Cuatrecasas
Arbitration Highlights

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1 Our Jurisdictions

Our lawyers in Chile, Colombia, Spain, Mexico, and Peru explain the most relevant court decisions and developments that could affect our clients in the field of international arbitration

Chile – Juan Manuel Rey and Mateo Verdías

Santiago Court of Appeal dismisses annulment action in *EcuadorTLC S.A. v. The Republic of Ecuador* and holds that limitation periods are governed by the law applicable to the merits, not by the law of the seat

The decision addresses the annulment action filed by the Republic of Ecuador against a partial arbitral award rendered in an international arbitration brought by EcuadorTLC S.A. The arbitral tribunal was composed of Ms. Dyalá Jiménez Figueres (presiding arbitrator), and co-arbitrators Mr. David Orta and Mr. Juan Pablo Cárdenas (the **Arbitral Tribunal**).

According to the Republic of Ecuador, the partial award violated article 34(2)(a)(iii) of the International Commercial Arbitration Act (*Ley de Arbitraje Comercial Internacional,* **LACI**), on the ground that it failed to apply public policy rules governing limitation periods. Ecuador argued that the statute of limitations is a procedural matter and should therefore be governed by the law of the arbitral seat (i.e., Chile), under which EcuadorTLC's claims would be time-barred.

On July 25, 2025, the Santiago Court of Appeal (Case No. 4319-2023) **dismissed the annulment action, concluding that the effects of the limitation periods are substantive in nature and must therefore be governed by the law applicable to the merits of the dispute, as agreed by the parties**.

In particular, the court held as follows: "*There is no dispute in doctrine or case law that limitation periods are a matter of public policy, as they promote legal certainty by preventing the unjustified enforcement of stale claims. However, contrary to the petitioner's argument, limitation is a concept that, despite its procedural application—particularly in the manner in which it is invoked—is substantive in nature, as it concerns the extinction or acquisition of rights through the passage of time, which pertains to the merits. Therefore, the issue must be determined by the law governing the obligation said to be extinguished—in this instance, the law applicable to the merits of the dispute.*"

Chile – Juan Manuel Rey and Mateo Verdías

Chilean Constitutional Court dismisses constitutional challenge to article 34 of the International Commercial Arbitration Act and reaffirms that annulment is the sole form of judicial review of international arbitral awards; the complaint appeal is disciplinary in nature and does not provide for a review of the merits (Case No. 15-144-24-INA)

An Italian renewable energy company (**FIMER SpA**) filed a request for a declaration of unconstitutionality (*requerimiento de inaplicabilidad por inconstitucionalidad*) before the Chilean Constitutional Court, challenging the word "only" contained in paragraphs (1) and (2) of article 34 of the International Commercial Arbitration Act (**LACI**).

The constitutional challenge was brought in the context of a complaint appeal (*recurso de queja*) before the Supreme Court of Chile (Case No. 1,888-2024), filed against a decision of the Santiago Court of Appeal dismissing FIMER SpA's annulment action against an arbitral award dated January 30, 2024, in a dispute between FIMER SpA and Enel Green Power Chile S.A. (**Enel**).

In its request, FIMER SpA asked the Constitutional Court to declare the word "only" inapplicable in article 34 of the LACI, so that the Supreme Court could admit the complaint appeal and thereby set aside the decision of the Santiago Court of Appeal, which—according to the claimant—had committed a serious error or abuse in dismissing the annulment action.

The pending issue raised by FIMER SpA was the admissibility of the complaint appeal.

On January 30, 2025, the Chilean Constitutional Court dismissed the request for a declaration of unconstitutionality on the following grounds:

- The **limitation on available remedies under the LACI**—namely, that an international arbitral award may be challenged only through an annulment action and that only the Court of Appeal has jurisdiction to set it aside—is consistent with the Constitution, as it reflects the **principle of minimal judicial intervention** embodied in the UNCITRAL Model Law and the party autonomy underlying international arbitration.
- The court clarified that **the complaint appeal is not designed to review the merits of arbitral awards, but rather to correct serious errors or abuses by judges in disciplinary proceedings**, and that the Supreme Court's supervisory powers remain safeguarded through other mechanisms.
- The court further noted that the challenged term did not have a decisive impact on the pending issue.

Notwithstanding the above, there was a dissenting opinion that would have upheld the constitutional challenge on the basis that the Supreme Court's supervisory powers had been unduly restricted.

