

## Strong Legal Profession ✓



Over **1,500** barristers

Over **10,000** solicitors

Over **1,500** foreign lawyers

Over **940** Hong Kong solicitors' firms

Over **80** registered foreign law firms

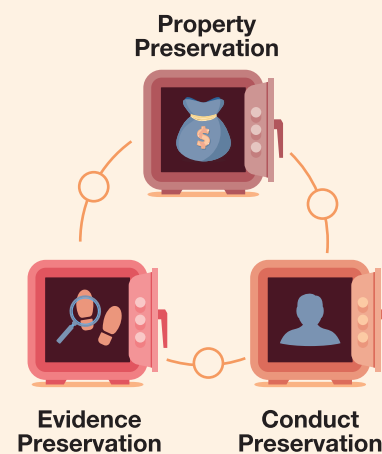
(Figures as at June 2021)

Hong Kong is a common law jurisdiction with a large supply of professional legal and dispute resolution practitioners.

## Preferred Seat of Arbitration with Diverse Expertise ✓

Experienced dispute resolution professionals with international perspectives and expertise in diverse areas including shipping, infrastructure and construction, engineering and intellectual property. Hong Kong is the third most popular seat according to the 2021 International Arbitration Survey conducted by Queen Mary University of London.

## 1<sup>st</sup> Jurisdiction with Mainland ↔ Hong Kong Interim Measures Arrangement ✓



Hong Kong is the first and only 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 preservation measures.

## Effective Enforcement of Awards ✓

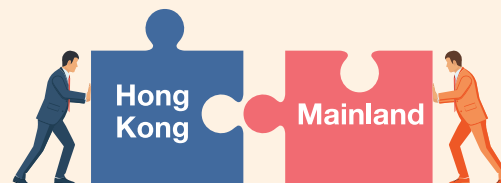
Reciprocal enforcement arrangement with Mainland and Macao



Over **160** Contracting Parties to the New York Convention

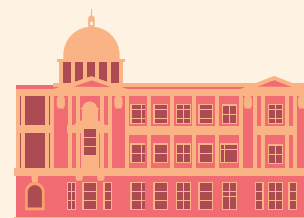
Hong Kong arbitral awards can be effectively enforced in over 160 Contracting Parties to the New York Convention, the Mainland and Macao SAR.

## Simultaneous Enforcement in Mainland and Hong Kong ✓



Award creditor of a Hong Kong arbitral award can make simultaneous enforcement applications to both the Mainland and Hong Kong courts under the Supplemental Enforcement Arrangement between the Mainland and HKSAR.

## Premier Venue and Top-tier Facilities ✓



World-class arbitration facilities in Hong Kong with the Legal Hub housing an array of internationally reputable dispute resolution institutions.

