

**Reform of the JCAA Arbitrations Rules:**

**Three Sets of Rules in Response to All Business Needs**

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<b>I. Introduction</b>
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International commercial arbitration is attracting growing attention from businesses, lawyers and governments alike. In response, and in order to better compete with other arbitral institutions around the world, the JCAA has stepped forward and taken the initiative to make Japan one of the best forums for

arbitration, using all possible means to accomplish this goal. To achieve this objective, the most straightforward path for the JCAA is to provide optimal arbitration rules that suit the current and potential needs of businesses. Realistically speaking, different businesses have a variety of different needs with regard to dispute resolution, depending on various factors: some are willing to pay more money to have their disputes determined by experienced and well-respected arbitrators; some wish to have their disputes resolved smoothly without procedural difficulties as far as possible; while again others would like to have their disputes settled in a predictable way at a reasonable cost.

In keeping all such business needs in mind, the JCAA amended its two existing sets of arbitration rules and created one set of new rules.

## **II. Three Sets of Arbitration Rules and their Characteristics**

The JCAA administers the following three sets of arbitration rules, all of which came into force on 1 January 2019:

- **UNCITRAL Arbitration Rules:** The JCAA provides the highest quality dispute resolution services in accordance with arbitration conducted under the world-standard rules by internationally recognized arbitrators.
- **Commercial Arbitration Rules:** Through refining its existing rules, the JCAA provides smooth dispute resolution in accordance with its procedural rules, which provide greater depth and detail when compared to other institutions.
- **Interactive Arbitration Rules:** The JCAA provides more predictable, faster dispute resolution in accordance with the rules and provisions on communication from the arbitral tribunal to the parties and with a system of fixed remuneration for arbitrators.

**See, "Information" section on the top page of the JCAA's website for these rules (<http://www.jcaa.or.jp/e/index.html>).**

The detailed characteristics of these rules are explained in the following sections.

## **1. UNCITRAL Arbitration Rules + Administrative Rules for UNCITRAL Arbitration, as amended**

### **[Synopsis]**

The UNCITRAL Arbitration Rules were drafted by the United Nations Commission on International Trade Law and adopted by the UN General Assembly initially in 1976 and have been subsequently amended in 2010 and 2013. These rules, recognized as representing the world-standard, allow a wide discretion to arbitrators, such that experts with profound experience in international arbitration may proceed with the arbitral process without checking the provisions in detail. Accordingly, all companies and lawyers in any jurisdiction can feel secure in designating the JCAA to administer their dispute resolution in accordance with the UNCITRAL Arbitration Rules in their arbitration clauses.

The JCAA's Administrative Rules for UNCITRAL Arbitration provide for the minimum essentials for the JCAA to administer arbitral proceedings in accordance with the UNCITRAL Arbitration Rules. Of particular note is that the time-charge system is adopted for the remuneration of arbitrators with the amount in the range of USD 500 to 1,500 per hour to be determined by JCAA in the case where no agreement is made between the parties. This system makes it possible for the JCAA to maintain its list of arbitrators, including those who are internationally recognized as leading experts, so as to provide the highest quality dispute resolution services.

### **[Detailed Overview]**

#### **(1) Main Part of the Administrative Rules**

The JCAA's Administrative Rules provide the minimum essentials to make the UNCITRAL Arbitration Rules operate effectively as institutional arbitration rules, given that they were originally drafted as *ad hoc* arbitration rules. The JCAA's existing supplementary rules are maintained with no major changes.

#### **(2) New Remuneration System for Top Arbitrators**

The JCAA Rules on Remuneration of Arbitrators under the UNCITRAL Arbitration Rules are changed as follows:

- (i) The amount of remuneration is denoted in U.S. dollars. (Rule 20)

- (ii) A time-charge system is adopted with the hourly rate in the range of USD 500 to 1,500 per hour in principle. In the case where no agreement is made between the parties, the JCAA will determine the rate in consideration of the experience of the arbitrator, the complexity of the case and related matters, subject to the one condition that the remuneration of the presiding arbitrator shall not be less than that of a party-nominated arbitrator. (Rule 20.2)
- (iii) The JCAA may pay to the arbitrator his or her remuneration before termination of the arbitral proceedings with the consent of all the parties, if the arbitral proceedings are expected to be prolonged. (Rule 22.2)

Items (i) and (ii) above make it easy for the parties and the JCAA to ask prominent international experts to serve as arbitrators in JCAA administered arbitrations in accordance with the UNCITRAL Arbitration Rules. Item (iii) responds to large disputes which inevitably require relatively long periods of time. Item (iii) is suitable for larger cases which tend to take relatively long period of time.

