

**International Commercial Arbitration Court
at the Ukrainian Chamber of Commerce and Industry**

**REPORT
of the activities for 2013**

In 2013 an active work on popularization of the activities of the international arbitration institutions at the Ukrainian Chamber of Commerce and Industry (UCCI) was performed. That work was done in a variety of forms. The main among them was the organization, conduct and participation in national and international conferences, seminars, round tables, etc.

The key event among all other was holding of the first [International Arbitration Readings in memory of Academician Igor Pobirchenko](#) - founder of international arbitration in Ukraine - by the International Commercial Arbitration Court (ICAC) and the Maritime Arbitration Commission (MAC) at the UCCI jointly with the Scientific-Research Institute of Private Law and Entrepreneurship of the Ukrainian National Academy of Law Sciences. The conference took place in the conference hall of the UCCI on 15 November 2013 and in future is planned to be held annually. The Arbitration Readings were attended by more than 120 participants from 15 countries; 22 speakers from Austria, Bulgaria, France, Kazakhstan, Latvia, Poland, Russian Federation, Serbia, Sweden and Ukraine took part in three sessions of the conference. The materials of the International Arbitration Readings in memory of Academician Igor Pobirchenko will be published at the beginning of 2014 in the legal journal "Law of Ukraine".

On the occasion of the International Arbitration Readings the book titled "Practice of the International Commercial Arbitration Court at the Ukrainian Chamber of Commerce and Industry on settlement of foreign economic disputes in 2006-2010" (under the general editorship of Mykola Selivon, President of the ICAC at the UCCI), which included some of the most interesting, from the authors' point of view, awards of the ICAC at the UCCI for the stated period, was published with regard to the confidentiality of dispute consideration. The peculiarity of this book is that along with the practice of the ICAC at the UCCI the publication contains the decisions of the Ukrainian courts on consideration of the petitions for setting aside and enforcement of the arbitral awards, which is a positive novelty for such kind of publications and, no doubt, is very useful for practitioners, judges of state and arbitration courts, experts in the field of foreign economic activity, researchers, teachers and law students.

In addition, in 2013 the Scientific-Research Institute of Private Law and Entrepreneurship of the Ukrainian National Academy of Law Sciences published a collection of scientific articles "International Commercial Arbitration: compliance with the present day", which included articles of the President of the ICAC at the UCCI Mykola Selivon, Vice President of the ICAC at the UCCI Liudmyla Vynokurova, Vice President of the MAC at the UCCI Tetyana Zakharchenko, arbitrators of the ICAC

at the UCCI Olexandr Kroupitchan, Tatyana Slipachuk and Yuliya Chernykh dedicated to the topical issues of the international commercial arbitration in Ukraine and abroad.

On 6 March 2013 in Kyiv the Scientific-Research Institute of Private Law and Entrepreneurship of the Ukrainian National Academy of Law Sciences, the ICAC at the UCCI, the Arbitration Chamber of Ukraine and the Ukrainian Arbitration Association held the joint roundtable entitled “Arbitration proceedings - procedural aspects and practice of enforcement of arbitral awards”. The roundtable was attended by the President of the ICAC at the UCCI Mykola Selivon, Vice President of the ICAC at the UCCI Liudmyla Vynokurova, Vice President of the MAC at the UCCI Tetyana Zakharchenko and arbitrator of the ICAC at the UCCI Tatyana Slipachuk.

On 28 March 2013 the President of the ICAC at the UCCI Mykola Selivon, Vice President of the ICAC at the UCCI Evdokiya Pashchenko, Secretary General of the ICAC at the UCCI Zoya Litvinenko and ICAC arbitrators Tetyana Zakharchenko, Olexander Kroupitchan and Yuriy Prytyka made their reports at the international research and practice conference entitled “Topical issues of the international commercial arbitration” which was held in Lutsk (Ukraine). Mykola Selivon acted as moderator of the conference.

On 4-5 October 2013 the President of the ICAC at the UCCI Mykola Selivon attended the annual ICC European Arbitration Group meeting in Sofia (Bulgaria), and on 15 November 2013 took part in the international conference “Kiev Arbitration Days 2013: Think big!”

