

DRAFT LAW No. ____/____

**APPROVES THE LEGAL REGIME OF VOLUNTARY ARBITRATION
AND PROCEEDS TO __th AMENDMENT TO THE
CODE OF CIVIL PROCEDURE**

EXPLANATORY MOTIVES

1. The creation, maintenance and strengthening of a justice system administration capable of offering to all citizens (to all citizens who wish to resort to it) a judicial service that ensures the objective (materialized in decisions based on law and the law), impartial, equitable, useful and efficient resolution of disputes is a truly identifying responsibility of a rule of law. The existence of a state apparatus for the administration of justice, in addition to being a primary foundation for the formation (and legitimacy) of any state, constitutes the minimum core of the principle of equality: it is in the resolution of disputes between citizens that the state shows, in the first place, that it is capable of being above all private powers, of smoothing out imbalances and treating everyone in the same way. The universe of dispute resolution is not, however, limited to the State system of administration of justice. There are other mechanisms (the so-called "alternative means of dispute resolution") that ensure the composition of conflicts, from voluntary arbitration to traditional justice procedures, through conciliation and mediation schemes. The existence of a diverse and heterogeneous range of state and non-state means of dispute resolution is a socially valuable asset that the state must promote and preserve. For four reasons: Firstly, because the State system for the administration of justice is not in a position to respond to all the demands of the population and to satisfy all the needs of the economy, and is still unable to cover the entire spectrum of litigation and a substantial part of the national territory; secondly, because it contributes, as a whole, to a higher degree of preservation of social peace; thirdly, because it allows, among the various means available (and accessible), to select the one that best fits the type and structure of the litigation in question (which means recognizing that there must be a relationship of adequacy between the nature of the litigation and the means used to resolve it); fourthly, because it offers the interested parties the possibility, in the exercise of their private autonomy, to choose the means that they consider best suited to the resolution of the disputes to which they are parties.
2. Within the range of "alternative means of dispute", arbitration, in particular voluntary arbitration (that to which the parties resort of their own free will, and not in obedience to a legal constraint, as in the case of "necessary arbitration"), is of particular importance, since the decisions produced by the arbitration courts (courts constituted by impartial third parties appointed by the litigants themselves) are binding and enforceable under the same terms as the decisions rendered by the courts that make up the State system of administration of justice. The "adjudicatory" nature of voluntary arbitration, ensuring its effectiveness (and feasibility) which is not parallel to any "alternative means of dispute resolution", nevertheless generates specific regulatory issues to

which the legislator cannot fail to respond by creating a special regulatory framework. Among these regulatory issues, the following should be highlighted: Determination of the scope of arbitrable disputes; determination of the assumptions of validity of the arbitration agreement; establishment of the arbitral tribunal; guarantee of the independence and impartiality of arbitrators; guarantee of an arbitration procedure that respects the equality of the parties and the adversarial process; determination of the conditions of validity of the arbitration award and the assumptions of its contestability in the courts; the relationship between the arbitral tribunals and the courts, both in terms of their assistance (from the resolution of deadlocks in the constitution of the arbitral tribunal to the coercive execution of its decisions, as well as the support in the performance of probatory proceedings), and in terms of judicial control, through mechanisms of challenge, of the validity of the arbitral awards. This legislative initiative provides answers to all these questions. This is an absolutely necessary legislative task in a legal system that allows arbitration, as is the case with the Timorese system.

3. The approval of a legal regime for voluntary arbitration is also necessary to bridge the "regulatory gap" affecting the Timorese legal system in arbitration. It is true that the legal system of Timor-Leste is not completely devoid of rules regarding the phenomenon of arbitration: in addition to the legal-constitutional provision (and the consequent legitimization) of the existence of arbitration courts (article 123, no. 3 of the Constitution), the Civil Procedure Code includes several rules (articles 242, 671, 679, no. 2, 694, no. 2, and 841) that presuppose the existence of a legal regime of arbitration. But it is precisely the existence of these rules, which deal with piecemeal and fragmentary aspects of arbitration, that highlights the existence of the aforementioned "regulatory gap" - not only because they leave uncovered areas of reality that are lacking in normalization, but also because the applicability and effectiveness of some of them depends on the existence of a global (and essentially complete) regime of arbitration. In other words: it is precisely the existence of these rules (particularly those that make up the Code of Civil Procedure) on arbitration that generates the need for the existence of a legal regime of the phenomenon that treats, in a way that tends to exhaust, all the issues with which it challenges the legislator.
4. The aim of this legislative initiative is precisely to fill the 'regulatory gap' resulting from the absence of a legal regime for arbitration. It is also intended to promote the use of this alternative means of dispute resolution, offering the parties a regulatory framework that responds to the main regulatory problems that it raises and which, without prejudice to the space granted to contractual freedom, ensures the minimum imperative conditions of an arbitration procedure that respects the adversarial process, impartiality, independence and equal treatment of the parties. Since one of the essential features of voluntary arbitration is the mandatory (and enforceability by the courts) of decisions taken by third parties chosen by the parties themselves, in whose jurisdiction they trust, following proceedings that tend to be faster than those processed in the courts of the State, it is also intended to make the Timorese "legal environment" more favorable to private investment, domestic and foreign.

Thus, the Government presents to the National Parliament, under the terms of paragraph c) of no. 1 of article 97 of the Constitution of the Republic, the following draft law:

LAW No. ____/____ of _____

**APPROVES THE LEGAL REGIME OF VOLUNTARY ARBITRATION AND
PROCEEDS TO __th AMENDMENT TO THE
CODE OF CIVIL PROCEDURE**

Within the range of "alternative means of dispute", arbitration, in particular voluntary arbitration, is of particular importance as the decisions produced by the arbitration courts are binding and enforceable in the same terms as the judgments delivered by the courts forming part of the State system of justice administration. The "adjudicatory" nature of voluntary arbitration, ensuring its effectiveness (and feasibility) which is not parallel to any "alternative means of dispute resolution", nevertheless generates specific regulatory issues to which the legislator cannot fail to respond by creating a special regulatory framework. Among these regulatory issues, the following should be highlighted: determination of the scope of arbitrable disputes; determination of the assumptions of validity of the arbitration agreement; establishment of the arbitral tribunal; guarantee of independence and impartiality of arbitrators; guarantee of an arbitration procedure that respects the equality of the parties and the adversarial process; determination of the conditions of validity of the arbitral award and the assumptions of its contestability in the courts; relationship between the arbitral tribunals and the courts, both in terms of the assistance of the latter and in terms of judicial control, through mechanisms of contestation, of the validity of arbitral awards. This law provides an answer to all such questions, constituting a legal regime that concentrates in itself, in a complete and unitary manner, the regulation of voluntary arbitration.

Thus, the National Parliament decrees, under the terms of Article 95(1) of the Constitution of the Republic, the following to be enforced as law:

Article 1

Object

The Legal Regime of Voluntary Arbitration, which is published in an annex to this law and forms an integral part thereof, is hereby approved.

Article 2

Amendment to the Code of Civil Procedure

Articles 671 and 694 of the Code of Civil Procedure are replaced by the following:

"Article 671

[...]

1. [...]
2. Arbitral awards shall be enforceable on the same terms as decisions of the courts, without prejudice to the provisions of the Legal Regime of Voluntary Arbitration.

Article 694

[...]

1. [...]
2. In opposing the execution based on an arbitral award, the person executed may invoke the grounds provided for in the Legal Regime of Voluntary Arbitration".

Article 3
Repeal rule

Articles 841 and 679(2) of the Code of Civil Procedure are repealed.

Article 4
Transitional rule

The Legal Regime of Voluntary Arbitration shall apply to arbitration proceedings commencing after the entry into force of this law, even if the arbitration agreement was entered into at an earlier time.

Article 5
Entry into force

This law shall enter into force on the day following its publication.

Approved on

The President of the National Parliament,

Enacted on

Be it published.

The President of the Republic,

ANNEX

LEGAL REGIME OF VOLUNTARY ARBITRATION

CHAPTER I
GENERAL PROVISIONSArticle 1
Object

The purpose of these legal rules is to regulate voluntary arbitration and the confirmation and enforcement of arbitral awards.

Article 2
Scope of application

1. This legal regime shall apply to domestic voluntary arbitrations and international voluntary arbitrations taking place in Timor-Leste, to the execution of domestic provisional measures and awards and to the confirmation and execution of foreign provisional measures and awards.
2. Unless the parties otherwise agree, Articles 14(4) and (5), 28(4), 16, 17, 51 and 56 of this Legal Framework shall not apply to international arbitration.
3. Articles 11(2), 52(3) and (4), 61, 62 and 67 of these rules of law shall apply only to international arbitration.
4. Without prejudice to the preceding two paragraphs, in the absence of any special provision to the contrary, all the rules of this Legal Framework shall apply to domestic and international arbitrations.

