GETTING THE DEAL THROUGH

Arbitration

in 47 jurisdictions worldwide

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Norway

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Laws and Institutions

1 International multilateral conventions

Is your country a contracting state to the New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards? Since when has the Convention been in force? Were any declarations or notifications made under articles I, X and XI of the Convention? What other multilateral conventions relating to arbitration is your country a party to?

Norway is a contracting state to the New York Convention of 10 June 1958, in force in Norway since 11 June 1961. Norway has declared that the Convention only will be applicable to awards made on a contracting state's territory, and that the Convention is not applicable to disputes concerning real estate.

Norway is also a contracting state to the Protocol on Arbitration Clauses, Geneva 1923; the Convention on the Settlement of Investment Disputes Between States and Nationals of Other States, Washington 1965; and the Convention on Conciliation and Arbitration within the Conference on Security and Cooperation in Europe (CSCE) of 1992. Norway is not a contracting state to the European Convention on International Commercial Arbitration, Geneva, 21 April 1961.

2 International bilateral agreements

Do bilateral agreements relating to arbitration exist with other countries?

Several bilateral agreements relating to arbitration exist. Most of them were entered into between 1900 and 1930, before the New York Convention, and are therefore no longer of particular importance.

3 Domestic arbitration law

What are the primary domestic sources of law relating to domestic and foreign arbitral proceedings, and recognition and enforcement of awards?

The primary source of law is the Arbitration Act, 2004. The Act can be accessed in Norwegian at www.lovdata.no/all/nl-20040514-025.html. The Act applies to domestic and foreign arbitration, as long as the arbitration is carried out in Norway.

4 Domestic arbitration and UNCITRAL

Is your domestic arbitration law based on the UNCITRAL Model Law? What are the major differences between your domestic arbitration law and the UNCITRAL Model Law?

The Arbitration Act is based upon, and closely follows, the UNCITRAL Model Law. There are no significant differences between the Norwegian law and the Model Law. However, the Arbitration Act does not require that the arbitration agreements be entered into in writing.

5 Mandatory provisions

What are the mandatory domestic arbitration law provisions on procedure from which parties may not deviate?

The Arbitration Act contains a limited number of mandatory provisions. The main provision of mandatory nature is that the parties shall be treated with equality and given a full opportunity to present their case. The Norwegian regulation here closely follows the principles of the UNCITRAL Model Law.

6 Substantive law

Is there any rule in your domestic arbitration law that provides the arbitral tribunal with guidance as to which substantive law to apply to the merits of the dispute?

The arbitral tribunal shall apply such rules of law as have been chosen by the parties as applicable to the substance of the dispute. Any designation of the law or legal system of a given state shall be construed, unless otherwise expressed, as referring to the substantive law of that state and not its conflict of law rules. Failing any designation by the parties, the arbitral tribunal shall apply Norwegian conflict-of-laws rules to decide which substantive law to apply to the merits of the dispute.

7 Arbitral institutions

What are the most prominent arbitral institutions in your country?

The most prominent arbitration institution in Norway is the Arbitration Institute of the Oslo Chamber of Commerce (operative since 1983):

Oslo Handelskammers Institutt for Voldgift og Alternativ Tvisteløsning
PB 2874 Solli
0230 Oslo
Norway
Tel: +47 22 12 94 00
Fax: +47 22 12 94 01
www.chamber.no

The institute deals with disputes within industry, commerce, shipping, offshore and onshore activities, and other fields of business activity.

Arbitrators and mediators representing the institute are found among the leading and most experienced commercial lawyers, judges and legal academics in Norway.

The institute is able to offer the following methods of dispute resolution: arbitration, fast-track arbitration, mediation and mini-trial, and any combination of these. For parties who wish, the institute can act as the appointing authority and provide administrative assistance under the rules of UNCITRAL.

Disputes referred to arbitration will be dealt with in accordance with the procedural rules of the institute, supplemented by the Arbitration Law, unless the parties agree otherwise.

