

**COMMERCIAL ARBITRATION AND DISPUTE RESOLUTION:  
UZBEKISTAN, THE UNITED STATES, AND THE EUROPEAN UNION IN  
COMPARATIVE PERSPECTIVE**

<https://doi.org/10.5281/zenodo.19346992>

**Navruzбек Tilaboev**

*University of Illinois at Urbana-Champaign*

*Law College*

*[nova.tilaboyev@gmail.com](mailto:nova.tilaboyev@gmail.com)*

**Abstract**

Uzbekistan's emergence as a potential regional hub for international commercial arbitration is one of the more consequential legal developments in Central Asia in recent years. The establishment of the Tashkent International Arbitration Centre in 2018 and the enactment of a fully UNCITRAL Model Law-compliant International Commercial Arbitration Law in 2021 represent genuine legislative achievements. This article sets Uzbekistan's developing system against the frameworks of the United States and the European Union, asking not just how the three compare on paper, but where they differ in practice, where Uzbekistan has real strengths, and where it still carries the vulnerabilities of youth. The assessment is frank: the legislation is modern and credible; the institutional track record is not yet.

**Keywords**

International commercial arbitration; UNCITRAL Model Law; TIAC; New York Convention; Federal Arbitration Act; EU arbitration law; enforcement of awards; party autonomy; transition economy; kompetenz-kompetenz; seat of arbitration

**I. Introduction**

Before 2018, Uzbekistan had no institution designed for international commercial arbitration and no legislation specifically governing it. The Law on Arbitration Courts of 2006 covered all commercial arbitrations, domestic and international, under rules plainly incompatible with international practice: tribunals were required to apply Uzbek law exclusively, the default language was Uzbek, and foreign citizens could not be arbitrators.<sup>1</sup> For foreign investors

contemplating significant cross-border transactions with Uzbek counterparties, these were not technicalities. They were deal-breakers.

The transformation since has been fast. Presidential Decree No. 4001 of November 5, 2018 established the Tashkent International Arbitration Centre at the Chamber of Commerce and Industry, with a package of fiscal incentives, provisions permitting foreign arbitrators and foreign law, and a mandate to become Uzbekistan's national institution for international dispute resolution.<sup>2</sup> On February 16, 2021, President Mirziyoyev signed the Law on International Commercial Arbitration, making Uzbekistan the 85th country to enact legislation based on the UNCITRAL Model Law – compliance confirmed by the UNCITRAL Secretariat itself.<sup>3</sup>

What this means in practice can only be understood comparatively. This article examines the three systems in depth: the United States' century of experience under the Federal Arbitration Act, the EU's structurally unusual relationship with arbitration under Brussels I, and Uzbekistan's newly minted regime. It then addresses institutions, enforcement, and what each system can teach the others.

## II. The Legal Frameworks

### A. The United States: A Century of Pro-Arbitration Development

The Federal Arbitration Act was enacted in 1925 as a direct response to judicial hostility toward arbitration clauses, which courts regularly refused to enforce.<sup>4</sup> Nearly a century of Supreme Court jurisprudence has since built one of the most pro-arbitration environments in the world. The FAA preempts more hostile state law, kompetenz-kompetenz is well-established and consistently respected by federal courts,<sup>5</sup> and grounds for vacatur are deliberately narrow: corruption, fraud, evident partiality, arbitrator misconduct, or exceeding powers. Courts may not review awards on the merits. The practical result is a system where awards are enforced with high reliability, backed by deep institutional experience – federal judges who have handled hundreds of arbitration matters and a substantial body of case law that has resolved most difficult questions.

The U.S. is also a New York Convention signatory, implemented under Chapter 2 of the FAA, with courts applying the Convention's limited refusal grounds consistently.<sup>6</sup> The main domestic controversy concerns consumer and employment arbitration, where critics argue mandatory pre-dispute clauses strip ordinary people of meaningful court access. Congress has responded narrowly – most recently through the Ending Forced Arbitration of Sexual Assault and Sexual Harassment Act of 2022.<sup>7</sup> For commercial parties choosing arbitration by mutual agreement, none of this significantly diminishes the U.S. system's reliability.

