

Modeli i Klauzolës së Arbitrazhit:

Qendra ZAK e Odës Amerikane u rekomandon palëve, të cilat dëshirojnë të zgjidhin mosmarrëveshjet bazuar në Rregullat e Arbitrazhit të Odës Amerikane, të përdorni klauzolën e mëposhtme në kontratat e tyre:

“Çdo mosmarrëveshje, mospajtim, ose pretendim që del nga apo është në lidhje me këtë kontratë, duke përfshirë shkeljen, ndërprerjen ose jo-vlefshmërinë e kontratës, do të zgjidhet me arbitrazh në kuadër të Odës Ekonomike Amerikane në Kosovë, në përputhje me rregullat e arbitrazhit të Odës Ekonomike Amerikane në Kosovë.”

Palët duhet që gjithashtu të konsiderojnë:

- (a) Autoriteti i emërimit duhet të jetë ... [emri i institucionit ose personit];
- (b) Numri i arbitrave do të jetë... [një ose tre];
- (c) Vendi i arbitrazhit do të jetë ... [qyteti dhe vendi];
- (d) Gjuha që do të përdoret në procedurën e arbitrazhit do të jetë [gjuha];
- (e) Ligji i aplikueshëm i të drejtës materiale është

Model Arbitration Clause:

AmCham ADR Center recommends parties, desiring to resolve their disputes under the AmCham’s Arbitration Rules, to include the below-stated arbitration clause in their agreements:

“Any dispute, controversy or claim arising out of or in relation to this contract, including the validity, invalidity, breach or termination thereof, shall be resolved by arbitration administered by the American Chamber of Commerce in Kosovo in accordance with the Rules of Arbitration of the American Chamber of Commerce in Kosovo.”

Parties should also consider:

- (a) The appointing authority shall be... [name of the institution or person];
- (b) The number of arbitrators/mediators shall be... [one or three for arbitrators];
- (c) The place of the arbitration/mediation shall be ... [city and or country];
- (d) The arbitral proceedings shall be conducted in---- [language];
- (e) The applicable law is

Arbitration Rules 2011

Decision on costs of proceedings

Law on arbitration



Arbitration Rules 2011

Arbitration Rules 2011

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Based on the Decision of the Board of Governors of the American Chamber of Commerce in Kosovo on establishing the Alternative Dispute Resolution Center and appointing its Board of Directors, On its meeting of 19th of April, 2011, The Board of ADR Center adopts KOSOVO

Introductory rules

Scope of application

Article 1

1. These Rules shall govern domestic and international arbitration of disputes in respect of a defined legal relationship, whether contractual or not, where an agreement refers to arbitration pursuant to these Rules under the auspices of the Alternative Dispute Resolution (ADR) Center at the American Chamber of Commerce in Kosovo . In the following text, such ADR Center shall be referred to as an 'arbitration institution'.
2. These Rules shall apply subject to such modification as the parties may agree.
3. Unless the parties have agreed otherwise these Rules shall apply to all arbitral proceedings in which the statement of claim is submitted on or after the date of entry into force of these Rules.
4. These Rules shall govern the arbitration except that where any of these Rules is in conflict with a provision of the law applicable to the arbitration from which the parties cannot derogate, that provision shall prevail.

Notice and calculation of periods of time

Article 2

1. A notice, including a notification, communication or proposal, may be transmitted by any means of communication that provides or allows for a record of its transmission.
2. If an address has been designated by a party specifically for this purpose or authorized by the arbitral tribunal, any notice shall be delivered to that party at that address, and if so delivered shall be deemed to have been received. Delivery by electronic means such as facsimile or e-mail may only be made to an address so designated or authorized.
3. In the absence of such designation or authorization, a notice is:
 - (a) Received if it is physically delivered to the addressee; or
 - (b) Deemed to have been received if it is delivered at the place of business, habitual residence or mailing address of the addressee.
4. If, after reasonable efforts, delivery cannot be effected in accordance with paragraphs 2 or 3, a notice is deemed to have been received if it is sent to the addressee's last-known place of business, habitual residence or mailing address by registered letter or any other means that provides a record of delivery or of attempted delivery.
5. A notice shall be deemed to have been received on the day it is delivered in accordance with paragraphs 2, 3 or 4, or attempted to be delivered in accordance with paragraph 4. A notice transmitted by electronic means is deemed to have been received on the day it is sent, except that a notice of arbitration so transmitted is only deemed to have been received on the day when it reaches the addressee's electronic address.
6. For the purpose of calculating a period of time under these Rules, such period shall begin to run on the day following the day when a notice is received. If the last day of such period is an official holiday or a non-business day at the residence or place of business of the addressee, the period is extended until the first business day which follows. Official holidays or non-business days occurring during the running of the period of time are included in calculating the period.

The Representation and assistance

Article 3

1. Each party may be represented or assisted by persons chosen by it. The names and addresses of such persons must be communicated to all parties and to the arbitral tribunal. Such communication must specify whether the appointment is being made for purposes of representation or assistance. Where a person is to act as a representative of a party, the arbitral tribunal, on its own initiative or at the request of any party, may at any time require proof of authority granted to the representative in such a form as the arbitral tribunal may determine.

Designating appointing authorities

Article 4

Unless the parties have already agreed on the choice of an appointing authority, the appointing authority shall be the body designated as such under the organizational rules of the arbitration institution.

Composition of the arbitral tribunal Number of arbitrators

Article 5

1. If the parties have not previously agreed on the number of arbitrators, the appointing authority shall decide whether the case shall be referred to a sole arbitrator or to a three-member arbitral tribunal, taking into account all relevant circumstances.

2. As a rule, the appointing authority shall refer the case to a sole arbitrator, unless the complexity of the subject-matter and/or the amount in dispute justify that the case be referred to a three-member arbitral tribunal.

3. For purposes of these Rules, the expression „arbitral tribunal“ includes a sole arbitrator or a three-member arbitral tribunal.

Appointment of arbitrators (articles 6 to 9)

Article 6

1. The parties may appoint the arbitrators who are on the list of the arbitration institution.

2. The parties may also appoint persons to be arbitrators who are not on such list of arbitrators, provided that any such person provide a brief statement of his past and current professional experience. Such statement must also be provided if an arbitrator is appointed by an appointing authority other than the appointing authority designated by the arbitration institution.

3. The appointment of an arbitrator shall become effective when it has been confirmed by the arbitration institution in accordance with Article 12 of these Rules. Accordingly, any reference to appointment under these Rules shall be deemed to be a nomination until confirmed by the arbitration institution.

Article 7

1. If the parties have agreed that a sole arbitrator is to be appointed and if within 30 days after receipt by all other parties of a proposal for the appointment of a sole arbitrator the parties have not reached agreement thereon, a sole arbitrator shall be appointed by the appointing authority.

22. The appointing authority shall appoint the sole arbitrator as promptly as possible. In making the appointment, the appointing authority shall use the following list-procedure, unless the parties agree that the list-procedure should not be used or unless the appointing authority determines in its discretion that the use of the list-procedure is not appropriate for the case:

- (a) The appointing authority shall communicate to each of the parties an identical list containing at least three names;
- (b) Within 15 days after the receipt of this list, each party may return the list to the appointing authority after having deleted the name or names to which it objects and numbered the remaining names on the list in the order of its preference;
- (c) After the expiration of the above period of time the appointing authority shall appoint the sole arbitrator from among the names approved on the lists returned to it and in accordance with the order of preference indicated by the parties;
- (d) If for any reason the appointment cannot be made according to this procedure, the appointing authority may exercise its discretion in appointing the sole arbitrator.

Article 8

1. If three arbitrators are to be appointed, each party shall appoint one arbitrator. The two arbitrators thus appointed shall choose the third arbitrator who will act as the presiding arbitrator of the arbitral tribunal.
2. If within 30 days after the receipt of a party's notification of the appointment of an arbitrator the other party has not notified the first party of the arbitrator it has appointed, the first party may request the appointing authority to appoint the second arbitrator.
3. If within 30 days after the appointment of the second arbitrator the two arbitrators have not agreed on the choice of the presiding arbitrator, the presiding arbitrator shall be appointed by the appointing authority in the same way as a sole arbitrator would be appointed under Article 7.

Article 9

1. For the purposes of Article 8, paragraph 1, where three arbitrators are to be appointed and there are multiple parties as claimant or as respondent, unless the parties have agreed to another method of appointment of arbitrators, the multiple parties jointly, whether as claimant or as respondent, shall appoint an arbitrator.
2. In the event of any failure to constitute the arbitral tribunal under these Rules, the appointing authority shall, at the request of any party, constitute the arbitral tribunal and, in doing so, may revoke any appointment already made and appoint or reappoint each of the arbitrators and designate one of them as the presiding arbitrator.

Acceptance of Mandate of Arbitrator and Disclosures

Article 10

1. Every arbitrator must be and remain independent of the parties involved in the arbitration.
2. Each person who is approached in connection with his or her possible appointment as an arbitrator shall, without undue delay, notify the arbitration institution of his or her acceptance of the appointment as arbitrator and declare whether he or she fills the conditions agreed upon by the parties. He or she shall also disclose any circumstances likely to give rise to justifiable doubts as to his or her impartiality or independence. The arbitration institution shall inform the parties accordingly.
3. If circumstances are apparent from an arbitrator's declaration, which are likely to give rise to doubts as to his impartiality or independence or his fulfillment of agreed qualifications, the arbitration institution grants the parties an opportunity to comment within an appropriate time-limit.
4. An arbitrator, from the time of his or her appointment and throughout the arbitral proceedings, shall without delay disclose any such circumstances to the parties and the other arbitrators unless they have already been informed by him or her of these circumstances.

