Egypt: arbitration framework evolves with landmark 2025 court rulings and new sector-specific reforms

Global Arbitration Review

Africa, Egypt, Middle East | April 14 2026

Amr A Abbas, John Matouk, *Matouk Bassiouny & Hennawy*

This is an extract from the 2026 edition of The Middle Eastern and African Arbitration Review. The whole publication is available here.

This is an Insight article, written by a selected contributor as part of GAR's co-published content. Read more on Insight

In summary

This article outlines the main features of Egypt's arbitration legal framework and covers key developments in arbitration during 2025. It provides a brief overview of the new laws issued and developments in the field of sports arbitration and labour law. It further highlights the main arbitration principles established by courts in 2025, including, inter alia, principles pertaining to the interpretation and scope of the arbitration agreement, the consequences of the gross application of law and the limits of arbitral tribunals' discretion, the arbitrators' duty of impartiality and disclosure, the rules of public policy and its underlying consequences on arbitration and the means of waiving the arbitration agreement.

Discussion points

- Legal framework for arbitration in Egypt
- Establishment of new sports arbitration centre
- The interpretation and scope of the arbitration agreement
- The gross application of law and the limits of arbitral tribunals' discretion
- The arbitrator's duty of impartiality and disclosure
- Awarding compensation in foreign currency and its relationship with the state's public policy
- Limited jurisdiction clauses and wholesale waiver of arbitration agreement
- The means of waiving the arbitration agreement

Referenced in this article

- Egyptian Arbitration Act
- Egyptian Civil and Commercial Procedures Law
- Law No. 171 of 2025 Concerning Amending Certain Provisions of Law No. 71 of 2017 on Sports Law
- Law No. 14 of 2025 Concerning the Promulgation of Labor Law
- Cairo Court of Appeal, Appeal No. 64 JY 141, dated 31 July 2025
- Cairo Court of Appeal, Appeal No. 22 JY 141, dated 28 July 2025
- Court of Cassation, Challenges Nos. 32779 and 32790 JY 93, dated 8 May 2025
- Court of Cassation, Challenge No. 17197 JY 90, dated 1 January 2025
- Court of Cassation, Challenge No. 13759 JY 94, dated 24 February 2025

The Egyptian Arbitration Act

Egypt was among the first jurisdictions in the region to adopt a comprehensive arbitration framework. In this regard, it enacted Arbitration Law No. 27 of 1994 (the Arbitration Law), which is largely based on the UNCITRAL Model Law on International Commercial Arbitration (1985). The Arbitration Law applies to arbitrations seated in Egypt, as well as to international commercial arbitrations seated abroad where the parties have expressly agreed to subject their arbitration to its provisions.[1]

While the Arbitration Law constitutes the general legislative framework governing arbitration in Egypt, certain categories of disputes and legal relationships are subject to specific statutory regimes. These include, inter alia, arbitration arising out of technology transfer contracts, sports-related disputes, investments governed by the Investment Law and contracts involving public entities.

Egypt has increasingly demonstrated an arbitration-friendly approach, as reflected in the consistent jurisprudence of its courts recognising the validity of arbitration agreements notwithstanding defects in their drafting,[2] as well as through legislative reforms expanding the range of disputes that may be resolved by settlement. This expanded scope includes matters traditionally characterised as public law disputes, such as tax[3] and customs disputes,[4] and certain criminal matters pursuant to the Investment Law No. 72 of 2017[5] and the Criminal Procedure Law.[6]

Egypt acceded to the Convention on the Recognition and Enforcement of Foreign Arbitral Awards (the New York Convention) on 2 February 1959, which entered into force for Egypt on 8 June 1959. Egypt also signed and ratified the Convention on the Settlement of Investment Disputes between States and Nationals of Other States (the ICSID Convention) in 1972.[7]

In addition, Egypt has concluded 116 bilateral investment treaties (BITs), of which 28 are not yet in force and 15 have been terminated.[8]

