



ANNUAL REPORT | 2014

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2014 A Year of Innovation for SIAC

2014 marked a year of innovation and consolidation for SIAC. SIAC confirmed its position as a leading arbitral institution and undertook a series of diverse and pioneering initiatives to further enhance its standing within the international arbitration sphere.



Lim Seok Hui
Chief Executive Officer



SIAC Congress 2014

Guest of Honour Mr K Shanmugam
and Prof Michael Pryles



At the inaugural SIAC Congress in June 2014, the guest of honour, Mr K Shanmugam, Minister for Foreign Affairs and Law, praised SIAC for establishing itself as a “global contender” in the arbitration field, and explained that Singapore planned to build on the success of SIAC to become a leading dispute resolution hub in Asia with the establishment of the Singapore International Mediation Centre (SIMC), which launched on 5 November 2014, and the Singapore International Commercial Court (SICC), which launched on 5 January 2015. Mr Shanmugam said that SICC and SIMC, together with SIAC, will provide a “complete suite of dispute resolution offerings to parties, especially those with cross-border disputes”.

SIAC embarked on an exciting new project in 2014, namely, the filming and production of the innovative SIAC Arbitration Training Video – a unique teaching and business development tool that demonstrates an international commercial arbitration and depicts the workings of SIAC.

SIAC has been at the forefront internationally in terms of number of Emergency Arbitrator cases handled, having received and accepted 42 applications since the introduction of these urgent interim relief provisions in July 2010. Since SIAC introduced its Expedited Procedure provisions in July 2010, it has received a total of 159 applications, of which 107 had been accepted as at 31 December 2014.

2014 saw the beginning of a new trend of investor-state disputes being referred to SIAC. Another new development was the collaboration between SIAC and SIMC to offer an Arb-Med-Arb service, which is the first of its kind anywhere in the world.

SIAC re-launched Young SIAC as YSIAC for younger lawyers in the under 40 age group, and formed a new and enthusiastic Committee who are keen to plan and implement various YSIAC initiatives.

Further details of the key highlights from 2014 are set out below:

SIAC Congress 2014

On 6 June 2014, SIAC held its inaugural Congress titled “Dispute Resolution Asia – Innovation and Change in an Age of Opportunity – A View from the Lion City”. The Congress was attended by over 350 delegates, of which about half were from outside Singapore including China, Hong Kong, India, Indonesia, Japan, Korea, and as far afield as Australia, the UK and the USA.

The topics discussed in the panel sessions included current issues in international arbitration, third party funding, enforcement of foreign arbitral awards and investment treaty arbitration in Asia. One session focused on new areas for international arbitration and specific industry sectors such as aviation, financial services, private equity, healthcare, IP & technology and sports were discussed.

The panels were comprised of eminent arbitration practitioners and arbitrators (many of whom are members of the SIAC Court of Arbitration), as well as general counsel and academics. Panel members included Gary Born, Cavinder Bull SC, Paul Friedland, Michael Hwang SC, Toby Landau QC, Sean Lim, Dr Michael Moser, Dr Eun Young Park, Prof Michael Pryles, Hiroyuki Tezuka, Ariel Ye and Alvin Yeo SC.

The Congress was followed by a Gala Dinner attended by guest of honour, Ms Indranee Rajah, Senior Minister of State, Ministry of Law and Education, which marked the official launch of the SIAC Arbitration Training Video.

SIAC Arbitration Training Video

The SIAC Arbitration Training Video is a unique and innovative tool, conceptualised and developed by SIAC, to demonstrate a typical international commercial arbitration administered under the SIAC Rules 2013, and depicts the workings of SIAC as a leading international arbitral institution.

SIAC decided to produce the video to demystify international arbitration. Given the confidential nature of arbitral proceedings, SIAC felt it would be useful for those who have never experienced an international arbitration before to have a visual guide to take them through the various stages of an arbitral process.

The video is a user-friendly learning and teaching tool for arbitrators, practitioners, in-house counsel, judges and university students, and has been well received at SIAC workshops in China, India, Indonesia, Japan, Korea and the Philippines. In addition to being an educational tool, the video promotes Singapore as a neutral seat and convenient location for international arbitration. The three and a half hour film was shot mostly on location in the state-of-the-art hearing facilities at Maxwell Chambers in Singapore, to showcase Singapore's world-class hearing venue and modern video-conferencing technology.

The video is based on a fictitious fact situation, and was directed and filmed in April to June 2014 by award-winning Singaporean film director Eric Khoo's team. It includes scenes on a range of topics such as commencement of an arbitration, emergency arbitrator hearing, appointment of and challenge to arbitrators, hearing on jurisdiction, cross-examination of witnesses, scrutiny of the draft award, costs of arbitration and enforcement.