## B. The European Union: Arbitration Outside the Harmonized Framework

The EU's arbitration framework is structurally unusual. The Brussels I Regulation (Recast), Regulation (EU) No. 1215/2012, which governs jurisdiction and recognition of court judgments across member states, explicitly excludes arbitration from its scope.<sup>8</sup> Recital 12 confirms that all matters relating to arbitration fall outside the Regulation. Awards are enforced not through Brussels I but through the New York Convention, to which all member states are parties.

This means arbitration law within the EU is essentially national law – there is no single EU arbitration code. France has one of the most arbitration-friendly regimes in the world; Germany, the Netherlands, Sweden, and Belgium are similarly well-regarded.<sup>9</sup> The Court of Justice intervened consequentially in the *West Tankers* decision of 2009, holding that anti-suit injunctions from member state courts were incompatible with Brussels I – limiting a tool that English courts had relied on to protect arbitration agreements, a tension that persists.<sup>10</sup> The practical implication: seat choice within the EU matters considerably. Paris, Amsterdam, and Stockholm offer strong, experienced environments. Choosing a lesser-developed member state carries real risk regardless of the formal framework.

## C. Uzbekistan: The New Framework in Detail

The Law on International Commercial Arbitration (No. ZRU-674), signed February 16, 2021 and entering into force August 17, 2021, is the foundation of Uzbekistan's modern regime.<sup>11</sup> Its scope tracks the UNCITRAL Model Law: all disputes of a commercial nature, contractual or not, between parties with places of business in different states may be referred to international arbitration by agreement. Several provisions deserve attention. Article 6 grants arbitrators and institutions immunity for all acts unless proven intentional – essential to attracting senior international arbitrators.<sup>12</sup> Article 8 prohibits Uzbek courts from interfering in arbitral proceedings except in cases expressly provided for in the Law, establishing the minimal-intervention principle that characterizes modern arbitration-friendly jurisdictions.

The 2022 follow-on legislation (Law No. ZRU-769, May 16, 2022) amended the Economic Procedure Code to create a new Chapter 29-1 on arbitration-related court proceedings, clarified jurisdiction, and specified that enforcement decisions are subject to immediate execution.<sup>13</sup> One structural limitation remains: the ICA Law applies only to international arbitrations seated in Uzbekistan. Domestic arbitrations still fall under the older Law on Arbitration Courts – a dual-track structure common in civil law jurisdictions, but one that practitioners navigating Uzbek-related disputes must handle carefully.

### III. The Institutional Landscape

In the United States and Europe, the institutional landscape is crowded with decades-seasoned players. The AAA/ICDR processes thousands of cases annually.<sup>14</sup> The ICC International Court of Arbitration, headquartered in Paris, is the most widely used international arbitration institution in the world, registering over 890 new cases in 2022 alone. The Stockholm Chamber of Commerce has long been the preferred venue for disputes involving CIS-region parties – a positioning directly relevant to TIAC's ambitions.<sup>15</sup> What these institutions offer that newer alternatives cannot replicate is institutional memory: accumulated experience, deep arbitrator rosters, and the credibility that comes from having administered complex disputes to final award over generations.

TIAC was officially launched in April 2019 under Presidential Decree No. 4001.<sup>16</sup> Several design choices reflect sophisticated thinking. The Court of Arbitration is structured so that Uzbek nationals may comprise no more than twenty percent of its members – a deliberate signal of institutional independence.<sup>17</sup> In 2022, TIAC entered a cooperation agreement with the Hong Kong International Arbitration Centre to create cross-institutional rules, positioning itself within a recognized international partnership. A zero-administrative-fee structure differentiates it from all established competitors.

The caseload numbers tell a more measured story. As of mid-2024, TIAC had handled approximately seventy international arbitration cases across construction, sale of goods, agriculture, and oil and gas, with parties from the CIS, China, Hong Kong, Singapore, Turkey, Italy, and the Netherlands.<sup>18</sup> Seventy cases over five years is modest by any comparison – entirely normal for an institution of this age and geography, but far from the portfolio that builds institutional reputation. Meanwhile, a 2023 analysis noted that Uzbek state courts overturned more than two hundred domestic arbitration awards in 2021 alone.<sup>19</sup> The ICA Law's minimal-intervention provisions are designed to change this. Changing judicial culture is slower than changing the statute.