To date, Egypt has been named as the respondent state in a total of 48 investment treaty arbitrations,[9] including 38 cases administered under the ICSID Convention.[10] Of these 48 cases, four remain pending (including one ICSID case), 16 were resolved by settlement, 16 were decided in favour of Egypt, six were decided in favour of the investor(s) and one case resulted in a finding of liability without any award of damages.[11]

In addition, Egypt has appeared as the home State of investors in seven investment treaty cases. Of these, two cases are currently pending, two were settled and two were decided in favour of the host State.[12] In one case, no publicly available information is available regarding the outcome.[13]

The arbitration agreement

The Arbitration Act defines an arbitration agreement as an agreement by which the parties undertake to submit to arbitration all or part of any dispute that has arisen or may arise between them in connection with a defined legal relationship, whether contractual or otherwise.[14] Since 2005, the Cairo Court of Appeal (the Court of Appeal) has consistently held that the arbitration agreement constitutes the foundational instrument of the arbitral process, as it delineates the scope, extent and subject matter of the arbitration, confers jurisdiction and authority upon the arbitral tribunal and consequently excludes the dispute from the jurisdiction of the national courts.[15]

An agreement to arbitrate may take one of three distinct forms, namely:

- the arbitration agreement may be contained in the form of an arbitration clause incorporated into, or annexed to, the underlying contract between the parties prior to the emergence of any dispute.
- the parties may conclude a submission agreement, namely an arbitration agreement entered into after a dispute has arisen. In such case, the arbitration agreement must expressly identify the matters or disputes submitted to arbitration; failing this, the agreement is rendered null and void.[16]
- an arbitration agreement may be incorporated by reference. However, the validation of this incorporation requires explicit reference to an existing document with a valid arbitration agreement therein.[17] Pursuant to article 10(3) of the Arbitration Act and established Egyptian jurisprudence, incorporation by reference is effective only where:
    - reference is made to an existing document or contract containing a valid arbitration clause;
    - the referenced document or contract is known to all parties against whom the arbitration clause is invoked; and
    - the reference expressly identifies the arbitration clause itself and confirms that it forms an integral part of the contract. It is insufficient to make a general or non-specific reference to the document or its terms.[18]

In terms of the scope of the arbitration agreement, the Court of Appeal has held that disputes relating to the performance of the underlying contract fall outside the scope of the arbitration agreement where such agreement is drafted so as to confer jurisdiction on the arbitral tribunal solely in respect of disputes arising from the interpretation of the contractual provisions. In such circumstances, the Court of Appeal has ruled that the tribunal's jurisdiction is limited to disputes concerning contractual interpretation and does not extend to disputes concerning contractual performance.[19]

Nonetheless, the Court of Appeal has further held that, even where an arbitral tribunal exceeds its mandate and the scope of the arbitration agreement, such excess does not constitute a ground for setting aside the arbitral award if the party seeking annulment failed to raise a timely objection during the arbitral proceedings.[20]

In another judgment, the Court of Appeal[21] held that the adjudication of tortious liability falls outside the jurisdiction of the tribunal where the arbitration agreement does not encompass such claims. In that case, the tribunal awarded compensation for the abusive use of a trademark, which the tribunal itself characterised as giving rise to tort liability; the Court of Appeal found that such adjudication exceeded the scope of the arbitration agreement and, accordingly, fell outside the tribunal's jurisdiction.

