AD-HOC ARBITRATION IN INTERNATIONAL COMMERCIAL TRANSACTIONS: AN ANALYSIS OF LEGAL PRINCIPLES, EXECUTION ISSUES, AND EMERGING REFORMS IN THE ASIA-PACIFIC REGION

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1. Introduction

"Arbitration is the means by which business men settle disputes among themselves."

- Lord Mustill

International commercial transactions have expanded rapidly in the contemporary global economy, resulting in a corresponding increase in cross-border commercial disputes involving multinational corporations, foreign investors, state entities, and private commercial enterprises. In such circumstances, traditional litigation before domestic courts is often considered inadequate due to procedural delays, jurisdictional complexities, lack of neutrality, and difficulties in enforcing foreign judgments. Consequently, The International Commercial Arbitration has become one of the most effective and widely accepted mechanisms for resolving transnational commercial disputes.

Among the different forms of arbitration, Ad-Hoc arbitration occupies a distinctive and significant position because of its emphasis on secrecy, procedural flexibility, and party autonomy, and reduced institutional dependence. Unlike institutional arbitration, which is administered by permanent arbitral bodies under predetermined procedural frameworks, Ad-Hoc arbitration allows parties to independently shape the arbitral process according to their commercial requirements and the nature of the dispute. This flexibility has made Ad-Hoc arbitration particularly attractive in international trade and investment relations where commercial parties seek neutrality, efficiency, and procedural independence.

However, despite its advantages, Ad-Hoc arbitration is also confronted with several procedural and execution-related challenges. The absence of institutional supervision may result in procedural deadlocks, appointment disputes, administrative inefficiencies, and increased

dependence on domestic courts. Furthermore, differences in national arbitration laws, varying judicial approaches, and vast interpretation of public policy exceptions continue to create obstacles in the recognition and execution of arbitral awards, particularly within developing jurisdictions.

The Asia-Pacific region has become a major center for international commercial arbitration due to rapid economic growth, increased foreign investment, and expanding trade relations. Jurisdictions such as the Singapore, Hong Kong, Australia, India, and China have undertaken substantial legislative and judicial reforms aimed at strengthening arbitration frameworks and enhancing their attractiveness as arbitral seats. Recent developments between 2024 and 2026 further demonstrate an increasing regional commitment toward modernization of arbitration laws, recognition of digital arbitration procedures, execution of emergency arbitral awards, and reduction of excessive judicial interference.

This research paper critically examines the concept, legal nature, and procedural framework of Ad-Hoc arbitration in cross border transaction. It analyzes the legal doctrines governing Ad-Hoc arbitration, the role of national courts, the execution regime under the New York Convention, and the practical challenges faced during arbitral proceedings and execution of awards. The paper further evaluates recent judicial and legislative reforms within the Asia-Pacific region and assesses their impact on the future development of international commercial arbitration. By means of comparative and doctrinal legal analysis, the research seeks to identify the structural strengths and limitations of Ad-Hoc arbitration while proposing recommendations for strengthening its effectiveness, enforceability, and procedural reliability in contemporary international trade relations.

1.1 Meaning of Ad-Hoc Arbitration

Ad-Hoc arbitration is founded upon the principle of party autonomy, under which the parties in dispute possess the freedom to independently design and regulate the arbitral process without the supervision of a Arbitral institution. In contrast to institutional arbitration, where organizations such as Singapore International Arbitration Centre or International Chamber of Commerce administer and monitor the proceedings, Ad-Hoc arbitration is Being out only in accordance with the parties' agreement and the directions of the arbitral tribunal.[1]

[1] Gary B. Born, *International Commercial Arbitration* (3rd edn., Kluwer Law International, 2021).

Under this mechanism, the parties are empowered to determine crucial procedural aspects of the arbitration, including the method of appointment of arbitrators, the applicable procedural rules, the seat and language of arbitration, timelines for proceedings, and the manner in which evidence will be presented and examined. In many international commercial disputes, parties frequently adopt the UNCITRAL rules as a neutral procedural framework to ensure consistency and procedural certainty.[2]

The defining features of Ad-Hoc arbitration is its procedural Adaptability. Since there is no institutional administration involved, the parties are able to customize the dispute resolution process according to the nature of their commercial relationship and the complexity of the dispute. Additionally, the absence of institutional administrative charges often makes Ad-Hoc arbitration comparatively economical and less formal than institutional arbitration.[3]

Despite these advantages, the effectiveness of Ad-Hoc arbitration largely depends upon the cooperation and mutual understanding between the parties. In the absence of an administering institution, procedural complications may arise if the parties fail to agree on matters such as the appointment of arbitrators or conduct of proceedings. In such situations, the courts of the country where the arbitration is seated play a significant supportive role. The procedural law governing the arbitration, commonly referred to as the ***lex arbitri*****,** provides judicial assistance to ensure that the arbitral process continues smoothly and that the arbitral award remains legally enforceable.[4]

Therefore, Ad-Hoc arbitration represents a highly flexible, confidential, and party-driven method of resolving international commercial disputes. However, its successful operation requires a carefully drafted arbitration agreement capable of addressing procedural uncertainties and minimizing the possibility of unnecessary judicial intervention.**[5]**

1.2 Historical Evolution of International Commercial Arbitration

Arbitration has a long and distinguished history, evolving from informal dispute resolution practices into a sophisticated legal mechanism recognized globally. Its origins can be traced

[2] UNCITRAL Model Law, supra note 2.
[3] Nigel Blackaby et al., Redfern and Hunter on International Arbitration (6th edn., Oxford University Press, 2015).
[4] Alan Redfern et al., *Redfern and Hunter on International Arbitration* (Oxford University Press, 2015).
[5] Avtar Singh, Law of Arbitration and Conciliation (Eastern Book Company, 2022).

back to ancient civilizations, where disputes were resolved by neutral third parties chosen by the disputants. In Greece and Rome, arbitration was widely used as an alternative to formal court proceedings, particularly in commercial matters. These early forms of arbitration emphasized fairness, neutrality, and the voluntary submission of disputes to an agreed decision-maker. Arbitration became more common during the Middle Ages, in trade and commerce, especially among merchants who required efficient mechanisms to resolve disputes across regions. The development of merchant law, or **lex mercatoria**, played an important role in shaping arbitration practices. Merchants relied on arbitration to resolve disputes quickly and privately, avoiding the complexities and delays associated with local courts. The modern era of arbitration began with the formal recognition of arbitration agreements and awards within national legal systems. The introduction of legislative frameworks, such as arbitration acts in various jurisdictions, provided legal validity and enforceability to arbitral decisions. The twentieth century marked a significant turning point with the adoption of international agreements, especially the New York Convention, which made it easier for arbitral rulings to be recognized and carried out internationally.

Ad-Hoc arbitration, in particular, reflects the traditional roots of arbitration, emphasizing flexibility and party autonomy. Unlike institutional arbitration, which developed alongside formal organizations, Ad-Hoc arbitration retains the original concept of parties designing their own procedures. This makes it especially relevant in international disputes, where parties seek neutrality and independence from institutional control. In conclusion, the historical development of arbitration demonstrates its adaptability and enduring relevance. From its ancient origins to its modern application in international commerce, arbitration has evolved into a cornerstone of dispute resolution. Its continued growth reflects the increasing demand for efficient, flexible, and enforceable mechanisms in a globalized economy.[6]

1.3 Nature and Characteristics of Ad-Hoc Arbitration

The nature of Ad-Hoc arbitration is primarily contractual and consensual, as the entire arbitral process is founded upon the mutual agreement of the parties. Unlike institutional arbitration, which is administered by established arbitral institutions through predetermined procedural frameworks, Ad-Hoc arbitration operates independently and is managed directly by the

[6] W. Laurence Craig et al., International Chamber of Commerce Arbitration § 1.01 (3rd ed., 2000); Gary B. Born, supra note 1, at 23–85.

disputing parties and the arbitral tribunal.[7] The parties exercise substantial control over the conduct of the proceedings and are free to determine procedural rules according to the specific requirements of their commercial relationship.

One of the most significant characteristics of Ad-Hoc arbitration is procedural flexibility. The parties are not bound by rigid institutional procedures and may tailor the arbitration process in a manner best suited to the complexity and technical nature of the dispute.[8] This flexibility includes the freedom to determine the arbitration's location, its language, and its schedule for hearings, evidentiary standards, and method for appointment of arbitrators. The parties may also choose arbitrators with specific knowledge pertinent to the dispute's topic, thereby enhancing the efficiency and quality of adjudication.

Another important feature of Ad-Hoc arbitration is its cost-effectiveness. Since no arbitral institution supervises the proceedings, the parties are not required to bear institutional administrative fees, which often reduces the overall financial burden of dispute resolution.[9]Additionally, Ad-Hoc arbitration ensures a higher degree of confidentiality because the proceedings remain private between the parties and the arbitral tribunal, without extensive institutional involvement.

