

HONG KONG INSTITUTE OF ARBITRATORS
PRESIDENT'S REPORT
September 2004

Dear Members,

Greeting to you on the occasion of this AGM and I take this opportunity to report to you the events that have happened since my last report to you in December 2003.

Cooperation with PRC arbitration commissions

The Institute continued in its efforts to foster closer relation with PRC arbitration commissions during the first 8 months of 2004. A delegate of 12 members led by the Secretary General of the Tsingdao Arbitration Commission visited Hong Kong in May 2004 and the Institute not only welcomed our guest with Hong Kong's usual hospitality but also arranged for our guest to attend lectures with the Department of Justice, the WTO dispute resolution center at the City University, the HKIAC etc. On the 23rd July, 2004, the Institute hosted the head of the Karamay Arbitration Commission who is also the vice mayor of Karamay, Xinjiang, and his entourage. Karamay, the most important oil producing center in PRC produces in excess of 10 million tonnes of crude oil each year and the figure is on an uptrend. The Karamay Arbitration Commission is strategically situated in Central Asia and regularly conducts arbitrations to resolve trade disputes between PRC and its central Asian neighbours. An open invitation was made for our members to visit Karamay and Xinjiang. Following a visit by me to Wenzhou, Zhejiang, a cooperative agreement was signed with the Wenzhou Arbitration Commission. The Institute is also working very closely with the Guangzhou Arbitration Commission and CIETAC Shenzhen.

The Institute also held exchanges with the Arbitration Association of the Republic of China, Taipei [CAA]. The initial contact was fruitful and an interest was expressed by CCA to hold a conference on enforcement jointly with our Institute and CIETAC.

Evening programs and activities

In the past few months, a number of highly successful activities and talks were organized:

- (1) In February 2004, a talk on Enforcement of Arbitration Awards in the PRC was organized with Mr. Guo Xiao Wen, the Secretary General of CIETAC Shenzhen as speaker. This talk was organized by the Institute and sponsored by the Law Society, the Bar Council, the Chinese Attesting Officers and the Federation of Women Lawyers. There was overwhelming interest and over 200 attended the talk.
- (2) In March 2004, the Institute and the Chartered Institute of Arbitrators East Asia Branch jointly presented a talk by Mr. Harold Crowter on "Is Adjudication appropriate for Hong Kong or is there a better alternative".
- (3) In April, a talk on "Arbitration Procedures in PRC" was given by Mr. Chen Zhong-qian, director of the Guangzhou Arbitration Commission.
- (4) Following that, in May 2004, Mr. Philip Yang the newly elected Chairman of HKIAC gave our members a talk on International Arbitration.
- (5) In June 2004, Mr. Zhang Yu Qing, arbitrator and a previous director of the Ministry of Commerce of the PRC and Mr. Neil Kaplan QC gave a talk on the topic "Recent Development in Dispute Resolution in PRC".
- (6) Professor Donald Lewis of the University of Hong Kong also gave our members a talk on "Dispute Resolution in PRC" in July 2004.
- (7) In August 2004, members were treated to a live video of an actual arbitration which took place in Guangzhou, PRC. The arbitration was recorded on tape with the consent of the parties. Mr. Wang Xiao Li, Secretary General of the

Guangzhou Arbitration Commission who sat in the arbitration as presiding arbitrator narrated and explained each step of the process leading to an award.

For the benefit of members, CPD points were applied for the above courses with the Hong Kong Law Society and members who registered and attended had the benefit of gaining CPD points at no cost.

Updating HKI Arb Website

The much needed update is still being worked at and this task is left to be completed by the next council. It is our wish that members who want to make known to users of arbitration their expertise be allowed to do so on the platform of the institute website.

Road shows

I traveled to Changchun, Jilin in January 2004 as part of the delegation for Hong Kong Week to promote Hong Kong arbitration. A cooperative agreement was signed with the Changchun Arbitration Commission. Changchun is a center for heavy industries and car making in the PRC.

In May 2004, a trip was taken to Wuhan at the invitation of the CCPIT, Wuhan and I gave a talk on FOSFA Arbitration and soybean disputes to the delegates. Useful contacts were made with our counterpart at Wuhan. The Wuhan Arbitration Commission is one of the top arbitration commissions in the PRC with caseload of over 2000 in 2003.

Education

This is an area that the Institute needs to revisit urgently. Despite the efforts of Mr. Russell Coleman, the joint entry course with the Chartered Institute failed to takeoff due the purported lack of interest. The next council needs to reconsider how to proceed with this important function of the Institute: to offer training for those interested to learn about arbitration at a reasonable price.

Also of importance is further training leading to fellowship. We have started discussion with Professor Malanzuk of the WTO dispute resolution center, the City University of Hong Kong: the object, to offer formal fellowship training in conjunction with the University. More work is needed by the next council for the furtherance of this project. We are pleased to learn that Prof. Malanzuk has taken up the post of Dean of the Law School at City University and we wish him all the best.

Membership

I am pleased to report of continuing interest in membership of our Institute. Applicants were accepted into membership as from January 2004 and membership number has now reached 726.

Finance

I have left the Institute in good financial health and a report will be delivered by the Hon. Treasurer to you following this report.

Others

The Institute also organized two luncheon meetings jointly with HKIAC for the promotion of Hong Kong arbitration with various chambers of commerce and professional bodies.

I have served three terms as council member of the Institute with two terms as president. This is the maximum permitted by the Articles and I will not stand as a candidate in this election. I wish to thank members for their continuing support and interest. I wish to thank council members for their contribution and I wish the Institute and its new council every success.

Yours sincerely,

Samuel C. C. Wong