

Ordinance Summary

The New Delhi International Arbitration Centre Ordinance, 2019

- The New Delhi International Arbitration Centre Ordinance, 2019 was promulgated on March 2, 2019. It seeks to establish an autonomous and independent institution for better management of arbitration in India. Previously, a similar Bill was passed by Lok Sabha on January 4, 2019. However, the Bill will lapse with the dissolution of the 16th Lok Sabha. Key features of the Ordinance include:
 - **New Delhi International Arbitration Centre (NDIAC):** The Ordinance seeks to provide for the establishment of the NDIAC to conduct arbitration, mediation, and conciliation proceedings. It declares the NDIAC as an institution of national importance.
 - **International Centre for Alternative Dispute Resolution (ICADR):** The ICADR is a registered society to promote the resolution of disputes through alternative dispute resolution methods (such as arbitration and mediation). The Ordinance seeks to transfer the existing ICADR to the central government. Upon notification by the central government, all the rights, title, and interest in the ICADR will be transferred to the NDIAC.
 - **Composition:** The NDIAC will consist of seven members including: (i) a Chairperson who has been a Judge of the Supreme Court or a High Court, or an eminent person with special knowledge and experience in the conduct or administration of arbitration, (ii) two eminent persons having substantial knowledge and experience in institutional arbitration, (iii) three ex-officio members, including a nominee from the Ministry of Finance and a Chief Executive Officer (responsible for the day-to-day administration of the NDIAC), and (iv) a representative from a recognised body of commerce and industry, appointed as a part-time member, on a rotational basis.
- **Term and superannuation:** The members of NDIAC will hold office for three years and will be eligible for re-appointment. The retirement age for the Chairperson is 70 years and other members is 67 years.
- **Objectives and functions of the NDIAC:** The key objectives of the NDIAC include (i) promoting research, providing training and organising conferences and seminars in alternative dispute resolution matters, (ii) providing facilities and administrative assistance for the conduct of arbitration, mediation and conciliation proceedings, and (iii) maintaining a panel of accredited arbitrators, mediators and conciliators.
- Key functions of the NDIAC will include: (i) facilitating conduct of arbitration and conciliation in a professional, timely and cost-effective manner, and (ii) promoting studies in the field of alternative dispute resolution.
- **Finance and audit:** The NDIAC will be required to maintain a fund which will be credited with grants received from the central government, fees collected for its activities, and other sources. The accounts of the NDIAC will be audited and certified by the Comptroller and Auditor-General of India.
- **Institutional support:** The Ordinance specifies that the NDIAC will establish a Chamber of Arbitration which will maintain a permanent panel of arbitrators. Further, the NDIAC may also establish an Arbitration Academy for training arbitrators and conducting research in the area of alternative dispute resolution.

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