

**OPENING SPEECH BY MR K SHANMUGAM,
MINISTER FOR FOREIGN AFFAIRS AND LAW,
AT THE MINISTRY OF LAW'S ARBITRATION DIALOGUE ON 1 NOVEMBER 2011
(TUESDAY), 9 AM, AT MAXWELL CHAMBERS**

The Honourable Attorney-General, Mr Sundaresh Menon SC,

Distinguished guests,

Ladies and gentlemen,

INTRODUCTION

1 Thank you for joining us for this Arbitration Dialogue. It is heartening to see so many leading arbitration thinkers and practitioners from Singapore and abroad here this morning with us.

2 Over the last few years, we have taken several steps which place Singapore clearly in the international arbitration map. The steps have included actively focusing on the legislative framework to make sure that it is supported for and is at the cutting edge of arbitration practice. In terms of physical surroundings, we are here in Maxwell Chambers, which is recognised as the leading, state-of-the-art centre for arbitration in the world. We have also taken a number of steps over the past few years to make sure that the Singapore International Arbitration Centre (SIAC), with its blue-ribbon international board, is in a position to take Singapore to the next level.

3 We continue to think along those lines and we intend to be at the leading edge of thinking in international arbitration.

4 At conferences like this, we will take into account your ideas seriously. As I tell the arbitration practitioners we meet, our approach in Singapore is: we see a problem, and where it can be solved legislatively, we are in a position to do that within three to six months. For example, in almost every jurisdiction, you might get cases which sometimes are not consistent with how we want arbitration to be supported. We came across such a case from the High Court and the situation was sorted out legislatively within four months. That is the approach we take when we have a court system and judicial philosophy now which is extremely supportive of arbitration as well. They intervene in appropriate cases; they do not take a completely hands-off approach, but totally supportive and in line with international thinking.

5 In this context, I would like to share a couple of thoughts on how we hope to strengthen our legal infrastructure to assist in international arbitration.

STRENGTHENING OUR LEGAL INFRASTRUCTURE

6 As many of you might know, we are now proposing to make further amendments to our International Arbitration Act (IAA), which will be discussed in greater detail later this morning.

7 In essence, arbitration agreements will no longer need to be made in writing. They can be evidenced through other means, such as audio recording. Interim awards made by an emergency arbitrator before the arbitral tribunal is constituted will be recognised. Their enforcement will also be provided for. Party autonomy will be protected by allowing curial review of negative jurisdictional rulings by the arbitral tribunal. The arbitral tribunal's powers to award interest will be clarified and strengthened.

8 These proposals are the product of consultations between the Ministry of Law and stakeholders in the arbitration community. Some of the ideas originated from people like Professor Michael Pryles and Justice Quentin Loh. We also benefited from the views of experienced practitioners and leading academics in the field. Two reports from the Singapore Academy of Law's Law Reform Committee were also helpful.

9 These proposals have been put up on our Ministry's website for public consultation. We look forward to hearing your views on them in the panel discussion chaired by the Attorney-General, and we will take those views extremely seriously.

DEVELOPING OUR ARBITRATION PROFESSIONALS

10 A sound legal infrastructure has to be complemented by an outstanding set of professionals who practise in this field.

11 Arbitration practice in Singapore, in that context, is going from strength to strength, and we are continuing to attract top notch individuals, both counsel and arbitrators, because we have a very open regime – anyone from anywhere in the world can come and act either as an arbitrator or as counsel in proceedings in Singapore.

12 We now have a very substantial international presence in Singapore. Eight of the world's top 10 law firms by revenue have set up offices here. We currently have over 100 foreign law firms and over 1,000 foreign lawyers, complementing our 800 local law firms and slightly under 4,000 local lawyers.

13 Our Qualifying Foreign Legal Practice (QFLP) scheme has played a role in developing our international arbitration scene. Five out of our six QFLP licence holders have set up arbitration practices or expanded existing practices in Singapore since they were awarded their licences in December 2008. Going forward, we will continue to grow our arbitration sector through calibrated measures.

14 We have also hosted a number of international arbitration events. In June this year, Maxwell Chambers and SIAC hosted the second Singapore International Arbitration Forum. Close to 200 eminent practitioners from around the world came together to discuss the theme: "The Future for International Arbitration".

15 In 2012, we will be hosting the International Council for Commercial Arbitration (ICCA) Congress in Singapore. We expect a significant turnout. This is the first time since 2004 that the ICCA Congress is being held in Asia. It underscores the increasing recognition of Singapore on the international scene. We will, being Singapore, spare no effort to make sure that ICCA 2012 is a success.

CONCLUSION

16 This morning's gathering brings together the various stakeholders in our arbitration scene: arbitrators, judges, practitioners, scholars and policymakers. I am sure that the discussions will be fruitful to everyone, and I look forward to hearing your views.

17 Thank you.

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