

Feasibility of Third-Party Intervention in Dispute Resolution through Arbitration under Iranian Law: With Reference to International Instruments and Practices

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Arbitration, as one of the most significant alternatives to judicial litigation, is fundamentally grounded in the principle of party autonomy and the mutual consent of the disputing parties. This defining feature raises critical questions and challenges regarding the intervention of third parties in arbitral proceedings. Unlike judicial litigation systems, which generally recognize third-party intervention, arbitration—owing to its private and independent character—faces notable limitations in this respect. The participation of third parties in arbitration lies at the intersection of two fundamental principles: the relativity of the arbitration agreement and the obligation to observe fair trial standards. Since arbitral jurisdiction derives from the consent of the original parties, the inclusion of any third party requires verification of their consent, along with that of the existing parties, as well as the existence of a close legal nexus to the subject matter of the arbitration. This article analyzes the theoretical underpinnings of third-party intervention and evaluates its legal feasibility through mechanisms such as the extension of the arbitration clause. Despite the presence of a specific provision addressing third-party intervention in Iran's Law on International Commercial Arbitration, a legislative gap persists in this domain. Accordingly, the enactment of comprehensive regulations governing third-party participation in arbitration, with explicit clarification of its conditions and legal consequences, constitutes an essential step toward enhancing the effectiveness and inclusiveness of arbitration in the Iranian legal system.

Keywords: *Arbitration, Third-Party Intervention in Arbitration, Arbitration Clause, Arbitration Agreement, Iranian Law.*

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1. Introduction

In today's era, the tendency toward arbitration as one of the most prominent alternative dispute resolution (ADR) mechanisms—particularly in the field of international commerce—is increasingly expanding (Born, 2021; Redfern & Hunter, 2023). Owing to features

such as confidentiality, specialization, international enforceability, and, in most cases, expedited proceedings, arbitration presents a more attractive option for economic actors and contracting parties compared to traditional litigation (Abrishami & Aghasi Javid, 2024; Nikbakht, 2023).



Nevertheless, a major challenge in arbitration systems lies in the question of third-party participation in arbitral proceedings. This issue is intricately linked, on one hand, to foundational principles of arbitration—such as party autonomy and the independence of the arbitration agreement—and, on the other hand, it intersects with the demands of procedural justice and the need for integrated resolution of related disputes (Parhizkar, 2024; Rahimi, 2023).

In Iranian law, as in many other legal systems, third-party intervention is recognized within the framework of judicial proceedings (Shams, 2021, 2022). However, due to the contractual nature of arbitration—despite the fact that Iran's Law on International Commercial Arbitration contains a specific provision on third-party participation—such intervention faces distinct legal and interpretive complexities (Darabpour, 2022; Karimi, 2023).

The central question is whether, and under what conditions, a third party may validly enter into arbitral proceedings without infringing upon the foundational principles of arbitration or the rights of the original parties (Akbari, 2023; Basiri, 2023). Moreover, assuming such intervention is possible, does the current legal and judicial framework in Iran support its practical realization (Abbasi, 2023; Nazari-Nia, 2024)?

Unlike litigation, where third-party intervention is codified and institutionalized, arbitration remains beset by various obstacles and ambiguities. Since arbitration is grounded in the consent of the parties, the inclusion of a third party without such consent runs counter to the core principle of party autonomy (Rostami, 2023; Tavakoli, 2022).

The present article aims to assess the feasibility of third-party claims within arbitral proceedings by first outlining the relevant theoretical concepts and then examining comparative arbitral rules and practices (Ghalibafan et al., 2024; Moser & Bao, 2022). Through a critical review of the status of third-party intervention under Iranian law, the article ultimately offers recommendations for enhancing and developing mechanisms that permit such participation in arbitration.

2. Theoretical and Conceptual Foundations of Third-Party Intervention in Arbitration

This section begins by defining and clarifying key concepts related to third-party participation—such as the legal status of third parties in dispute resolution and how they differ from the original litigants (Jafari-Langroudi, 2024). It then reviews the recognized categories of third-party intervention in traditional litigation (including independent, accessory, and third-party joinder claims), thereby establishing a comparative basis with arbitration (Ahmadi, 2022). Subsequently, the private and consensual nature of arbitration is analyzed, raising the question of how third-party intervention may be reconciled with the principle of consent in arbitration (Born, 2021; Redfern & Hunter, 2023). In this context, the fundamental differences between judicial and arbitral proceedings in terms of third-party involvement are examined (Hess, 2019).