Colombia – Alberto Zuleta and Juan Esteban Castañeda

Colombian Council of State closes the door to requests for provisional suspension of the effects of awards issued by international arbitral tribunals seated in Colombia

By order dated September 5, 2025 (*Order 110010326000-2025-00050-00 (72663), Reporting Judge: María Adriana Marín*), the Third Section of the Colombian Council of State, acting as the annulment court, reaffirmed that it **lacks jurisdiction to order the provisional suspension of the effects of awards rendered by international arbitral tribunals seated in Colombia** during the pendency of annulment proceedings.

The decision resolved a request filed by Colombia's National Infrastructure Agency (**ANI**), seeking the provisional suspension of the effects of a partial award issued in the context of a dispute arising from the performance of a road concession contract by an international arbitral tribunal seated in Colombia. The Council of State summarily rejected the request.

The Council of State emphasized the **clear distinction under Colombian law between domestic arbitration and international arbitration**, as set out in Act 1563 of 2012 **(the Colombian Arbitration Act or CAA)**. Specifically, article 42 CAA expressly allows a condemned state entity to request the suspension of the effects of a domestic arbitral award during annulment proceedings. By contrast, article 109 CAA, which governs international arbitrations seated in Colombia, provides that the annulment action does not suspend enforcement of the award, with no exception for state entities. The Council of State concluded that this difference reflects the logic of the international arbitration regime, inspired by the UNCITRAL Model Law and by the pro-enforcement (pro-recognition) principle enshrined in the 1958 New York Convention.

Colombia – Juan Sebastián Lombana and Santiago Rodríguez

Colombian Supreme Court clarifies its position on the scope of partial awards

In a decision dated August 22, 2025 (*Order AC5088-2025, Reporting Judge: Octavio Augusto Tejeiro Duque*), the Civil Chamber of the Colombian Supreme Court (**CSJ**) resolved an appeal (*recurso de súplica*) regarding the dismissal of an annulment action against a partial award from an international arbitration seated in Colombia. The partial award had determined the arbitration's international nature. The Supreme Court found that although issuing "partial awards" is a standard and recognized practice in international arbitration, **the annulment action—being exceptional—can only be considered for awards that address the substantive claims or defenses raised during the arbitral proceedings**.

As stated by the Supreme Court: "***What makes an arbitral decision an award is not its title, but the substance of the decision itself****. In essence, only a decision that addresses the merits—whether fully or in part—of the claims or defenses involved can be considered an award*."

Accordingly, **decisions addressing instrumental, organizational, or purely procedural matters cannot be subject to annulment**, even if they are formally labelled as awards.

Allowing annulment actions against such decisions would undermine the special regime of arbitration, compromise its internal coherence, and exceed the legal framework established for the administration of justice. On that basis, the Supreme Court upheld the decision to dismiss the annulment action. It further clarified that, in strict procedural terms, the proper characterization of that decision was an outright dismissal rather than a mere declaration of inadmissibility, in accordance with the applicable procedural legislation.

Colombia – Andrés Nossa

Act 2540 of 2025 authorizes arbitration for enforcement proceedings

On **August 27, 2025**, the Colombian Congress adopted Act 2540 of 2025, introducing **arbitration for enforcement proceedings** to mitigate judicial congestion (the Enforcement Arbitration Act).

This Act introduces significant amendments to the domestic arbitration regime. While some developments represent important progress, others raise questions that will need to be addressed in practice.

Among the most notable aspects is the **requirement that the arbitration agreement for the enforcement of negotiable instruments must be set out in an annex or separate document from the instrument itself**. Additionally, the inclusion of co-debtors, joint debtors, guarantors, sureties, and third-party guarantors in the contractual relationship are deemed bound by the arbitration agreement, even if they have not expressly signed it.

The Act introduces a **classification of arbitration agreements—**open or closed—depending on whether they refer to one or multiple enforceable instruments, present or future. It also establishes a reinforced consumer protection regime, **requiring free, express, and informed consent**, which cannot be satisfied by mere acceptance of general terms and conditions.

In addition, the Act regulates the **possibility of ordering interim measures prior to the filing of the claim** through a separate arbitrator, known as **"interim relief arbitrator"** (*árbitro de medidas previas*). This new figure in the Colombian legal system is comparable to the emergency arbitrator in international arbitration.

Finally, the Act sets out special rules for the enforcement of domestic arbitral awards, including the possibility of seeking enforcement before the same arbitral tribunal that rendered the award, as well as specific provisions governing the annulment action.

For further details, see our **Legal Flash**.

Spain – Elia Raboso

Madrid High Court dismisses annulment action, reaffirming the external review of arbitral awards as established by the Constitutional Court

On September 2, 2025, the Madrid High Court (**TSJ**) delivered judgment no. 19/2025, dismissing an annulment action brought by two companies of an international corporate group against an ICC arbitration award related to a business sale deal.

