

Boost for HK's development as an international arbitration hub

The Government will provide additional floor space at Two Exchange Square for the Hong Kong International Arbitration Centre (HKIAC) to expand its hearing and office facilities, the Secretary for Justice, Mr Wong Yan Lung, SC, announced today (June 1) at a reception jointly organised by the Department of Justice and HKIAC to promote arbitration.

Mr Wong said this was a clear demonstration of the Government's determination to work with the arbitration sector to underpin Hong Kong as a leading arbitration centre of the Asia Pacific.

Noting that the additional provision would double the HKIAC's total floor space to about 1 270 square metres, Mr Wong hoped the expanded facilities would enable the HKIAC to meet demand from across the region, including the Mainland.

"With the additional hearing facilities, we can also attract more international arbitral institutions to come to Hong Kong, just as the ICC (International Chamber of Commerce) International Court of Arbitration did two years ago.

"With the expansion of the HKIAC, I am confident that businesses around the world will find Hong Kong even more attractive as a preferred venue when it comes to arbitration, as well as setting up businesses," he said.

"The Government is committed to the policy of promoting Hong Kong as a regional centre for international arbitration," he said, adding that he would do whatever he could to support and realise the common goal of promoting arbitration in Hong Kong.

Mr Wong also said that with the commencement of the new Arbitration Ordinance today, Hong Kong had entered a new era

with a brand new regulatory framework to enable arbitration to realise its full potential as a dispute resolution mechanism, and to further strengthen the city's credentials as the regional hub for international arbitration.

"The enactment of the new Ordinance is a testament to the concerted efforts of the Government, the Legislative Council and the arbitration community," he stressed.

"According to a survey on international arbitration conducted by the School of International Arbitration at Queen Mary, University of London last year, 62% of the respondents opined that formal legal infrastructure or statutory framework was the most decisive factor in choosing a place of arbitration. This underscores our efforts to further enhance Hong Kong's advantage in arbitration by reforming our arbitration law."

Mr Wong said the new arbitration law was in tune with the latest and best international practice, and became more familiar and easily accessible to both local and foreign arbitration users and practitioners.

"With the clear policy in the new Ordinance that the court may intervene only in circumstances that are expressly provided for, the new regulatory regime is in line with the objectives to achieve fair and speedy resolution of disputes and to avoid unnecessary costs," he said.

"Other major features of the new Arbitration Ordinance include the protection of confidentiality in arbitration proceedings as well as court hearings related to those proceedings. These provisions seek to strike more accurately the right balance between safeguarding confidentiality in arbitration and protecting the other substantive legal rights of the parties.

"While disclosure of information relating to arbitral

proceedings and awards is generally prohibited, under exceptional circumstances, such as for the parties to protect or pursue their legal rights or for them to enforce or challenge an arbitral award in legal proceedings, disclosure can be allowed," he explained.

"With the commencement of the new Arbitration Ordinance and the additional accommodation for the HKIAC, Hong Kong has made a great leap forward in providing the best software and hardware for arbitration.

"However, the single most crucial factor for the success of arbitration in Hong Kong is still human talent. Without a close partnership with our first class legal and arbitration professionals, there is simply no way that Hong Kong can excel in this highly competitive area," Mr Wong said.

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