

THE ARBITRATION
ACT 2025
Factsheet



The Arbitration Act 2025 (“AA25”) came into force on 1 August 2025 and applies to any arbitration commenced on or after that date and any court proceedings, unless they relate to an arbitration commenced before that date. The AA25 works by amending provisions of the Arbitration Act 1996 (“AA96”), which is now a 30-year-old piece of legislation. The implementation of the AA25 seeks to reenergise London’s offering as a key seat for international arbitration and brings some substantial developments. This factsheet will contain a whistlestop tour of those developments.

1. Summary Disposal

There has been a long running reluctance of arbitrators to pursue summary disposal due to a later challenge, however, the AA25 now confirms summary disposal as a legitimate route. A tribunal may, on an on-notice application, make a summary determination if they consider that a claim, defence or issue has no real prospect of success. Parties must be given a reasonable opportunity to make representations. This codified procedure for awards on a summary basis will be a welcome addition in the armoury of arbitration practitioners, however, time will tell as to the uptake of such applications.

2. Jurisdictional Challenges

Perhaps one of the biggest amendments comes in relation to jurisdictional challenges under section 67 AA96. A party cannot now raise a jurisdictional challenge or rely on evidence before the Court, unless they first raised the point and put the evidence before the tribunal during the course of the arbitration, save that the party could not have with reasonable diligence discovered the ground for objection or evidence during the course of the arbitration. This restricts the Court's ability to rehear evidence already put before the tribunal and prevents parties from advancing new jurisdictional arguments after an award has been given. The amendment promotes efficiency in the overall process and seeks to stop parties trying to have a second bite of the cherry.

3. Emergency Arbitrators

Express permission is provided for emergency arbitrators to issue peremptory orders meaning that any such orders will be enforced by the Court in the usual way. Institutional rules have codified the position of emergency arbitrators but AA96 was previously silent on the issue.

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4. Duty of Disclosure

Sitting arbitrators are required to disclose circumstances that may give rise to justifiable doubts as to their impartiality to act. This codifies the common law requirements established in *Halliburton -v- Chubb* [2020] UKSC 48. These requirements are very similar to those mandated by institutional arbitration rules. Again, another amendment to bring the AA96 up-to-date with global arbitration competitors and to cement London's position as an effective seat for international arbitration.

5. Governing Law

Provides clarification that the applicable law will be as expressly agreed between the parties or, where no agreement is in place, the law of the seat of the arbitration will apply. This avoids complications that English seated arbitrations could have foreign laws applicable to the arbitration.




Legal Advice

This factsheet provides an overview of some of the key developments brought into force by the AA25 and does not seek to be an exhaustive list. If you have any questions in relation to the AA25, or arbitration more generally, please do get in contact with Clarkslegal's dispute resolution team.





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