

Speech by SJ at CIETAC Investment Arbitration Seminar and Award Ceremony for the 17th Edition of the Frankfurt Investment Arbitration Moot Court - CIETAC Chinese (Mainland) National Rounds (English only)

Following is the video speech by the Secretary for Justice, Mr Paul Lam, SC, at the CIETAC Investment Arbitration Seminar and Award Ceremony for the 17th Edition of the Frankfurt Investment Arbitration Moot Court - CIETAC Chinese (Mainland) National Rounds today (April 11):

Mr Wang (Vice Chairman and Secretary General of China International Economic and Trade Arbitration Commission (CIETAC), Mr Wang Chengjie), distinguished guests, ladies and gentlemen,

It is a profound honour and privilege to speak to you all at tonight's event. I want to extend my warmest greetings to each of you and express my heartfelt gratitude to the CIETAC for their unwavering commitment to nurturing young legal talents and hosting the moot competition year after year.

The Frankfurt Investment Arbitration Moot Court is the oldest and most prestigious moot court competition in the field of investment law. The Chinese National Round, as an integral part of the competition, provides an enriching platform to foster valuable exchanges among law students, and I am thrilled to know that for this year, there are a total of 36 university teams from across the Mainland participating. Congratulations to all the participating teams and awardees for their outstanding achievements. Also my sincere thanks to the arbitrators, which I understand there are a hundred of them from 10 jurisdictions, for their immense support and guidance throughout the moot competition.

As we enter 2025, the Year of the Snake, we find ourselves at a pivotal moment in the second quarter of the 21st century. According to Chinese astrology, this year heralds a period of transformation and renewal, aligning with the ongoing evolution of the global economy driven by the Belt and Road Initiative. As our interconnectedness deepens, the potential for disputes is on the rise. Furthermore, the rapid advancement of artificial intelligence introduces new complexities in investment and trade. As AI technologies reshape industries, they also raise questions about accountability, intellectual property rights, and the regulatory frameworks needed to govern their use. Today's panel discussion, titled "Arbitration Reforms, Trade

Conflicts, AI Sovereignty: What the Future Holds?" would be a timely exploration of these critical issues and provides an opportunity to exchange insights on how we can effectively navigate the evolving dispute resolution landscape.

Hong Kong, as an international legal and dispute resolution hub, has always been at the forefront of innovation in the development of arbitration. The Arbitration Ordinance of Hong Kong is based on the UNCITRAL (United Nations Commission on International Trade Law) Model Law and has been amended over the years to keep abreast of the international practices. The recent major amendments include clarifying that disputes over intellectual property rights are arbitrable, and permitting third party funding as well as outcome related fee structures for arbitration.

Under the principle of "one country, two systems", Hong Kong is the only common law jurisdiction within China, and has signed three mutual legal assistance arrangements with the Mainland to facilitate the conduct of cross-border arbitrations. In particular, the groundbreaking Interim Measures Arrangement signed in 2019 enables parties to Hong Kong-seated arbitration to seek urgent interim measures from the Mainland courts direct. The Arrangement has proven to be a very effective tool, and as of March this year, 159 applications were made to the 52 Mainland Courts, and the total value of assets preserved amounted to around RMB25.1 billion.

More recently, as some of you may be aware, two important liberalisation measures have been extended under the CEPA Amendment Agreement II to facilitate the wider use of Hong Kong law and Hong Kong arbitration in the Greater Bay Area. Firstly, Hong Kong-invested enterprises in Shenzhen and Zhuhai can now choose Hong Kong law as the applicable law in contracts; and secondly, Hong Kong-invested enterprises in pilot free trade zones as well as nine cities in the GBA can now choose Hong Kong as the seat for arbitration. We believe that the new policy initiatives would provide more dispute resolution options for businesses navigating international trade complexities, with fuller use of Hong Kong's unique edges.

In March this year, we have also regularised and refined a scheme to provide immigration facilitation for persons participating in arbitral proceedings in Hong Kong. Under the scheme, eligible persons are allowed to come to Hong Kong for conducting arbitrations on a short-term basis as visitors, without the need to obtain an employment visa. Through the immigration facilitation measure, we hope to offer parties and practitioners high convenience and a broad choice of international and

local legal experts and related professionals, further enhancing Hong Kong's attractiveness as a seat or destination for arbitrations.

Hong Kong, with its arbitration-friendly landscape and robust infrastructure, stands out as a premier venue for dispute resolution and a hub of abundant opportunities for both seasoned lawyers and aspiring professionals like you all. Looking forward, I encourage you all to embrace the potential for growth and collaboration within our vibrant legal community. I would like to extend my gratitude again to CIETAC for organising this important moot and wish you all engaging and insightful discussions in the upcoming seminar. Thank you.