## Pro-arbitration Approach and Judicial Independence ✓



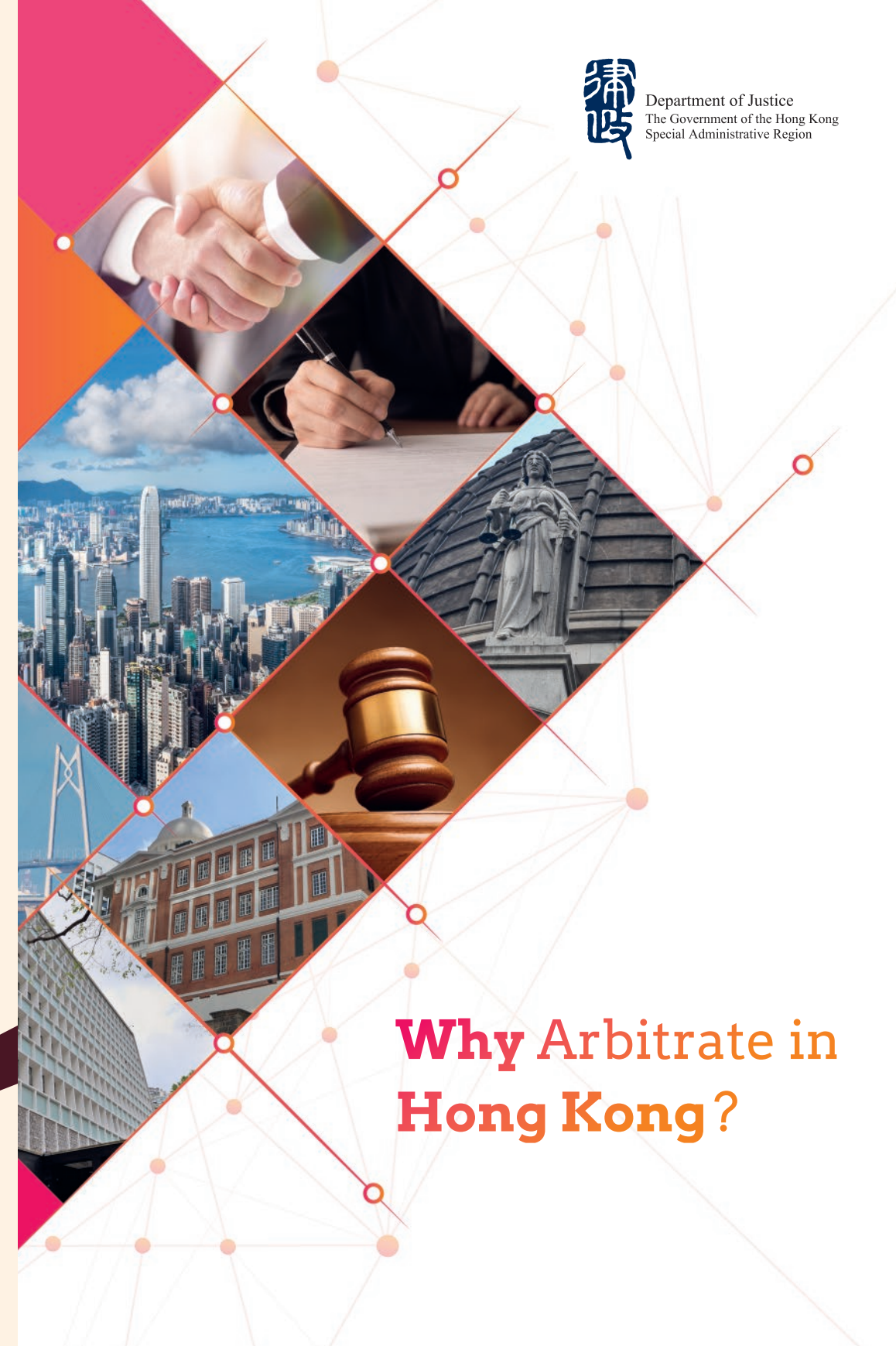
The Court of Final Appeal is comprised of the Chief Justice, 7 Hong Kong permanent and non-permanent judges (NPJs), and 12 overseas NPJs.

## Third Party Funding in Arbitration ✓

Third party funding for arbitration is permissible under the Hong Kong law.



# Why Arbitrate in Hong Kong?



## Strong Legal Infrastructure and Legal Profession

The Arbitration Ordinance (Cap. 609) in Hong Kong, which came into effect in 2011, is largely based on the Model Law on International Commercial Arbitration of the United Nations Commission on International Trade Law (UNCITRAL Model Law), which is familiar to practitioners from both civil law and common law jurisdictions, as well as international business community. Continuous reviews of the Arbitration Ordinance are being undertaken to keep Hong Kong's arbitration law competitive and in line with the latest international arbitration practice.

Hong Kong is the only common law jurisdiction within China. As at June 2021, there are over 1,500 practising barristers, over 10,000 practising solicitors and over 1,500 registered foreign lawyers in Hong Kong. There are over 940 Hong Kong solicitors' firms and over 80 registered foreign law firms. The presence of such an array of local and international lawyers enables Hong Kong to provide top quality legal services in many areas of civil and commercial law.

## Mature Culture and Unique Standing of Hong Kong's Arbitration Services

Hong Kong, being the location of the first Asian branch of the Chartered Institute of Arbitrators, has a long-standing and mature culture for arbitration supported by a pool of knowledgeable and experienced dispute resolution professionals with international perspectives and expertise in areas such as commerce and finance, shipping, engineering, infrastructure and construction, information technology and international investment law.

Since 2015, Hong Kong has been among the top five preferred seats for arbitration globally according to the International Arbitration Surveys conducted by Queen Mary University of London. In the 2021 International Arbitration Survey, Hong Kong is ranked the third most popular seat for arbitration, chosen by 50% of the survey respondents worldwide. The recent inclusion of Hong Kong as one of the four arbitration venues under the BIMCO Law and Arbitration Clause in 2020 also recognises Hong Kong as a leading and efficient venue for the resolution of maritime disputes.

## Availability of Effective Interim Relief

- For arbitrations seated in Hong Kong, interim relief can be granted by tribunals or the courts. Under the game-changing Arrangement Concerning Mutual Assistance in Court-ordered Interim Measures in Aid of Arbitral Proceedings by the Courts of the Mainland and of the HKSAR (**Interim Measures Arrangement**) which came into effect since 1 October 2019, Hong Kong is the first and only 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 property preservation, evidence preservation and conduct preservation, before the arbitral award is made.