2.1. Definition and Status of the Third Party in Dispute Resolution

In legal literature, the term third party refers to a person who was not among the original disputing parties at the outset of proceedings but seeks to join due to an independent or derivative interest in the subject matter of the dispute (Abbasi, 2023). Such intervention may occur upon the third party's own request or through the invitation of one of the parties to the dispute (plaintiff or defendant).

In civil litigation, third-party intervention is a recognized procedural institution with defined rules aimed at protecting the rights of persons whose interests might be affected by the judgment (Shams, 2021). In arbitration, however, due to its private and contractual nature, defining and recognizing third-party status is more complex. Arbitration is fundamentally based on party agreement, and core principles such as arbitrator independence, party consent, and confidentiality play a central role (Akbari, 2023; Basiri, 2023). Therefore, the participation of an individual not originally involved in, or signatory to, the arbitration agreement may raise challenges. In such cases, third-party intervention is only possible if either the primary parties or the governing arbitration rules permit such involvement (Parhizkar, 2024; Rahimi, 2023).

International arbitral instruments such as the ICC and UNCITRAL Rules also acknowledge the possibility of third-party intervention, but only subject to the consent of the original parties or the arbitrator's jurisdiction in cases of consolidated or joined claims (Moser & Bao, 2022; Nazari-Nia, 2024).

2.2. *The Concept of Third-Party Intervention*

Third-party intervention is a core procedural institution in civil litigation, designed to protect individuals whose rights or interests may be directly or indirectly affected by the outcome of a judgment (Hess, 2019). Under Iranian law, such intervention is categorized into three types:

- **Independent intervention**, in which the third party brings a separate claim against one of the litigants;
- **Accessory intervention**, in which the third party supports one of the parties in the ongoing proceedings; and
- **Joinder of a third party**, in which one of the original parties brings another party into the proceedings due to their potential interest in the dispute (Ahmadi, 2022; Shams, 2022).

The theoretical foundation for this mechanism lies in the principle of non-trial in absentia for third parties and the guarantee of the right to defense, both of which are embedded in the concept of a fair trial (Darabpour, 2022). While litigation operates under mandatory procedural rules within a formal judicial system, allowing third-party intervention without the express consent of the original parties, arbitration—being governed by private agreements and discretionary rules—is subject to more complex conditions for such intervention, which are discussed further in the article (Karimi, 2023; Rostami, 2023).

2.3. *Differences Between Third-Party Intervention in Litigation and Private Arbitration*

Third-party participation in judicial proceedings and in private arbitration differs fundamentally in terms of legal basis, conditions for applicability, and legal consequences, all of which stem from the distinct nature of the two systems (Born, 2021; Redfern & Hunter, 2023). In judicial litigation, third-party intervention is grounded in mandatory rules and the courts' general

jurisdiction (Shams, 2021). Courts, as instruments of the state, have the authority to adjudicate disputes and involve third parties pursuant to the law, even if the original parties object. The guiding principles are the right to a fair trial and the prohibition of issuing judgments against those without a chance to defend themselves (Hess, 2019).

In arbitration, however, the consent of the parties constitutes the very foundation of the proceeding (Abrishami & Aghasi Javid, 2024; Akbari, 2023). Arbitrators derive their jurisdiction not from state authority, but from a private agreement between the parties. Consequently, third-party participation in arbitration is only acceptable if:

- The third party has acceded to the arbitration agreement, and the original parties have either consented to or not objected to the intervention;
- The applicable arbitration law explicitly permits such intervention under specific conditions (Parhizkar, 2024; Rahimi, 2023).