The film features a stellar cast of over 30 characters played by many instantly recognisable faces in international arbitration, and is subtitled in various languages including Bahasa Indonesia, Chinese, Japanese, Korean, Portuguese, Russian and Spanish. The project was supported by many international and local law firms as well as other industry stakeholders from all over the world.



SIAC Arbitration Video |



SIAC Seoul Roadshow |



Singapore Skyline |



Filming of the SIAC Arbitration Video |

Investor-State Arbitration

In order to enhance SIAC's standing as a preferred forum for investment disputes, the SIAC Rules 2013, which were introduced in April 2013, specifically provide that a party may commence an arbitration in relation to disputes arising out of a legal instrument such as an investment treaty.

In 2014, four investor-state cases were referred to SIAC. In addition to administering investor-state cases under its Rules, SIAC was also requested to act as the appointing authority in an investment dispute conducted under the UNCITRAL Arbitration Rules 2010.



Clemenceau Sheares Room, Maxwell Chambers |



Ankit Goyal, Koh Swee Yen
Co-chairs of YSIAC Committee |

Arb-Med-Arb and the "Singapore Clause"

SIAC collaborated with the newly launched SIMC to offer an Arb-Med-Arb service, and has developed a model clause known as the "Singapore Clause". The Arb-Med-Arb service is a process whereby a dispute may be referred to arbitration and then held in abeyance while mediation is attempted. If parties are able to settle their dispute through mediation, the settlement agreement may be recorded as a consent award. A consent award is generally accepted as an arbitral award, and subject to any local legislation and/or requirements, is generally enforceable in approximately 150 countries under the New York Convention, an international convention on the enforcement of arbitral awards. If parties are unable to settle their dispute through mediation, they may continue with the arbitration proceedings.

The SIAC-SIMC Arb-Med-Arb service is an innovative product that will enhance Singapore's attractiveness as a choice venue for international users of alternative dispute resolution services. It has been designed to provide maximum value at minimal cost, efficiency coupled with flexibility and confidentiality combined with enforceability, all within an institutional framework and rules that incorporate global best practices.

Re-Launch of Young SIAC

SIAC rejuvenated its Young SIAC membership (for younger lawyers aged below 40) by rebranding the group as "YSIAC" and forming a new Committee to spearhead and implement initiatives.

The YSIAC Committee's mandate is to promote the use of international arbitration and other forms of alternative dispute resolution, both regionally and internationally, and to provide a platform for young professionals to work together to address the unique challenges faced by the legal and business communities across a diverse range of Asian jurisdictions and cultures.

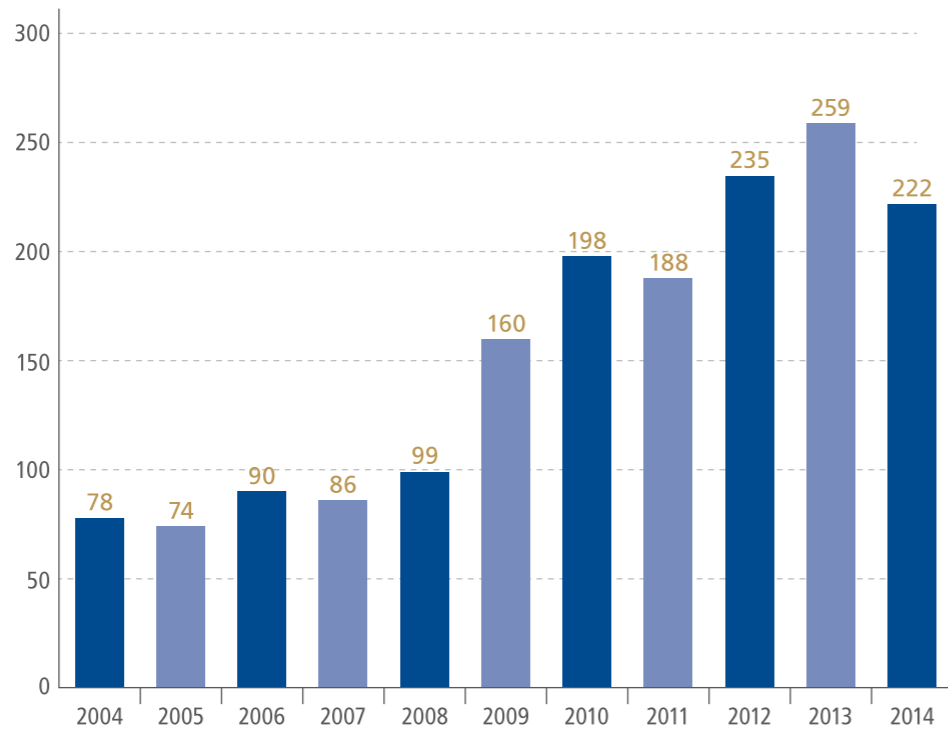
The co-chairs of the YSIAC Committee are Koh Swee Yen of WongPartnership LLP and Ankit Goyal of Allen and Gledhill LLP. The other 16 Committee members are private practice lawyers from local and international law firms and in-house counsel from multi-national companies based in Singapore, other Asian countries and Australia, Europe and the USA.