Article 3
Definitions and rules of interpretation

1. For the purposes of these Rules, the following definitions shall apply:
 - a) "**Arbitral award**" means any award rendered by an arbitral tribunal;
 - b) "**Arbitration agreement**" means the agreement, which may take the form of an autonomous contract or an integral clause of a contract having another object than the arbitration agreement, whereby the parties submit to the decision of an arbitral tribunal:
 - i) the resolution of a current dispute or of all or some of the disputes which may arise from a given contractual or non-contractual legal relationship;
 - ii) the definition of legal or factual situations, in particular the determination and completion of contractual content and its adaptation to new circumstances, in particular where contracts giving rise to durable legal relationships are concerned;
 - c) "**Arbitration award**" means the arbitral award by which the arbitral tribunal adjudicates, in whole or in part, the merits of the case;
 - d) "**Arbitration tribunal**" means a tribunal composed of members, one or more of whom shall be appointed by the parties to the dispute, by third parties to whom the parties confer such power, including institutionalized arbitration centers, or by the competent courts, in accordance with these legal arrangements;

- e) **"Arbitrators"** means the members of the arbitral tribunal designated in accordance with the preceding subparagraph;
- f) **"Court of law"** means any court forming part of the judicial organization of Timor-Leste;
- g) **"Durable medium"** means any paper or electronic document which enables information to be stored in a permanent and accessible manner for future reference;
- h) **"Electronic communication"** means communication allowing the transmission and reception of data by wire signals, by radio, by optical means or by other electromagnetic means.
- i) **"Emergency arbitrator"** means an arbitrator designated by the parties to the dispute or by third parties to whom they confer such authority, including institutionalized arbitration centers, to order interim measures before the arbitral tribunal is constituted;
- j) **"Foreign arbitral award"** means a decision rendered in an arbitration that does not take place in Timor-Leste;
- k) **"Foreign arbitration"** means arbitration that does not take place in Timor-Leste;
- l) **"Internal arbitration"** means arbitration which, if it takes place in Timor-Leste, is not international arbitration;
- m) **"International arbitration"** means arbitration taking place in Timor-Leste in relation to which any of the following circumstances apply:
 - i) the parties have, at the time of the conclusion of the arbitration agreement, their domicile or headquarters in different States;
 - ii) the place of performance of the principal obligations of the legal relationship or transaction which is the subject of the dispute is in a State other than the State of the place of domicile or seat of the parties;
 - iii) the place with which the matters which are the subject of the dispute are most closely connected is in a different State from the State where the domicile or principal place of business of the parties is located;
 - iv) the parties themselves, in the arbitration agreement, determine that the matter is related to more than one State;
- n) **"Institutionalized arbitration center"** means any institution, regardless of its legal form, that provides support services to the parties and to the arbitral tribunal, namely administrative and logistical support in the handling of arbitration proceedings;
- o) **"National arbitral award"** means an arbitral award rendered in an arbitration taking place in Timor-Leste;
- p) **"Place of arbitration"** means the place agreed upon by the parties or fixed by the arbitral tribunal in accordance with Article 43;
- q) **"Submission to arbitration"** means the communication addressed by the party wishing to commence arbitration proceedings to the counterparty or to the institutionalized arbitration center provided for in the arbitration agreement;
- r) **"Voluntary arbitration"** means the settlement of a dispute by a binding decision of an arbitral tribunal on the basis of an arbitration agreement and following a procedure subject to the principles of equal treatment of the parties, adversarial proceedings and the independence and impartiality of the arbitrators;

2. For the purposes of subparagraph (g) of the preceding paragraph, where one of the parties has more than one domicile, that party shall be deemed to have the closest connection with the arbitration agreement and, where one of the parties does not have a domicile, that party shall be deemed to have its habitual place of residence.
3. Where a rule of this legal system, with the exception of Article 52, grants the parties the power to dispose of a certain matter, it shall include the power to authorize a third party, including an institutionalized arbitration center, to do so.

Article 4 **Arbitrability**

1. Without prejudice to any special law reserving them to the jurisdiction of the courts of the State, any disputes which have assets as their object of interests may be resolved by means of voluntary arbitration.
2. Disputes that have as their object claims of a non-equity nature may only be resolved by means of voluntary arbitration if they are susceptible to transaction, in accordance with Article 1169 of the Civil Code.

Article 5 **Communications, notifications and counting of deadlines**

1. Unless the parties agree or the law provides otherwise, the following rules shall apply to the arbitration proceedings with respect to communications and notifications of acts or statements in writing, from submission to arbitration until the close of the proceedings:
 - a) Communications and notifications may be made in person, by post or by electronic communication, namely telex, fax and electronic mail, of which there shall be a durable record;
 - b) Communications and notifications shall be deemed to have taken place on any of the following dates:
 - i) the date on which they are delivered in person to the addressee or to his/her representatives;
 - ii) the date on which they are received, by post, at the addressee's home, habitual residence or registered office or at any other address designated by him/her;
 - iii) the date on which the content of the electronic communication becomes accessible to the addressee at the electronic address designated by him/her;
 - c) When, after reasonable inquiry, it proves impossible to obtain knowledge of the current places or addresses referred to in the preceding subparagraph, communications and notifications may be sent by post to the addressee's last domicile, habitual residence or registered office and shall be deemed to have been effected on the date on which they are received there.
2. The periods of time for which any communications or notifications are deemed to commence shall begin on the day following that on which they are deemed to have been made, in accordance with the preceding paragraph.

Article 6 **Tacit renunciation of the right to invoke a violation of the law or of the Convention of arbitration**

In the event of a violation of any non-mandatory rule of this legal system or of any provision of the arbitration agreement, the party which has become aware of it may not invoke it without immediately opposing it, or within the time limit for that purpose, later, in particular as a ground for annulment or refusal to confirm or enforce the arbitration award, and shall be deemed to have waived the right to do so.

Article 7
Intervention of the courts

1. The courts may not intervene in matters covered by these rules of law except in cases in which jurisdiction is conferred on them.
2. The following rules shall apply to interventions provided for in Articles 14, 15, 16, 19, 20 and 25:
 - a) The applicant shall state the facts justifying his/her claim, and shall immediately attach and demand, in the application itself, all the evidence;
 - b) Upon receipt of the petition referred to in the preceding paragraph, the other parties to the arbitration shall be notified and, if appropriate, the arbitral tribunal shall be given 10 days to rule on its contents;
 - c) Before rendering its decision, the arbitral tribunal may, if it deems it necessary, collect or request the information appropriate for rendering its decision;
 - e) The process shall be urgent, and any other non-urgent judicial service shall precede the respective acts.

CHAPTER II
ARBITRATION AGREEMENT

Article 8
Written form

1. On pain of invalidity, the arbitration agreement shall be subject to written form.
2. Even if concluded verbally, tacitly or otherwise, the arbitration agreement shall be deemed to be in writing when its contents are recorded in any form.
3. An arbitration agreement shall be deemed to be in writing if, inter alia, it is in any of the following cases:
 - a) The parties' declarations shall be contained in separate written documents signed separately by each party, which shall be exchanged in person, by post or by electronic communication;
 - b) The declarations of the parties are contained in a single written document signed jointly by the two parties;
 - c) The declarations of the parties are contained in electronic communication, such as telex, fax and electronic mail, in a durable medium;
 - d) A contract refers to a contractual text or document containing an arbitration agreement, provided that the reference is made in such a way that the arbitration agreement becomes an integral part of that contract;
 - e) The text of the arbitration agreement is recorded on a durable medium, and the behavior of the parties, in particular the lack of any objection immediately after their knowledge, interpreted in accordance with the practices of the economic branch in question and the rules of common experience, leads to the conclusion that they both agree on its content;
 - f) Either party, despite having been notified in the course of the arbitration proceedings of the claim or the defense in which the arbitration agreement is alleged, does not call into question its existence.

Article 9**Conclusion of arbitration agreements by public entities**

1. The State and other legal persons governed by public law may conclude arbitration agreements dealing with disputes exclusively governed by private law.
2. The entities referred to in the preceding paragraph may conclude arbitration agreements which have as their object, even if only partially, disputes governed by public law only if they are empowered to do so by special law.

Article 10**Content of the arbitration agreement and other agreements of the parties**

The rules of the regulations of the institutionalized arbitration centers to which they refer incorporate the contents of the arbitration agreement, as well as those of other agreements concluded by the parties concerning the arbitration procedure.

Article 11**Applicable law**

1. In the case of internal arbitration, the questions of the substantial validity of the arbitration agreement and the arbitrability of the dispute shall be governed by the law of Timor-Leste.
2. In the case of international arbitration, the arbitration agreement shall be understood to be valid in substance and the dispute to which it relates shall be arbitrable if the requirements and limits established by any of the following rights are met:
 - a) The right chosen by the parties to govern the arbitration agreement;
 - b) The law applicable to the merits of the case;
 - c) The law of Timor-Leste.

Article 12**Effects of the arbitration agreement on actions brought before the courts**

1. An action in any court, whether principal or counterclaim, concerning a dispute covered by an arbitration agreement shall be brought by the judge if the defendant raises the matter by the expiry of the time limit for filing the defense, rejects knowledge of the claim and refers the plaintiff to the arbitral tribunal, unless the judge considers that there is no arbitration agreement or that it is null and void, ineffective or unenforceable.
2. A decision of the arbitral tribunal which does not refer the claimant to the arbitral tribunal may always be appealed to the Court of Appeal, and the appeal shall have a suspensory effect on the court proceedings.
3. In the case provided for in the preceding paragraph, the pending of the matter before the arbitral tribunal shall not inhibit the commencement or the normal continuation of the arbitral proceedings, nor shall it prevent the arbitral tribunal from exercising its powers, including that of making an award.
4. As soon as the decision of the arbitral tribunal which finds that there is no agreement to arbitrate or that the agreement is null and void, ineffective or unenforceable has become final, the arbitral proceedings shall be terminated and the award rendered in the arbitral tribunal shall have no effect.

5. An action for simple assessment which has as its own object the questions of the existence, nullity, ineffectiveness and unenforceability of an arbitration agreement, as well as an injunction in which the claimant, raising the same questions, intends that the court should not constitute or operate an arbitration tribunal, shall be rejected by the court.