Furthermore, unlike courts, arbitrators do not generally possess coercive powers to compel third-party participation, unless empowered by national arbitration laws (Tavakoli, 2022). Therefore, while third-party intervention is a normal and structured aspect of judicial litigation, in arbitration it may compromise principles such as independence, confidentiality, and procedural efficiency if consent is lacking (Basiri, 2023; Nazari-Nia, 2024). From this perspective, a central challenge in comparative arbitration law is the design of frameworks that both uphold the principle of consent and allow meaningful participation of parties with legitimate interests in the dispute (Ghalibafan et al., 2024; Rostami, 2023).

2.4. *Analysis of the Concept of Consent in Arbitration and Its Relation to the Inclusion of Third Parties*

One of the fundamental principles of arbitration is the principle of party consent, whereby arbitration is only valid and lawful if all parties to the dispute agree to it (Born, 2021; Redfern & Hunter, 2023). This characteristic distinguishes arbitration from judicial proceedings, where courts derive their jurisdiction from sovereign authority and public law (Shams, 2021). In arbitration, based on the principle of freedom of will, the parties agree to resolve their disputes through arbitration and authorize arbitrators to make decisions

in the process (Tavakoli, 2022). Therefore, the inclusion of a third party in an arbitration proceeding must be accompanied by the explicit consent of all disputing parties as well as the third party (Parhizkar, 2024; Rahimi, 2023).

The concept of consent in arbitration becomes particularly complex when a third party is introduced into the dispute. Under usual circumstances, the inclusion of a third party in arbitration can be interpreted in various ways (Akbari, 2023; Basiri, 2023):

1. **Inclusion of a Third Party as a Party to the Dispute:** This is possible when the third party was initially designated as a party to the arbitration agreement or subsequently entered into the arbitration agreement.
2. **Inclusion of a Third Party as an Intervenor:** In this scenario, the third party, without being an original party to the arbitration agreement, merely intervenes in the dispute resolution process. In such cases, arbitrators may accept their inclusion only if the original parties to the dispute have given their consent (Nazari-Nia, 2024).

It is important to note that the parties' consent in arbitration not only plays a pivotal role from a theoretical perspective but also has practical implications. If the original parties to the dispute do not agree to the inclusion of a third party in the arbitration process, such inclusion may negatively affect the proceedings, confidentiality, and adherence to the principles of fairness and impartiality (Abbasi, 2023). Therefore, the inclusion of third parties in arbitration should only occur within the framework of contractual arrangements and with the agreement of all parties involved (Darabpour, 2022).

Ultimately, the concept of consent in arbitration—particularly in complex commercial and international disputes—is not only directly related to the inclusion of third parties but also contributes to preserving confidentiality, arbitrators' impartiality, and the efficiency of the arbitration process (Nikbakht, 2023). Hence, any change in the composition of the disputing parties must be carried out with respect for these fundamental principles.

3. Comparative Analysis of Third-Party Inclusion in International Arbitration Instruments and Iranian Law

This section provides a comparative analysis of international arbitration rules and Iranian law regarding the inclusion of third parties in arbitration. It first examines the situation under Iranian arbitration law with a focus on the Law on International Commercial Arbitration (enacted in 1997) and the Code of Civil Procedure, and then considers the practices and regulations of international arbitration institutions such as the International Chamber of Commerce (ICC), London Court of International Arbitration (LCIA), Singapore International Arbitration Centre (SIAC), and UNCITRAL Arbitration Rules (Moser & Bao, 2022; Redfern & Hunter, 2023). These rules generally permit third-party inclusion under conditions such as party consent, subject-matter connection, or arbitrators' jurisdiction to consolidate claims (Parhizkar, 2024; Rahimi, 2023).

3.1. Examination of Iran's Law on International Commercial Arbitration Concerning Third Parties

Iran's 1997 Law on International Commercial Arbitration, as the primary domestic source for international arbitration, seeks to provide a coherent framework for resolving commercial disputes between domestic and foreign private parties or between Iranian parties and foreign nationals (Darabpour, 2022). Article 26 of this law explicitly anticipates the possibility of third-party inclusion (Karimi, 2023).