The new Committee held its first meeting at the beginning of November, and all Committee members have since been actively working on a number of YSIAC projects, including the setting up of a YSIAC webpage, publication of a YSIAC newsletter, contribution of articles and blogs and organisation of activities ranging from seminars and symposia to social and networking events. YSIAC is also planning to hold a YSIAC Conference in June 2015 in Singapore.

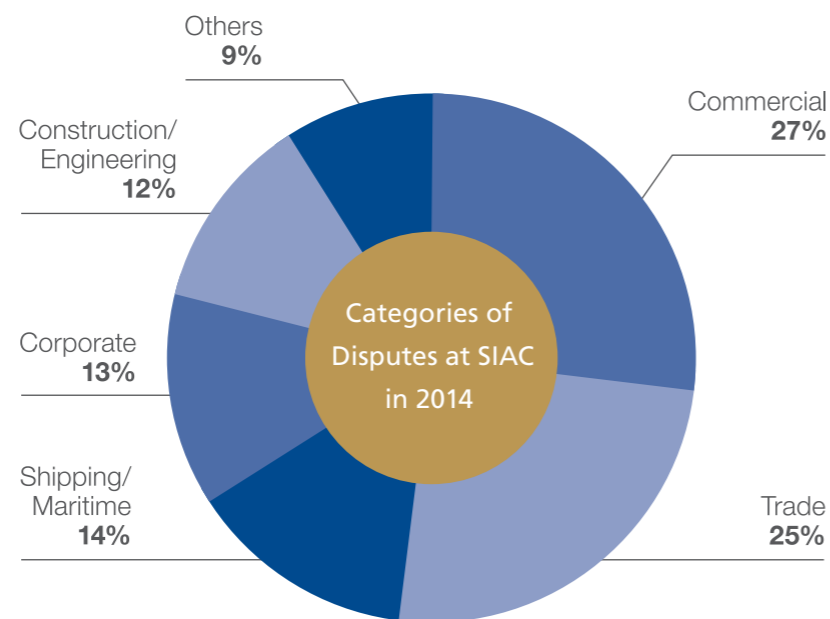
Case Management

In 2014, SIAC consolidated its position as one of the world's leading arbitral centres. For the last three years, SIAC has consistently received over 200 new cases each year. Over the last 10 years, new case filings at SIAC have grown by almost 200%, reinforcing its position as one of the fastest growing arbitral institutions in the world.

Total Number of New Cases Handled by SIAC (2004-2014)



A diverse range of claims was filed at SIAC in 2014, arising from key sectors such as commercial, trade, shipping/maritime, corporate, construction/engineering, insurance, mining, energy, IP/IT, financial services and aviation. Trade and commercial disputes have been key areas in relation to which disputes have been filed at SIAC and this remained the case in 2014.

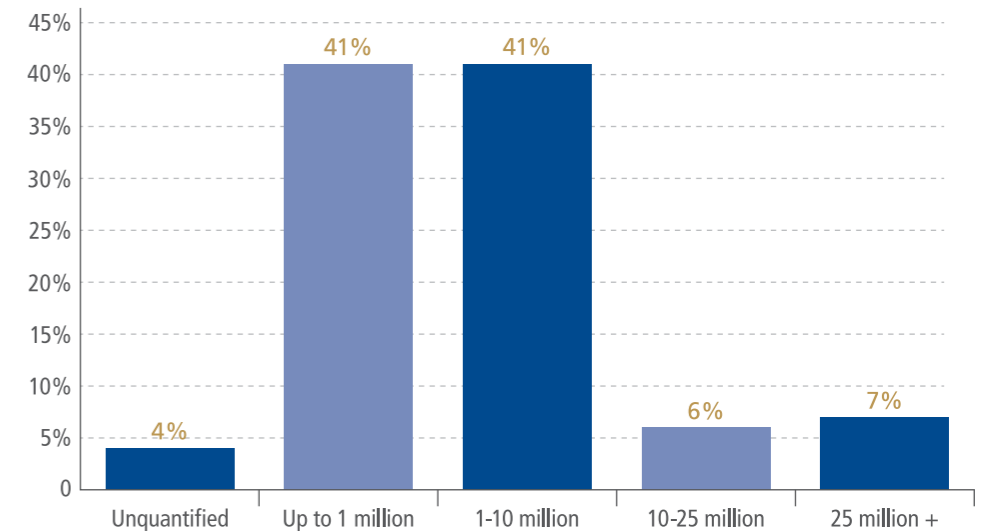


Amounts in Dispute

For new cases filed in 2014, the total sum in dispute amounted to S\$5.04 billion. SIAC currently handles some of the largest and most complex arbitrations in the world. The highest claim amount for 2014 was S\$2.40 billion.

