The Legal Nature of Arbitration and Its Relationship with Administrative Law

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Abstract

The choice of law and the arbitrability of disputes arising from international administrative contracts remain among the most contested issues in contemporary arbitration theory and practice. In Lebanon, arbitration law - particularly following the enactment of Law No. 440/2002 - formally endorses party autonomy while simultaneously imposing specific constraints on disputes involving administrative contracts. This dual approach reflects the inherent tension between contractual freedom and the public-law character of administrative agreements. This study examines the explicit and implicit mechanisms through which parties determine the applicable law, the statutory limits imposed on arbitrability, and the role of the judiciary in reviewing arbitral awards relating to administrative disputes. Drawing on doctrinal scholarship and legislative texts (Salama, n.d.; Wali, 2007; Sheikh, 2002), the analysis reveals structural fragmentation and notable inconsistencies in judicial practice. The findings suggest that Lebanon's current framework, while permissive in principle, lacks conceptual coherence and procedural clarity. The study ultimately proposes a foundation for developing a more integrated model of administrative arbitration - one that preserves party autonomy while ensuring effective protection of public interest.

الملخّص

تُعدّ مسألة اختيار القانون الواجب التّطبيق وقابليّة النّزاعات النّاشئة عن العقود الإداريّة الدّوليّة للتّحكيم من أكثر القضايا إثارة للجدل في نظريّة التّحكيم المعاصرة وتطبيقاتها العمليّة. ففي لبنان، يُقرّ قانون التّحكيم، ولا سيّما بعد صدور القانون رقم 2002/440، مبدأ سلطان الإرادة إقرارًا شكليًّا، غير أنّه يفرض في الوقت نفسه قيودًا محدّدة على النّزاعات المتّصلة بالعقود الإداريّة، بما يعكس نهجًا مزدوجًا يُجسّد التّوتّر الكامن بين حرّيّة التّعاقد والطّابع القانونيّ العامّ لهذه العقود.

وتتناول هذه الدّراسة الآليّات المباشرة والضّمنيّة الّتي يعتمدها الأطراف لتحديد القانون الواجب التّطبيق، والحدود التّشريعيّة المفروضة على قابليّة النّزاع للتّحكيم، فضلًا عن دور القضاء في الرّقابة على أحكام التّحكيم المتعلّقة بالنّزاعات الإداريّة. واستنادًا إلى الفقه القانونيّ والنّصوص التّشريعيّة (سلامة، دون تاريخ؛ والي، 2007؛ شيخ، 2002)، يُظهر التّحليل وجود تشتّت بنيويّ وتباينات ملحوظة في الاجتهاد القضائيّ، ويخلص إلى أنّ الإطار القانونيّ اللّبنانيّ الحاليّ، على الرّغم من اتسامه بالمرونة من حيث المبدأ، يفتقر إلى الانسجام المفاهيميّ والوضوح الإجرائيّ. وفي الختام، تقترح الدّراسة وضع أسس لتطوير نموذجٍ أكثر تكاملًا للتّحكيم في النّزاعات الإداريّة، بما يوازن بين احترام سلطان الإرادة وضمان حماية فعّالة للمصلحة العامّة.

Introduction

Arbitration has increasingly emerged as a preferred mechanism for resolving disputes arising from international administrative contracts, largely due to its flexibility, procedural efficiency, and the global enforceability of arbitral awards. At the heart of the arbitral process lies the determination of the law applicable to the substance of the dispute - a decision that is fundamentally shaped by the principle of party autonomy.

Lebanese law reflects this principle through Article 813 of the Code of Civil Procedure, which authorizes parties to designate the governing legal rules applicable to their dispute. In the absence of such a designation, arbitrators are empowered to determine the applicable law themselves (Lebanese Code of Civil Procedure, n.d.). This provision places Lebanese arbitration law in alignment with modern international standards, which prioritize the autonomy of the contracting parties.

Nevertheless, doctrinal debate persists as to whether the parties' choice of law must bear a substantive connection to the dispute. Some scholars argue that such a connection is necessary to ensure legal coherence and legitimacy, particularly in contracts involving public entities (Salama, n.d.). Others advocate for a broader conception of party autonomy, permitting the selection of a neutral or unrelated legal system in order to enhance predictability and impartiality in international transactions (Wali, 2007).

