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## The Incorporation of the Singapore Convention on Mediation into Israeli Law

## **Client Updates**

Israel has incorporated the Singapore Convention into its law, introducing a new framework for enforcing international mediation agreements in Israel in a relatively straightforward and streamlined manner.

- 1. On July 22, 2024, the Israeli Parliament enacted Amendment No. 103 to the Israeli Courts Act 5744-1984 ("Amendment 103"). This amendment introduces a new framework for enforcing international mediation agreements by incorporating the Singapore Convention on Mediation ("Singapore Convention") into Israeli law.
- 2. Israel signed the Singapore Convention in August 2019. The Singapore Convention, adopted in 2018 and entered into force in September 2020, is a pivotal international multilateral treaty which establishes a global framework for the recognition and enforcement of international settlement agreements resulting from mediation. As of September 2024, the Singapore Convention has been signed by 57 states and ratified by 14.
- 3. This convention significantly enhances the credibility and effectiveness of mediation in resolving international commercial disputes and allows businesses to enforce mediated agreements across borders without the need to re-litigate the issues. This serves the purpose of reducing the time, cost, and complexity traditionally associated with enforcing international settlement agreements resulting from mediation. A key feature of the Singapore Convention is its requirement for states who are party to the convention to enforce mediated settlement agreements in a way that is somewhat similar to international arbitral awards under the New York Convention, i.e. enforcing the settlement agreement directly with specific and narrow exceptions, without a need to relitigate the merits of the dispute. This is intended to enhance certainty and predictability for businesses engaging in international transactions, presenting mediation as a reliable and enforceable method of resolving such disputes.
- 4. The Convention also outlines specific grounds on which enforcement can be refused. These include situations where the enforcement would contravene the public policy of the enforcing jurisdiction or where the terms of the settlement agreement violate fundamental legal principles. Other reasons for refusal could involve issues such as the settlement agreement being invalid under the law to which it was subjected, or if the obligations in the agreement have already been performed or are unclear.



- 5. Amendment 103 introduced Article 79C(2)(9) to the Israeli Courts Act, allowing Israeli courts to directly recognize and enforce mediation agreements under the Singapore Convention. Importantly, under this article, Israeli law requires that in order to apply the provisions of the convention, the settlement agreement must explicitly state that it is governed by the Singapore Convention.
- 6. This new amendment represents a significant advancement for Israel, facilitating the acceptance and enforcement of international mediation agreements and further integrating the country into the global framework for dispute resolution. The Singapore Convention and Amendment No. 103 incorporating it into Israeli law, require parties to mediate and settle their disputes carefully, so that the relevant conditions are met and the mediated settlement agreement becomes subject to enforcement under the Singapore Convention.

Our International Arbitration Practice is available to assist you and provide further insight into the mediation of international disputes in Israel generally and the new Amendment in particular.

## **Key Contacts**



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