In 2014, the average value of an SIAC dispute was S\$23.65 million, which was similar to the average sum in dispute in 2013. Excluding the respective cases with the highest claim amounts for each year, the average sum in dispute for 2014 was S\$12.42 million, roughly a 20% increase from the average sum in dispute for 2013.

Range of Sums in Dispute for New Cases Filed at SIAC in 2014 (SGD)

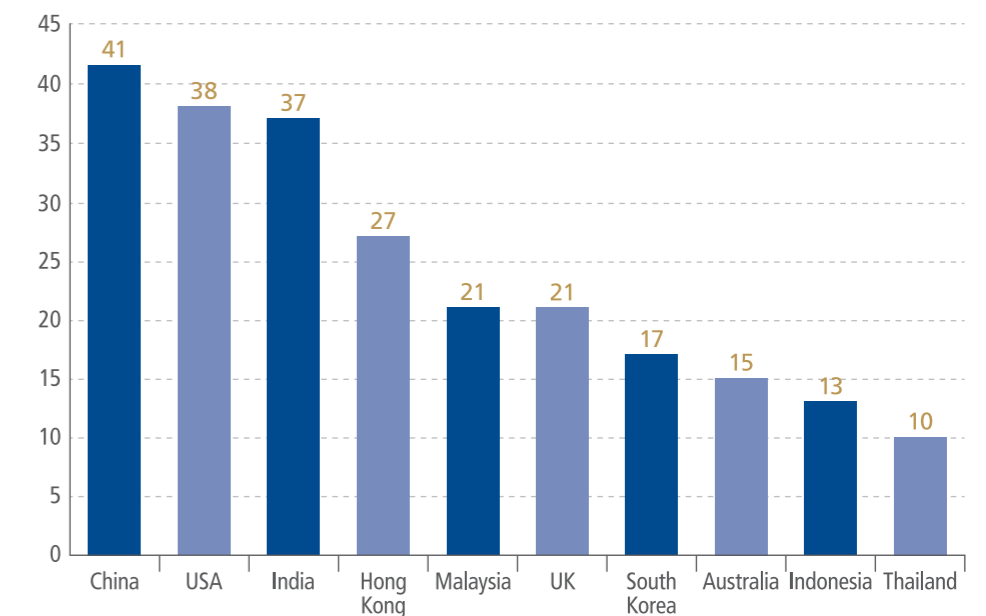


Nationality of Parties

Singaporean parties continued to be the largest contributor of cases to SIAC in 2014 with 147 new cases. 70 of these cases involved companies that are Singapore subsidiaries of international companies. 81% of new cases filed with SIAC in 2014 were international in nature.

The chart to the right depicts the top ten nationalities (excluding Singapore) of parties who submitted their disputes to arbitration at SIAC in 2014.

Top Ten Nationalities (excluding Singapore) by Number of New Cases Filed at SIAC in 2014



Nationality of Parties

In 2014, the highest number of filings was generated by parties from China, closely followed by parties from the USA and India. Parties from China and India have remained strong contributors of cases to SIAC over the past five years. There was a significant increase in the number of cases involving parties from the USA, which rose in the rankings to become the second largest foreign user of SIAC arbitration. Cases involving parties from Australia, Malaysia and the UK also increased in 2014, with Malaysia and the UK sharing a joint fifth ranking. The other parties in the top ten list of foreign users were Hong Kong, South Korea, Indonesia and Thailand.

SIAC received cases from parties from 58 jurisdictions in 2014, which are detailed on the right. SIAC users came from a wider range of jurisdictions in 2014 than in 2013, and included parties from Mongolia and Papua New Guinea.

