

## HK the place for international arbitration: Secretary for Justice

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Hong Kong has many advantages that make it an attractive arbitration centre, the Secretary for Justice, Ms Elsie Leung, said today (October 2).

Addressing the opening of the "Law and Language in International Arbitration" Conference, Ms Leung said among Hong Kong's attributes were its geographic location, its first class infrastructure, communications, transport system, and its excellent accommodation.

It also had an updated Arbitration Ordinance, Ms Leung said, adding that Hong Kong had not only created a regime that was appropriate for international arbitration, but also ensured that the applicable law was based on an internationally recognised text.

"Many of the linguistic problems that arise from a foreign arbitration law will therefore be avoided if arbitration takes place in Hong Kong," she said.

She noted that Hong Kong's arbitral awards could be enforced in all jurisdictions that were parties to the New York Convention (on the Recognition and Enforcement of Foreign Arbitral Awards) including the Mainland.

Ms Leung added that the other advantages Hong Kong offered from a language and cultural perspective were -

- \* Hong Kong's unique empathy with the Asian traditions of mediation and its skills at blending the best of east and west;

- \* a wealth of English-speaking legal practitioners and arbitrators for international arbitration; as well as Chinese-speaking ones who have knowledge of China and China laws for disputes involving transactions in the Mainland; and

- \* a legal system based on internationally respected common law principles.

Ms Leung said that with the full support of the government, the Hong Kong International Arbitration Centre had been developing its expertise and reputation

as one of the leading arbitration centres in the region since its establishment in 1985.

From a mainland perspective, Ms Leung said that Hong Kong's location, together with its attributes, made it a uniquely favourable place in which to arbitrate disputes arising from international business contracts on the Mainland.

"As a general rule, the parties to an international contract in the Mainland can agree that Hong Kong law applies to it, or that disputes arising under it are to be resolved in Hong Kong.

"The HKSAR Government is therefore encouraging parties to foreign-related contracts or joint ventures to negotiate and execute their contracts in Hong Kong, to choose the law of Hong Kong as the applicable law, and to choose the courts or the arbitral institutions of Hong Kong as the forum for dispute solution," she noted.

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