Confirmation of Arbitrator

Article 11

1. The arbitration institution may confirm the proposed arbitrator as soon as the arbitration institution receives the arbitrator's declaration of acceptance, and no circumstances likely to give rise to doubts regarding the impartiality or independence of an arbitrator or his fulfillment of agreed qualifications are apparent from the declaration, or if within the time-limit set by Article 13.1 no party objects to the confirmation of that arbitrator.
2. In the event of a challenge pursuant to Article 13.1, which a party elects to pursue as provided in Article 13.4, a decision by the arbitration institution to reject the challenge of the proposed arbitrator shall be considered a confirmation of such arbitrator.
3. Upon confirmation of all arbitrators, the arbitral tribunal is constituted. The arbitration institution informs the parties of the constitution of the arbitral tribunal.

Challenge of arbitrators (articles 12 to 14)

Article 12

1. Any arbitrator may be challenged if circumstances exist that give rise to justifiable doubts as to the arbitrator's impartiality or independence.
2. A party may challenge the arbitrator appointed by it only for reasons of which it becomes aware after the appointment has been made.
3. In the event that an arbitrator fails to act or in the event of the de jure or de facto impossibility of his or her performing his or her functions, the procedure in respect of the challenge of an arbitrator as provided in Article 13 shall apply.

Article 13

1. A party that intends to challenge an arbitrator shall send notice of its challenge within 15 days after it has been notified of the appointment of the challenged arbitrator, or within 15 days after the circumstances mentioned in Articles 11 and 12 became known to that party.
2. The notice of challenge shall be communicated to all other parties, to the arbitrator who is challenged, to the other arbitrators and to the arbitration institution. The notice of challenge shall state the reasons for the challenge.
3. When an arbitrator has been challenged by a party, all parties may agree to the challenge. The arbitrator may also, after the challenge, withdraw from his or her office. In neither case does this imply acceptance of the validity of the grounds for the challenge.
4. If, within 15 days from the date of the notice of challenge, all parties do not agree to the challenge or the challenged arbitrator does not withdraw, the party making the challenge may elect to pursue it and seek a decision on the challenge by the arbitration institution. In that case, within 15 days of notice by the party making the challenge to pursue the challenge, the other party and the challenged arbitrator shall submit a response to the challenge.
5. The arbitration institution shall make a decision on the challenge without undue delay. Such decision shall be final.

Replacement of an arbitrator

Article 14

1. Subject to paragraph 2, in any event where an arbitrator has to be replaced during the course of the arbitral proceedings, a substitute arbitrator shall be appointed or chosen pursuant to the procedure provided for in Articles 7 to 11 that was applicable to the appointment or choice of the arbitrator being replaced. This procedure shall apply even if during the process of appointing the arbitrator to be replaced, a party had failed to exercise its right to appoint or to participate in the appointment.

2. If, at the request of a party, the appointing authority determines that, in view of the exceptional circumstances of the case, it would be justified for a party to be deprived of its right to appoint a substitute arbitrator, the appointing authority may, after giving an opportunity to the parties and the remaining arbitrators to express their views: (a) appoint the substitute arbitrator; or (b) after the closure of the hearings, authorize the other arbitrators to proceed with the arbitration and make any decision or award.

Repetition of hearings in the event of the replacement of an arbitrator

Article 15

1. If an arbitrator is replaced, the proceedings shall resume at the stage where the arbitrator who was replaced ceased to perform his or her functions, unless the arbitral tribunal decides otherwise.

Exclusion of liability

Article 16

1. Save for intentional wrongdoing, the parties waive, to the fullest extent permitted under the applicable law, any claim against the arbitrators, the appointing authority, the arbitration institution and any person appointed by the arbitral tribunal based on any act or omission in connection with the arbitration.

Arbitral proceedings

General provisions

Article 17

1. Subject to these Rules, the arbitral tribunal may conduct the arbitration in such manner as it considers appropriate, provided that the parties are treated with equality and that at an appropriate stage of the proceedings each party is given a reasonable opportunity of presenting its case. The arbitral tribunal, in exercising its discretion, shall conduct the proceedings so as to avoid unnecessary delay and expense and to provide a fair and efficient process for resolving the parties' dispute.

2. As soon as practicable after its constitution and after inviting the parties to express their views, the arbitral tribunal shall establish the provisional timetable of the arbitration, which shall be provided to the parties and, for information, to the arbitration institution. The arbitral tribunal may, at any time, after inviting the parties to express their views, extend or abridge any period of time prescribed under these Rules or agreed by the parties. The arbitral tribunal shall provide the revised timetable to the arbitration institution.

3. If at an appropriate stage of the proceedings any party so requests, the arbitral tribunal shall hold hearings for the presentation of evidence by witnesses, including expert witnesses, or for oral argument. In the absence of such a request, the arbitral tribunal shall decide whether to hold such hearings or whether the proceedings shall be conducted on the basis of documents and other materials.

4. All communications to the arbitral tribunal by one party shall be communicated by that party to all other parties and the arbitration institution. Such communications shall be made at the same time, except as otherwise permitted by the arbitral tribunal if it may do so under applicable law.

5. The arbitral tribunal may, at the request of any party, allow one or more third persons to be joined in the arbitration as a party provided such person is a party to the arbitration agreement, unless the arbitral tribunal finds, after giving all parties, including the person or persons to be joined, the opportunity to be heard, that joinder should not be permitted because of prejudice to any of those parties. The arbitral tribunal may make a single award or several awards in respect of all parties so involved in the arbitration.

Place of arbitration

Article 18

1. If the parties have not previously agreed on the place of arbitration, or if such designation is unclear or incomplete, the place of arbitration shall be Kosovo unless the arbitration institution determines, having regard to the circumstances of the case and after giving the parties the opportunity to make written comments, that another seat is more appropriate. The award shall be deemed to have been made at the place of arbitration.

2. The arbitral tribunal may meet at any location it considers appropriate for deliberations. Unless otherwise agreed by the parties, the arbitral tribunal may also meet at any location it considers appropriate for any other purpose, including hearings. In any case, the arbitral tribunal should notify the arbitration institution about such locations and, if parties are expected to be present at them, to give them sufficient notice.

Language

Article 19

1. Subject to an agreement by the parties, the arbitral tribunal shall, promptly after its appointment, determine the language or languages to be used in the proceedings. This determination shall apply to the statement of claim, the statement of defense, and any further written statements and, if oral hearings take place, to the language or languages to be used in such hearings.
2. The arbitral tribunal may order that any documents annexed to the statement of claim or statement of defense, and any supplementary documents or exhibits submitted in the course of the proceedings, delivered in their original language, shall be accompanied by a translation into the language or languages agreed upon by the parties or determined by the arbitral tribunal.
3. Until the language of the proceedings had been determined, a claim, a defense and other documents can be submitted in the language of the main contract, of the arbitration agreement or in any language in the official use at the seat of the arbitral institution.
4. If neither parties nor arbitrators can reach an agreement on the language of arbitration, the language of arbitration shall be determined by the arbitration institution.

Statement of claim

Article 20

1. The claimant shall communicate its statement of claim in writing to the arbitration institution. The proceedings shall be deemed to commence on receipt of the statement of claim by the arbitration institution. The arbitration institution shall deliver the statement of claim to the respondent without undue delay.
2. Unless the parties come to a different agreement, the statement of claim includes the notice of arbitration.
3. The claimant shall submit one copy of the statement of claim together with enclosures for each respondent, each arbitrator and the arbitration institution.
The statement of claim shall include the following particulars:
 - (a) The names and contact details of the parties;
 - (b) Identification of the arbitration agreement that is invoked;
 - (c) A brief description of the dispute;
 - (d) A statement of the facts supporting the claim;
 - (e) The points at issue;
 - (f) The relief or remedy sought;
 - (g) The legal grounds or arguments supporting the claim;
 - (h) The amount in dispute at the time of submission of the statement of claims, unless the claims are not related exclusively to a specific sum of money;
 - (i) A proposal as to the number of arbitrators, language and place of arbitration, if the parties have not previously agreed thereon.
 - (j) If a decision by three arbitrators is requested, the nomination of an arbitrator and contact details of that person.
 - (k) If a sole arbitrator is to be appointed, the proposal regarding the arbitrator to be appointed and contact details of that person.
4. A copy of any contract or other legal instrument out of or in relation to which the dispute arises and of the arbitration agreement shall be annexed to the statement of claim.
5. The statement of claim should, as far as possible, be accompanied by all documents and other evidence relied upon by the claimant, or contain references to them.

Statement of defense

Article 21

1. The respondent shall communicate its statement of defense in writing to the arbitration institution within a period of time to be determined by the arbitration institution.
2. The statement of defense shall reply to the particulars (b) to (k) of the statement of claim (Article 20, paragraph 4). The statement of defense should, as far as possible, be accompanied by all documents and other evidence relied upon by the respondent, or contain references to them.
3. In its statement of defense, or at a later stage in the arbitral proceedings if the arbitral tribunal decides that the delay was justified under the circumstances, the respondent may make a counterclaim or rely on a claim for the purpose of a set-off provided that the arbitral tribunal has jurisdiction over it.
4. The provisions of Article 20, paragraphs 3 to 6, shall apply to a counterclaim, and a claim relied on for the purpose of a set-off.

Amendments to the claim or defense

Article 22

During the course of the arbitral proceedings, a party may amend or supplement its claim or defense, including a counterclaim or a claim for the purpose of a set-off, unless the arbitral tribunal considers it inappropriate to allow such amendment or supplement having regard to the delay in making it or prejudice to other parties or any other circumstances. However, a claim or defense, including a counterclaim or a claim for the purpose of a set-off, may not be amended or supplemented in such a manner that the amended or supplemented claim or defense falls outside the jurisdiction of the arbitral tribunal.

