

LC: Secretary for Justice's speech to move resumption of second reading of Arbitration (Amendment) Bill 2015

Following is the translation of a speech by the Secretary for Justice, Mr Rimsky Yuen, SC, to move the resumption of the second reading of the Arbitration (Amendment) Bill 2015 at the Legislative Council today (July 9):

Acting President,

First of all, I would like to thank the Chairman of the Bills Committee of the Arbitration (Amendment) Bill 2015, the Hon Kenneth Leung, and other members of the Bills Committee for their hard work in completing the scrutiny of the Bill. I am also grateful to the relevant bodies, including the Hong Kong Bar Association, the Law Society of Hong Kong, the Hong Kong Institute of Surveyors and the Hong Kong International Arbitration Centre, for their valuable opinions.

As I pointed out when introducing the Bill into this Council in February this year, the main objective of the Bill is to amend the Arbitration Ordinance (Cap 609) so as to remove possible legal uncertainties that might arise from the opt-in mechanism provided for domestic arbitration in Part 11 of the Ordinance. We therefore propose amendments to the Bill to make it clear that parties opting for domestic arbitration should be free to decide on the number of arbitrators, whilst retaining the right to seek the assistance of the Court of First Instance of the HKSAR on the matters set out in sections 2 to 7 of Schedule 2 to the Ordinance.

Furthermore, the Bill adds four new state parties (Note 1) to the Convention on the Recognition and Enforcement of Foreign Arbitral Awards 1958 (which is also known as the New York Convention) to the Schedule to the Arbitration (Parties to New York Convention) Order (Cap 609 sub leg A). In addition, the Bill also reflects a change in the official name of an existing state party (Note 2) and the extension of the

application of the New York Convention by another existing state party (Note 3) to one of its territories.

As a result of a recent change to the list of parties to the New York Convention, I will be moving a Committee Stage Amendment (CSA) shortly. The Bills Committee has noted the proposed CSA and expressed no objection to it.

Conclusion

The Department of Justice has been making every effort to enhance the status of Hong Kong as a centre for international legal and dispute resolution services in the Asia-Pacific region. Since the commencement of the existing Arbitration Ordinance in 2011, we have been in close contact with the arbitration sector and other stakeholders to ensure that the Arbitration Ordinance can be promptly updated. The Bill, when enacted, will help improve the opt-in mechanism for domestic arbitration, thereby further improving the arbitration regime of Hong Kong.

With these remarks, Acting President, I urge Members to support the Second Reading of the Arbitration (Amendment) Bill 2015 and the amendment that I am going to propose at the Committee Stage. Thank you, Acting President.

Note 1: The four new parties are: Bhutan, Burundi, the Democratic Republic of the Congo and Guyana.

Note 2: The name "Bolivia" has been changed to "Bolivia (the Plurinational State of)".

Note 3: The United Kingdom has submitted a notification to extend the territorial application of the New York Convention to the British Virgin Islands.

Ends/Thursday, July 9, 2015