

**Speech by SJ at the 4<sup>th</sup> China International Import Expo –  
The Law Forum on Global Central Legal Services District  
Construction and Doing Business Environment  
Optimisation (English only)**

Distinguished guests, ladies and gentlemen, good morning.

1. It gives me great pleasure to speak at this Law Forum. May I first congratulate the International Commercial Dispute Prevention and Settlement Organisation on its 1<sup>st</sup> Anniversary of its establishment. I would also like to thank the China Council for the Promotion of International Trade and the International Commercial Dispute Prevention and Settlement Organization for organizing and inviting me to participate in this meaningful event, and to share with you some of Hong Kong's experience in building a legal and dispute resolution hub in the Asia-Pacific Region.

**International Bodies**

2. First, in order to develop Hong Kong into an international legal and dispute resolution services hub in the Asia-Pacific region, it is essential for Hong Kong to work closely with different international bodies to pursue measures to foster and enhance international legal cooperation and exchange. In this respect, with the support from the Central People's Government, Hong Kong has been actively pursuing different arrangements with international organisations, such as securing secondment opportunities for Hong Kong legal professionals with renowned international organisations such as the United Nations Commission on International Trade Law ("UNCITRAL"), the Hague Conference on Private International Law ("HCCH"), the Asian Infrastructure Investment Bank ("AIIB"), and the International Institute for the Unification of Private Law ("UNIDROIT").

3. By organizing and co-organising international

conferences and training programmes with international and local bodies, Hong Kong promotes itself as a regional capacity building centre for international law and dispute resolution, building up knowledge and training local and regional legal professionals in international law and dispute settlement.

4. Such training programmes include the Investment Law and Investor-State Mediator Training Course in Hong Kong co-organised with the International Centre for Settlement of Investment Dispute (“ICSID”) and the Asian Academy of International Law (“AAIL”) for the past few years, and advanced international law courses organised with The Hague Academy of International Law, having to postpone it twice due to the pandemic.

5. With the support from the Central People’s Government, Hong Kong has also secured hosting of decision making meetings of international organisations in

Hong Kong, for example bringing to Hong Kong the inter-sessional meeting of UNCITRAL Working Group III in October this year, and the 59<sup>th</sup> Annual Session of the Asian-African Legal Consultative Organisation (“AALCO”) in November this year.

6. The presence of world class arbitral institutes are also most conducive to establishing Hong Kong as a premier legal and dispute resolution centre, its effect having been seen in world rankings. Hong Kong has been continuously ranked among the top five preferred seats for arbitration globally since 2015 according to the International Arbitration Surveys conducted by Queen Mary University of London. This year, Hong Kong ranked the third most preferred seat for arbitration worldwide, which shows our consistency and strengths in this area.

**The Hong Kong Legal Hub**

7. The Hong Kong Legal Hub, comprising the Former French Mission Building, the former Central Government Offices, and part of Two Exchange Square, is at the heart of the central business district in Hong Kong. Each of the three locations which comprise the Hong Kong Legal Hub have been planned and are destined to be used in a specific way so that their potential is fully exploited for the benefit of Hong Kong.

8. The Former French Mission Building is to be the centre for international law where local, regional and international bodies gather to set up offices, thereby facilitating easy and effective exchanges. Two Exchange Square is to be the centre for international dispute resolution, where dispute resolution bodies will be housed to leverage on the excellent transport links that we have in Hong Kong, including the fast and convenient transportation to our international airport. Finally, the Department of Justice occupies the Main Wing, East Wing

and part of the West Wing of the former Central Government Offices, now known as the Justice Place. The other part of the West Wing serves as the centre for local and regional legal and dispute resolution bodies, a very important backbone of Hong Kong's legal and dispute resolution services.

### **Hong Kong's Attraction as a Legal and Dispute Resolution Hub**

9. Hong Kong also plays to its own innate strengths and attributes in building itself as a legal and dispute resolution services hub. This includes being underpinned by its mature and robust common law legal system and legal infrastructure including an independent judiciary and robust legal profession, support and willingness by the government to constantly cultivate Hong Kong's legal and dispute resolution services and respond swiftly to latest developments, and leverage on Hong Kong's unique position under the "One Country,

Two Systems” policy.

*Robust Legal Infrastructure*

10. Hong Kong's legal system is well tested, open and transparent, rule-based, and independent. The independence of our judiciary is premised on the solid infrastructure that has been laid down primarily in the Basic Law, including the security of tenure, the immunity of judges, and most importantly, the expressed provision in Article 85 of our Basic Law guaranteeing judicial independence, that is to be free from any interference.

11. Hong Kong's Judiciary is dispute-resolution friendly, adopting a pro-arbitration stance by striving to ensure that party autonomy is being respected in line with procedural propriety, and encouraging parties to use alternative dispute resolution such as mediation before and during court processes. The strength of Hong Kong law, especially in the civil and commercial fields, has also

been constantly recognised internationally in rankings such as the World Competitiveness Yearbook 2021 published by the Institute for Management Development, where Hong Kong retained its number one ranking in the "Business legislation" sub-factor.

12. The “hardware” of a legal and dispute resolution hub, including its robust legal infrastructure, its legal system, its laws and its judiciary - has to be supported by equally competent “software”, which is our pool of legal talents. Hong Kong’s immense wealth of legal talent can be seen with more than 1,500 registered foreign lawyers in Hong Kong from 33 jurisdictions and 86 registered foreign law firms. Many legal professionals in Hong Kong are qualified in more than one jurisdiction, speak several languages, and is knowledgeable and appreciative to both Western and Chinese business practices.

