

## NEW ARBITRATION LAW IN SPAIN

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The Spanish parliament has approved a new arbitration law, modifying the current 2003 law. The main points of reform are as follows:

1. The reassignment of judicial functions regarding arbitration, both support functions and the annulment of the award and the *exequatur* of foreign awards. These functions will be carried out by the Superior Courts of Justice in each of the State's autonomous regions.
2. A strengthening and clarification of statutory arbitration in mercantile companies, recognising the arbitrability of the challenge to corporate agreements, thus clarifying doubts that the doctrine had insisted on introducing, in spite of the clarity in this regard of jurisprudence in our Courts.
3. A restriction in the use of arbitration in equity due to the fact that the Spanish legislator confuses to some extent arbitration in equity and mediation, which another law currently under preparation is attempting to promote.
4. The motivation for an award is to be demanded at all times.
5. Articulation of a rapid solution for cases of partial extralimitation of the award before the same arbitral tribunal.
6. The validity of the arbitration agreement is also maintained in the event of a declaration of insolvency of one of the parties.
7. Clarification as to the way to make effective the negative effectiveness of the arbitration agreement in judicial proceedings which are in contravention of the arbitral agreement.
8. Clear regulation of the judicial action to request annulment of an arbitral award.
9. Further development of the manner in which provisional measures regarding arbitral proceedings are to be requested to the Courts.

The new law, already passed by Spanish parliament, will be published in the next few days, subsequent to approval of King Juan Carlos. It will become effective 20 days following publication.