

OPEN PEER REVIEW

The Arbitration Clause in International Automotive Industry Contracts: Implementation Challenges and Solutions

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1. Round 1

1.1. Reviewer 1

Reviewer:

The second paragraph of the Introduction asserts that national courts are unsuitable because of “limited technical expertise, protracted proceedings, and considerations of state sovereignty.” This is currently presented as a general proposition without sufficient analytical qualification. The authors should explain whether the alleged disadvantages apply equally to all national courts and all automotive disputes or primarily to courts in jurisdictions lacking specialized commercial or intellectual property chambers. The paragraph should also acknowledge that arbitration may itself involve substantial delay, high costs, fragmented proceedings, and limited appellate review. A balanced comparison between litigation and arbitration would strengthen the scientific neutrality of the manuscript and prevent the analysis from appearing normatively predisposed in favor of arbitration.

In the third paragraph of the Introduction, the sentence beginning “At the international level, authoritative instruments and institutional frameworks...” combines the New York Convention, the UNCITRAL Arbitration Rules, and the ICC Arbitration Rules as though they have an equivalent legal status and function. These instruments should be conceptually separated. The New York Convention is a treaty governing recognition and enforcement, the UNCITRAL Arbitration Rules constitute a procedural framework primarily used in ad hoc arbitration, and the ICC Rules govern institutionally administered arbitration. The manuscript should clarify the distinct legal contribution of each instrument and avoid referring collectively to them as a single harmonized enforcement framework.

The final paragraph of the Introduction is excessively long and combines the contextual problem, previous findings, research question, methodological orientation, and claimed contribution in one paragraph. The sentence beginning “This situation becomes even more complex in developing countries...” should be separated conceptually from the subsequent discussion of the Iranian enforcement environment. Although the paragraph structure should remain consistent with the journal’s requirements, the authors should revise the internal organization so that the research gap, research question, purpose,

methodology, and contribution are clearly distinguishable. The current formulation does not specify precisely what is original about the study compared with the cited work on challenges to arbitration in Iranian automotive contracts.

The manuscript requires a separate and substantially more detailed methodology section. The Abstract states that the study employs “an analytical-comparative method” and examines “contractual documents and relevant arbitral practices,” yet the body does not explain how the materials were selected, how many contracts or arbitral cases were analyzed, what jurisdictions were compared, or what analytical criteria were applied. The authors should identify the documentary corpus, inclusion and exclusion criteria, temporal scope, jurisdictions, types of automotive contracts, and method of legal comparison. Without this information, statements presented as “findings” cannot be distinguished from doctrinal observations or the authors’ professional opinions.

In Section 2.1, the sentence stating that common-law, civil-law, and mixed systems “may differ in their understanding of ... the separability of the arbitration clause, the competence-competence principle, and the arbitrability of disputes” is correct in broad terms but insufficiently developed. The authors should identify the dimensions of these differences. For example, the analysis should distinguish positive and negative competence-competence, the law applicable to the arbitration agreement, the treatment of non-signatories, and the scope of objective and subjective arbitrability. The discussion should then connect each doctrinal difference to a concrete automotive-contract scenario, such as a dispute involving a parent company, technology licensor, component supplier, or state-affiliated manufacturer.

Section 2.2 identifies four legal layers—“the law governing the contract,” “the law governing the arbitration agreement,” “the law of the seat,” and “the law of the enforcement jurisdiction”—but does not explain the methodology for determining each law when the contract is silent or ambiguous. The authors should discuss express choice, implied choice, validation principles, closest-connection analysis, and the possible role of the law of the seat. They should also clarify that the procedural law of arbitration is not necessarily identical to the institutional rules selected by the parties. This distinction is fundamental to the manuscript’s central concept of the “legal engineering” of arbitration clauses.

Authors revised the manuscript and uploaded the document.

1.2. Reviewer 2

Reviewer:

In Section 1.1, the sentence “Under this mechanism, arbitrators assume jurisdiction in place of national courts” should be legally refined. Arbitrators do not simply replace national courts; their jurisdiction derives from the arbitration agreement and remains supported and supervised by courts at several stages, including the appointment of arbitrators, interim measures, jurisdictional review, setting-aside proceedings, and enforcement. The manuscript should present arbitration as a legally autonomous but judicially supported mechanism. This clarification is particularly important because later sections describe judicial intervention almost exclusively as an obstacle rather than also recognizing its supportive and supervisory functions.

The paragraph in Section 1.1 beginning “The theoretical foundation of international arbitration rests on the principle of party autonomy” should address the legal limits of party autonomy. The current wording suggests that parties possess unrestricted freedom to determine all components of the arbitration. The authors should explain that party autonomy remains subject to mandatory provisions of the *lex arbitri*, arbitrability rules, equality of the parties, due-process requirements, public policy, and, where state-owned or public entities are involved, domestic authorization requirements. These limitations are central to the Iranian automotive context and should be introduced at the theoretical stage rather than only in later sections.

In Section 1.2(a), the statement that the New York Convention “prevents national courts from adopting expansive interpretations” is too categorical. The Convention narrowly specifies the grounds for refusing enforcement, but national courts retain interpretive discretion, especially regarding procedural fairness, validity of the arbitration agreement, arbitrability, and public policy. The authors should reformulate this proposition and explain the difference between the pro-enforcement orientation of the Convention and the actual diversity of domestic judicial practice. The discussion would also benefit from distinguishing recognition, enforcement, refusal of enforcement, and setting aside, because annulment is generally governed by the law of the arbitral seat rather than by the enforcement court alone.

The subsection on the UNCITRAL Arbitration Rules contains a significant chronological and conceptual issue in the sentence “The 2013 amendments strengthened transparency, efficiency, and the role of appointing authorities.” The authors should verify whether the reference is intended to address amendments to the general Arbitration Rules, the UNCITRAL Rules on Transparency in Treaty-based Investor-State Arbitration, or another instrument. Commercial arbitration rules and investor-state transparency rules should not be conflated. The manuscript should provide the exact title, year, scope, and legal relevance of the instrument being discussed, particularly because the article primarily concerns commercial automotive contracts rather than treaty-based investment arbitration.

In Section 1.2(c), the paragraph on ICC arbitration states that “the preliminary examination of jurisdiction, active case management, and scrutiny of arbitral awards by the ICC Court” guarantee the credibility of the system. The term “guarantee” is too strong and should be replaced with a more measured formulation. The authors should also explain the precise institutional mechanisms involved, including the *prima facie* jurisdictional review, terms of reference where applicable, case-management conferences, and scrutiny of draft awards. More importantly, the discussion should identify which of these mechanisms is especially useful in complex automotive disputes involving multiple contracts, multiple parties, consolidation, joinder, technical evidence, and emergency relief.

The subsection entitled “Soft-Law Instruments and the Completion of Procedural Gaps in Arbitration” should be expanded and more carefully sourced. The paragraph refers to the IBA Rules on the Taking of Evidence, but the approved reference list does not contain a direct source on those Rules. The manuscript should either add an appropriate source to the reference list, subject to the journal’s citation policy, or limit the claim to what can be substantiated by the approved sources. The authors should also discuss how soft-law instruments interact with the chosen arbitral rules and the procedural law of the seat, because their application is not automatic and generally depends on party agreement or tribunal discretion.

Authors revised the manuscript and uploaded the document.

2. Revised

Editor’s decision: Accepted.

Editor in Chief’s decision: Accepted.