

# SIAC

Singapore International Arbitration Centre

## ANNUAL REPORT 2013



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*Chairman  
Singapore*
- b. Cavinder Bull SC  
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- c. Gautam Banerjee  
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- d. Nishith Desai  
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- g. Eun Young Park  
*Korea*
- h. Chelva Rajah SC  
*Singapore*
- i. John Savage  
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- j. Giles White  
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# Court of Arbitration

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- c. John Savage  
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- l. Jan Paulsson  
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*Japan*
- o. Ariel Ye  
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# 2013 A Transformative Year for SIAC



Singapore International Arbitration Centre celebrated its 22<sup>nd</sup> year in 2013, and it proved to be a significant year for the Centre in many respects.

It has been my privilege to have assumed the role of CEO of SIAC in June 2013. Since 2009, SIAC has seen a steady increase in its workload and strengthened its position as a world class international arbitral institution during this time. SIAC's achievements in recent years is the result of the dedication and commitment of the previous Board of Directors, led by its Chairman, Prof. Michael Pryles, and my predecessor, Mr Minn Naing Oo, former CEO & Registrar. In 2013, these efforts culminated in making the year a memorable one for the Centre.

I outline some of the key highlights from 2013 below.

### **New Rules and Governance Structure**

SIAC announced a new governance structure with effect from 1 April 2013 and the publication of a revised edition of the SIAC Rules of Arbitration, viz. the SIAC Rules 2013.

The new Board of Directors, which assumed office on 1 April 2013, is chaired by Mr Lucien Wong, Chairman and Senior Partner of Allen & Gledhill LLP. The Board consists of well-respected lawyers and corporate leaders from China, India, Korea, UK and Singapore. The Board is responsible for overseeing SIAC's operations, business strategy and development, as well as corporate governance matters.

As part of the new governance structure, the SIAC Court of Arbitration was established on 1 April 2013, and is led by its Founder President, Prof. Michael Pryles. The Court comprises 16 eminent arbitration

practitioners from around the world, including Australia, Belgium, China, France, India, Japan, Korea, Singapore, UK and the USA. The main functions of the Court include the appointment of arbitrators, the determination of jurisdictional challenges and challenges to arbitrators, as well as overall supervision of case administration at the Centre.

The inaugural meetings of the new Board and Court, and a joint meeting of the Board and Court, were held in August 2013. Some new initiatives implemented during the year were the establishment of a new panel of arbitrators for intellectual property disputes, introduction of a new schedule of fees and amendments to the practice notes on case administration to provide for, amongst other things, the Registrar to be able to consult the Court on issues arising during scrutiny of draft arbitral awards.

The new SIAC Rules 2013 reflect the functions of the new Court and its members. They incorporate the latest global best practices in international arbitration, and are aligned to recent changes to Singapore arbitration law.

