

Bangladesh International Arbitration Centre (BIAC)

Commencement: BIAC is the first international arbitration institution of the country. International Chamber of Commerce-Bangladesh (ICC-B), Dhaka Chamber of Commerce & Industry (DCCI) and Metropolitan Chamber of Commerce & Industry (MCCI), Dhaka are sponsors of BIAC. It is registered as a not-for-profit organization and commenced operations in April 2011 under a license from the Government. It provides a neutral, efficient and reliable dispute resolution service in this emerging hub of South Asia's industrial and commercial activity.

BIAC Arbitration Clause: BIAC Arbitration Rules are designed to facilitate the use of arbitration in the settlement of business disputes. They regulate the filing of claims, the formation of the arbitration tribunals, the conduct of proceedings, the rendering of awards, as well as the finalization of the costs associated with the arbitration proceedings. In short, they cover almost all aspects of the arbitration process that may be relevant in a normal proceeding. While offering a definitive framework in which to conduct the proceedings, the BIAC Arbitration Rules also have enough flexibility to accommodate the preferences of the parties in several areas, particularly in the choice of arbitrators, etc. Parties that wish to adopt the BIAC Arbitration Rules are advised to reach an explicit agreement that reflects this understanding. For this purpose, the BIAC has drawn up a standard clause to assist parties. Ideally this clause, or a variant thereof depending on the needs of the parties, may be incorporated into the contract. It is important that the dispute resolution clause be drafted with care so as to avoid any ambiguity.

BIAC Model Arbitration Clause: All disputes arising out of or in connection with the present contract shall be finally settled under the fast track Rules of Arbitration of the Bangladesh International Arbitration Centre by one or more arbitrator appointed in accordance with the said Rules. Unless otherwise agreed by the parties, the laws of Bangladesh shall apply and the seat of arbitration shall be Dhaka.

BIAC offers excellent facilities : BIAC offers excellent facilities for arbitration and mediation meetings, including two state-of-the-art meeting rooms with audio-aides and recording facilities, arbitrator's chambers, and private consultation rooms. BIAC provides all necessary business facilities like video conferencing, powerful multimedia projection; computer and internet access, printing, photocopying. Full-fledged secretarial services and catering are also available on request. BIAC's library is gradually expanding, providing books and journals relevant to arbitration and mediation.

Statistics:

About 9,521 civil cases are pending with the Appellate Division of the Supreme Court while the number is 79,890 in the High Court and 701,789 for the district courts. Even if we consider only 15 per cent of these civil cases are commercial, a humongous 118,680 commercial cases are currently pending with the formal litigation system in Bangladesh. If we add to consider the

very general assumption of dispute resolution where larger companies are always less affected and more successful than small and medium enterprises in resolving disputes through the court system, the situation appears more disquieting as 90-95 per cent of the total businesses in Bangladesh are SMEs.

Importance of dispute resolution:

Businesses have a very simple and straightforward approach to resolving disputes. They need disputes resolved quickly and efficiently. Therefore, businesses along with legal experts and visionaries across the world have started changing disputes resolution landscape to accommodate these growing needs by introducing less formal procedures for dispute resolution. These procedures are known collectively as alternative dispute resolution. Parties can settle disputes through Alternative Dispute Resolution (ADR) with or without the help of a third party outside the court system and is possibly the only plausible solution to discharge pressure from our overburdened court system. Despite historic resistance to ADR by numerous popular parties and their advocates all over the world, ADR has gained ubiquitous acceptance among both the general public and the legal profession in recent years.