Article 13

Compatibility between the existence of an arbitration agreement and the request for interim measures before the courts

1. Without prejudice to paragraph 4 of the preceding article, the existence of an arbitration agreement shall not prevent the parties from applying to the courts, before or after the arbitration proceedings on which they are dependent, for any of the provisional measures provided for in Chapter VI.
2. Irrespective of the place of arbitration, the existence of an arbitration agreement shall not affect the jurisdiction of the courts to issue, under the rules of procedure applicable to them, provisional measures dependent upon arbitral proceedings, before or after the commencement of such proceedings, and even before the establishment of the arbitral tribunal.
3. In the assessment of interim relief claims under the preceding paragraph, the courts shall take into account, where appropriate, the specific features of international arbitration or foreign arbitration.

CHAPTER III

CONSTITUTION OF THE ARBITRAL TRIBUNAL

Article 14

Composition of the arbitral tribunal

1. The parties may freely determine the number of arbitrators who shall comprise the arbitral tribunal.
2. If the parties do not agree on the matter, the arbitral tribunal shall be composed of three arbitrators.
3. Unless the parties otherwise agree, no one may be prevented from being appointed as arbitrator on the grounds of his/her nationality.
4. Where the arbitration agreement results in one party having a preponderant position in the appointment procedure of the arbitrators which may jeopardize the impartiality of the arbitral tribunal, the other party may, within 10 days of the full composition of the arbitral tribunal being known, request the President of the Court of Appeal to replace the appointed arbitrator or arbitrators or to determine a different appointment procedure from that provided for in the arbitration agreement.
5. The decision of the President of the Court of Appeal shall not be subject to challenge and the provisions of Article 12(3) and (4) shall apply mutatis mutandis.

Article 15

Appointment of arbitrators

1. Arbitrators shall be appointed in accordance with the procedure stipulated by the parties, either directly or by reference to the regulations of institutionalized arbitration centers.
2. In the absence of agreement by the parties on the procedure for the appointment of arbitrators, the following rules shall apply:

- a) In the event that the court is to be composed of three or more arbitrators:
 - i) Each Party shall appoint an equal number of arbitrators and the arbitrators so appointed shall choose another arbitrator, who shall act as President of the arbitral tribunal;
 - ii) If either party fails to appoint the arbitrator within 30 days of the receipt of the request addressed to it by the other party or the arbitrators appointed by the parties fail to appoint the presiding arbitrator within 30 days of the appointment of the latter, either party may request the President of the Court of Appeal to appoint the defaulting arbitrator or arbitrators;
 - b) In the event that the arbitral tribunal is to be composed of a single arbitrator, either party may, in the absence of agreement on the designation, request it to the President of the Court of Appeal.
3. Where the parties have agreed on the procedure for the appointment of arbitrators, but there is a failure, as a result of the omission of either party or of a third party or of the absence of agreement between them or between the arbitrators, to appoint an arbitrator, either party may, unless otherwise agreed, apply to the President of the Court of Appeal.
 4. When appointing an arbitrator, the President of the Court of Appeal shall take into account the qualifications agreed by the parties and shall ensure their independence and impartiality.
 5. In the case of international arbitration, when appointing a sole arbitrator or a third arbitrator, the President of the Court of Appeal shall also consider it recommended that the appointment be to an arbitrator who is not a national of either party.
 6. The decisions of the President of the Court of Appeal provided for in the preceding paragraphs shall not be subject to any challenge.

Article 16

Appointment of arbitrators in the event of a plurality of plaintiffs and Defendants

1. In the event of a plurality of claimants or defendants, and the arbitral tribunal is to be composed of three arbitrators, the former shall jointly appoint one arbitrator and the latter shall jointly appoint another.
2. If the applicants or the defendants fail to reach an agreement on the arbitrator to be appointed, the President of the Court of Appeal shall, at the request of either party, make the appointment of the defaulting arbitrator.
3. In the case provided for in the preceding paragraph, the President of the Court of Appeal may, if it is shown that there are conflicting interests between the plaintiffs or between the defendants as to the substance of the case, appoint all the arbitrators and the President from among them, in which case the appointment of the arbitrator made by one of the parties shall be null and void.
4. The provisions of this Article may be waived or derogated from by agreement of the parties.

Article 17

Acceptance of the designation

1. The effectiveness of the designation shall, in any case, depend on the acceptance of the designated person.

2. Once the designation has been accepted, an excuse shall be legitimate only if it is based on proof of a supervening fact which makes it impossible for the arbitrator to perform his/her duties or if the agreement referred to in Article 25(1) has not been concluded.
3. Unless otherwise agreed, the appointee shall, within 15 days of the communication of his/her designation, declare in writing that he/she accepts it and shall inform the appointee of his/her designation.
4. If the declaration referred to in the previous paragraph is not communicated within the period indicated therein, the designation shall be deemed not to have been accepted, unless the person designated reveals, by means of conclusive behavior, the intention to act as arbitrator.
5. An unlawful excuse shall render the arbitrator liable for the damage caused.

Article 18

Duty of disclosure and refusal of arbitrators

1. Anyone who becomes aware, by invitation or other preliminary contacts, that someone wishes to appoint him/her as an arbitrator shall immediately disclose any circumstances that may give rise to justifiable doubts as to his/her impartiality and independence.
2. The arbitrator shall, throughout the arbitral proceedings, disclose without delay to the parties and to the other arbitrators the circumstances referred to in the preceding paragraph which are supervening or of which he/she only became aware after accepting the designation.
3. An arbitrator may be refused only on the basis of circumstances that raise justified doubts as to his/her impartiality or independence or if he/she does not possess the qualifications that the parties have agreed.
4. A party may not refuse an arbitrator who has been appointed or in whose appointment he/she has participated, unless he/she demonstrates that he/she knew of the grounds for refusal only after the appointment.

Article 19

Refusal procedure

1. Without prejudice to paragraph 3, the procedure for refusing an arbitrator shall follow the rules agreed by the parties, either directly or by reference to the rules of an institutionalized arbitration center.
2. In the absence of agreement, the following rules shall apply:
 - a) The party wishing to refuse an arbitrator shall submit a written request to the arbitral tribunal, specifying the grounds for refusal, within 15 days of the date on which it became aware of the establishment of the arbitral tribunal or of the date on which it became aware of the circumstances on which the refusal is based;
 - b) If the refused arbitrator does not relinquish the authority for which he/she has been appointed nor the parties agree to its termination, the arbitral tribunal shall decide on the objection.
3. If, in any of the cases provided for in paragraphs 1 and 2, the arbitrator's request for refusal is not complied with, the party who requested it may, within 15 days of being notified of the decision to reject it, challenge it by means of an application addressed to the President of the Court of Appeal, the decision of which cannot be challenged.

4. Pending proceedings before the Court of Appeal, the arbitral tribunal, including the rejected arbitrator, may continue the arbitral proceedings and render an award.
5. The rejected arbitrator shall have the right to renounce the mandate for which he/she has been appointed, without needing to plead any grounds.
6. The mandate of the refused arbitrator shall cease in any of the following cases:
 - a) The arbitrator shall exercise his right of resignation;
 - b) The parties agree to the termination;
 - c) The court upholds the claim of excuse;
 - d) The President of the Court of Appeal shall uphold the challenge provided for in paragraph 3.

Article 20

Impossibility or non-compliance of the arbitrator

1. If an arbitrator is unable, in law or in fact, to perform his/her duties or if he/she fails to perform them diligently and within a reasonable time, he/she shall cease to hold office as soon as he/she resigns or the parties, by agreement, so determine.
2. In any of the cases provided for in the preceding paragraph, if the arbitrator does not resign or if there is no agreement between the parties, either party may request the President of the Court of Appeal to order that his/her mandate be terminated, and his/her decision shall not be subject to appeal.
3. The fact that an arbitrator resigns from office in the cases provided for in paragraph 1 of this article and in paragraph 2 of the previous article cannot be interpreted as acceptance of the facts or circumstances imputed to him/her or as recognition of any responsibility.

Article 21

Substitution of the arbitrator

1. In all cases where, for any reason, an arbitrator's term of office ends, namely in the cases provided for in the preceding articles, a substitute arbitrator shall be appointed in accordance with the rules applied to the appointment of the replaced arbitrator.
2. With the replaced arbitrator already in office, the arbitral tribunal, after hearing the parties, shall decide whether, in view of its new constitution, any procedural act should be repeated or not.

CHAPTER IV

REQUIREMENTS, DUTIES, RESPONSIBILITY AND RIGHTS OF ARBITRATORS

Article 22

Requirements

1. Only fully capable natural persons may be arbitrators.
2. Without prejudice to the freedom of choice of the parties and to the provisions of Article 15(4) and (5), no person shall be excluded from being designated as arbitrator on grounds of gender or nationality.

Article 23

Independence, impartiality and diligence

Arbitrators shall perform their duties according to high standards of diligence, be independent and act with absolute impartiality, treating the parties equally.

Article 24

Responsibility

1. Arbitrators shall not be liable for damages resulting from their decisions unless they acted with intent or gross negligence.
2. Where arbitrators have been appointed by third parties, including arbitration centers or other arbitrators, they shall be liable to the parties only where they themselves acted with intent or gross negligence in the selection of the arbitrators.
3. Where it exists, the liability referred to in the preceding paragraph shall be joint and several.