The annulment action was based, inter alia, on alleged violations of public policy, including lack of reasoning or arbitrariness, *extra petita* rulings, and denial of due process.

The court conducted an external review of the award and the arbitral proceedings and concluded that the claimant's procedural rights had not been violated, nor had the award breached public policy or ruled beyond the submissions (*extra petita*).

Accordingly, the High Court dismissed the annulment action, thereby reaffirming the validity and legal force of the arbitral award.

Catalonia High Court grants exequatur to an award rendered in Hong Kong.

On July 24, 2025, the Catalonia High Court (**TSJ**) issued Order No. 65/2025, granting exequatur to an arbitral award rendered in Hong Kong in February 2024 by an arbitrator appointed by the Hong Kong International Arbitration Centre (**HKIAC**).

In the absence of an appearance or opposition by the respondent—despite having been duly served—the court verified compliance with the formal requirements set out in article IV of the 1958 New York Convention and Act 29/2015, and accordingly granted the requested exequatur.

México – René Irra and Iván Esquivel

In one of the first post–judicial election decisions, a Mexico City civil court dismisses an annulment action against an arbitral award and orders its enforcement

On November 18, 2025, a civil court of the Mexico City High Court of Justice dismissed an annulment action brought against an arbitral award and, in the same judgment, declared the award valid and ordered its enforcement.

The party seeking annulment raised arguments going to the merits of the dispute, contending that the arbitral tribunal had exceeded its mandate by assigning evidentiary value to a document that, although exchanged between the parties in digital format, had not been signed. The claimant also argued that several categories in the document production phase had been rejected, allegedly depriving it of the opportunity to prove its case.

The party defending the validity of the award and counterclaiming for its recognition and enforcement emphasized that, during the arbitral hearing, both parties confirmed to the tribunal that they had been treated equally and had been afforded a full opportunity to present their case.

In its ruling, the court referenced precedent and criteria established by the Mexican Supreme Court in 2017, prior to the 2024 Judicial Reform.

The court held that it was not permissible to review alleged violations relating to the tribunal's decision on the merits and concluded that the arbitral tribunal had upheld the principle of equality of the parties. Additionally, the court observed that under the applicable *lex arbitri*—which, in this instance, mirrors article 4 of the UNCITRAL Model Law on International Commercial Arbitration ("Waiver of right to object")—neither party had raised objections to the unsigned document. By proceeding with the arbitration in accordance with Procedural Order No. 1 without objection, both parties effectively waived their right to contest this matter.

Regarding the argument that rejection of certain categories during document production restricted the opportunity to present the case, the court noted that both parties had affirmed at the arbitral hearing that they were given ample opportunity to substantiate their respective positions.

The decision was rendered by a judge who took part in the judicial election of June 2025 and applied Supreme Court and federal appellate court criteria adopted prior to that election. This ruling sends a positive signal, confirming that Mexican courts are still committed to minimal judicial intervention in arbitration, a long-standing principle acknowledged by the Mexican judiciary.

Peru – Laia Valdespino and María Paula Noriega

Arbitral tribunal decisions on expiration are not subject to judicial review through annulment proceedings

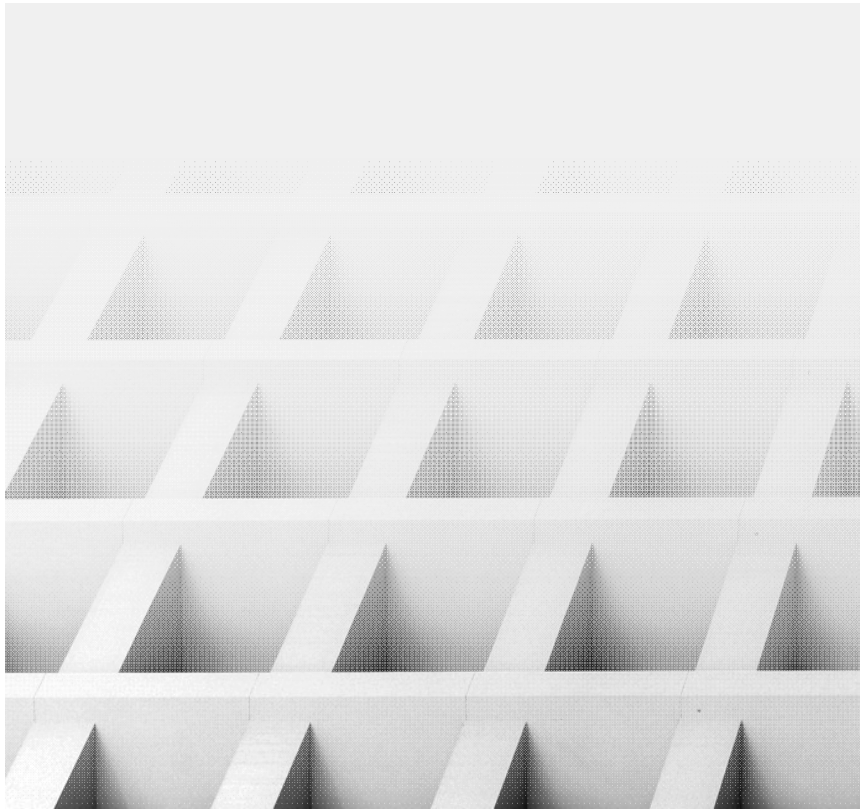
The Second Civil Chamber specialized in Commercial Matters of the Superior Court of Justice of Lima ruled on an annulment action filed by the Supervisory Agency for Investment in Public Transport Infrastructure (**OSITRAN**) against a final arbitral award and post-award decision issued in an arbitration brought by JNR Consultores S.A. The arbitration concerned the validity of penalties imposed by OSITRAN under a supervision contract.