On 27 November 2013 a round table discussion on “Problems in settlements in foreign economic activity” was held in Kharkov. Vice President of the ICAC at the UCCI Evdokiya Pashchenko and Vice President of the MAC at the UCCI Tetyana Zakharchenko took part in the work of the roundtable and made their presentations.

In the course of the year 2013 the President of the ICAC at the UCCI Mykola Selivon prepared and published:

- section “Alternative (non-judicial) dispute resolution methods as effective means of protecting rights and interests of citizens and legal persons” in the collection “Legal Doctrine of Ukraine”, Volume 2, Kharkov, 2013, 1.8 printer’s sheet;
- section “Prospects for the development of international commercial arbitration in Ukraine within the framework of international legal standards” in the collection “Problems of application of international standards in the legal system of Ukraine”, K., 2013, 1.6 printer’s sheet;
- article “Arbitration institutions at the UCCI as a place for resolution of commercial disputes with application of European Contract Law” in the collection “Principles of

European Contract Law, comments and recommendations”, K., 2013, 0.5 printer’s sheet;

- section “International Commercial Arbitration in Ukraine: state and prospects” in the collection “International Commercial Arbitration: compliance with the present day”, K., 2013, 1 printer’s sheet;

- interview on Ukrainian model of international arbitration in the scientific legal journal “Alternative Dispute Resolution”, 2013, No. 2.

By the Decision of 21 June 2013 the Presidium of the Ukrainian CCI approved a new Presidium of the ICAC at the UCCI for the next 5 years consisting of 7 members as well as the Recommendatory List of Arbitrators of the ICAC at the UCCI, which included six new arbitrators: Anton Baier (Austria), William Elliott Butler (U.S./UK), Leonid Yefimenko (Ukraine), Natalia Kuznetsova (Ukraine), Liubov Nestyrenko (Ukraine) and Yuliya Chernykh (Ukraine).

In 2013 a working group set up at the ICAC continued its work on preparation of proposals on the amendments to the Law of Ukraine On International Commercial Arbitration and the Rules of the ICAC and MAC at the UCCI determined by the most recent experience of the arbitration institutions of the world and implementation into the above regulatory acts of innovations of the UNCITRAL Model Law on International Commercial Arbitration and its Arbitration Rules.

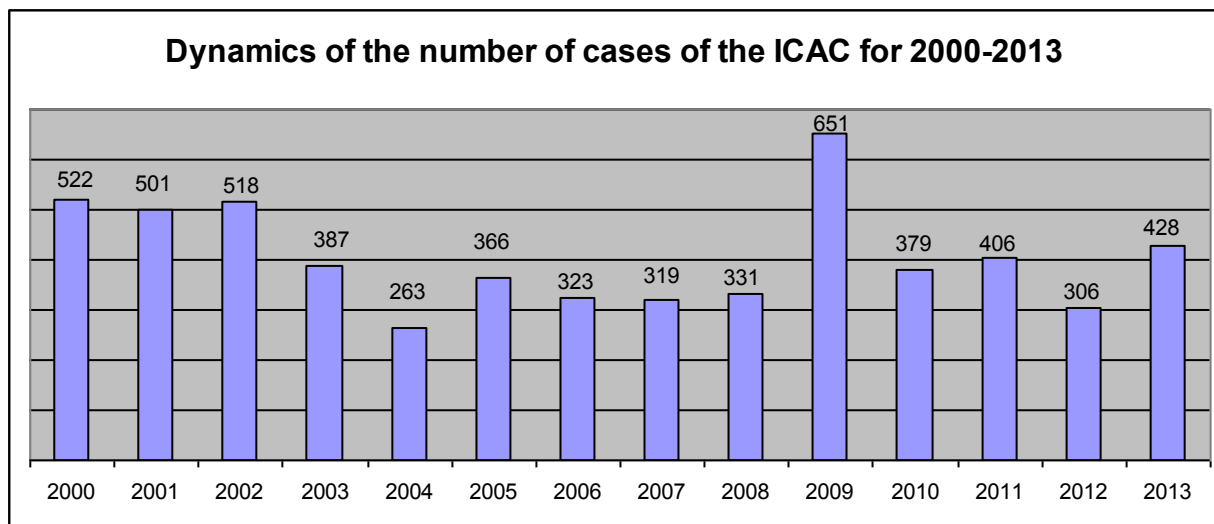
The Presidium of the ICAC at the UCCI, at the request of the Committee on the Rule of Law and Justice of the Verkhovna Rada of Ukraine, prepared the comment on the draft Law of Ukraine “On amendments to some legislative acts (on the application of provisional or protective measures in support of international arbitration)”.