However, despite these advantages, Ad-Hoc arbitration is significantly dependent upon the cooperation of the parties and the support of domestic courts. In situations where procedural disagreements arise such as failure to appoint arbitrators, challenges to jurisdiction, or non-cooperation by a party the arbitral process may become ineffective in the absence of judicial assistance[10].Consequently, the law governing the arbitration, commonly referred to as the *lex arbitri*, plays a crucial role in ensuring procedural stability and enforceability of the arbitral award.

Therefore, although Ad-Hoc arbitration embodies the principles of autonomy, flexibility, confidentiality, and procedural independence, its successful operation ultimately depends upon a supportive legal framework and limited yet effective judicial intervention by the courts of the

[7] Gary B. Born, *International Commercial Arbitration* 78–82 (3rd ed., 2021).
[8] Nigel Blackaby et al., *Redfern and Hunter on International Arbitration* 51–54 (7th ed., 2022).
[9] Avtar Singh, *supra note 5*, at 112–15 (12th ed., 2022).
[10] UNCITRAL Model Law, supra note 2.

arbitral seat.[11]

1.4 Ad Hoc Arbitration's Legal Framework

The legal framework governing Ad-Hoc arbitration consists of an interconnected system of international conventions, procedural rules, and domestic arbitration laws that collectively ensure the validity, effectiveness, and enforceability of arbitral proceedings and awards. Since Ad-Hoc arbitration functions without the supervision of a permanent arbitral institution, its legitimacy and smooth operation largely depend upon the interaction between international legal standards and the municipal laws of the arbitral seat.**[12]**

At the Transnational level, the framework of Ad-Hoc arbitration is primarily shaped by universally accepted principles of international commercial arbitration. These principles seek to promote party autonomy, procedural fairness, neutrality, and enforceability of arbitral awards in cross-border commercial disputes. The absence of institutional administration makes it essential for parties to adopt a structured procedural mechanism capable of regulating the arbitral process efficiently.[13]

In this regard, the UNCITRAL occupy a central position in Ad-Hoc arbitration. The UNCITRAL Rules faciliatate a comprehensive procedural framework dealing with the constitution of the arbitral tribunal, conduct of proceedings, submission of evidence, interim measures, and rendering of arbitral awards.[14]These rules are widely accepted in international commercial practice because they offer procedural certainty while simultaneously preserving the flexibility that characterizes Ad-Hoc arbitration. By adopting the UNCITRAL Rules, parties are able to reduce procedural ambiguities and minimize the possibility of deadlocks arising during the arbitral process.

Another fundamental component of the legal framework is the Convention on the Recognition and Execution of Foreign Arbitral Awards, 1958, commonly known as the New York Convention. The Convention constitutes the cornerstone of the international arbitral execution regime and obligates contracting states to recognize and enforce foreign arbitral awards, subject

[11] *Convention on the Recognition and Execution of Foreign Arbitral Awards* art. V, June 10, 1958, 330 U.N.T.S. 3.
[12] Gary B. Born, *International Commercial Arbitration* 153–59 (3rd ed., 2021).
[13] Nigel Blackaby et al., *Redfern and Hunter on International Arbitration* 87–92 (7th ed., 2022).
[14] United Nations Commission on International Trade Law, UNCITRAL Arbitration Rules, G.A. Res. 65/22, U.N. Doc. A/RES/65/22 (Dec. 6, 2010).

to limited exceptions.[15]The significance of the Convention in Ad-Hoc arbitration is particularly substantial because it ensures that arbitral awards rendered outside institutional mechanisms enjoy the same enforceability and legal recognition as institutional arbitral awards across multiple jurisdictions.

However, the legal approach toward Ad-Hoc arbitration is not uniform throughout the Asia-Pacific region. Certain jurisdictions continue to maintain comparatively interventionist legal frameworks that permit broader judicial scrutiny of arbitral proceedings and awards. Consequently, parties engaging in Ad-Hoc arbitration must carefully examine the mandatory provisions of the applicable domestic law to ensure procedural validity and enforceability of the arbitral award.[16]

Therefore, the legal framework governing Ad-Hoc arbitration represents a carefully balanced interaction between party autonomy, international legal obligations, procedural rules, and domestic judicial supervision. The effectiveness of the system ultimately depends upon the harmonious functioning of these different legal components in facilitating efficient and enforceable dispute resolution mechanisms in international commercial transactions.

2. Distinction Between Ad-Hoc Arbitration and Institutional Arbitration

Ad-Hoc arbitration and institutional arbitration differ primarily in relation to procedural administration, supervisory control, and the extent of institutional participation in the arbitration procedure. While both mechanisms aim to provide effective resolution of commercial disputes outside traditional court systems, their operational structures and procedural frameworks are substantially different.[17]

Institutional arbitration is conducted under the supervision of a recognized arbitral institution, such as the SIAC. These institutions provide established procedural rules, administrative assistance, and organizational support throughout the arbitral proceedings.[18] The institution generally manages important procedural aspects including appointment of arbitrators, scheduling of hearings, communication between parties, scrutiny of arbitral awards, and collection of administrative fees. Such institutional involvement ensures procedural certainty,

[15] UNCITRAL Model Law, supra note 2
[16] Avtar Singh, *supra* note 5, at 221–29.
[17] Gary B. Born, *International Commercial Arbitration* 214–20 (3rd ed., 2021).
[18] Id.

efficiency, and continuity, particularly in situations where disputes arise between the parties regarding the conduct of proceedings.

A significant benefit of institutional arbitration is the existence of a structured procedural framework capable of minimizing delays and procedural complications. The arbitral institution acts as an administrative authority that provide proper functioning of the arbitration process and reduces the possibility of obstruction by non-cooperative parties. Additionally, many institutions scrutinize arbitral awards before they are finalized, thereby reducing the likelihood of procedural defects that may affect enforceability.[19]

In contrast, Ad-Hoc arbitration functions independently without the supervision of any permanent arbitral institution. The parties themselves assume responsibility for organizing and conducting the proceedings in accordance with mutually agreed terms and procedural rules. [20]The arbitral tribunal and the parties collectively manage matters such as appointment of arbitrators, determination of procedure, timelines, venue, and evidentiary requirements. Frequently, parties adopt the UNCITRAL Arbitration Rules to provide procedural guidance and avoid uncertainties during the arbitral process.

One of the principal benefits of Ad-Hoc arbitration is its procedural flexibility. Since the proceedings are not governed by institutional regulations, the parties enjoy greater autonomy in tailoring the arbitration process according to the particular commercial and technical requirements of their dispute. Moreover, the absence of institutional administrative charges often makes Ad-Hoc arbitration comparatively more economical than institutional arbitration.[21]

However, Ad-Hoc arbitration also presents certain practical challenges. In the absence of institutional supervision, procedural deadlocks may arise if the parties fail to cooperate regarding appointment of arbitrators or conduct of proceedings. In such situations, the intervention of domestic courts at the seat of arbitration becomes necessary to ensure continuation of the arbitral process. Consequently, the effectiveness of Ad-Hoc arbitration largely depends upon carefully drafted arbitration agreements and supportive national

[19] International Chamber of Commerce, Rules of Arbitration of the International Chamber of Commerce arts. 33–36 (2021).
[20] UNCITRAL Model Law, supra note 2
[21] Avtar Singh, *supra note 5*, at 135–40.

arbitration laws.[22]

Therefore, while institutional arbitration is characterized by administrative support, procedural certainty, and organizational supervision, Ad-Hoc arbitration is distinguished by flexibility, party autonomy, and reduced procedural costs. The choice between the two mechanisms generally depends upon the rigidity of the dispute, financial considerations, Extent of cooperation, and the legal environment of the arbitral seat.

3. Advantages of Ad-Hoc Arbitration in International Commercial Transactions

One of the foremost advantages of Ad-Hoc arbitration in international commercial transactions is the extensive degree of procedural flexibility and party autonomy it offers. Unlike institutional arbitration, which operates under predetermined institutional rules and administrative supervision, Ad-Hoc arbitration permits the parties to independently design the arbitral procedure according to the particular nature of their dispute and commercial relationship.[23] The parties may determine the seat of arbitration, governing procedural rules, appointment of arbitrators, language of proceedings, evidentiary standards, and procedural timelines. Such flexibility enables the arbitral process to accommodate the technical, financial, and cultural complexities often associated with cross-border commercial transactions.

Another important advantage of Ad-Hoc arbitration is the autonomy to select arbitrators with specific knowledge pertinent to the dispute's subject. Since the parties are not restricted to institutional panels, they may select independent experts in areas such as construction, international trade, maritime law, energy disputes, banking, or intellectual property. [24]This often enhances the quality and efficiency of adjudication because disputes are decided by individuals possessing substantial technical and commercial knowledge.

