

**Hong Kong Maritime Week 2023**  
**Forum on “Latest Developments in International Shipping**  
**Industry and Maritime Dispute Resolution”**

**22 November 2023 (Wednesday), 14:30**

**Opening Remarks of Mr Clifford Tavares, PGC(LEAD)**

Dr NEOH, Ms LAU, Director SONG, President LIU, Director NI,  
distinguished guests, ladies and gentlemen,

1. Good afternoon. It is my great honour to speak at today’s forum organised by Shenzhen Court of International Arbitration and South China International Arbitration Center (Hong Kong). With the pandemic’s dramatic impact on the maritime world comes new challenges, new opportunities as well as new solutions. This forum, as part of the Hong Kong Maritime Week 2023, timely looks into the “latest developments in international shipping industry and maritime dispute resolution”.

2. Bestowed with unique natural and geographical advantages, Hong Kong has long been one of the busiest and most efficient ports in the world. According to the Xinhua-Baltic International Shipping Centre Development Index Report 2023, Hong Kong has consistently ranked 4<sup>th</sup> out of all shipping centres worldwide over the past 5 years. Our shipping register is indeed the 4<sup>th</sup> largest in the world in terms of gross tonnage. Over 11% of world’s merchant fleet by deadweight tonnage is owned or

managed by Hong Kong shipowners. Together with the other two Greater Bay Area (GBA) cities, Shenzhen and Guangzhou, we have respectively made our way to the top ten busiest ports worldwide.

3. Behind the hustle and bustle of the shipping business is the strong support from the professional services sector that serves as the impetus for the maritime industry's further growth. The increasing call for decarbonisation and ESG (environmental, social and governance) measures around the globe impacts on the shipping contracts as well as the respective risk allocation between shipowners and charterers. With the ever increasing international shipping transactions, disputes arise inevitably. Claims for cargo damage or loss, wrongful delivery of goods, breach of financing contracts and ship collision are some examples of common disputes arising from maritime affairs. When such maritime disputes arise, an efficient and effective dispute resolution mechanism is essential.

4. I look forward to hearing from today's first panel about the latest amendments to the People's Republic of China's Maritime Law as it marks its 30<sup>th</sup> anniversary, the latest edition of the Baltic and International Maritime Council's (BIMCO's) standard voyage charter party, GENCON 2022 and other latest developments in the international maritime arena as well as the importance of making informed choices of legal and dispute resolution services to tackle the emerging "new disputes". As cross-boundary maritime business increases, today's second panel will share insights on the need for neighbouring cities in the GBA to collaborate for

mutual benefit and the importance of nurturing talents for sustainable development.

5. Hong Kong is well-positioned to contribute in many ways in the ever changing maritime world. The national strategies – the 14<sup>th</sup> Five-Year Plan and the GBA Outline Development Plan – explicitly support Hong Kong to develop into an international shipping centre and a centre for international legal and dispute resolution services in the Asia-Pacific region. As announced in the Chief Executive’s Policy Address 2023 last month, the Hong Kong Government will continue to develop the city into a leading international maritime centre offering high value-added maritime services and facilitate maritime collaboration within the GBA. In this regard, the Hong Kong Government has announced that by the end of this year, a new action plan will be launched to set out a comprehensive strategy for our maritime and port development.

6. Under “One Country, Two Systems”, Hong Kong possesses distinct advantages in the provision of legal and dispute resolution services. Hong Kong is the only common law jurisdiction within China and maintains an independent court system which emphasizes on the rule of law and supports the use of arbitration.

7. Internationally, Hong Kong has gained recognition as an attractive alternative in dispute resolution for shipping disputes. In 2020, BIMCO officially included Hong Kong as one of the four designated arbitration venues in its global standard maritime contracts.

8. Regionally, we enjoy the benefit of having concluded nine mutual legal assistance arrangements with the Mainland. Two of these arrangements put in place a set of simplified and efficient procedures for enforcing arbitral awards across the boundary. Awards made in ad hoc arbitration, a form frequently used by the shipping industry, can also be enforced in the Mainland. Notably, the Interim Measures Arrangement is an important breakthrough, allowing party to arbitration proceedings seated in Hong Kong and administered by designated institutions to apply for interim measures from the Mainland courts. SCIA-HK is one of the designated institutions for making such applications. This Arrangement is a key advantage for the shipping industry where multi-million or multi-billion-dollar transactions are the norm. The first reported case indeed concerns the preservation of asset from the Shanghai Maritime Court in support of a Hong Kong-seated maritime arbitration.

9. Domestically, keeping up with international arbitration practice, we have now made available multiple funding options to facilitate flexible fee arrangements in arbitrations. Apart from their own financial resources, arbitration users in Hong Kong may fund their arbitration using third party funding as well as outcome related fee structures for arbitration (ORFSA). Just earlier this month, we have published a Guidance Note and Checklists to provide practical and user-friendly information to assist arbitration users who wish to enter into ORFSA agreements. On nurturing talents, the Hong Kong Government has earlier in September launched the Maritime Services Traineeship Scheme – Legal to support

young people aspiring to a career in maritime law. Under the Policy Address 2023, one of the Department of Justice's major initiatives is to establish the Hong Kong International Legal Talents Training Academy to regularly organise practical training courses, seminars, international exchange programmes, etc to promote exchanges among talents in regions along the Belt & Road.

10. Ladies and gentlemen, with these unique strengths and policy support at the local, national and regional levels, Hong Kong has much to offer and will continue to play a pivotal role in providing high value-added professional services to the global maritime industry. On this note, I wish you all a fruitful exchange and inspiring discussion in today's forum. Thank you very much.