Transmitting of the file to the arbitral tribunal

Article 23

The arbitration institution shall transmit the statements of claim and defense and other documents to the members of the arbitral tribunal as soon as a statement of claim or counterclaim have been received in due form, the arbitrators have confirmed acceptance of their mandate and their objectivity, and the deposit for costs has been paid.

Pleas as to the jurisdiction of the arbitral tribunal

Article 24

1. The arbitral tribunal shall have the power to rule on its own jurisdiction, including any objections with respect to the existence or validity of the arbitration agreement. For that purpose, an arbitration clause that forms part of a contract shall be treated as an agreement independent of the other terms of the contract. A decision by the arbitral tribunal that the contract is null shall not entail automatically the invalidity of the arbitration clause.
2. A plea that the arbitral tribunal does not have jurisdiction shall be raised no later than in the statement of defense or, with respect to a counterclaim or a claim for the purpose of a set-off, in the reply to the counterclaim or to the claim for the purpose of a set-off. A party is not precluded from raising such a plea by the fact that it has appointed, or participated in the appointment of, an arbitrator. A plea that the arbitral tribunal is exceeding the scope of its authority shall be raised as soon as the matter alleged to be beyond the scope of its authority is raised during the arbitral proceedings. The arbitral tribunal may, in either case, admit a later plea if it considers the delay justified.

3. The arbitral tribunal may rule on a plea referred to in paragraph 2 either as a preliminary question or in an award on the merits. The arbitral tribunal may continue the arbitral proceedings and make an award, notwithstanding any pending challenge to its jurisdiction before a court.

Further written statements

Article 25

The arbitral tribunal shall decide which further written statements, in addition to the statement of claim and the statement of defense, shall be required from the parties or may be presented by them and shall fix the periods of time for communicating such statements.

Periods of time

Article 26

The periods of time fixed by the arbitral tribunal for the communication of written statements (including the statement of claim and statement of defense) should not exceed 45 days. However, the arbitral tribunal may extend the time limits if it concludes that an extension is justified.

Interim measures

Article 27

1. The arbitral tribunal may, at the request of a party, grant interim measures.
2. An interim measure is any temporary measure by which, at any time prior to the issuance of the award by which the dispute is finally decided, the arbitral tribunal orders a party, for example and without limitation, to:
 - (a) Maintain or restore the status quo pending determination of the dispute;
 - (b) Take action that would prevent, or refrain from taking action that is likely to cause, (i) current or imminent harm or (ii) prejudice to the arbitral process itself;
 - (c) Provide a means of preserving assets out of which a subsequent award may be satisfied; or
 - (d) Preserve evidence that may be relevant and material to the resolution of the dispute.
3. The party requesting an interim measure under paragraphs 2 (a) to (c) shall satisfy the arbitral tribunal that:
 - (a) 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
 - (b) There is a reasonable possibility that the requesting party will succeed on the merits of the claim. The determination on this possibility shall not affect the discretion of the arbitral tribunal in making any subsequent determination.
4. With regard to a request for an interim measure under paragraph 2 (d), the requirements in paragraphs 3 (a) and (b) shall apply only to the extent the arbitral tribunal considers appropriate.
5. The arbitral tribunal may modify, suspend or terminate an interim measure it has granted, upon application of any party or, in exceptional circumstances and upon prior notice to the parties, on the arbitral tribunal's own initiative.
6. The arbitral tribunal may require the party requesting an interim measure to provide appropriate security in connection with the measure.
7. The arbitral tribunal may require any party promptly to disclose any material change in the circumstances on the basis of which the interim measure was requested or granted.
8. The party requesting an interim measure may be liable for any costs and damages caused by the measure to any party if the arbitral tribunal later determines that, in the circumstances then prevailing, the measure should not have been granted. The arbitral tribunal may award such costs and damages at any point during the proceedings.

9. A request for interim measures addressed by any party to a judicial authority shall not be deemed incompatible with the agreement to arbitrate, or as a waiver of that agreement.

Evidence

Article 28

1. Each party shall have the burden of proving the facts relied on to support its claim or defense.
2. Witnesses, including expert witnesses, who are presented by the parties to testify to the arbitral tribunal on any issue of fact or expertise may be any individual, notwithstanding that the individual is a party to the arbitration or in any way related to a party. Unless otherwise directed by the arbitral tribunal, statements by witnesses, including expert witnesses, may be presented in writing and signed by them.
3. At any time during the arbitral proceedings the arbitral tribunal may require the parties to produce documents, exhibits or other evidence within such a period of time as the arbitral tribunal shall determine.
4. The arbitral tribunal shall determine the admissibility, relevance, materiality and weight of the evidence offered.

Hearings

Article 29

1. In the event of an oral hearing, the arbitral tribunal shall give the parties adequate advance notice of the date, time and place thereof.
2. Witnesses, including expert witnesses, may be heard under the conditions and examined in the manner set by the arbitral tribunal.
3. Hearings shall not be public unless the parties agree otherwise. The arbitral tribunal may require the retirement of any witness or witnesses, including expert witnesses, during the testimony of such other witnesses, except that a witness, including an expert witness, who is a party to the arbitration shall not, in principle, be asked to retire.
4. The arbitral tribunal may direct that witnesses, including expert witnesses, be examined through means of telecommunication that do not require their physical presence at the hearing (such as videoconference).

Experts appointed by the arbitral tribunal

Article 30

1. After consultation with the parties, the arbitral tribunal may appoint one or more independent experts to report to it, in writing, on specific issues to be determined by the arbitral tribunal. A copy of the expert's terms of reference, established by the arbitral tribunal, shall be communicated to the parties.
2. The expert shall, in principle before accepting appointment, submit to the arbitral tribunal and to the parties a description of his or her qualifications and a statement of his or her impartiality and independence. Within the time ordered by the arbitral tribunal, the parties shall inform the arbitral tribunal whether they have any objections as to the expert's qualifications, impartiality or independence. The arbitral tribunal shall decide promptly whether to accept any such objections. After an expert's appointment, a party may object to the expert's qualifications, impartiality or independence only if the objection is for reasons of which the party becomes aware after the appointment has been made. The arbitral tribunal shall decide promptly what, if any, action to take.

3. The parties shall give the expert any relevant information or produce for his or her inspection any relevant documents or goods that he or she may require of them. Any dispute between a party and such expert as to the relevance of the required information or production shall be referred to the arbitral tribunal for decision.

4. Upon receipt of the expert's report, the arbitral tribunal shall communicate a copy of the report to the parties, which shall be given the opportunity to express, in writing, their opinion on the report. A party shall be entitled to examine any document on which the expert has relied in his or her report.

5. At the request of any party, the expert, after delivery of the report, may be heard at a hearing where the parties shall have the opportunity to be present and to interrogate the expert. At this hearing, any party may present expert witnesses in order to testify on the points at issue. The provisions of Article 28 shall be applicable to such proceedings.

Default

Article 31

1. If, within the period of time fixed by these Rules or the arbitral tribunal, without showing sufficient cause the respondent has failed to communicate its statement of defense, the arbitral tribunal shall order that the proceedings continue, without treating such failure in itself as an admission of the claimant's allegations; the provisions of this subparagraph also apply to a claimant's failure to submit a defense to a counterclaim or to a claim for the purpose of a set-off.

2. If a party, duly notified under these Rules, fails to appear at a hearing, without showing sufficient cause for such failure, the arbitral tribunal may proceed with the arbitration.

3. If a party, duly invited by the arbitral tribunal to produce documents, exhibits or other evidence, fails to do so within the established period of time, without showing sufficient cause for such failure, the arbitral tribunal may make the award on the evidence before it.

Closure of proceedings

Article 32

1. The arbitral tribunal may inquire of the parties if they have any further proof to offer or witnesses to be heard or submissions to make and, if there are none or if the arbitral tribunal is satisfied that the record is complete, it shall declare the proceedings closed.

2. When the arbitral tribunal has declared the hearings closed, it shall indicate to the arbitration institution an approximate date by which the draft award will be submitted to the arbitration institution for approval pursuant to Article 44. Any postponement of that date shall be communicated to the arbitration institution by the arbitral tribunal.

3. The arbitral tribunal may, if it considers it necessary owing to exceptional circumstances, decide, on its own initiative or upon application of a party, to reopen the hearings at any time before the award is made.

Waiver of right to object

Article 33

A failure by any party to object promptly to any non-compliance with these Rules or with any requirement of the arbitration agreement shall be deemed to be a waiver of the right of such party to make such an objection, unless such party can show that, under the circumstances, its failure to object was justified.

The award

Decisions

Article 34

1. When there is more than one arbitrator, any award or other decision of the arbitral tribunal shall be made by a majority of the arbitrators.
2. In the case of questions of procedure, when there is no majority or when the arbitral tribunal so authorizes, the presiding arbitrator may decide alone, subject to revision, if any, by the arbitral tribunal.

Form and effect of the award

Article 35

1. The arbitral tribunal may make separate awards on different issues at different times.
2. All awards shall be made in writing and shall be final and binding on the parties. The parties shall carry out all awards without delay.
3. The arbitral tribunal shall state the reasons upon which the award is based, unless the parties have agreed that no reasons are to be given.
4. An award shall be signed by the arbitrators and it shall contain the date on which the award was made and indicate the place of arbitration. Where there is more than one arbitrator and any of them fails to sign, the award shall state the reason for the absence of the signature. The arbitration institution shall certify that the award has been approved under the internal rules of the arbitration institution.
5. An award may be made public with the consent of all parties or where and to the extent disclosure is required of a party by legal duty, to protect or pursue a legal right or in relation to legal proceedings before a court or other competent authority.
6. Copies of the duly certified award signed by the arbitrators shall be communicated to the parties by the arbitration institution.