*Policy support*



13. In constructing and positioning Hong Kong as a legal and dispute resolution services centre, our unique relationship with the Mainland is an aspect which only Hong Kong can leverage. As the only common law jurisdiction in China and enjoying the implementation of the “One Country, Two Systems” policy, Hong Kong will continue to play its role as a bridge between the world and the rest of China, not least in the area of legal and dispute resolution services.

14. Policy support from the Central People’s Government for Hong Kong should not be understated. For example, under the outline of the 14<sup>th</sup> Five-Year Plan, Hong Kong is supported by the Central People’s Government to establish itself as the centre for international legal and dispute resolution services in the Asia-Pacific region, and to transform Hong Kong’s service sector into a high value-added industry. The outline development plans for the Greater Bay Area and

Qianhai also go a long way to showcase and reaffirm Hong Kong's unique strengths under "One Country, Two Systems".

15. These strengths have allowed us to work with Mainland authorities in taking forward proposals such as to allow Wholly Owned Hong Kong Enterprises (WOKEs) in the Greater Bay Area to choose Hong Kong law to be the applicable law of their contracts, even in the absence of foreign-related elements, and to be allowed to choose Hong Kong as the seat of arbitration in their contracts. This would not only create more business opportunities for Hong Kong's legal and dispute resolution services sector, but will also facilitate their mutual exchange and understanding of the laws and practices of the three jurisdictions, thereby promoting collaborative development of the Greater Bay Area and increasing Hong Kong's attractiveness as an international legal and dispute resolution hub.

16. Hong Kong also rides on its unique relationship and support from the Mainland to conclude a range of different arrangements which facilitate dispute resolution and legal services. For example, the groundbreaking interim measures arrangement signed with the Mainland in 2019 allows parties to arbitral proceedings seated in Hong Kong and administered by one of the six qualified arbitral institutions to apply to the Mainland courts for interim measures, including property, evidence, and conduct preservation. Hong Kong is the first and only jurisdiction in the world outside the Mainland where this is possible, and in the two years since this Arrangement came into operation, 50 applications for interim measures have been made to 23 Mainland Courts for the preservation of evidence, conduct or assets worth RMB 14.6 billion in total.

17. Another important Arrangement concluded with the

Mainland include the Supplemental Arrangement relating to Mutual Enforcement of Arbitral Awards signed in November 2020, allowing for parties to make simultaneous applications to both the courts of the Mainland and Hong Kong for enforcement of an arbitral award. This has been duly implemented through local legislation in May.

18. Recently, the Hong Kong Government and the Supreme People's Court also signed a Record of Meeting regarding the Mutual Recognition of and Assistance to Bankruptcy and Insolvency Proceedings, which establishes a new cooperation mechanism for cross-boundary corporate insolvency and debt restructuring matters between both places. Hong Kong liquidators and provisional liquidators may apply to the relevant three Intermediate People's Courts in the Mainland – Shenzhen, Shanghai and Xiamen, for recognition and assistance with regard to insolvency and debt restructuring proceedings in

Hong Kong, and Mainland bankruptcy administrators may continue to apply to the High Court of Hong Kong for recognition of bankruptcy proceedings in the Mainland. Hong Kong is the only jurisdiction to have established a cooperation mechanism for mutual recognition of and assistance to insolvency proceedings with the Mainland. These Arrangements no doubt increase Hong Kong's reputation as a legal and dispute resolution services hub, and showcase our unique strengths under "One Country, Two Systems".

19. Apart from concluding arrangements with the Mainland, Hong Kong also seeks to enhance cooperation and collaboration with the Mainland in different aspects and on different areas of the law to build upon Hong Kong's strengths as an international legal and dispute resolution services centre. In July this year, the Department of Justice signed various agreements or documents with the Supreme People's Court, the Supreme

People's Procuratorate, and the Ministry of Justice respectively to enhance cooperation and exchange. Additionally, a memorandum of cooperation under the tripartite communication platform was also signed with the Ministry of Commerce and the State-owned Assets Supervision and Administration Commission of the State Council in July, encouraging Mainland enterprises to exchange and cooperate with the Hong Kong legal profession, and to establish a standing exchange platform for this purpose. Hong Kong's development as an international legal and dispute resolution hub is indeed greatly enhanced by harnessing our unique relationship with the Mainland and the "One Country, Two Systems" policy.

20. Reacting swiftly to latest developments is a vital element of local governmental support. For example, Hong Kong has been closely monitoring and reacting to the increasing growth and influence of LawTech to the

legal and dispute resolution sector, and as a result, a number of initiatives have been set up to react to this new development. These include collaborating with UNCTRAL in exploring online dispute resolution (“ODR”) related issues through the establishment of the Inclusive Global Legal Innovation Platform on ODR, opting into the Asia Pacific Economic Cooperation (“APEC”) Online Dispute Resolution Framework in April last year, and assisting local dispute resolution centres such as the eBRAM Centre to launch a set of procedural rules of ODR which is tailor-made for the said Framework.

## **Conclusion**

21. Ladies and gentlemen, to close, Hong Kong enjoys and leverages on its unique intrinsic strengths, opportunities and attributes to establish itself as a premier legal and dispute resolution services hub, the most prominent of these being utilizing Hong Kong’s inherent qualities, and leveraging on its relationship with the

Mainland. On this note, I wish this Legal Forum every success. Thank you very much.