Article 25

Arbitrators' fees and expenses

1. If the parties have not regulated such matters in the arbitration agreement, the arbitrators' fees, the method of reimbursement of their expenses and the parties' method of payment for the preparation of such fees and expenses shall be the subject of a written agreement between the parties and the arbitrators, concluded before the acceptance of the last arbitrator appointed.
2. If the matter has not been settled in the arbitration agreement or if no agreement has been reached between the parties and the arbitrators, it shall be incumbent upon the arbitrators, taking into account the complexity of the issues to be judged, the value of the case and the time spent and to be spent from the beginning to the end of the arbitration proceedings, to fix the amount of their fees and expenses, as well as to determine the payment by the parties of their expenses on behalf of one or more arbitrators, by means of one or more decisions separate from those ruling on procedural matters or on the merits of the case.
3. In the case provided for in the preceding paragraph, any party may request the President of the Court of Appeal to reduce the amounts of his/her fees or expenses and the respective preparations fixed by the arbitrators, who may, after hearing the arbitrators, fix the amounts he/she considers appropriate.
4. In the event of non-payment of fees and expenses that have been previously agreed or fixed by the arbitrators or by the President of the Court of Appeal, the arbitrators may, after the expiry of a reasonable additional period granted for that purpose to the defaulting party or parties, suspend or terminate the arbitral proceedings, without prejudice to the provisions of the following paragraph.
5. If, within the period of time established in accordance with the preceding paragraph, any party fails to pay its preparatory fee, the arbitrators, before deciding to suspend or terminate the arbitral proceedings, shall grant to the other parties an additional period of time so that they may, if they so wish, remedy the failure to pay their preparatory fee.

CHAPTER V POWERS OF THE ARBITRAL TRIBUNAL

Article 26

Powers of the arbitral tribunal to decide on its own jurisdiction

1. The arbitral tribunal shall have power to decide on its own jurisdiction, including the power to examine questions of the existence, validity, effectiveness and enforceability of the arbitration agreement.
2. An arbitration agreement which constitutes a clause in another contract shall be independent of the arbitration agreement and shall not in itself entail a decision of the arbitral tribunal declaring it invalid or unenforceable.

Article 27

Extension

Within the limits of the arbitration agreement, the court shall have jurisdiction to hear all questions, substantive or procedural, prior or incidental, the resolution of which is necessary for the normal and expeditious development of the arbitral proceedings and the decision of the case.

Article 28

Invocation of the issue of lack of jurisdiction of the arbitral tribunal, the decision of this and its impugnation

1. The lack of jurisdiction of the arbitral tribunal to hear all or part of the subject-matter of the dispute may be relied upon only by the defendant, under penalty of preclusion of the right to do so later, until the defense as to the substance of the case or together with it has been presented.
2. The fact that a party has appointed an arbitrator or participated in his/her appointment shall not deprive him/her of the right to plead lack of competence of the arbitral tribunal.
3. Where, in the course of the arbitral proceedings, a matter comes to light which may exceed the jurisdiction of the arbitral tribunal, the party concerned shall forthwith allege its lack of power, failing which it shall have no further right to do so.
4. At the request of the party concerned, duly substantiated, the arbitral tribunal may admit the question of lack of power beyond the time limits laid down in paragraphs 1 and 3 if it considers that, in the circumstances and having regard to standards of normal diligence, the party could not be required to do so earlier.
5. The arbitral tribunal may decide on its jurisdiction either by an interlocutory decision or by a judgment on the merits of the case.
6. An interlocutory award by which the arbitral tribunal declares that it has jurisdiction may, within 30 days of its notification to the parties, be challenged by a court on pain of forfeiture.
7. The pending judicial challenge referred to in the preceding paragraph shall not prevent the arbitral tribunal from continuing the arbitral proceedings and awarding the merits of the case.
8. If the arbitral tribunal finds that it has no jurisdiction, the arbitral proceedings shall be terminated, and the award rendered in the arbitral tribunal shall have no effect.
9. The Court of Appeal shall have jurisdiction to hear and determine the appeal; the provisions of Article 63 shall apply mutatis mutandis, subject to the special provisions of the three preceding paragraphs.

CHAPTER VI
INTERIM MEASURES AND PRELIMINARY ORDERS

SECTION I
INTERIM MEASURES

Article 29

Interim measures ordered by the arbitral tribunal

1. Unless the parties otherwise agree, the arbitral tribunal may, at any time before the award is made, order interim measures, at the request of a party, ordering any of the following:
 - a) Maintain or restore the previously existing situation until the dispute is finally disposed of;
 - b) Abstention of acts that may cause damage to the arbitration proceeding itself or the practice of acts capable of preventing it;
 - c) Preserving assets that may ensure the execution of the judgment that may be rendered;
 - d) Preserve means of evidence relevant to the resolution of the dispute.
2. Before the arbitral tribunal is constituted, the provisional measures provided for in the preceding paragraph may be decreed by the emergency arbitrator.

Article 30

Requirements for the issuance of interim measures

1. The enactment of provisional measures provided for in paragraph 1(a), (b) and (c) of the preceding Article shall depend on evidence of the following:
 - a) It is probable that failure to grant the measure will cause the claimant damage which cannot be adequately remedied by compensation and that the damage will be substantially greater than that which the measure may cause the defendant;
 - b) There is a reasonable likelihood that the arbitration action will be well founded.
2. The arbitral tribunal shall not be bound by the judgment of probability referred to in subparagraph (b) of the preceding paragraph.
3. With respect to the interim relief provided for in subparagraph 1(d) of the preceding article, the requirements set forth in paragraph 1 of this article shall apply only to the extent the arbitral tribunal determines them to be appropriate to the nature of the relief.
4. The arbitral tribunal may require the claimant of the interim relief to provide adequate security.

SECTION II
PRELIMINARY ORDERS

Article 31

Request and requirements for the issuance of an interim order

1. Unless the parties otherwise agree, either party may, when requesting the issuance of an interim order, request at the same time that the arbitral tribunal address to the other, without a prior hearing, a preliminary order to ensure the effectiveness of the interim order sought.
2. The arbitral tribunal may issue the preliminary order when it finds that the prior hearing of the respondent is likely to frustrate the purpose of the interim relief sought.

3. The requirements laid down in Article 30(1) shall apply to the issuance of any preliminary order, it being understood that the damage referred to in subparagraph 1(a) of that provision shall, in the case of the preliminary order, be that which may or may not result from the issuance of the preliminary order.

Article 32

Procedure and expiration

1. Immediately after the arbitral tribunal has made a decision on a request for a preliminary order, it shall notify all parties of the request for interim relief, the request for a preliminary order, the preliminary order, if issued, and all other communications, including oral communications, which have taken place between any party and the arbitral tribunal in this regard.
2. The arbitral tribunal shall at the same time afford the party against whom the preliminary order has been issued an opportunity to make known its views on the preliminary order and shall, to that end, afford such views as soon as possible.
3. The arbitral tribunal shall promptly rule on any objection raised to the preliminary order.
4. The arbitral tribunal shall require the claimant of the preliminary order to provide adequate security unless it considers it inappropriate or unnecessary to do so.
5. The preliminary order shall expire 20 days after the date on which it was issued by the arbitral tribunal.
6. Notwithstanding the preceding paragraph, the arbitral tribunal may, after hearing the defendant on this possibility, issue an interim order incorporating or amending the contents of the preliminary order.
7. The preliminary order shall be binding on the parties but shall not be enforceable by the arbitral tribunal.

SECTION III

COMMON RULES FOR PROVISIONAL MEASURES AND PRELIMINARY ORDERS

Article 33

Modification, suspension and repeal

The arbitral tribunal may modify, suspend or repeal an interim measure or a preliminary order which has been issued, at the request of either party, or, in exceptional circumstances and after hearing them, on its own initiative.

Article 34

Duty of disclosure

1. The court may order the parties to promptly disclose any significant change in the circumstances on the basis of which the provisional measure was requested or issued.
2. The party seeking a preliminary order shall disclose to the arbitral tribunal all circumstances that may be relevant to the decision as to its issuance or maintenance, and this duty shall continue until the party against whom the order has been made has had an opportunity to make known its views, after which the provisions of paragraph 1 shall apply.

Article 35

Responsibility of the applicant

1. In the opinion of the arbitral tribunal, the provisional measure or preliminary order should not have been issued or ordered in the earlier circumstances, the party who requested it shall be liable for any costs or damages caused by it to the other party.
2. The arbitral tribunal may, in the case provided for in the preceding paragraph, order the requesting party to pay the corresponding compensation at any stage of the proceedings.

SECTION IV

**CONFIRMATION AND EXECUTION BY THE COURTS
OF COURT DECISIONS ARBITRATION AWARDS**

SUBSECTION I

**ENFORCEMENT OF NATIONAL ARBITRATION
AWARDS GRANTING INTERIM MEASURES**

Article 36

Scheme

1. Without prejudice to the provisions of the following paragraphs, the rules established in Chapter X shall apply, mutatis mutandis, to the enforcement of arbitral awards awarding interim measures in arbitrations having their seat in Timor-Leste.
2. The arbitral tribunal may, in the decision that decrees the provisional measure, exclude its enforcement in the courts.
3. A party requesting the enforcement of an arbitral award that makes an interim order shall promptly inform the court of its repeal, suspension or modification by the arbitral tribunal.
4. The arbitral tribunal hearing an application for enforcement of an arbitral award which makes an interim order may, if it deems it appropriate, order the claimant to provide adequate security, unless the arbitral tribunal has already made a decision in this regard.
5. In any event, the arbitral tribunal shall order the provision of security where such security is necessary to protect the rights of third parties.

SUBSECTION II

**CONFIRMATION AND ENFORCEMENT OF FOREIGN ARBITRAL
AWARDS THAT DECREE PROVISIONAL ACTS**

Article 37

Scheme

In anything not contrary to the provisions of this Subsection, the provisions of Chapter XI shall apply to the confirmation and enforcement of foreign arbitral awards granting interim measures.