The arbitral tribunal declared the penalties and the contract termination null and void, concluding that the procedural deadlines had expired and that OSITRAN had irregularly accumulated expired proceedings, thereby affecting the principle of legal certainty and the self-imposed rules of the entity. OSITRAN sought annulment of the award, alleging, among other grounds, violation of due process, breach of the parties' agreement, and *extra petita* ruling.

The court dismissed the annulment action and upheld both the award and the post-award decision. It clarified that the **characterization and application of expiration within the contractual framework constitutes a decision on the merits by the arbitral tribunal**. The court emphasized that **annulment review is limited to the formal validity of the award, and that it is expressly prohibited to review the merits of the dispute, the substantive reasoning, or the tribunal's interpretive criteria**.

The court further held that the arbitral analysis of expiration—i.e., "the extinction of the right and the action"—affects the parties' substantive relationship and, therefore, cannot be reexamined in annulment proceedings. It reiterated the **principle that awards are not reviewable on the merits**, even where the tribunal's reasoning assesses the nature of deadlines, their peremptory character, and the extinguishing effects provided for in the Directive and the contract.

This ruling marks a significant change in Peru, as it establishes that arbitral decisions on expiration are substantive and, therefore, not subject to review through annulment proceedings.



Peru – Laia Valdespino and María Paula Noriega

Peruvian courts hold that annulment actions must be brought against partial awards and may not be deferred until the final award

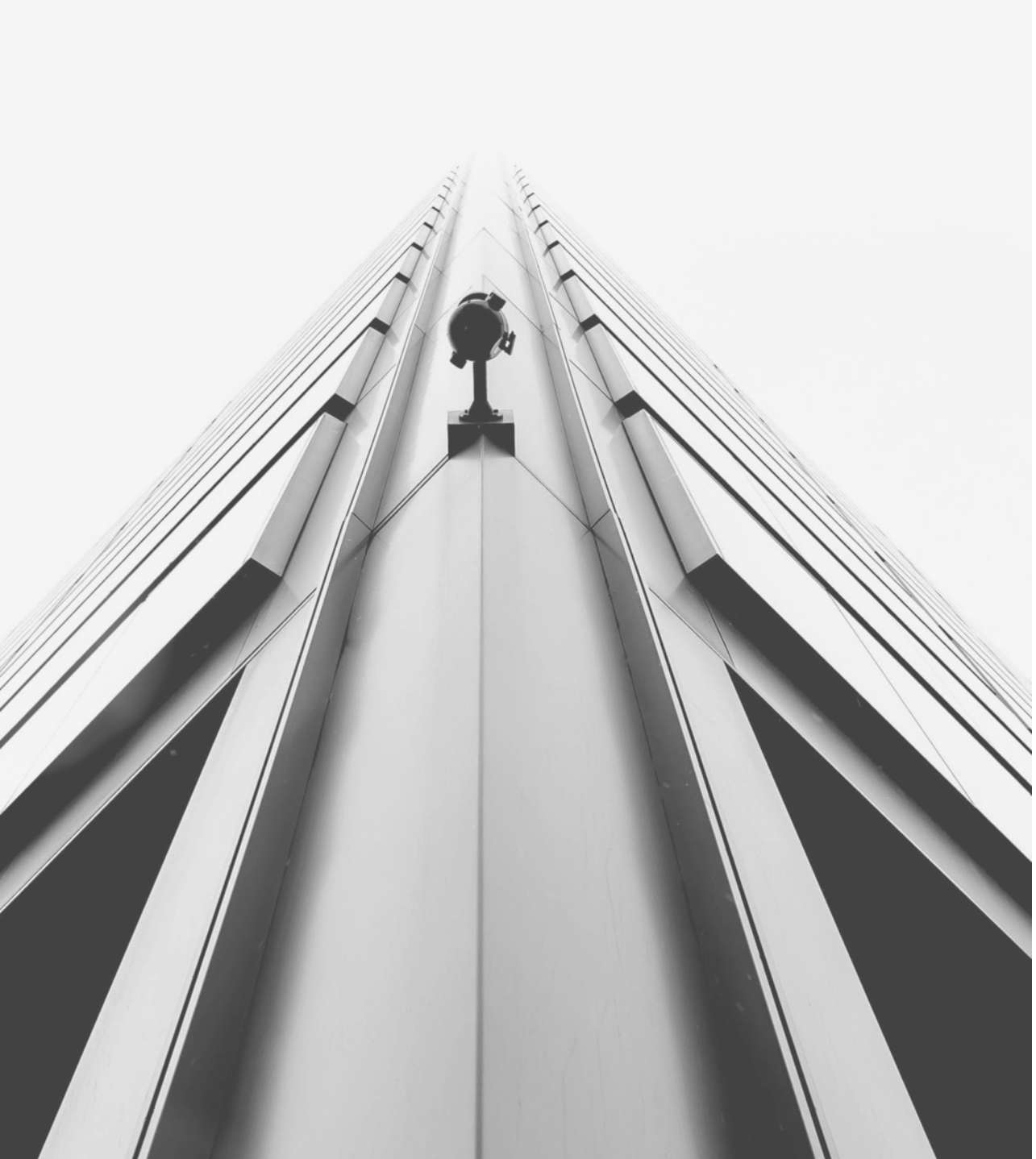
The First Civil Chamber specialized in Commercial Matters of the Superior Court of Justice of Lima declared inadmissible an annulment action filed by the *Asociación Real Club de Lima* against a final arbitral award and a supplementary decision rendered in an arbitration administered by CARC-PUCP.

