



What Spanish courts are saying

SPAIN

- The High Court of Justice of the Basque Country, in its [Judgment of 18 November](#), dismisses an action to set aside an arbitral award based on an alleged breach of public policy. The Court stresses that “*not even an error in iudicando that infringes mandatory law amounts to a violation of public policy if the misapplied rule does not regulate the basic elements of our legal system*”. In this case, the applicant for annulment alleged an incorrect interpretation of the Civil Code and the case law of the Spanish Supreme Court.
- The High Court of Justice of Navarre, in its [Judgment of 12 November](#), dismisses an action to set aside an award, holding that the applicant alleged a lack of congruence without having previously sought its rectification before the arbitrator (Art. 39 Arbitration Act). The Court recalls that rulings beyond the relief sought must first be addressed through the internal mechanisms of the arbitration.
- The High Court of Justice of the Balearic Islands, in its [Judgment of 7 November](#), upholds an action to set aside an arbitral award rendered by a sole arbitrator, where the parties had clearly agreed in the arbitration agreement that any dispute was to be resolved by a tribunal composed of three arbitrators.



What is happening outside Spain

INTERNATIONAL

- The Paris Court of Appeal, in its [Judgment of 9 December](#), upholds Malaysia’s application to set aside the USD 15 billion award rendered in the Sultan of Sulu case. The Court declares the arbitration clause inapplicable and confirms that the arbitrator lacked jurisdiction to render the award.
- The European Commission [has announced the opening of infringement proceedings](#) against Hungary and Belgium for alleged breaches of EU law in connection with awards rendered under the Energy Charter Treaty. In the specific case of Belgium, the Commission accuses the State of having recognised and allowed the enforcement of awards against Spain before the Commission carried out its State aid control.
- The United States Court of Appeals for the Eleventh Circuit, in its [Judgment of 24 September](#), confirms the enforcement of a foreign award against a third party that was not a signatory to the arbitration agreement. The Court considers that, by signing the terms of reference and consenting to the arbitral tribunal deciding on the issue of jurisdiction, the respondent became bound by the arbitral decision and may not oppose enforcement on the grounds of the absence of a written arbitration agreement.



Some interesting publications and events

ACADEMIC WORLD

- The UK Government has announced [its intention to promote legislative reform](#) aimed at introducing a regulatory framework for third-party litigation funding. The announcement responds to concerns arising from the 2023 [judgment](#) of the UK Supreme Court in *PACCAR v. Competition Appeal Tribunal*.
- The [annual conference of the Milan Chamber of Arbitration](#) analysed, on 27 November, the growing recourse to arbitration and other ADR mechanisms in [disputes in the life sciences sector](#), characterised by their high technical and regulatory complexity.



What we have been up to at Pérez-Llorca

PLL

- Daragh Brehony and Margaux Baillou (Litigation and Arbitration counsel and associate at Pérez-Llorca) published, on 2 December, the article “[Madrid emerges as an international arbitration hub](#)”.
- Javier Tarjuelo (Litigation and Arbitration lawyer at Pérez-Llorca) published, on 17 December 2025, the article “[The \(non-\)regulation by the European Union of litigation funding](#)”.