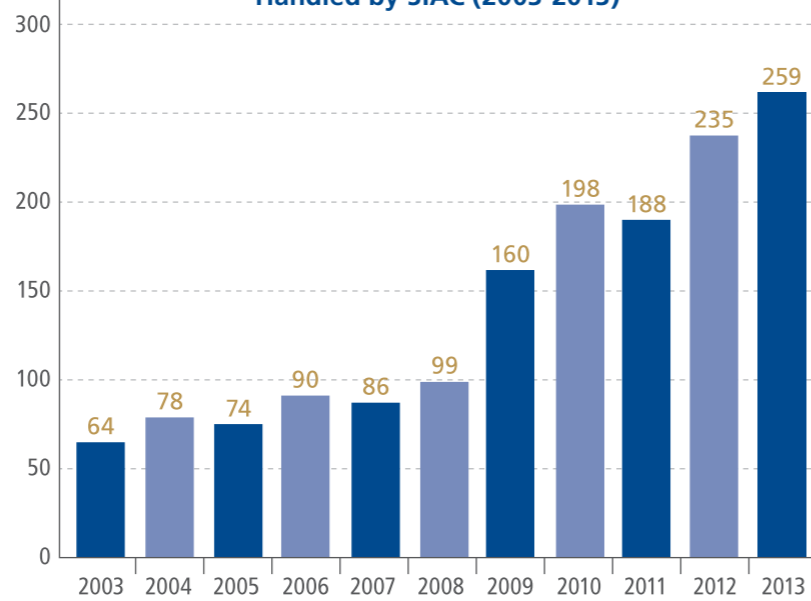


Entrance to Maxwell Chambers

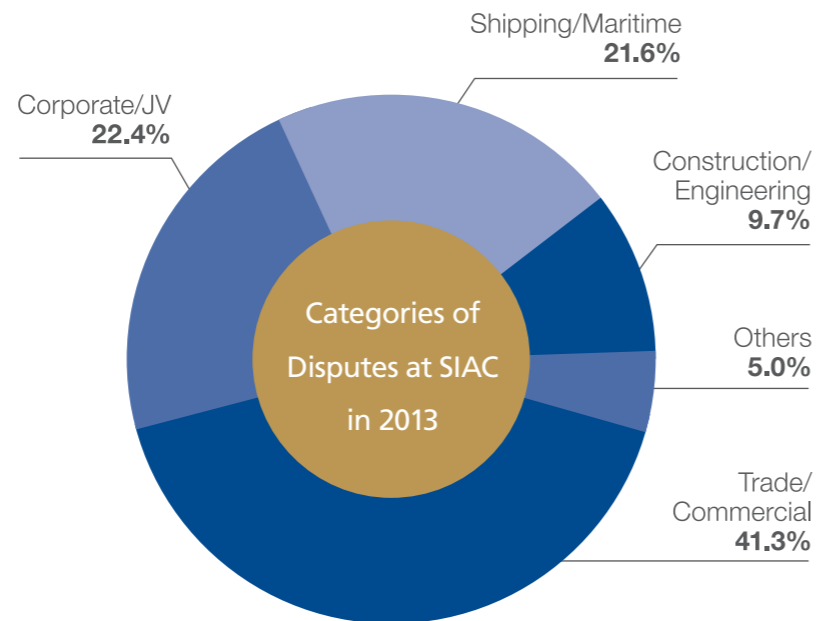
# Case Management

2013 saw a new record year for SIAC. Building upon its milestone achievement in 2012, new case filings increased by a further 10% from 235 new cases received in 2012 to 259 new cases received in 2013, reinforcing SIAC's position as one of the fastest-growing arbitral institutions in the world.

**Total Number of New Cases Handled by SIAC (2003-2013)**



A diverse range of claims was filed at SIAC in 2013, arising from key sectors such as corporate and joint venture, construction and engineering, shipping, mining, energy, insurance, IT, trade and commercial. Trade disputes, commercial disputes and corporate and joint venture disputes have been key areas in relation to which disputes have been filed at SIAC and this has remained the case for 2013.

