

**Arbitration Reform Makes France More  
Attractive for International Law Firms**

**February 3, 2011** – On January 13, 2011, France issued an arbitration reform ruling. The 24,000 foreign companies operating there, and the 30,000 French companies with foreign investments, work with a variety of national laws that are consistently being reformed. As such, the ability to consult legal specialists is highly valued. Almost half of the world's top 100 commercial law firms have offices in Paris.

International arbitration in France has operated within the framework of two decrees issued in the early 1980s to streamline the process and improve its effectiveness. These decrees allow government judges to intervene in court matters to ensure that it functions as it should. The reform passed on January 13 has two objectives: to consolidate some of the advances in case law and to improve the effectiveness of the previous decrees by incorporating provisions inspired by foreign laws that have proven useful in practice.

With an average staff of 140, law firms in Paris employ around 7,000 people, almost 4,000 of whom are lawyers (Source: *Radiographie des cabinets d'avocats d'affaires en France*, 2009). These predominantly American firms include Reed Smith, Morgan Lewis, Orrick, K&L Gates, Nixon Peabody and Bryan Cave.

Their business involves not only legal counseling and litigation in French courts, but also international arbitration, for which Paris is the leading European venue due to the presence in the city, since 1923, of the International Chamber of Commerce's (ICC) International Court of Arbitration. In 2009, the ICC Court registered almost 900 new arbitration cases.

The arbitration process, which provides an alternative for settling commercial disputes between companies of all nationalities, takes place behind closed doors. The parties themselves choose the arbitrators who make up the arbitration panel.

According to IFA Chairman and CEO David Appia, "There are a large number of commercial law firms in Paris to take advantage of the proximity of the International Chamber of Commerce and its Court of Arbitration, which settles international commercial disputes. These firms provide valuable legal counsel and support for foreign investors in France. The recent modernization of arbitration strengthens Paris as a business location; there is every reason for foreign commercial law firms to continue to locate in Paris, to the benefit of foreign investors as a whole."

**The Invest in France Agency (IFA)** is the national agency responsible for promoting and facilitating international investment in France. It also coordinates initiatives to promote France's economic attractiveness. The IFA network operates worldwide, with offices in France as well as in North and South America, Europe, the Middle East and Asia. In France, the IFA works in partnership with regional development agencies to offer international investors outstanding business opportunities and customized services.

For further information, please visit: [www.investinfrance.org](http://www.investinfrance.org);

**Media Contact:** Amanda Hilson  
Invest in France Agency – North America  
Tel: 212-757-9340 · Email: [ahilson@investinfrance.org](mailto:ahilson@investinfrance.org)