

**Speech by the Secretary for Justice
The Honourable Rimsky Yuen, SC
in the Legislative Council on 8 July 2015**

**Resumption of the Second Reading Debate on
the Arbitration (Amendment) Bill 2015**

Acting President,

First of all, I would like to thank the Hon Kenneth Leung, chairman of the Bills Committee of the Arbitration (Amendment) Bill 2015, 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.

2. 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) (“the Ordinance”) 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.

3. Besides, the Bill adds four new state parties¹ 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

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

state party² and the extension of the application of the New York Convention by another existing state party³ to one of its territories.

4. 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

5. 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.

6. 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.

² The name for “Bolivia” has been changed to “Bolivia (the Plurinational State of)”.

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