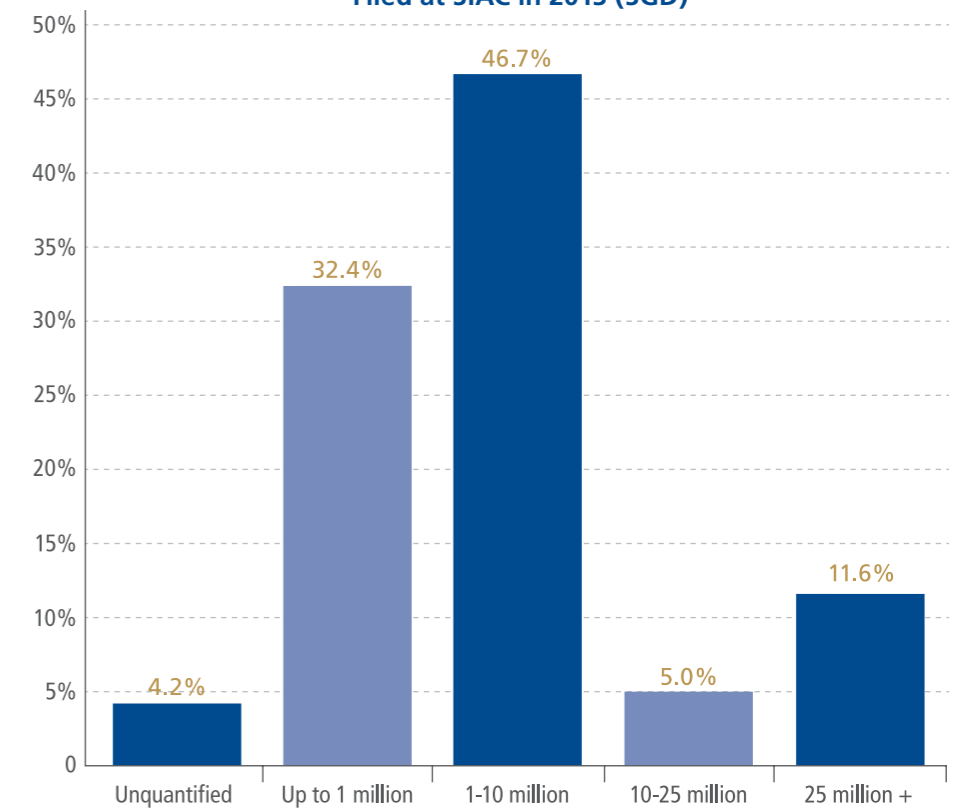


# Amounts in Dispute

For new cases filed in 2013, the total sum in dispute amounted to S\$6.06 billion. SIAC currently handles some of the largest and most complex arbitrations. The highest claim amount for 2013 was S\$3.5 billion, contrasting with the highest claim amount of S\$1.5 billion in 2012.

In 2013, the average value of an SIAC dispute was S\$24.44 million, a 60% increase on the average sum in dispute of S\$15.36 million in 2012. Even excluding the one case with the highest claim amount, the average sum in dispute for 2013 was still S\$10.48 million.

**Range of Sums in Dispute for New Cases Filed at SIAC in 2013 (SGD)**



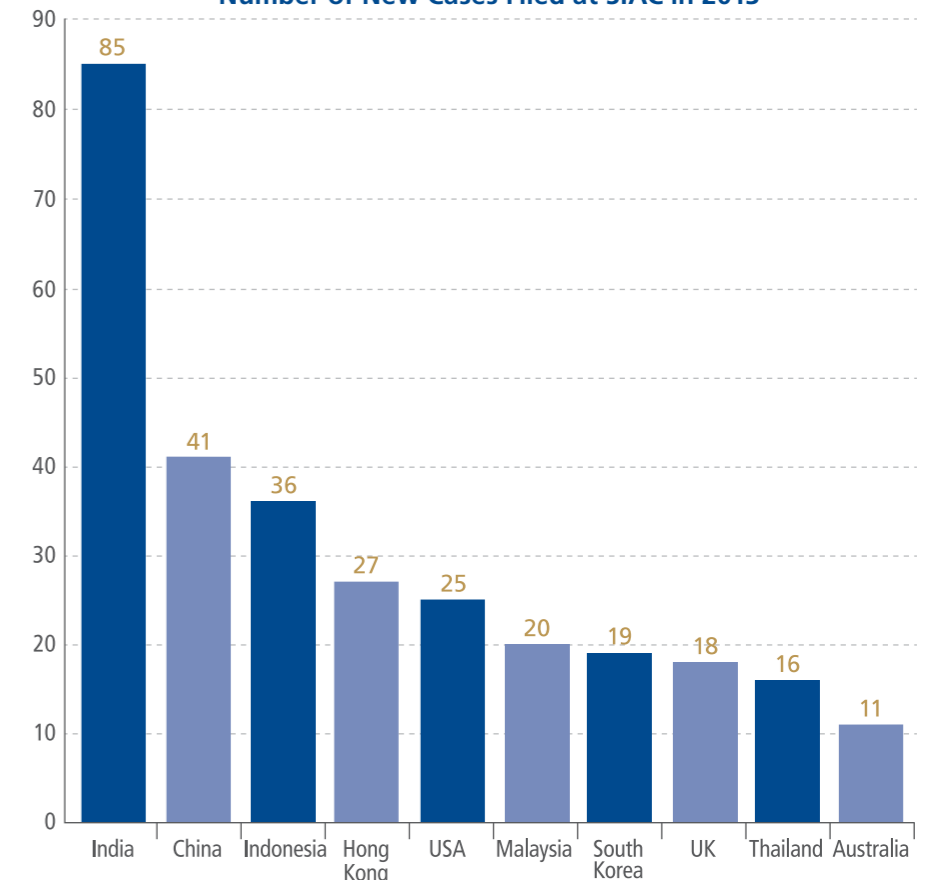
# Nationality of Parties

Singaporean parties continued to be the largest contributor of cases to SIAC in 2013 with 135 new cases. 40 of the 135 cases involved companies that are subsidiaries of international companies, but incorporated in Singapore.

86% of new cases filed with SIAC in 2013 were international in nature, and 48% had no connection with Singapore.

The following chart depicts the top ten nationalities (excluding Singapore) of parties who submitted their disputes to arbitration at SIAC in 2013.