Conditions of validity of the arbitration agreement

In addition to the general requirements for the validity of contracts, such as consent, capacity and the existence of a legal relationship, the following requirements, as well as any further requirements mandated by a specific provision of law, must be satisfied for there to be a valid arbitration agreement: (1) the arbitration agreement must relate to matters that are amenable to compromise;[22] and (2) the arbitration agreement must be in writing, otherwise it shall be null and void.[23]

It will be deemed written if it is included in written communication exchanged between the parties. This requirement is widely interpreted to include an arbitration agreement concluded by exchanging offers and acceptance through electronic means.[24] Silence may be considered as acceptance of the arbitration agreement if there are previous continued transactions between the parties where the arbitration agreement is included,[25] or where proceedings are initiated without objection from the opposing party.[26]

Defective arbitration clauses have been repeatedly held by the Cairo Court of Appeal as valid arbitration agreements and were interpreted to favour arbitration over courts.[27]

Enforcement of arbitral awards in Egypt

Pursuant to article 55 of the Arbitration Act, all arbitral awards rendered in accordance with the provisions of this law have the authority of *res judicata* and shall be enforceable in conformity with its provisions.[28] The enforcement of domestic arbitral awards is governed by article 56 of the Arbitration Act, which requires a request for enforcement to be submitted to the president of the competent court, along with the required documents.[29] The enforcement order must be submitted after the lapse of the 90-day period prescribed for filing the nullity action,[30] and it will be issued after verifying that certain conditions have been met.[31] The enforcement of foreign arbitral awards in Egypt is governed by the Convention on the Enforcement of Foreign Arbitral Awards (the New York Convention),[32] and as such, are subject to the same enforcement rules applicable to national arbitral awards under the Arbitration Act.[33]

The Court of Appeal previously rendered a judgment enforcing a foreign arbitral interim measure that was issued by an International Chamber of Commerce (ICC) tribunal. The judgment found that arbitral interim measures must be applied according to the same legal procedures as those for enforcing a final arbitral award - that is, by an order on application without notification of, or hearing, the parties. The Court went further[34] and required that the interim measure:

- be final and be considered final if rendered by a competent arbitral tribunal;
- be based on a valid arbitration agreement;
- have offered both parties the opportunity to present their case; and
- not be against public policy.

Article 24 of the Arbitration Act allows a court to order the enforcement of interim measures decided by arbitral tribunals in arbitrations that are subject to the Arbitration Act.[35]

Under article 54(2) of the ICSID Convention, the recognition and enforcement of an award may be obtained from the competent court or other authority designated by a contracting state on presentation of a copy of the award certified by the Secretary-General of ICSID. The Ministry of Justice has been designated by Egypt as the competent authority for the recognition and enforcement in Egypt of arbitral awards rendered pursuant to the ICSID Convention. Execution of the award is, in accordance with article 54(3) of the ICSID Convention, governed by the law on the execution of judgments in force in the country where execution is sought, which in Egypt is the Civil and Commercial Procedures Law (CCPL). According to article 55 of the ICSID Convention, ICSID awards should be enforced in Egypt without prejudice to the Egyptian law provisions regarding the immunity of Egypt or any foreign state from execution. Article 87 of the Egyptian Civil Code provides that public assets of the Egyptian state are immune from enforcement and attachment procedures.

Setting aside arbitral awards

Pursuant to article 53 of the Arbitration Act, arbitral awards can only be challenged by set aside proceedings. An award may be set aside for several reasons including that it contradicts public policy, there was no valid arbitration agreement, the tribunal did not apply the law agreed upon by the parties, one of the party's right of defence was violated or, as is the case more recently, there is a complete absence of reasoning (unless the parties agree not to provide any reasoning).[36] Set aside proceedings could only be brought within 90 days of the valid notification of the award debtor,[37] and the 90 days will not commence even if the counterparty became aware of the award through other means.[38]

The Supreme Constitutional Court held that the right to bring set aside proceedings against arbitral awards is a constitutional one. Additionally, the Court of Appeal held that if the parties agreed in the arbitration clause that the arbitral award is final and no party may challenge it, this cannot prevent either party from filing a nullity suit. However, waiver of a set aside lawsuit after the issuance of the arbitral award is permitted under Egyptian law.[39]

Egyptian courts opined on whether an international commercial arbitration award rendered in Egypt in the context of an international treaty could be subject to set aside proceedings before Egyptian courts, where the treaty seems to prohibit challenging the award. The Court of Cassation took the view that set aside proceedings are allowed under the treaty and that the treaty does not contradict the Arbitration Act regarding the right to request setting aside the award,[40] overturning a previous Court of Appeal judgement.[41]

Key developments in the arbitration regime

The establishment of a new sports arbitration centre in Egypt

The Egyptian legislature has enacted Law No. 171 of 2025, amending the Sports Law No. 71 of 2017. This enactment constitutes a substantial statutory interventions in the regulation of the Egyptian sports sector since the promulgation of the 2017 Sports Law.

