

**AGREEMENT BETWEEN THE GOVERNMENT OF THE
PEOPLE'S REPUBLIC OF CHINA AND THE ASIAN-AFRICAN LEGAL
CONSULTATIVE ORGANIZATION ON THE ESTABLISHMENT OF A
REGIONAL CENTRE FOR ARBITRATION IN THE HONG KONG
SPECIAL ADMINISTRATIVE REGION OF
THE PEOPLE'S REPUBLIC OF CHINA**

WHEREAS the Asian-African Legal Consultative Organization (hereinafter referred to as "AALCO"), in its Fifty-seventh Annual Session in Tokyo (Japan) in October 2018 approved the work plan of AALCO as set out in the Report of the Secretary-General of AALCO, including the initiative towards establishment of another AALCO arbitration centre in any interested Member State especially in the southern Asian, eastern Asian and southern African regions;

WHEREAS after consulting the Member States of AALCO, the Government of the People's Republic of China (hereinafter referred to as "the Government") and the Secretary-General of AALCO have agreed on the establishment of a Regional Centre for Arbitration (hereinafter referred to as "the Centre") in the Hong Kong Special Administrative Region of the People's Republic of China (hereinafter referred to as "HKSAR");

IT IS HEREBY AGREED AS FOLLOWS:

**ARTICLE I
OBJECTIVES**

The objectives of establishing the Centre are as follows:

- (a) To act as a coordinating agency in the AALCO dispute settlement system;

- (b) To promote the growth and effective functioning of arbitration institutions and other alternative dispute resolution (hereinafter referred to as “ADR”) services, including online dispute resolution services, in the People’s Republic of China (including the HKSAR);
- (c) To promote the wider application of various ADR rules within the Asian and Pacific region;
- (d) To provide facilities for ADR services including ad hoc arbitrations as well as arbitrations held under the auspices of the Centre and other arbitral institutions;
- (e) To provide assistance in enforcement of arbitral awards.

ARTICLE II FUNCTIONS AND DUTIES OF THE CENTRE

1-The Centre shall have the following functions and duties:

- (a) Promoting international commercial arbitration in the region;
- (b) Coordination of activities and assistance to existing arbitration institutions in the region;
- (c) Providing assistance to ad hoc arbitrations;
- (d) Assisting in the enforcement of arbitral awards;
- (e) Conducting arbitrations under the auspices of the Centre;
- (f) Performing other necessary activities, in consultation with the Secretary-General of AALCO, in achieving the objectives of the Centre.

2- Relevant Administrative Rules and Rules of Arbitration of the Centre shall be prepared by the Centre in consultation with the Secretary-General of the AALCO and the appropriate department of the Government.

ARTICLE III
ADMINISTRATION OF THE CENTRE

1-The Centre shall be administered by a Director appointed by the Government in prior consultation with the Secretary-General of AALCO.

2-The Government of the HKSAR shall provide necessary supports to the Centre for the purposes of the functioning of the Centre, including, where necessary, the operational costs of the Centre.

3-The Director shall send annual reports on the Centre's activities and audited financial reports to the Secretary-General of AALCO and the appropriate department of the Government, including the Government of the HKSAR.

4-The Government of the HKSAR shall make available premises.

ARTICLE IV
INDEPENDENCE OF THE CENTRE

1-The Centre shall function under the auspices of AALCO only and on the basis of cooperation, mutual understanding and goodwill.

2-The Government shall respect and guarantee the independent functioning of the Centre.

ARTICLE V
JURIDICAL PERSONALITY OF THE CENTRE

The Centre shall have the legal capacity to execute its functions and duties in the People's Republic of China, including the HKSAR.

ARTICLE VI INTERPRETATION

This Agreement shall be interpreted in light of its primary objective of enabling the Centre to fully and efficiently discharge its duties and fulfil its objectives and functions as an independent arbitral institution of an international character.

ARTICLE VII PRIVILEGES AND IMMUNITIES

The Centre and its personnel shall enjoy the following privileges and immunities as may be necessary for the purpose of executing its functions and duties, respecting the relevant laws and regulations of the People's Republic of China, including the laws and regulations of the HKSAR:

- (a) The Government of the HKSAR shall take steps to ensure that the Centre and its personnel shall not be liable for acts done or omitted to be done in the execution of the Centre's functions and duties concerning appointment of an arbitral tribunal or mediator, and exercise or performance of any other function of an administrative nature in connection with arbitral or mediation proceedings, unless it is proved that the act was done or omitted to be done dishonestly;
- (b) The Government of the HKSAR shall take steps to ensure that the premises of the Centre, its property, assets, archives and all documents belonging to it, or otherwise held by it, shall be inviolable;
- (c) The Government of the HKSAR shall take steps to ensure that the Centre be exempted from customs duties in respect of office equipment used for its official purposes;
- (d) The Government of the HKSAR shall take steps to ensure that the income of the Centre be exempted from taxes in the HKSAR; and

(e) The Government of the HKSAR shall take steps to ensure that foreign professional staff of the Centre be exempted from taxation in the HKSAR on the salaries and emoluments paid to them by the Centre, with the Centre paying the salaries of its foreign professional staff.

ARTICLE VIII SECURITY

1- The Government shall take all appropriate steps to protect dispute resolution proceedings administered by the Centre under the auspices of AALCO (hereinafter referred to as “ AALCO Proceedings ”). The appropriate department(s) of the Government (including that/those of the Government of the HKSAR) shall ensure the security and tranquility of AALCO Proceedings and protect against any intrusion, disturbance of the peace, or impairment of the dignity of AALCO Proceedings. The Government shall treat arbitrators and other adjudicators, parties, counsel and other participants in AALCO Proceedings with due respect and shall take all appropriate steps to prevent any attack on their person, freedom, or dignity.

2- Nothing in this Agreement shall affect the right of the Government to apply any appropriate safeguard for the national security of the People’s Republic of China, including the security of the HKSAR.

ARTICLE IX SETTLEMENT OF DISPUTES

Any dispute(s) arising out of interpretation and/or implementation of this Agreement shall be amicably settled by the Parties through consultations and/or negotiations, without reference to any third party or international tribunal.

ARTICLE X
ENTRY INTO FORCE, DURATION AND AMENDMENT

1-This Agreement shall enter into force on the date of signature and shall remain in force for a period of five years. It shall automatically be renewed for another five-year term, unless either Party notifies the other Party, in writing, to terminate the Agreement at least six months prior to its expiration. It shall thereafter be renewable accordingly.

2-Any amendments and/or modifications to this Agreement shall be mutually agreed upon by the Parties in writing. Such amendments shall be made in a form of separate protocols being an integral part of this Agreement and shall enter into force in accordance with procedures prescribed in paragraph 1 of this Article.

IN WITNESS WHEREOF, the undersigned duly appointed representatives of the Government of the People's Republic of China and AALCO respectively have on behalf of the Parties signed the Agreement.

Done at New York this tenth day of November, 2021 in two original copies in Chinese and English, both texts are equally authentic.



For the Government of
the People's Republic of China



For the Asian-African Legal
Consultative Organization