



Switzerland Has a Long Tradition of Arbitration

Switzerland's popularity as a preferred venue for international arbitration can be traced back to a long tradition of political neutrality and peaceful dispute resolution.

Origin of international arbitration in Switzerland: International arbitration is generally perceived to have its roots in the claims asserted by the United States against the United Kingdom for damages resulting from the British government's role in the US civil war. These claims – known as the **Alabama Claims** – were adjudicated by a panel of arbitrators sitting in Geneva in 1872. What is less known, however, is that Switzerland's tradition of alternative dispute resolution can be traced back to the Middle Ages.

Substantial increase in arbitration in the 19th and 20th centuries: Together with the expansion of international trade in the 19th and 20th centuries, various chambers of commerce were established in Switzerland, including the **Geneva Chamber of Commerce** in 1865 (**CCIG**) and the **Zurich Chamber of Commerce** in 1911 (**ZCC**). On the basis of liberal cantonal arbitration laws, these chambers adopted rules of arbitration to facilitate the resolution of trade disputes. The use of international arbitration increased further with the entry into force of the **1958 New York Convention**, which Switzerland ratified in 1965.

Entry into force of the Swiss Private International Law Act in 1989: To enhance the attractiveness of Switzerland as a place for international arbitration, in 1989 Switzerland introduced a widely-acclaimed new federal statutory framework for international arbitration: **Chapter 12 of the Swiss Private International Law Act (PILA)**.

Introduction of the Swiss Rules in 2004: On January 1, 2004, the chambers of commerce of Basel, Berne, Geneva, Lausanne, Lugano, and Zurich (and Neuchâtel in 2008) joined forces and adopted the **Swiss Rules of International Arbitration (Swiss Rules)** to promote institutional arbitration in Switzerland. While originally based on the UNCITRAL Arbitration Rules, the Swiss Rules – which were revised in 2012 – provide a firm institutional framework and are recognized for their modern and innovative approach.

Present and future: Switzerland can draw from a large pool of experienced arbitration specialists, acquainted with the needs of international commerce and trained under various legal systems. The **Swiss Arbitration Association (ASA)** counts over 1000 members with an interest in Swiss arbitration, a third of which are based outside of Switzerland. In 2000, young ASA members created a special section for young practitioners (**ASA Below 40**). ASA contributes to the development of arbitration and the continuing education of its members through its academic publications (ASA Bulletin, ASA Special Series) and the organization of conferences and workshops. Other Swiss sources of education and training in the field of arbitration include the **Swiss Arbitration Academy** and the **Geneva LL.M. in International Dispute Settlement (MIDS)**. Looking to the future, Switzerland continues to monitor developments in international arbitration in order to ensure that its arbitration services cater to the needs of the business community and users of arbitration. Despite having already celebrated its first 25 years "on the job", Swiss arbitration law remains a worldwide model of simplicity and efficacy (see **Swiss Arbitration Law is Modern and Flexible**).