While the law introduces heightened standards of governance, financial oversight, and regulatory compliance, its most remarkable legal development lies in the establishment of an institutionalised mechanism for sports arbitration and dispute resolution. An independent Egyptian Sports Settlement and Arbitration Center is established as a specialised forum for the adjudication of sports-related disputes. This centre's jurisdiction extends to contractual, disciplinary and regulatory disputes, including those relating to player transfers, sponsorship and commercial

agreements, disciplinary sanctions and internal disputes within sports clubs, federations and related entities. This legislative development marks a shift from reliance on ordinary judicial proceedings toward a centralised, specialised arbitration model grounded in technical expertise and procedural efficiency, consistent with internationally recognised sports dispute resolution mechanisms.

Disputes may be referred to this centre pursuant to an express arbitration agreement, by submission agreement, or through binding provisions contained in the statutes or regulations of sports federations designating this centre as the competent forum.[42] Indeed, references to this centre have already started taking place in several statutes.[43]

Arbitral awards rendered by this centre are final and binding and are subject only to limited annulment proceedings before the competent courts in accordance with the Egyptian Arbitration Act.[44] This enhances legal certainty and enforceability.

The reform is considered a promising milestone since the resolution of disputes is now entrusted to a specialised arbitral institution expressly recognised and regulated by national legislation.

The establishment of this centre further aligns the Egyptian sports dispute resolution framework with the international model exemplified by the Court of Arbitration for Sport (CAS). It provides a domestic arbitral forum that adheres to international standards of sports arbitration while ensuring compatibility with the Egyptian legal order and mechanisms of enforcement.

Last, Law No. 171 of 2025 directly addresses the issues raised by the Supreme Constitutional Court's in its prior ruling of unconstitutionality of article 69 of Sports Law No. 71 of 2017,[45] by placing the regulatory authority for sports arbitration within the legislature, rather than delegating it to the Olympic Committee or any other non-legislative entity.

Arbitrability of labour disputes under the new labour law

Historically, the arbitration of collective labour disputes was prohibited, except in circumstances where the parties expressly agreed to submit such disputes to arbitration.[46] In contrast, individual labour disputes have consistently been considered non-arbitrable.[47]

This legal position is reaffirmed under Law No. 14 of 2025 (the New Labor Law), which confers exclusive jurisdiction over employment-related disputes upon the labour courts pursuant to articles 176 and 177, thereby preserving the primacy of judicial protection in individual employment matters. At the same time, the New Labor Law expressly permits arbitration in respect of collective labour disputes, signalling a calibrated legislative shift that recognises party autonomy in collective labour relations while maintaining judicial exclusivity where individual employee rights are concerned.

The rationale underlying this legislative approach lies in the differentiated nature of collective and individual labour relations. Individual labour disputes typically concern non-waivable statutory rights and arise within a structurally unequal relationship between employer and employee, warranting mandatory recourse to labour courts vested with public authority and specialised expertise. Collective labour disputes, by contrast, are negotiated and pursued by representative bodies operating on a more balanced footing, which justifies greater deference to party autonomy and permits the use of arbitration as an alternative dispute resolution mechanism, without undermining the protective objectives of labour law.

Consequently, the framework governing the arbitrability of labour disputes under the New Labor Law reflects a balance between employees' protection and procedural flexibility. By maintaining the non-arbitrability of individual labour disputes and vesting exclusive jurisdiction in the labour courts, the legislator safeguards mandatory employment rights and ensures effective judicial oversight. Simultaneously, by expressly authorising arbitration in collective labour disputes, the law promotes efficient dispute resolution mechanisms that are compatible with the public policy dimensions of labour relations.