Although formally directed against the final award, the annulment action in fact sought to challenge a decision adopted by the arbitral tribunal in a partial award, dismissing a jurisdictional objection. The court held that the challenge should have been brought when the partial award was issued, and the party should not have waited until the final award to seek annulment, as the applicable time limit had already expired.

The Court emphasized that the alleged grievance concerned an issue resolved in the partial award—specifically, the composition of the arbitral tribunal—with respect to which the claimant failed to pursue an appropriate and timely challenge. By waiting until the issuance of the final award, the claimant triggered the application of procedural preclusion and the doctrine of *estoppel* by conduct, rendering the annulment action time-barred and therefore inadmissible. The Court further noted that, once the final award on the merits had become final, the principle of *res judicata* precluded any subsequent review of alleged defects that had occurred during the arbitral proceedings.

This decision is particularly significant in Peru, as until now there had been no clear judicial guidance on the proper timing for challenging the validity of partial arbitral awards. While the Peruvian Arbitration Act provides that annulment actions must be filed within 20 days, courts had in practice often declared such actions inadmissible when brought against partial awards, on the ground that the arbitral proceedings had not yet concluded. Following this ruling, it is now clear that, where a partial award does not terminate the arbitration, a party seeking to challenge it must file an annulment action within the statutory 20-day period, regardless of the continuation of the arbitral proceedings.

In each specific case, however, it will be necessary to assess whether the filing of an annulment action against a partial award should have any impact on the ongoing arbitration, particularly where the annulment of the partial award could require a new decision in the pending arbitral proceedings.



2 Key cases for our practice

Beyond our own jurisdictions, our team of lawyers highlights the foreign and international judicial decisions with the greatest impact on our international arbitration practice

United Kingdom – José Ángel Sánchez Villegas and Javier Manuel Tordesillas Rodríguez

London Commercial Court holds that ICSID / Energy Charter Treaty awards may not be freely assigned to third parties

In a decision issued in November 2025, the London Commercial Court, sitting within the High Court (King's Bench Division), held that **an ICSID arbitral award may not be assigned or transferred to a third party, as it is a personal right of the investor arising directly from state consent, rather than a freely transferable legal title**. The decision prevented Blasket Renewable Investments (**Blasket**) from taking over as claimant in the enforcement proceedings brought against Spain by OperaFund and Schwab Holdings (together, the **Claimants**).

The Commercial Court's position departs significantly from that taken in other jurisdictions. In fact, Blasket and the Claimants relied on two prior decisions that had upheld similar substitution requests: one rendered by the Federal Court of Australia and another by the United States District Court for the Southern District of New York. Notably, in the Australian proceedings, Blasket itself had been recognized as the assignee of several awards whose recognition and enforcement were sought.