Applicable law, amiable compositeur

Article 36

1. The arbitral tribunal shall apply the rules of law designated by the parties as applicable to the substance of the dispute. Failing such designation by the parties, the arbitral tribunal shall apply the law which it determines to be appropriate.
2. The arbitral tribunal shall decide as amiable compositeur or ex aequo et bono only if the parties have expressly authorized the arbitral tribunal to do so.
3. In all cases, the arbitral tribunal shall decide in accordance with the terms of the contract, if any, and shall take into account any usage of trade applicable to the transaction.

Settlement or other grounds for termination

Article 37

1. If, before the award is made, the parties agree on a settlement of the dispute, the arbitral tribunal shall either issue an order for the termination of the arbitral proceedings or, if requested by the parties and accepted by the arbitral tribunal, record the settlement in the form of an arbitral award on agreed terms. The arbitral tribunal is not obliged to give reasons for such an award.
2. If, before the award is made, the continuation of the arbitral proceedings becomes unnecessary or impossible for any reason not mentioned in paragraph 1, the arbitral tribunal shall inform the parties of its intention to issue an order for the termination of the proceedings. The arbitral tribunal shall have the power to issue such an order unless there are remaining matters that may need to be decided and the arbitral tribunal considers it appropriate to do so.
3. Copies of the order for termination of the arbitral proceedings or of the arbitral award on agreed terms, signed by the arbitrators, shall be communicated to the parties. Where an arbitral award on agreed terms is made, the provisions of Article 35, paragraphs 2, 4 and 5, shall apply.

Interpretation of the award

Article 38

1. Within 30 days after the receipt of the award, a party, with notice to the other parties, may request that the arbitral tribunal give an interpretation of the award.
2. The interpretation shall be given in writing within 30 days after the receipt of the request. The interpretation shall form part of the award and the provisions of Article 35, paragraphs 2 to 6, shall apply.

Correction of the award

Article 39

1. Within 30 days after the receipt of the award, a party, with notice to the other parties, may request the arbitral tribunal to correct in the award any error in computation, any clerical or typographical error, or any error or omission of a similar nature. If the arbitral tribunal considers that the request is justified, it shall make the correction within 30 days of receipt of the request.
2. The arbitral tribunal may within 30 days after the communication of the award make such corrections on its own initiative.
3. Such corrections shall be in writing and shall form part of the award. The provisions of Article 35, paragraphs 2 to 6, shall apply.

Additional award

Article 40

1. Within 30 days after the receipt of the termination order or the award, a party, with notice to the other parties, may request the arbitral tribunal to make an award or an additional award as to claims presented in the arbitral proceedings but not decided by the arbitral tribunal.
2. If the arbitral tribunal considers the request for an award or additional award to be justified, it shall render or complete its award within 30 days after the receipt of the request. The arbitral tribunal may extend, if necessary, the period of time within which it shall make the award.
3. When such an award or additional award is made, the provisions of Article 35, paragraphs 2 to 6, shall apply.

Confidentiality

Article 41

1. Unless the parties expressly agree in writing to the contrary, the parties undertake as a general principle to maintain the confidentiality of the arbitral proceedings and to keep confidential all awards and orders as well as all materials submitted by another party in the framework of the arbitral proceedings not otherwise in the public domain, save and to the extent that a disclosure may be required of a party by a legal duty, to protect or pursue a legal right or to enforce or challenge an award in legal proceedings before a judicial authority. This undertaking also applies to the arbitrators, experts, witnesses, persons acting on behalf of any person involved in the arbitral proceedings, the secretary of the arbitral tribunal and any person at the arbitration institution involved in the administration of the arbitral proceedings.

2. The deliberations of the arbitral tribunal are confidential.

3. An award may be published, whether in its entirety or in the form of excerpts or a summary, only under the following conditions:

- (a) A request for publication is addressed to an arbitration institution;
- (b) All references to the parties' names are deleted; and
- (c) No party objects to such publication within the time-limit fixed for that purpose by the arbitration institution.

Expedited Procedure

Article 42

1. The provisions on Expedited Procedure, set forth in paragraph 2 of this article, shall apply:

- (a) to all cases in which the amount in dispute representing the aggregate of the claim and the counterclaim (or any set-off defense) does not exceed EUR 100,000, unless the arbitration institution decides otherwise taking into account all relevant circumstances;
- (b) to all cases, irrespective of their value, if the parties agree to apply the provisions on Expedited Procedure.

2. In the Expedited Procedure, the foregoing provisions of these Rules apply subject to the following modifications:

- (a) The arbitration institution may shorten the time-limits, including time-limits for the appointment of arbitrators;
- (b) The case shall be referred to a sole arbitrator, unless the arbitration agreement provides for a three-member arbitral tribunal. If the arbitration agreement provides for a three-member arbitral tribunal, the arbitration institution shall invite the parties to agree to refer the case to a sole arbitrator. If the parties do not agree to refer the case to a sole arbitrator, the fees of the three arbitrators shall be calculated in accordance with Article 8 of the Decision on Costs in Arbitration Proceedings.
- (c) Unless the parties agree that the dispute shall be decided on the basis of documentary evidence only, the arbitral tribunal shall hold no more than one hearing for the examination of the witnesses and expert witnesses as well as for oral argument. Upon request by the arbitral tribunal, the arbitration institution may exceptionally allow holding of another hearing.
- (d) The award shall be made within six months from the date when the arbitration institution transmitted the file to the arbitral tribunal. In exceptional circumstances, the arbitration institution may extend this time-limit.

Powers of the arbitration institution

Powers in the course of the proceedings

Article 43

1. The arbitration institution, subject to its internal rules, may authorize one of its members to attend the hearings.
2. The arbitration institution shall secure adequate legal assistance in all hearings where the sole arbitrator or at least one member of the arbitral tribunal is not a lawyer.
3. The arbitration institution may, whilst respecting the right of decision-making of the arbitral tribunal on the merits of the dispute, draw the arbitrators' attention to legal issues of importance for decision-making and especially issues relating to the content and form of the procedural actions which are being undertaken.

Approval of the award

Article 44

1. Before signing the award, the arbitral tribunal is obliged to present to the arbitration institution the draft of the award for approval.
2. The arbitration institution may order alterations to the form of the draft presented. The arbitration institution, whilst respecting the right of decision-making of the arbitral tribunal on the merits of the dispute, is authorized to draw the attention of the arbitral tribunal to issues related to the merits of the dispute.

Costs of proceedings

Article 45

1. The costs of arbitration proceedings (including the arbitrators' fees, registration and administrative fees, advance payments of costs, presentation of evidence and other costs) shall be determined by the arbitration institution in accordance with the Decision on Costs of Arbitration Proceedings in force at the time the arbitration proceeding is commenced.
2. The arbitral tribunal may apportion such costs among the parties if it determines that such apportionment is reasonable, taking into account the circumstances of the case.

Entry into force

Article 46

These Rules shall come into effect on 01 July 2011.

Annex

Model arbitration clause for contracts

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 under the auspices of the ADR Center at the American Chamber of Commerce in Kosovo in accordance with the KOSOVA Arbitration Rules 2011.

Note. Parties should consider adding:

- (a) The appointing authority shall be ... [name of institution or person]
- (b) The number of arbitrators shall be ... [one or three];
- (c) The place of arbitration shall be ... [town and country];
- (d) The language to be used in the arbitral proceedings shall be
- (e) The applicable substantive law is.....

