

International Arbitration in Turkey: Arbitration Procedure

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The Turkish International Arbitration Law of 2001 ("TIAL"), which is based on UNCITRAL Model Law of 1985, is applicable to international arbitrations. Considering the configuration stage of arbitration rules, parties can benefit from the extensive liberty provided by TIAL. Indeed, pursuant to the latter, parties can: deviate from all prescribed provisions of TIAL but those which relate to interim measures, arbitrability, adherence to equality of the parties and their right to be heard in an adversarial proceeding; request an extension to the arbitration term before the competent court; and TIAL's scope of application and the procedure to be followed when a claim subject to arbitration is brought before a national court.

Pursuant to TIAL, commencement of arbitration proceedings and the arbitration period represent two different concepts on which parties may consent on specific dates, respectively. Otherwise, TIAL states that the latter encompasses a one-year period; if there is a sole arbitrator, starting from latter's date of appointment; or if there exists more than one arbitrator, beginning from the date of production of the first minutes of meeting. As per the former, TIAL codifies that arbitration proceedings commence on the dates of the following events, depending on the parties' agreement; firstly, in the absence of any specific indication, application to the competent court or to the individual or institution that is empowered by the parties to appoint arbitrator(s); secondly, communication of claimant's appointment of its own arbitrator to the respondent, where parties are together responsible for appointing the arbitrator(s); and lastly, communication of request for arbitrator(s).

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TIAL stipulates that parties must submit the relevant evidence within the timeframe determined by the arbitrator. However, in principle, parties may agree otherwise. If such is absent, after commencement of arbitration, the arbitrators and the parties may agree on rules of taking evidence, preferably by considering prominent sets of rules like the IBA Rules on the Taking of Evidence in International Arbitration. Also, during the course of proceedings, the arbitral tribunal may decide to appoint an expert or an expert committee.

Although TIAL does not specifically stipulate a provision concerning the confidentiality of arbitration proceedings, the concept of confidentiality is recognized in practice and parties may achieve confidential proceedings through agreed arbitration rules that include confidentiality. For example, Article 21 of the Rules of Arbitration of Istanbul Arbitration Center ("ISTAC") states that unless otherwise agreed, arbitration proceedings are confidential and upon request of a party or parties, the arbitral tribunal may take appropriate measures in order to maintain confidentiality and protect the trade secrets of any party.

Where a place in Turkey is selected to be the seat of arbitration, the arbitral tribunal or the sole arbitrator may convene in another place, provided an earlier notice is made to the parties in case of any logistical or practical concerns that could potentially hinder conducting an effective arbitration. It should be noted that this flexibility is often found in modern governing rules of arbitration.

For further information on international arbitration and Turkish arbitration practice, please contact us at info@guzeloglu.legal.

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