Article 38

Proceedings

1. At the request of the interested party, and unless the arbitral tribunal determines otherwise itself, a foreign arbitral award which decrees an interim measure may be confirmed and enforced by the courts.

2. Pending proceedings for the confirmation or execution of the arbitral award which made the interim measure, or after the award confirming it or requiring its execution has been made, the party requesting the confirmation or requesting its execution shall immediately inform the arbitral tribunal of any decision to repeal, suspend or amend the interim measure made by the arbitral tribunal which made it.
3. The arbitral tribunal receiving a request for confirmation or execution of the arbitral award which issued the measure may, if it considers it appropriate, order the claimant to provide adequate security, unless the arbitral tribunal has already made a decision in that regard.
4. In any event, the arbitral tribunal shall require security to be provided where such security is necessary to protect the rights of third parties.
5. The confirmation process shall be urgent, any other non-urgent judicial service being preceded by the respective acts, and the time limits provided for in Article 69 reduced by half.

Article 39

Grounds for refusal of confirmation and opposition to enforcement of the decision confirmed

1. Confirmation of a foreign arbitration award granting an interim measure may be refused only on one of the following grounds:
 - a) The occurrence of any of the hypotheses provided for in Article 70(1)(a), (b), (c), (d) or (e);
 - b) Non-compliance with the decision of the arbitral tribunal which has determined that a security has been provided to the claimant;
 - c) The arbitral tribunal or, if it has jurisdiction to do so, a court of the foreign State where the arbitration takes place or of the State under the law of which the arbitral tribunal has made the order, repeals or suspends the provisional measure;
 - d) It is an interim measure that could not be ordered by the courts of Timor-Leste under Timorese law, unless the court decides to convert the interim measure into another measure that is admissible under Timorese law, provided that the court maintains the essence and usefulness of the arbitral measure whose confirmation is sought;
 - e) The occurrence of any of the events provided for in Article 70(1)(g) and (h).
2. The court may only hear the grounds for refusal provided for in paragraphs a), b) and c) of the preceding paragraph upon the summoning of the defendant, and the grounds provided for in paragraphs d) and e) of the preceding paragraph shall be of its own motion.
3. The decision of the tribunal, which shall refrain from making a review of the merits of the interim measure by the arbitral tribunal, shall not take effect outside the confirmation procedure, subject to the provisions of the following paragraphs.
4. The person executed may invoke only the grounds provided for in paragraph 1 when contesting the execution of the confirmed arbitral award, with the exception of the following grounds:
 - a) Pleas that he/she did not put forward in the procedure for confirmation of the enforceable judgment but could have put forward, with the exception of those provided for in paragraph 1(d) and (e);
 - b) Grounds which were dismissed in the decision of the court confirming the enforceable arbitral award.

5. The tribunal for enforcement may, of its own motion, hear the questions referred to in paragraph 1 (d) and (e), unless the arbitral tribunal which confirmed the arbitral award has already given its ruling thereon.

CHAPTER VII INITIATION, CONDUCT AND DEVELOPMENT OF THE ARBITRATION PROCESS

Article 40

Fundamental principles and representation of the parties

1. In the conduct and management of the proceedings, as well as in the resolution of the issues raised therein, the arbitral tribunal shall respect the following principles:
 - a) The principle of impartiality, which obliges the arbitral tribunal to weigh objectively, without bias or prejudice, the positions and arguments of both parties on the issues it considers relevant and relevant to the decision of the case, not excluding at the outset, when it judges in accordance with the established law, any legally implausible solution;
 - b) The principle of equality, which requires the court to afford the parties the same opportunities to intervene in the proceedings and to allow them, within a reasonable time, to present their principal or counter-claims and their defense in full, as the case may be;
 - c) The adversarial principle, which obliges the arbitral tribunal to grant the parties, throughout the proceedings, the opportunity to express their views beforehand on any matters to be settled, subject to the exceptions provided for in this legal system;
 - d) The principle of free legal representation, which guarantees the parties the right to be represented by a lawyer.
2. Without prejudice to the provisions of subparagraph (d) of the preceding paragraph, and unless the parties agree otherwise, the parties may litigate in their own case and be represented by any person of their choice, even if they are not lawyers.
3. In case of international arbitration, and unless otherwise agreed by the parties, any of them may be represented by a foreign lawyer not registered in Timor-Leste, regardless of the State from which he/she comes.
4. Persons referred to in subsection 2 and foreign lawyers not registered in Timor-Leste referred to in subsection 3 shall be deemed, for all purposes, to act lawfully when they represent any of the parties in an arbitral proceeding and shall not be prohibited from acting as illicit procurators.

Article 41

Determination of the Rules of Arbitration Procedure

1. With respect to the principles set forth in the preceding article, the parties shall be free to establish, by agreement, until the acceptance of the first arbitrator, the rules that the arbitral tribunal shall observe in the conduct and management of the arbitration proceedings.
2. In the absence of agreement of the parties, and in anything not regulated in these rules, the arbitral tribunal may conduct and manage the proceedings in the manner it considers most appropriate to the nature and degree of complexity of the dispute, ensuring their expeditious progress and deciding on the admissibility, relevance and value of any evidence produced or to be produced.

3. In exercising the power provided for in the preceding paragraph, the arbitral tribunal may also refer to the regulations of institutionalized arbitration centers, to model systems recommended by international organizations, to the civil procedural law in force in Timor-Leste or, in the case of international arbitration, to a foreign procedural law in force in a jurisdiction that has a closer connection with the dispute, and such referral, where it exists, shall be express and unequivocal.

Article 42

Privacy and confidentiality

1. Unless otherwise agreed by the parties, all meetings and hearings of the arbitration panel proceeding shall be held in private.
2. The arbitrators, the parties and, where applicable, the institutionalized arbitration center, shall be bound to maintain the confidentiality of all information and documents brought to their attention and obtained through the arbitration process.
3. The duty of secrecy imposed on the parties in the preceding paragraph shall cease and the disclosure or publication of any of the information or documents referred to in the preceding paragraph shall become lawful in the following situations:
 - a) The disclosure or publication is necessary for the defense of their legitimate rights and interests;
 - b) The disclosure or publication is necessary to challenge or enforce an arbitration award;
 - c) The existence of a duty, imposed by law, of communication or disclosure;
 - d) Disclosure is made in compliance with an arbitral tribunal's own decision, provided that the decision has been issued at the request of one party and after the other party has been heard;
 - e) Disclosure is made to anyone who is legally bound to maintain confidentiality, namely lawyers.
4. If neither party opposes the disclosure, the publication of the arbitral award shall be lawful, provided that it has been expunged from elements allowing the identification of the parties.

Article 43

Place of arbitration

1. The place of arbitration shall be that fixed by agreement of the parties, who shall be free in their determination.
2. In the absence of agreement of the parties, the place of arbitration shall be determined by the arbitral tribunal taking into account the circumstances of the case, including the convenience of the parties.
3. Notwithstanding the provisions of the preceding paragraphs, the arbitral tribunal may, unless the parties agree otherwise, meet at any place other than the place of arbitration which it deems appropriate for the holding of hearings, depositions, inspection of things, consultation of documents and other evidentiary proceedings, and for making any decisions.

Article 44

Language of proceedings

1. The parties may, by agreement, choose freely the language or languages to be used in the arbitral proceedings.
2. If the parties do not agree, the arbitral tribunal shall determine the language or languages to be used in the proceedings.

3. In any of the cases provided for in the preceding paragraph, and with the exception of any specific rule included in the agreement of the parties or in the decision of the arbitral tribunal, the determination of the language or languages to be used in the proceedings shall apply to the written submissions and requests of the parties, to the hearings, to the expert reports and to the decisions, communications and notifications of the arbitral tribunal.
3. The arbitral tribunal may order that any document, including written statements, be accompanied by a translation into the language or languages to be used in the arbitral proceedings.
4. Without prejudice to the provisions of the preceding paragraph, witnesses may use their own language in giving oral or written statements, in which case the arbitral tribunal may require the party who so requests to provide a suitable interpreter, failing which the statement of evidence shall not be admitted.

Article 45

Commencement of proceedings

1. Unless the parties otherwise agree, arbitration proceedings shall be deemed to commence on the date on which the defendant receives the request to submit the dispute to arbitration.
2. The request for submission of the dispute to arbitration shall contain the identification of the parties, a brief statement of the subject-matter of the dispute and a reference to the arbitration agreement covering the dispute.

Article 46

Petition and defence

1. The claimant and respondent shall submit both the Statement of Claim and the Statement of Defense within the time limits agreed by the parties or set by the arbitral tribunal.
2. Unless the parties otherwise agree as to the content of each pleading, the application shall contain the formulation of the claim and a description of the essential facts supporting it, and the defense of the defendant as to each of those elements of the application, as well as any counterclaim which the defendant may wish to make, shall be admissible in accordance with the following paragraph.
3. In the defense, the defendant may make a counterclaim, provided that the subject-matter of the defense is covered by the arbitration agreement.
4. The parties may accompany their documents with any documents they consider relevant and refer thereon to documents or other evidence which they still wish to produce.
5. Unless the parties agree otherwise, either party may, in the course of the arbitral proceedings, modify or supplement the documents initially presented, unless the arbitral tribunal does not admit it, on the grounds that it does so with undue delay.

