

Speech by SJ at CIETAC Investment Arbitration Seminar and Award Ceremony for the 16th edition of the Frankfurt Investment Arbitration Moot Court – CIETAC Chinese (Mainland) National Rounds (English only)

Following is the speech by the Secretary for Justice, Mr Paul Lam, SC, at the CIETAC Investment Arbitration Seminar and Award Ceremony for the 16th edition of the Frankfurt Investment Arbitration Moot Court – CIETAC Chinese (Mainland) National Rounds today (April 12):

Mr Wang (Wang Chengjie, Vice Chairman and Secretary-General of the China International Economic and Trade Arbitration Commission (CIETAC)), Ms Komindr (Athita Komindr, Head of UNCITRAL RCAP), Professor Li (Li Zheng, Vice President of Central University of Finance and Economics), Ms Cheng (Teresa Cheng SC), distinguished guests, ladies and gentlemen,

Good evening. It is my pleasure to speak at tonight's event. Let me begin by congratulating all the participating teams for their outstanding achievements, and expressing my sincere gratitude to the arbitrators for their great support in the moot. I would also like to thank CIETAC for their continuous effort in nurturing young talents in arbitration and hosting this moot competition year after year.

In light of the Belt and Road Initiative, the global economy becomes increasingly interconnected and cross-border investments continue to grow in terms of quantity and complexity. These investment activities would likely give rise to disputes between investors or between investors and the states. For example, disputes may arise from a changing regulatory regime in response to climate change or sustainability issues. An effective and fair dispute resolution mechanism will then become more crucial than ever for cross-border trade and investment. In this regard, arbitration has emerged as a popular alternative dispute resolution mechanism for resolving investment disputes, which seamlessly ties in with the theme of this moot competition. I look forward to hearing from today's panel about the latest developments, the

difficulties encountered and the possible way-out concerning investor-state arbitration and commercial arbitration.

Hong Kong's unique strengths

When it comes to resolving disputes, Hong Kong is a top choice and has established itself as a prominent international arbitration centre offering full-fledged arbitration services. First of all, being the only common law jurisdiction within China, Hong Kong's unique advantages under the principle of "one country, two systems" are salient. Hong Kong's arbitration system is among the most user-friendly in the world and is constantly refined to keep pace with international best practice. Secondly, we have a strong and diversified pool of experienced legal and arbitration practitioners who are conversant with international law, common law, civil law as well as international arbitration practices. Capacity building and talent development are important to a city's sustainable development. I am happy to know that Ms Cheng will share more on the nurturing of lawyers in the context of international investment arbitration.

Collaboration with the Mainland

To provide greater protection for cross-border economic activities, we have been actively developing legal mechanisms for mutual assistance with the Mainland and have concluded altogether nine reciprocal arrangements on civil and commercial matters.

In particular, Hong Kong is the first and only common law jurisdiction where parties to arbitrations seated in Hong Kong and administered by designated arbitral institutions can apply to the Mainland courts for interim measures. Such measures include the preservation of property, evidence and conduct. CIETAC Hong Kong, with a good track record of administering arbitration cases, is one of the seven designated arbitral institutions under this arrangement on interim measures. This game-changing arrangement has been greatly welcomed by arbitration users, with 116 applications made to the Mainland courts by the end of February this year involving over

RMB29 billion worth of assets.

We have also established a simple and effective mechanism to provide mutual recognition and enforcement of arbitral awards made in Hong Kong and the Mainland. Simultaneous enforcement to the courts of the two jurisdictions has now been made possible to seek timely remedies on the awards.

Apart from arbitral awards, the enforcement of judgments in civil and commercial matters is now more convenient under an arrangement signed with the Mainland in 2019 and implemented in Hong Kong early this year. The new mechanism would reduce the need for re-litigation of the same disputes and offer better protection to the parties' interest.

Upcoming arbitration events

Looking forward, exciting arbitration events will take place in Hong Kong in near future. For example, the 26th International Council for Commercial Arbitration (ICCA Congress) will be held in Hong Kong early next month. This Congress, widely recognised as the largest regular international arbitration conference in the world, would bring together leading arbitration practitioners worldwide and stimulate development in the field of international arbitration. Additionally, we will continue to reach out to other jurisdictions proactively to promote Hong Kong's legal and dispute resolution services, including leading local delegations to visit the Middle East later this year.

Conclusion

To conclude, Hong Kong is a prime venue for dispute resolution. It is also a place with abundant opportunities for working lawyers and aspiring lawyers like you all. I thank CIETAC again for organising this meaningful moot and wish you all fruitful and insightful discussions in the upcoming seminar. Thank you.