The procedural rules of the institute are published at www.chamber.no/tekster.cfm?artid=53.

Arbitration agreement

8 Arbitrability

Are there any types of disputes that are not arbitrable?

Only disputes concerning legal relations in respect of which the parties have an unrestricted right of disposition are arbitrable. Matters like criminal offences, having a person declared incapacitated, divorce and adoption can therefore not be subject to arbitration. Matters like intellectual property, competition, securities transactions and intra-company disputes can in principle be subject to arbitration, to the extent the dispute only contains elements the parties can freely dispose of. Only the private law effects of competition law may be tried by arbitration.

9 Requirements

What formal and other requirements exist for an arbitration agreement?

The Arbitration Act does not require a certain form of the arbitration agreement. It can be made orally or in writing. For reasons of proof, it is recommended that the agreement be made in writing. Arbitration agreements may contain general terms and conditions, as long as the particular legal relations are stated.

10 Enforceability

In what circumstances is an arbitration agreement no longer enforceable?

Only a valid arbitration agreement is enforceable. A valid arbitration agreement is, however, not enforceable if the dispute is not arbitrable (see question 8).

Void or terminated arbitration agreements are not enforceable. The arbitration clauses can, however, be 'separable' from the contracts in which they are included. A termination of the underlying contract does not in itself imply a termination of the arbitration agreement. The same concerns invalidity.

An arbitration agreement to which a consumer is a party is not binding on the consumer if entered into before the dispute arises.

Unless otherwise agreed between the parties, the arbitration agreement shall be deemed to be transferred together with any transfer of the legal relationship to which the arbitration agreement applies.

11 Third parties

In which instances can third parties or non-signatories be bound by an arbitration agreement?

A party is, in principle, only bound if he or she accepts the agreement in accordance with the rules of contract formation.

Transfer of the agreement can bind a non-signatory, because the arbitration agreement shall be deemed to be transferred together with any transfer of the legal relationship to which the arbitration agreement applies.

Third parties can also be bound based on general identification rules in common contract law.

12 Groups of companies

Do courts and arbitral tribunals in your jurisdiction extend an arbitration agreement to non-signatory parent or subsidiary companies of a signatory company, provided that the non-signatory was somehow involved in the conclusion, performance or termination of the contract in dispute, under the 'group of companies' doctrine?

A party is, in principle, only bound if he or she accepts the agreement in accordance with the rules of contract formation. But the agreement can – based on a concrete evaluation – be extended to a company's subsidiary, pursuant to general identification rules.

13 Multiparty arbitration agreements

What are the requirements for a valid multiparty arbitration agreement?

The Arbitration Act does not distinguish between different types of arbitration agreements. A multiparty arbitration agreement is therefore also recognised. The requirements for a valid multiparty arbitration agreement are the same as for a common arbitration agreement (see question 9). Each party must, in principle, accept the arbitration agreement orally or in writing.

Constitution of arbitral tribunal

14 Appointment of arbitrators

Are there any restrictions as to who may act as an arbitrator?

There are not any restrictions as to who may act as an arbitrator. The arbitrators, however, must be impartial and independent of the parties, and qualified for the task.

15 Appointment of arbitrators

Failing prior agreement of the parties, what is the default mechanism for the appointment of arbitrators?

The parties shall as far as possible appoint the arbitrators jointly. If the arbitral tribunal consists of three arbitrators, and the parties are unable to agree on who should be appointed, each party shall appoint one arbitrator. The two arbitrators thus appointed shall together appoint the presiding arbitrator. If the arbitral tribunal cannot be constituted in accordance with these mechanisms, each of the parties can request that the court makes the appointment. The court's appointment cannot be appealed.

16 Challenge and replacement of arbitrators

On what grounds and how can an arbitrator be challenged and replaced?

The person who is approached in connection with his or her possible appointment as an arbitrator shall, of his or her own accord, disclose any circumstances that might give rise to justifiable doubts as to his or her impartiality or independence.

