MEMORANDUM OF UNDERSTANDING
FOR COOPERATION BETWEEN
THE G.C.C. COMMERCIAL ARBITRATION CENTRE
AND
THE ISLAMIC CHAMBER OF COMMERCE AND INDUSTRY

Preamble

GCC Commercial Arbitration Centre, hereinafter called “Centre” on the one hand, and the Islamic Chamber of Commerce & Industry, hereinafter called “Chamber”, on the other hand, designated herewith as “Contracting Parties”, functioning in their individual capacity.

Recognize the importance of cooperation between inter-regional institutions and in view of the close and intimate historical relations between the GCC States and the Organization of the Islamic Conference and;

For reinforcing homogeneity, convergence and integration between the Arab and other Islamic Countries and to keep pace with the developments emerging in the international economic scene for the interest of Arabs and other Muslims;

Whereas, the private sector in the Islamic States, including the GCC States, plays an important rôle in economic life within the framework of a thoroughly considered plan for privatization in the states concerned.

Whereas, the Chambers of Commerce & Industry in the Islamic States, in their capacity as representatives of the developing private sector have, more and more, become mindful of the importance of a supportive mechanism for commercial dispute resolution through arbitration and with the worldwide burgeoning tendency to adopt arbitration as a proper and effective means of commercial dispute resolution and;

Whereas, the Islamic Chamber of Commerce & Industry is aware of and conversant with the significance of commercial arbitration in business, industrial and service activities and advocates the use of arbitration as an appropriate means to alleviate the burdens of judicial proceedings and to facilitate commercial dispute resolution that has, invariably, constituted an obstacle hampering the development of the private sector in the Islamic States and;

In view of the technical expertise and good reputation of the GCC Commercial Arbitration Centre in the area of arbitration and its growing regional role and since the Islamic Chamber of Commerce & Industry is willing to benefit from the expertise and
available opportunities at the G.C.C. Commercial Arbitration Centre in the area of training and preparation of international arbitrators.

The two parties have agreed for bilateral co-operation with the intent to promote their friendly terms and to develop co-operation and co-ordination in the areas of common interests.

**Article 1 – General Provisions**

1. Both parties will endeavor to encourage and develop co-operation with respect to activities required by both parties.

2. Both parties will promote exchange of visits of their representatives and delegates in areas of specialties of similar nature.

3. Both parties will exchange publications, researches, studies, bulletins and periodicals issued or prepared by any of them.

**Article 2 – Specified Services’ Provisions**

1. The Centre shall provide the necessary arbitration service to the Chamber in accordance with its Charter and Arbitral Rules of Procedures. To this end, the Centre will make all possible efforts to provide all necessary service for conducting arbitral proceedings for the members of the Chamber under the joint umbrella of the Centre and the Chamber when they so desire in the following manner:-

   1.1 Arbitration shall be conducted in accordance with the Centre’s Charter and the applicable Arbitral Rules of Procedure when one of the contracting parties holds the nationality of any G.C.C. State.

   1.2 Ad-hoc arbitration shall be subject to the agreement of the disputing parties as to the Rules and Procedures that govern the arbitral proceedings. The Centre’s Rules shall not be applicable when arbitration involves parties none of whom bear relation to the GCC region or does not hold the nationality of a certain G.C.C State.

2. The Centre will seek to provide the following arbitration services to the members of the Chamber through the Islamic Chamber of Commerce and Industry upon its request in writing in consideration of fees as prescribed under the Rules Regulating the Costs of Arbitration dated 27-9-1995 or by bilateral agreement between both parties when the Rules are silent in connection therewith:-
a) Appointment of arbitrator(s) / and the Umpire

b) To provide the parties to the dispute with lists of accredited arbitrators and experts enrolled with the Centre.

c) To provide appropriate places for conducting of ad-hoc arbitrations whether in the Centre’s offices or elsewhere to be agreed upon beforehand.

d) To provide secretarial, translation or otherwise any other administrative services necessary for conducting ad-hoc arbitrations. Relevant details shall be agreed upon individually on a case-by-case basis.

e) To provide means of contacts and correspondence between the parties concerned and the ad-hoc arbitral tribunal and to store and record the relevant files and documentation. The Centre will also provide the Islamic Chamber of Commerce & Industry with relevant information and data of such arbitration cases in which parties from Islamic Countries are involved. The Chamber would also be intimated of the outcomes and results of such cases generally.

**Article 3 – Researches, Studies, Training and Conferences**

1. To use the Centre’s services in preparation of researches and studies pertaining to commercial arbitration and the relevant arbitration or business laws. Details and expenses to be incurred shall be agreed prior to the commencement of the research or study.

2. The Centre will co-operate with the Islamic Chamber to train arbitrators and experts from within the Islamic Countries in accordance with a comprehensive training program prepared in conformity with the functions and discretion of the Chamber and the Centre in the following manner:-

   a) The Centre will propose the appropriate training programs whether as to form or substance and names of lecturers whether as from the panel of the accredited arbitrators and experts with the Centre or from outside the Centre.

   b) The Centre and the Chamber shall participate in arranging the above programs in the G.C.C. States or in the countries where the Organization of the Islamic Conference is domiciled.

   c) The Islamic Chamber will urge its members Chambers to participate in the relevant activities carried on by the Centre.
d) The Chamber and the Centre will co-operate to organize joint activities such as conferences, seminars and meetings according to the circumstances and available opportunities.

3. The Chamber shall co-operate with the Centre in administrative and organizational aspects with a view to implement the aforesaid items. The Chamber will arrange finances for (c) and (d) in cooperation with its member chambers and other organizations which have offices in OIC States or other countries. In respect of (d) the Centre will also cooperate with the Chamber in arranging the relevant finances.

**Article 4 – Implementation of the Memorandum of Understanding**

The two parties shall exert due diligence and take the necessary prompt action to have this agreement implemented.

The manner of the implementation of this protocol shall be determined by and shall be left to the discretion of the parties representatives – the undersigned’s.

This Memorandum of Understanding is signed by the Parties on ________________, 1421H corresponding to ______________, 2000, at Damascus, Syrian Arab Republic and is valid until one of the parties withdraws, with agreement of the other. Each side may terminate the Agreement in writing subject to 30 days notice.

Signed for and on behalf of
The GCC Commercial
Arbitration Centre

Yousif Z. A. Zainal
Secretary General

Signed for an on behalf of
The Islamic Chamber of Commerce
and Industry

Aqeel Ahmad Al-Jassem
Secretary General

common\gcc-mon\AHK\ier\sadiq