Ad-Hoc arbitration is also recognized for its economic efficiency. In the absence of institutional administration, parties are not required to pay registration fees, administrative charges, or case management costs typically imposed by arbitral institutions[25]. This significantly reduces the financial burden of dispute resolution and makes Ad-Hoc arbitration particularly attractive in

[22] UNCITRAL Model Law, supra note 2.
[23] Avtar Singh, *Supra note 5,* 135–40 (12th ed., 2022).
[24] United Nations Commission on International Trade Law, UNCITRAL Arbitration Rules, G.A. Res. 65/22, U.N. Doc. A/RES/65/22 (Dec. 6, 2010).
[25] Ulrich G. Schroeter, *Ad-Hoc or Institutional Arbitration – A Clear-Cut Distinction? A Closer Look at Borderline Cases* (2017).

high-value international disputes where institutional fees may become substantial. The cost-effectiveness of Ad-Hoc proceedings is especially relevant for commercial entities seeking efficient dispute resolution without excessive procedural expenditure.

Additionally, Ad-Hoc arbitration may contribute to faster resolution of disputes. Since the parties and arbitral tribunal exercise direct control over procedural scheduling, hearings, and timelines, the arbitral process may proceed without delays commonly associated with institutional administration.[26] Parties may adopt expedited procedures and procedural frameworks specifically suited to the urgency and complexity of the dispute, thereby increasing procedural efficiency.

Confidentiality constitutes another significant benefit of Ad-Hoc arbitration. The proceedings are generally conducted privately between the parties and the arbitral tribunal without extensive institutional involvement or public disclosure of awards[27]. This confidentiality protects sensitive commercial information, trade secrets, financial data, and business strategies, which is particularly important in international commercial relationships where preservation of reputation and business goodwill is essential.

Further, Ad-Hoc arbitration strengthens the principle of party autonomy, which is regarded as one of the foundational principles of international commercial arbitration. Parties retain substantial control over the arbitral process and are free to adopt procedural mechanisms best suited to their commercial interests.[28] In many cases, parties adopt the UNCITRAL Arbitration Rules to ensure procedural certainty while preserving flexibility. These rules provide a neutral procedural framework widely recognized in international commercial practice.

The enforceability of arbitral awards rendered through Ad-Hoc arbitration is another important advantage. Under the New York Convention, arbitral awards issued in Ad-Hoc proceedings are generally recognized and enforceable in contracting states in the same manner as institutional arbitral awards. [29]This international enforceability significantly enhances the credibility and effectiveness of Ad-Hoc arbitration in cross-border trade disputes.

[26] James H. Carter, The International Commercial Arbitration Explosion: More Rules, More Laws, More Books, So What?, 15 Mich. J. Int'l L. 785 (1994).
[27] *Convention on the Recognition and Execution of Foreign Arbitral Awards, supra note 11, art. V.*
[28] Avtar Singh, *Supra note 5,* 142–48 (12th ed., 2022).
[29] UNCITRAL Model Law, supra note 5.

Moreover, recent developments in the Asia-Pacific region demonstrate increasing judicial and legislative support for Ad-Hoc arbitration. jurisdictions like Hong Kong, Singapore, and Australia have adopted arbitration-friendly frameworks influenced by the UNCITRAL Model Law, thereby encouraging minimal judicial intervention and greater procedural autonomy. [30]Such reforms have strengthened confidence in Ad-Hoc arbitration as an effective mechanism for international commercial dispute resolution.

Therefore, the principal advantages of Ad-Hoc arbitration include procedural flexibility, reduced costs, specialized adjudication, confidentiality, party autonomy, enforceability of awards, and procedural efficiency. These features collectively make Ad-Hoc arbitration an increasingly preferred mechanism for resolving disputes arising from international commercial transactions.

4. Disadvantages and Procedural Challenges in Ad-Hoc Arbitration

Although Ad-Hoc arbitration offers substantial Party autonomy and procedural flexibility, it is also associated with several practical and procedural difficulties arising from the absence of institutional supervision. Unlike institutional arbitration, where an arbitral institution administers and monitors the proceedings, Ad-Hoc arbitration places the responsibility for managing the entire arbitral process upon the parties and the arbitral tribunal themselves. [31]Consequently, the effectiveness of Ad-Hoc arbitration largely depends upon cooperation between the parties, the competence of the tribunal, and the adequacy of the arbitration agreement.

The important challenge relates to procedural uncertainty. In institutional arbitration, established procedural rules and administrative mechanisms provide clarity regarding the conduct of proceedings. In contrast, Ad-Hoc arbitration may create ambiguity where the arbitration agreement lacks detailed procedural provisions.[32] Inadequately drafted arbitration clauses frequently result in disagreements concerning applicable rules, venue of arbitration, language of proceedings, or procedural timelines, thereby increasing the possibility of prolonged litigation and additional costs.

[30] Ulrich G. Schroeter, Ad-Hoc or Institutional Arbitration – A Clear-Cut Distinction? A Closer Look at Borderline Cases (2017).
[31] Gary B. Born, *supra note 1*, at 104–10.
[32] Avtar Singh, *Supra note 5,* 315–22 (12th ed., 2022).

The absence of institutional scrutiny of arbitral awards also constitutes a significant limitation of Ad-Hoc arbitration. Many arbitral institutions examine draft awards to ensure procedural compliance and reduce the risk of enforceability issues.[33] However, in Ad-Hoc proceedings, no such supervisory mechanism exists. Consequently, arbitral awards may contain procedural or drafting defects that increase the likelihood of challenges before domestic courts or denial of execution in accordance with the New York Convention.

Ad-Hoc arbitration also imposes significant administrative and logistical responsibilities upon the arbitral tribunal. In the absence of institutional administrative support, arbitrators may be required to manage procedural communications, financial deposits, scheduling of hearings, venue arrangements, and record maintenance.[34] These additional responsibilities may distract arbitrators from their adjudicatory role and affect procedural efficiency.

Another challenge concerns arbitrator fees and costs. Unlike institutional arbitration, where fee structures are predetermined and regulated, Ad-Hoc arbitration often lacks standardized guidelines regarding remuneration of arbitrators.[35] This may lead to disagreements b/w the parties and the tribunals concerning cost and compensation, thereby creating further procedural complications.

Additionally, the Achievement of Ad-Hoc arbitration is dependent upon legal sophistication and good faith of the both the parties. In complex international commercial disputes, poorly drafted arbitration agreements may fail to address essential procedural contingencies such as appointment mechanisms, governing rules, interim relief, or execution procedures.[36] Such deficiencies frequently result in judicial intervention and procedural delays, particularly in jurisdictions where arbitration laws are underdeveloped or courts adopt an interventionist approach toward arbitral proceedings.

Moreover, differences in national arbitration laws across jurisdictions may create additional execution challenges. Although the New York Convention facilitates recognition and execution of arbitral awards internationally, domestic courts may refuse execution on

[33] International Chamber of Commerce, *Rules of Arbitration of the International Chamber of Commerce* arts. 34–36 (2021).
[34] UNCITRAL Model Law, supra note 2.
[35] Julian D. M. Lew et al., Comparative International Commercial Arbitration 78–82 (2003).
[36] Alan Scott Rau, Everything You Really Need to Know About "Separability" in Seventeen Simple Propositions, 14 Am. Rev. Int'l Arb. 1, 15–18 (2003).

procedural grounds where arbitral proceedings are found inconsistent with mandatory legal requirements.[37] This risk is especially significant in Ad-Hoc arbitration because procedural irregularities are more likely to arise in the absence of institutional supervision.

Therefore, despite its advantages, Ad-Hoc arbitration faces several procedural and practical challenges including procedural deadlocks, absence of administrative support, uncertainty in procedural management, lack of institutional scrutiny, fee-related disputes, and increased dependence on judicial assistance. These limitations demonstrate that the effectiveness of Ad-Hoc arbitration ultimately depends upon carefully drafted arbitration agreements, cooperation between parties, and a supportive legal framework within the jurisdiction of the arbitral seat.

5. Judicial Intervention in Ad-Hoc Arbitration

The relationship between judicial authorities and Ad-Hoc arbitration is founded upon the principle of balancing judicial support with party autonomy. Although arbitration is intended to function as an alternative dispute resolution mechanism independent of traditional court litigation, the assistance of national courts remains essential for ensuring the effectiveness, legality, and enforceability of arbitral proceedings.[38] In Ad-Hoc arbitration, where no arbitral institution supervises the proceedings, the role of domestic courts becomes even more significant in facilitating the smooth functioning of the arbitral process.

6.1 Role of National Courts

National courts primarily perform a supportive and supervisory function in Ad-Hoc arbitration. Their role is not to adjudicate the merits of the commercial dispute but to assist in ensuring that the arbitral process proceeds efficiently and in accordance with the law. [39]Courts exercise such powers under domestic arbitration legislation, particularly in circumstances where procedural deadlocks or disputes arise between the parties.

