

New Arbitration Ordinance to become effective on June 1

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The new Arbitration Ordinance (the Ordinance) will come into operation on June 1, 2011. A commencement notice will be published in the Government Gazette tomorrow (March 4).

"Enacted last November, the new Ordinance will be more user-friendly and in line with international practices and developments. This will facilitate the conduct of arbitration proceedings in Hong Kong and thus further promote Hong Kong as a regional centre for dispute resolution," a spokesman for the Department of Justice said today (March 3).

The Ordinance will create a unitary regime of arbitration based on the UNCITRAL Model Law on International Commercial Arbitration (Model Law) adopted by the United Nations Commission on International Trade Law (UNCITRAL). The Ordinance gives legal effect to those provisions of the Model Law that are to apply in Hong Kong, subject to the modifications and supplements as expressly provided in the Ordinance.

Various aspects covered by the Ordinance include procedural rules in respect of the conduct of arbitral proceedings, interim measures and preliminary orders to be made by arbitral tribunals and the enforcement of arbitral awards.

There are "opt-in" provisions which allow arbitration users to continue to use certain provisions that only apply to domestic arbitration under the current regime.

It also limits the opportunities for judicial intervention and promotes greater parties' autonomy on the resolution of disputes by arbitration.

To enhance confidentiality for international arbitration, the Ordinance provides that unless the court otherwise orders, court proceedings relating to arbitration

are not to be heard in open court. Furthermore, unless otherwise agreed by the parties or under exceptional circumstances as provided for in the Ordinance, no party may publish, disclose or communicate any information relating to arbitral proceedings and awards.

The provisions of the Ordinance can be browsed at ([www.legco.gov.hk/yr10-11/english/ord/ord017-10-e.pdf](http://www.legco.gov.hk/yr10-11/english/ord/ord017-10-e.pdf)).

Ends/Thursday, March 3, 2011