



Bahrain

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Dispute Resolution in Bahrain – Recent Developments

Proposed Changes to Court Language Requirements

In February 2021 the Bahrain Cabinet approved a memorandum from the Ministerial Committee for Legal and Legislative Affairs (the “Committee”) concerning proposed amendments to the Judicial Authority Law to improve judicial work and allow courts to deal with cases filed in languages other than Arabic.

This development will be attractive to international parties looking to undertake or currently undertaking business in Bahrain, and is yet another indicator that Bahrain sees foreign direct investment as an important economic benefit to the Kingdom.

Proposed changes to BCDR Jurisdiction

The Bahrain Chamber for Dispute Resolution (BCDR) Court, currently has jurisdiction over civil disputes that would otherwise fall within the jurisdiction of the Bahraini courts, where the claim exceeds BHD 500,000 (about USD 1.3 million) and where at least one party is a financial institution licensed by the Central Bank of Bahrain **or** the dispute is of an international commercial nature.

Also in February 2021 the Bahrain Cabinet approved a memorandum from the Committee concerning proposed amendments to the BCDR Law (Legislative Decree No. 30/2009) that would expand the BCDR Court's jurisdiction to include disputes between companies licensed by the Commercial Companies Law (with some exceptions).

This will be welcome news to parties and practitioners: the BCDR Court is a state-of-the-art court with commercially focussed and forward-thinking procedural rules. Tribunals are made up of three members, two judges of the highest Bahraini judicial roll and the third member chosen from the BCDR Court's roster of neutral experts. Judgments rendered by the BCDR Court are considered as final judgments of the Bahrain Court that are not appealable on the merits—the only recourse available is an application for annulment under limited grounds of challenge before the Bahraini Court of Cassation.

Expanding the remit of the BCDR to include a wider range of commercial entities ensures that those entities can also benefit from the best-practice approach of the BCDR Court.

BCDR Publishes 2020–2021 Caseload Results

The BCDR published its annual caseload statistics in July 2021, showing increasing activity in both the BCDR Court and its international arbitration and mediation wing, the BCDR-AAA.

In the preceding 12 months, 57 new cases were submitted, 41 at the BCDR Court and 16 at the BCDR-AAA. This activity is evidence that the BCDR is recognised by businesses and individuals in Bahrain and internationally as a leading institution for the resolution of disputes in the region.

Also in July 2021, the BCDR's achievements were recognised by the Global Arbitration Review (GAR), a leading international arbitration journal, which awarded the BCDR the “2021 Regional Arbitration Institution that Impressed” award.

The continuing development of Bahrain's dispute resolution procedures ensures that justice is efficient and effective, and affirms Bahrain's commitment to being a business-friendly jurisdiction.