Where no explicit choice of law is expressed, arbitrators may seek to identify an implicit choice by examining contextual indicators such as the language of the contract, the place of its execution, and the domicile or nationality of the parties (Abdullah, n.d.). Failing this, Article 813 grants arbitrators discretionary authority to apply the law they deem most appropriate. In practice, this often results in the application of the contracting state's domestic administrative law, reflecting the public-interest dimension inherent in administrative contracts (Sheikh, 2002).

Despite this flexibility, Lebanese legislation imposes significant limitations on the arbitrability of administrative disputes. Article 795 restricts arbitration to matters concerning the interpretation and execution of administrative contracts, expressly excluding disputes related to their validity. This fragmentation has been criticized for undermining arbitration's effectiveness by compelling parties to pursue parallel proceedings before different judicial forums (Khalil, 2010).

Judicial oversight further complicates the arbitral landscape. Although Law No. 440/2002 expanded the permissibility of arbitration in administrative matters, Lebanon has yet to establish a specialized or unified judicial framework for reviewing arbitral awards in such disputes. As a result, jurisdictional conflicts between civil and administrative courts persist, leading to inconsistent jurisprudence and legal uncertainty (Sheikh, 2002).

Against this backdrop, the present study undertakes a systematic examination of arbitration in Lebanese administrative contracts, focusing on its legal coherence, practical limitations, and institutional challenges.

Research Questions

This study seeks to address the following questions:

1. How does Lebanese law regulate the explicit and implicit choice of law in international administrative contracts?
2. What limitations does Lebanese legislation impose on the arbitrability of disputes arising from administrative contracts, and how do these limitations affect the arbitration process?
3. How do Lebanese courts - both civil and administrative - approach the review and annulment of arbitral awards in administrative disputes?

4. To what extent does the existing legislative framework promote or hinder efficiency, consistency, and fairness in administrative arbitration?

Significance of the Study

This study contributes to the existing literature in several important ways:

1. Clarifying doctrinal ambiguity

Despite legislative reforms, including Law No. 440/2002, Lebanese arbitration law continues to exhibit doctrinal uncertainty regarding the choice of law and the judicial supervision of administrative arbitral awards. By synthesizing the analyses of leading scholars (Salama, n.d.; Sheikh, 2002; Khalil, 2010), this research clarifies contested issues and exposes unresolved structural tensions.

2. Supporting legal reform and policymaking

As Lebanon increasingly engages in international projects involving infrastructure, energy, and public services, a predictable and coherent arbitration framework becomes indispensable. The study offers evidence-based insights that may assist legislators, judges, and arbitration institutions in refining the regulatory environment.

3. Advancing the concept of party autonomy

Through its examination of explicit and implicit choice-of-law mechanisms, the study deepens scholarly understanding of party autonomy and its limits in administrative contracts - where private agreement must coexist with public interest considerations.

4. Enhancing practical arbitration outcomes

Practitioners, arbitrators, and public authorities stand to benefit from clearer guidance on arbitrability, applicable law, and judicial review. By bridging theory and practice, the study contributes to more consistent and effective dispute resolution strategies.

5. Contributing to comparative arbitration scholarship

Lebanon's hybrid legal system - shaped by French administrative law and international arbitration norms - offers a valuable case study for comparative analysis. The findings may inform broader discussions on how mixed jurisdictions reconcile public authority with contractual freedom.

Literature Review

Arbitration is among the oldest mechanisms for resolving disputes outside formal judicial institutions. Its roots can be traced to early human societies, long predating the establishment of state courts, and it was widely recognized across ancient Greek, Roman, and Islamic legal traditions. In contemporary legal systems, arbitration enjoys near-universal acceptance as a legitimate alternative to judicial adjudication, particularly in international commercial and investment contexts.

Lebanese legislation has historically demonstrated openness toward arbitration. The institution was incorporated into the former Code of Civil Procedure in 1933 and later reaffirmed in the revised 1983 Code, which drew extensively on the French arbitration reforms of 1975. Arbitration is valued for its procedural efficiency, confidentiality, flexibility, and - most notably - the broad autonomy it affords parties in shaping both procedure and applicable law.