The ICAC at the UCCI began to use in full an electronic document management system, implemented at the end of 2012 which, in addition to ensuring the registration of incoming and outgoing documents, parties to a dispute, status of arbitral proceedings as of specific date and for particular case and control of the duration of such proceedings, will eventually enable putting into operation electronic version of an arbitral case (by agreement of the parties).

§ 1. Number of cases registered by the ICAC at the UCCI in 2013

During the period from 1 January till 31 December 2013 the ICAC at the UCCI registered 428 cases, which is 122 cases more than in 2012.

The dynamics of the number of cases registered in the ICAC at the UCCI from the year 2000 till 2013 is as follows:



§ 2. Consideration of cases in 2013

During the year 2013 the ICAC at the UCCI considered and rendered awards in 297 cases (including 7 awards on agreed terms and 14 orders for the termination of the arbitral proceedings), of which 152 cases (51.18%) were considered by the Arbitral Tribunal composed of three arbitrators and 145 cases (48.82%) – by the Arbitral Tribunal composed of a sole arbitrator.

31 awards were done in the Ukrainian language, one award – both in Ukrainian and English languages, one case - in the English language, and the remaining awards - in the Russian language.

From the general amount of cases that have been considered, 173 cases were registered in 2013, 117 cases - in 2012 and 7 cases - in 2011.

The arbitral proceedings in 59 cases (including 54 cases registered in 2013 and 5 cases - in 2012) were terminated without consideration (mainly for non-payment of the arbitration fee by the Claimant or upon the Claimant's application) by the orders of the President of the ICAC at the UCCI.

92 cases are scheduled for the oral hearing in January-March 2014, 2 cases have been suspended.

In 2013 the consideration of cases of the ICAC at the UCCI has been conducted with the participation of foreign arbitrators from Austria, Belarus, Czech Republic, Germany, Kazakhstan, Moldova, Norway, Poland, Russian Federation, Serbia, Slovakia and Switzerland.

§ 3. Origin of the parties

Parties to the cases, which were registered by the ICAC at the UCCI in 2013, were from 55 countries, including 46 from far-abroad countries, 8 CIS (Commonwealth of Independent States) countries and Ukraine.

The Ukrainian residents were the respondents in 55 cases (12.85% of the total amount of cases) and the claimants in 366 cases (85.51%). 10 disputes between foreign parties were referred to the ICAC at the UCCI as to international arbitration of a neutral state, including: disputes between Cyprus and the Netherlands, Cyprus and Moldova, Seychelles and Germany, Cyprus and Slovakia, Russian Federation and Slovakia, Hong Kong and China (2 cases), Switzerland and Georgia, Switzerland and the Netherlands, British Virgin Islands and Denmark).