## **2. Commercial Arbitration Rules, as amended**

### **[Synopsis]**

The Commercial Arbitration Rules are partially amended to facilitate smooth proceedings, providing for clear solutions to some procedural issues on which differing opinions may arise. This objective is attained through, among others, clearly defining the role of the presiding arbitrator, providing explicit rules on a tribunal secretary appointed by a sole or presiding arbitrator, and prohibiting an arbitrator from disclosing his or her dissenting opinion in any manner. These issues are left unaddressed in the rules of other arbitral institutions.

The remuneration of arbitrators is fixed at JPY 50,000 per hour, unless otherwise agreed by the parties. In order to make the costs of the dispute settlement as predictable as possible at the time of drafting an arbitration agreement, the new system simplifies the determination of arbitrators' remuneration. In addition, any negotiation between the appointed arbitrators and the parties or the JCAA is prohibited once the proceedings have begun. Incidentally, the reduction of the hourly rate is maintained as an effective tool

to expedite the proceedings, but the first threshold is changed from 60 hours to 150 hours in consideration of general practice.

**[Detailed Overview]**

**(1) Prescribing Rules on the Impartiality and Independence of Arbitrators in Detail (Art. 24)**

In order to avoid the risk of annulment of arbitral awards, the rules on impartiality and independence of arbitrators are more accurately prescribed, in response to recent court decisions, especially in respect of the ongoing duty to conduct reasonable investigation into any circumstances which may, in the eyes of the parties, give rise to justifiable doubts as to the impartiality or independence of the arbitrator.

The following rules are inserted:

- (i) An arbitrator shall be, and remain impartial and independent at all times during the proceedings. (Art. 24.1)
- (ii) When a person is approached in connection with his or her possible appointment as an arbitrator, he or she shall conduct a reasonable investigation into any circumstances which may, in the eyes of the parties, give rise to justifiable doubts as to his or her impartiality or independence. If he or she finds such circumstances, he or she shall decline to accept the appointment or disclose in writing such circumstances to enable the approaching person to decide whether or not to withdraw their request for appointment. (Art. 24.2)
- (iii) When a person is appointed as an arbitrator, he or she shall promptly submit in writing to the parties and the JCAA his or her undertaking to disclose any circumstances which may give rise to justifiable doubts as to his or her impartiality or independence, or to declare that there are no such circumstances. (Art.24.3)
- (iv) During the course of the arbitral proceedings, an arbitrator shall have an ongoing duty to make reasonable investigation into any circumstances which may, in the eyes of the parties, give rise to justifiable doubts as to the arbitrator's impartiality or independence, and if the arbitrator finds such circumstances, the arbitrator shall promptly disclose such circumstances to the parties and the JCAA in writing. (Art 24.4)

- (v) An advance declaration in relation to such circumstances that may possibly arise in the future does not discharge the arbitrator's ongoing duty of disclosure. (Art. 24.4)

**(2) Prescribing Explicit Rules on a Tribunal Secretary Appointed by a Sole or Presiding Arbitrator (Art. 33)**

In practice, some arbitrators are assisted by a third person, such as their associate, in their work without the formal consent of the parties. This practice might be contrary to the expectation of the parties and may lead to disagreement regarding who should bear the costs of such third person as well as concerns over increased risk of disclosure of confidential information. In order to avoid such possible irregularities, some explicit rules are introduced as follows:

- (i) No arbitrator shall delegate to a third person tasks that substantially influence the arbitral tribunal's decision including the arbitral award. (Art. 33.1)
- (ii) To the extent compatible with the above requirement, the sole arbitrator or the presiding arbitrator may appoint a tribunal secretary to assist such arbitrator in his or her mandate. Before the appointment of the tribunal secretary, the parties' consent in writing shall be obtained after providing the parties with the information regarding the proposed tribunal secretary, the tasks that are proposed to be performed and the method for calculating the remuneration if the remuneration it to be paid to the proposed tribunal secretary. (Art. 33.2)
- (iii) Provisions on impartiality and independence and on the duty of confidentiality in respect of an arbitrator shall apply *mutatis mutandis* to the tribunal secretary. (Art. 33.3)
- (iv) The remuneration and other expenses of the tribunal secretary shall be deemed to be the expenses of the arbitrator, provided that the remuneration shall be included in the remuneration of the arbitrator for the purpose of calculating the upper limit of the arbitrator. (Art. 33.4)