**Top Ten Nationalities (excluding Singapore) by Number of New Cases Filed at SIAC in 2013**



This year, the highest number of filings was generated by Indian parties, who have remained one of the strongest contributors of cases to SIAC over the past 4 years. A significant number of cases in 2013 also involved arbitrations with Chinese, Indonesian, Hong Kong and American parties.

SIAC received cases from parties from 50 jurisdictions, which are detailed on the right.

#### Number of New Cases by Nationality of Parties at SIAC in 2013

1.	Australia	8 (+3)*
2.	Austria	1 (+1)
3.	Bahamas	1
4.	Belgium	3
5.	Bermuda	0 (+4)
6.	British Virgin Islands	20
7.	British West Indies	1
8.	Brazil	2 (+2)
9.	Canada	2 (+2)
10.	Cayman Islands	2
11.	Chile	1
12.	China	33 (+8)
13.	Cyprus	7
14.	Denmark	2
15.	Finland	2
16.	France	2 (+1)
17.	Germany	6 (+2)
18.	Hong Kong	17 (+10)
19.	India	66 (+19)
20.	Indonesia	34 (+2)
21.	Isle of Man	1
22.	Italy	0 (+1)
23.	Japan	4 (+5)
24.	Jersey	1
25.	Luxembourg	3
26.	Malaysia	20

27.	Mali	1
28.	Malta	1
29.	Marshall Islands	16
30.	Mauritius	8
31.	Monaco	1
32.	Netherlands	8 (+1)
33.	New Zealand	1
34.	Nigeria	2
35.	Norway	1 (+1)
36.	Panama	1
37.	Philippines	4
38.	Seychelles	1
39.	Singapore	<sup>^</sup> 132 (+3)
40.	South Korea	19
41.	Spain	1 (+1)
42.	Sri Lanka	1
43.	Switzerland	3 (+2)
44.	Taiwan	3
45.	Thailand	11 (+5)
46.	United Arab Emirates	10
47.	UK	13 (+5)
48.	USA	21 (+4)
49.	Uruguay	2
50.	Vietnam	4

\* Indicates parties which are subsidiaries of entities from the country but incorporated elsewhere. For example, in the case of Australia, there were 3 additional parties belonging to Australian companies, but which were incorporated in other jurisdictions.

<sup>^</sup> 39 of the 132 Singapore cases listed above involved companies that are in fact subsidiaries of international companies.

