Dr. Ardeshr Atai is a consultant and partner at Atai & Associates Law Firm, an Iranian business law firm established in 1975.

The firm advises international clients interested in developing business in Iran. The lawyers have expertise and knowledge of international law and Iranian law and provide fast, reliable services at competitive rates.

Dr Atai further discussed the Law of International Commercial Arbitration (LICA) 1997 which governs commercial maritime arbitration proceedings in Iran. “The provisions of LICA are based on the UNCITRAL Model Law on International Commercial Arbitration. The application of international standards makes Iran arbitration friendly for exporters, brokers, cargo-owners, carriers, charterers, insurers and ship-owners” he explained.

Moreover Dr Ardeshr Atai pointed out the advantages Iran offers as a maritime arbitration seat.

Recognition of both ad hoc and institutional arbitration, parties being able to, appoint one or three-member arbitration tribunal to hear maritime disputes, choosing the venue and language of arbitration proceedings, select foreign law as the applicable law of the shipping contract are among some of the key advantages he mentioned.

Other positives include: non-intervention of Iranian courts in arbitration proceedings, binding and enforceable award, competence of the arbitral tribunal to determine its own jurisdiction, power of arbitral tribunal to issue provisional measures and injunctions, power of arbitral tribunal to appoint expert and equal treatment of parties and due process of law.

Furthermore Dr Atai touched upon the cost considerations involved in the process. “Parties may agree as to fees of arbitrators and legal counsels when negotiating contract. The arbitration institution usually provides the parties with schedule of fees of arbitrators” he said.

Dr Atai observed that the number of maritime claims have risen in the past year due to international sanctions taking place in Iran. “Foreign claims mostly related to payment of demurrage, breach of payment obligation, non-performance of contract and ship arrest” he added.

In order to solve the challenges Dr Atai suggested: “The tribunal must hear submission and defence of both parties and consider evidence put before them”. Further he continued: “The tribunal must only decide the issues submitted to it and should not omit any point from its deliberations and provide a reason for issuing the award.”

Sharing his views for the upcoming 2014 Dr Atai concluded: “The Nuclear deal reached between Western power and Iran in November in Geneva came into force on 20 January 2014, which will ease sanctions against insurance of Iranian oil cargoes. Therefore, exporters, carriers, charterers, insurers and ship-owners will resume trading with Iranian merchants and dispute may arise from default under the respective contracts.”