On that basis, Blasket and the Claimants raised an issue estoppel objection, arguing that the Federal Court of Australia had already decided the matter and could not be reopened. The Commercial Court rejected this argument, finding that the necessary requirements were not met: the Australian decision was not final, and Spain's participation in those proceedings had been limited to asserting state immunity, without submitting to the jurisdiction of the Australian courts.

Having dismissed the issue estoppel objection, the Commercial Court examined whether the award could be validly transferred to Blasket under the law governing the assignment, which, in its view, was determined by the ICSID Convention and the Energy Charter Treaty (**ECT**). The court concluded that article 54 of the ICSID Convention requires Spain to pay the award to the party to the arbitration, and not to an assignee. The Court further clarified that the reference to "party" in that provision refers to the party to the dispute, so that only that party may seek recognition and enforcement of an ICSID award.

The court held that there is no rule of customary international law addressing the assignability of arbitral awards and that the registration of an ICSID award in England and Wales cannot create new substantive rights under English law. Allowing the assignability of awards to depend on the law of the enforcement forum would, in the court's view, lead to arbitrary outcomes and was therefore undesirable.

Ultimately, this decision serves as a clear warning to the secondary market for arbitral awards, as well as to monetization and financing structures based on assignments involving the United Kingdom. It suggests that strategies should instead focus on assignments of proceeds, the creation of security interests, or participation in economic benefits, rather than the transfer or assignment of the award itself.

France – Santiago Rojas Molina

Paris Court of Appeal annuls ICC award, holding that the arbitral tribunal erred in declining jurisdiction and giving precedence to the parties' common intention despite the absence of a written arbitration agreement

On October 21, 2025, the Paris Court of Appeal (*Cour d'Appel*) annulled an ICC arbitral award rendered on December 6, 2023, concluding that the arbitral tribunal had erred in declining jurisdiction on the grounds that the underlying contract conferred exclusive jurisdiction on the courts of Qatar.

The dispute involved Keppel Seghers Engineering Singapore PTE Ltd (**Keppel**) and the Public Works Authority of Qatar, Ashghal (**PWA**), in connection with a project for the design, construction, operation, and maintenance of a water treatment plant in Qatar. The contract terms ("Conditions of Contract") contained a clause conferring jurisdiction on the Qatari courts.

The Court recalled that, under the substantive rules governing international arbitration in French law, **the arbitration agreement is legally independent from the main contract and is not subject to any formal requirements**. Its existence and validity must therefore be assessed based on the **parties' common intention**, which the annulment court may review under article 1520(1) of the French Code of Civil Procedure.

On that basis, the court applied two interpretive principles to reconstruct the parties' common intention: (i) **the principle of good-faith interpretation**, which prevents a party from escaping commitments freely undertaken, even if they are expressed in an "awkward or unclear" manner (*maladroite ou confuse*); and (ii) **the principle of effectiveness** (*effet utile*), under which, where parties provide for arbitration, their intention to establish an effective dispute resolution mechanism must be presumed.

Based on its **review of the parties' pre-contractual exchanges, negotiation dynamics, and conduct after the dispute arose**, the court concluded that, prior to the contract award, the parties had reached an "agreement in principle" (*accord de principe*) to submit their disputes to mediation and ICC arbitration. This agreement replaced the jurisdiction clause originally set out in article 20(4) of the Conditions of Contract. Specifically, it found that two documents discussed at a meeting on September 26, 2007 ("Resolution Flow Chart" and "Points of Talks / Negotiations") set out a tiered mechanism for mediation and arbitration, which differed from the mechanism contained in article 20(4) and evidenced a consensus between the parties regarding arbitration. According to the court, the fact that the "Points of Talks/Negotiations" document stated it was "without prejudice to article 20" did not preserve state jurisdiction, as it referred generically to article 20 as a whole, not specifically to article 20(4). **Any contrary interpretation would deprive the parties' agreement of its *effet utile***.

Furthermore, the fact that PWA refused to provide Keppel with a **written arbitration agreement** did not negate the existence of the arbitration agreement, as **the lack of written form did not affect its existence or validity**. Similarly, the continued presence of article 20(4) in the Conditions of Contract did not negate the existence of the arbitration agreement, since **the contract comprised all documents compiled by the parties and given contractual value**, which reflected the agreement to submit to arbitration and prevailed over the literal wording of the Conditions of Contract.