One of the most important judicial functions relates to the appointment of arbitrators. In situations where the parties fail to appoint arbitrators in accordance with the arbitration agreement, courts may intervene to prevent frustration of the arbitral process.[3] For instance, u/s 11 of the Indian Arbitration and Conciliation Act, 1996, courts possess the authority to appoint

[37] *Convention on the Recognition and Execution of Foreign Arbitral Awards, supra note 11, art. V.*
[38] Gary B. Born, *supra note 1*, at 312–18 (3rd ed., 2021).
[39] Id.

arbitrators where parties are unable to reach consensus. Similar provisions exist under arbitration statutes in jurisdictions such as The Singapore and Hong Kong, reflecting international recognition of limited judicial assistance in arbitration proceedings.

Courts also play an important role in granting interim measures and protective relief. Judicial intervention may become necessary to preserve assets, secure evidence, preserve the status quo or stop irreversible damage before constitution of the arbitral tribunal.[40] Such interim assistance strengthens the effectiveness of arbitration by ensuring that the subject matter of the dispute remains protected during the pendency of proceedings.

Another significant judicial function concerns supervisory review of arbitral awards. Domestic courts possess limited authority to set aside arbitral awards on specific grounds such as procedural irregularity, lack of jurisdiction, violation of natural justice, fraud, or conflict with public policy.[41] This supervisory jurisdiction acts as a safeguard against arbitrary or unlawful arbitral decisions while preserving the integrity and legitimacy of the arbitral process.

6.2 Judicial Assistance and Supervision

Judicial assistance in Ad-Hoc arbitration is generally intended to facilitate rather than obstruct arbitration proceedings. Courts assist in matters relating to appointment and removal of arbitrators, execution of interim measures, collection of evidence, and acknowledgment and execution of arbitral awards.[42] The jurisdictions influenced by the UNCITRAL Model Law, judicial powers are carefully restricted to situations specifically permitted by statute to preserve the autonomy and efficiency of arbitration.

In arbitration-friendly jurisdictions within the Asia-Pacific region, courts have increasingly adopted a pro-arbitration strategy that strongly supports the execution of arbitral awards with little hindrance. Countries such as Singapore and Hong Kong are widely recognized for maintaining judicial frameworks that prioritize finality of arbitral awards and limit unnecessary court intervention.[43] This approach has significantly contributed to the development of these jurisdictions as leading international arbitration hubs.

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[40] Nigel Blackaby et al., *Redfern and Hunter on International Arbitration* 615–22 (7th ed., 2022).
[41] Arbitration and Conciliation Act, No. 26 of 1996, § 11 (India).
[42] UNCITRAL Model Law, supra note 2.
[43] *Id.* art. 34.

6.3 Excessive Judicial Interference and Its Impact

Despite the intended limited role of courts, excessive judicial intervention continues to remain a significant challenge in Ad-Hoc arbitration, particularly in certain developing jurisdictions. When courts exceed their supervisory role by extensively reviewing the merits of disputes or broadly interpreting public policy exceptions, the fundamental objectives of arbitration namely speed, confidentiality, cost-efficiency, and finality are substantially undermined.[44]

Frequent judicial interference often results in prolonged litigation, procedural delays, increased legal costs, and uncertainty regarding enforceability of arbitral awards. Excessive court involvement may also discourage foreign investors and commercial entities from selecting particular jurisdictions as seats of arbitration due to concerns regarding unpredictability and judicial hostility toward arbitration.[45]

In several jurisdictions within the Asia-Pacific region, arbitration reforms have been introduced to minimize unnecessary judicial interference and strengthen the autonomy of arbitral tribunals. Modern arbitration legislation increasingly reflects the principle that courts should function as facilitators of arbitration rather than alternative forums for re-litigation of disputes. [46]This trend toward minimal judicial intervention is considered essential for maintaining commercial certainty and promoting confidence in international arbitration mechanisms.

Therefore, judicial intervention in Ad-Hoc arbitration represents a carefully balanced mechanism intended to support and supervise arbitral proceedings without undermining party autonomy. While limited judicial assistance is necessary to ensure procedural effectiveness and enforceability of awards, excessive interference by courts may adversely affect the efficiency and credibility of arbitration as an alternative dispute resolution mechanism.[47]

6. Execution and Acknowledgement of Arbitral Awards

The execution of arbitral awards constitutes one of the most significant aspects of international commercial arbitration because the efficiency of the arbitral process ultimately depends upon

[44] Avtar Singh, *supra note 5,* 245–58 (12th ed., 2022).
[45] Gary B. Born & Peter B. Rutledge, International Civil Litigation in United States Courts 1280–85 (6th ed., 2018).
[46] Sundaresh Menon, *International Arbitration: The Coming of a New Age for Asia*, 19 *Sing. Acad. L.J.* 269, 274–80 (2012).
[47] Renusagar Power Co. v. General Electric Co..

the ability of parties to secure recognition and execution of awards across national borders. In international commercial transactions, arbitration is often preferred over litigation primarily because arbitral awards enjoy wider international enforceability through multilateral treaties and domestic arbitration laws.[48] The legal framework governing execution seeks to strike a balance between finality and respect for party autonomy of arbitral awards with the sovereign authority of national courts to ensure procedural fairness and public policy compliance.

7.1 Grounds for Refusal of Execution

Although the New York Convention strongly favors execution of arbitral awards, Article V of the Convention permits national courts to refuse recognition and execution under limited circumstances.[49] These grounds are narrowly construed in order to preserve the finality and effectiveness of arbitration.

One of the principal grounds for refusal arises where the arbitration agreement is invalid under the applicable law or where one of the parties lacked legal capacity to enter into the agreement. Courts may also refuse execution where the party against whom the award is invoked was not provided proper notice of arbitral proceedings or was otherwise unable to present its case, thereby violating principles of natural justice and procedural fairness.[50]

Execution may additionally be denied where the arbitral tribunal exceeded the scope of the arbitration agreement by deciding matters beyond the issues submitted for arbitration. Similarly, courts may refuse execution if the composition of the arbitral tribunal or the arbitral procedure was inconsistent with the agreement of the parties or the mandatory provisions of the law governing the arbitration.[51]

Another important ground for refusal relates to public policy. Courts may decline execution where recognition of the arbitral award would be contrary to the fundamental public policy of the enforcing state. However, modern judicial practice increasingly adopts a narrow interpretation of public policy in order to prevent misuse of the exception as a mechanism for re-examining the merits of arbitral disputes.[52]

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[48] Gary B. Born, *International Commercial Arbitration* 3671–78 (3rd ed., 2021).
[49] *Convention on the Recognition and Execution of Foreign Arbitral Awards, supra note 11, art. V.*
[50] *Id.* art. V(1)(b).
[51] *Id.* art. V(1)(c)–(d).
[52] Renusagar Power Co. v. General Electric Co..

Execution may also be refused if the arbitral award has been set aside or suspended by a competent authority in the country where the award was rendered. Nevertheless, many courts exercise caution before refusing execution solely on this basis, particularly where annulment proceedings are perceived as inconsistent with international arbitration principles.

7. Ad-Hoc Arbitration in the Asia-Pacific Regions

The Asia-Pacific regions have become as one of the most dynamic centers for international commercial arbitration due to rapid economic growth, increasing cross-border investments, and expanding international trade relations. Over the past few decades, several jurisdictions within the region have undertaken significant legislative and judicial reforms to strengthen arbitration frameworks and promote efficient dispute resolution mechanisms.[53] However, the legal treatment of Ad-Hoc arbitration differs considerably across jurisdictions, reflecting varying degrees of judicial support, procedural flexibility, and legislative modernization.

8.1 India

In India, Ad-Hoc arbitration is principally governed by the Arbitration and Conciliation Act, 1996, which is substantially based upon the UNCITRAL Model Law.[54] The Act recognizes party autonomy and seeks to minimize judicial intervention while ensuring procedural fairness and enforceability of arbitral awards. Ad-Hoc arbitration remains widely practiced in India, particularly in domestic commercial disputes and government contracts.

Section 11 of the Arbitration and Conciliation Act, 1996 plays a crucial role in facilitating Ad-Hoc arbitration by empowering the Supreme Court and High Courts to appoint arbitrators where parties fail to reach agreement regarding constitution of the arbitral tribunal.[55] This provision acts as an important safeguard against procedural deadlocks that may otherwise frustrate arbitral proceedings.

Historically, arbitration in India faced criticism due to excessive judicial intervention, procedural delays, and prolonged execution proceedings. However, recent legislative amendments and evolving judicial approaches have demonstrated a stronger pro-arbitration

[53] Nigel Blackaby et al., Redfern and Hunter on International Arbitration 701–08 (7th ed., 2022).
[54] Arbitration and Conciliation Act, No. 26 of 1996 (India).
[55] Id. § 11.

orientation. [56]Indian courts have increasingly emphasized limited judicial interference, party autonomy, and speedy execution of arbitral awards in order to strengthen India's position as an emerging center for international commercial arbitration.

