Although arbitral rules generally do not explicitly contemplate evidentiary privileges, most national legal systems recognize some privileges. Indeed, certain privileges are so well established that they may be considered general principles of law or transnational public policy. As such, arbitrators cannot ignore well-founded, good-faith evidentiary privileges without frustrating the parties' justified expectations. Moreover, courts likely are more inclined to set aside awards where arbitrators have refused to recognize and protect privileges than they are in circumstances where arbitrators have excluded evidence on the basis of privilege. As a general principle, the less widely recognized the privilege, and the greater the party's need for the allegedly privileged evidence, the more inclined arbitrators will be to order the production of that evidence.

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Referring Principles:

XII.5 - Settlement privilege