

Quantification Guide for Arbitration proceedings

Approved at the Council meeting of 11 March 2020

I. Introduction

1. The purpose of this Guide is to provide all of those involved in arbitration proceedings with a set of quantification guidelines in accordance with the Arbitration Rules (the “Rules”) and with standard practice of the Madrid International Arbitration Centre (the “Centre”).

2. Under Article 9(1) of the Rules:

“The Centre shall determine, on a temporary basis, the quantum of the proceedings, having regard to the relief sought in each arbitration, its estimated monetary value and its complexity. The Centre will set the amount of the advance of funds for the costs of the arbitration, including any taxes that may apply. Having heard the arbitrators, the Centre will set the final quantum of the arbitration proceedings at any time prior to the end of the procedural stage.”

3. When determining the quantum of the proceedings, the Centre shall abide by the following guidelines.

II. Jurisdiction to determine the quantum of the proceedings

4. The Centre encourages the parties to agree on a quantum. However, under Article 9(1) of the Rules, it lies with the Centre to determine such quantum after consulting with the arbitrators.



5. Within the Centre, the General Secretariat shall be responsible for determining the quantum of the proceedings. If deemed appropriate, when performing this duty the General Secretariat may consult with its Support Committee.

III. Procedural stage to determine the quantum

6. As a general rule, the final quantum of the proceedings shall be determined after the response to the statement of claim or the response to the counterclaim have been filed.
7. Notwithstanding the foregoing, the quantum may be updated thereafter based on the development of the proceedings. For example, the quantum shall be updated where the claim for damages continues to increase during the course of the proceedings.

IV. Main criterion: claims and relief sought

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8. As a general rule, the quantum of the proceedings shall be the total amount of relief sought in the statement of claim.
9. However, where the statement of claim includes a main claim and alternative claims, the quantum of the proceedings will be the highest claim, whether the main claim or alternative claims.
10. In case of declaratory claims where the claimant seeks that the arbitral tribunal declare its right to receive compensation or any other right, the amount of this claim shall be the same as if there was a claim for payment of that amount or fulfilment of the said right.

B. Counterclaim and consolidation

11. For quantum purposes, any counterclaims shall be dealt with as separate proceedings. Consequently, the Centre shall determine a specific quantum for this counterclaim.



12. This specific quantum shall not be added to the amount of the claim. Therefore, the total quantum of the proceedings will not be calculated as the addition of both. Accordingly, the amount of the claim will allow the Centre to calculate and request the relevant advances of funds, in accordance with the Centre fees. The amount of the counterclaim shall allow for the calculation and separate request for the relevant advances of funds, also subject to the said Centre fees.¹
13. The quantification rule laid down in paragraphs 11 and 12 above applies in case of consolidation of proceedings. In other words, the claims for each consolidated proceedings shall be quantified separately, and this amount will allow the Centre to calculate and request the relevant advances of funds.

C. Interest

14. As a general rule, the Centre will not take into account the interest claimed in the proceedings in order to determine the quantum thereof. However, where the claim for interest is particularly relevant for the proceedings as a whole, the Centre may take them into account to determine the quantum of the proceedings.
15. Interest will be considered of particular relevance for the proceedings if they amount to more than 25% of the overall amount of the statement of claim (or counterclaim) where the claimant or counterclaimant claim a higher rate than the legal interest rate or if the interest-related matters are particularly complex from a legal standpoint.
16. As for assessing the previous circumstances, the Centre may request the parties to specify the date from which interest starts to accrue. In this regard, parties shall keep in mind Article 45(7) of the Rules.

¹ Imagine, for instance, that there is an EUR 1 million claim and an EUR 1 million counterclaim. For quantum purposes, there will not be a sole arbitration but two separate proceedings with a quantum of EUR 1 million each, for which the Centre will claim the relevant advances of funds from the parties.



V. Additional criteria: estimated monetary value of the dispute and complexity of the proceedings

17. In the absence of clear compensation claims, or as the Centre sees fit having regard to the circumstances of the case, the Centre may apply the estimated monetary value criterion (also designated as economic or pecuniary interest standard) provided in Article 9(1) of the Rules to determine the quantum of the proceedings.
18. In this case, the Centre may require the parties to provide any necessary information to determine the estimated monetary value (or underlying economic interest) of the arbitration. In this regard, parties shall keep in mind Article 45(7) of the Rules.
19. The Centre may take into account the complexity of the proceedings where, in its view, neither the main criterion (determining the quantum as the addition of the claims for payment) nor the additional criterion tied to the arbitration's estimated monetary value (or economic interest) lead to a reasonable quantification having regard to the complexity of the case for the arbitrators.
20. When assessing the complexity of arbitration proceedings, the Centre may take into account, among others, the following aspects: (i) the number of parties to the arbitration; (ii) the number of claims; (iii) the number of submissions filed by the parties; (iv) the number and volume of documents in the case file; (v) the number of procedural orders and awards issued; and (vi) the time spent or expected to be spent by the arbitrators until the end of the proceedings.