Model statements of independence pursuant to Article 11 of the Rules

No circumstances to disclose

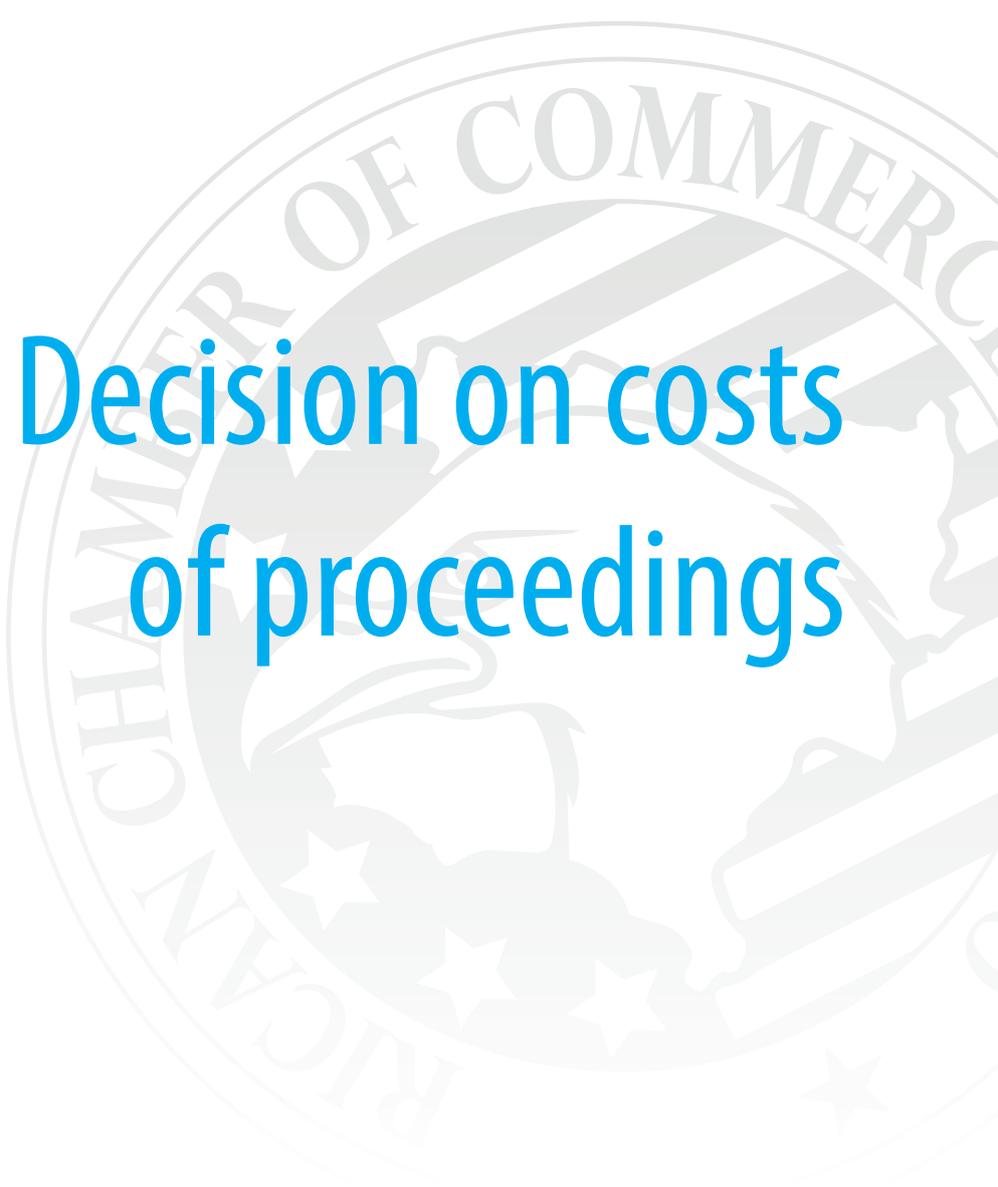
I am impartial and independent of each of the parties and intend to remain so. To the best of my knowledge, there are no circumstances, past or present, likely to give rise to justifiable doubts as to my impartiality or independence. I shall promptly notify the parties and the other arbitrators of any such circumstances that may subsequently come to my attention during this arbitration.

Circumstances to disclose

I am impartial and independent of each of the parties and intend to remain so. Attached is a statement made pursuant to Article 10 of the KOSOVA Arbitration Rules of (a) my past and present professional, business and other relationships with the parties and (b) any other relevant circumstances. [Include statement.] I confirm that those circumstances do not affect my independence and impartiality. I shall promptly notify the parties and the other arbitrators of any such further relationships or circumstances that may subsequently come to my attention during this arbitration.

Note. Any party may consider requesting from the arbitrator the following addition to the statement of independence:

I confirm, on the basis of the information presently available to me, that I can devote the time necessary to conduct this arbitration diligently, efficiently and in accordance with the time limits in the Rules.

The background features a large, faint watermark of the Chamber of Commerce seal. The seal is circular and contains the text "CHAMBER OF COMMERCE" at the top and "RICHMOND" at the bottom. In the center, there is a figure holding a scale and a sword, with a banner below it. The seal is rendered in a light gray color.

Decision on costs of proceedings

DECISION ON COSTS OF PROCEEDINGS

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Based on the Decision of the Board of Governors of the American Chamber of Commerce in Kosovo on establishing the Alternative Dispute Resolution Center and appointing its Board of Directors, On its meeting of 27th of June, 2011, The Board of ADR Center enacts this

DECISION ON COSTS OF PROCEEDINGS

1. GENERAL PROVISIONS

Article 1

1.1 This decision establishes rules on the costs of proceedings in arbitration proceedings under Kosovo Arbitration Rules, administered by the American Chamber of Commerce in Kosovo – Alternative Dispute Resolution Center (hereafter “AmCham ADR Center”).

Article 2

2.1 Parties who take part in proceedings before the AmCham ADR Center shall bear the costs of the proceedings.

2.2 The costs of the proceedings shall consist of:

- a) The fees of the arbitral tribunal;
- b) The administrative costs and fees of the arbitration institution;
- c) The reasonable travel and other expenses incurred by the arbitrators;
- d) The reasonable costs of expert advice and of other assistance required by the arbitral tribunal;
- e) The reasonable travel and other expenses of witnesses;
- f) The legal and other costs incurred by the parties in relation to the arbitration to the extent that the arbitral tribunal determines that the amount of such costs is reasonable;
- g) Other material costs of the arbitration proceedings (costs of hearings, if held outside of premises of the arbitration institution etc.).

2.3 The costs of proceedings under paragraph 2 (a), (b), (c), (e) and (g) are to be fixed by the arbitration institution. The costs of proceedings under paragraph 2(d) and (f) are determined by the arbitral tribunal.

2.4 In relation to interpretation, correction or completion of any award under articles 37 to 39, the arbitration institution may charge the costs referred to in paragraphs 2 (b) to (g), but no additional fees.

Article 3

3.1 The costs of the arbitration shall in principle be borne by the unsuccessful party or parties. However, the arbitral tribunal may apportion each of such costs between the parties if it determines that apportionment is reasonable, taking into account the circumstances of the case.

3.2 The arbitral tribunal shall in the final award or, if it deems appropriate, in any other award, determine any amount that a party may have to pay to another party as a result of the decision on allocation of costs.

Article 4

4.1 When filing a statement of claim or counterclaim, the claimant (counter-claimant) shall pay the Center the registration fee according to the Schedule of Fees of the arbitration institution.

4.2 If more than two parties are involved in the dispute as co-litigants, the registration fee shall be increased by 10% for each additional party.

4.3 The registration fee paid shall not be refundable.

4.4 The arbitration institution shall not serve the statement of claim or undertake any other procedural action until registration fee has been paid.

Article 5

5.1 Once the number of arbitrators in the proceedings has been established (i.e. one or three), the amount of the advance for the expected costs of the proceedings from Article 2, Paragraph 2 (a) to (e) shall be determined by the arbitration institution.

5.2 The arbitration institution shall request each party to deposit an equal amount as an advance for the costs determined under paragraph 1. Under the circumstances, the arbitration institution may elect to ask the full advance from the claimant only.

5.3 If the required deposits are not paid in full within 30 days after the receipt of the request, the arbitration institution 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 arbitration institution may order the suspension or termination of the arbitral proceedings.

5.4 Before the sum in Paragraph 1 of this Article has been paid, the statement of claim shall not be forwarded to the arbitration tribunal.

5.5 In the course of the proceedings, insofar as there is any increase in the value of the subject of the dispute or the advance paid is not sufficient to cover the material costs, the arbitration institution may request the parties to pay a supplementary deposit.

5.6 Until the supplementary deposit, charged due to the increase in the value of the subject of the dispute, has been paid, the increase shall not be taken into consideration.

5.7 If the supplementary deposit is sought to cover the material costs, the arbitration proceedings shall not continue until the supplementary deposit has been paid.

5.8 A decrease in the value of the subject of the dispute shall be taken into consideration in the calculation of the administrative costs and the costs of the fees of the arbitrators, only if the Court is notified of this before the file is handed over to the arbitration tribunal.

Article 6

6.1 If the deposit is not paid timely, the arbitration institution shall render a decision to delete the statement of claim filed from the registry of disputes before the arbitration institution.

6.2 A deleted statement of claim may be filed again subject to the repayment of the registration fee.

6.3 After a termination order or final award has been made, the arbitral tribunal shall render an accounting to the parties of the deposits received and return any unexpended balance to the parties.

Article 7

7.1 The parties shall pay the deposits to the account determined by the arbitration institution.

II. TARIFFS

Article 8

ARBITRATION COSTS

Tariff no. 1

The registration fee for arbitration proceedings is:

- a.) 250 EUR, if the amount in dispute is less than 100.000 EUR;
- b.) 500 EUR if the amount in dispute is equal or more than 100.000 EUR.

ARBITRATORS' FEES

Tariff no. 2

If arbitration is carried out by a sole arbitrator, the costs of the arbitrator's fees shall be calculated in accordance with the following table:

Countervalue of the subject of the dispute (from-to) in EUR		Amount of fees: base (C) and percentage (D) for the amount in excess over (A) – in EUR	
From (A)	To (B)	Base(C)	% (D)
	5,000	600	
5,000	20,000	600	7
20,000	50,000	1,650	5
50,000	100,000	3,150	3
100,000	500,000	4,650	1,5
500,000	2,000,000	10,650	1
2,000,000	5,000,000	25,650	0,5
5,000,000	10,000,000	40,650	0,3
10,000,000	20,000,000	55,650	0,1
over 20,000,000		65,650	0,05

Tariff no. 3

If the parties are to pay the deposit for administrative costs and the arbitrator's fees in equal parts, for the purpose of the calculation of the amount of these costs, the values of the subject of dispute from the statement of claim and the counterclaim shall be added together. If not, the deposit for these costs shall be calculated separately for the statement of claim and the counterclaim (separate calculations).

Separate calculations shall also be applied if the counterclaim is not related to the statement of claim.

If in the same proceedings, several statements of claim and counterclaims have been filed, the arbitration institution may calculate the fees of the arbitrators separately for each claim.

Tariff no. 4

If a three-member arbitral tribunal is to be appointed, the amount from Tariff no. 2 shall be increased by two and a half times. In particularly complex cases, the arbitration institution may order that the amount from Tariff no. 2 be increased up to three times.

