

Speech by SJ at SCCA & Clifford Chance Joint Seminar of China Arbitration Week 2025
(English only)(with photo)

Following are the opening remarks by the Secretary for Justice, Mr Paul Lam, SC, at the SCCA & Clifford Chance Joint Seminar of the China Arbitration Week 2025 today (September 19):

Dr Walid Abanumay (Chairman of the Saudi Center for Commercial Arbitration (SCCA)), Consul General Mazin Alhimali (Consul General of Saudi Arabia in Hong Kong), Mr Thomas Walsh (Partner of Clifford Chance), my dear friends from the SCCA, distinguished guests, ladies and gentlemen,

A very good morning to everyone joining us here today. I wish to start by thanking the Saudi Center for Commercial Arbitration and Clifford Chance for inviting me to this Joint Seminar.

The relationship between Saudi Arabia and Hong Kong has grown significantly in recent years. On the legal front, in April last year, on behalf of the Department of Justice of Hong Kong, I signed a Memorandum of Understanding of Cooperation with the Ministry of Justice of Saudi Arabia. In May last year, I led a delegation, comprising representatives from legal and related sectors, to visit Riyadh. More specifically, on May 20, 2024, the Hong Kong delegation led by me visited the SCCA and held a meeting with its Board of Directors. I am very pleased that I had the chance to hold another very constructive meeting with SCCA representatives yesterday in my office.

In recent years, Saudi Arabia has emerged as a leading jurisdiction in the Middle East for international arbitration. Driven by its Vision 2030 economic diversification agenda, Saudi Arabia has undertaken significant legal and institutional reforms aimed at fostering an arbitration-friendly environment with global best practices. Established in 2014, the SCCA has become Saudi Arabia's premier arbitral institution. The 2023 SCCA Arbitration Rules, broadly modelled on the UNCITRAL (United Nations Commission on International Trade Law) Arbitration Rules, came into effect on May 1, 2023. I note with great interest that, very recently, the Council of Ministers of the Kingdom of Saudi Arabia (KSA) passed a resolution to strengthen the country's arbitration and ADR framework, which includes conducting a review of the Arbitration Law 2012 and its Implementing Regulations.

In these circumstances, today's seminar is most timely and meaningful to enable the legal professionals and other interested parties in Hong Kong to learn about Saudi Arabia's evolving arbitration landscape.

It is indeed not only desirable but also essential for Hong Kong people to have a better understanding of Saudi Arabia's arbitration landscape. While Saudi Arabia is destined to become a major international arbitration centre in MENA (Middle East and North Africa), Hong Kong is an international arbitration centre in the Asia-Pacific region. I am

sure that there is huge potential and enormous opportunities for the arbitration communities in these two jurisdictions to develop better synergy, which will result in a win-win situation.

To enhance mutual understanding and lay the foundation for future collaborations, I would like to say a few words about the present arbitration landscape in Hong Kong.

There is no doubt that Hong Kong is already one of the leading international arbitration centres in the world. In the 2025 International Arbitration Survey conducted by Queen Mary University of London, Hong Kong is the most preferred seat of arbitration in the Asia-Pacific Region, and the second most preferred seat of arbitration worldwide. In addition, the Hong Kong International Arbitration Centre (HKIAC) Rules are the most preferred set of arbitration rules in the Asia-Pacific Region, and the second most preferred worldwide.

Hong Kong's success so far is attributed to many factors. The crucial starting point is that, under the fundamental principle of "one country, two systems", Hong Kong is the only common law jurisdiction in the People's Republic of China. It is also the only bilingual common law jurisdiction in the world using both English and Chinese. The Judiciary enjoys the independent power of adjudication including that of final adjudication. Most important for the present purpose, our courts responsible for supervising arbitrations and enforcing arbitral awards adopt a very pro-arbitration attitude.

Our Arbitration Ordinance is based on the UNCITRAL Model Law on International Commercial Arbitration, which is familiar to the international business community. We constantly review and amend our laws to keep them in line with the latest international practice. In 2017, we clarified that disputes over intellectual property rights are arbitrable. In 2019, we introduced third-party funding. In 2022, we further introduced outcome-related fee structures for arbitration.