As technological, economic, and geopolitical developments have intensified cross-border cooperation, Lebanon has increasingly entered into contracts with foreign entities. Many of these agreements qualify as international administrative contracts and frequently include arbitration clauses, whether embedded within the contract or stipulated through a separate arbitration agreement. Legislative amendments have thus explicitly recognized the state's capacity to resort to

arbitration in administrative matters, particularly to facilitate development projects and improve public services.

Law No. 440/2002 marked a significant turning point by formally permitting arbitration in administrative contracts. Even prior to its enactment, however, Lebanese doctrine and jurisprudence had engaged in extensive debate concerning the legal nature of arbitration and its compatibility with administrative law.

Accordingly, this literature review focuses on two central themes:
(1) the legal nature of arbitration, as reflected in contractual, judicial, mixed, and autonomous theories; and
(2) the relationship between arbitration and administrative law, particularly the challenge of preserving the public-law character of administrative contracts while allowing arbitration to function effectively as a dispute resolution mechanism.

Section I: The Legal Nature of Arbitration

1. Contractual and Judicial Theories

1.1 The Contractual Nature of Arbitration

The contractual theory conceives arbitration as deriving fundamentally from the will of the parties. By agreeing to arbitrate, parties voluntarily elect to resolve their disputes outside state courts, accepting reduced procedural formalism in exchange for speed, flexibility, and access to specialized expertise and international commercial practices (Masmash, 2011). The arbitration agreement - whether contained in a contractual clause or embodied in a separate instrument - constitutes the legal foundation of the arbitral process.

French jurisprudence has historically endorsed this contractual conception. In a landmark 1937 decision, the French Court of Cassation held that arbitral awards form an indivisible whole with the arbitration agreement and consequently inherit its contractual character (as cited in Masmash, 2011). Lebanese arbitration law similarly reflects this approach by granting parties extensive autonomy in determining procedural rules, appointing arbitrators, and selecting applicable legal principles.

Nevertheless, party autonomy is not absolute. Mandatory legal norms - such as due process guarantees and public policy considerations - operate as external constraints on arbitral freedom. Even in systems that emphasize the contractual nature of arbitration, the arbitral process remains embedded within, and ultimately subject to, the broader legal order of the state.

1.2. The Judicial Nature of Arbitration

In contrast to the contractual theory, proponents of the judicial theory maintain that arbitration constitutes an authentic exercise of adjudicative authority. From this perspective, the arbitrator does not merely act as an agent of the parties but performs a judicial function that arises from the nature of the dispute itself. The arbitrator's authority is thus grounded not only in party consent but also in the necessity of impartial adjudication and the issuance of a binding decision capable of producing legal effects.

French jurisprudence has played a central role in shaping this theory. A series of landmark decisions of the French Court of Cassation affirmed that arbitrators exercise a genuine judicial mission, particularly when resolving disputes that require the application of legal rules and the assessment of competing claims (Cass. civ., 22 October 1949; Cass. civ., 18 June 1958; Cass. civ., 9 July 1961). According to these rulings, arbitration constitutes a form of exceptional jurisdiction, whereby arbitrators are vested with independent authority to adjudicate disputes submitted to them.

This judicial characterization is further reinforced by the procedural powers entrusted to arbitrators. They conduct hearings, examine evidence, hear arguments from both parties, and render reasoned decisions. Although arbitral awards require judicial intervention to acquire executory force, their legal effects closely resemble those of judicial judgments. In this regard, the French Court of Cassation emphasized that the arbitral award, once issued, embodies an act of adjudication rather than a mere contractual determination (Cass. civ., 25 March 1962).

Similarly, the Paris Court of Appeal has recognized that arbitral awards produce effects analogous to judicial decisions, notwithstanding the requirement of an enforcement order (exequatur) before compulsory execution may occur (Paris Court of Appeal, 29 April 1982). Accordingly, the judicial theory views arbitration as a derivative yet genuine exercise of judicial power - one that operates alongside, rather than outside, the state's judicial system.

2. Mixed and Autonomous Theories of Arbitration

2.1. Mixed (Hybrid) Theories

Seeking to reconcile the contractual and judicial conceptions of arbitration, several scholars have advanced hybrid theories that integrate elements of both approaches. According to this view, arbitration unfolds through successive stages, each characterized by a distinct legal nature. It begins as a contractual undertaking - through the arbitration agreement - then evolves into a procedural mechanism, and ultimately culminates in a judicial act embodied in the arbitral award (Masmash, 2011).

