

ARBITRATION AND THE SINGAPORE INTERNATIONAL MEDIATION CENTRE

With the launch of the Singapore International Mediation Centre ("SIMC") in November 2014, contracting parties who wish to resolve their disputes under the Singapore International Arbitration Centre ("SIAC") should consider revising their contract terms for submission to jurisdiction.

Introduction

Singapore has been a trade bridge between the East and the West for close to 200 hundred years. It has one of the busiest ports and one of the best airports underlying its fantastic transportation links. For one of the most densely populated places on earth, the traffic flows smoothly, people get to places reliably on the metro network and there is a large number of taxis that gets you anywhere you need to be in about 10 minutes, or 20 if getting to or from the airport.

It is choc-a-bloc with quality hotels catering to various budgets. It is safe, secure, clean, has plenty of trees and the shopping is to die-for. It is a cultural hot-pot with four official languages and a staggering choice of cuisine from all over the world where a full meal can be had for less than US\$5 or if one prefers, there are many Michelin-starred delights to opt for. There are 3.6 million citizens comprising three major Asians: the Chinese, the Indians and the Malays in this tiny spot in the middle of the Malay Archipelago. The other 1.5 million residents hail from literally everywhere else on the world.

Almost everyone you encounter will speak English. Just ask if you need help.

The rule of law prevails and the penchant of its citizens to follow-the-rules is legendary. It is a top venue for international arbitrations and the judiciary is recognized to be of the very highest standard. The Honourable Chief Justice is the current Patron of the Chartered Institute of Arbitrators (CIArb). Arbitrations and mediations are the focus in Maxwell Chambers, which is so attractive that the ICC, ICDR, ICSID, LCIA, WIPO-ADR, CIArb and the Permanent Court of Arbitration have sited offices there.

Non-resident arbitration counsel and arbitrators can obtain a work pass exemption online after entering Singapore on a short-term visit pass. Non-resident arbitrators are exempt from income tax.

Arbitration

Singapore is a choice venue for international arbitrations. It is the fifth most popular seat for ICC arbitrations in the world, and the SIAC is a firmly entrenched institution in the international circuit. Many international law firms and chambers have practices focused on arbitration in Singapore. The SIAC Rules is a popular choice for Korean, Japanese and Indian parties, adding to the good number of Europeans, Americans and Australasians that use it.

The rules are actively reviewed to take in the best international practices and to also address any perceived gaps. For example, procedures for emergency arbitrators were recently introduced to cover the need for interim measures in the period before a Tribunal is constituted.

Arbitral awards are internationally recognized in 152 countries under the New York Convention and parties are assured of confidentiality.

The courts will readily assist in supporting arbitration including in enforcing interim measures, ordering a stay in favour of arbitration and in enforcing awards.

A challenge in the courts against an arbitral award rarely succeeds as the courts have emphasized time and again that there will be no interference with an award even if it is wrong on the facts or in law.

The prevailing sentiment is that the parties' contractual agreement to submit their dispute to arbitration is near sacrosanct.

Mediation

Mediation has firmly taken hold as a key dispute resolution offering in Singapore. It is relatively inexpensive, voluntary, confidential and expedient.

While new, the SIMC has two unique offerings that echo its international aspirations. First, its panel of mediators have a larger non-Singaporean core panel of mediators.

Second, a collaboration with the Singapore International Arbitration Centre (SIAC) allows for arbitral disputes to be referred to the SIMC and for parties to agree to enforce a mediated settlement as if it were an arbitral award under the SIAC Rules.

There is little to dislike about mediation: It carries minimal risk and offers a high probably of conjuring a livable outcome (or a better, a win-win) from an acrimonious dispute.

Model Clause

The following is the basic recommended model clause that can be incorporated into contracts:

*All disputes, controversies or differences ("**Dispute**") arising out of or in connection with this contract, including any question regarding its existence, validity or termination, shall be referred to and finally resolved by arbitration in Singapore in accordance with the Arbitration Rules of the Singapore International Arbitration Centre ("**SIAC**") for the time being in force. The parties further agree that following the commencement of arbitration, they will attempt in good faith to resolve the Dispute through mediation at the Singapore International Mediation Centre ("**SIMC**"), in accordance with the SIAC-SIMC Arb-Med-Arb Protocol for the time being in force. Any settlement reached in the course of the mediation shall be referred to the arbitral tribunal appointed by SIAC and may be made a consent award on agreed terms.*

Concluding Remarks

As a destination and venue, Singapore is a very easy place to comfortably hit the ground running. There is a full suite of avenues and options available for the resolution of international disputes in a professional, competent, neutral and efficient manner.

It is bad enough if one has a dispute to resolve, there is no need to make it worse by choosing a venue that is less attractive than Singapore.

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