

# Hong Kong's commanding lead in maritime dispute resolution

Hong Kong's robust legal regime and its reputation as a favourable jurisdiction are important drivers in creating the region's favoured centre for dispute resolution in the maritime sector. As reflected in the strong presence of legal professionals in the debut Hong Kong Maritime Industry Week (20-27 November 2016), the shipping industry has recourse to a range of legal channels through which it can seek resolution of claims and disputes.



Traditionally, parties unable to resolve a dispute resort to litigation before the court. With a common law system in place, Hong Kong inherits the jurisprudence of adjudications to shipping and maritime contracts, providing the legal and commercial certainty for shipping entities around the world to operate in Hong Kong.

Importantly, Hong Kong has a specialised Admiralty List in the High Court to facilitate the disposal of Admiralty actions, together with a wealth of expertise among the many local and international law firms and barristers' chambers.

In the maritime sector many also prefer to settle matters in a less adversarial way and look to resolve their disputes through arbitration. Again Hong Kong scores highly on the international stage as one of the most popular jurisdictions for arbitration proceedings. Partner at international law firm Holman Fenwick Willan, Christopher Chan explains why:

"Disputing parties can choose to arbitrate under the supervision of one of the arbitral institutions in accordance with its rules, or by their own self-devised procedures. The Hong Kong International Arbitration



**Christopher Chan,**  
Partner at Holman  
Fenwick Willan

**Hong Kong has an excellent international enforcement network due to its accession to the New York Convention**

Centre (HKIAC) facilitates arbitration and provides support services to the disputing parties," he says.

"Hong Kong has an excellent international enforcement network due to its accession to the New York Convention. Arbitral awards made in Hong Kong are enforceable in more than 150 signatory states to

the Convention. And they can also be enforced in the Mainland and Macao through reciprocal arrangements," Mr Chan adds.

Despite its high reputation, the Hong Kong Maritime Arbitration Group (HKMAG) is always looking to improve. The Managing Director of the Hong Kong Shipowners Association, Arthur Bowring is a professional arbitrator. He says:

"Currently, we are aiming to firm up our HKMAG Rules and move towards a more formal body for maritime arbitration. While HKMAG is likely to stay a division of HKIAC for the foreseeable future, it does need to formalise its presence so that more work can be done on rules, procedures and membership."

"We are working with the Department of Justice to promote arbitration, including maritime arbitration, and will continue to add support to that, as well as more informal promotion activities.

"Holding the International Congress of Maritime Arbitrators XIX in Hong Kong last year gave Hong Kong Maritime Arbitration a considerable boost," adds Mr Bowring.



**Arthur Bowring,**  
Managing Director  
of the Hong Kong  
Shipowners  
Association

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Commercial maritime law is not restricted to contractual disputes. Lianjun Li, Partner at international law firm ReedSmith Richards Butler highlights some of the other areas of expertise required:

"Tort law has an impact on maritime law, particularly in cases of casualties. Criminal law is relevant in matters where crimes have been committed. Issues of conflicts of laws, where the applicable law of two different countries has to be chosen, will also arise due to the transnational nature of shipping. Commercial law has a role to play as letters of credit and other bills of exchange are integral to shipping. Banking and finance law is crucial as ships are financial assets which can be mortgaged or financed."



**Lianjun Li,** Partner  
at ReedSmith  
Richards Butler

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Hong Kong's reputation as a maritime legal centre depends on a renewal of the best talent. Hong Kong's leading educational institutions are at the forefront in the provision of these talents.

Professor Geraint Howells, Dean of the School of Law & Director of the Hong Kong Centre for Maritime and Transportation Law, City University of Hong Kong says: "Maritime law is at the heart of the English common law. Many of the common law's principles flowed from maritime trade and insurance law cases and statutes. It is thus an excellent subject to hone common law skills. It also has practical application in a fascinating industry sector. As Hong Kong is a maritime centre with specialist support services there are high-class job opportunities for graduates with specialisation in maritime law."

The close collaboration of Hong Kong and Mainland China has prompted a unique academic collaboration scheme between the University of Hong Kong (HKU) and Dalian Maritime University (DMU) in the Mainland. Professor Zhao Yun, Head of Department of Law of HKU, says the scheme, which is now supported by the Government's Maritime and Aviation Training Fund, was launched in 2008 to nurture legal professionals well versed in the Hong Kong and Mainland legal systems and maritime law.

To date, more than 50 scholarship awards have been made. Close to 200 HKU students attend the summer programmes organised at DMU.



**Professor Geraint Howells,** Dean of the School of Law & Director of the Hong Kong Centre for Maritime and Transportation Law, CityU



**Professor Zhao Yun,** Head of Department of Law, HKU