Number of New Cases by Nationality of Parties at SIAC in 2014

1.	Aruba	2	21.	Indonesia	13	40.	Papua New Guinea	2
2.	Australia	12 (+3)*	22.	Ireland	8	41.	Philippines	4
3.	Austria	1	23.	Isle of Man	2	42.	Portugal	1
4.	Belgium	1	24.	Israel	2	43.	Saudi Arabia	1
5.	Bermuda	1 (+1)*	25.	Italy	1 (+4)*	44.	Seychelles	1
6.	British Virgin Islands	7 (+1)*	26.	Ivory Coast	1	45.	Sierra Leone	0 (+1)*
7.	Brunei	1	27.	Japan	3 (+3)*	46.	Singapore	[^] 141 (+6)*
8.	Cambodia	2	28.	Kazakhstan	1	47.	South Korea	16 (+1)*
9.	Canada	2	29.	Laos	2	48.	Spain	2
10.	Cayman Islands	2	30.	Macau	2	49.	Sri Lanka	2
11.	Chile	1	31.	Malaysia	19 (+2)*	50.	Switzerland	8 (+1)*
12.	China	22 (+19)*	32.	Maldives	1	51.	Taiwan	1
13.	Cyprus	1	33.	Marshall Islands	1	52.	Tajikistan	1
14.	Ecuador	1	34.	Mauritius	2	53.	Thailand	9 (+1)*
15.	Egypt	1	35.	Mexico	1	54.	Tunisia	1
16.	France	1 (+3)*	36.	Mongolia	1 (+1)*	55.	United Arab Emirates	6 (+2)*
17.	Republic of Ghana	1	37.	Netherlands	3 (+2)*	56.	United Kingdom	14 (+7)*
18.	Germany	4 (+3)*	38.	New Zealand	0 (+1)*	57.	USA	21 (+17)*
19.	Hong Kong	21 (+6)*	39.	Norway	1 (+1)*	58.	Vietnam	4
20.	India	27 (+10)*						

* Indicates the number of parent companies from this jurisdiction, whose subsidiaries were parties to an arbitration at SIAC but incorporated elsewhere. For example, three Australian parent companies had subsidiaries which were parties to an arbitration at SIAC.
[^] 70 of the 141 Singapore cases listed above involved Singapore companies that were subsidiaries of international companies.

