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The United Nations Commission on International Trade Law (“UNCITRAL”) Published a Draft of Model Clauses on Specialized Express Dispute Resolution (“SPEDR”) Adapted to High-Tech Industry Related Disputes

16 October 2024 in [Arbitration](#), [Israel](#), [Legal Insights](#), [Middle East & Turkey](#), [News](#), [World](#)



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High-tech and technology-related disputes often have unique features, which are frequently not well-suited for resolution in open courts, and not even under common Alternative Dispute Resolution procedures (“ADR”).

Such disputes might concern, for example, issues related to tech ownership or patent rights, start-up financing and shareholder disputes, quality, and project management. These issues often require specific expertise, strict confidentiality,

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and quick resolution – all are attributes that might not be applicable in the conservative rules of ADR. For example, the duration of ordinary legal proceedings can be significantly prolonged, potentially sabotaging the company's or project's development, and even leading to dissolution, causing substantial damage to the parties involved.

In view of the unique features associated with technology-related disputes, Israel initiated model clauses for managing arbitration proceedings, specifically tailored to high-tech companies and technological fields, and proposed their integration into the recommended UNCITRAL model resolution clauses. Indeed, two years after the Israeli initiative, UNCITRAL announced the adoption and integration of the unique model clauses as part of its [UNCITRAL Arbitration Rules 2021](#). Notably, this marks the first time that an Israeli initiative has been adopted by UNCITRAL and implemented as an applicative instrument.

The new '[SPEDR](#)' model clauses, propose arbitration rules that can be adopted as part of the arbitration terms – either in advance within the alliance agreement or after the dispute arises – and include customized 'Tailor Made' features.

Below are some of the key innovations included in the SPEDR model, we recommend being familiar with:

- **Highly Expedited Arbitration Model Clause** – Including the appointment of a tribunal within only 7 days of a party's notification to commence arbitration; an arbitrator's ruling to be issued within 45 to 90 days; and an option to provide an arbitrator award without a detailed reasoning, upon parties' consent.
- **Adjudication Model Clause authorizing the arbitrator to issue orders or interim decisions on limited ad-hoc matters** – The model proposes enabling arbitration on a specific issue (governed by a contract or a controversy that emerged during course of the alliance), without commencing arbitration on all disputes between the parties. The model sets expedited timelines for such specific proceedings, requiring the arbitrator to contact the parties within only 3 days of receiving notice of the appointment and to issue an applicable order or decision within 30 days, and no later than 60 days, commencing from the arbitrator's appointment date.
- **Model Clause on Technical Advisors on Behalf of the Tribunal** – Given the specialized knowledge commonly required in technology disputes, the model allows the Tribunal to appoint an independent expert (or experts) to

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assist in clarifying the parties' professional arguments. This model, known as 'adjudication', is suitable for various types of disputes requiring expertise, including construction projects and infrastructure-related disputes.

- **Model Clause on Confidentiality** – The parties may agree on confidentiality of the proceedings, except for the scope required by law, in relation, for example, to nullification or enforcement proceedings in various instances. At the request of either party, the arbitrator will be authorized to issue a confidentiality order or to take any necessary action to safeguard the information presented during the proceeding.

Although the rules of procedure proposed by the SPEDR Model Clauses can assist technology companies resolve disputes more effectively, parties should bear in mind that expedited arbitration might not always be advisable. This is especially when the dispute concerns complex legal or professional issues, that require the extensive presentation of evidence, multiple witness statements, and detailed expert analysis. Therefore, the '[SPEDR Model Clauses](#)' permit a Tribunal that deems expedited arbitration unsuitable for a certain dispute, to determine that the 'SPEDR' modifications shall no longer apply, consequently transitioning the procedure to a "regular" arbitration procedure.

Notably, and as part of the recent legislation tendencies under Israeli law (including the recently adopted [UNCITRAL Model Law on International Commercial Arbitration 2006](#)), the adoption of the '[SPEDR Model Clauses by the UNCITRAL](#)' coincides with another recent development under the Israeli law, relevant to the management of international disputes – the enactment of amendment article 102 of the Courts Law, 1984-5744. The amendment incorporates the [United Nations Convention on International Settlement Agreements Resulting from Mediation \("Singapore Convention on Mediation \(2019\)"\)](#) and stipulates that a mediation settlement will be enforceable and honoured by Israeli courts if it explicitly refers to the Singapore Convention. This provides certainty in international mediation agreements and encourages companies to seek mediation and resolve disputes that arise. This is also, an attribute, that may be of particular relevance to the High-Tech industry.

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