Regarding the **seat of arbitration**, the court emphasized that its **lack of definition could not undermine the parties' agreement in principle to submit to arbitration**. In any event, there were indications of an agreement on Paris as the seat, including the "Arbitration Approval Letter" dated September 19, 2007, and the parties' exchanges. Although that internal letter had not originally been communicated to Keppel, it formed part of the compiled contractual record and clearly authorized the award of the contract including an ICC arbitration clause in Paris, corroborating PWA's negotiating mandate and the parties' consensus on arbitration. Finally, the parties' subsequent conduct—including the project engineer's reference to a dispute resolution mechanism involving mediation and arbitration, PWA's participation in mediations, and its initial defense on the merits in the arbitration—further confirmed the existence of a valid arbitration agreement.

In sum, the Paris Court of Appeal adopted a **non-formalistic approach, prioritizing the parties' true intention over the literal wording of an outdated jurisdiction clause, and despite the absence of a written arbitration agreement**. Accordingly, it annulled the award declining jurisdiction and ordered PWA to pay Keppel EUR 300,000 in costs.

Canada – Borja Álvarez

Canadian Supreme Court upholds Quebec Court of Appeal decision in *Devas v. India*, clarifying key aspects of state immunity in arbitral award enforcement

On September 18, 2025, the Supreme Court of Canada dismissed India's appeal against the decision of the Quebec Court of Appeal in *Devas v. India*.

The Quebec Court of Appeal had reinstated various attachments by investors (creditors under the UNCITRAL (PCA) award issued in 2020 for more than USD 111 million) in respect of receivables owed by the International Air Transport Association (IATA), headquartered in Montreal, to Air India and the Airport Authority of India.

The Québec Court of Appeal's ruling, now definitively confirmed by the Supreme Court of Canada, clarifies two important aspects of sovereign immunity under Canadian law and its application to recognition and enforcement proceedings involving foreign arbitral awards.

First, the court confirmed the existence of an express waiver of immunity from jurisdiction by States as a combined effect of: (i) ratification of the 1958 New York Convention; (ii) ratification of the relevant bilateral investment treaty (India–Mauritius), which included an offer to submit investor–State disputes to arbitration; and (iii) the State's participation in the arbitral proceedings without reserving its right to invoke jurisdictional immunity at a later stage.

The court reasoned that a State's consent to submit to arbitration necessarily entails consent to subsequent recognition and enforcement proceedings before domestic courts.

Second, the ruling confirmed the compatibility with Canadian law of *ex parte* attachments ordered prior to the resolution of recognition proceedings, including with respect to state-owned assets. State immunity does not, in itself, preclude such attachments.

These findings are particularly important in the context of award monetization strategies against sovereign entities.

In addition, the decisions point toward a favorable judicial approach to *alter ego* arguments in Canada, allowing creditors to seek attachment of assets held by state-owned entities that may be regarded as inseparable organs of the debtor State. The Quebec Court of Appeal found that such a relationship existed *prima facie* with respect to Air India and the Airport Authority of India, significantly enhancing the effectiveness of enforcement actions.

Switzerland – Borja Álvarez and Carlos Müller

On July 10, 2025, the Grand Chamber of the European Court of Human Rights (ECtHR) issued its judgment in *Semenya v. Switzerland*, concerning judicial review of awards rendered in sports arbitrations administered by the Court of Arbitration for Sport (CAS)

This judgment arises from a dispute administered by CAS and seated in Lausanne (Vaud, Switzerland) between a South African athlete and the International Association of Athletics Federations (**World Athletics**) regarding the discriminatory nature and proportionality of certain federation rules.

The applicant sought annulment of the award resolving this dispute before the Swiss Federal Tribunal, arguing that it was contrary to Swiss public policy (article 190(2)(e) of the Swiss Private International Law Act or PILA).

After dismissal of her annulment action, she brought the case before the ECtHR, alleging that Switzerland had violated articles 6(1) and 8—either alone or in conjunction with article 14—and article 13, as a result of the judicial review conducted by the Swiss Federal Tribunal. Following an initial judgment by the Third Section of the ECtHR on July 11, 2023, Switzerland requested referral of the case to the Grand Chamber, which then issued the above-mentioned judgment of July 10, 2025.

The Grand Chamber considered the matter from the outset and examined the review carried out by the Swiss Federal Tribunal, concluding that Switzerland had breached its obligations under article 6 of the European Convention on Human Rights by **failing to conduct a sufficiently rigorous judicial review**, given the circumstances of the case, the rights at stake, and the arguments raised by the applicant in the annulment proceedings.

However, the Grand Chamber expressly limited its findings: first, to the specific circumstances of the case; and second, to the particular context of mandatory or "compulsory" sports arbitration, in which submission to arbitration does not stem from genuine consent but from athletes' obligation to accept federation-drafted clauses to compete professionally and pursue their careers (ECtHR, Mutu and Pechstein v. Switzerland).

