HIGHLIGHTS OF THE SIAC RULES 2016

The Singapore International Arbitration Centre (“SIAC”) is pleased to present the sixth edition of the Arbitration Rules of the Singapore International Arbitration Centre (“SIAC Rules 2016”), which will come into effect on 1 August 2016.

The SIAC Rules 2016 include innovative new provisions, as well as enhancements to existing processes, so as to ensure that SIAC continues to stay at the forefront of international arbitration practice. The SIAC Rules 2016 are aimed at providing users with a set of procedures that is effective, efficient and user-friendly, and which fits the needs and expectations of parties and users from different legal systems and cultures. Some notable features of the SIAC Rules 2016 include:

- **Multiple Contracts and Consolidation (Rules 6 & 8)**

In recognition of today’s increasingly complex commercial disputes, and the need to provide an efficient and cost-effective framework for managing multi-contract disputes, a new streamlined process for the commencement of disputes arising out of or in connection with multiple contracts/multiple arbitration agreements has been introduced in the SIAC Rules 2016.

Under the new Rules, the claimant in a multi-contract dispute has – at the time arbitration proceedings are commenced – the option of: (a) filing a Notice of Arbitration in respect of each arbitration agreement invoked, and concurrently submitting an application for consolidation; or (b) filing a single Notice of Arbitration in respect of all arbitration agreements invoked. In the latter case, the claimant is deemed to have commenced multiple arbitrations, one in respect of each arbitration agreement invoked, and the single Notice of Arbitration is considered to be an application to consolidate all such arbitrations.

Further, after arbitration proceedings have been commenced, any party may make an application for the consolidation of multiple arbitrations. Such an application may be made to the Court of Arbitration of SIAC (if made prior to the constitution of any Tribunal) or to the Tribunal directly (after the Tribunal has been constituted).

- **Joinder of Additional Parties (Rule 7)**

Under the SIAC Rules 2016, both parties and non-parties may apply to be joined in an arbitration that is pending under the Rules. An application for joinder may be made before or after the constitution of the Tribunal.

- **Early Dismissal of Claims and Defences (Rule 29)**

SIAC is the first major commercial arbitration centre to introduce a procedure for the early dismissal of a claim or a defence. The early dismissal procedure is intended to offer parties an early avenue to respond to a claim or a defence that is manifestly without legal merit, or manifestly outside the jurisdiction of the Tribunal, and has the potential to provide significant savings of time and costs.
As a safeguard against any unmeritorious applications, the Tribunal retains the discretion to decide whether an application for early dismissal should be allowed to proceed.

- **Delocalising the Seat of the Arbitration (Rule 21)**

  Given the increasingly international nature of SIAC cases and diverse cultures of users, Singapore will no longer be the default seat of arbitration under the SIAC Rules 2016. Instead, the determination of the seat of arbitration is left to the Tribunal, unless the parties have otherwise agreed. Singapore remains the default seat of arbitration for emergency arbitration proceedings unless the parties have otherwise agreed.

- **Remedy against a Non-Paying Party (Rule 27)**

  The SIAC Rules 2016 expressly provide that the Tribunal has the power to issue an order or award for the reimbursement of unpaid deposits towards the costs of the arbitration.

- **Enhancing the Emergency Arbitration Proceedings (Rule 30, Schedule 1 & Schedule of Fees)**

  To further increase the speed of emergency arbitration proceedings, the timeframe for the appointment of an Emergency Arbitrator is, under the SIAC Rules 2016, within one (1) day of receipt by the Registrar of an application for emergency interim relief and the payment of the administration fees and deposits, rather than one (1) business day. The SIAC Rules 2016 also provide that the order or award of interim relief must be issued within a maximum of 14 days from the appointment of the Emergency Arbitrator. In order to ensure that emergency arbitration proceedings are cost-effective for cases of any quantum, the fees of an Emergency Arbitrator are now fixed at SGD 25,000, unless the Registrar determines otherwise.

- **Expanding and Refining the Expedited Procedure (Rule 5)**

  The Expedited Procedure was introduced in 2010 and has developed into one of SIAC’s most popular procedures for saving time and costs. To allow more cases to make use of this mechanism, the monetary threshold for the applicability of the Expedited Procedure has been raised from SGD 5,000,000 to SGD 6,000,000 under the SIAC Rules 2016.

  Further, in keeping with the objective of promoting the swift resolution of disputes, under the SIAC Rules 2016, the Tribunal may, in consultation with the parties, determine whether a case conducted under the Expedited Procedure is to be decided on the basis of documentary evidence only.

  Finally, the SIAC Rules 2016 also make clear that in the event of any conflict between the terms of the arbitration agreement and the provisions under the Expedited Procedure, the latter would apply.

- **Arbitrator Challenges (Rule 15 & Schedule of Fees)**

  The SIAC Rules 2016 now reflect SIAC’s practice that the Court of Arbitration of SIAC will issue reasoned decisions on all challenges to arbitrators. To provide certainty for users and to save time, the administrative fees payable for arbitrator challenges are now fixed at SGD 8,000.