Article 47

Hearings and written procedure

1. Unless the parties have agreed otherwise, the arbitral tribunal shall decide whether hearings shall be held for the purpose of giving evidence and oral arguments or whether the proceedings shall be confined to written submissions and documents and other evidence.
2. The arbitral tribunal shall, however, hold one or more hearings whenever one of the parties so requests, unless the parties have previously dispensed with them.

3. The parties shall be given sufficient notice of any hearings and other meetings convened by the arbitral tribunal for the purpose of giving evidence or oral arguments.
4. Any written submissions, documents or information which a party provides to the arbitral tribunal, as well as any expert report or evidentiary material on which the tribunal's decision may be based, shall be communicated to the other party.

Article 48

Omissions and default of the parties

Unless otherwise agreed by the Parties, the following rules shall apply to their omissions and default:

- a) If the claimant fails to file his/her application in accordance with Article 46(1), the arbitral tribunal shall declare the arbitration proceedings closed;
- b) The failure of the defendant to submit his/her Statement of Defense in accordance with Article 46(1) shall not prevent the proceedings from continuing and the arbitral tribunal may not in itself regard this failure as acceptance of the claim or the claims of the applicant;
- c) If one of the parties fails to appear at a hearing or to produce documentary evidence within the time limit, the arbitral tribunal may continue the proceedings and make an award on the basis of the evidence available;
- d) If the arbitral tribunal finds that the omission or non-attendance is justified, it may disregard the omission or non-attendance by allowing the party to perform or repeat the omitted or imperfectly performed act.

Article 49

Appointment of experts by the arbitral tribunal

1. Unless the parties have agreed otherwise, the arbitral tribunal, on its own initiative or at the request of the parties, may designate one or more experts to prepare a report, in writing or orally, on specific questions defined by it.
2. In the event provided for in the preceding paragraph, the arbitral tribunal may order any party to provide or give the experts access to any information, documents or objects which it deems relevant to the determination of the case.
3. Unless the parties otherwise agree, at the request of either party or on the arbitral tribunal's initiative, a hearing shall be convened at which the experts shall be questioned by the arbitral tribunal and the parties on the report presented and the questions which are the subject of the report.

Article 50

Cooperation of the arbitral tribunal in the taking of evidence and other arbitration proceedings

1. The arbitral tribunal or any of the parties with its authorization, in particular where one of them or a third party refuses to cooperate, may request the competent court to carry out any evidence or other procedural steps which the arbitral tribunal alone is not permitted to take.
2. When the court considers that the requested steps are admissible, it shall order them to be carried out, which shall be subject to the applicable Timorese procedural law.
3. Without prejudice to the fact that they take place under the chairmanship of the Judge of the Court, in accordance with the applicable Timorese procedural law, the arbitrators may take part in the probatory proceedings and question the deponents there.

4. For the purposes of this article, the Dili District Court shall have jurisdiction.
5. The provisions of the previous paragraphs shall apply to requests for evidence addressed to an Timorese court by an arbitral tribunal in foreign arbitrations.

Article 51

Intervention by third parties

1. In an arbitration proceeding in progress, only third parties bound by the arbitration agreement on which it is based, whether originally or as a result of subsequent accession, may intervene.
2. The accession referred to in the preceding paragraph shall require the consent of all the parties to the arbitration agreement and may be made with effects restricted to the arbitration proceedings in question.
3. If the arbitral tribunal has been constituted, only a third party may intervene, either spontaneously or provoked, and declare that it accepts all its arbitrators.
4. The arbitral tribunal may only admit the intervention if it does not unduly disturb the normal course of the arbitral proceedings and if there are important reasons for doing so, provided that the request is not manifestly impracticable, when one of the following situations arises
 - a) The third party has an interest equal to that of the claimant or defendant in the subject-matter of the dispute, which would initially allow voluntary divorce or impose the necessary litigation between one of the parties to the arbitration and the third party;
 - b) The third party wishes to make a claim against the defendant which has the same subject-matter as the plaintiff's claim but is incompatible with it;
 - c) The defendant, against whom a claim with plurality of creditors is asserted, intends, where there is solidarity between them, that the other joint creditors be bound by the final decision rendered in the arbitration;
 - d) The defendant intends that third parties be called against whom it may have a right of recourse as a result of the acceptance, in whole or in part, of the claimant's application.
5. Where a counterclaim is made, the provisions of the preceding paragraphs shall apply, with the necessary adaptations, to the counterclaim and the counterclaim.
6. If the intervention is admitted, the provisions of Article 46 shall apply, with the necessary adaptations.
7. Without prejudice to the provisions of the following paragraph, the intervention of third parties prior to the establishment of the arbitral tribunal may only take place in institutionalized arbitration and provided that the applicable rules of arbitration ensure compliance with the principle of equal participation of all parties, including members of plural parties, in the selection of arbitrators.
8. The parties may agree to regulate the intervention of third parties in arbitrations already under way in a manner different from that set out in the preceding paragraphs, either directly, in compliance with the principle of equal participation of all parties in the appointment of arbitrators, or by reference to an institutionalized arbitration rule admitting such intervention.

CHAPTER VIII

ARBITRAL AWARD AND END OF PROCEEDINGS

Article 52

Applicable law and irrecoverability

1. The arbitral tribunal may judge in equity only and only when the parties expressly so agree.
2. In the case of internal arbitration, the arbitral tribunal shall adjudicate the case in accordance with Timorese law and, if the parties so agree, and provided that it precedes the acceptance of the first arbitrator, the arbitral tribunal shall adjudicate the case in accordance with local or community custom specifically identified in that agreement.
3. In the case of international arbitration, and without prejudice to the provisions of paragraph 1, the arbitral tribunal shall decide in accordance with the following criteria:
 - a) In accordance with the rules, whether or not they are part of state legal systems, chosen by agreement of the parties;
 - b) In the absence of an agreement of the parties, in accordance with the state law determined by the rules of conflict that the court considers applicable to the case;
 - c) In any of the events referred to in the preceding paragraphs, the arbitral tribunal shall consider the contractual stipulations of the parties and the relevant commercial usage.
4. Where the parties, pursuant to subparagraph a) of the preceding paragraph, choose the law of a particular State, they shall be understood, unless expressly provided otherwise, to refer directly to the material law of that State and not to its conflict rules.
5. The award, in part or in whole, and the other decisions rendered by the arbitral tribunal, with the exception of the cases specifically provided for in this regime, shall only be subject to appeal to the competent court if this is expressly provided for in the arbitration agreement and if it is not a case in which the parties have agreed to the trial according to equity or according to local or community customs.
6. Where, having verified the conditions laid down in the preceding paragraph, the judgment may be appealed, the Court of Appeal shall have jurisdiction to rule on the appeal.

Article 53

Decisions taken by a collegial arbitration tribunal

Unless the parties otherwise agree, when the arbitral tribunal is composed of more than one arbitrator, the formation of its decisions shall be subject to the following rules:

- a) Decisions shall be taken by a majority of its members;
- b) If a majority cannot be formed, the award shall be made by the President of the arbitral tribunal;
- c) If an arbitrator refuses to take part in the vote on the decision, the other arbitrators may make the decision without him/her;
- d) In the case provided for in the preceding subparagraph, the arbitrators who intend to make the decision without the participation of the refusing arbitrator shall inform the parties in advance of their intention;
- e) If the other arbitrators grant him/her this power, matters relating to the management and conduct of the proceedings may be resolved by a single decision of the presiding arbitrator.

Article 54

Transaction

1. If the parties, in the course of the arbitral proceedings, by means of a settlement agreement, partially or totally terminate the dispute, the arbitral tribunal may, at the request of both parties, render an award in accordance with the precise terms of the settlement, unless the content of the settlement violates mandatory rules of Timorese law or, in the case of international arbitration to be judged under Timorese law, violates the international public order of the State of Timor-Leste.
2. Where the transaction terminates the dispute in its entirety, the proceeding shall be terminated in accordance with paragraph 1 of Article 57, when the sentence provided for in the preceding paragraph is pronounced or, in accordance with paragraph 2 of the same provision, when this is not the case.
3. Where the transaction is partial, the proceedings shall continue, for judgment of the party who is the subject of the dispute not covered by the transaction.
4. A judgment given pursuant to the settlement agreed upon by the parties shall be subject to the provisions of the following article and shall have the same nature and effect as any other judgment that rules on the merits of the case.

Article 55

Form and content and effectiveness of the judgment

1. The award shall be made in writing and signed by the sole arbitrator or by all arbitrators of the arbitral tribunal, where the arbitral tribunal is a collegial tribunal, or, in the latter case, only by the presiding arbitrator where he is competent to make the award; however, the signatures of the majority of the members of the collegial tribunal shall be sufficient, provided that the reason for the omission of the remaining signatures is mentioned in the award itself.
2. The arbitral tribunal shall state the reasons for the award, unless the parties waive this requirement or the award is made in accordance with paragraph 1 of the preceding article.
3. The award shall state the date on which it was rendered, as well as the place of arbitration determined in accordance with Article 43.
4. Unless the parties have agreed otherwise, the award shall contain a breakdown between the parties of the costs directly resulting from the arbitration proceedings, as well as the condemnation of one or some of the parties, if and to the extent that this is adjusted to their procedural conduct, in the payment to another or others of compensation for all or part of the reasonable costs and expenses that they prove to have incurred because of their intervention in the arbitration.
5. Where, at the time of the award, the court does not yet have the necessary elements to rule on them, such matters may be the subject of an additional award.
6. As soon as the judgment has been rendered, it shall be immediately notified to each party and accompanied by a copy signed in accordance with paragraph 1.
7. The judgment shall become effective on the date of its service, without prejudice to the following paragraph.
8. The arbitration award, which shall not be subject to appeal and shall no longer be subject to amendment under the terms of Article 58, shall be endowed with the same enforceability and legal force between the parties as the law attributes to final judgements rendered by the courts.