### IV. Enforcement: Where Frameworks Are Tested

All three jurisdictions are New York Convention signatories.<sup>20</sup> Uzbekistan acceded February 1, 1996. The Convention's architecture is well-known: courts of contracting states must recognize and enforce foreign awards unless the resisting party establishes one of the Article V grounds for refusal, the most litigated of which is the public policy exception.

U.S. federal courts apply these grounds with exceptional consistency and narrow interpretation. The public policy exception is reserved for conduct violating

the most basic notions of morality and justice – a standard very few awards fail.<sup>21</sup> Enforcement proceedings in major federal courts are handled by judges thoroughly familiar with the Convention, and timelines are predictable. EU enforcement proceeds through the same Convention framework rather than Brussels I, with reliability varying across member states. French courts have a long tradition of structural pro-arbitration enforcement – they apply the public policy exception narrowly, rarely set aside awards, and handle frustrated enforcement attempts with sophistication.<sup>22</sup> German and Dutch courts are similarly robust. Enforcement in smaller or newer EU member states is slower and less certain.

Uzbekistan's formal enforcement framework under the ICA Law (Articles 35-36) and the 2022 EPC amendments is modern and Convention-compliant.<sup>23</sup> The deeper challenge is the same as in the institutional section: court decisions overturning domestic awards at high rates under the old regime reflect a judicial culture that new legislation cannot immediately transform. Enforcement against state-linked entities presents additional unpredictability – the U.S. State Department's 2025 Investment Climate Statement notes persistent gaps between nominal legal frameworks and actual outcomes in disputes involving government actors.<sup>24</sup>

#### V. What Each System Teaches

The most important lesson from a century of American arbitration development is that legislative framework and judicial culture are not the same thing and do not develop on the same timeline. The FAA was enacted in 1925. Reliably pro-arbitration judicial practice was not fully established until the Supreme Court's decisive rulings in *Moses H. Cone Memorial Hospital v. Mercury Construction Corp.* and *Mitsubishi Motors Corp. v. Soler Chrysler-Plymouth* in the 1980s.<sup>25</sup> That is a sixty-year gap. Uzbekistan should not be expected to compress it entirely, but it can benefit from clear appellate guidance sooner – Uzbekistan's Supreme Court and High Economic Court have a similar leadership role to play in establishing interpretive consistency for lower economic courts on ICA Law matters.

Europe's most relevant lesson is institutional: depth and diversity of arbitral institutions reflect decades of sustained investment, and that infrastructure is a genuine competitive advantage. TIAC has shown awareness of this in its design choices – the HKIAC partnership, the zero-fee structure, the focus on technology disputes.<sup>26</sup> These are smart positions. The question is whether they will attract the volume and complexity of cases needed to build the track record that eventually becomes its own reputational asset. There are no shortcuts to that.

What Uzbekistan offers the comparison in return is underappreciated. The arbitrator immunity provision under Article 6 of the ICA Law is more protective than several established jurisdictions and reflects sophisticated understanding of what senior international arbitrators need to accept appointments in new venues.<sup>27</sup> The TIAC incentive package for foreign arbitrators – income tax exemptions on fees, no licensing requirements for foreign counsel – removes friction in ways that established institutions, operating under different regulatory environments, cannot easily replicate. These are meaningful innovations, not cosmetic ones.

## VI. Conclusion

The comparison supports a conclusion that is neither uncritically optimistic nor dismissive. Uzbekistan has built, in a short time, a formally modern, UNCITRAL-compliant arbitration framework equipped with the essential tools: statutory clarity, party autonomy, kompetenz-kompetenz, minimal intervention, and an institutional vehicle with genuine ambition. What it does not yet have – and what cannot be legislated – is the accumulated experience, depth of judicial familiarity, and track record of enforcement reliability that make the United States and the major European jurisdictions genuinely bankable for high-value disputes.