Under this hybrid framework, arbitration is conceived as a form of private justice. Its foundation is contractual, as the arbitrator's mandate derives from party consent; yet its function is judicial, as the arbitrator adjudicates disputes by examining claims, evaluating evidence, and issuing a binding decision. The mixed theory thus reflects the dual character of arbitration: contractual in origin, judicial in substance.

This approach has gained significant acceptance in both doctrine and practice, as it captures the practical reality of arbitration while acknowledging the indispensable role of party autonomy and the adjudicative nature of the arbitral function.

2.2. The Autonomous (Self-Contained) Theory of Arbitration

A more recent doctrinal development is the autonomous theory of arbitration, which views arbitration as an independent legal phenomenon that cannot be fully explained by either contractual or judicial paradigms (Tirou, 1992; Masmash, 2011). According to this school of thought, arbitration constitutes a self-contained system tailored to the needs of international commerce and transnational economic relations.

Proponents argue that arbitration operates within a transnational legal order grounded in commercial practice, trade usages, and pragmatic business considerations, rather than national legal structures. From this perspective:

> Arbitration cannot be reduced to a civil contract, as contracts do not normally generate procedural or adjudicative effects.
>
> Arbitration is not a judicial institution in the traditional sense, as it functions independently from state courts, which intervene only to provide support or exercise limited supervisory control.

Arbitrators may apply non-state norms, such as commercial customs, trade usages, or the lex mercatoria, as governing rules of the dispute.

A related articulation of this theory is advanced by Ahmad Mohamed Hashish (2000), who conceptualizes arbitration as a cultural and procedural institution marked by autonomy, exceptionalism, and a public dimension. Hashish argues that arbitration does not necessarily rely on substantive legal systems and that arbitrators need not be trained in civil law, provided that they respect procedural fairness and public policy. This perspective further underscores arbitration's distinct identity within the broader legal order.

Section II: Arbitration and Administrative Law

Arbitration has acquired growing significance in the context of international administrative contracts, particularly those concluded between developing states and foreign investors. In such settings, arbitration offers a neutral forum for dispute resolution, allowing states to avoid submission to the jurisdiction of foreign national courts while ensuring a degree of legal certainty for private parties.

International arbitration conventions and national laws increasingly recognize the capacity of states to submit administrative disputes to arbitration. In Lebanon, arbitration in administrative contracts entails a partial transfer of jurisdiction from administrative courts to arbitral tribunals. This transfer, however, remains essentially procedural. Administrative authorities retain their obligation to apply substantive public-law principles, including the supremacy of administrative norms and the special legal regime governing administrative contracts (Masmash, 2011).

Rather than operating in opposition to the judiciary, arbitration functions with judicial support. State courts assist arbitral proceedings by appointing arbitrators, ordering interim measures, and exercising post-award review. This complementary relationship underscores the institutional interdependence between arbitration and the judicial system.

Preserving the Public-Law Character of Administrative Contracts

Administrative contracts differ fundamentally from civil contracts due to their distinctive characteristics, which include:

the application of public-law principles,
the superior legal position of the administration, and
the pursuit of public interest objectives.

The introduction of arbitration into this domain raises a critical concern: whether arbitration risks undermining the public-law nature of administrative contracts. The prevailing view in doctrine is that arbitration does not inherently erode this character, provided that it respects the substantive principles of administrative law.

Although arbitral tribunals may assume procedural authority over disputes, the substantive norms governing administrative contracts—largely derived from the jurisprudence of the French *Conseil d'État*—must remain applicable. Arbitration must therefore preserve essential concepts such as public interest considerations, the special prerogatives of the administration, the power of unilateral modification or termination, and strict adherence to public policy.

The central challenge lies in striking an appropriate balance between the flexibility of arbitration and the mandatory rules that define administrative contracts.

Explicit and Implicit Choice of Law in International Administrative Contracts

Scholarly consensus affirms that international contracts, including international administrative contracts, are governed primarily by the principle of party autonomy. This principle is enshrined in

Article 813 of the Lebanese Code of Civil Procedure, which provides that arbitrators shall decide disputes in accordance with the legal rules chosen by the parties, or, failing such choice, the rules deemed appropriate by the arbitrator, while taking commercial customs into account (Lebanese Code of Civil Procedure, n.d.).