8.2 Singapore

Singapore is widely regarded as one of the leading arbitration-friendly jurisdictions in the Asia-Pacific region. The country has developed a sophisticated legal framework designed to promote both institutional and Ad-Hoc arbitration. International arbitration proceedings in Singapore are governed by the International Arbitration Act, while domestic arbitrations are regulated by the Arbitration Act.[57] Both statutes are substantially influenced by the UNCITRAL Model Law and emphasize minimal judicial intervention.

Singaporean courts consistently adopt a pro-execution and arbitration-supportive approach. Judicial intervention is generally limited to circumstances expressly permitted under the legislation, such as appointment of arbitrators, interim relief, and setting aside proceedings on limited grounds.[58] In Ad-Hoc arbitrations, the President of the Singapore International Arbitration Centre Court of Arbitration may act as an appointing authority where parties fail to constitute the arbitral tribunal.

The efficiency, neutrality, and predictability of Singapore's judicial system have contributed significantly to its reputation as a preferred seat for international commercial arbitration, particularly for complex cross-border commercial disputes.

8.3 Hong Kong

Hong Kong has also established itself as a major international arbitration center within the Asia-Pacific region. Arbitration in Hong Kong is governed by the Arbitration Ordinance (Cap. 609), which incorporates the UNCITRAL Model Law and creates a unified legal framework for both domestic and international arbitration.[59]

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[56] *Bharat Aluminum Co. v. Kaiser Aluminum Technical Services Inc., (2012) 9 S.C.C. 552 (India).*
[57] International Arbitration Act 1994 (Sing.); Arbitration Act 2001 (Sing.).
[58] Sundaresh Menon, *International Arbitration: The Coming of a New Age for Asia*, 19 *Sing. Acad. L.J.* 269, 274–86 (2012).
[59] *Arbitration Ordinance*, (2011) Cap. 609 (H.K.).

Hong Kong adopts a strong policy favoring party autonomy and limited judicial interference. Courts generally refrain from interfering with arbitral proceedings except in narrowly defined circumstances permitted by law. Section 24 of the Arbitration Ordinance authorizes the Hong Kong International Arbitration Centre to act as the default appointing authority in Ad-Hoc arbitration proceedings where parties fail to agree on appointment procedures.[60]

The combination of judicial independence, modern arbitration legislation, and strategic geographic location has made Hong Kong a preferred arbitral seat for commercial disputes involving parties from Asia and international markets.

8.4 Australia

Australia maintains a highly developed arbitration framework supportive of Ad-Hoc arbitration. International arbitration proceedings are governed by the International Arbitration Act 1974 (Cth), which expressly adopts the UNCITRAL Model Law as the procedural foundation for international arbitrations seated in Australia.[61]

Australian courts generally adopt a non-interventionist approach consistent with international arbitration standards. The legal framework strongly emphasizes party autonomy, enforceability of arbitral agreements, and recognition of foreign arbitral awards under the New York Convention[62]. Australian jurisprudence has consistently reinforced the principle that courts should support rather than obstruct arbitral proceedings.

The country's transparent legal system, independent judiciary, and adherence to international arbitration principles have strengthened Australia's reputation as a reliable jurisdiction for international commercial arbitration within the Asia-Pacific region.

8.5 China

China has traditionally maintained a comparatively restrictive approach toward Ad-Hoc arbitration. Historically, Chinese arbitration law required arbitration proceedings to be administered by officially recognized arbitration commissions, thereby limiting the scope for

[60] Id. § 24.
[61] *International Arbitration Act* 1974 (Cth) (Austl.).
[62] Convention on the Recognition and Execution of Foreign Arbitral Awards, supra note 11, art. V.

purely Ad-Hoc arbitration. [63]This institutional preference distinguished China from many Model Law jurisdictions that recognize broader party autonomy in arbitral proceedings.

However, recent legal developments indicate a gradual shift toward modernization and greater procedural flexibility. Reforms introduced under the Arbitration Law of the People's Republic of China, particularly in relation to foreign-related commercial disputes and designated Free Trade Zones, have expanded recognition of Ad-Hoc arbitration mechanisms.[64] These reforms reflect China's broader effort to align its arbitration framework with international commercial practices and enhance its attractiveness as a venue for cross-border dispute resolution.

Despite these developments, judicial supervision in China continues to play a comparatively stronger role than in jurisdictions such as Singapore or Hong Kong. Nevertheless, ongoing legislative reforms demonstrate increasing openness toward international arbitration standards and evolving acceptance of Ad-Hoc arbitration in specialized commercial contexts.

The Asia-Pacific region demonstrates diverse approaches toward Ad-Hoc arbitration, ranging from highly arbitration-friendly jurisdictions such as Singapore and Hong Kong to evolving systems undergoing substantial legal reform, such as India and China. While differences remain in relation to judicial intervention, procedural flexibility, and legislative frameworks, the overall regional trend reflects growing recognition of arbitration as an essential mechanism for resolving international commercial disputes. Continued harmonization with international arbitration standards and adoption of pro-arbitration judicial policies are likely to further strengthen the role of Ad-Hoc arbitration within the Asia-Pacific region.

8. Recent Developments and Reform Trends

The legal and institutional framework governing Ad-Hoc arbitration in the Asia-Pacific region has experienced substantial transformation in recent years. Between 2024 and 2026, several jurisdictions introduced legislative reforms, judicial developments, and technological innovations aimed at strengthening arbitration systems and improving the efficiency of cross-border commercial dispute resolution.[65] These developments reflect a broader regional

[63] *Arbitration Law of the People's Republic of China* (promulgated by the Standing Comm. Nat'l People's Cong., Aug. 31, 1994, effective Sept. 1, 1995).
[64] Weixia Gu, *China's Emerging Approach Toward Ad-Hoc Arbitration and Free Trade Zone Reforms*, 35 *J. Int'l Arb.* 453, 460–68 (2018).

[65] Nigel Blackaby et al., *Redfern and Hunter on International Arbitration* 721–30 (7th ed., 2022).

objective of enhancing international competitiveness, reducing procedural delays, and aligning domestic arbitration frameworks with evolving global standards.

9.1 Institutional Support for Ad-Hoc Arbitration

One of the most significant contemporary developments in the APAC region arbitration landscape is the increasing institutional support extended toward Ad-Hoc arbitration proceedings. Traditionally, Ad-Hoc arbitration operated entirely independent of arbitral institutions. However, leading arbitration centers like the Hong Kong International Arbitration Center and the Singapore International Arbitration Center have increasingly assumed supportive administrative functions in non-administered proceedings.[66]

Rather than exercising complete institutional control over arbitral proceedings, these institutions now frequently act as appointing authorities, fund holders, and providers of limited administrative assistance in Ad-Hoc arbitrations. This hybrid approach preserves the flexibility and cost-effectiveness associated with Ad-Hoc arbitration while simultaneously reducing procedural uncertainties and risks of deadlock. For instance, u/s 24 of the Hong Kong Arbitration Ordinance, the HKIAC may function as an appointing authority where parties fail to agree on constitution of the arbitral tribunal[67]. Similarly, developments under the SIAC framework have strengthened institutional assistance for Ad-Hoc proceedings without undermining party autonomy.

This evolving model demonstrates a significant shift toward combining procedural flexibility with limited institutional safeguards in order to enhance efficiency and enforceability of arbitral proceedings.

9.2 Digital and Online Arbitration Mechanisms

Technological innovation has also significantly influenced the development of Ad-Hoc arbitration in the Asia-Pacific region. The increasing use of digital platforms, virtual hearings,

[66] Singapore International Arbitration Centre, *Singapore International Arbitration Centre Rules* (2025); Hong Kong International Arbitration Centre, *Hong Kong International Arbitration Centre Administered Arbitration Rules* (2024).
[67] *Arbitration Ordinance*, (2011) Cap. 609, § 24 (H.K.).

electronic submissions, and online evidence management systems has modernized arbitral procedures and reduced logistical barriers associated with international commercial disputes.[68]

Following the global transition toward remote dispute resolution mechanisms after the COVID-19 pandemic, several jurisdictions formally recognized online arbitration procedures through legislative reforms and judicial acceptance. Emerging technologies such as artificial intelligence-based case management systems and blockchain-supported evidentiary authentication mechanisms are increasingly being integrated into arbitral proceedings in order to improve procedural efficiency, transparency, and data security.

Recent reforms in China have particularly emphasized recognition of electronic arbitration procedures and online hearings in foreign-related commercial disputes[69]. These developments indicate a broader regional movement toward digitalization of arbitration and adaptation of dispute resolution systems to contemporary commercial practices.

