

LP BULLETIN

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Bulletin 537 - 08/07 - Enforcement of Arbitration Awards - Egypt

The Club's correspondent in Alexandria has advised that under Egyptian Law, local Courts can enforce foreign arbitration awards i.e. those that have been issued abroad under the arbitration Laws of a foreign state.

Under Egyptian Law, foreign arbitration awards are formally recognized and thereafter enforced through the commencement of proceedings before the court of First Instance at the place of intended execution. Articles 296 & 301 of Egyptian Civil and Commercial Procedures Code describes conditions for the enforcement and implementation of arbitration awards and judgments delivered outside the Egyptian jurisdiction which could be summarized as follows :-

- Judgments and orders passed in a foreign country may be executed and implemented in Egypt under the same conditions provided for in the Law of the foreign state for the execution of judgments and orders.
- A petition for an execution order should be filed with the court of First Instance following the standard procedures for Lawsuits.
- Execution may not be ordered unless the following is verified:
 - a) The Egyptian courts have no jurisdiction over the dispute on which the judgment or the order has been passed and the issuing foreign court has such jurisdiction in accordance with the international judicial rules decided in its applicable law and the judgment or order was passed by the competent court according to the law of country in which it has been passed.
 - b) Adversaries to the Lawsuit on which the foreign judgment has been passed were summoned and duly represented.
 - c) The judgment or order is an absolute decree in accordance with the Law of issuing court
 - d) The judgment or order does not conflict with or contradict a judgment or order previously passed by another court in Egypt and does not include any violation of moral code of public order

It is clear from the above mentioned Articles that the Law requires the party named in the judgment or arbitration award to have been properly summoned even if the party was not duly represented and the judgment or arbitration award was delivered in absentia.

It is important therefore to make sure that the invitation for Arbitration is correctly communicated to the other party in accordance with the effective means of service, as set out in Egyptian civil and commercial procedures Law, and that non-legal notices and papers should be served by the court bailiff.

Service of a notice of arbitration through the Court bailiff in compliance with the conditions set out in Article No 298 of Egyptian Civil and Commercial Procedures Code (B) would prevent the recipients from claiming that the arbitration proceedings were not properly brought to its notice.

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