An arbitrator may be challenged only if circumstances exist that give rise to justifiable doubts as to his or her impartiality or independence, or if he or she does not possess qualifications agreed to by the parties.

A party can only challenge an arbitrator for reasons that he or she becomes aware of after the appointment has been made.

A challenge of an arbitrator shall state the reasons for the challenge, and be submitted in writing to the arbitral tribunal. The challenge must be submitted to the tribunal within two weeks of the party

becoming aware of the appointment of the arbitrator and the circumstances that give the grounds for the challenge. Unless the challenged arbitrator withdraws, or the other party agrees to the challenge, the arbitral tribunal shall decide the challenge.

If a challenge is not successful, and the parties have not agreed on a particular procedure, the challenging party may bring the issue before the courts. The time limit is one month from having received notice of rejection of the challenge. The court shall determine the issue by an interlocutory order. The interlocutory order cannot be appealed. The challenge cannot subsequently constitute grounds for invalidity, an objection to the recognition, or enforcement of an award. While a challenge is pending before the court, the arbitral tribunal, including the challenged arbitrator, may continue the arbitral proceedings and make an award.

If an arbitrator becomes unable to perform his or her functions, de jure or de facto, the mandate terminates if he or she withdraws, or if the parties agree on the termination. Otherwise, any party may request the court to determine whether such reasons exist and whether the mandate shall thus terminate. The decision cannot be subject to appeal.

Where the mandate of an arbitrator terminates, a substitute arbitrator shall be appointed according to the rules that were applied to the appointment of the arbitrator being replaced. This rule closely follows the Model Law, article 15.

If a substitute arbitrator is appointed, all previous arbitral proceedings, forming part of the basis upon which the case shall be decided, shall be repeated.

17 Relationship between parties and arbitrators

What is the relationship between parties and arbitrators?

An arbitrator must be impartial and independent from the parties. When being contacted for possible selection as an arbitrator, he or she should on his or her own initiative disclose any circumstances that may influence his or her impartiality or independence. The arbitrator has the same obligation of disclosure if becoming aware of such circumstances during the proceedings.

The arbitrators are usually among the leading and most experienced commercial lawyers, judges and legal academics in Norway, and are to be considered as highly liable. The expenses are very variable, but generally fairly high. Nevertheless, Norwegian arbitrators are on the whole less expensive than arbitrators in London, New York, Stockholm, etc.

Jurisdiction

18 Court proceedings despite arbitration agreement

What is the procedure for disputes over jurisdiction if court proceedings are initiated despite an existing arbitration agreement, and what time limits exist for jurisdictional objections?

The courts shall dismiss actions concerning legal relationships that are subject to an arbitration agreement. But it is a condition that a party requests dismissal no later than the point at which the said party addresses the merits of the case. If no such request exists, the court shall hear the case.

The court shall hear the case if it finds that the arbitration agreement is invalid or that the agreement for other reasons cannot be implemented. Such a reason can be that the dispute concerns legal relations in respect of which the parties do not have an unrestricted right of disposition. The court shall always ex officio decide if the matter is arbitrable (see question 8).

If arbitration has been initiated by the time legal proceedings before court are instituted, the case shall only be heard if the court finds it obvious that the arbitration agreement is invalid or that the agreement for other reasons cannot be implemented, eg, that the dispute concerns legal relations in respect of which the parties do not have an unrestricted right of disposition.

The arbitral tribunal may commence or continue the arbitral proceedings and determine the dispute, even though legal proceedings are pending before the courts.

The Norwegian regulation is quite similar to the Model Law, article 8.

19 Jurisdiction of arbitral tribunal

What is the procedure for disputes over jurisdiction of the arbitral tribunal once arbitral proceedings have been initiated and what time limits exist for jurisdictional objections?

The Norwegian regulation closely follows the Model Law, article 16.

The arbitral tribunal shall rule on its own jurisdiction, including any objections with respect to the existence or validity of the arbitration agreement.