If more than two parties participate in the proceedings as co-litigants, the amount in Tariff no. 2 shall be increased by 10 percent for each additional party.

Tariff no. 5

If the arbitration proceedings are not concluded with an arbitration award, the arbitration institution shall determine the amount of the arbitrator's fees and the administrative costs in an appropriate amount, and render a decision on the repayment to the parties of the amount of the deposit that has not been spent.

III. ADMINISTRATIVE COSTS

Tariff no. 6

If a sole arbitrator has been appointed, the administrative costs shall be 20 percent of the amount of the fees of the sole arbitrator.

If an arbitral tribunal has been appointed, the administrative costs shall be 10 percent of the amount of the fees of the arbitral tribunal.

IV. TRANSITIONAL AND FINAL PROVISIONS

Article 9

This Decision shall come into force on 01 July 2011.

Approved on 27th of June, 2011 in Pristina, Kosovo

Board of Directors of AmCham ADR Center

Law on arbitration



Law on arbitration

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ON ARBITRATION

The Assembly of Kosovo,

Pursuant to the Chapters 5.1 (d), and 9.1.26 (a) of the Constitutional Framework for Provisional Self-Government in Kosovo (UNMIK Regulation No. 2001/9 of 15 May 2001),

For the purpose of establishing a set of modern rules, that govern arbitration and the recognition and enforcement of arbitration awards made inside and outside of Kosovo, and that are in line with recognized European and international arbitration standards,

Hereby adopts the following:

LAW ON ARBITRATION

Chapter I

GENERAL PROVISIONS

Article 1

Scope of Application

The present Law sets forth the rules that apply to arbitration agreements, arbitration proceedings and the recognition and enforcement of arbitral awards made inside and outside of Kosovo.

Article 2

Definitions

“Arbitration Agreement” shall mean an agreement between two or more persons to submit to arbitration all or certain legal disputes, which have arisen or which may arise between them.

“Award” shall mean all orders issued by the arbitral tribunal whether interim, partial, procedural, substantial or final as to all matters including costs.

“Consumer” shall mean any natural person who concludes a contract for purposes which are outside his trade, business or profession.

“Person” shall include natural and legal persons. The term “legal persons” shall include legal persons of private law and legal persons of public law.

“Court” is used in the present Law, reference is made to the court designated in the arbitration agreement or, in the absence of such determination, to the Economic Court.

“Tribunal” shall mean the Arbitral Tribunal.

Article 3

Jurisdiction of Courts

No court in Kosovo may intervene in arbitration proceedings, unless otherwise provided for in this Law.

*Article 4***Notice and Calculation of Periods of Time**

4.1. Any notice, including a notification, communication or proposal, is deemed to have been received if it is delivered physically or by registered mail to the addressee or if it is delivered at his/her habitual residence, place of business or mailing address. If none of these can be found after making reasonable inquiry, a notice shall be deemed received at the addressee's last known residence or place of business.

A notice shall be deemed to have been received on the day it is so delivered. The provisions of this paragraph shall not apply to notices and communications in court proceedings.

4.2. Any period of time referred to in this Law shall begin to run on the day following the day when a notice is received. If the last day of such period is an official holiday or a non-business day at the residence or place of business of the addressee, the period shall be extended until the first business day which follows. Official holidays or non-business days occurring during the running of the period of time shall be included in calculating the period.

Chapter II**ARBITRATION AGREEMENT***Article 5***Arbitrability**

5.1. One dispute can be settled by the arbitration only if it exists in the party's agreement, whereby they accept the dispute to be settled by the arbitration.

5.2. All disputes related to the civil-judicial and economic-judicial requests may be the subject of an arbitration agreement, unless prohibited by law.

*Article 6***Arbitration Agreement**

6.1. The arbitration agreement shall be concluded in writing.

6.2. This requirement is deemed to have been respected even if the conclusion of the arbitration agreement is recorded by means of an exchange of letters, telefaxes, telegrams or other means of telecommunication or electronic communication, by means of a bill of lading if the latter contains an express reference to an arbitration clause, or in the event of an exchange of statements of claim and defence, in which the existence of an agreement is alleged by one party and not denied by the other.

6.3. If a consumer is a party to an arbitration agreement, the arbitration agreement is considered to be concluded in writing only if all parties to the arbitration agreement personally sign the document containing the arbitration clause. The signature referred to in this paragraph may be substituted by an electronic signature subject to compliance with the relevant legislation on electronic signatures.

6.4. Any non-compliance with the form requirements set out in Paragraph 2 and 3 of this Article shall not be considered by an arbitration tribunal if the parties initiate arbitration proceedings.

*Article 7***Claims before Courts**

A court before which an action is brought concerning a matter that is the subject of an arbitration shall reject the action as inadmissible if the defendant in his statement of defense invokes the arbitration agreement, unless the court finds that the arbitration agreement is null and void or that the disputed subject matter is not covered by the arbitration agreement.

Article 8
Preliminary Orders

Irrespective of an arbitration agreement or the commencement of arbitration proceedings, a court of competent jurisdiction may issue a preliminary order if this is requested by a party who gives credible evidence that immediate or irreparable injury, loss or damage will result to the party if no preliminary order is granted.

Chapter III
COMPOSITION OF THE ARBITRAL TRIBUNAL

Article 9
Number and Appointment of Arbitrators

9.1. The arbitral tribunal shall be composed of either a single arbitrator or a panel of arbitrators, provided that the panel is composed of an odd number of arbitrators.

9.2. The parties may agree on a procedure for appointing the arbitrator or arbitrators.

9.3. If the parties do not agree on the number of arbitrators or on the procedure for the appointment of the arbitrator or arbitrators within fifteen days after the receipt by the respondent of the notice of arbitration, the arbitral tribunal shall consist of a panel of three arbitrators to be appointed pursuant to paragraphs 4 of this

Article 9

9.4. In the event referred to in paragraph 3 above, each party shall appoint one arbitrator. The two arbitrators thus appointed shall appoint the third arbitrator who shall act as the chairman of the arbitral tribunal. If a party fails to appoint the arbitrator within thirty days of the receipt of a request to do so, or if the two arbitrators fail to agree on the third arbitrator within thirty days of their appointment, the relevant appointment shall be made by the Court upon the request of a party.

9.5. Unless otherwise agreed by the parties, shall be bound by its appointment of an arbitrator from the moment the other party has received notice of the arbitrator appointment.

9.6. When appointing an arbitrator, the Court shall have due regard to the qualifications an arbitrator is required to have pursuant to the arbitration agreement and it shall make sure that the appointed arbitrator is independent, impartial and does not have a conflict of interest.

Article 10
Challenge of Arbitrators

10.1. A prospective arbitrator when approached by a party or a Court shall disclose any circumstances likely to give rise to justifiable doubts as to his impartiality or independence. An arbitrator, once appointed, shall disclose such circumstances to the parties unless they have already been informed by him of these circumstances.

10.2. Any arbitrator may be challenged by either party if circumstances exist that give rise to justifiable doubts as to the arbitrators impartiality or independence, or if the arbitrator does not have the qualifications agreed to by the parties. A party may challenge the arbitrator appointed by it only for reasons of which it becomes aware after the appointment has been made. The relevant party must make the challenge as soon as it becomes aware of the circumstances giving reason for the challenge.

*Article 11***Procedure for the Challenge of Arbitrators**

11.1. The parties may agree on a procedure for challenging an arbitrator. Paragraphs 2, 3 and 4 of this Article shall apply, if the parties do not agree on such procedure.

11.2. The party which intends to challenge an arbitrator shall within fifteen days after the appointment of the arbitrator or after the circumstances listed in Article 10, paragraph (2), became known to that party send notice of its challenge to the other party and the other members of the arbitral tribunal. The notification shall be in writing and shall state the reasons for the challenge.

11.3. Unless the challenged arbitrator withdraws from office or the other party does not agree to the challenge, the Arbitral Tribunal shall decide on the challenge.

11.4. If a challenge under any procedure agreed upon by the parties or under the procedure of Paragraph (2) and (3) of this Article is not successful, the challenging party may request, within fifteen days after having received notice of the decision rejecting the challenge, the Court to decide on the challenge, which decision shall not be subject to appeal. While such a request is pending, the arbitral tribunal, including the challenged arbitrator, may continue the arbitral proceedings and make an award.

*Article 12***Failure to Act**

12.1. If an arbitrator becomes de jure or de facto unable to perform his functions or for other reasons fails to act without undue delay, his mandate shall terminate if he resigns or if the parties agree on the termination his mandate. If the arbitrator does not resign or if the parties do not agree on the termination, upon the request of any party or member of the tribunal, the Court shall decide on the termination of the arbitrator's mandate. Against the Court decision the claim is not allowed.

12.2. If, under Paragraph 1 of this Article or Article 11, Paragraph (2), an arbitrator withdraws from office or a party agrees to the termination of the mandate of an arbitrator, this shall not imply acceptance of the validity of any ground referred to in this Article or Article 11, paragraph 2.

*Article 13***Replacement of an Arbitrator**

In the event the mandate of an arbitrator is terminated in accordance with Articles 11 or 12 or because of the arbitrator's resignation from office, a replacement arbitrator shall be appointed in compliance with the provisions applicable to the appointment of an arbitrator, unless the parties agree on another procedure.

Chapter IV**JURISDICTION OF THE ARBITRAL TRIBUNAL***Article 14***Jurisdiction**

14.1. The arbitral tribunal shall determine whether it has jurisdiction over the dispute presented to it and whether the arbitration agreement is valid. For that purpose, an arbitration clause, which forms part of a contract, shall be treated as an agreement independent of the terms of the contract.