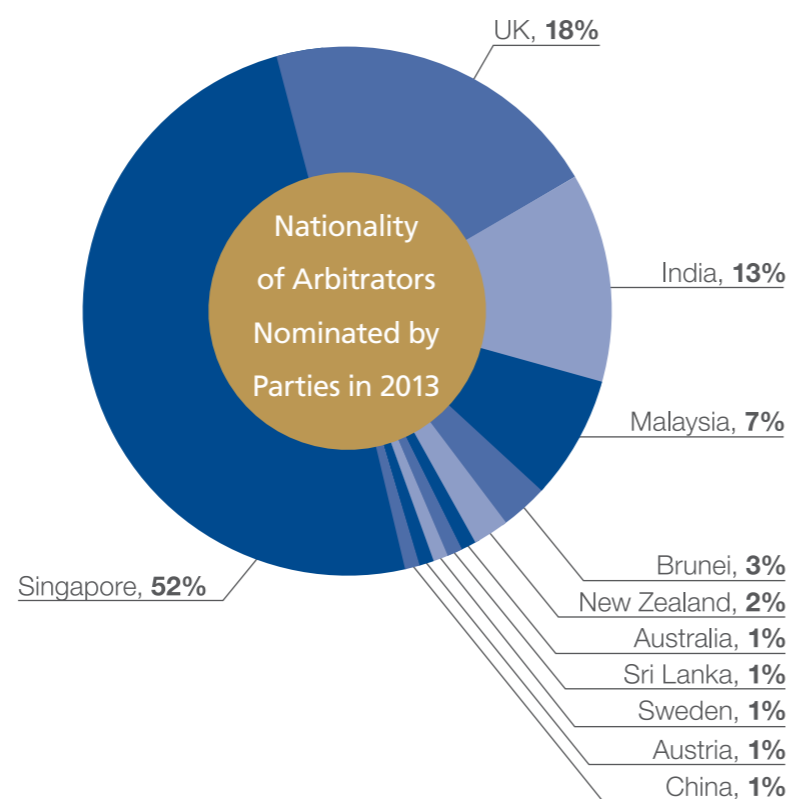
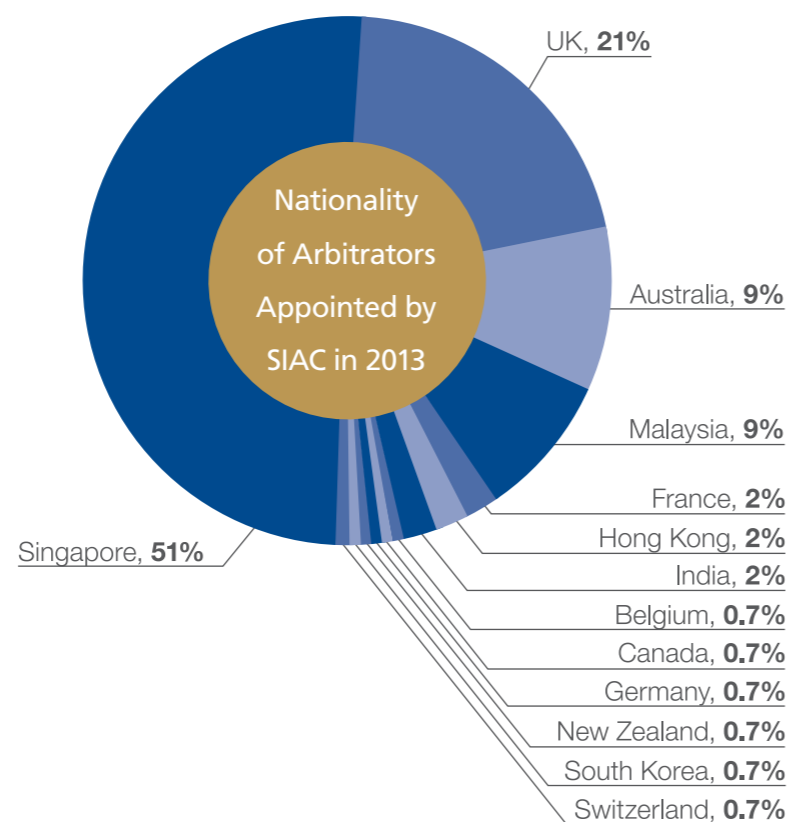
# Tribunal Appointments

As at 31 December 2013, SIAC had made a total of 143 individual appointments of arbitrators to 114 sole arbitrator tribunals, 8 two-member tribunals, 21 three-member tribunals, and 5 individual appointments of adjudicators. Of these arbitrator appointments, 113 were appointments made under the SIAC Rules, whilst the remaining 35 were appointments made under other rules and in *ad hoc* arbitrations.

When SIAC is called upon to appoint arbitrators, they are chosen on the basis of their expertise and experience relevant to the dispute. The neutrality of a potential arbitrator's nationality to that of the parties to a dispute is another key factor that SIAC takes into account in the arbitrator selection process. The appointment process includes a conflict search by the prospective appointees, which is completed in a very short time frame.

Arbitrators appointed by SIAC in 2013 came from Australia, Belgium, Canada, France, Germany, Hong Kong, India, Malaysia, New Zealand, Singapore, South Korea, Switzerland and UK, with more than 50% of arbitrators appointed being Singaporean and 21% being British.

Arbitrators nominated by parties in cases at SIAC in 2013 came from Australia, Austria, Brunei, China, India, Malaysia, New Zealand, Singapore, Sri Lanka, Sweden and UK, also with more than 50% of the arbitrators nominated being Singaporean, 18% British and 13% Indian.



## Emergency Arbitrators



Cavenagh Room, Maxwell Chambers

A party in need of urgent interim relief prior to the constitution of the Tribunal may apply for such relief pursuant to Rule 26.2 and Schedule 1 of the SIAC Rules. If the application is accepted by SIAC, an emergency arbitrator is appointed within 1 business day. An award or order can be issued by an emergency arbitrator in as little as 2 days after having heard and considered submissions from all parties.

Singapore's International Arbitration Act was amended in 2012 to provide for the enforceability of the awards and orders issued by emergency arbitrators in Singapore-seated arbitrations, making it the first jurisdiction globally to adopt legislation for the enforceability of such awards and orders. Most cases handled by SIAC under these provisions have seen voluntary compliance of the orders and awards issued by emergency arbitrators.