This article allows a third party with a legitimate interest in a similar or related contract to join the arbitration process with the agreement of the parties and arbitrators. This legal clarity, especially in multilateral commercial disputes, can serve as a clear basis for joining third parties such as guarantors, insurers, or affiliated companies (Abrishami & Aghasi Javid, 2024; Akbari, 2023). Some legal scholars also reinforce this possibility by interpreting Articles 19 and 21—which concern procedural principles and parties' rights—in a coordinated manner (Basiri, 2023). Nevertheless, Article 26 remains the main legal foundation justifying third-party inclusion (Rostami, 2023). Despite this provision, the law still lacks a comprehensive and independent framework for defining conditions, arbitrators' powers,

and the exact procedures for third-party inclusion (Nazari-Nia, 2024).

3.2. *Analysis of Judicial and Domestic Arbitral Practice Regarding Third-Party Inclusion*

In Iranian arbitration law, despite the lack of a comprehensive provision in the Law on International Commercial Arbitration and no explicit reference in the Code of Civil Procedure, examining the practical approaches of courts and domestic arbitral tribunals can provide important interpretative and practical insights into the permissibility of third-party inclusion (Ahmadi, 2022). Reviewing rulings from the Arbitration Center of Iran's Chamber of Commerce shows that domestic arbitrators often consider third-party inclusion permissible only if there is explicit consent from all involved parties, especially when the arbitration agreement is silent on the issue (Ghalibafan et al., 2024). In some cases, even where there was a subject-matter link between the dispute and the third party's rights, arbitrators refused inclusion, citing violations of arbitration's principles of independence and consent (Basiri, 2023). For instance, in award No. 9607/44-98 issued by the Arbitration Center, the arbitrator stated: *"The inclusion of a third party not party to the arbitration agreement, without the consent of the other parties and beyond the framework of the arbitration agreement, lacks legal standing."*

Similarly, in court practice, several rulings indirectly emphasize the necessity of party consent for third-party inclusion in arbitration. In one Supreme Court ruling, the court deemed the issue of referring a matter to arbitration that involved third-party rights as outside the arbitrators' jurisdiction, asserting that such matters should be addressed in public courts (Shams, 2022). The Supreme Court ruled that since third-party rights were involved, the dispute must be handled by the judiciary and not through arbitration.

Additionally, some domestic arbitral tribunals have attempted to interpret civil procedure rules—especially Articles 130 to 140 of the Code of Civil Procedure regarding third-party participation—in a way that aligns with arbitration (Shams, 2021). However, this approach has been criticized, as the civil procedure system is fundamentally different from private arbitration, and its rules cannot be freely applied in arbitration (Jafari-Langroudi, 2024).

In summary, the analysis of Iranian arbitral and judicial practice indicates that the principles of consent and the limited jurisdiction of arbitrators based on the arbitration agreement are the main barriers to third-party inclusion in domestic arbitration (Abbasi, 2023; Rostami, 2023). This highlights the need for clear legal provisions or institutional guidelines to facilitate third-party inclusion under specific conditions (Nazari-Nia, 2024; Parhizkar, 2024).

3.3. *Strengths and Weaknesses of Iran's Legal System Regarding Third-Party Inclusion in Arbitration*

Iran's legal system concerning arbitration, especially regarding third-party inclusion, features both potential strengths and structural shortcomings. A comparative analysis shows that although the 1997 Law on International Commercial Arbitration marked a significant step toward aligning with international standards, it still suffers from major weaknesses in the context of multilateral disputes and third-party inclusion (Darabpour, 2022; Nikbakht, 2023).

Strengths:

1. **Recognition of Party Autonomy in the International Commercial Arbitration Law:** The law delegates procedural decisions to the will of the parties and arbitrators (e.g., Article 19), offering theoretical flexibility to accept third-party inclusion if agreed upon (Abrishami & Aghasi Javid, 2024; Tavakoli, 2022).
2. **Establishment of an Independent Arbitral Institution (Iran Chamber of Commerce Arbitration Center):** The existence of an organized arbitration institution in Iran, such as the Chamber of Commerce Arbitration Center, provides a platform for developing practical procedures and new interpretations of modern concepts like third-party inclusion (Abbasi, 2023; Karimi, 2023). The Center's arbitration rules, especially in the 2023 version, address this issue.
3. **Adoption of Modern Arbitration Principles:** Article 47 of the Arbitration Rules of the Iran Chamber of Commerce signals the adoption of modern arbitration principles and facilitates the inclusion of third parties in arbitration (Ghalibafan et al., 2024).