14.2. An objection that the arbitral tribunal does not have jurisdiction shall be raised by a party not later than with the submission of the statement of defense. A party shall not be precluded from raising such an objection because it has appointed or has participated in the appointment of an arbitrator.

14.3. An objection that the arbitral tribunal has exceeded its jurisdiction shall be raised by a party as soon as the matter became known to that party.

14.4. In the cases referred to in Paragraphs (2) and (3) of this Article, the arbitral tribunal may admit a later objection if it considers that the party has reasonable justification for the delay.

14.5. Any party may request the Court to review the decision of the arbitral tribunal that it has or has not jurisdiction over the dispute. Such request shall be made to the court within thirty days after having received written notice of the decision. Such request shall not prevent the arbitration tribunal from continuing, where appropriate, with the arbitral proceedings and from making an award.

Article 15

Preliminary Orders

15.1. Unless otherwise agreed by the parties, the arbitral tribunal may, at the request of a party, can issue preliminary order if that party gives credible evidence that immediate or irreparable injury, loss or damage will result to the party if no preliminary order is granted. The arbitral tribunal may require any party to provide appropriate security in connection with such preliminary orders.

15.2. At the request of a party, the court may order the enforcement of a preliminary order issued by the arbitral tribunal pursuant to Paragraph (1) of this Article unless such party has requested a preliminary order pursuant to Article 8 on the same matter.

15.3. If a preliminary order issued by the arbitral tribunal according to paragraph (1) of this Article proves to be unjustified, the party in whose favor the preliminary order was issued shall compensate the damages incurred by the other party as a result of the enforcement of the preliminary order. The arbitral tribunal shall have jurisdiction to decide on the justification of the preliminary order and matters related to the compensation of damages referred to above.

Chapter V

ARBITRAL PROCEEDINGS

Article 16

General Rules

16.1. The parties shall be treated equally and each party shall be given at every stage of the proceedings full opportunity to present its case.

16.2. The parties may freely choose their representatives to act as their authorized representatives during the arbitration proceedings. No duly authorized representative by the party may be excluded from the arbitration proceedings.

16.3. Subject to the mandatory provisions of this law, the parties may agree upon an arbitration procedure.

16.4. In the absence of an agreement by the parties on the procedure and in the absence of relevant provisions in this law, the arbitral tribunal shall determine by itself the arbitration rules applying the dispute procedures or applying arbitrary rules of an institution of the permanent arbitration.

Article 17

Place of Arbitration

17.1. Unless the parties have agreed on the place where the arbitration is to be held, such place shall be determined by the arbitral tribunal taking into consideration the circumstances of the case and the convenience of the parties and the tribunal .

17.2. Without prejudice to paragraph (1) of this Article, and unless otherwise agreed by the parties, the arbitral tribunal may meet at any place it considers appropriate for hearing parties, witnesses or experts, holding meetings for consultations among its members and the inspection of goods, other property or documents.

*Article 18***Commencement of Arbitral Proceedings**

Unless otherwise agreed by the parties, the arbitral proceedings in respect of a particular dispute commence on the date on which a request for the dispute to be referred to arbitration is received by the respondent.

*Article 19***Language**

19.1. Unless the parties have agreed otherwise, the arbitral tribunal shall, promptly after its appointment, determine the language or languages to be used in the proceedings. The agreement of the parties or, respectively, the determination of the arbitral tribunal shall apply to any written statement and request submitted by a party, any hearing and any award, decision or other communication by the arbitral tribunal.

19.2. The arbitral tribunal may order that any documents submitted in the course of the proceedings delivered in their original language shall be accompanied by a translation into the language or languages agreed upon by the parties or determined by the arbitral tribunal. The arbitral tribunal shall only accept translation produced by a translator who is certified or otherwise approved by a court.

*Article 20***Statements of Claim, Defense and Counter-Claims**

20.1. Within the period of time agreed by the parties or, in the absence of such agreement, within the period determined by the arbitral tribunal, the claimant shall state his claim and the facts supporting the claim, and the respondent shall state his defense in respect to the claim and supporting facts. The parties shall submit together with their statements all documents they deem relevant and shall add a reference to all other evidence they will submit.

20.2. Unless otherwise agreed by the parties, either party may amend or supplement its claim or defense during the course of the arbitral proceedings, unless the arbitral tribunal considers it inappropriate to allow such amendment due to delay in making the amendment.

20.3. In the statement of defense, or at a later stage in the arbitral proceedings if the arbitral tribunal decides that the delay was justified under the circumstances, the respondent may make a counter-claim arising out of the same contract or rely on a claim arising out of the same contract for the purpose of a set-off. Paragraphs (1) and (2) of this Article apply accordingly to such counter-claims.

*Article 21***Oral Hearings and Written Proceedings**

21.1. In the absence of an agreement between the parties, the arbitral tribunal shall decide whether to hold oral hearings or whether the proceedings shall be conducted on the basis of documents and other written materials, or a combination of both procedures. Unless the parties have agreed that no hearings shall be held, the arbitral tribunal shall hold such hearings at an appropriate stage of the proceedings, if so requested by a party. Hearings shall be not be public, unless all parties agree otherwise.

21.2. The parties shall be given sufficient advance notice of any hearing and of any meeting of the arbitral tribunal for the purpose of taking evidence.

21.3. All statements, documents or other information supplied to the arbitral tribunal by one party shall be communicated to all other parties. Also, any expert report or evidentiary document on which the arbitral tribunal may rely in making its decision shall be communicated to all parties.

21.4. The arbitral tribunal shall make arrangements for the translation of oral statements made at a hearing and for a record of the hearing if either is deemed necessary by the arbitral tribunal under the circumstances of the case, or if the parties have agreed thereto and have communicated such agreement to the arbitral tribunal at least fifteen days before the hearing. The parties shall bear the cost of the translation.

Article 22
Closure of Hearings

22.1. After the submission of the proofs according to the Article 20, Paragraph 1, the arbitral tribunal may inquire of the parties if they have any further proof to offer or witnesses to be heard or submissions to make, and, if there are none, it shall declare the hearings closed.

22.2. The arbitral tribunal may, if it considers it necessary due to exceptional circumstances, decide on its own initiative or upon an application of a party, to reopen the hearings at any time before the award is made.

Article 23
Evidence

23.1. Each party shall have the burden of proving the facts relied on to support its claim or defense.

23.2. The arbitral tribunal shall determine the admissibility, relevance, materiality and weight of the evidence offered.

23.3. The arbitral tribunal shall decide on the approval or rejection of the requests on proofs. Arbitral tribunal can collect proofs if he considers it necessary, and make their evaluation freely and impartially.

23.4. At any time during the proceedings the arbitral tribunal may require the parties to produce documents, exhibits or other evidence within such a period of time as the arbitral tribunal shall determine.

Article 24
Witnesses

24.1. If witnesses are to be heard, at least fifteen days before the hearing each party shall communicate to the arbitral tribunal and to the other party the names and addresses of the witnesses he intends to present, the subject upon and the language in which such witnesses will give their testimony.

24.2. Evidence of witnesses may also be presented in the form of written statements signed by the witness, provided that the witness is made available to parties, if one of the parties requests the examination of the witness.

Article 25
Experts

25.1. Unless otherwise agreed by the parties, the arbitral tribunal may appoint one or more experts to report to it in writing on specific issues to be determined by the arbitral tribunal.

25.2. The arbitral tribunal may order a party to give the expert any relevant information to prepare or to provide access to any relevant documents or property for his inspection. Upon receipt of the expert's report, the arbitral tribunal shall communicate a copy of the report to the parties who shall be given the opportunity to express in writing their opinion on the report.

25.3. Unless otherwise agreed by the parties, if requested by a party or if the arbitral tribunal considers it necessary, the expert shall, after delivery of his written report, be heard at a hearing where the parties shall have the opportunity to be present and to interrogate the expert. At this hearing, parties may present its expert in order to give their opinion on the points at issue.

Article 26
Default of a Party

26.1. If the claimant has failed to communicate his claim in accordance with Article 20, paragraph (1), without showing sufficient cause for such failure, the arbitral tribunal shall terminate the proceedings.

26.2. If the respondent has failed to communicate his statement of defense in accordance with Article 20, paragraph (1), the arbitral tribunal shall continue with the proceedings. Failure to communicate the statement of defense by the respondent shall not be considered as an admission of the claimant's allegations.

26.3. If one of the parties, duly notified pursuant to the provisions of this law, fails to appear at a hearing or to produce documentary evidence within the established period of time, the arbitral tribunal may continue with the proceedings and make an award on the basis of the evidence available.

Article 27
Waiver of Right to Object

A party that knows that a provision of this law or agreement with the other party has not been complied with and yet proceeds with the arbitration without promptly stating his objection to such non-compliance shall be deemed to have waived his right to object.

Article 28
Court Assistance

28.1. The arbitral tribunal, or any party after having obtained prior approval of the arbitral tribunal, may request from the court assistance for the purpose of collecting evidence or performing other judicial acts which the arbitral tribunal is not authorized to carry out.

28.2. Unless the court considers such application to be inadmissible, it shall execute the request according to its procedural rules.

CHAPTER VI
AWARDS

Article 29
Applicable Law

29.1. In cases related to international issues, the arbitral tribunal shall apply the law designated by the parties as applicable to the substance of the dispute. Failing such designation by the parties, the arbitral tribunal shall apply the right determined by the rules of private international rights. In all other cases, arbitral tribunal shall apply Kosovo legislation.

29.2. The arbitral tribunal shall decide *ex aequo et bono* or as *amiable compositeur* only if the parties have expressly authorized it to do so.