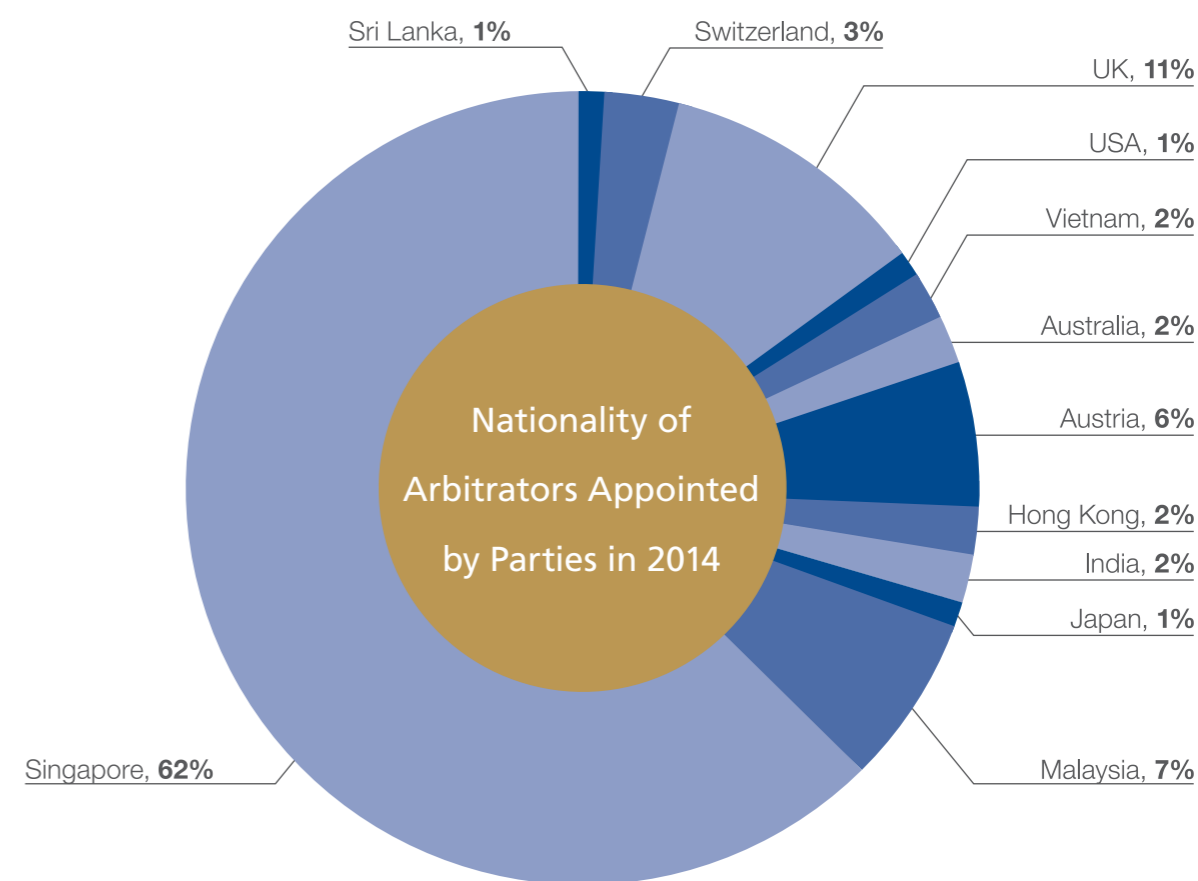
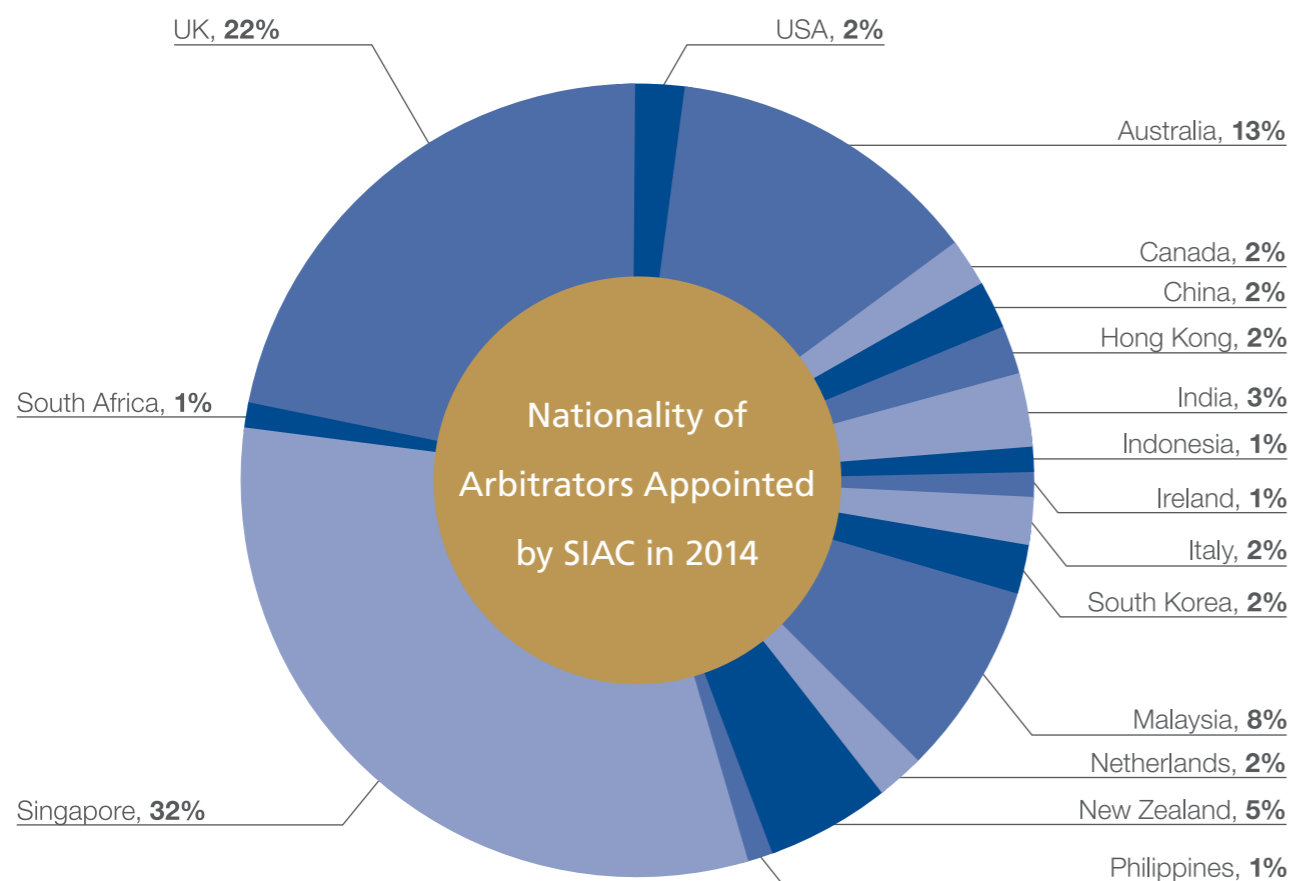
Tribunal Appointments

As at 31 December 2014, SIAC had made a total of 114 individual appointments of arbitrators to 83 sole arbitrator tribunals and 31 three-member tribunals. Of these arbitrator appointments, 99 were appointments made under the SIAC Rules, whilst the remaining 15 were appointments made under the UNCITRAL Arbitration 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 2014 came from Australia, Canada, China, Hong Kong, India, Indonesia, Ireland, Italy, Malaysia, Netherlands, New Zealand, Philippines, Singapore, South Africa, South Korea, Switzerland and UK. Approximately one third of arbitrators appointed were Singaporean and over one fifth were British. SIAC appointed arbitrators from a broader range of countries in 2014 than in 2013.