Principles from the Egyptian Courts of Appeal issued in 2025

Interpretation and scope of the arbitration agreement

In a set aside proceeding before the Court of Appeal, the Court of Appeal elaborated on the interpretation of the arbitration agreement. The Court adopted a pro-arbitration approach.

The Appellant sought to set aside the arbitral award on several grounds, including, inter alia, that the tribunal had exceeded the scope of its jurisdiction. According to the Appellant, the arbitration agreement limited the tribunal's authority strictly to the interpretation of the contract. Any examination of issues extending beyond contractual interpretation, particularly matters relating to liability, termination, rescission or compensation, was said to fall outside the arbitral mandate and to amount to an excess of power justifying annulment of the award.[48]

The Court of Appeal rejected this argument. It held that the arbitral tribunal had acted within the bounds of its conferred authority. The Court of Appeal emphasised that the arbitration clause referred to "any dispute arising out of the interpretation of this contract and its performance", which is a formulation that the Court of Appeal considered to be inherently broad. In the Court's view, disputes connected to the loan or assignment contracts, including questions concerning the liability of the parties, the termination, rescission or nullity of the contracts, as well as claims for compensation, are all disputes that arise from or are closely related to the interpretation and performance of the contract. Consequently, the tribunal did not exceed its jurisdiction by addressing such matters.[49]

At the same time, the ruling serves as a reminder that parties seeking to limit arbitration clause scope must do so through clear and unequivocal drafting, as courts are unlikely to infer jurisdictional limitations from general or ambiguous language.

Gross application of the law and the limits of arbitral discretion

The Appellant sought setting aside an arbitral award on the ground of misapplication of the applicable law. It argued that the tribunal erred by applying Law No. 194 of 2020 regarding the Central Bank, despite the fact that this law was enacted after the conclusion of the loan agreements forming the subject matter of the arbitration. According to the Appellant, the tribunal should have applied Law No. 88 of 2003, which was the governing legislation in force at the time the contracts were concluded. The Appellant further contended that the tribunal failed to examine all the pleas raised by the parties and disregarded material documentary evidence submitted during the proceedings.[50]

The Court of Appeal upheld the Appellant's plea and set aside the arbitral award. It emphasised that the ground for annulment based on the exclusion of the law chosen by the parties is not confined to cases in which the tribunal expressly refuses to apply the applicable law. Rather, this ground also encompasses situations in which the law is applied in such a fundamentally erroneous manner that it is distorted and transformed into a rule contrary to its true substance.[51]

In applying this principle, the Court found that the tribunal had misapplied the law by applying Law No. 194 of 2020 despite the fact that it was promulgated after the conclusion of the loan agreements. In the Court's view, this constituted an impermissible substitution of the applicable legal regime and a violation of the principle of non-retroactivity of laws.[52]

The Court further held that the tribunal failed to address all the substantive pleas raised by the parties and did not properly examine the documents submitted in support thereof. It characterised the tribunal's reasoning as defective, describing the award as containing vague and distorted reasoning, lacking specificity and seriousness, and reflecting an incorrect legal characterisation of the claim.[53]

This aspect of the judgment illustrates the Court of Appeal's willingness to subject arbitral awards to close judicial scrutiny where the tribunal departs from the applicable legal framework. The Court of Appeal's finding that the tribunal applied legislation enacted after the conclusion of the loan agreements, thereby violating the principle of non-retroactivity, constituted, per se, a sufficient and self-standing ground for annulment. Characterised as a distortion amounting to the effective exclusion of the applicable law, this defect alone justified setting aside the award within the limits of annulment review.