Full text of the Interim Measures Arrangement with courtesy English translation

## Securing Fruits of Arbitration

- By the Arrangement Concerning Mutual Enforcement of Arbitral Awards between the Mainland and the HKSAR (Enforcement Arrangement) signed between the Mainland and Hong Kong on 21 June 1999, arbitral awards made in both the Mainland and Hong Kong can be effectively enforced in the two places. By the Supplemental Arrangement Concerning Mutual Enforcement of Arbitral Awards between the Mainland and the HKSAR (**Supplemental Enforcement Arrangement**) signed on 27 November 2020 and in full operation since 19 May 2021, parties to a Hong Kong arbitral award can apply to the Mainland court for preservation measures, including preservation of assets, prior to the enforcement of the arbitral award in the Mainland. The award creditor of a Hong Kong arbitral award can also make simultaneous applications to both the courts of the Mainland and Hong Kong for enforcement of the award. These arrangements effectively prevent the debtor from dissipating assets to avoid enforcement action, thereby securing the fruits of arbitration for the benefit of the award creditor.

## Worldwide Recognition and Enforcement of Arbitral Awards

Arbitral awards made in Hong Kong are generally upheld by local courts and enforceable in over 160 Contracting Parties to the Convention on the Recognition and Enforcement of Foreign Arbitral Awards (**New York Convention**), with a good track record of quality and enforceability. This is complemented by respective arrangements for reciprocal enforcement of arbitral awards with the Mainland, as cited above, and with the Macao SAR.

## Premier Venue and Top-tier Arbitration Facilities

Strategically positioned as a gateway to cities in the Greater Bay Area (GBA), Hong Kong enjoys fortuitous geographic advantage in providing international legal and dispute resolution services to users in the GBA. Within Hong Kong, the Legal Hub, located at the heart of Hong Kong's Central Business District, houses an array of internationally reputable dispute resolution institutions, offering close proximity and high efficiency to users of arbitration services in Hong Kong.

The Hong Kong International Arbitration Centre (HKIAC), a home-grown arbitral institution ranking first for location, perceived value for money, helpfulness of staff and IT services by the Global Arbitration Review Hearing Centres Survey since 2013, attracts parties who look for world-class arbitration facilities to select Hong Kong as a seat of arbitration.

## Respect for Party Autonomy

Party autonomy is fully respected in Hong Kong-seated arbitrations. Parties are free to appoint arbitrators of their own choice with no restriction on nationality. Parties are also free to use lawyers from their own jurisdiction irrespective of the applicable law to be argued before the tribunal.

## Pro-arbitration Approach of the Court and Judicial Independence

The pro-arbitration position of the Hong Kong Judiciary is well documented in court judgments. Under the laws of Hong Kong, arbitrators have all the power they need to manage and adjudicate the disputes before them. The court upheld the wide discretion of arbitrators and the neutrality and flexibility of the arbitral process. There is also a group of specialist judges in the High Court dealing with arbitration-related cases to ensure specialisation and consistency.

The Court of Final Appeal (CFA), the highest court in Hong Kong, is comprised of the Chief Justice, 7 Hong Kong permanent and non-permanent judges (NPJs), and 12 overseas NPJs. The respect our independent judiciary enjoys is evidenced and supported by eminent judges from other common law jurisdictions sitting on the CFA. As Lord Sumption, a former Justice of the United Kingdom Supreme Court and a NPJ of the Hong Kong CFA remarked: "The permanent judiciary of Hong Kong is completely committed to judicial independence and the rule of law."

## Availability of Third Party Funding in Arbitration

Third party funding for arbitration is permissible under the laws of Hong Kong. A Code of Practice for Third Party Funding of Arbitration sets out the practices and standards with which third party funders are ordinarily expected to comply in carrying out activities in connection with third party funding of arbitration, which also provides safeguards for funded parties.

## Arbitrability of Intellectual Property Disputes

The Arbitration Ordinance in Hong Kong makes it clear that all intellectual property (IP) disputes, whether within or outside Hong Kong, may be resolved by arbitration, and that IP arbitral awards can be enforced in Hong Kong.

## Further information about arbitration in Hong Kong is available in:



[https://www.doj.gov.hk/en/legal\\_dispute/arbitration.html](https://www.doj.gov.hk/en/legal_dispute/arbitration.html)



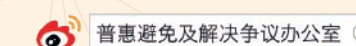
[www.legalhub.gov.hk](http://www.legalhub.gov.hk)



Full text of the Enforcement Arrangement with courtesy English translation



Full text of the Supplemental Enforcement Arrangement with courtesy English translation



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