Weaknesses:

1. **Lack of a Detailed and Systematic Framework for Third-Party Inclusion:** Although Article 26 of the International Commercial Arbitration Law permits joint handling of claims related to a single arbitration agreement with party and arbitrator consent, this provision alone does not constitute a comprehensive system ([Rahimi, 2023](#)).
2. **Judicial Practice Misaligned with International Commercial Needs:** As mentioned earlier, Iranian court practice tends to view arbitration narrowly and restrictively, opposing third-party inclusion outside the initial consent, even when it may be necessary for justice or procedural coherence ([Shams, 2021, 2022](#)).
3. **Absence of Institutional Guidelines and Specific Rules for Third-Party Inclusion:** Unlike international arbitration bodies such as the ICC or LCIA, which have established procedures and conditions for third-party inclusion, domestic arbitral institutions in Iran lack such guidelines. This leads to inconsistent arbitral decisions ([Basiri, 2023](#); [Nazari-Nia, 2024](#)).

In conclusion, Iran's legal framework for third-party inclusion in arbitration currently relies heavily on initial consent and arbitration agreements. Since arbitration contracts rarely anticipate third-party inclusion, the existing legal gap is a major barrier to the development of multilateral arbitration claims ([Rostami, 2023](#)). This situation not only undermines arbitration efficiency but also distances Iran from internationally accepted arbitration practices ([Akbari, 2023](#)). Revising the Law on International Commercial Arbitration and drafting clear institutional guidelines are among the most important solutions to address these shortcomings ([Parhizkar, 2024](#)).

4. Comparative Review of Third-Party Inclusion in International Arbitration Instruments

The objective of this section is to assess the compatibility of Iranian law with international standards regarding the admission of third parties in arbitration and to identify existing gaps in order to reform or develop domestic regulations ([Born, 2021](#); [Redfern & Hunter, 2023](#)).

4.1. Joinder of Third Parties in International Arbitration Instruments (With emphasis on ICC, LCIA, and UNCITRAL)

In international arbitration, many reputable arbitral institutions—considering the complexity of commercial disputes and the presence of multiple stakeholders—have established provisions allowing for third-party joinder. These rules aim to strike a balance between the principle of consent and the need for coherent adjudication of related claims ([Moser & Bao, 2022](#); [Nazari-Nia, 2024](#)).

Under the ICC Arbitration Rules (2021), Article 7 is devoted to the joinder of additional parties. According to this article, a third party may only be joined to the arbitration if (1) the arbitration agreement includes them, or (2) all original parties and the third party consent to the joinder. Furthermore, the request must be made before the arbitral tribunal is constituted; afterward, joinder is only possible by decision of the tribunal ([Parhizkar, 2024](#)). This demonstrates an emphasis on preserving consent and procedural control. Similarly, the LCIA Arbitration Rules (2020), in Article 22(viii), grant the arbitral tribunal the power to allow a third party to be joined, provided that such joinder does not contradict the arbitration agreement. This system emphasizes the authority of arbitrators and the coherence of proceedings, while still recognizing the importance of either express or implied consent ([Rahimi, 2023](#)).

In contrast, the UNCITRAL Arbitration Rules (2013) do not explicitly and systematically regulate third-party joinder. However, procedural interpretations and legal doctrine allow arbitrators, based on the connection of claims or subject matter (Connected Claims), and with the parties' consent, to accept the joinder of a third party ([Basiri, 2023](#)).

From a comparison of these rules, it becomes evident that third-party joinder in international arbitration is generally an exceptional and conditional matter, dependent on consent. Nevertheless, arbitral institutions have increasingly acknowledged the practical need to include third parties in multi-party disputes and have sought to regulate this through controlled mechanisms ([Rostami, 2023](#)).

4.2. *Doctrinal and Practical International Perspectives on Third-Party Joinder*

In the doctrine of international arbitration law, third-party joinder has always been analyzed in light of the tension between the principle of consent and the need for effective resolution of multi-party disputes (Born, 2021). Most scholars argue that joinder is permissible only if the third party is either a signatory to the arbitration agreement or all original parties to the arbitration consent to the joinder, given that arbitration is contractual in nature and the principle of party autonomy is its foundation (Redfern & Hunter, 2023).

