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# LAW OF TURKMENISTAN

of August 16, 2014 No. 101-V

## About the international commercial arbitration

This Law regulates the relations connected with education and activities of the international commercial arbitration.

### Chapter I. General provisions

#### Article 1. Scope of this Law

1. This Law is applied to the international commercial arbitration if the place of arbitration is in the territory of Turkmenistan. The provisions provided by Articles 8, of 9, of 25, of 26, of 27, 46 and 47 these Laws are applied and when the place of arbitration is outside Turkmenistan.

2. Can be transferred to the international commercial arbitration by agreement of the parties:

the disputes from contractual and other civil relations arising when implementing the foreign trade and other types of the international commercial ties if the commercial enterprise at least of one of the parties is outside Turkmenistan, and also disputes of the companies with foreign investments and the international associations and the organizations created in the territory of Turkmenistan, among themselves, disputes between their participants, and equally in their disputes with other persons of law of Turkmenistan.

3. For the purposes of part two of this Article:

1) if the party has more than one commercial enterprise, that which has the greatest relation to the arbitral agreement is considered commercial enterprise;

2) if the party has no commercial enterprise, its habitual residence is taken into account.

4. This Law does not affect the sphere of operation of any other law of Turkmenistan owing to which certain disputes cannot be referred to arbitration or to arbitration only according to other provisions, than those which contain in this Law can be referred.

5. If the international treaty of Turkmenistan establishes other rules, than those which contain in this Law then are applied rules of the international treaty.

#### Article 2. Determination of concepts and rule of interpretation of separate provisions of the Law

1. For the purposes of this Law the following basic concepts are used:

1) "the international commercial arbitration" – the arbitration formed especially for consideration of specific dispute, either the permanent arbitration or the arbitrator considering dispute solely;

- 2) "arbitrator" – the capable physical person elected by the parties of dispute or appointed in the procedure approved by the parties according to this Law for the dispute resolution in arbitration;
- 3) "Arbitration Court" (reference tribunal) – the single arbitrator or board of arbitrators;
- 4) "court" – the relevant court of judicial system of Turkmenistan or other state;
- 5) "public procedure" – bases of law and order of Turkmenistan.

2. When any provision of this Law, except for Articles 38, gives to the parties opportunity to make decisions on certain question, the parties can charge adoption of such decision to the third party, including arbitral organization.

3. If in any provision of this Law the reference that the parties reached agreement is had or can reach agreement, or in any other form the reference to the agreement of the parties is had, such agreement includes any arbitral rules specified in this agreement.

4. When in any provision of this Law, excepting Item 1 of Article 35 and Item of 1 part two of Article 42, the reference to the claim is had, it is applied also to the counter action and when in it the reference to objection is had, it is applied as well to objection on the counter action.

### **Article 3. Receipt of written messages**

1. If the parties did not agree about other:

1) any written message is considered received if it is delivered to the addressee personally or to its commercial enterprise, on its permanent location (residence) or the postal address. When those cannot be established by reasonable targeting of references, the written message is considered received if it is sent to the last known location of commercial enterprise, habitual residence or the postal address by the registered mail or any otherwise, providing registration of attempt of delivery of this message;

2) the message is considered received in day of such delivery.

2. Provisions of this Article are not applied to messages in course of production in courts.

### **Article 4. Disclaimer on objection**

The party which knows that any provision of this Law from which the parties can depart or any requirement provided by the arbitral agreement was not observed and, nevertheless, continues to participate in arbitration proceeding, without having declared without unjustifiable delay objection against such non-compliance and if for this purpose term, then after this term is provided, it is considered refused the right to objection.

### **Article 5. Limits of intervention of court**

On the questions regulated by this Law, no judicial intervention shall take place, except the cases provided by this Law.

### **Article 6. The bodies performing functions of assistance and control concerning arbitration**

1. The functions specified in parts three and the fourth Article 11, in Article part three 13, in part one of Article 14 and in part three of article 16 of this Law are performed by the chairman of Chamber of Commerce and Industry of Turkmenistan.
2. The functions specified in Article part two 45, are performed by the Supreme Court of Turkmenistan, and in part one of article 46 of this Law - velayatsky courts, and in the city of Ashgabat - Arbitration Court of Turkmenistan.