Arbitrator impartiality and the duty of disclosure

The Appellant sought the setting aside of an arbitral award on several grounds, including, inter alia, that the arbitrator lacked impartiality and independence and failed to disclose circumstances giving rise to a conflict of interest. The Appellant argued that an existing professional relationship between the arbitrator and the opposing party undermined the arbitrator's neutrality and violated the duty of disclosure, thereby affecting the validity of the arbitral proceedings.[54]

The Court of Appeal upheld the Appellant's plea and set aside the arbitral award. It found that both the appointed arbitrator and the defendant in the annulment proceedings acted as attorneys for the same company, which established the existence of an official professional relationship between them. In the Court's view, this relationship was sufficient to give rise to reasonable doubts as to the arbitrator's impartiality and independence.[55]

The Court emphasised that such circumstances trigger the arbitrator's duty of disclosure and that the failure to disclose them deprives the parties of the opportunity to assess the arbitrator's neutrality or to exercise their right to challenge the appointment. The existence of this undisclosed relationship, according to the Court, rendered the arbitrator incompetent to adjudicate the dispute. Consequently, the arbitral award was tainted by a fundamental defect and was set aside.[56]

From a broader perspective, the judgement strengthens confidence in arbitration by reaffirming that judicial oversight will intervene decisively where fundamental guarantees of due process are compromised. The judgment further reflects the judicial stance on arbitrator impartiality and independence and reinforces the central role of disclosure in safeguarding the integrity of arbitral proceedings. It illustrates the Court's readiness to characterise a breach of the duty of impartiality and independence and resulting required disclosures rendering the arbitrator unfit to hear the dispute, thereby invalidating the award.

Principles from the Egyptian Court of Cassation issued in 2025

Public policy and awarding compensation in foreign currency

In this judgement, the appellants advanced a plea of violation of public policy and mandatory monetary rules. They argued that the arbitral award was null because it ordered compensation denominated in US dollars, despite the fact that: (1) the underlying contract was denominated in Egyptian pounds; (2) the dispute concerned the sale of shares in an Egyptian joint-stock company; (3) the arbitration was conducted in Egypt; and (4) Egyptian law governed the contractual relationship.

The appellants relied on article 212(1) of Law No. 194 of 2020 on the Central Bank and the Banking System, which mandates that dealings within the Arab Republic of Egypt must be conducted in the national currency unless an express statutory, treaty-based, or regulatory exception applies. They further contended that the Court of Appeal erroneously dismissed this plea by invoking article 111(3) of the repealed Law No. 88 of 2003, notwithstanding its abrogation by Law No. 194 of 2020.[57]

The Court of Cassation upheld the advanced plea in its entirety.[58]

- The Court of Cassation confirmed that monetary legislation forms part of Egypt's public policy. Rules governing currency denomination are not merely regulatory; they protect the state's economic sovereignty and the stability of the national monetary system. Accordingly, they qualify as mandatory rules whose violation triggers the nullity of arbitral awards under article 53 of the Arbitration Law.[59]
- The Court rejected the reasoning adopted by the Court of Appeal, which had relied on provisions of the repealed Law No. 88 of 2003. The Court of Cassation clarified that the enactment of Law No. 194 of 2020 marked a legislative shift toward narrowing the permissible scope of dealing in foreign currencies outside licensed banking channels. Consequently, any reliance on the repealed law to validate a foreign-currency award constituted a manifest error in law.[60]
- The Court reiterated its settled principle that the default rule in obligations to pay sums of money is payment in the national currency. An arbitral tribunal may only depart from this rule where (1) the parties have expressly agreed to payment in a foreign currency; or (2) a specific legal or treaty-based exception applies. Neither condition was satisfied in the present case. On the contrary, the memorandum of understanding expressly reflected transactions in Egyptian pounds and subjected the relationship to Egyptian law.[61]

It is essential to note that the Court's reasoning allowed the parties to agree on foreign currency payment, which did not happen in this case.