9.3 Emergency Arbitration and Interim Measures

Another important reform trend concerns the strengthening of emergency arbitration mechanisms and interim relief procedures. Modern commercial disputes frequently require urgent protective measures before constitution of the arbitral tribunal, particularly in matters involving preservation of assets, confidential information, or contractual rights.

Several jurisdictions in the Asia-Pacific region have expanded judicial and legislative recognition of emergency arbitrator decisions. In India, significant judicial developments following the decision in Amazon.com NV Investment ***Holdings LLC v. Future Retail Ltd.*** [70]reinforced the enforceability of emergency arbitral awards and strengthened the role of interim relief within arbitration proceedings[71]. Subsequent reform proposals and judicial interpretations have sought to facilitate greater enforceability of emergency relief granted in Ad-Hoc arbitration settings.

Similarly, jurisdictions such as Singapore and Hong Kong continue to support emergency arbitration through arbitration-friendly legislation and judicial recognition of interim measures

[68] Gary B. Born, *supra note 1, Arbitration* 4021–28 (3rd ed., 2021).
[69] *Arbitration Law of the People's Republic of China* (Amended 2026).
[70] Amazon.com NV Investment Holdings LLC v. Future Retail Ltd..
[71] Sundaresh Menon, *International Arbitration: The Coming of a New Age for Asia*, 19 *Sing. Acad. L.J.* 269, 286–91 (2012).

issued by arbitral tribunals and emergency arbitrators[72]. These developments have enhanced the effectiveness and commercial utility of Ad-Hoc arbitration in urgent cross-border disputes.

9.4 Legislative Amendments and Judicial Reforms

The period between 2024 and 2026 has also witnessed substantial legislative reforms across the Asia-Pacific region aimed at modernizing arbitration laws and harmonizing domestic frameworks with international standards.

One of the most significant developments has occurred in China, where reforms introduced under the amended Arbitration Law of the People's Republic of China expanded the scope for Ad-Hoc arbitration in foreign-related disputes and designated Free Trade Zones.[73] Historically, Chinese arbitration law required arbitration proceedings to be administered by officially recognized arbitration commissions. The recent reforms represent a substantial shift toward recognition of procedural flexibility and alignment with international commercial arbitration practices.

In Singapore, ongoing consultations concerning reforms to the International Arbitration Act have explored mechanisms for enhancing legal certainty while maintaining the principle of minimal judicial intervention.[74] These discussions reflect Singapore's continuing effort to preserve its position as a leading global arbitration hub while adapting to evolving commercial and procedural demands.

Across the region, judicial reforms have increasingly emphasized the doctrine of minimal court intervention, recognition of party autonomy, and execution of arbitral awards in accordance with international standards such as the **New York Convention**[75]. Courts in leading arbitration jurisdictions now generally adopt a facilitative rather than interventionist approach toward arbitral proceedings.

Recent developments in the Asia-Pacific region demonstrate a clear movement toward modernization, procedural efficiency, and international harmonization in Ad-Hoc arbitration.

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[72] Weixia Gu, China's Emerging Approach Toward Ad-Hoc Arbitration and Free Trade Zone Reforms, 35 J. Int'l Arb. 453, 468–74 (2018).

[73] International Arbitration Act 1994 (Sing.); Ministry of Law, Singapore, Public Consultation on Proposed Reforms to the International Arbitration Act (2025).

[74] *Convention on the Recognition and Execution of Foreign Arbitral Awards, supra note 11, art. V.*

[75] Id.

Institutional assistance for Ad-Hoc proceedings, digital dispute resolution mechanisms, emergency arbitration reforms, and legislative modernization collectively reflect the growing importance of arbitration in international commercial transactions. Although approaches continue to differ among jurisdictions, the broader regional trend favors enhanced flexibility, limited judicial intervention, and stronger execution mechanisms. These reforms are likely to further strengthen the credibility and effectiveness of Ad-Hoc arbitration as a preferred approach to settling international business disputes in the Asia-Pacific area.

9.5 Important Judicial Decisions Related to Ad-Hoc Arbitration

The period between 2024 and 2026 has witnessed several significant judicial decisions that have substantially influenced the development of Ad-Hoc arbitration within the Asia-Pacific region. These decisions have clarified important legal principles concerning judicial intervention, sovereign immunity, enforceability of arbitral awards, scope of court supervision, and procedural fairness in arbitration proceedings. Collectively, these judicial developments reflect a broader trend toward strengthening the effectiveness and credibility of Ad-Hoc arbitration while maintaining limited judicial oversight consistent with international arbitration standards.[76]

9.6 Gayatri Balasamy v. ISG Novasoft

In India, the Supreme Court delivered an important judgment in **Gayatri Balasamy v. ISG Novasoft, [2025 INSC 605]**, concerning the extent of judicial powers u/s 34 of the Arbitration Act[77]

A Constitution Bench clarified that courts possess only a limited and narrowly tailored corrective jurisdiction while reviewing arbitral awards. The Court held that modification of an arbitral award may be permissible only in exceptional situations where the defective portion of the award is clearly severable, such as cases involving arithmetical mistakes, clerical errors, or jurisdictional excesses. However, courts are not allowed to undertake a re-evaluation of the merits of dispute or substitute their own interpretation for that of the arbitral tribunal.

[76] Nigel Blackaby et al., *Redfern and Hunter on International Arbitration* 733–42 (7th ed., 2022).
[77] Gayatri Balasamy v. ISG Novasoft.

This judgment significantly strengthened the doctrine of minimal judicial intervention and reinforced the principle of finality of arbitral awards in India.

9.7 M/S Shree Binayak Infra Case[78]

Another important judicial development in India emerged from the verdict of the Delhi High Court in ***M/S Shree Binayak Infra v. Ms Legit Hospitality Pvt. Ltd. & Ors*** [79]The case concerned appointment of arbitrators u/s **11(6)** of the Arbitration Act, 1996.

The Court applied what has been described as the "eye of the needle" principle, emphasizing that judicial scrutiny at the pre-reference stage must remain extremely limited. The Court held that while considering an application for appointment of arbitrators, judicial authorities are confined to a initial assessment of whether a legitimate arbitration agreement exists and should not examine substantive merits of the dispute.

This approach reflects India's continuing movement toward reducing judicial interference at preliminary stages of arbitral proceedings and preserving the autonomy of arbitral tribunals.

9.8 DEM v. DEL

The Singapore High Court's ruling in Singapore in ***DEM v. DEL [2025] 1 SLR 29*** further reinforced Singapore's reputation as an arbitration-friendly jurisdiction.[80]

The Court observed that a party who intentionally declines participation in Ad-Hoc arbitral proceedings cannot subsequently seek to challenge the award on grounds of alleged breach of natural justice u/s 24 of the International Arbitration Act. The judgment emphasized that arbitration proceedings cannot be strategically avoided for the goal of later obstructing execution of the award.

This decision demonstrates the strong judicial commitment in Singapore toward protecting the integrity and finality of arbitral proceedings while discouraging abusive procedural tactics.

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[78] *M/S Shree Binayak Infra Developers Pvt. Ltd. v. Ms Legit Hospitality Pvt. Ltd. & Ors.*, ARB.P. 1868/2025, Delhi High Court (Feb. 11, 2026)
[79] *Id.*
[80] DEM v. DEL.

9.9 CCC v. AAC

The First Instance Court of Hong Kong addressed procedural validity, and notice requirements in Ad-Hoc arbitration in *CCC v. AAC* [2025] HKCFI 2987[81]. The Court examined whether service of arbitration notices through electronic means, including SMS-linked notifications, constituted valid notice u/s 81 of the Arbitration Ordinance (Cap. 609).

The Court ruled that electronic service may satisfy statutory notice requirements where the respondent possesses actual knowledge of the arbitral proceedings. This decision reflects the growing judicial acceptance of technological innovation and digital communication methods within modern arbitration practice.

9.10 China and the Arbitration Law Reforms (2026)

Recent reforms to the Arbitration Law of the People's Republic of China have also produced significant judicial developments concerning Ad-Hoc arbitration. Following the introduction of Article 82 under the amended legislation, The China Supreme People Court issued judicial observation elucidating the treatment of Ad-Hoc arbitral awards rendered in designated Free Trade Zones involving foreign-related disputes.[82]

The judicial guidance emphasized that Ad-Hoc arbitral awards satisfying statutory "foreign-related" requirements are entitled to the same degree of judicial deference and enforceability as institutional arbitral awards. This development show a significant change in China's

historically institution-centered arbitration framework and demonstrates increasing alignment with international arbitration standards.