However, the practical approach of international arbitral institutions reflects a growing trend toward flexibility in accepting third parties. For example, Article 7 of the ICC Rules permits third-party joinder under certain conditions. The ICC tribunal, in several well-known cases, has allowed joinder due to strong subject-matter connection and implied consent (Abrishami & Aghasi Javid, 2024; Nazari-Nia, 2024). Likewise, the LCIA and HKIAC rules grant arbitrators authority to permit third-party joinder when specific conditions are met (Moser & Bao, 2022).

Under the HKIAC Arbitration Rules (2018), joinder is addressed in Article 27. Arbitrators are authorized to join a third party if specific conditions are met. Such joinder can occur before the tribunal is formed (by HKIAC's decision) or after (by the tribunal itself). Conditions include the existence of a valid arbitration agreement concerning the third party, a subject-matter connection between the main and third-party disputes, and no prejudice to the third party's right of defense (Basiri, 2023).

Notably, unlike some traditional systems, HKIAC Rules do not require the consent of all parties for joinder. It is sufficient to obtain the third party's consent and meet the formal and substantive criteria. This approach reflects modern developments in international arbitration and aims to enhance procedural efficiency and prevent conflicting awards. It aligns with rules such as those of the ICC (Parhizkar, 2024; Rahimi, 2023).

Overall, the prevailing view in both doctrine and practice is that while third-party joinder in arbitration is exceptional, it is increasingly being recognized as a necessary tool for ensuring fairness and efficiency. It is becoming institutionalized within the framework of

modern arbitral practice (Ghalibafan et al., 2024; Rostami, 2023).

5. Legal Challenges and Solutions

This section presents proposals at two levels: legislative (reform or supplementation of the International Commercial Arbitration Act) and institutional (drafting guidelines by domestic arbitration centers such as the Iran Chamber of Commerce Arbitration Center). The goal is to strike a balance between preserving the principle of consent in arbitration and addressing the practical needs of complex multi-party disputes. It aims to offer a roadmap for gradually aligning Iran's arbitration system with international standards (Nazari-Nia, 2024; Parhizkar, 2024).

5.1. *Challenges of Third-Party Joinder in the Iranian Legal System*

Third-party joinder in Iran faces several challenges, primarily stemming from legal silence or ambiguity, limitations of domestic arbitral institutions, and traditional attitudes in judicial practice (Ahmadi, 2022; Karimi, 2023). The foremost challenge is the lack of explicit provisions in the International Commercial Arbitration Act (1997) concerning the conditions, procedures, and scope of third-party joinder. This gap means any joinder is left to the discretion of arbitrators or dependent on renewed agreement by the parties, often complicating or stalling the arbitration process (Rostami, 2023).

Another issue is inconsistency in domestic arbitral practice and arbitral awards. In the absence of institutional guidelines, arbitrators adopt divergent views on third-party joinder, leading to a lack of predictability and, at times, conflict with foundational principles of international arbitration (Basiri, 2023). As previously noted, Iranian judicial practice also poses a barrier by strictly interpreting the principle of consent. Courts have deemed third-party joinder without explicit agreement grounds for nullifying arbitral awards, even though conditional joinder is accepted in comparative legal systems (Shams, 2021, 2022). In sum, the lack of a clear legal framework, restrictive interpretations, and lack of alignment with global developments are key challenges obstructing the admission and regulation of third-party joinder in Iranian arbitration (Abbasi, 2023).

5.2. *Legislative and Institutional Solutions to Improve Third-Party Joinder in Iran*

a) Legislative Solutions

Amendment and Expansion of Third-Party Joinder Provisions in the International Commercial Arbitration Act: While Article 26 of Iran's Arbitration Act explicitly allows for joint proceedings and can serve as a basis for joinder, it lacks a detailed framework on conditions, arbitrators' powers, application procedures, and third-party rights and obligations (Darabpour, 2022). It is recommended that this article be amended—drawing from advanced arbitration rules such as Article 7 of the ICC Rules and Article 22.1(l) of the LCIA Rules—or that independent articles be added as an annex (Rahimi, 2023; Redfern & Hunter, 2023). These amendments could condition third-party joinder on party consent or necessity for fair and efficient resolution, clearly outlining procedural and substantive standards. Such clarity would enhance the efficiency and predictability of arbitration in multi-party disputes (Born, 2021).