The scope of the arbitration agreement, limited jurisdiction clauses and wholesale waiver of the arbitration agreement

The dispute arose from a contractual relationship governed by a principal contract containing an arbitration clause. The contract was accompanied by an annex, which included a provision designating the North Cairo Court of First Instance as the competent forum for the interpretation of the contract.[62]

The Court of Appeal set aside the arbitral award on the basis that the annex constituted a waiver of the parties' agreement to arbitrate. According to the appellate court, the designation of a state court as the competent forum reflected a clear intention to abandon arbitration.[63]

The appellant challenged this conclusion before the Court of Cassation, arguing that the Court of Appeal misapplied the law by conflating a limited jurisdiction clause with a wholesale waiver of arbitration.[64]

The central issue before the Court of Cassation was whether a jurisdiction clause contained in a contractual annex, which confers competence on state courts to interpret the contract, amounts to a waiver of an arbitration agreement contained in the principal contract.[65]

The Court of Cassation overturned the judgment of the Court of Appeal, holding that the latter had erred in law by mischaracterising the scope and effect of the jurisdiction clause contained in the annex. The Court of Cassation affirmed that: (1) arbitration remained the principal dispute resolution mechanism agreed upon by the parties; (2) the jurisdiction of the North Cairo Court of First Instance was limited strictly to matters concerning the interpretation of the annex; and (3) such jurisdiction did not extend to disputes arising under the principal contract containing the arbitration agreement.[66]

The Court's reasoning rested on several key pillars.[67]

- The Court emphasised that the wording of the annex was clear and unambiguous. It conferred jurisdiction on the state court solely for the purpose of interpreting the annex. No deviation from the express terms of the clause was permissible. A limited jurisdiction clause cannot be expansively interpreted so as to nullify an arbitration agreement unless such intention is clearly and unequivocally expressed.
- The Court of Cassation impliedly asserted that waiver of arbitration cannot be presumed. It must be explicit or necessarily implied. The Court of Cassation found that merely granting the courts jurisdiction over a narrow category of disputes (ie, contractual interpretation) does not, per se, demonstrate an intention to depart from arbitrating substantive disputes.
- The Court noted that the principal contract and its annex differed both in terms of: (1) the parties involved; and (2) the scope of work regulated by each instrument. This distinction reinforced the conclusion that the jurisdiction clause in the annex could not, in any event, apply to disputes arising under the principal contract. Even assuming, arguendo, that the annex replaced certain contractual provisions, it could not override the arbitration agreement governing a separate contractual framework.
- The Court of Cassation underlined that the jurisdiction of the North Cairo Court of First Instance was founded on a single, narrowly defined premise, being the interpretation of the annex. Any extension beyond this premise would be legally unjustified.

This judgement serves as a reminder against adopting an overly expansive interpretation of jurisdictional clauses, particularly where such interpretation would undermine a validly concluded arbitration agreement.

Waiver of the arbitration agreement

In this judgment, the Court of Cassation reaffirmed two foundational principles of Egyptian procedural and arbitration law, namely:[68]

- agreement on arbitration does not relate to public policy and therefore must be timely invoked; and
- final judgments determining jurisdiction, whether in favour of arbitration or ordinary courts, attain res judicata and preclude any subsequent re-litigation of the same issue between the same parties.

In this case, the appellant argued that the challenged judgment erred in law by rejecting the action for annulment of the arbitral award despite the existence of prior, final judicial rulings that had conclusively determined the dispute to fall within the jurisdiction of the ordinary courts. Specifically, the appellant relied on: (1) judgments rendered in

appeals Nos. 2300 and 2449 of Judicial Year 134 (Cairo); (2) appeals Nos. 13 and 16 of Judicial Year 28 (Ismailia - El-Tor Mission); and (3) Court of Cassation ruling No. 5427 of Judicial Year 90, all of which had rejected the plea of inadmissibility based on the arbitration clause. These rulings were grounded on an express waiver by both parties of the arbitration agreement and their acceptance to recourse to the ordinary judiciary as their natural judge. Having become final, these judgments, according to the appellant, barred any subsequent reliance on arbitration in later disputes between the same parties.[69]