**(3) Prohibition on Disclosure of Dissenting Opinion (Art.63)**

While recognizing that differing opinions are found in authoritative articles and textbooks on whether a dissenting opinion may be disclosed in an arbitral award,

the JCAA has, for the benefit of parties in general, introduced an explicit provision to prohibit an arbitrator from disclosing his or her dissenting opinion. From the viewpoint of a party who seeks the sound and stable resolution of its dispute, such disclosure might give the unsuccessful party a basis to challenge the arbitral award in court proceedings for annulment, and in the case of a party-appointed arbitrator it might function as a means to let the party who appointed him or her know his or her behavior in the arbitral tribunal, which is apparently contrary to the arbitrator's ethics. Incidentally, not only a minority arbitrator but also majority arbitrators must keep the discussion within the arbitral tribunal.

The provision is as follows:

- (i) Where the arbitral tribunal is composed of three arbitrators, the arbitral tribunal shall state only the tribunal's decision in the arbitral award. (Art. 63, First Sentence)
- (ii) No arbitrator shall disclose its dissenting or individual opinion in any manner. (Art. 63, Second Sentence)

#### **(4) Amendment of the Expedited Arbitration Procedures**

In consideration of the development of communications technology, the scope of application of the Expedited Arbitration Procedures by a single arbitrator is expanded. This procedures are applied when the amount or economic value of the claimant's claim is not more than JPY 50,000,000 (the existing rules: JPY 20,000,000). The procedures are, in principle, conducted only on the basis of documents and other materials (the existing rules: a hearing physically attended by the parties can be held but shall not last for more than one day in principle).

The principal amendments are as follows:

- (i) The Expedited Arbitration Procedures shall apply where the amount or economic value of the claimant's claim is not more than JPY 50,000,000, unless the parties agree otherwise. (Art. 84.2)
- (ii) Even in the case where the amount or economic value of the claimant's claim exceeds JPY 50,000,000, the Expedited Arbitration Procedures shall nonetheless apply if a party notifies the JCAA in writing of the agreement

between the parties to submit the dispute to the expedited arbitration within two weeks from the respondent's receipt of the notice of request for arbitration. (Art. 84.3)

- (iii) The arbitral tribunal shall, in principle, conduct the expedited arbitration proceedings based only on documents and other materials. (Art. 88.1)
- (iv) The arbitral tribunal may hold a hearing in a reasonable manner for the minimum number of days possible only if it considers it necessary. (Art. 88.2)

#### **(5) Amendment of the Remuneration of Arbitrators**

In response to certain practical issues that have arisen, the rules for remuneration of arbitrators are made more reasonable in some respects. More specifically, the significant revisions are as follows: First, the hourly rate is fixed, in principle, at JPY 50,000 in order to make the cost more predictable at the time of drafting an arbitration agreement. Second, the system of setting an upper limit on remuneration is maintained, but such limit is set as to each arbitrator individually. Third, the reduction of the hourly rate is maintained as an effective tool to expedite the proceedings, but the threshold is changed to 150 hours (the existing rules: 60 hours) in consideration of the fact that the time spent by each arbitrator is between 100 to 200 hours in normal cases.

The provisions are as follows:

- (i) The hourly rate is in principle JPY 50,000. (Art. 93.2)
- (ii) The upper limit of remuneration of an arbitrator in a case where the amount or economic value of the claim is less than JPY 20 million is fixed at JPY 2 million. (Art. 94.1)
- (iii) The upper limit of remuneration of an arbitrator in any case is to be JPY 30 million. (Art. 94.1)
- (iv) Where the arbitral tribunal is composed of three arbitrators, the upper limit of each arbitrator's remuneration shall be calculated as follows:
  - (1) presiding arbitrator: 120% of the upper limit of a sole arbitrator's remuneration.; and
  - (2) each co-arbitrator: 80% of the upper limit of a sole arbitrator's remuneration. (Art. 94.3)

