



OVERVIEW OF THE GERMAN MARITIME ARBITRATION ASSOCIATION

For several decades, the German Maritime Arbitration Association (GMAA) has been offering high-quality arbitration for dispute settlement in the maritime business sector. Responding to the needs of the market, over the past few years the GMAA has also added other alternative dispute resolution methods to its range of offers, such as mediation, adjudication, conciliation and expert opinions.

Germany is becoming an increasingly popular location for international arbitration proceedings. The majority of international shipping contracts stipulate an arbitration procedure, especially for charter parties, bills of lading, shipbuilding and ship management contracts. Even parties from outside Germany are increasingly agreeing upon resolving their disputes according to the GMAA's rules. On the basis of German procedural law and the UNCITRAL regulations, the GMAA has released industry-specific rules of arbitration that are internationally recognised and ensure highly qualified, legally binding, unbiased, fast, effective and cost-efficient proceedings. These rules of arbitration have proved their worth in the course of more than three decades. They are regularly adapted to current developments in existing practice and legislation.

The GMAA guidelines compare favourably to any international arbitration setting. Nonetheless, there are a few points in which they differ from arbitration proceedings in other countries. At the core is Art. 13 of the GMAA rules of arbitration, according to which the arbitrators shall, at every stage of the procedure, work towards a peaceful resolution of the dispute and even propose an amicable settlement to the parties whenever this is practicable. This does not turn the GMAA arbitration proceedings into mediation, for GMAA arbitrators shall never negotiate with one party alone. But it introduces balancing and mediative elements to the arbitration proceedings, allowing for rapid – and thus inexpensive – consensual solutions to be found in the majority of cases. In the event the settlement discussions should fail, the arbitration panel would swiftly pass an internationally enforceable arbitration award, with absolute impartiality and without being bound by any previous settlement recommendations.

Whether the shall be resolved according to German substantive law or that of another country such as English law, will be determined by the disputing parties alone, e.g. with the following arbitration clause:

"All disputes arising out of or in connection with this contract or concerning its validity shall be finally settled by arbitration in accordance with the Arbitration Rules of the German Maritime Arbitration Association. [_____] law to apply."

The clause is also valid in its short form:

"GMAA Arbitration, [_____] law to apply."

The application of foreign substantive law does not change the fact that the proceedings meet the German standards of thoroughness and efficiency. Due to strict relevance checks, superfluous issues and arguments are kept out of the arbitration proceedings, which remain concise as a consequence.

GMAA procedural law intentionally avoids using „*Pre-Trial Discovery*“ or „*Disclosure*“, which are common in other legal systems, and in turn empowers the arbitration tribunal to demand for those documents to be presented which it considers relevant according to the onus of proof. The GMAA proceedings are a lot faster than those in other countries – not only the oral hearings but the whole process from beginning to end. This is due to a tight procedural control through the arbitration panel on the one hand, and the amicable settlements which are frequently reached on the other.

The arbitrators calculate their fees according to a fixed rate which is determined on the basis of the value of the claim at the beginning of the case. The mere appointment of an arbitrator, e.g. to prevent a claim from becoming time barred, is free of charge. Moreover, limiting the proceedings to the relevant aspects of the claim significantly reduces lawyers' fees in comparison to other countries or rules of arbitration.

Often, the parties involved merely want to resolve single issues, require legal support for a shipbuilding project, or simply seek to avoid arbitration or state court proceedings for the sake of good business relations. For these cases, the GMAA offers specialists and an effective set of rules for other alternative dispute resolution methods, such as arbitration opinions, adjudication, conciliation or mediation – the latter already being a mandatory initial measure in many contracts.

All GMAA proceedings are ad-hoc, i.e. they are conducted without the involvement of GMAA's board or secretariat.

Worldwide shipping can choose representatives or arbitrators out of more than 200 GMAA members from more than 15 different nations, including specialised maritime lawyers, shipping people, authorised experts and former judges, all with considerable experience in maritime arbitration and alternative dispute resolution methods.

You will find further English-language information on the different GMAA arbitration proceedings and on the GMAA itself on the website



GERMAN MARITIME ARBITRATION ASSOCIATION

International Maritime Dispute Resolution
Made in Germany

The German Maritime Arbitration Association – short: GMAA – offers a tailor-made out-of-court procedure for the worldwide maritime industry to settle shipping disputes both in German and English. The GMAA is qualified, acknowledged, legally binding, unbiased, fast, efficient and works at reasonable and transparent costs.



Project adjudication

Mediation Schiedsgutachten

Schiedsverfahren

Adjudikation Expert opinion

Arbitration

Schlichtung

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