

**Extract from minutes of meeting on
Panel on Administration of Justice and Legal Services on 28 May 2007**

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Action

V. Reform of the law of arbitration

(LC Paper No. CB(2)1941/06-07(01) - Administration's paper on "Reform of the law of arbitration")

31. Deputy Solicitor General (Acting) (DSG(Atg)) informed members of the progress of the reform of the law of arbitration as set out in the paper. He said that the Working Group formed to examine the proposals in a report issued by the Committee on Hong Kong Arbitration Law of The Hong Kong Institute of Arbitrators in 2003 to abolish the distinction between domestic and international arbitrations under the existing Arbitration Ordinance (Cap. 341) had held a number of meetings. A sub-committee was formed under the Working Group to study the working draft of the new Arbitration Bill (the draft bill) produced by the Department of Justice (DoJ). The sub-committee held over 30 meetings during January 2006 to May 2007 to examine in detail the legislative proposals reflected in the draft bill. The DoJ intended to issue a Consultation Paper on the reform of the law of arbitration annexing a draft Bill of the Arbitration by the end of 2007, and to introduce the Bill into LegCo during the 2008-2009 legislative session at the earliest.

32. Mr Gary SOO of the Bar Association said that the Bar Association had participated in the discussion on reform of the law of arbitration since 2003. The Bar Association supported the law reform as it was conducive to developing Hong Kong into an arbitration centre. The Bar Association hoped that the consultation would soon take place and the bill would be introduced into LegCo as soon as practicable.

33. The Chairman recalled that at a legal forum convened by her, there were heated arguments on whether the provisions of the existing domestic arbitration regime relating to appeal against an arbitral tribunal's award on a point of law should be retained. She asked whether a consensus had been reached on the issue.

34. DSG(Atg) responded that the Working Group had spent a lot of time to discuss how to retain the current domestic arbitration regime. The construction industry had expressed the view that the appeal mechanism, in particular, should be retained. The Administration was inclined to include these provisions as part of the draft Bill. In other words, an "opting in" system would be adopted to enable users of arbitration to continue to use certain provisions of the existing domestic arbitration regime.

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