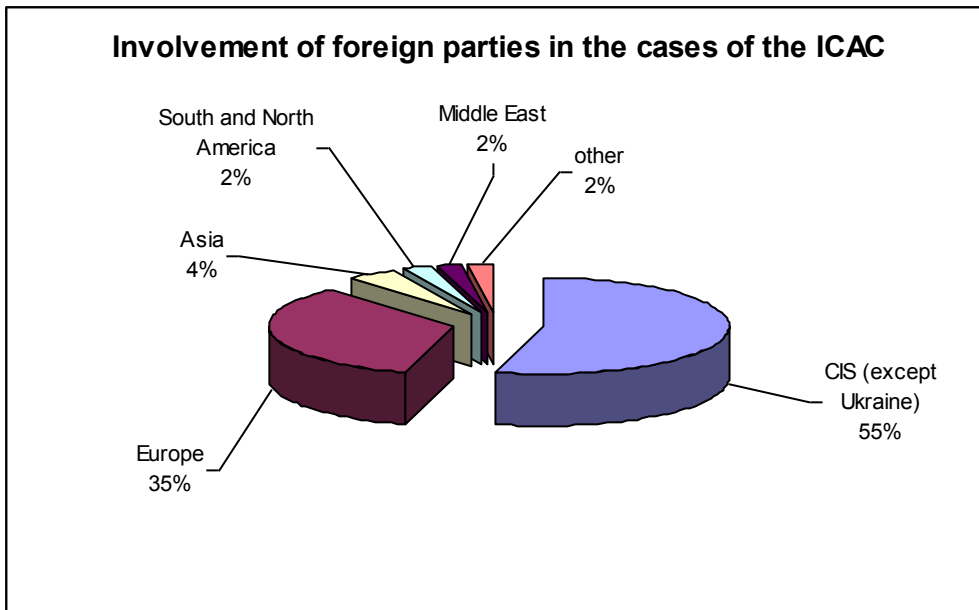
There were two cases, both parties to which were the Ukrainian enterprises with foreign investments.

Respondents from 41 far-abroad countries were the parties to 156 cases, including: Poland - 22 cases, China, Georgia and Germany - 13 cases each, United Kingdom - 10 cases, France, Israel, Italy, the Netherlands and Romania - 5 cases each, British Virgin Islands, Cyprus, Czech Republic, Lithuania, Panama, Slovakia and Turkey - 4 cases each, Greece, Latvia and United Arab Emirates - 3 cases each, Bulgaria, Canada, Estonia, Hungary, Switzerland and USA - 2 cases each, Anguilla, Antigua and Barbuda, Austria, Belgium, Belize, Denmark, Gibraltar, India, Iran, Malaysia, Monaco, Mongolia, Norway, Singapore, Spain, Thailand and West Indies - 1 case each.

Respondents from 8 CIS countries were the parties to 211 cases, including: Russian Federation - 96 cases, Belarus - 61 cases, Azerbaijan and Uzbekistan - 14 cases each, Moldova - 12 cases, Kazakhstan - 7 cases, Turkmenistan - 5 cases, Armenia - 2 cases.

32 actions were brought against the Ukrainian residents by the claimants from 14 far-abroad countries, including: Germany - 6 cases, Cyprus and Italy - 4 cases each, Poland - 3 cases, Austria, Switzerland and United Kingdom - 2 cases each, British Virgin Islands, Czech Republic, Denmark, Hong Kong, Hungary, Liechtenstein, Slovakia, Turkey and USA - 1 case each.

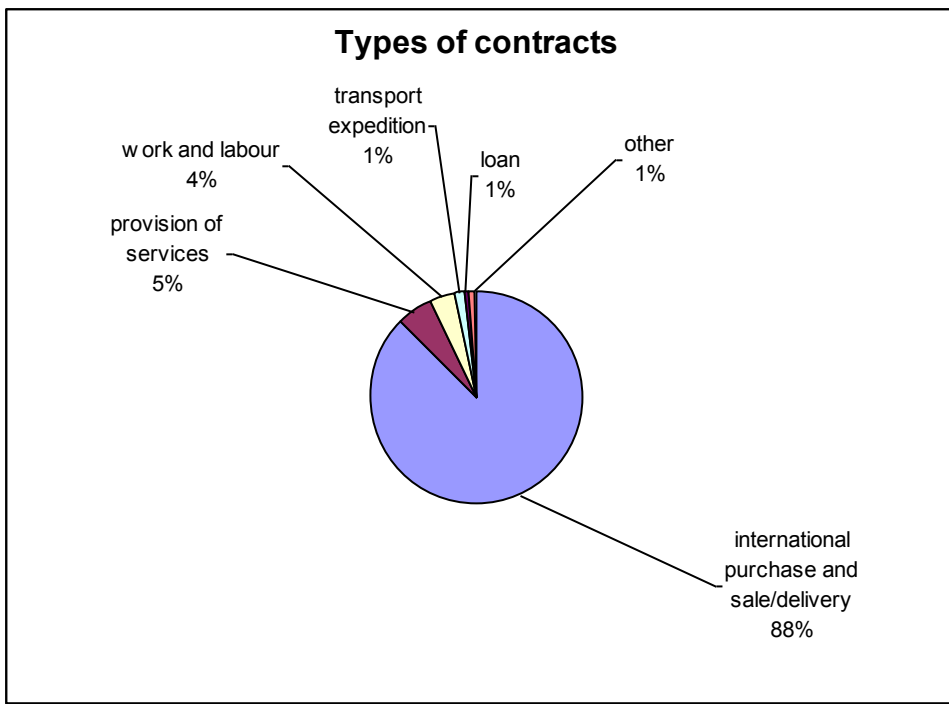
20 actions were brought against the Ukrainian residents by the claimants from the following CIS countries: Russian Federation - 11 cases, Azerbaijan - 3 cases, Belarus and Uzbekistan - 2 cases each, Moldova and Kazakhstan - 1 each.



