

**CICAA
EXECUTIVE SUMMARY**

This introduction contains information for Colorado legislators, citizens and businesses on the proposed Colorado International Commercial Arbitration Act ("CICAA"). The prospective benefits from adoption of CICAA include the following:

- Encouragement of international business and trade with Colorado;
- Increased opportunities for Colorado and Rocky Mountain based businesses to resolve international disputes in Colorado;
- Marketable demonstration of Colorado's sophistication and understanding of gold standard international trade practices;
- Encouragement of use of Colorado as an international dispute resolution center for the entire Rocky Mountain region and the world;
- Zero cost to the state.

A key background feature of modern international trade and business includes the need for effective, enforceable and well-understood mechanisms for dispute resolution. Contracts are only as good as the dispute resolution processes that support them. The overriding preferred method of dispute resolution for international business is arbitration. It is estimated that over 85% of all contracts involving international trade and business require arbitration. CICAA is based upon the UNCITRAL Model Law on International Commercial Arbitration, which has been adopted by over 70 legal jurisdictions around the world including many of Colorado's major trading partners such as Canada, Mexico, Australia, Japan, and Hong Kong. Florida adopted the Model Law in 2010 without a single nay vote in its legislature. Georgia adopted the Model Law in 2012 with similar bipartisan support. Washington state is currently in the process of adopting the Model Law in 2014. Texas, California, Louisiana, Oregon, Illinois and Connecticut have also adopted the Model Law.

Adoption of CICAA can be analogized to the creation of Denver International Airport. The long term goal of DIA was to create an international hub for international travel, and the airport continues to increase international expansion. CICAA will give Colorado businesses interested in international trade a tool for encouraging international partners to resolve their disputes in our state as opposed to overseas or in other U.S. jurisdictions adopting the Model Law - like Florida or Washington. CICAA will also provide a new legal hub for the resolution of international disputes in our state, and opens up opportunities for local arbitration institutes and practitioners to promote Colorado as a forum for dispute resolution throughout the Rocky Mountain region and beyond. CICAA is ultimately a nuts and bolts act, a legal foundation, that will bring Colorado into the standard norms and expectations of international trade and business.