In 2013, SIAC received a new record number of 19 applications to appoint an emergency arbitrator under the SIAC Rules 2010 and 2013 versions. SIAC accepted all 19 requests, taking the total number of emergency arbitrator applications accepted by SIAC to 30 (as at 31 December 2013), since the introduction of these provisions in the SIAC Rules in July 2010.

## Expedited Procedure

Parties can choose to apply SIAC's Expedited Procedure under Rule 5 of the SIAC Rules (i) in their contract by using the SIAC Expedited Procedure Model Clause; or (ii) post-dispute by agreement between parties.

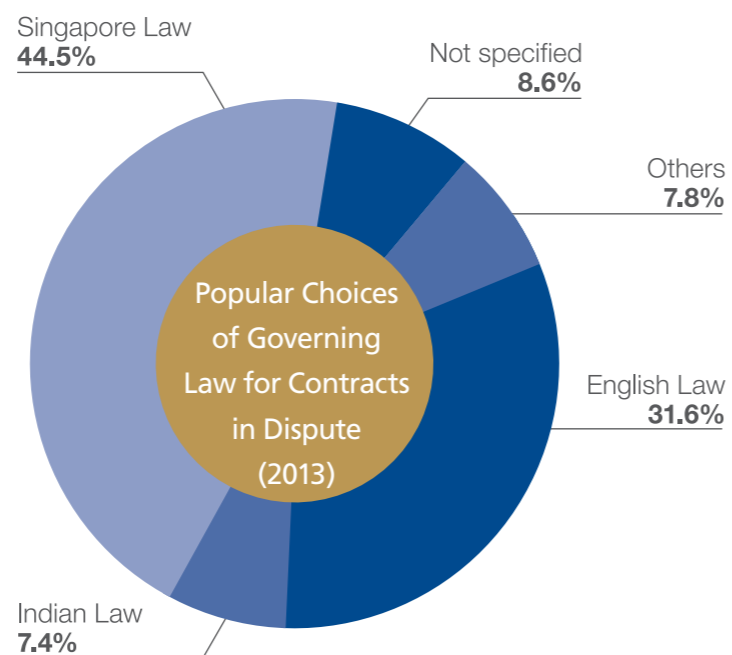
Alternatively, a party can choose to make an application to SIAC for the Expedited Procedure if the amount in dispute does not exceed S\$5,000,000 (or the equivalent amount in a foreign currency), or in cases of exceptional urgency.

If the President of the SIAC Court of Arbitration determines that the arbitral proceedings should be conducted in accordance with the Expedited Procedure, an award will be made within six months of the constitution of the tribunal.

In 2013, SIAC received 36 requests for the application of the Expedited Procedure, of which SIAC accepted 22 requests. As at 31 December 2013, SIAC had received a total of 115 applications for the Expedited Procedure and accepted 83 requests since the introduction of these provisions in the SIAC Rules in July 2010.

# Governing Law of Contracts in Dispute

In 91.5% of new cases filed at SIAC in 2013, parties included a choice of law clause in the contract that gave rise to the dispute. In all, parties had chosen 12 different state laws as the governing law of the underlying contract. The most popular choices of governing law in these contracts are depicted on the right.



SIAC India Office Opening, Mumbai, April 2013

## Awards

A total of 125 awards was issued during 2013. These included 16 awards/orders issued by emergency arbitrators on urgent interim relief.

Prior to being issued, all awards are scrutinised and approved by the Registrar as to the form of the award. In addition, the Registrar draws the attention of tribunals to points of substance without affecting the liberty of decision of tribunals. The scrutiny process enables avoidance of errors and improvements to be made to enhance the enforceability of awards.