9. Unless otherwise agreed by the parties, the arbitral tribunal may rule on the case in a single award or, where it considers it more appropriate to the state of the proceedings and their efficient management, in several awards, each resolving a part of the subject matter of the dispute and each subject to the provisions of the preceding paragraphs, with the exception of paragraphs 4 and 5, which shall apply only to the last award.

Article 56

Time limit for giving the judgment

1. Unless the parties, until the acceptance of the first arbitrator, have agreed on a different time period, the arbitral tribunal shall notify the parties of the final award, whether or not there have been previous partial awards made under paragraph 8 of the preceding article, within 12 months from the date of acceptance of the last arbitrator.
2. The period defined according to paragraph 1 may be freely extended by agreement of the parties on one or more occasions.
3. The arbitral tribunal may also determine the extension of that period for 6 months, from the end of the initial period or from the end of the extension which the parties have agreed, by means of a duly motivated decision.
4. Failure to notify the final award within the maximum period determined under the preceding paragraphs shall automatically result in the termination of the arbitral proceedings and shall also cause the competence of the arbitrators to terminate.
5. Without prejudice to the provisions of the preceding paragraph, the arbitration agreement shall remain in force and any party may commence new arbitration proceedings with respect to the same dispute.
6. Once the general assumptions of the obligation to indemnify for non-compliance with obligations have been verified, the arbitrators who have given cause to non-compliance with the time limits established in this article shall be liable for the damages suffered by the parties.

Article 57

End of proceedings

1. The arbitral proceedings shall end with the rendering of the final award or with the decision declaring its closure in accordance with the following paragraph.
2. The arbitral tribunal shall declare the proceedings closed in any of the following situations:
 - a) The claimant shall withdraw his/her claim unless the defendant objects and the arbitral tribunal recognizes that he/she has a legitimate interest in the dispute being finally settled by an award on the merits;
 - b) The parties agree to a settlement which terminates the dispute in its entirety by not making the application provided for in Article 54(1);
 - c) The parties agree to terminate the proceedings by requesting the arbitral tribunal to so declare;
 - d) The continuation of the proceedings has, for any other reason, become pointless or impossible.
3. Upon termination of the arbitral proceedings, as a result of the rendering of the final award or the decision declaring it closed, the terms of reference of the arbitrators shall cease and their powers shall expire, without prejudice to the following article and paragraph 8 of article 63.°.

4. Unless the parties have agreed otherwise, the president of the arbitral tribunal shall keep the original arbitral proceedings for at least one year after notification of the final or final additional award and the original award for at least three years.

Article 58

Rectification, clarification and completion of the award

1. Unless the parties have agreed to another time period for this purpose, within 30 days after notification of the award, either party may, by so notifying the other, request the arbitral tribunal:
 - a) To remove from the text of the award any miscalculation, clerical or typographical error or mistake of identical nature;
 - b) Clarify any obscurity or ambiguity in any segment of the text of the award;
 - c) Provides an additional sentence on any request or question which, although formulated or raised in the proceedings, has not been decided in the final sentence or in a previous partial sentence.
2. If the arbitral tribunal admits the request, it shall make the rectification or clarification, which shall be deemed to be included in the award, within a maximum of 30 days and the additional award within a maximum of 60 days, both from the receipt of the respective requests, and Article 56 shall apply.
3. The arbitral tribunal may also, at its own initiative, within 30 days of the date of notification of the award, rectify any errors referred to in paragraph 1(a).
4. The arbitral tribunal may extend, if necessary, the period of time available to it to rectify, clarify or supplement the award in accordance with the preceding paragraphs, subject to compliance with the maximum period of time established in Article 56.

CHAPTER IX

CHALLENGING THE ARBITRATION AWARD IN THE COURTS

Article 59

Exclusivity of action for annulment

Except for cases in which the parties, pursuant to Article 52(5), agree on their appeal, an objection to an arbitration award in the courts shall only be admissible by means of the action for annulment regulated in this chapter.

Article 60

Grounds for annulment of arbitral award rendered in internal arbitration

1. In the case of internal arbitration, the arbitration award may be annulled by the competent court only on one of the following grounds
 - a) Incapacity of the party to the arbitration agreement, which was established at the time of the conclusion of the arbitration agreement, seeking annulment;
 - b) Invalidity of the arbitration agreement in accordance with the law to which the parties have submitted it or, in the absence of choice of the parties, in accordance with Timorese law;
 - c) Violation of some of the fundamental principles referred to in Article 40;

- d) Non-compliance of the establishment of the arbitral tribunal with the rules stipulated by the parties;
 - e) Non-conformity of the conduct and conduct of the arbitral tribunal with the rules stipulated by the parties, provided that such non-conformity has had a decisive influence on the resolution of the dispute;
 - f) The award relates to claims or matters not covered by the arbitration agreement;
 - g) The award condemns in excess of or in respect of a matter not covered by the request, knows matters of which it could not have been aware or does not rule on matters to be resolved;
 - h) Violation of Article 53 and Article 55(1), (2) and (3);
 - i) Notification of the judgment to the parties after the expiry of the maximum period established in accordance with Article 56;
 - j) The dispute is not arbitrable under East Timorese law;
 - k) The sentence violates imperative norms of East Timorese law or offends the principles of international public order of the Timorese State.
2. The court may only hear the grounds for annulment provided for in paragraphs a) to i) of the preceding paragraph on the basis of an allegation made by the author, without prejudice to the provisions of article 6.
3. The Dili District Court.

Article 61

Grounds for annulment of arbitration award rendered in international arbitration

1. In the case of international arbitration, the arbitration award may be annulled by the competent court only on one of the following grounds
- a) The incapacity of the party to the arbitration agreement requesting the annulment, which is established at the time of its conclusion;
 - b) The invalidity of the arbitration agreement in accordance with the law to which the parties have subjected it or, in the absence of a choice of the parties, in accordance with the law of the State of the place where the arbitration award was made;
 - c) The party to the arbitration proceedings seeking the annulment has not been given an opportunity to assert its rights there, or has not been duly informed of the appointment of an arbitrator or of the arbitration proceedings, or for any other reason;
 - d) The award relates to claims or matters not covered by the arbitration agreement or contains decisions which fall outside its scope, without prejudice to paragraph 3;
 - e) The establishment of the tribunal or the arbitration proceedings have not been in accordance with the rules agreed to by the parties or, in the absence of such an agreement, with the law of the State where the arbitration took place;
 - f) The dispute is not arbitrable under Timorese law;
 - g) The award violates the principles of public policy of the Timorese State.

2. The court may only hear the grounds for annulment provided for in subparagraphs a) to e) of the preceding paragraph on the basis of an allegation made by the author, without prejudice to the provisions of Article 6.
3. Where, in relation to the case provided for in subparagraph 1(d), the decisions contained in the arbitration award that exorbitated from the scope of the arbitration agreement are dissociable from those that fall within it, the annulment may be reduced to these.
4. Where the arbitral tribunal has applied non-Timorese law in judging the merits of the case, the provisions of paragraph 1(g) shall not apply, but in such a case, if the arbitration award has to be executed in the national territory or if it produces other effects in the Timorese legal order, its annulment shall be possible where this would lead to a result which is manifestly incompatible with the principles of international public order of the Timorese State.
5. The Dili District Court shall have jurisdiction to rule on the action for annulment.

Article 62

Waiver of the right to request the annulment of the arbitration award

1. Without prejudice to the provisions of Article 6, the right to request the annulment of the arbitration award shall not be waived.
2. Where international arbitration is involved, however, and provided that neither party is of Timorese nationality, habitual residence, headquarters or permanent establishment in Timor-Leste, the parties may expressly agree in writing to waive their right to request the annulment of the award.

Article 63

Procedure and powers of the judicial court

1. On pain of forfeiture, the application for annulment of the arbitration award must be lodged with the competent court within 60 days of the date on which the plaintiff was notified of the award or, where appropriate, of the date of notification of the decisions provided for in Article 58(1).
2. The action for annulment shall not suspend the enforceability of the arbitration award.
3. The petition shall be accompanied by a certified copy of the arbitration award and, if it is in a foreign language, by a translation into one of the official languages of Timor-Leste.
4. All evidence shall be presented or requested in the application for annulment.
5. The defendant, after summons, shall have 20 days to present the defense, to which the provisions of the preceding paragraph shall apply.
6. If the defendant invokes any exception, the author may, within 10 days, submit an answer, which shall be limited to the exception or exceptions invoked.
7. Once the answer has been received from the author or the time limit for its presentation has expired, the court, if the nature of the evidence presented or requested so requires, shall set a date for a discussion and trial hearing.
8. Where it considers it appropriate in the circumstances of the case, in particular having regard to the nature of the defects imputed to the award as grounds for the claim for annulment, the arbitral tribunal may, at the request of either party, grant the arbitral tribunal an appropriate period of time in which to carry out such steps and acts as the tribunal may consider capable of remedying those defects.

9. If the plea for annulment affects only a part of the award which is severable from the others, only that part of the award may be annulled.
10. Where the arbitral award is set aside, or the portion thereof set aside, the arbitral tribunal may not rule on the merits of the case or rule on any matter decided by the arbitral tribunal.
11. As to anything not provided for in the preceding paragraphs, the provisions governing the appeal shall, mutatis mutandis, apply in the alternative.