§ 4. Types of contracts

In the majority of cases, disputes submitted to the ICAC in 2013, as well as in previous years, arose in the course international purchase and sale (delivery) of goods, and concerned the breach of contractual obligations as to the opportune payment or delivery of goods. A lot of disputes relate to the quality of delivered goods, provision of services (including bank services) and performance of various types of work. To a lesser extent, submitted disputes deal with construction contracts, transportation and carriage of goods, leasing and loan.

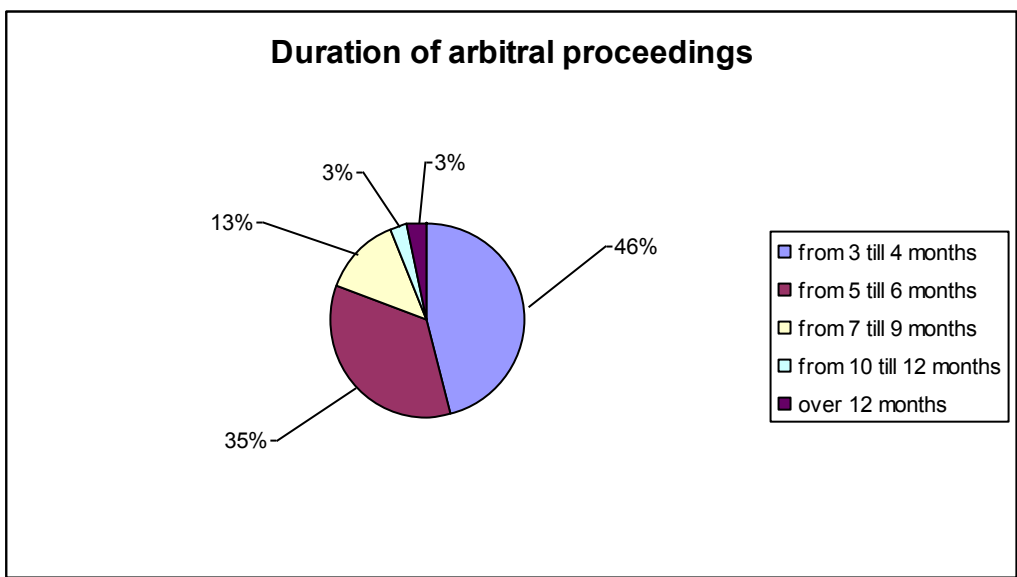
From the total amount of cases registered by the ICAC in 2013 (428 cases), 375 cases (i.e. almost 88%) related to the contracts of international purchase and sale/delivery of goods, 22 cases related to the contracts of provision of services (including bank services), 17 cases – to work and labour contracts, 6 cases – to contracts of transport expedition, 3 cases – to contracts of loan, 2 cases – to lease-purchase contracts, 1 case – to a contract of lease, 1 case – to a contract of guarantee, 1 case – to a credit contract, etc.