An arbitration agreement that forms part of a contract shall, according to Norwegian regulations, be treated as an agreement independent of the other terms of the contract. A decision by the arbitral tribunal that the contract is invalid shall therefore not in itself entail the invalidity of the arbitration agreement.

An objection that the arbitral tribunal does not have jurisdiction over the case, or the claim, must be raised no later than the submission of the first statement of such party as to the merits of the case. However, the arbitral tribunal may admit a later objection if the party is not significantly to blame for the delay.

The arbitral tribunal may rule on an objection to its jurisdiction either during the arbitral proceedings or in the arbitral determining the dispute. If the arbitral tribunal during the proceedings rules that it has jurisdiction, any party may bring the issue before the courts, which shall determine such issue by way of an interlocutory order. The time limit for bringing the issue before the courts is within one month of having received the ruling. While such an issue is pending before court, the arbitral tribunal may continue the proceedings and determine the dispute.

Arbitral proceedings

20 Place and language of arbitration

Failing prior agreement of the parties, what is the default mechanism for the place of arbitration and the language of the arbitral proceedings?

Failing prior agreement of the parties, the place of arbitration shall be determined by the arbitral tribunal, having regard to the practical conduct of the case, including the prospects for the parties to participate in oral proceedings.

Independent of the place of arbitration, the arbitral tribunal may meet at any place it considers appropriate for deliberation among its members, for examining witnesses, experts or parties, or for assessment of evidence.

Failing prior agreement of the parties, the arbitral tribunal shall determine the language or languages to be used. If Norwegian is the language of arbitration, Swedish or Danish may also be used.

The language of the arbitration shall apply to any written statement by a party, any oral hearings and any decision or other communication by the arbitral tribunal. The arbitral tribunal may order that any documentary evidence shall be translated into the language or languages agreed upon by the parties, or determined by the tribunal.

21 Commencement of arbitration

How are arbitral proceedings initiated?

The arbitration shall be deemed to have begun on the date the respondent receives a demand for the dispute to be referred to arbitration. There are no formal requirements as to the filing of a demand for the dispute to be referred to arbitration. Such demand can be given orally or in writing. It is, however, recommended for reasons of proof that the demand be given in writing. The demand must specify which dispute it concerns. It may be expressed in a letter addressed to the respondent, or the claimant may indeed prepare a complete writ of summons with a statement of claim and in the writ itself include the demand for the dispute to be referred to arbitration. The writ of summons must be in writing. There are no statutory requirements as to number of copies, signature by a lawyer, etc. However, it is required that the writ, unless otherwise agreed between the parties, specifies the claim and the factual and legal grounds for such claim. The evidence that supports the claim must also be presented in the writ.

22 Hearing

Is a hearing required and what rules apply?

The arbitral tribunal shall decide whether to hold oral hearings on the case, or whether the case shall be decided on the basis of written proceedings. A party may request an oral hearing, which shall then be held at an appropriate stage of the proceedings.

This rule is invariable in disputes concerning consumer purchases, but can otherwise be derogated from.

23 Evidence

By what rules is the arbitral tribunal bound in establishing the facts of the case? What types of evidence are admitted and how is the taking of evidence conducted?

The arbitral tribunal shall base its decision on the evidence presented before it. The arbitral tribunal shall not be constrained by the arguments of the parties as to issues of evidence.

The parties are responsible for illuminating and clarifying the factual basis upon which the case shall be determined. The principal rule is that the parties are entitled to present such evidence as they wish. (witnesses, experts, documents, etc). The arbitral tribunal may only refuse evidence if it is obviously irrelevant to the determination of the case. The arbitral tribunal may also limit the presentation of evidence if the extent of the evidence presented is in no reasonable proportion to the importance of the dispute.

The arbitral tribunal may on its own appoint experts to report on specific issues to be determined by the tribunal. The parties can challenge the experts if circumstances exist that give rise to justifiable doubts as to their impartiality or independence. The tribunal may require the parties to provide the experts with any relevant information and to produce or to provide access to evidence.

The parties may agree to derogate from these rules.