29.3. In all cases, the arbitral tribunal shall decide in accordance with the terms of the contract and shall take into account the usages of the trade applicable to the transaction.

Article 30
Decision-Making Procedure

30.1. In arbitral proceedings with more than one arbitrator, any award of the arbitral tribunal shall be made by a majority of all its members, unless otherwise agreed by the parties.

30.2. In the case of questions of procedure, the chairman may decide on his own, if so authorized by the parties or all members of the arbitral tribunal.

*Article 31***Form and Effect of the Award**

31.1. The award of arbitral tribunal shall be made in writing and shall be final and binding on the parties. The award shall have the same effect between the parties as a final and binding court decision.

31.2. The award shall state the reasons upon which it is based, unless the parties have agreed that no reasons are to be given.

31.3. An award shall be signed by the arbitrator or arbitrators, and it shall contain the date and place on which the award was made. In arbitral proceedings with more than one arbitrator, the signatures of the majority of all members of the arbitral tribunal shall be sufficient, provided that the award states the reasons for the absence of signature.

31.4. Copies of the award signed by the arbitrators shall be delivered to both parties, subject to the prior receipt of any outstanding fees.

31.5. The award may be made public only with the consent of all parties.

*Article 32***Settlement**

32.1. If, before the award is made, the parties agree on a settlement of the dispute, the arbitral tribunal shall terminate the proceedings.

32.2. If requested by the parties, it shall record the settlement in the form of an arbitral award on agreed terms, unless the contents of such settlement are in violation of public policy (*ordre public*). Such award shall have the same effect as any other award on the merits of the case.

*Article 33***Termination of Proceedings**

33.1. The arbitral proceedings are terminated by the issuance of the final award or by an order of the arbitral tribunal in accordance with paragraph (2) of this Article.

33.2. The arbitral tribunal shall issue an order for the termination of the arbitral proceedings if:

1. the claimant:

- a) fails to communicate his claim according to Article 20, paragraph (1);
- b) withdraws his claim, unless the respondent objects thereto and the arbitral tribunal recognizes a legitimate interest on the respondent's part in obtaining a final settlement of the dispute;

2. the parties agree on the termination of the proceedings; or

3. the parties fail to pursue the arbitral proceedings despite a request by the arbitral tribunal to pursue proceedings or if the continuation of the proceedings has for any other reason become impossible or unnecessary.

33.3. The mandate of the arbitral tribunal shall end with the termination of the arbitral proceedings, unless otherwise provided by law.

*Article 34***Decision on Costs**

34.1. Unless the parties have agreed otherwise, the arbitral tribunal shall fix the costs of arbitration in its award. Such costs shall include:

- a. the fees of the arbitral tribunal;
- b. arbitrator's costs;
- c. cost of expert advice and of other assistance required by the arbitral tribunal and agreed to by the parties;

- d. travel and other expenses of witnesses to the extent such expenses are approved by the arbitral tribunal;
- e. cost of (legal) representation and assistance of the successful party if such costs were claimed during the arbitral proceedings, and only to the extent that the arbitral tribunal determines that the amount of such cost to be reasonable; and
- f. any fees and expenses of the court when acting as the appointing authority of arbitrators.

34.2. The fees of the arbitral tribunal shall be reasonable in amount, taking into account the amount in dispute, the complexity of the subject-matter, the time spent by the arbitrators and any other relevant circumstances of the case. In the event of a dispute as to the extent or amount of the fees to be paid to the arbitral tribunal, the Court shall have jurisdiction to settle such dispute.

34.3. Unless otherwise agreed by the parties, the cost of arbitration shall be borne by the unsuccessful party. The arbitral tribunal may apportion each of the costs listed in Paragraph (1) of this Article between the parties if the arbitral tribunal determines that apportionment is reasonable under the circumstances of the case.

Article 35

Correction and Interpretation of Award; Additional Award

35.1. Unless otherwise agreed by the parties, within thirty days after the receipt of the award, either party, with notice to the other party, may request that the arbitral tribunal:

- a. give an interpretation of the award;
- b. correct in the award any errors in computation, any clerical or typographical errors or any errors of similar nature; or
- c. make an additional award as to claims presented in the arbitral proceedings but omitted from the award.

35.2. The arbitral tribunal may within thirty days after the communication of the award make such corrections on its own initiative. The arbitral tribunal shall make the correction or give the interpretation in writing within thirty days from the receipt of the request.

35.3. If the arbitral tribunal considers the request for an additional award to be justified, and considers that the omission can be rectified without any further hearings or evidence, it shall complete its award within sixty days after the receipt of the request. Article 30 applies to such additional award.

Chapter VII

JUDICIAL PROCEDURES

Article 36

Judicial Remedies

36.1. A party may request the Court to set aside an arbitral award in the cases listed in paragraphs (2) and (3) of this Article.

36.2. An arbitral award shall be set aside by the Court only if:

- a). The applicant proves that:
 - (I) a party to the arbitration agreement did not have the capacity to act;
 - (II) the arbitration agreement is not valid under the law determined as applicable by the parties or the arbitral tribunal or, in the absence of such determination, under the law applicable in Kosovo;
 - (III) the applicant was not given proper notice of the appointment of an arbitrator or of the arbitral proceedings or was otherwise unable to present his case;
 - (IV) the award deals with an issue not contemplated by or not falling within the terms of the submission to arbitration, or it contains decisions on matters beyond the scope of the submission to arbitration, provided that, if the decisions on matters submitted to arbitration can be separated from those not so submitted, that part of the award which contains decisions on matters submitted to arbitration may be recognized and enforced; or
 - (v) the composition of the arbitral tribunal or the arbitral procedure was not in accordance with the provisions of this Law or a valid arbitration agreement, under the condition that such defect had an impact on the arbitral award; or

- b). The court finds that:
- (I) arbitration is prohibited by law; or
 - (II) the enforcement of the award leads to a result which is in conflict with public policy (ordre public).

36.3. Unless the parties have agreed otherwise, a request for setting aside an arbitral award shall be submitted to the Court not later than ninety days after the award was received by the respective party.

36.4. When requested to set aside an arbitral award, the Court may, where appropriate, set aside the award and resubmit the case to the arbitral tribunal to resume arbitral proceedings or to take such other action as in the arbitral tribunal's opinion will eliminate the grounds for setting aside.

Article 37

General Procedural Provisions

37.1. The decisions of the Court shall have the form of court orders. Prior to the issuance of a court order, the Court shall hear the respondent.

37.2. If an appeal is submitted pursuant to Article 36 for setting aside an arbitral award, the Court shall hear all parties.

37.3. Court orders issued in the cases referred to in Article 36, paragraph 2, may be subject to a complaint. Concerning all other court orders issued by the Court in accordance with this Law no complaint shall be permitted.

Chapter VIII

RECOGNITION AND ENFORCEMENT OF AWARDS OF THE ARBITRAL TRIBUNAL

Article 38

Domestic Arbitral Awards

38.1. An arbitral award made by an arbitral tribunal in Kosovo shall be enforced when declared enforceable by the Court.

38.2. A request to declare an arbitral award enforceable shall be rejected and the award shall be set aside if the Court determines that one or more grounds for setting aside an award pursuant to Article 36, Paragraph (2), are satisfied. A request to declare an arbitral award enforceable shall be accompanied by the arbitral award or a certified copy of it.

Article 39

Arbitral Awards Made Outside of Kosovo

39.1. Kosovo courts shall recognize arbitral awards made outside of Kosovo as effective and enforce them if such awards are recognized and are published as enforced according to paragraph 2 till 5 of this Article.

39.2. The request for recognition and enforcement of an arbitral award made outside of Kosovo shall be submitted to the Economic Court.

39.3. To the request for recognition and enforcement of an arbitral award interested party shall attach:

- a). the authenticated original award or a duly certified copy thereof;
- b). the original arbitration agreement or a duly certified copy thereof; and
- c). a duly certified translation of the arbitration agreement and the arbitral award into an official language of Kosovo if the award or agreement is not made in an official language of Kosovo.

39.4. Recognition and enforcement of the award may be refused, at the request of the party against whom it is invoked, if that party proves that:

- a). a party to the arbitration agreement, under the law applicable to this agreement, did not have the capacity to act; or the arbitration agreement was not valid under the law determined as applicable by the parties or, in the absence of such determination, under the applicable law in the territory where the award was made;
- b). the party against whom the award is invoked was not given proper notice of the appointment of an arbitrator or of the arbitral proceedings or was otherwise unable to present its case;
- c). the award deals with an issue not contemplated by or not falling within the terms of the submission to arbitration, or it contains decisions on matters beyond the scope of the submission to arbitration, provided that if the decisions on matters submitted to arbitration can be separated from those not so submitted, that part of the award which contains decisions on matters submitted to arbitration may be recognized and enforced;
- d). the composition of the arbitral tribunal or the arbitral procedure was not in accordance with the law applicable to it; and
- e). the award has not yet become binding on the parties, or has been set aside or suspended by a competent authority of the territory in which, or under the law of which, the award was made.

39.5. Recognition and enforcement of an arbitral award shall be refused if the Court finds that:

- a). the subject matter is not capable of a settlement by arbitration under the applicable law in Kosovo; or
- b). the recognition or enforcement of the award would be contrary to the public policy (ordre public) of Kosovo.

Chapter IX FINAL PROVISIONS

Article 40 Applicable Law

With the entrance into force of the present law all provisions in the applicable law that are inconsistent with the provisions of this law shall be superseded.

Article 41 Entry into Force

The present law shall enter into force one month following adoption by the Assembly of Kosovo and promulgation by the Special Representative of the Secretary-General.

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