

Speech by SJ at inauguration ceremony of CIETAC Hong Kong
Arbitration Centre

Following is the translation of the speech by the Secretary for Justice, Mr Rimsky Yuen, SC, at the inauguration ceremony of the China International Economic and Trade Arbitration Commission Hong Kong Arbitration Centre and Conference on Arbitration this afternoon (September 24):

Mr Dong Songgen, Mr Fred Lam, Ms Elsie Leung, and distinguished guests, ladies and gentlemen,

I am delighted to join you to witness the establishment of an arbitration centre in Hong Kong by the China International Economic and Trade Arbitration Commission (CIETAC). The conference today is organised by the Department of Justice (DoJ), together with the China Council for the Promotion of International Trade (CCPIT), the CIETAC and the Hong Kong Trade Development Council to commemorate this auspicious occasion and to promote exchanges between arbitration communities of the Mainland and Hong Kong.

The DoJ has all along been discussing with CCPIT and CIETAC how to enhance exchanges and co-operation between arbitration institutions in Hong Kong and their Mainland counterparts. In October 2010, the DoJ and CCPIT signed a Co-operation Arrangement, pursuant to which both parties agreed to enhance exchanges and co-operation and to make concerted efforts to improve efficiency and standards in resolving commercial disputes. The CIETAC Hong Kong Arbitration Centre will provide a new platform for co-operation between the arbitration professions of Hong Kong and the Mainland, and will add to the impetus of keeping up their service standards and raising their global competitiveness. The Centre is the first arbitration centre set up by CIETAC outside the Mainland. This speaks for CIETAC's recognition of Hong Kong as a regional centre for international arbitration and its support in this regard, for which we are most grateful.

It has always been an important policy objective of the DoJ to promote Hong Kong as a centre for legal services and dispute resolution in the Asia-Pacific region. To achieve this objective, we have been constantly improving our judicial and legal system, strengthening our fair and open legal regulatory framework, and enhancing the effectiveness of our dispute resolution mechanism.

The new Arbitration Ordinance, which came into effect in June 2011, represents a major milestone in our vigorous efforts to enhance the arbitration regime in Hong Kong. The new legislation unifies domestic and international regimes of arbitration on the basis of the UNCITRAL Model Law on International Commercial Arbitration. The new Ordinance reinforces the advantages of arbitration, including respect for the parties' autonomy as well as the savings in time and costs, and at the same time protects confidentiality in arbitration proceedings and related court hearings.

Apart from legislative provisions, whether arbitral awards can be effectively enforced is also a major consideration which parties would take into account when choosing to resolve disputes by arbitration. Arbitral awards made in Hong Kong can be enforced in over 140 contracting jurisdictions to the New York Convention. As regards the Mainland, the Supreme People's Court and the DoJ signed in 1999 the Arrangement Concerning Mutual Enforcement of Arbitral Awards, which was modelled on the principles of the New York Convention. The Arrangement has set out the conditions of mutual enforcement of arbitral awards, and has been effectively implemented by courts in both Hong Kong and the Mainland. This has further strengthened the status of Hong Kong as a regional centre for international arbitration.

As I said at a forum promoting Hong Kong's legal services in Guangzhou two weeks ago, the Mainland's economic development continues to mature, and more and more enterprises

are "going global". There will be an increasing demand for high-end legal and dispute resolution services from these enterprises.

The establishment of the CIETAC Hong Kong Arbitration Centre, coupled with the existing arbitral institutions in Hong Kong, including the Hong Kong International Arbitration Centre and the Secretariat of the International Chamber of Commerce International Court of Arbitration (Asia Office), will place Hong Kong in an even stronger position to meet the demand for high-end arbitration services. The arbitration and legal professions in Hong Kong will continue to actively leverage on Hong Kong's advantages to further enhance co-operation with their Mainland counterparts.

The Conference today will enable participants to better understand the work of the CIETAC Hong Kong Arbitration Centre as well as the latest developments in the arbitration sectors of both the Mainland and Hong Kong. I would like to express my sincere gratitude to all the speakers for making themselves available to attend the Conference and sharing with us their valuable experience and professional insights.

On this note, may I express my hope that the Conference will be a fruitful one and also wish the CIETAC Hong Kong Arbitration Centre every success in its future operation. Thank you.

Ends/Monday, September 24, 2012

Issued at HKT 16:37