- (v) When the time spent exceeds 150 hours, the hourly rate shall be reduced by 10% for every 50 hours in excess of the initial 150 hours; provided that the reduction shall not exceed 50% of the original hourly rate. (Art. 95)
- (vi) The parties may agree in writing, only before constitution of the arbitral tribunal, to change the arbitrator's hourly rate, the upper limit of the arbitrator's remuneration, and the reduction of the hourly rate. (Art. 96.1)
- (vii) The remuneration of the following arbitrator(s) shall not be paid:
  - (1) if the arbitral proceedings have been terminated before constitution of the arbitral tribunal: each member of the tribunal;
  - (2) if an arbitrator ceases to perform his or her duty because of death, challenge, removal (except for removal by the agreement between the Parties), or resignation: such arbitrator;Notwithstanding (2) above, where the arbitral tribunal is composed of more than one arbitrator, the JCAA shall determine the remuneration of the arbitrator who ceases to perform his or her duty because of death or illness, taking into account the Arbitration Hours spent, the arbitrator's contribution to the resolution of the dispute and any other relevant circumstances. (Art. 97)
- (viii) No arbitrator shall consult or negotiate with the parties or the JCAA to change the arbitrator's hourly rate, the upper limit of the arbitrator's remuneration, or the reduction of the hourly rate, and these items shall not be changed even if all the parties so agree. (Art. 98)
- (ix) The arbitrator shall be entitled to reimbursement of, for instance, the transportation expenses (business-class airfares and equivalent class fares for other modes of transportation) and, if an arbitrator is required to use overnight accommodation, JPY60,000 is to be paid as the flat rate of *per diem* allowance which covers hotel charges, meals and other personal living expenses. (Art. 101)
- (x) The emergency arbitrator's remuneration is reduced from JPY 2 million to JPY 1.2 million. (Art. 102.2)

## **(6) Amendment of the Administrative Fee**

The following changes are introduced:

- (i) The minimum administrative fee is fixed at JPY 500,000, even if the amount or economic value of the claim is less than JPY 20 million. (Art. 103.1)
- (ii) The upper limit of the administrative fee is JPY 25 million. (Art. 103.1)
- (iii) If the claimant, within thirty days after the commencement of the arbitral proceedings and before the constitution of the arbitral tribunal, withdraws all its claims, the JCAA refunds 90% of the total amount of the administrative fee. (Arts. 106 and 108.3)

## **3. Interactive Arbitration Rules**

### **[Synopsis]**

Some negative features of arbitration have been observed recently: arbitral proceedings take a long time to deal with work done by lawyers which is found to have been unnecessary at the end of the proceedings; unnecessarily lengthy arbitral awards disproportionate to the benefit to the parties are produced; and the cost of dispute resolution through arbitration is becoming more and more expensive.

These phenomena can be tackled by adopting a new structure of arbitration in which the arbitral tribunal is obliged to communicate to the parties its temporary views with regard to the case and the parties' allegations. The arbitral tribunal is obliged to present, twice during the course of the proceedings, to the parties a document containing its perspective on the case. This interactive way of proceedings would enhance parties' predictability and would make it possible for the arbitral tribunal to produce its award comparatively in a short period of time since drafting communications in writing would be conducive to drafting the final award.

Some arbitrators, especially those with a common law background, may not feel comfortable with the above two communications; however, strong desire is found in, among others, parties in civil law jurisdictions to be informed of the state of affairs of ongoing arbitral proceedings. Some such parties refrain from inserting an arbitration clause into their contract because, notwithstanding the

finality of arbitration due to the absence of appellate review by an upper tribunal, they have no idea what is going on in the proceedings, since the status of arbitral proceedings is kept in the dark until a final award is suddenly rendered. In order for arbitration to attract such businesses, it should provide them with the option to stay more informed throughout the proceedings by selecting rules specifically geared toward this aim.

Another way to address the above phenomena is the adoption of a fixed system of arbitrator's remuneration rather than the traditional time-charge system. Based upon these considerations, the JCAA has introduced another set of arbitration rules to address the above concerns.

It is common in arbitration that remuneration of arbitrators is calculated on the basis of a time-charge system. However, small- and medium-sized companies generally hire lawyers not on a time-charge basis but on the basis of a contingent fee system. It is not easy for such companies to understand why arbitrators are paid on a time-charge basis. This is the case at least in Japan. In order to give such businesses predictability in respect of the arbitration costs, the JCAA has adopted under the new rules a fixed rate for arbitrator's remuneration, the amount of which is relatively low in comparison with that under the other rules of the JCAA and the rules of other arbitral institutions.

