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IMPLICATIONS OF THE AMENDMENT OF KCAB INTERNATIONAL ARBITRATION RULES (EFFECTIVE ON JANUARY 1, 2026)

I. INTRODUCTION

KCAB International—the international division of the Korean Commercial Arbitration Board—implemented the fully revised International Arbitration Rules ("**2026 Rules**") on January 1, 2026.[1] This amendment is of particular significance in that it represents a comprehensive overhaul of the KCAB arbitration framework. By introducing a range of procedures that reflect international trends, clarifying the role of the Secretariat, and establishing the International Arbitration Court, the revision fundamentally restructures both the arbitration process and the institutional roles within KCAB. The revisions aim to enhance procedural efficiency and flexibility, improve transparency and the quality of arbitral awards, reinforce the integrity of proceedings, incorporate technical innovations, and align KCAB procedures with those of leading arbitral institutions such as the ICC, SIAC, and HKIAC.

II. ESTABLISHMENT OF THE INTERNATIONAL ARBITRATION COURT

A major highlight of the revision is the establishment of the International Arbitration Court. This independent decision-making body oversees key aspects of proceedings, including:

- *appointment and administration of arbitrators,*
- *supervision of multi-party and multi-contract proceedings, and*
- *scrutiny of awards.*

The Court comprises both domestic and international experts, enhancing independence and credibility.

1) Arbitrator Appointment and Administration

The Court is now involved in determining the number of arbitrators (Article 11), appointment and confirmation of arbitrators (Articles 12 and 13), handling challenges (Article 14), and replacing arbitrators (Article 15), thereby supporting procedural efficiency.

2) Multi-party/Multi-contract Case Management

The role of the International Arbitration Court is even more important in conjunction with the multi-party/multi-contract disputes. The Court exercises *prima facie* authority over

1 Unless the parties agree otherwise, the 2026 Rules apply to international arbitration cases filed with KCAB or submitted to arbitration under the KCAB International Arbitration Rules pursuant to a written arbitration agreement executed on or after January 1, 2026 (Articles 1.9 and 3.1).

joinder, consolidation, and single-arbitration requests (Articles 21.1, 22.2, and 23).[2] This enables early oversight and prevents misuse of procedural tools in ways that circumvent jurisdictional limits or the parties' agreement.

3) *Prima Facie* Determination on Jurisdiction

The 2026 Rules introduced *prima facie* jurisdictional determinations in specific circumstances, including when respondents fail to file an Answer or when jurisdictional objections arise before the tribunal is constituted (Articles 26.5 and 26.6) or if a single arbitration is requested under multi-party and multi contract procedure (Article 22.1).[3]

4) Award Scrutiny

Award scrutiny has been strengthened. Under Article 40, not only final awards but also partial, interim, interlocutory, and consent awards are subject to review. The Secretary-General conducts an initial review and may refer the matter to the International Arbitration Court. This mechanism does not alter the tribunal's substantive decisions but ensures procedural integrity—reducing risks of annulment for *ultra petita* or *infra petita* acts, insufficient reasoning, due process violations, technical errors, etc.

III. ENHANCED MECHANISMS FOR EXPEDITED DISPUTE RESOLUTION

A key feature of the 2026 Rules is the introduction and refinement of expedited procedures. By distinguishing between the Expedited Procedure and the Fast-Track Procedure, the Rules enhance predictability regarding applicable procedures and expected timelines based on the amount in dispute. The Rules also introduce an Early Determination mechanism and reorganize the Emergency Arbitrator regime to support faster and more cost-effective dispute resolution.

1) Expedited Procedure

In order to enhance procedural efficiency, the scope of application of the Expedited Procedure has been expanded. For arbitration agreements executed on or after January 1, 2026, the Expedited Procedure applies to disputes where the amount in dispute exceeds KRW 500 million but does not exceed KRW 4 billion. As a general rule, the arbitral tribunal shall consist of a sole arbitrator, who is required to render the award within six months from the constitution of the tribunal (Article 48.1).

In particular, the 2026 Rules introduce a separate deadline for the submission of a draft award—set at 30 days from the date of the final hearing or the final submissions. By doing so, the Rules incorporate a mechanism designed to enhance procedural transparency and to effectively ensure compliance with the time limits for the issuance of awards.

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2 Notwithstanding any determination made by the International Arbitration Court, the tribunal retains ultimate power to rule on its own jurisdiction (Articles 21.2, 22.3, and 26.1).

3 The arbitral tribunal has final authority to decide any question relating to jurisdiction (Article 26).

To expedite proceedings, the tribunal may limit the number of submissions and witness statements or decline additional evidence after hearing the parties. Unless the parties agree otherwise, the tribunal may also conduct the proceedings on a documents-only basis without an oral hearing (Article 47).[4] This framework is expected to benefit small and medium-sized international disputes by offering a faster and more economical path to resolution.