Arbitrators nominated by parties in cases at SIAC in 2014 came from Australia, Austria, Hong Kong, India, Japan, Malaysia, Singapore, Sri Lanka, Switzerland, UK, USA and Vietnam. 62% of the arbitrators nominated by parties were Singaporean and 11% were British.





SIAC Congress 2014 |

Emergency Arbitrators

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 one business day. An award or order can be issued by an emergency arbitrator in as little as two 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 2014, SIAC received 12 applications to appoint an emergency arbitrator. SIAC accepted all 12 requests, taking the total number of emergency arbitrator applications accepted by SIAC to 42 (as at 31 December 2014), 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.

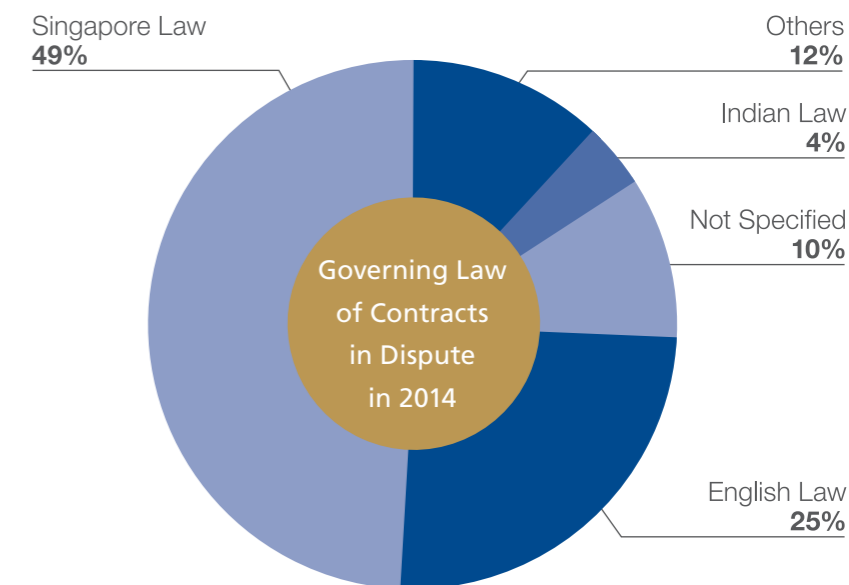
Alternatively, a party can choose to make an application to SIAC for the Expedited Procedure if the amount in dispute does not exceed S\$5,000,000 (or the equivalent amount in a foreign currency), or in cases of exceptional urgency.

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 2014, SIAC received 44 requests for the Expedited Procedure, of which SIAC accepted 23 requests. As at 31 December 2014, SIAC had received a total of 159 applications for the Expedited Procedure (and accepted 107 requests) since the introduction of these provisions in the SIAC Rules in July 2010.

Governing Law of Contracts in Dispute

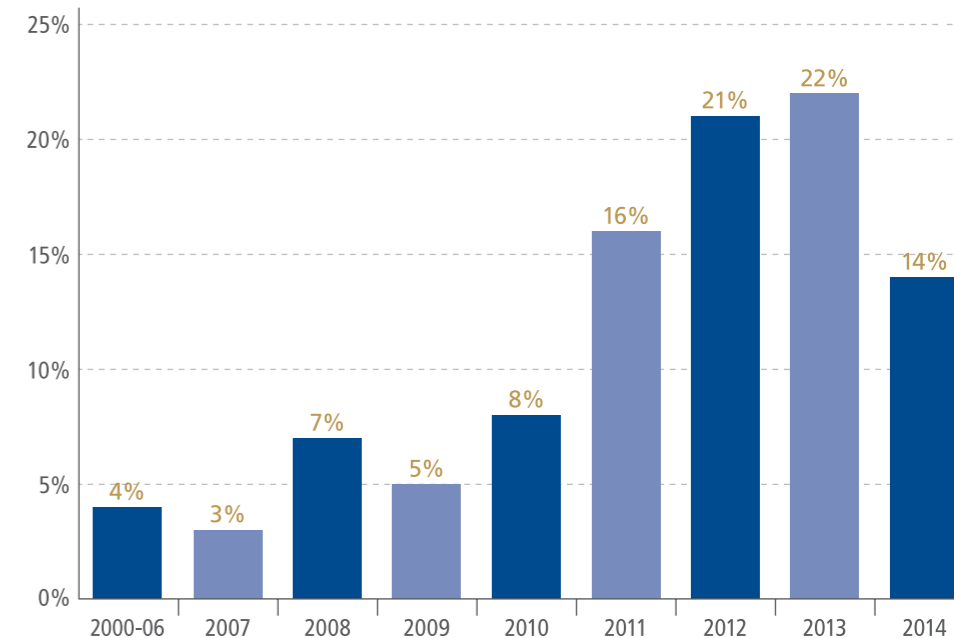
In 90% of new cases filed at SIAC in 2014, parties included a choice of law clause in the contract that gave rise to the dispute. In all, parties chose the laws of 19 different jurisdictions as the governing law of the underlying contract. The most popular choices of governing law in these contracts are shown to the right.