Accordingly, this judgment must be framed and confined to its own circumstances and, although it may prompt certain changes, it does not inherently expand the Swiss Federal Tribunal's judicial review over awards rendered in commercial arbitrations seated in Switzerland, nor the concept of substantive public policy in Swiss law.

3 In the spotlight

Our team of lawyers explain recent developments that will continue to impact our international arbitration practice in the future

Spain – Alberto Fortún and Sara Moro

New Arbitration Rules of the Spanish Court of Arbitration (CEA) to enter into force on January 1, 2026, advancing institutional harmonization with CIAM–CIAR

On November 4, 2025, the Spanish Court of Arbitration (**CEA**) approved its new Arbitration Rules, aiming to advance institutional harmonization of rules governing institutional arbitration and to facilitate the referral of proceedings between the CEA and the Madrid International Arbitration Center–Ibero-American Arbitration Center (**CIAM-CIAR**).

Two innovations stand out: (i) article 54 of the new Rules introduces the **ultra-expedited procedure**; and (ii) article 52 introduces an **optional mechanism to challenge arbitral awards**.

The ultra-expedited procedure is designed to resolve straightforward disputes or those requiring an immediate decision, always before a sole arbitrator. It applies whenever there is a prior express agreement between the parties (opt-in) and, unlike the expedited procedure, without any economic threshold requirement. This procedure involves a streamlined and parallel handling of the written phase and the appointment of arbitrators, eliminating the first procedural order and—unless otherwise decided by the arbitrator—limiting steps such as hearings, a second round of submissions, or document production. Deadlines are significantly reduced, requiring both the claim and the response to be filed within 15 days each, while the award must be rendered within three months from the filing of the claim.

The optional mechanism to challenge arbitral awards aims at correcting serious errors in exceptional cases. This mechanism also requires a prior express agreement of the parties, formalized before the appointment of the arbitrator, and is limited to two grounds: (a) manifest violation of applicable rules; or (b) manifest error in the assessment of facts. The application is subject to admission by the court and excludes awards rendered by emergency arbitrators, awards on interim measures, and awards rendered by appeal tribunals. The tribunal constituted to hear the challenge must decide within 45 days from the close of the proceedings, and its award is final and fully enforceable.

Finally, the new Rules introduce certain amendments to the ordinary procedure deadlines. On the one hand, the time to respond to a counterclaim notice is extended from 10 to 20 days, and the deadline to request correction, clarification, or supplementation of the award is extended from 10 to 15 days. On the other hand, the *dies a quo* for the three-month period to issue the award now begins from the hearing or the filing of the last substantive submission, rather than from the filing of the closing submissions.

Ecuador– Juan Manuel Rey and Mateo Verdías

Entry into force of the Host Country Agreement between the PCA and the Republic of Ecuador

The Host Country Agreement signed between the Permanent Court of Arbitration (**PCA**) and the Republic of Ecuador on October 17, 2022, has entered into force, as announced in a press release issued on April 23, 2025. In a ceremony at the Peace Palace, the Ecuadorian ambassador to the Netherlands, H.E. Andrés Terán Parral, delivered a verbal note to the Secretary-General of the PCA, H.E. Dr. hab. Marcin Czepelak, confirming compliance with internal requirements. Thus, in accordance with article 16(1), the Agreement became formally effective.

The Agreement will facilitate the conduct of PCA-administered proceedings in Ecuadorian territory. Ecuador undertakes to provide the necessary facilities and services—such as offices, meeting rooms, and secretarial services—which may be offered free of charge to the parties to PCA proceedings. In addition, as stated in the Agreement, privileges and immunities are granted to arbitrators and other participants in PCA-administered cases, thereby strengthening the legal and operational security of the proceedings.

Since the 1990s, the PCA has promoted the conclusion of Host Country Agreements with its Contracting Parties to expand global access to its services beyond its headquarters in The Hague. These Agreements establish a legal framework that allows *ad hoc* PCA-administered proceedings—including arbitration, conciliation, mediation, and commissions of inquiry—to be conducted in the host country under conditions similar to those guaranteed by the PCA's Headquarters Agreement with the Kingdom of the Netherlands.

With the entry into force of this Agreement, Ecuador joins a network of countries that have adopted this model with the PCA, including Argentina, Austria, Brazil, Chile, China, Costa Rica, Djibouti, India, Ireland, Malaysia, Mauritius, Paraguay, Portugal, Singapore, South Africa, Uruguay, and Vietnam. This step strengthens the regional infrastructure for dispute resolution and consolidates the institutional presence of the PCA in Latin America.

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