2) Fast-Track Procedure

In addition to the expansion of the Expedited Procedure, the 2026 Rules introduce a Fast-Track Procedure applicable to disputes with an amount in dispute of KRW 500 million or less, where the arbitration agreement is concluded on or after Jan 1, 2026. Designed for cases with a relatively greater need for swift resolution, this streamlined procedure strengthens procedural efficiency by setting an ambitious time limit for rendering an award—within three months from the constitution of the arbitral tribunal—as well as shortened deadlines for the appointment of arbitrators and other procedural steps (Article 53(1)).

Like the Expedited Procedure, it adopts a sole arbitrator and a documents-only process as the default, with tribunals empowered to deny requests for document production or witness evidence (Article 53).[5] This procedure is expected to broaden the accessibility of arbitration for lower-value international disputes.

[Expedited Procedure vs Fast-Track Procedure]

	Expedited Procedure	Fast-Track Procedure
Scope of Application	Agreements before Jan 1, 2026: KRW 500M or less Agreements on or after Jan 1, 2026: KRW 500M–4B	KRW 500M or less (for agreements on or after Jan 1, 2026) or if parties agree
Tribunal	Sole arbitrator	Sole arbitrator
Time limit for award	6 months from tribunal formation	3 months from tribunal formation
Procedural Features	Express power to limit submissions, witness evidence or not to allow document production Tribunal may order documents-only without hearing unless parties agree otherwise	No witness statements, no discovery Default: documents-only without hearing unless parties agree otherwise

4 The Expedited Procedure does not apply where the parties have agreed not to use it or where the Secretary-General determines that application of the procedure is inappropriate (Article 45.2). Even when the Expedited Procedure is used, the principle of party autonomy prevails.

5 The Fast-Track Procedure likewise does not apply where the parties have opted out of it or where the Secretary-General considers it inappropriate (Article 50.2). As with the Expedited Procedure, party autonomy prevails even when the Fast-Track Procedure is invoked.

3) Early Determination

The 2026 Rules introduce an early determination mechanism enabling a party to request dismissal of a claim or defense that is manifestly unsustainable or without legal merit. This allows the tribunal to dispose of all or part of a case without proceeding to a full merits hearing.

4) Emergency Arbitrator

The Emergency Arbitrator regime has been in operation since the 2016 International Arbitration Rules. Under the 2026 Rules, this regime is maintained in the form of an appendix, with certain refinements. In particular, the time limits for the appointment of the emergency arbitrator, the filing of challenges, and the establishment of the procedural timetable have been shortened from two business days to two days. As a result, where urgent interim or conservatory measures are required before the constitution of the arbitral tribunal, parties are able to obtain decisions from an arbitrator more swiftly (Appendix 3).

IV. STRENGTHENED FRAMEWORK FOR MULTI-PARTY/MULTI-CONTRACT DISPUTES

The amendment also introduces comprehensive tools for addressing complex multi-party/multi-contract disputes—areas where the 2016 Rules lacked clarity or express provisions. The 2026 Rules now include systematic mechanisms for:

- *Joinder of Additional Parties (Article 21),*
- *Single Arbitration under Multiple Contracts (Article 22),*
- *Consolidation of Arbitrations (Article 23), and*
- *Concurrent Proceedings (Article 24).*

These mechanisms bring KCAB practice into closer alignment with global standards and help prevent duplicative proceedings and the risk of inconsistent awards. In particular, Article 22 permits claims arising under multiple contracts to be heard in a single arbitration under specified conditions, thereby reducing inefficiencies, risks of inconsistent awards, and the burden of initiating multiple proceedings. Article 23 further strengthens this framework by newly empowering the International Arbitration Court to decide on consolidation—an important advancement over the 2016 Rules, which did not contain an express consolidation mechanism.

V. TIME AND COST EFFICIENCY

The 2026 Rules introduce clear timelines for the submission of draft and final awards across various procedures to minimize delays (Articles 39, 48 and 53). The 2026 Rules also enhance transparency of cost allocation by granting the Secretariat, Secretary-General, and the Court exclusive authority over the determination of advance costs and final cost decisions (Articles 54 and 55).

VI. ENSURING TRANSPARENCY AND INTEGRITY

The 2026 Rules reinforce arbitrators' duties of impartiality (Article 10.2) and to avoid conflicts of interest (Article 7.3). Parties must promptly disclose third-party funding arrangements and identify funders and may not enter funding arrangements post-tribunal constitution if such arrangements could create conflicts of interest (Articles 10.5 and 10.6).

VII. CONCLUSION

The 2026 Rules are designed to comprehensively achieve several core objectives: enhancing procedural efficiency and cost-effectiveness, strengthening KCAB's capacity to manage complex multi-party/multi-contract disputes, and ensuring the stability of arbitral awards and their enforceability in international contexts. In particular, by establishing the International Arbitration Court and reinforcing the institution's supervisory and administrative functions throughout the arbitral process, the 2026 Rules seek to enable more systematic and efficient management of key procedural issues, while enhancing the consistency and completeness of arbitral awards.

Reflecting these institutional and procedural enhancements, the 2026 Rules are expected to elevate KCAB as a reliable and effective dispute resolution institution for a wide range of international disputes seated in Korea.

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