In practice the examination of witnesses is dealt with in a similar way to the manner they are dealt with before the ordinary courts. The witnesses are examined and cross-examined before the tribunal. On request of a party, the tribunal may request that a party discloses certain evidence. The request by the arbitral tribunal, however, is not enforceable. The court can, by request, give assistance in taking evidence (see question 24). The court's request is, to a certain level, enforceable.

24 Court involvement

In what instances can the arbitral tribunal request assistance from a court and in what instances may courts intervene?

By request from one or both of the parties, the courts may provide assistance for carrying out an arbitration case, such as appointment of arbitrators (see question 14), challenge of arbitrators (see question 16), ruling of arbitral tribunals jurisdiction (see question 19) and claim for setting aside the arbitral award.

The arbitral tribunal, or a party by consent of the arbitral tribunal, may also request that the courts obtain testimony from parties or witnesses as well as other evidence. The arbitrators are entitled to be present and put questions in the court.

25 Confidentiality

Is confidentiality ensured?

The Arbitration Act sets forth that the proceedings and the decisions of the arbitral tribunal are not confidential, unless the parties agree otherwise concerning the specific dispute in question. Parties who want to avoid the award being made public, should therefore make an explicit reservation to that effect in the arbitration agreement.

There is no public right to be present at arbitral proceedings. An outsider can only attend the arbitration proceedings when agreed between the parties.

Interim measures

26 Interim measures by the courts

What interim measures may be ordered by courts before and after arbitration proceedings have been initiated?

The courts have the right to order interim measures in disputes subject to arbitration. The decision may concern prohibitions, provisional security, orders to disclose evidence, etc.

Only interim measures decided by the courts are enforceable. Interim measures decided by the arbitral tribunal are not enforceable.

27 Interim measures by the arbitral tribunal

What interim measures may the arbitral tribunal order after it is constituted? In which instances can security for costs be ordered by an arbitral tribunal?

If the parties have not agreed otherwise, one of the parties can request that the tribunal order the other party to undertake certain interim measures. But the interim measures decided by the tribunal are not enforceable, and can therefore not be made enforceable through the courts.

The arbitral tribunal may order the parties to provide security for the costs of the arbitral tribunal, unless otherwise agreed between the arbitral tribunal and the parties.

Awards

28 Decisions by the arbitral tribunal

Failing party agreement, is it sufficient if decisions by the arbitral tribunal are made by a majority of all its members or is a unanimous vote required? What are the consequences if an arbitrator refuses to take part in a vote or sign the award?

The decision of the arbitral tribunal shall be made by a majority of votes cast. The presiding arbitrator shall have a casting vote if an absolute majority is not otherwise achievable.

If a minority of the arbitrators refuse to take part in a vote, the remaining arbitrators may make the decision unless otherwise agreed by the parties.

29 Form and content requirements

What form and content requirements exist for an award? Does the award have to be rendered within a certain time limit?

The award shall be in writing, and be signed by all arbitrators. In arbitral proceedings with more than one arbitrator, it is sufficient that the arbitral award is signed by a majority of arbitrators, provided that the reason for any omitted signature is stated in the award. The award must state its date and place.

If the parties have not agreed otherwise, the award shall also state the reasons upon which it is based, except when confirming a settlement between the parties. It shall specify whether the decision is unanimous. If this is not the case, it shall specify who is in dissent and to which aspects the dissent relates.

The Arbitration Act does not set a deadline within which the award has to be rendered.

30 Date of award

For what time limits is the date of the award decisive and for what time limits is the date of delivery of the award decisive?

The date on the award is primarily decisive for the arbitral tribunal's right to correct the award of its own initiative. The time limit is within one month of the making of the award.

The date of delivery is decisive to several actions. The parties can, within one month of delivery of the award, request that the arbitral tribunal corrects the award, or makes a supplementary award. A legal action for setting aside an arbitral award must be brought no later than three months after the party received the award. The determination of the costs of the arbitral tribunal will become enforceable unless brought before courts within one month of the party receiving the decision.