The New York Convention is applicable to Hong Kong. Therefore, international arbitral awards made in over 170 state parties to the Convention, including Saudi Arabia, can be conveniently recognised and enforced in Hong Kong; and vice versa. What is most unique about Hong Kong is that its arbitration service is particularly useful and attractive to people who have business and investment interests in the Chinese Mainland. As a result of a number of mutual legal assistance arrangements entered into between Hong Kong and the Mainland, a Hong Kong arbitral award may be enforced in the Mainland courts pursuant to a regime modelled on the New York Convention. Moreover, Hong Kong is the only common law jurisdiction outside the Mainland where, as a seat of arbitration, parties to arbitral proceedings administered by the designated arbitral institutions would be able to apply to the Mainland courts for interim measures including the preservation of property, evidence and conduct. Since February this year, the Chinese Mainland introduced a new policy under which Hong Kong enterprises in certain cities in Guangdong Province in the Greater Bay Area (GBA) may choose Hong Kong as the seat of arbitration, which was previously not permissible under the law

of People's Republic of China.

Another important advantage enjoyed by Hong Kong is that we have an abundant supply of legal talent who are both competent and experienced in handling international arbitrations. According to the latest statistics as of mid-September 2025, we had over 11 800 practising solicitors and over 1700 barristers (including 109 Senior Counsel). There are 926 law firms; and they have altogether 280 overseas offices including eight in Saudi Arabia. Clifford Chance is, of course, one of the law firms having an office there. I am sure there will be more in future.

We adopt an open policy insofar as international arbitration is concerned. Apart from the HKIAC, we have many other arbitral institutions such as the China International Economic and Trade Arbitration Commission, South China International Arbitration Center, and Asian African Legal Consultative Organization Hong Kong Regional Arbitration Centre. Legal professionals coming from overseas jurisdictions are welcome to Hong Kong to act as arbitrators or counsel for the parties in international arbitrations conducted here since there is no nationality requirement. And to facilitate international talent in participating in arbitral proceedings in Hong Kong, with effect from March 1, 2025, the Government has implemented a regularised Immigration Facilitation Scheme for Persons Participating in Arbitral Proceedings in Hong Kong under which individuals are allowed to participate in arbitral proceedings in Hong Kong as visitors without the need to obtain an employment visa if they are in possession of a letter of proof issued by a designated arbitral and dispute resolution institution or venue provider. The scheme covers (i) arbitrators; (ii) expert and factual witnesses; (iii) counsel in the arbitration; (iv) parties to the arbitration; and (v) other persons directly related to or involved in the arbitration such as tribunal secretaries and tribunal-appointed experts.

We will spare no effort in improving Hong Kong's arbitration landscape. In the Chief Executive's 2025 Policy Address announced just two days ago, it is stated that the Government will step up promotion of Hong Kong's arbitration services, while studying the need to amend the Arbitration Ordinance. It will also promote a panel of GBA arbitrators and a platform for GBA commercial mediation and arbitration to lower enterprises' costs of cross-boundary dispute resolution.

In my view, there are many ways for future collaborations between Saudi Arabia and Hong Kong in international arbitration. As mentioned, Saudi Arabia practitioners are welcome to take part in arbitrations in Hong Kong; on the other hand, I hope that more Hong Kong legal practitioners could join the SCCA Arbitrator Roster. Second, members of the arbitration community in both jurisdictions may take part more actively and frequently in relevant legal events in each other's jurisdiction: for example, the 2025 Hong Kong Arbitration Week will be held between October 19 and 24, 2025, and the Hong Kong Legal Week 2025 organised by my department will be held between December 1 and 5, 2025. Third, the arbitral institutions in our respective jurisdictions may strengthen their relationship by entering into co-operation agreements as they see fit. Fourth, more capacity-building programmes may be organised to share experiences and enhance mutual understanding. The Hong Kong International Legal Talents Training

Academy under my department established in November last year may assist in this respect.

While I have naturally focused on legal co-operation in particular in the area of international arbitration, Hong Kong has much more to offer to our friends from Saudi Arabia. There are direct flights between Riyadh and Hong Kong since October 2024. In the Global Muslim Travel Index 2025, in the category of "Muslim-friendly Destinations (non-Organisation of Islamic Cooperation)", Hong Kong has risen from fourth place last year to third place this year and has also been named the "Most Promising Muslim-friendly Destination of the Year". In the Chief Executive's 2025 Policy Address I mentioned a moment ago, it is stated that the Government will further promote Muslim tourism and encourage the travel industry to provide more Muslim-friendly facilities and food options.

My dear friends from Saudi Arabia, I sincerely hope that you will come to Hong Kong more often for whatever purposes in future and that you will have a very pleasant stay in Hong Kong on this occasion. On this note, I wish you all a very constructive and enjoyable seminar this morning. Thank you.

Ends/Friday, September 19, 2025