Contract Dates

The dates of the contracts in dispute for new cases filed in 2014 are shown in the chart to the right. Disputes arising from contracts entered into from 2012 to 2014 account for 57% of new case filings. These numbers demonstrate that the majority of arbitrations filed at SIAC in 2014 arose from contracts entered into in the last couple of years, which is testament to SIAC's increasing popularity as an international arbitral institution.

Dates of Contracts in Dispute for Cases Filed at SIAC in 2014



SIAC Bangalore Roadshow



SIAC South Korea Office, Seoul Global Centre, Seoul



SIAC India Office, One Indiabulls Centre, Mumbai

Filming of the SIAC Arbitration Video



SIAC Shanghai Roadshow



Awards

A total of 151 awards was issued during 2014. These included 10 awards/orders issued by emergency arbitrators for 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 as the statutory appointing authority under applicable legislation in Singapore. In 2014, SIAC was called upon to appoint arbitrators in 12 *ad hoc* arbitrations seated in Singapore.

Overseas Offices

SIAC established its first liaison office in Mumbai, India in 2013 in recognition of the significant role played by India towards SIAC's success over the years as an international arbitral institution. This was followed later that year by the opening of a second overseas liaison office at the International Dispute Resolution Centre in Seoul, South Korea.

The primary objectives of the liaison offices are the dissemination of practical information on arbitration at SIAC and in Singapore; to promote the use of institutional arbitration and SIAC as a leading international arbitration institution; to create a line of communication for SIAC and the community in Singapore

with key players in international arbitration in India and South Korea; to obtain feedback on SIAC's services as an arbitral institution; and to exchange ideas on local "hot topics" and issues in international arbitration.

The physical presence of SIAC in India and South Korea has proved immensely beneficial over the past year, with users and the legal community reaching out to further understand the benefits of arbitration under the SIAC Rules. As a result, SIAC interacts closely with companies and the legal community in India and South Korea, thereby strengthening ties with its current and potential users.



SIAC Shanghai Roadshow



SIAC Tokyo Roadshow

SIAC Congress 2014

Thursday, 16 October 2014
Ark Hills Club, Tokyo

SIAC Manila Roadshow

SIAC Arbitration Training Video Workshop
Practical Guide to International Arbitration

SIAC Jakarta Roadshow

Business Development

During 2014, SIAC continued to raise its profile and strengthen its relationships with users and potential users of SIAC arbitration in its key markets in Asia Pacific, including Australia, China, India, Indonesia, Japan and South Korea. SIAC also ventured into developing markets in Asia such as Cambodia, Laos, Mongolia, Myanmar, Philippines and Vietnam. Further afield, SIAC made a new foray into Germany and also engaged with key industry stakeholders in the UK and USA.

One of the highlights of SIAC's events programme for 2014 was a series of conferences with panel discussions structured around SIAC's arbitration training video, which provided audiences with interesting insights and practical guidance on all the key aspects of an SIAC international commercial arbitration. The conferences also highlighted some of the popular features of SIAC arbitration, such as the Emergency Arbitrator process and the SIAC Secretariat's scrutiny of arbitral awards.

The roadshow visited Shanghai (26 June), Seoul (1 July), Jakarta (21 August), Bangalore (26 September), Manila (2 October) and Tokyo (16 October). The workshops proved extremely popular, attracting about 100 delegates at each event with the highest number of delegates being 180. Approximately half the delegates comprised in-house counsel and the rest were mainly lawyers from local and international law firms.

The workshops received positive feedback with delegates commenting that they had gained a broader and deeper understanding of the procedures and issues involved in an SIAC international arbitration and an interesting insight into the respective roles that may be played by SIAC and the tribunal in managing an arbitration efficiently.

Concluding Remarks

I would like to thank each of our Board and Court members, and SIAC's employees, for all their efforts and commitment which have enabled us to undertake and successfully implement various new projects and initiatives during what has been an exciting and busy year for the Centre. On behalf of the Board, we also thank all our partners as well as the legal and business communities for their consistent support. By continuing to focus on delivering world class services to parties, coupled with an enhanced growth strategy, I believe that we are well placed to maintain our position as a leading international arbitral centre.

Lim Seok Hui

Chief Executive Officer





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