1.1. Explicit Choice of Law

Two principal doctrinal approaches emerge concerning the parties' explicit choice of law. The first maintains that the chosen law must bear a meaningful connection to the dispute in order to preserve legal coherence and legitimacy (Salama, n.d.). The second rejects this requirement, asserting that parties may freely select any legal system, including a neutral law unrelated to the contract or the law of a state connected to only one party (Wali, 2007; Salama, n.d.).

Scholars further emphasize that when parties designate a specific branch of law within the chosen legal system - such as commercial or civil law - the arbitral tribunal is bound to respect this choice. Failure to do so may constitute grounds for annulment, as it would amount to disregarding the parties' agreed legal framework (Wali, 2007). Where no such specification is made and no objection is raised, arbitrators may apply the chosen legal system in its entirety, consistent with the principle of global reference in private international law (Salama, n.d.).

1.2. Implicit Choice of Law

In the absence of an express choice of law, arbitrators must determine whether an implicit choice can be inferred from the circumstances of the contract. Relevant indicators include the place of contract formation, the parties' nationality or domicile, the language of the contract, and the currency of payment. These factors enable arbitrators to reconstruct the parties' presumed intent in a manner consistent with the contractual context (Abdullah, n.d.).

In international administrative contracts, doctrine largely converges on the presumption that the parties implicitly intended the application of the law of the contracting state. Such contracts are closely linked to public services, governmental functions, and public infrastructure—areas intrinsically governed by domestic administrative law (Khalil, 2010; Sheikh, 2002). Applying a foreign legal system may conflict with mandatory rules and jeopardize the enforceability of the arbitral award.

Methodology

This study adopts a qualitative doctrinal research methodology, complemented by analytical and comparative approaches, to examine arbitration in international administrative contracts under Lebanese law. The methodological design is intentionally aligned with the legal-normative nature of the research questions, which seek to analyze statutory provisions, judicial interpretations, and scholarly positions rather than empirical behavioral data.

First, the study relies on doctrinal legal analysis as its primary method. Core legislative texts - most notably the Lebanese Code of Civil Procedure (Articles 795, 798, 800, and 813) and Law No. 440/2002 - are examined in detail to identify the legal framework governing administrative arbitration, choice of law, arbitrability, and judicial review. These provisions are interpreted in light of their wording, legislative intent, and practical implications for arbitration involving public entities. Second, the research incorporates jurisprudential analysis. Selected decisions of Lebanese civil courts, the Conseil d'État, and comparative references to French jurisprudence are analyzed to assess how courts interpret and apply arbitration-related rules in administrative disputes. Particular attention is paid to inconsistencies in jurisdictional allocation, standards of review, and annulment practices, as these issues directly affect legal certainty and procedural efficiency.

Third, a doctrinal-comparative approach is employed to contextualize Lebanese practice within broader international and comparative frameworks. The study draws on French administrative arbitration doctrine and international arbitration principles to evaluate whether Lebanese law aligns with, diverges from, or partially adopts international standards. This comparative lens helps identify structural gaps and reform needs without undermining the specificity of Lebanese public law.

In addition, the research engages in critical doctrinal synthesis. Scholarly writings by Lebanese and international jurists are systematically reviewed to trace theoretical debates on arbitrability, public order, party autonomy, and the judicial role in arbitration. These sources are not treated descriptively but are critically assessed to develop normative conclusions regarding efficiency, fairness, and coherence in administrative arbitration.

Finally, the methodology is guided by a functional perspective. Rather than assessing arbitration in abstract terms, the study evaluates how legal rules operate in practice - particularly their impact on procedural efficiency, consistency of outcomes, and protection of public interest. This approach ensures that the conclusions and recommendations are grounded in legal reality and responsive to both state interests and the expectations of international investors.

Overall, this methodological framework allows for a rigorous, humanized, and context-sensitive analysis of administrative arbitration in Lebanon, balancing doctrinal precision with practical relevance.