31 Types of awards

What types of awards are possible and what types of relief may the arbitral tribunal grant?

Different types of awards are possible. Beside the final award, the tribunal can make a partial award, supplementary award and different kinds of orders, such as an order to terminate the case.

Only the courts are, in the Arbitration Act, expressly given the right to grant preliminary or interim relief. A relief granted by the arbitration tribunal will not be enforceable.

32 Termination of proceedings

By what other means than an award can proceedings be terminated?

The proceedings can be terminated by settlement between the parties. The arbitral tribunal shall issue an order for the termination of the proceedings if the claimant withdraws the claim, unless the respondent objects to such termination and the arbitral tribunal finds that the respondent has a legitimate interest in obtaining an arbitral award. The tribunal can also issue an order for termination of the proceedings if it finds that the continuation of the proceedings has become unnecessary or impossible.

33 Cost allocation and recovery

How are the costs of the arbitral proceedings allocated in awards? What costs are recoverable?

The parties are jointly and severally liable for the costs of the arbitral tribunal, unless otherwise agreed between the parties.

In practice the losing party has to pay all of the other party's costs and expenses. This point of departure is adjusted when only parts of the case are lost. It may also be adjusted, if the costs and fees claimed by a party are considered unreasonably high.

34 Interest

May interest be awarded for principal claims and for costs and at what rate?

Interest will accrue according to the agreement between the parties. If there is no agreement, interest will accrue in accordance with the Norwegian Act on Interest on late payment. The interest rate on late payments as per 1 January 2009 is 10 per cent per annum.

Proceedings subsequent to issuance of award

35 Interpretation and correction of awards

Does the arbitral tribunal have the power to correct or interpret an award on its own or at the parties' initiative? What time limits apply?

The arbitral tribunal may make corrections on its own initiative within one month of the making of the award. The parties shall be notified and allowed to comment before the correction.

Each party may also, no later than one month after the party has received the arbitral award, request that the arbitral tribunal corrects an award that, due to obvious similar errors, does not reflect the intention of the arbitral tribunal.

The parties may also request, no later than one month after the party has received the arbitral award, that the tribunal make a supplementary award as to claims that were presented in the arbitral proceedings and that should have been decided on, but that have been omitted from the award.

The Arbitration Act does not allow parties to request the arbitral tribunal to give an interpretation of the award.

36 Challenge of awards

How and on what grounds can awards be challenged and set aside?

The award is final and cannot be appealed unless otherwise agreed by the parties. It can, however, be challenged and set aside as invalid by the courts. Grounds for setting aside are that:

- one of the parties to the arbitration agreement lacks legal capacity;
- the arbitration agreement is invalid under the laws to which the parties have agreed to subject it, or, failing such agreement, under Norwegian law;
- the party bringing the action for setting aside was not given sufficient notice of the appointment of an arbitrator or of the arbitration, or was not given an opportunity to present his or her views on the case;
- the arbitral award falls outside the scope of the jurisdiction of the arbitral tribunal; or
- the composition of the arbitral tribunal or the arbitral procedure was contrary to law or the agreement of the parties, and this has had an impact on the decision.

If the invalidity only affects part of the award, only such part shall be invalid.

A legal action for setting aside an arbitral award shall be brought no later than three months after the party received the arbitral award. The court may, if there are grounds for the arbitral award to be set aside as valid, set aside the award and at the same time refer the case back to the arbitral tribunal for further processing and a new decision. Where an arbitral award is set aside, the arbitration agreement in question shall again become effective, unless the parties have otherwise agreed.

37 How many levels of appeal are there? How long does it generally take until a challenge is decided at each level? Approximately what costs are incurred at each level? How are costs apportioned among the parties?

A judgment in a challenge case may be appealed twice; to the Regional Appeal court and finally to the Supreme Court. The courts in Norway are statutorily obliged to ensure that a case or an appeal is heard by the court no later than six months following the filing of the law suit or the appeal. Once the case has been heard by the court, the court shall deliver its decision within two weeks in the first instance and four weeks in the appeal courts. The costs will vary a great deal and may not be quantified in general. The main rule in Norway is that the court will grant costs to the prevailing party. A number of exemptions will apply.