Recent judicial decisions across the Asia-Pacific region demonstrate a continuing movement toward strengthening the legitimacy, enforceability, and procedural autonomy of Ad-Hoc arbitration. Court in jurisdiction such as India, Singapore, Hong Kong, Australia, and China, increasingly emphasized principles of minimal judicial intervention, finality of arbitral awards, and support for international arbitration mechanisms. At the same time, these decisions clarify important limitations concerning sovereign immunity, procedural fairness, and enforceability

[81] CCC v. AAC.
[82] *Arbitration Law of the People's Republic of China* (Amended 2026); *Judicial Interpretation of the Supreme People's Court on Foreign-Related Ad-Hoc Arbitration in Free Trade Zones* (2026).

standards. Collectively, these developments indicate that modern judicial systems within the Asia-Pacific region are increasingly functioning as facilitators of arbitration rather than obstacles to the arbitral process.

9. Challenges Faced by Ad-Hoc Arbitration in International Trade

Ad-Hoc arbitration has become an important mechanism for resolving dispute raising out of international commercial transactions due to its flexibility, confidentiality, and emphasis on party autonomy. Nevertheless, despite these advantages, Ad-Hoc arbitration continues to face several practical and procedural challenges that may affect its efficiency and enforceability[83]. In recent years, particularly between 2024 and 2026, evolving geopolitical tensions, increasing cross-border trade disputes, technological developments, and growing judicial scrutiny have exposed structural limitations within the Ad-Hoc arbitration framework, especially within the Asia-Pacific region.

10.1 Procedural Deadlocks and Non-Cooperation of Parties

The significant challenges associated with ad-hoc arbitration is the absence of an institutional administrative mechanism capable of resolving procedural deadlocks. Unlike institutional arbitration, where arbitral institutions intervene when parties fail to cooperate, Ad-Hoc arbitration depends heavily upon mutual participation and procedural coordination between the disputing parties.[84]

Situations frequently arise where one party deliberately refuses to appoint an arbitrator, declines participation in proceedings, or obstructs procedural progress in bad faith. In such circumstances, the arbitral process may come to a standstill unless judicial intervention is sought. Domestic courts are therefore often required to intervene for appointment of arbitrators or procedural assistance under provisions such as **Sec. 11 of the Arbitration Act** in India or corresponding provisions in other jurisdictions.[85]

This dependence on court intervention undermines one of the principal objectives of arbitration namely, avoidance of prolonged judicial litigation and often results in additional costs, delays,

[83] Gary B. Born, *supra note 1,* 4215–22 (3rd ed., 2021).
[84] UNCITRAL Model Law, supra note 2.
[85] Convention on the Recognition and Execution of Foreign Arbitral Awards, supra note 11, art. V.

and procedural complexity.

10.2 Absence of Institutional Scrutiny and Quality Control

Another important limitation of Ad-Hoc arbitration is the lack of institutional supervision over the arbitral award. In institutional arbitration, organizations such as the Chamber of Commerce International or the Singapore Arbitration Centre generally scrutinize draft awards before final issuance in order to identify procedural inconsistencies, jurisdictional defects, or drafting errors.[86]

In Ad-Hoc arbitration, no comparable review mechanism exists. Consequently, arbitral awards may contain technical defects, ambiguities, or procedural irregularities that increase the risk of judicial challenge during execution proceedings. Although courts in several arbitration-friendly jurisdictions have adopted a limited interpretation of public policy objections in the New York Convention, improperly drafted awards remain vulnerable to challenges concerning due process, excess of jurisdiction, or procedural unfairness.[87]

This absence of institutional quality control can greatly impact the execution and finality of arbitral rulings in international commercial disputes.

10.3 Administrative and Financial Difficulties

Ad-Hoc arbitration is frequently regarded as a cost-effective alternative to institutional arbitration because it eliminates institutional administrative fees. However, in complex international trade disputes, the absence of institutional support may itself generate additional financial and logistical burdens.[88]

In Ad-Hoc proceedings, arbitrators and parties are required to independently manage procedural administration, including hearing arrangements, document management, financial deposits, scheduling, transcription services, and communication between parties. Professional arbitrators often charge higher professional fees to compensate for these additional administrative responsibilities.

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[86] Singapore International Arbitration Centre, *Singapore International Arbitration Centre Rules* (2025); *Arbitration Ordinance*, (2011) Cap. 609, § 24 (H.K.).
[87] Nigel Blackaby et al., *Redfern and Hunter on International Arbitration* 92–98 (7th ed., 2022).
[88] Gary B. Born, *supra note 5* 4021–28 (3rd ed., 2021).

Furthermore, the absence of standardized fee structures may lead to disputes concerning arbitrator remuneration and allocation of procedural costs. In large-scale international disputes involving multiple parties, these administrative complications may substantially reduce the perceived economic advantages of Ad-Hoc arbitration.

10.4 Judicial Intervention and Legislative Policy Shifts

Excessive judicial intervention remains a pivotal challenge affecting the effectiveness of ad-hoc arbitration in several jurisdictions. Although modern arbitration law generally promotes minimal judicial interference, courts in some jurisdictions continue to exercise broad supervisory powers over arbitral proceedings and awards.[89]

In recent years, certain legislative reforms within the Asia-Pacific region have demonstrated increasing preference toward institutional arbitration models. In India, proposed amendments to arbitration legislation have reflected concerns regarding delays and inefficiencies frequently associated with Ad-Hoc arbitration proceedings. [90]Such developments indicate a policy trend favoring institutional arbitration as a means of improving procedural discipline and reducing judicial backlog.

Excessive court intervention may significantly undermine the advantages of arbitration by transforming arbitral disputes into prolonged litigation processes. Broad judicial interpretation of concepts such as public policy or procedural irregularity may weaken, the finality of arbitral awards and discourage international commercial parties from selecting Ad-Hoc arbitration mechanisms.

10.5 Technological and Digital Challenges

The swift digitization of global commerce has introduced new challenges for Ad-Hoc arbitration proceedings. Increasing use of blockchain-based contracts, electronic evidence, virtual hearings, and artificial intelligence-driven commercial systems requires advanced technological infrastructure and cybersecurity safeguards.[91]

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[89] Renusagar Power Co. v. General Electric Co..
[90] Avtar Singh, *supra note 5,* 315–22 (12th ed., 2022).
[91] Sundaresh Menon, *International Arbitration: The Coming of a New Age for Asia*, 19 *Sing. Acad. L.J.* 269, 286–91 (2012).

Institutional arbitral bodies increasingly provide secure digital platforms, data protection protocols, and technological support services as part of their administrative framework. In contrast, Ad-Hoc arbitration proceedings often lack standardized technological infrastructure, thereby increasing risks relating to cybersecurity breaches, unauthorized access to confidential information, and disputes concerning authenticity of digital evidence.

These technological limitations may reduce the attractiveness of Ad-Hoc arbitration for disputes involving high-technology industries, digital trade, intellectual property, and electronic commerce where secure digital procedures are essential.

10.6 Execution Difficulties and Sovereign Immunity

Arbitral award execution continues to be one of the most critical challenges in international arbitration, particularly in disputes involving sovereign states or state-controlled entities. Although the New York Convention showcase a global framework for recognition and execution of arbitral awards, practical execution obstacles continue to arise in treaty-based and state-related disputes.[92]

Recent judicial decisions such as *CCDM Holdings, LLC & Ors v. Republic of India* [2026] HCA 9 [93]illustrate the continuing significance of sovereign immunity defenses in execution proceedings involving Ad-Hoc arbitral awards. [94]In such cases, states may invoke immunity from execution or jurisdiction in order to resist execution of arbitral awards before domestic courts.

The absence of institutional backing in Ad-Hoc arbitration may also weaken the perceived authority and diplomatic weight associated with execution proceedings. Consequently, the execution stage often becomes the most prolonged and difficult aspect of dispute resolution in state-related international commercial disputes.

Although Ad-Hoc arbitration remains an important mechanism for resolving international commercial disputes, it faces numerous structural, procedural, technological, and execution-related challenges. Procedural deadlocks, lack of institutional supervision, administrative

[92] Gary B. Born, *Supra 5,* 4021–28 (3rd ed., 2021).
[93] CCDM Holdings, LLC & Ors v. Republic of India.
[94] Ministry of Law & Justice, Government of India, *Draft Arbitration and Conciliation (Amendment) Bill* (2025).

burdens, judicial interference, digital vulnerabilities, and sovereign immunity defenses continue to affect the efficiency and reliability of Ad-Hoc proceedings. Nevertheless, ongoing legislative reforms and evolving judicial approaches within the Asia-Pacific region indicate increasing efforts to address these limitations while preserving the flexibility and autonomy that characterize Ad-Hoc arbitration. The future effectiveness of Ad-Hoc arbitration will largely depend upon balanced judicial support, modernized procedural frameworks, and harmonization with international arbitration standards.

10. Suggestions and Recommendations

The increasing Ad-Hoc arbitration's continued significance as a versatile and party-focused dispute resolution process is demonstrated by its application in international business transactions. However, the practical challenges associated with procedural uncertainty, judicial intervention, execution difficulties, and technological limitations indicate the need for substantial legal and institutional reforms. In order to enhance the effectiveness and reliability of Ad-Hoc arbitration within the Asia-Pacific region, several measures may be adopted by legislators, judicial authorities, arbitral tribunals, and commercial stakeholders.