#### **[Detailed Overview]**

##### **(1) The Active Role of the Arbitral Tribunal in Clarifying Parties' Positions and Ascertaining Issues (Art. 48)**

As the first communication from the arbitral tribunal to the parties, at an early stage of the proceedings, the tribunal must present to the parties a document containing (a) a summary of each party's positions on the factual and legal grounds of the claims and defenses; and (b) the issues of fact and law that the arbitral tribunal tentatively ascertains at this early stage of the proceedings.

The relevant rules are as follows:

- (i) At a stage as early as possible in the arbitral proceedings, the arbitral tribunal shall draft a document containing a summary of each party's positions on factual and legal grounds of the claim and the defense ("Positions") and the factual and legal issues that the arbitral tribunal tentatively ascertains arising from the Positions ("Issues"). The arbitral

tribunal shall present such document to the Parties, and give the Parties an opportunity to comment on the Positions and the Issues within a time limit fixed by the arbitral tribunal.

- (ii) Within the time limit fixed by the arbitral tribunal, the parties shall provide their comments in writing on the Positions and the Issues specifying which parts of the Positions and the Issues they agree or disagree with.
- (iii) The arbitral tribunal may revise the Positions and the Issues taking into account the comments provided by the parties.
- (iv) The arbitral tribunal may use the revised Positions as the parties' positions set forth in the arbitral award.
- (v) During the further course of the arbitral proceedings, if a party finds further amendments to be required, the party may request in writing that the Positions be amended. Unless the arbitral tribunal rejects the request because of delay, the arbitral tribunal may use such amended Positions as the party's position set forth in the arbitral award.

(Art.48)

## **(2) Expressing Arbitral Tribunal's Preliminary Views (Art. 56)**

As the second communication from the arbitral tribunal to the parties, up to the time of the arbitral tribunal's decision as to whether or not witness examination, the arbitral tribunal must prepare and give a written summary to the parties on the following items stated as clearly as possible: (a) the factual issues that the arbitral tribunal considers important and the arbitral tribunal's preliminary views with respect thereto; (b) the legal issues that the arbitral tribunal considers important and the arbitral tribunal's preliminary views with respect thereto; and (c) any other matters that the arbitral tribunal considers important.

These communications make it possible for the parties to perform efficiently with regard to subsequent submissions of their arguments and evidence in the proceedings.

The relevant rules are as follows:

- (i) In order to assist the parties to present their cases effectively and efficiently, prior to the time of the arbitral tribunal's decision as to whether or not witness examination, the arbitral tribunal shall prepare and give a written summary to the parties on the following items:
  - (a) the factual issues that the arbitral tribunal considers important and the arbitral tribunal's preliminary views with respect thereto;
  - (b) the legal issues that the arbitral tribunal considers important and the arbitral tribunal's preliminary views with respect thereto; and
  - (c) any other matters that the arbitral tribunal considers important.
- (ii) The arbitral tribunal shall give the parties an opportunity to comment on the above items within a time limit fixed by the arbitral tribunal.
- (iii) The parties, within the time limit fixed by the arbitral tribunal, may comment in writing on:
  - (a) the above items; and
  - (b) whether or not witness examination should be held.
- (iv) Taking into account the parties' comments, the arbitral tribunal shall decide whether or not witness examination.
- (v) The preliminary views expressed by the arbitral tribunal shall not be binding upon the arbitral tribunal's subsequent decisions or the arbitral award.
- (vi) The Parties shall not challenge any arbitrator based on the fact that he or she has expressed preliminary views.

(Art. 56)

### **(3) Lower Fixed Remuneration of Arbitrators**

A system of fixed remuneration is adopted under these new rules (the time-charge system of remuneration of arbitrators is maintained under the UNCITRAL Arbitration Rules and the Commercial Arbitration Rules). In addition, the amount of remuneration is relatively low compared to the other rules of the JCAA and the rules of other arbitral institutions.

The JCAA has adopted this system not only to provide businesses with affordable arbitration but also, and more importantly, to answer the following concerns of businesses:

- (a) The task of arbitrators, like judges, should be done with a high level of integrity rather than in pursuit of economic reward.
- (b) In accordance with the time-charge system, arbitrators are paid more when the resolution of the parties' dispute takes more time, even though the parties desire a more expeditious solution. This mechanism can create the impression that arbitrators tend to prolong proceedings and produce unnecessarily long arbitral awards. In short, the time-charge system is regarded by some businesses as against the parties' interest .
- (c) Small- and medium-sized companies which hire lawyers under a contingent fee system do not understand the use of the time-charge system for arbitrators who are asked to resolve their disputes.