Article 64

Subsistence of the arbitration agreement

1. Unless the parties have agreed otherwise, the annulment of the arbitral award shall not affect the arbitration agreement and a new arbitration may be initiated for the resolution of a dispute with the same object.
2. The preceding paragraph shall not apply if the grounds for the nullity of the award are the non-arbitrability of the dispute, the invalidity of the arbitration agreement, or the incapacity of any of the parties to the arbitration agreement.

CHAPTER X

ENFORCEMENT OF NATIONAL ARBITRATION AWARDS BY THE COURTS

Article 65

Enforceability of the arbitration award

1. An arbitration award rendered in arbitration taking place in Timor-Leste, whether domestic or international, shall be enforceable in the courts on the same terms as their decisions.
2. The claimant shall attach to the application the original of the arbitral award or a certified copy thereof, as well as, if it is not in one of the official languages of Timor-Leste, a certified translation into one of them.
3. If the arbitral award contains a generic award, its liquidation shall be made in accordance with Article 690 of the Code of Civil Procedure.
4. Without prejudice to the provisions of Article 63(2), if an action for annulment of the arbitration award is pending, the executed party, offering bail, may request the suspension of the execution under the terms of Article 696 of the Civil Procedure Code.
5. Enforcement shall be suspended only if the defendant has given the security determined by the court within the time limit specified.
6. The Dili District Court shall have jurisdiction to enforce the arbitral awards.

Article 66

Grounds for opposing the enforcement of an arbitration award rendered on internal arbitration

1. The defendant may oppose the execution based on an arbitral award rendered in internal arbitration through the same procedural means and on the same grounds provided in the Code of Civil Procedure for the execution based on an award rendered by a court of law.
2. In addition to those referred to in the preceding paragraph, the defendant may also oppose the execution of the arbitral award on the grounds provided for in Article 60(1).

3. The person executed may not, however:
 - a) Invoke any of the grounds provided for in Article 60(1)(a) to (i), if, on the date on which the opposition was filed, his or her right to request the annulment of the arbitral award has expired due to the expiry of the period laid down in Article 63(1).
 - b) Pleas in law that have been dismissed in an action for annulment of an arbitral award that has already become final on the date the opposition was filed.
4. Even if the right to claim the nullity has already expired, the arbitral tribunal may, of its own motion, hear the grounds for nullification of the arbitral award provided for in Article 60, paragraphs 1 (j) and (k).

Article 67

Grounds of objection to the enforcement of an arbitral award rendered on international arbitration

1. The defendant may oppose enforcement based on an arbitral award rendered in international arbitration by the same procedural means provided in the Code of Civil Procedure for awards rendered by the courts, but on the sole and exclusive basis of one of the following grounds:
 - a) Incapacity of the party to the arbitration agreement against whom enforcement is sought, as ascertained at the time of its conclusion;
 - b) The invalidity of the arbitration agreement in accordance with the law to which the parties have subjected it or, in the absence of a choice of the parties, in accordance with the law of the State of the place where the arbitration award was made;
 - c) The party to the arbitration proceedings against whom enforcement is sought has not been given an opportunity to assert its rights there, or has not been duly informed of the appointment of an arbitrator or of the arbitration proceedings, or for any other reason;
 - d) The award relates to claims or matters not covered by the arbitration agreement or contains decisions which fall outside its scope, without prejudice to paragraph 3;
 - e) The arbitral award has not yet become binding on the parties or has been set aside or suspended by a court of the State of the place where the award was made or of the State under the law of which the arbitration took place;
 - f) The establishment of the tribunal or the arbitration proceedings have not been in accordance with the rules agreed to by the parties or, in the absence of such an agreement, with the law of the State where the arbitration took place;
 - g) The dispute is not arbitrable under Timorese law;
 - h) The award violates the principles of public policy of the Timorese State.
2. The court may only examine the grounds of opposition to enforcement provided for in subparagraphs a) to f) of the preceding paragraph on the basis of an allegation by the plaintiff, without prejudice to the provisions of article 6, the grounds provided for in subparagraphs g) and h) of the preceding paragraph being of its own motion.
3. Where, in relation to the case provided for in subparagraph d) of paragraph 1, the decisions contained in the arbitration award which fall outside the scope of the arbitration agreement are severable from those contained therein, enforcement may be reduced to those decisions.

4. Where the enforceable arbitral award has applied non-Timorese law in judging the merits of the case, the provisions of subparagraph 1(h) shall not apply, but in such a case the tribunal may reject enforcement where enforcement would lead to a result which is manifestly incompatible with the principles of international public policy of the Timorese State.

CHAPTER XI

CONFIRMATION AND EXECUTION OF FOREIGN ARBITRATION AWARDS

Article 68

Need for confirmation

1. Without prejudice to the provisions of treaties or conventions binding on the Foreign arbitral awards, including those rendered in arbitrations taking place in States that are parties to the said treaties or conventions, shall be effective in Timor-Leste, irrespective of the nationality of the parties, only if they have been previously confirmed by the competent court of law through the process of confirmation regulated in the following article.
2. The Court of Appeal shall have jurisdiction for the process of confirmation of foreign arbitration awards.

Article 69

Confirmation procedure

1. The Statement of Claim for confirmation of the foreign award shall be accompanied by the originals or certified copies of the award and the arbitration agreement and, if any such documents are not in one of the official languages of Timor-Leste, a certified translation into one of them shall also be attached to the Statement of Claim.
2. The petition for confirmation, together with the documents referred to in the preceding paragraph, shall be submitted as the opposing party cited to contest.
3. The deadline for the submission of the defense is 20 days from the date of service.
4. Once the pleadings have been completed and the necessary steps have been taken by the rapporteur, the parties and the Public Prosecutor's Office shall be allowed a period of 20 days to examine the case.
5. The judgment is made according to the rules of the interlocutory appeal.

Article 70

Grounds for refusal of confirmation

1. Confirmation of a foreign award may be refused by the competent court only on one of the following grounds:
 - a) Incapacity of the party to the arbitration agreement against whom the request for confirmation is made, as ascertained at the time of its conclusion;
 - b) Invalidity of the arbitration agreement in accordance with the law to which the parties have submitted it or, in the absence of a choice of the parties, in accordance with the law of the State of the place where the arbitration award was made;

- c) The party to the arbitral proceedings against whom the request for confirmation is made has not been given an opportunity to assert its rights there, or has not been duly informed of the appointment of an arbitrator or of the arbitral proceedings, or for any other reason;
 - d) The award relates to claims or matters not covered by the arbitration agreement or contains decisions which fall outside its scope, without prejudice to paragraph 2;
 - e) The establishment of the tribunal or the arbitration proceedings have not been in accordance with the rules agreed to by the parties or, in the absence of such an agreement, with the law of the State where the arbitration took place;
 - f) The arbitration award has not yet become binding on the parties or has been set aside or suspended by a court of the State of the place where the award was made or the State under the law of which the arbitration took place;
 - g) The dispute is not arbitrable under East Timorese law;
 - h) The confirmation or subsequent enforcement of the arbitration award leads to a result which is manifestly incompatible with the international public policy of the Timorese State.
2. Where, in relation to the case provided for in subparagraph (d) of the preceding paragraph, the decisions contained in the arbitration award which fall outside the scope of the arbitration agreement are severable from those contained therein, the confirmation may be reduced to these.
 3. The arbitral tribunal may hear and determine the grounds for refusal of confirmation provided for in subparagraphs (a) to (f) of paragraph 1 only upon a plea by the party against whom the request for confirmation is made, the grounds provided for in subparagraphs (g) and (h) of paragraph 1 being of its own motion.
 4. Where a request for the setting aside or suspension of an arbitral award is pending before a court of one of the States referred to in paragraph 1 (f), the court, if it deems it appropriate, may stay the proceedings for confirmation and, at the request of the party seeking confirmation, order the opposing party to provide adequate security.

Article 71

Implementation

1. Foreign arbitration awards shall only become enforceable with the final decision of the Timorese court confirming it, handed down in the proceedings regulated in Article 69.
2. The Dili District Court shall have jurisdiction to enforce foreign arbitration awards.

Article 72

Grounds for opposing the enforcement of foreign awards

1. The defendant may oppose the execution based on a foreign arbitration award by the same procedural means provided in the Code of Civil Procedure for the execution based on a court decision.
2. The defendant may invoke only the grounds provided for in Article 70(1) when opposing enforcement, with the exception of the following:
 - a) Grounds that he/she did not invoke in the proceedings for confirmation of the enforceable judgment, but that he/she could have invoked, with the exception of those provided for in Article 70(1)(g) and (h);
 - b) Grounds which were dismissed in the decision of the arbitral tribunal confirming the award.

3. The tribunal for enforcement may, of its own motion, hear the questions referred to in Article 70(1)(g) and (h), unless the arbitral tribunal which confirmed the award has already made a decision thereon.
4. If, after the expiry of the time limit for contesting the confirmation procedure, an application has been made in a court of one of the States referred to in Article 70 (1) (f) to set aside or suspend the enforceable arbitral award, the court, if it considers it appropriate, may stay the enforcement proceedings and, on application by the enforceable party, order the opposing party to provide adequate security.

Article 73

Institutionalized arbitration centers

The establishment of institutionalized arbitration centers is subject to authorization by the Government, to be granted by resolution in accordance with regulations to be approved.

Approved by the Council of Ministers on October 23, 2019.

The Prime Minister,

Taur Matan Ruak

The Minister of Legislative Reform and Parliamentary Affairs,

Fidélis Magalhães

The Minister of Justice,

Manuel Cárceres da Costa