The Court of Cassation upheld this and restated its settled jurisprudence that unlike jurisdictional rules of public policy, arbitration agreement: (1) does not concern public policy; (2) cannot be raised by the court on its own motion; and (3) must be invoked by the party entitled to rely upon it before arguing the merits of the case before courts. The Court further reiterated that the right to arbitrate may be waived either expressly or implicitly. Implicit waiver is established where a party adopts a conduct that clearly proves an intention not to submit the dispute to arbitration, such as engaging substantively with the merits before ordinary courts.[70]

In light of this, the arbitral tribunal lacked jurisdiction *ab initio* to hear the arbitration case. By refusing to annul the resulting arbitral award, the challenged judgment disregarded the binding force of *res judicata* and wrongly revived an arbitration agreement that had already been waived by the parties in that dispute and had been settled by a final court decision.

Egyptian arbitration centres in 2025: an overview

CRCICA

CRCICA is the leading arbitral institution in the region. It was established in January 1978 by a decision of the 19th session of the Asian-African Legal Consultative Committee. It is an independent, non-profit international organisation. The Court of Appeal considered the CRCICA's status as a non-profit international organisation to be that of an international body enjoying judicial immunity in practising its role as an arbitration institution; and thus, it may not act as a defendant in challenging its arbitration-related function.

Since its establishment, CRCICA has adopted, with minor modifications, the UNCITRAL Arbitration Rules. CRCICA amended its Arbitration Rules in 1998, 2000, 2002, 2007, 2011 and 2024.

In 2025, CRCICA registered a total of 97 new cases, thereby exceeding its previous record of 91 cases recorded in 2016. Of these proceedings, approximately 30% involved parties originating from a diverse range of jurisdictions, including Austria, Canada, the Cayman Islands, China, Cyprus, France, Germany, India, Italy, the Netherlands, Nigeria, Pakistan, Saudi Arabia, Spain, Sudan, Tunisia, Turkey, the United Arab Emirates and the United States. The designated seats of arbitration included New York and Abu Dhabi, while the governing laws comprised, inter alia, English law, Swiss law and Sudanese law. Further, for the first time in CRCICA's history, Emergency Arbitrator proceedings were initiated during the reporting period.

CRCICA also issued the Practice Notes on the 2024 Arbitration Rules on 22 December 2025, which clarifies CRCICA's approach in four principal areas, namely: (1) the constitution of tribunals in multi-party proceedings; (2) arbitrators' disclosure obligations; (3) the calculation of arbitration costs following reductions in claim value; and (4) the handling of consolidation requests.

CRCICA further marked an important institutional milestone with the conclusion of the tenure of Prof Dr Ismail Selim as Director on 31 December 2025, and the appointment of Dr Dalia Hussein as the new Director, effective 1 January 2026.

Prof Dr Selim's directorship, which began in January 2017 and spanned *grosso modo* nine years, was characterised by steady leadership, institutional development and growing international recognition. During a period of increasing complexity in arbitration practice, CRCICA strengthened its normative framework through the introduction of CRCICA Dispute Board Rules in 2021, the adoption of the revised CRCICA Arbitration Rules in 2024, and the issuance of accompanying Practice Notes in 2025. Under his stewardship, CRCICA expanded its international partnerships, reinforced its role as a regional hub for arbitration education and capacity building, and achieved record institutional growth.

Building on this legacy, CRCICA appointed the Deputy Director who participated in this institutional success, Dr Dalia Hussein, as Director for a four-year term commencing 1 January 2026. Her appointment reflects CRCICA's continued commitment to excellence in case administration, institutional independence and sustained international engagement. Under Dr Hussein's leadership, CRCICA looks forward to further strengthening its role as a leading arbitral institution serving both regional and global users.

The authors would like to thank Mr Khaled Abouelwafa (Senior Associate), Mr Mohamed Magdy (Associate), Mr Adham Ahmed (Junior Associate), for their support and research in the preparation of this article.