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## A Snapshot of Institutional Arbitration in Turkey

by *Abdülkadir Güzeloğlu*

In today's ever expanding world of international arbitration, it is known that parties who desire to have their arbitration process administered by a specialized body, can select an arbitration institution and include it within their arbitration clause.

Considering numerous advantages of institutional arbitration including implementing pre-established arbitration rules, opportunity to appoint competent arbitrators from a list, benefit from the assistance provided by an institution, have the award scrutinized and probably the most important one to save time and money; collectively make institutional arbitration an important and appealing dispute resolution vehicle.

Therefore, it would be accurate to assert that for a country which aspires to sustain its promising economic development, establishing and preserving a trustworthy and proficient arbitration institution in order to augment security of economic skies holds a crucial place.

Being Europe's 6th largest economy, institutional arbitration reflects a considerably positive outlook in Turkey as being mostly driven by the numerous Chambers of Commerce of industrialized and the most populated three cities such as Istanbul, Ankara and İzmir. Among them, Istanbul Chamber of Commerce Arbitration Institution (ITOTAM), with its 36 years of history and

revised internal instruments pursuant to new Code of Civil Procedure of 2011 and amended arbitration rules in 2015 still holds pole position. Then, capital city, Ankara, hosts two bodies, Turkish Union of Chambers and Commodity Exchanges Court of Arbitration (TOBB Tahkimi) and the Ankara Chamber of Commerce Arbitration Institution. Lastly, the İzmir Chamber of Commerce Arbitration Institution is situated in Aegean city of İzmir.(IZTO)

However, quite contrary to one's expectation that these establishments must have been dealing with a heavy workload since they are located in an advanced emerging market, an academic research of 2010 draws an unpleasant picture. According to that, between 2005 and 2010, TOBB and ITOTAM received 6 and 57 applications, respectively. Additionally, it is stated that annual workload of IZTO arbitration secretariat does not exceed three cases.

In 2009, Turkish government published Strategy and Action Plan for Istanbul International Financial Center. Regarding arbitration, latter envisaged establishment of the Istanbul Arbitration Center, (ISTAC). Indeed, on 20.11.2014, Law No:6570 constituted the ISTAC. Pursuant to aforesaid plan's timetable and relevant law's framework, ISTAC formed its General Assembly and devised modern Arbitration Rules along with Mediation Rules in 2015 and became operative.

Although this newborn center has a number of well established players like DIAC, ICC, LCIA or CRCICA as rivals, it is certain that following year will witness revitalization of Turkish institutional arbitration practice by ISTAC. Should you have any further comments, inquiries and questions on Turkish arbitration practice and institutions along with the ISTAC, do not hesitate to contact us at [info@guzeloglu.legal](mailto:info@guzeloglu.legal)