Allowing Joinder Based on Subject-Matter Connection: The legislature could permit third-party joinder when there is a subject-matter connection between the main claim and the third-party claim (Nazari-Nia, 2024). Subject-matter connection refers to legal or factual links such that separate proceedings risk conflicting outcomes, prejudice to parties' rights, or duplicative efforts. This is especially applicable to disputes arising from chain contracts or complex multi-party projects—such as employer-main contractor-subcontractor or seller-buyer-insurer relationships (Akbari, 2023).

International arbitration instruments also recognize subject-matter connection as a basis for joinder. For example, ICC Rules allow third-party joinder upon party request if certain conditions—such as a shared or related legal relationship and subject-matter connection—are met (Parhizkar, 2024). Similarly, LCIA Rules allow joinder if claims by or against the third party are closely connected to the main claims, and consolidated proceedings serve the interests of fair and efficient adjudication (Moser & Bao, 2022; Rahimi, 2023). These instruments show that subject-matter connection can serve as an independent basis to justify third-party joinder, especially when the legal or factual ties are so

intertwined that separation would lead to inconsistency or conflicting decisions (Ghalibafan et al., 2024).

b) Institutional Solutions with Emphasis on Practical Measures

Adopting Joinder Guidelines Inspired by ICC or LCIA Rules: The Iran Chamber of Commerce Arbitration Center can draft a practical guideline based on international models to regulate third-party joinder (Abrishami & Aghasi Javid, 2024). Such a guideline could include:

- Criteria like “serious subject-matter connection” or “shared legal interest”
- Timing conditions (e.g., before appointment of the arbitrator or before the first hearing)
- Format, content, and supporting documents required for the application
- The right of original parties to comment before a decision is made
- Arbitrator or tribunal discretion to accept or reject the application with reasoning (Basiri, 2023)

Adding an Optional Clause in Model Arbitration Agreements: Iranian arbitral institutions could suggest optional clauses in their model arbitration agreements. For example:

"The parties agree that if there is a serious subject-matter connection between the original dispute and a claim involving a third party, the arbitrator may, with due regard to the principles of fair hearing, allow such third party to be joined in the arbitration." (Abbasi, 2023).

6. Conclusion

The joinder of third parties to arbitration is one of the pressing issues in arbitration law, particularly significant in complex and multilateral commercial disputes, where it plays a key role in ensuring the comprehensiveness, coherence, and efficiency of the proceedings (Born, 2021). In Iran's legal system—especially under the Law on International Commercial Arbitration—despite foundational capacities such as the principle of party autonomy, the lack of explicit provisions regarding third-party joinder constitutes one of the most critical legislative gaps (Darabpour, 2022).

A comparative analysis shows that many international arbitration instruments, such as those of the ICC, LCIA,

and UNCITRAL, have adopted specific rules for the joinder of third parties, offering balanced solutions between the principle of consent and the practical needs of multi-party proceedings (Moser & Bao, 2022; Parhizkar, 2024; Rahimi, 2023). In contrast, Iranian law faces challenges such as the absence of explicit regulation, restrictive interpretations by the judiciary, and the lack of institutional guidelines (Basiri, 2023; Nazari-Nia, 2024). To overcome these limitations, it is essential to amend the arbitration law, develop procedural guidelines through domestic arbitration institutions, and promote the inclusion of joinder clauses in arbitration agreements (Ghalibafan et al., 2024). Ultimately, a controlled and rule-based acceptance of third-party joinder is not only compatible with the fundamental principles of arbitration, but it also represents a crucial step toward the development of arbitration law, the advancement of contractual justice, and the enhancement of the credibility of Iran's arbitration regime on the international stage (Abbasi, 2023; Rostami, 2023).

Authors' Contributions

Authors contributed equally to this article.

Declaration

In order to correct and improve the academic writing of our paper, we have used the language model ChatGPT.

Transparency Statement

Data are available for research purposes upon reasonable request to the corresponding author.

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