Seventy cases over five years is a foundation, not a portfolio. A judiciary that overturned over two hundred awards in a single year under the old regime is not immediately transformed by new legislation, however well-drafted. None of this is a counsel of despair. Uzbekistan's ambition to become a leading regional hub for CIS-related disputes is achievable – the SCC built exactly that reputation over decades. What is needed now is patience, sustained judicial training, a growing body of well-reasoned court decisions on ICA Law matters, and continued legislative refinement.

For practitioners and investors: Uzbekistan is a valid and improving arbitration seat for disputes of appropriate scale, particularly for CIS-regional matters where TIAC's positioning is a genuine advantage. For the largest disputes where enforcement uncertainty carries the most risk, established venues remain the safer choice – not because of anything deficient in Uzbekistan's framework on paper, but because reputation and track record are what enforcement ultimately rests on. Uzbekistan is building both. The gap is narrowing. That deserves acknowledgment, as does the distance that remains.

## REFERENCES:

1. Snider, T. R., Masadikov, S., & Dilevka, S. (2021, March 24). Uzbekistan Adopts Law on International Commercial Arbitration. Kluwer Arbitration Blog. <https://arbitrationblog.kluwerarbitration.com/2021/03/24/uzbekistan-adopts-law-on-international-commercial-arbitration/>
2. Presidential Decree of the President of the Republic of Uzbekistan No. 4001 of November 5, 2018, on the Establishment of the Tashkent International Arbitration Centre (TIAC) at the Chamber of Commerce and Industry of the Republic of Uzbekistan. <https://lex.uz/docs/4039518>
3. Rustambekov, I. (2021). Uzbekistan: The New – and First – International Commercial Arbitration Law. ICC Dispute Resolution Bulletin, Issue 2, 2021. SSRN: <https://ssrn.com/abstract=3872373>. See also Library of Congress. (2021, July 15). Uzbekistan: Law on International Commercial Arbitration Adopted. <https://www.loc.gov/item/global-legal-monitor/2021-07-15/uzbekistan-law-on-international-commercial-arbitration-adopted/>
4. Federal Arbitration Act, 9 U.S.C. §§ 1-307 (1925). See Born, G. B. (2021). International Commercial Arbitration (3rd ed.). Kluwer Law International.
5. First Options of Chicago, Inc. v. Kaplan, 514 U.S. 938 (1995). See also Rent-A-Center, West, Inc. v. Jackson, 561 U.S. 63 (2010).
6. Convention on the Recognition and Enforcement of Foreign Arbitral Awards (New York Convention), June 10, 1958, 21 U.S.T. 2517, 330 U.N.T.S. 38. Implemented in U.S. law under Chapter 2 of the Federal Arbitration Act, 9 U.S.C. §§ 201-208.
7. Ending Forced Arbitration of Sexual Assault and Sexual Harassment Act of 2022, Pub. L. No. 117-90, 136 Stat. 26 (2022) (amending 9 U.S.C. § 402).
8. Council Regulation (EU) No 1215/2012 of 12 December 2012 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters (Brussels I Recast), 2012 O.J. (L 351) 1, Recital 12.
9. Fouchard, P., Gaillard, E., & Goldman, B. (1999). Fouchard, Gaillard, Goldman on International Commercial Arbitration. Kluwer Law International. See also French Code of Civil Procedure, Arts. 1504-1527.
10. Case C-185/07, Allianz SpA & Generali Assicurazioni Generali SpA v. West Tankers Inc., 2009 E.C.R. I-663 (CJEU, Feb. 10, 2009). See also Hartley, T. C. (2021). Arbitration and the Brussels I Regulation: Before and After Brexit. *Journal of Private International Law*, 17(1), 1-28.