38 Recognition and enforcement

What requirements exist for recognition and enforcement of domestic and foreign awards, what grounds exist for refusing recognition and enforcement, and what is the procedure?

Both domestic and international arbitral awards shall be recognised and enforceable. Such recognition or enforcement of an arbitral award may only be refused if:

- one of the parties to the arbitration agreement lacks legal capacity, or the arbitration agreement is invalid under the laws to which the parties have agreed to subject it, or, failing such agreement, under the law of the jurisdiction in which the arbitral award was made;
- the party against whom the arbitral award is being invoked was not given sufficient notice of the appointment of an arbitrator or of the arbitration, or was not given an opportunity to present his views on the case;
- the arbitral award falls outside the scope of the jurisdiction of the arbitral tribunal;
- the composition of the arbitral tribunal or the arbitral procedure was contrary to the law of the place of arbitration or the agreement of the parties, and this has had an impact on the decision; or
- the arbitral award is not binding on the parties, or it has been set aside, permanently or temporarily, by a court at the place of arbitration, or by a court in the jurisdiction the law of which has been applied in determining the subject matter in dispute.

The regulation follows quite closely the Model Law, article 36(1).

It is unusual for enforcement of an international award to be denied.

39 What is the attitude of domestic courts to the enforcement of foreign awards set aside by the courts at the place of arbitration?

Norway is a party to the Lugano treaty, which will apply to the extent a foreign court has set aside an arbitral decision and this award is to be enforced in Norway. The Norwegian court will not have any particular attitude towards the foreign court's decision, but will follow the Lugano treaty's provisions as set out in articles 31 to 49.

40 Cost of enforcement

What costs are incurred in enforcing awards?

A fee must be paid to the court of execution and enforcement, in addition to possible expenses connected to legal assistance. The fee is fairly modest, but the expenses connected to legal assistance are highly variable.

In principle, the losing party has to pay all of the winning party's cost and expenses connected with the enforcement.

Other

41 Judicial system influence

What dominant features of your judicial system might exert an influence on an arbitrator from your country?

The Civil Procedure Act stipulates the regulations for conducting civil cases before the courts. Preparation and pleading of cases are based on the adversarial system and oral pleading in the main hearing. In principle the parties are entitled to present such evidence as they wish. Granting of disclosure is dependent upon the request being specific and relevant. US-style disclosure ('fishing expeditions') will generally be frowned upon and denied.

42 Regulation of activities

What particularities exist in your jurisdiction that a foreign practitioner should be aware of?

Nationals of EU or EEA countries are free to enter Norway and to work there. An EU or EEA national who takes short-term employment in Norway not exceeding six months does not require a residence permit and is not required to report to the police. Nationals of non-EU or EEA countries must apply for entry visas and work and residence permits before taking up employment in Norway. The applicant may not enter Norway during the period in which the application for a work and residence permit is under consideration.

As of 1 July 2001, legal services are subject to VAT. Foreign practitioners need to register at the Central Office – Foreign Tax Affairs. The registration is necessary to determine the potential exposure to Norwegian tax liability. Even though the worker may have only a

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short-term assignment in Norway, there may still be a Norwegian tax liability according to Norwegian domestic tax legislature. The income may, however, be exempt from tax according to the respective tax treaty between Norway and the worker's home country.

A licence is required to practice as an attorney in Norway. Education from other EEA countries may serve as basis for being licensed. Foreign attorneys from outside the EEA who do not hold a licence to practise as attorneys in Norway may be given permission by the Supervisory Council to practise foreign law or private international law, and to litigate under certain conditions.

Traditionally, Norway has not been a location for arbitration like London, New York and Stockholm. However, there is a growing impression that Norway is a less expensive, more reliable and more efficient alternative for arbitration than many other locations, especially within the shipping industry.