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3 February 2021

The Editor
The Financial Times

Dear Editor

The article “Companies consider writing Hong Kong out of legal contracts” (February 1, 2021) unfortunately illustrates an incomplete picture of Hong Kong.

Notwithstanding the violence in 2019, statistics from one of the arbitral institutions in Hong Kong, the Hong Kong International Arbitration Centre (HKIAC) shows that the number of arbitration cases handled in Hong Kong last year actually increased (318 new cases in 2020, the highest number since 2009), a clear endorsement of the city’s reputation as an effective and neutral international legal hub. The total amount in dispute was close to US\$9 billion – a record high since 2011. The vast majority of cases are seated here.

From July to December 2020 – the six months following the introduction of the National Security Law – the HKIAC received 182 new cases, an increase of 39% from the same period in 2019.

We are never complacent about our existing competitive edge but will endeavor to excel our services. Hong Kong has opted into the APEC Collaborative Framework for Online Dispute Resolution of Cross-Border Business-to-Business Disputes with a view to resolving disputes through online platforms. Further, the Baltic and International Maritime Council (BIMCO) announced the inclusion of Hong Kong as one of the four designated arbitration venues. The new BIMCO Law & Arbitration Clause

2020 incorporates specific provisions of each venue for user's selection. The Hong Kong version of this BIMCO clause also states that the seat of arbitration shall be Hong Kong and conducted in accordance with the Hong Kong Maritime Arbitration Group Terms.

Of particular importance to international companies is Hong Kong's advantages in matters related to doing business in China. 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 Hong Kong Special Administrative Region, signed in 2019, is working well. Under this arrangement, the HKIAC has received applications to preserve assets totaling US\$1.9 billion and to date Mainland courts have granted orders totaling US\$1.5 billion. Hong Kong is the only jurisdiction outside the Mainland that can provide this service.

A specialist list of judges in the Hong Kong Court of First Instance deals with arbitration matters. Courts in Hong Kong have a long record of neutral decision-making that is strongly supportive of arbitration process.

We continuously strive to improve and meet market demands to ensure Hong Kong remains one of the world's leading international legal hub for deal-making and dispute resolution services.

Yours sincerely,



(Ms Teresa Cheng, SC)
Secretary for Justice