§ 5. Duration of arbitral proceedings

In 2013 the ICAC at the UCCI considered and rendered awards in 297 cases, the duration of which (from the date of initiation of the arbitral proceedings till rendering of the award in the case) was as follows:

- from 3 till 4 months - 136 cases;
- from 5 till 6 months - 104 cases;
- from 7 till 9 months - 39 cases;
- from 10 till 12 months - 9 cases;
- over 12 months - 9 cases.



**Maritime Arbitration Commission
at the Ukrainian Chamber of Commerce and Industry**

**REPORT
of the activities for 2013**

By the Decision of 21 June 2013 the Presidium of the Ukrainian CCI approved a new Presidium of the MAC at the UCCI for the next 5 years consisting of 5 members as well as the Recommendatory List of Arbitrators of the MAC at the UCCI.

§1. Number of cases registered by the MAC at the UCCI in 2013

In 2013 there were 16 cases in the Maritime Arbitration Commission at the Ukrainian Chamber of Commerce and Industry, including 13 cases registered during the reporting period and 3 cases left from the year 2012. Among them 7 cases have been considered, 5 cases are at the stage of the preliminary preparation for consideration and 4 cases are scheduled for the oral hearing in January - February 2014.

§2. Origin of the parties

Foreign respondents in the cases registered in 2013 were parties including: Russian Federation - 4 cases, Liberia - 2 cases, Belize, British Virgin Islands, Cyprus, Panama, Turkey - 1 case each.

There were 2 cases both parties to which were the Ukrainian residents.

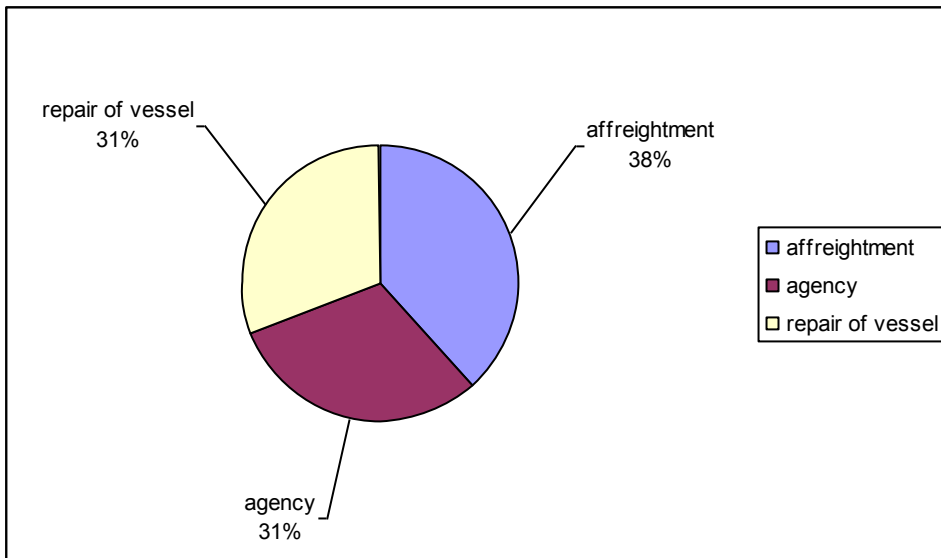
§3. Price of claim

Out of the 13 cases registered by the MAC at the UCCI in 2013, the price of claim in 2 cases was under US Dollar 10,000; in 4 cases - from US Dollar 10,001 to US Dollar 50,000; in 3 cases - from US Dollar 50,001 to US Dollar 100,000; in 1 case – from US Dollar 100,001 to US Dollar 200,000; in 1 case - from US Dollar 200,001 to US Dollar 500,000; in 1 case - from US Dollar 500,001 to US Dollar 1,000,000; 1 case - non-property claims.

§4. Category of disputes

Claims registered by the MAC in 2013 arise out of relationships concerning the following matters:

- affreightment - 5 cases
- agency - 4 cases
- repair of vessel - 4 cases



Mykola Selivon
President of the ICAC and MAC at the UCCI

27 January 2014