11.1 Strengthening Legislative Frameworks

One of the foremost requirements is the modernization and harmonization of domestic arbitration laws in accordance with internationally accepted such as the UNCITRAL Model Law. Several jurisdictions within the Asia-Pacific region still retain procedural ambiguities and excessive judicial powers that undermine arbitral autonomy.[95]

Legislatures should enact clear statutory provisions governing appointment of arbitrators, interim measures, emergency arbitration, affirmation of digital proceedings, and execution of arbitral awards. Domestic laws should also expressly restrict judicial intervention to narrowly defined circumstances in order to preserve the finality and efficiency of arbitration proceedings.

Countries that continue to maintain restrictive approaches toward Ad-Hoc arbitration should introduce reforms recognizing greater procedural autonomy and enforceability of Ad-Hoc arbitral awards, particularly in international commercial disputes.

[95] *Convention on the Recognition and Execution of Foreign Arbitral Awards, supra note 11, art. V.*

11.2 Encouraging Minimal Judicial Intervention

Judicial support is essential for effective arbitration; however, excessive court interference frequently defeats the objectives of arbitration by causing delays and increasing litigation costs. Courts should therefore adopt a pro-arbitration approach consistent with the principle of minimal judicial intervention recognized under the UNCITRAL Model Law and the New York Convention.[96]

Judicial authorities should refrain from conducting extensive reviews of Merit-based arbitral awards made under the pretense of public policy or procedural irregularity. Instead, courts should limit their supervisory role to ensuring procedural fairness, jurisdictional validity, and compliance with fundamental principles of natural justice.

Specialized arbitration benches and judicial training programs may also be established to improve judicial understanding of international commercial arbitration principles and reduce inconsistent judicial approaches.

11.3 Promoting Institutional Assistance for Ad-Hoc Arbitration

Although Ad-Hoc arbitration is designed to function independently of arbitral institutions, limited institutional support can significantly improve procedural efficiency without undermining party autonomy. Arbitration organizations like the Hong Kong International Arbitration Center and the Singapore International Arbitration Center have already demonstrated the usefulness of providing appointing authority services, procedural assistance, and administrative support in Ad-Hoc proceedings.[97]

Jurisdictions within the Asia-Pacific region should encourage development of similar hybrid models where arbitral institutions may provide optional administrative assistance for Ad-Hoc proceedings. Such support would reduce procedural deadlocks, improve logistical coordination, and strengthen enforceability of arbitral awards.

11.4 Standardization of Arbitration Clauses

Poorly drafted arbitration agreements remain one of the major causes of procedural disputes

[96] International Chamber of Commerce, Rules of Arbitration of the International Chamber of Commerce arts. 34–36 (2021).
[97] *Arbitration and Conciliation Act*, No. 26 of 1996, § 11 (India).

and execution difficulties in Ad-Hoc arbitration. Commercial parties should therefore adopt carefully drafted arbitration clauses clearly specifying the seat of arbitration, governing procedural rules, method of appointment of arbitrators, language of proceedings, and applicable substantive law.[98]

Model arbitration clauses prepared by international organizations such as the U.N. Commission on International Trade Law may be widely promoted to reduce uncertainty and procedural ambiguity. Legal practitioners and commercial entities should also prioritize professional drafting assistance while negotiating international commercial contracts.

11.5 Integration of Technology and Digital Infrastructure

The rapid digitalization of international trade requires modernization of arbitral procedures through technological integration. Governments and arbitral institutions should develop secure digital platforms for online hearings, electronic filing, virtual evidence presentation, and encrypted communication systems.[99]

Ad-Hoc arbitration proceedings should adopt internationally recognized cybersecurity protocols and digital evidence management systems to ensure procedural integrity and confidentiality. Artificial intelligence-assisted document review, blockchain-based evidence authentication, and secure cloud-based record systems may significantly improve efficiency and reliability in complex international disputes.

Additionally, legal frameworks should formally recognize electronic awards, virtual hearings, and digital signatures to facilitate modern commercial dispute resolution practices.

11.6 Promoting Regional Cooperation in the Asia-Pacific Region

Regional cooperation among Asia Pacific jurisdictions is essential for strengthening arbitration standards and ensuring consistency in execution practices. Governments and arbitral institutions should collaborate through regional arbitration forums, bilateral agreements, and legal harmonization initiatives.[100]

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[98] *Convention on the Recognition and Execution of Foreign Arbitral Awards, supra note 11, art. V.*
[99] Renusagar Power Co. v. General Electric Co..
[100] Avtar Singh, *Supra note 5,* 315–22 (12th ed., 2022).

Such cooperation may facilitate exchange of best practices, development of common procedural standards, and greater consistency in judicial interpretation of arbitration laws. Regional harmonization would significantly improve predictability and commercial confidence in Ad-Hoc arbitration across cross-border trade transactions.

11.7 Capacity Building and Professional Training

The efficiency of Ad-Hoc arbitration lies significantly upon the competence and expertise of arbitrators, lawyers, and judicial authorities. Governments, universities, and arbitral institutions should therefore invest in specialized arbitration education and professional training programs.[101]

Training initiatives should focus on international commercial arbitration principles, procedural management, digital arbitration technologies, and comparative arbitration jurisprudence. Greater participation of legal professionals from developing jurisdictions in international arbitration forums would also contribute toward harmonization of regional arbitration practices.

11. Conclusion

Ad-Hoc arbitration has evolved into an indispensable mechanism for resolving disputes arising from international commercial transactions, particularly within the rapidly developing economies of the Asia-Pacific region. Its essential tenets of procedural flexibility and party sovereignty, confidentiality, and neutrality make it an attractive alternative to traditional court litigation and institutional arbitration. By allowing parties to independently determine procedural rules, appoint arbitrators of specialized expertise, and structure proceedings according to commercial necessities, Ad-Hoc arbitration preserves the consensual and flexible character that historically defined international commercial dispute resolution.

The study demonstrates that the legal framework governing Ad-Hoc arbitration is founded upon a complex interaction between international conventions, procedural rules, and domestic arbitration laws. International instruments like the UNCITRAL Model Law and the New York Convention have played a decisive role in strengthening the enforceability and legitimacy of

[101] Sundaresh Menon, *International Arbitration: The Coming of a New Age for Asia*, 19 *Sing. Acad. L.J.* 269, 286–91 (2012).

arbitral awards across jurisdictions. Simultaneously, domestic legal systems and judicial institutions continue to exercise an essential supportive role through appointment of arbitrators, grant of interim measures, and supervision of arbitral proceedings.

Nevertheless, the research further establishes that Ad-Hoc arbitration continues to face significant procedural and structural challenges. The absence of institutional administration frequently gives rise to procedural deadlocks, appointment disputes, administrative burdens, and uncertainties regarding procedural conduct. Excessive judicial intervention in certain jurisdictions further undermines the effictiveness, confidentiality, and finality that arbitration seeks to achieve. Execution-related challenges, particularly in disputes involving sovereign states, public policy objections, and inconsistencies in domestic legal systems, continue to affect the practical effectiveness of arbitral awards in international commerce.

The comparative analysis of the Asia-Pacific region reveals varying approaches toward Ad-Hoc arbitration. Jurisdictions such as Singapore and Hong Kong have developed highly arbitration-friendly legal systems characterized by minimal judicial interference, strong execution mechanisms, and modern legislative frameworks. India has progressively moved toward a pro-arbitration approach through judicial and statutory reforms aimed at reducing procedural delays and strengthening party autonomy. China, although historically restrictive toward Ad-Hoc arbitration, has recently demonstrated significant movement toward modernization and greater recognition of international arbitration practices through legislative reforms and judicial developments.

Recent developments between 2024 and 2026 further indicate a transformative phase in international arbitration practice. The increasing use of digital hearings, electronic evidence management systems, emergency arbitration procedures, and limited institutional assistance in Ad-Hoc proceedings reflects the adaptation of arbitration mechanisms to contemporary commercial realities. Judicial decisions across the Asia-Pacific region increasingly emphasize principles of minimal judicial intervention, enforceability of arbitral awards, and protection of arbitral autonomy, thereby strengthening confidence in arbitration as an effective mechanism for international dispute resolution.

In conclusion, Ad-Hoc arbitration remains a highly relevant method for resolving international commercial disputes, particularly in a globalized economic environment characterized by complex cross-border transactions. However, its continued success depends upon balanced

judicial support, harmonization of domestic arbitration laws, modernization of procedural frameworks, and adherence to internationally accepted execution standards. Strengthening legal certainty, reducing unnecessary judicial interference, and promoting technological and procedural reforms are essential for ensuring that Ad-Hoc arbitration continues to function as a reliable, efficient, and commercially viable dispute resolution mechanism within the Asia-Pacific region and beyond.