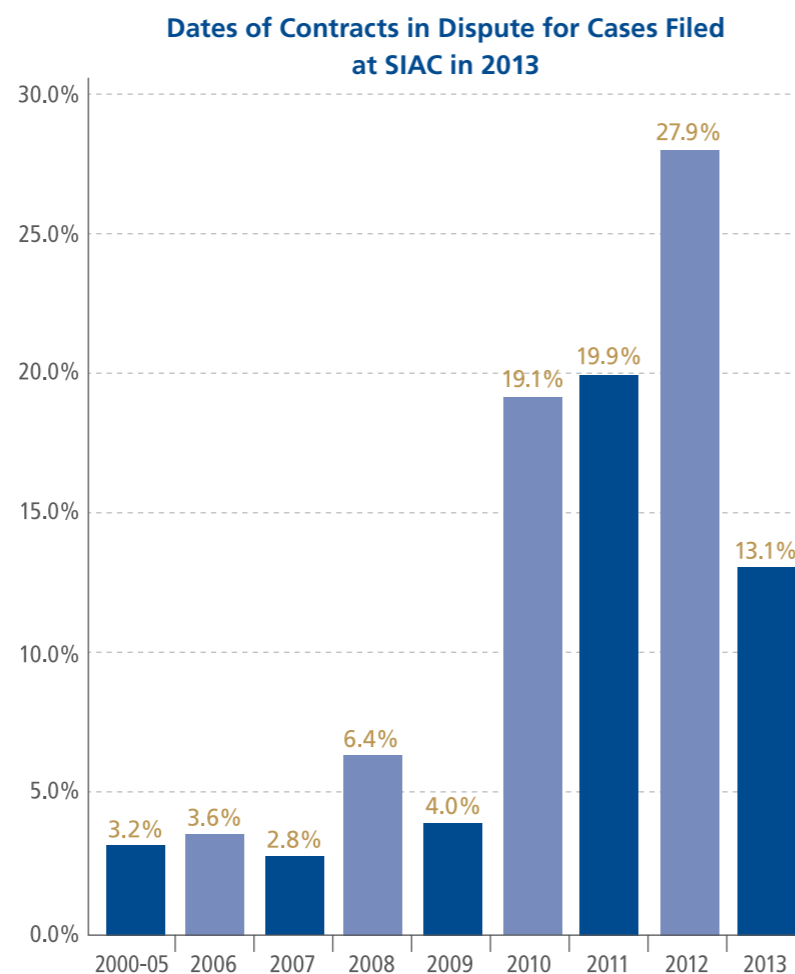
## Services in *Ad Hoc* Arbitrations

In addition to administering entire arbitrations, SIAC also offers a service for the appointment of arbitrators in *ad hoc* arbitrations seated in Singapore, including those under the UNCITRAL Arbitration Rules. SIAC performs this function under applicable legislation in Singapore.

In 2013, SIAC was called upon to appoint arbitrators in 39 *ad hoc* arbitrations seated in Singapore. 2 of these requests were received for the appointment of arbitrators in proceedings under the UNCITRAL Arbitration Rules and 37 requests for the appointment of arbitrators in non-UNCITRAL Rules proceedings.

## Contract Dates

The dates of the contracts in dispute for new cases filed in 2013 are shown in the chart on the right. Disputes arising from contracts entered into from 2011 to 2013 account for 61% of new case filings. These numbers demonstrate that a majority of arbitrations filed at SIAC in 2013 arose from contracts entered into in the last couple of years, which is testament to SIAC's increasing popularity as an international arbitral institution.



## Concluding Remarks

I would like to thank the members of our Board and Court, and the employees at SIAC, for all their hard work and contributions in helping us achieve another good year for the Centre. On behalf of the Board, I would also like to express our sincere thanks and appreciation to the international legal and business communities for their unstinting support which has been pivotal to SIAC's success. I am confident that with our clear strategy for growth, focus on exceptional performance and a talented and driven team, we are well positioned to continue to develop and offer world class dispute resolution services to parties from all over the world.

Lim Seok Hui  
Chief Executive Officer

View of Maxwell Chambers  
from Wallich Street



SIAC India Office, One Indiabulls Centre, Mumbai

## Overseas Offices

2013 saw SIAC explore new frontiers with the opening of its first overseas liaison office in Mumbai, India, followed by the opening of a second overseas liaison office at the new International Dispute Resolution Centre in Seoul, South Korea. The new offices provide SIAC with the unique opportunity to interact more closely and share information on a regular basis with our current and potential users in these important jurisdictions.



SIAC Conference, Tokyo, November 20 13

## Business Development Initiatives

Tapping into the opportunities presented by the Asian growth story, SIAC will continue to strengthen its engagement of the legal and business communities in law firms, in-house counsel teams and industry associations in the major regional markets of China, India, Japan, Southeast Asia and South Korea. In addition, in 2013, SIAC made new forays into the USA, UK and Australia. In the coming year, SIAC expects to develop and consolidate its market share across a diverse portfolio of industries and sectors relevant to these markets.





[www.siac.org.sg](http://www.siac.org.sg)

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