. The parties to the dispute shall extend all possible help to enable the expert or experts to complete the assignment in a proper manner. The arbitration committee shall send copies of the report to each party. The committee may decide to hold a session for hearing the statement of the expert and provide the opportunity for the parties to hear, discuss, and respond to the report. Either party may enlist the services of an expert or experts as witnesses in this case, unless agreed otherwise.

Article 43

The arbitration committee or any of the parties may request help from the relevant court for obtaining evidence, and to take the appropriate protective or temporary measures. It may also request the competent court to decide in issues relating to the dispute, which are beyond its jurisdiction, without prejudice to the continuity of the arbitration procedures.

Article 44

The dispute shall cease before the arbitration committee for any of the reasons stipulated in the Civil and Commercial Litigation Law, and the effects provided by that same law shall come into effect.

Chapter 6:

The Arbitration Decision

Article 45

The arbitration committee shall decide in the dispute based on the legal principles agreed to by both parties. If both parties agreed to apply another law other than the laws of Yemen Republic, it shall have to abide by the objective principles in it. If the parties failed to agree on the applicable law, the arbitration committee shall apply the law specified in the principles of the overlapping laws in the Yemeni law. The arbitration committee may decide the dispute in accordance with the principles of the international law and the principles of justice and fairness if permitted by the parties to the dispute. In all cases, the arbitration committee shall decide the dispute in accordance with the Yemeni law or the terms of the contract concluded between the parties, taking into consideration social norms and traditions and commercial rules and norms followed in this type of transaction.

Article 46

If the parties to the arbitration agreed to settle the dispute during the course of the arbitration process, the arbitration committee shall stop the process and document the settlement agreement as a decision which shall have the same form and effect as that of the committee decision.

Article 47

The arbitration committee shall issue its decision after deliberations. If a majority vote is not achieved, the opinion with which the chairman votes shall have the deciding vote, unless the parties involved agree otherwise.

Article 48

The arbitration committee shall issue its decision in writing, and it shall be signed by all the arbitrators, except in cases where the decision was arrived at by majority vote, in which case the arbitrator who did not agree with the verdict may not sign, provided that he indicates the reasons. The decision must be issued with justification, or else it shall be deemed null and void, unless the two parties agreed otherwise. The arbitration committee's decision shall include the following data: Names, addresses, titles, and nationalities of the parties to the arbitration, names, titles, addresses, and nationalities of the arbitrators, a brief of the claims, defenses, statements, and documents of the dispute parties, and the decision text, reasons, date, and place of issue. The arbitration decision shall be final and decisive if the parties to the arbitration agreed to this, in cases where the arbitration is performed amicably, and in cases stipulated by this law. The arbitration committee shall send copies of the decision signed by the arbitrators to the parties to the arbitration.

Article 49

The verdict or any part thereof shall not be published except with the written approval of the parties to the arbitration.

Article 50

The arbitration panel shall deposit the original copy of the decision and other decisions issued in relation to the dispute, along with the arbitration agreement with the concerned court's archives office within the thirty days following the issuance of the decision. The court clerk shall issue a minutes-of-meeting of this deposit procedure, and the parties to the arbitration are entitled to obtain a copy thereof.

Article 51

The arbitration procedures shall end with the issuance of the arbitration decision. The committee may order the termination of the arbitration procedures in the following situations:

- A. If the plaintiff withdrew the case request
- B. If both parties agreed to end the dispute
- C. If the arbitration committee is of the opinion, for any other reason, that the continuing arbitration is useless or has become impossible
- D. The arbitration committee's task shall end with the finalization of the arbitration procedures, while observing the provisions stipulated by this Law.

Article 52

Either party may request the arbitration committee, within the thirty days following the delivery date of the arbitration decision, to correct any writing or calculation errors in the decision, or any similar mistakes. Neither party may request the committee to interpret or explain any expressions, phrases, or procedures of the decision, except after notifying the other party of the request. If the committee agrees to the required correction or if the interpretation is justifiable, then the committee shall issue the correction or interpretation in writing within thirty days following the date of delivery of the request. The interpretation shall be considered as part of the arbitration decision.

Chapter 7

Appeal of the Arbitration Decision

Article 53

While observing the provisions of this Law, any request to nullify the arbitration decision is not permissible except in the following situations:

- A. If there was no arbitration agreement, or if it had expired or was null and void according to the law.
- B. If one of the parties to the arbitration was considered incompetent.
- C. If the procedures were incorrect.
- D. If the arbitration committee exceeded its jurisdiction.

- E. If the formation of the arbitration committee was contrary to the arbitration agreement.
- F. If the arbitration decision was not reasoned.
- G. If the arbitration decision was in violation of Islamic Shari'a principles and public order.

Except for these situations, as stipulated in this law, the arbitration provisions issued according to this Law cannot be appealed in any method of appeal stipulated in the Civil and Commercial Appeals Law.

Article 54

The annulment lawsuit shall be submitted to the appeals court within the legal appeal period. Raising the lawsuit will result in suspending implementation of the decision until the court decides to resume it based on the request of the party concerned. The court may decide to accept the appeal after the deadline if the delay is the result of force majeure, provided that the claimant raises the lawsuit as soon as the reasons are no longer valid.

Article 55

The appeals court may decide to annul the arbitration decision even if it was not requested to do so, in any of the following cases:

- A. If the decision was issued for a matter that is not subject to arbitration.
- B. If the decision included anything that violates the provisions of Islamic or public order.

Chapter 8

Implementation of Arbitration Decisions

Article 56

The arbitration decisions issued according to this Law are deemed to be Res Judicata and are to be implemented, while observing the provisions stipulated in this chapter.

Article 57

The decision shall become final and subject to implementation after the expiry of the appeal period or after the expiry of nullification adjudication period, whereby it is rejected if raised.

Article 58

The appeals court or whoever it authorizes shall have the jurisdiction to implement arbitration decisions.

Article 59

The request to implement the decision shall be submitted together with the following documents.
The original verdict or a copy thereof signed by all the arbitration committee members.

- A. The original decision document or a copy of it signed by all members of the arbitration committee. A copy of the arbitration agreement
- B. A copy of the arbitration agreement.
- C. A copy of the decision deposit minutes.

If the arbitration was performed in a language other than Arabic, an approved Arabic translation shall be submitted of the arbitration decision and the documents attached to it.

Article 60

The order to implement the arbitrators' decision shall not be issued until the following are verified:

- A. That the decision is final and subject to implementation.
- B. That the decision does not contradict a conclusive decision previously issued by courts.
- C. That the decision was issued in accordance with the provisions of this Law.

Chapter 9

Arbitration Provisions:

Article 61

Law number (33) of the year 1981 regarding arbitration, issued in Sana'a, shall be repealed, together with any similar provisions stipulated by any law issued in Aden. Any decision or text that contradicts the provisions of this Law shall also be repealed.

Article 62

This Law shall become applicable as of the day it is published Official Gazette.

Issued at Republic's Presidency - Sana'a

On 25 Ramadan, 1412 Hijra, Equivalent to 29 March 1992.

Haider Abubakr Al-Attas Lieutenant General /Ali Abdallah Saleh, Prime Minister, Chairman of the Presidency Council.

* Translation note: This is a literal translation of the Arabic text. The exact meaning of this provision was also not clear in the original Arabic version.