



# SAUDI CABINET RESOLUTION: A MAJOR STEP FOR ARBITRATION IN THE KINGDOM OF SAUDI ARABIA



## Overview

On 24 June 2025, the Saudi Center for Commercial Arbitration (SCCA) announced that the Saudi Council of Ministers has approved a landmark resolution aimed at enhancing the arbitration framework in the Kingdom of Saudi Arabia (KSA).

This strategic initiative unites key stakeholders, including the National Competitiveness Center, SCCA, the Ministry of Commerce, the Ministry of Investment, and the Ministry of Justice. This coordinated unified national effort reflects Saudi Arabia's Vision 2030 by enhancing its legal infrastructure, promoting investor confidence, and positioning the Kingdom as both a regional and global hub for reliable dispute resolution and a leading international arbitration seat.

## Highlights of the Resolution

As part of the resolution, the existing Saudi Arbitration Law, enacted by Royal Decree No. M/34 on April 16, 2012, as well as its implementing regulations, will be comprehensively reviewed to ensure alignment and consistency with international standards. It also seeks to integrate governmental agencies into the arbitration framework by providing essential online services. Selected arbitration-related awards will be translated and published to enhance transparency and accessibility. The resolution further calls for a study examining international perceptions of arbitration practices in the Kingdom. In addition, it promotes greater public engagement by encouraging events and awareness initiatives targeting legal practitioners, alongside the publication of relevant reports and studies to support ongoing development.

## The Kingdom's Arbitration Milestones

Saudi Arabia's arbitration framework has undergone significant development, particularly since the enactment of the Saudi Arbitration Law on 16 April 2012. The Saudi Arbitration Law was inspired by the UNCITRAL Model Law on International Commercial Arbitration (1985, as amended in 2006) and incorporates modern provisions aligned with international practices. A significant milestone followed in 2014 with the establishment of the SCCA, pursuant to Cabinet Resolution No. 257. The SCCA marked a crucial step in institutionalising arbitration in the Kingdom, modeled after leading international arbitration bodies.



Earlier foundational moves include Saudi Arabia's accession to the 1958 New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards in 1994, and its entry into the World Trade Organization (WTO) in 2005, ratifying agreements aimed at addressing trade practices and safeguarding domestic industry.

Collectively, these developments reflect an ongoing commitment to legislative and judicial reform aligned with the strategic objectives of Vision 2030. This demonstrates the Kingdom's robust offering of a stable, transparent legal environment that fosters investment and drives sustainable economic growth.

### Looking Ahead

The recent resolution approved by the Saudi Council of Ministers marks a significant milestone in the development of the Kingdom's arbitration framework. It reveals Saudi Arabia's commitment to fostering a modern, transparent and investor-friendly dispute resolution framework and represents a strategic step in advancing the goals of Vision 2030.

With strong institutional support, legal clarity and alignment with international standards, Saudi Arabia is well-positioned to emerge as a leading arbitration hub in the region.

We will follow up with further commentary and analysis as additional details of the resolution and its implementation framework become available.

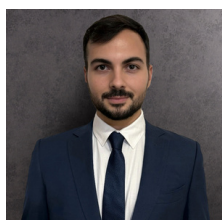
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