11. L  
Law of the Republic of Uzbekistan on International Commercial Arbitration, No. ZRU-674, signed February 16, 2021, entered into force August 17, 2021. LexUZ. <https://lex.uz/docs/5294106>. UNCTAD Investment Policy Hub. (2021, August 18).<https://investmentpolicy.unctad.org/investment-policy-monitor/measures/3775/>
12. Law of the Republic of Uzbekistan on International Commercial Arbitration, No. ZRU-674, Art. 6 (Immunity of Arbitrators and Arbitral Institutions) (2021).
13. Law of the Republic of Uzbekistan No. ZRU-769 of May 16, 2022, on Amendments and Additions to Certain Legislative Acts in Connection with the Adoption of the Law on International Commercial Arbitration. Economic Procedure Code of the Republic of Uzbekistan, Chapter 29-1 (as amended 2022).
14. American Arbitration Association. (2023). 2022 Annual Report. AAA-ICDR. <https://www.adr.org>. See also ICC International Court of Arbitration. (2023). 2022 ICC Dispute Resolution Statistics. ICC Publication No. 892E.
15. Stockholm Chamber of Commerce. (2023). SCC Statistics 2022. <https://sccinstitute.com/statistics/>
16. Bayzakova, D., & Cheung, K. (2023). Tashkent International Arbitration Centre at the Chamber of Commerce and Industry of Uzbekistan: Taking Stock on Its Fourth Anniversary. In *Dispute Resolution in the 21st Century*. Springer. [https://doi.org/10.1007/16517\\_2023\\_16](https://doi.org/10.1007/16517_2023_16)
17. Tashkent International Arbitration Centre. (2022, October 5). About TIAC Court of Arbitration. <https://www.tiac.uz/about-tiac-court-of-arbitration>
18. Vinson & Elkins LLP. (2025, November). Guide to Arbitral Institutions and the Seat of Arbitration in the Republic of Uzbekistan. <https://www.velaw.com/insights/guide-to-arbitral-institutions-and-the-seat-of-arbitration-in-republic-of-uzbekistan/> (citing TIAC Director's remarks, July 2024)
19. Uzbekistan Law Blog. (2023). Enhancing Uzbekistan's Readiness for International Commercial Arbitration: A Comprehensive Approach. <https://uzbekistanlawblog.com/enhancing-uzbekistans-readiness-for-international-commercial-arbitration-a-comprehensive-approach/>
20. New York Convention, *supra* note 6. For Uzbekistan's accession, see UNCITRAL.Status of the Convention:  
[https://uncitral.un.org/en/texts/arbitration/conventions/foreign\\_arbitral\\_wards/status2](https://uncitral.un.org/en/texts/arbitration/conventions/foreign_arbitral_wards/status2)

21. Yusuf Ahmed Alghanim & Sons v. Toys 'R' Us, Inc., 126 F.3d 15 (2d Cir. 1997). See also TermoRio S.A. E.S.P. v. Electranta S.P., 487 F.3d 928 (D.C. Cir. 2007).

22. Gaillard, E., & Savage, J. (Eds.). (1999). Fouchard Gaillard Goldman on International Commercial Arbitration. Kluwer Law International. See also Court of Cassation (France), PT Putrabali Adyamulia v. Rena Holding Company, June 29, 2007.

23. Law of the Republic of Uzbekistan on International Commercial Arbitration, No. ZRU-674, Arts. 35-36 (Recognition and Enforcement of Awards) (2021); Economic Procedure Code, Chapter 29-1 (as amended by Law No. ZRU-769, 2022).

24. U.S. Department of State. (2025). 2025 Investment Climate Statement: Uzbekistan.<https://www.state.gov/reports/2025-investment-climate-statements/Uzbekistan>.

25. Moses H. Cone Memorial Hospital v. Mercury Construction Corp., 460 U.S. 1 (1983); Mitsubishi Motors Corp. v. Soler Chrysler-Plymouth, Inc., 473 U.S. 614 (1985).

26. Cheung, K., Kot, D., & Mirabdullaeva, D. (2021, December 31). Technology and the 2021 Rules of Arbitration of the Tashkent International Arbitration Centre. Kluwer Arbitration Blog.

<https://arbitrationblog.kluwerarbitration.com/2021/12/31/technology-and-2021-rules-of-arbitration-of-the-tashkent-international-arbitration-centre/>

27. Law of the Republic of Uzbekistan on International Commercial Arbitration, No. ZRU-674, Art. 6 (2021), supra note 12. See Bayzakova & Cheung (2023), supra note 16.