The system of remuneration of arbitrators adopted under the new rules are as follows:

Remuneration for sole arbitrator (Art. 94):

Amount or Economic Value of Claim	Sole arbitrator's remuneration
Less than JPY50,000,000	JPY1,000,000
JPY50,000,000 or more but less than ¥100,000,000	JPY2,000,000
JPY100,000,000 or more but less than ¥5,000,000,000	JPY3,000,000
JPY5,000,000,00 or more but less than ¥10,000,000,000	JPY4,000,000
JPY10,000,000,000 or more	JPY5,000,000

Remuneration for Presiding Arbitrator and Co-Arbitrators (Art. 95):

Amount or Economic Value of Claim	Co-arbitrator's remuneration	Presiding arbitrator's remuneration
Less than JPY50,000,000	JPY700,000	JPY1,200,000
JPY50,000,000 or more but less than JPY100,000,000	JPY1,500,000	JPY2,500,000
JPY100,000,000 or more but less than JPY5,000,000,000	JPY2,500,000	JPY4,000,000
JPY5,000,000,000 or more but less than JPY10,000,000,000	JPY3,500,000	JPY5,000,000
JPY10,000,000,000 or more	JPY4,000,000	JPY6,000,000

Please note that, in principle, the arbitrator's remuneration is not reduced if the arbitral proceedings are terminated due to the parties' withdrawal of all of the claims. (Art. 96.1)

#### **4. Application of the Three Sets of Rules**

Three sets of rules came into effect on January 1, 2019. Since one of these rules is applies to the JCAA arbitral proceedings, rules on the application of these rules are indispensable. The general principle is that business people and lawyers should explicitly designate one of the three sets of rules when drafting their arbitration agreement. The detailed rules of application are as follows:

- (i) The amended Commercial Arbitration Rules shall apply to cases submitted after 1 January 2019, even if an arbitration agreement entered into before 31 December 2018 designates a previous version of these rules. The UNCITRAL Arbitration Rules with the amended JCAA Administrative Rules shall apply to cases submitted after 1 January 2019, even if an arbitration agreement entered before 31 December 2018 designates a previous version.

- (ii) Where an arbitration agreement, irrespective of the date of conclusion thereof, provides for JCAA arbitration without specifying the applicable rules, the amended Commercial Arbitration Rules shall apply.
- (iii) Any arbitral proceedings commenced prior to 31 December 2018 shall continue to be conducted pursuant to the former Commercial Arbitration Rules or UNCITRAL Arbitration Rules, respectively. However, subsequent proceedings may, upon agreement of the parties made after 1 January 2019, be conducted pursuant to the relevant set of amended rules. Where such an agreement between the parties is made, arbitral proceedings that have already been conducted pursuant to the former rules shall remain valid.
- (iv) The Interactive Arbitration Rules shall apply when these rules are designated in the arbitration agreement. In addition, when all parties agree in writing to arbitration conducted under the Interactive Arbitration Rules and notify the JCAA of such agreement before the confirmation or appointment of any arbitrator by the JCAA, then the Rules apply, even if no such designation was made in the arbitration agreement.

### **III. Future Plans**

- (i) The JCAA will inform businesses and lawyers, domestically and internationally, of their respective characteristics which respond to all the needs of businesses, and will promote the adoption of arbitration agreements designating one of these sets of JCAA arbitration rules.
- (ii) From 2019 onward, the JCAA will start amending its International Commercial Mediation Rules to respond to the needs of businesses and then promote them extensively.
- (iii) The JCAA will also undertake market research to determinate whether any need is found for reasonable and expedited proceedings to determine the price, rate or other relevant amount in certain transactions. For instance, it often takes time to determine the price of the target business unit in an M&A transaction. In such a case, it is necessary to figure out, for example, what kind of procedure the parties expect, who will serve as evaluator, and how much should be paid to him or her. Once the JCAA is

satisfied of the existence of market demand, it will provide businesses with such a service.

- (iv) The JCAA will continue to develop and sincerely provide new services expected by the business community.