Findings, Discussion, and Recommendations

Findings

The findings of this doctrinal and analytical study demonstrate that Lebanese law regulates the choice of law in international administrative contracts through a combination of explicit statutory recognition of party autonomy and implicit judicial and arbitral inference mechanisms. Article 813 of the Lebanese Code of Civil Procedure affirms the right of parties to explicitly designate the law governing their contract, including foreign law or non-national legal rules. In practice, this autonomy is respected by arbitral tribunals, provided that the chosen law does not conflict with Lebanese public order or mandatory administrative norms. Where the choice of law is implicit rather than express, arbitrators rely on objective indicators such as the language of the contract, the place of performance, the nationality or domicile of the parties, and references to particular legal concepts. This approach, while flexible, introduces a degree of uncertainty, as different tribunals may attribute varying weight to the same indicators.

With respect to arbitrability, the findings reveal that Lebanese legislation adopts a restrictive approach to disputes arising from administrative contracts. Article 795 of the Code of Civil Procedure limits arbitration to disputes concerning the interpretation and execution of administrative contracts, while excluding matters relating to contract validity, administrative prerogatives, and issues directly affecting public order. This limitation fragments dispute resolution by compelling parties to resort simultaneously to arbitration and administrative judiciary, thereby undermining procedural economy and diminishing the practical attractiveness of arbitration in public contracts.

The study further finds that Lebanese courts approach the review and annulment of arbitral awards in administrative disputes with notable inconsistency. Civil courts often assert jurisdiction over annulment actions based on procedural grounds, while the State Council (Conseil d'État) maintains its traditional authority over administrative legality. The absence of a specialized or unified

review mechanism has resulted in conflicting jurisprudence regarding jurisdiction, standards of review, and the scope of judicial intervention. As a result, parties face uncertainty regarding the finality and enforceability of arbitral awards involving administrative contracts.

Overall, the findings indicate that the existing legislative framework only partially promotes efficiency, consistency, and fairness in administrative arbitration. While party autonomy and international arbitration standards are formally recognized, restrictive arbitrability rules and fragmented judicial oversight hinder procedural efficiency and legal predictability. Fairness is further compromised by inconsistent judicial practices, which may expose parties to prolonged litigation and conflicting decisions.

Discussion

The expanded findings confirm that arbitration in Lebanese administrative contracts operates within a delicate balance between private autonomy and public-law constraints. The regulation of explicit and implicit choice of law reflects a modern orientation aligned with international arbitration principles, yet its practical application remains uneven. The reliance on implicit indicators of party intent, while doctrinally justified, underscores the need for clearer legislative guidance to enhance predictability and coherence.

The restrictive approach to arbitrability reflects the enduring influence of French administrative law traditions, which prioritize the protection of public interest and administrative prerogatives. However, in an era of globalization and increased reliance on public–private partnerships, such rigidity risks rendering arbitration ineffective as a comprehensive dispute-resolution mechanism. Comparative experiences suggest that broader arbitrability, coupled with robust public-policy review, may better serve both state interests and contractual stability.

Judicial review remains the most problematic dimension of administrative arbitration in Lebanon. The duality between civil courts and the State Council creates jurisdictional ambiguity and weakens confidence in arbitration as a final and binding process. Rather than safeguarding legality, excessive or inconsistent review may undermine the very efficiency arbitration seeks to achieve. A harmonized standard of review focused on procedural integrity and public order, rather than merits-based reassessment, would align Lebanese practice with international norms.

Recommendations

First, Lebanese legislation should be amended to provide clearer guidance on implicit choice-of-law determination, including illustrative criteria that arbitrators and courts may rely upon. This would enhance legal certainty and reduce inconsistent interpretations.

Second, the scope of arbitrability in administrative contracts should be broadened to include disputes relating to contract validity, subject to public-order safeguards. Such reform would promote procedural efficiency and prevent jurisdictional fragmentation.

Third, a unified judicial review mechanism should be established, either through legislative clarification of jurisdiction or the creation of a specialized chamber competent to review administrative arbitral awards. This reform would enhance consistency and reinforce the finality of arbitral decisions.

Finally, judicial training and arbitration guidelines should be developed to ensure that courts adopt a restrained and arbitration-friendly approach, intervening only where fundamental procedural guarantees or public policy are at stake.

