



## **Bankers and Lawyers push to have a private sector led alternative dispute resolution framework established.**

Bankers and Lawyers are championing the establishment of a private sector led alternative dispute resolution and arbitration framework.

At a meeting organized by Uganda Law Society in conjunction with Uganda Bankers Association on 15<sup>th</sup> August 2018 at Mestil Hotel to brief the Chief Justice on progress made so far, Mr. Francis Gimara, the former President ULS, and member of the interim board steering the process intimated that at the Banking & Law Symposium held on the 23<sup>rd</sup> of March 2018, the parties resolved to champion the establishment of a private sector driven and independent arbitration center to deal with the ever-growing caseload due to a shortage of judicial officers, the numerous injunctions and delays, that impact the different sectors of the economy and constrain both lending and the underlying commercial & investment environment.

Mr. Wilbrod Owor, the Executive Director Uganda Bankers Association said, “unresolved non-performing loan cases impact bank earnings, impair capital and crowd out money that would have been made available for lending to other borrowers”.

“Businesses also suffer, stagnate and grind to a halt when cases are not resolved in time, with gross consequences to the economy.

We are fully in support of this center meant to offer private mechanisms for resolving commercial disputes and to bolster confidence for private sector investment in Uganda”, Mr. Owor said

The proposal for the Center has also been welcomed by the Private Sector Foundation of Uganda and the Justice Law and Order Sector (JLOS) among others.

The Chief Executive Officer Uganda Law Society Mrs. Joyce Nalunga said the center named The **International Center for Arbitration and Mediation in Kampala** had been registered as a Company Limited by guarantee and Arbitration and Mediation Rules together with a Code of Conduct had been developed to govern proceedings.

The Rules are based on International best practices including the UNCITRAL Model Law that is tailored to be efficient, flexible and cost effective. The parties are free to designate their arbitrator(s)/ mediator(s), to select the applicable language of the proceedings, the seat of arbitration, and their own legal counsel.

For enforcement purposes, the Centre shall refer to provisions under the Arbitration and Conciliation Act, 2000.

Arbitrators and mediators will be included on a roster and will be required to subscribe to a professional body for their respective professions before being registered as members of the center.

A consultative process with the various stakeholders is underway and commenced with meeting the Minister of Justice and Constitutional Affairs and the Principal Judge. This process will continue with other key public and private sector players.

In the performance of its roles, the Center will also offer training courses to promote and maintain a high standard of arbitrators in the country. These arbitrators and mediators will be governed by the code of conduct to ensure professional ethics are observed. The Centre will also propose model dispute resolution clauses to be used in contracts/ agreements and provide instant access to a repository of both online and offline resources covering key arbitration topics she said.

Arbitration comes with party autonomy, expert Judgement, procedural flexibility, confidentiality and most importantly expediency, making it an appealing mode of dispute resolution that ideally favors all parties concerned.

The Chief Justice while launching the consultative process noted that private sector led initiatives that complement the work of the Judiciary are highly welcome and is the norm in several jurisdictions globally. He called on the Uganda Law Society to benchmark with best practices across the region and internationally and ensure the Center stands the test of time.

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