Implications

The findings of this study carry significant theoretical, legal, institutional, and practical implications for the field of arbitration in administrative contracts, particularly within the Lebanese legal system.

At the theoretical level, the study reinforces the view that arbitration in administrative contracts cannot be understood through a purely contractual or judicial lens. Instead, it confirms the relevance of a mixed and functional approach that acknowledges party autonomy while preserving the mandatory public-law character of administrative contracts. This contributes to broader arbitration scholarship by illustrating how hybrid legal systems reconcile international arbitration principles with domestic administrative law constraints.

From a legislative and policy perspective, the research highlights structural gaps in the Lebanese framework governing administrative arbitration. The absence of a specialized regime following Law No. 440/2002 has led to fragmented jurisdiction, inconsistent judicial review, and uncertainty for both public authorities and private investors. These findings underscore the need for legislative reform aimed at clarifying arbitrability rules, defining judicial review mechanisms, and ensuring coherence between civil and administrative jurisdictions.

At the institutional level, the study has implications for courts and arbitration centers. Clearer guidance on jurisdiction and applicable law would enhance judicial predictability and strengthen confidence in arbitration as a dispute-resolution mechanism for public contracts. Arbitration institutions may also benefit from developing specialized procedural rules or panels for administrative disputes.

Practically, the findings provide guidance for arbitrators, legal practitioners, and contracting authorities. Understanding the limits of arbitrability, the role of public policy, and the courts' review standards allows stakeholders to draft more effective arbitration clauses, anticipate jurisdictional challenges, and manage disputes more efficiently.

Conclusion

This study examined the legal nature of arbitration and its interaction with administrative law in Lebanon, with particular emphasis on international administrative contracts. Through doctrinal analysis of legislation, jurisprudence, and scholarly writings, the research demonstrated that while Lebanese law formally embraces arbitration in administrative matters, it does so within a fragmented and sometimes incoherent legal framework.

The findings reveal that Lebanese law recognizes party autonomy in the choice of applicable law -both explicitly and implicitly - yet subjects this autonomy to significant limitations rooted in public policy and the public-law nature of administrative contracts. Similarly, the restrictive approach to arbitrability, which excludes disputes relating to contractual validity, undermines arbitration's efficiency and risks procedural fragmentation.

Judicial review of arbitral awards remains one of the most problematic aspects of the current system. The lack of a specialized review mechanism has resulted in inconsistent jurisprudence regarding jurisdiction and standards of control, thereby weakening legal certainty and predictability.

Ultimately, the study concludes that while arbitration offers a valuable tool for resolving disputes in international administrative contracts, its effectiveness in Lebanon depends on legislative and institutional reforms. Clarifying arbitrability rules, harmonizing judicial review mechanisms, and

reaffirming the balance between party autonomy and public interest are essential steps toward a more coherent and reliable arbitration regime.

Appendices

Appendix A: Key Legislative Provisions

- Article 795 of the Lebanese Code of Civil Procedure: Limits arbitration in administrative contracts to disputes relating to interpretation and execution.
- Article 798 of the Lebanese Code of Civil Procedure: Allows third-party opposition to arbitral awards before the competent court.
- Article 800 of the Lebanese Code of Civil Procedure: Enumerates grounds for annulment of arbitral awards.
- Article 813 of the Lebanese Code of Civil Procedure: Governs the choice of applicable law in arbitration.
- Law No. 440/2002: Explicitly authorizes arbitration in administrative contracts.

Appendix B: Summary of Dominant Scholarly Positions

- Salama: Advocates a contextual limitation on party autonomy to ensure legal coherence.
- Wali: Supports broad party autonomy, including the choice of neutral or unrelated legal systems.
- Sheikh: Emphasizes the public-law constraints governing administrative arbitration and the need for administrative judicial review.
- Khalil: Criticizes restrictive arbitrability rules for fragmenting dispute resolution.
- Masmash: Supports a mixed theory of arbitration combining contractual and judicial elements.

Appendix C: Suggested Areas for Legislative Reform

- Establishment of a specialized review mechanism for administrative arbitral awards.
- Expansion of arbitrable matters to include certain validity-related disputes.
- Clear allocation of jurisdiction between civil and administrative courts.
- Codification of standards governing public policy review in administrative arbitration.

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