Introduction
The 21st Century is the century of Asia. The enormous growth, economic development and increasing wealth of China and India are well known. But other countries on the continent are also emerging as global economic heavy-weights, including Korea, Indonesia, Malaysia and Thailand.

In the centre of South-East Asia sits the tiny city state of Singapore. It has developed as an important regional centre for commerce and, increasingly, as an important financial centre. Many foreign companies have regional headquarters in Singapore and there has been a rush of foreign banks, public and private, to establish branches or subsidiaries in the city state.

One of the areas of commercial activity which has flourished in Singapore is that of international arbitration. Of course international arbitrations are held in other parts of Asia as well. There are many in China. However China is something of a closed market where foreign arbitral institutions are not admitted. Moreover the conduct of international arbitrations in China is not always up to international practice. There are also arbitration centres in Japan, Korea, Vietnam, Malaysia and Hong Kong. Where Singapore stands out, is the number of fully administered arbitrations which are held in that country. These far exceed those of its nearest rival Hong Kong. Moreover the interesting feature of arbitrations in Singapore is that so many of them do not involve Singapore entities. In this regard Singapore is considered a neutral venue for the resolution of international commercial disputes.

Reasons for the popularity of Singapore as an arbitral venue
There are many reasons why Singapore has emerged as one of the world's leading centres for international commercial arbitration. In the first place it is blessed with an excellent geographic location. Situated in the heart of South-East Asia it is surrounded by the countries of the region, including Indonesia, Malaysia and Thailand. Further afield there are the giant countries of China to the east and India to the west.

The geographic advantage of Singapore has been enhanced by other factors. Singapore is a modern, clean and extremely efficient country with an excellent infrastructure and world class communications.
Added to this, it's government and courts have a reputation for integrity and competence which are second to none. Singapore offers the efficiency, integrity and skills of Switzerland and London in the heart of Asia. The courts have proven to be very knowledgeable on international arbitration and are extremely supportive of it. There are many recent decisions of the Supreme Court of Singapore striving to uphold arbitration agreements, enforcing foreign awards and expressing a public policy that the decision of contracting parties to arbitrate their disputes should be upheld and given effect except in the most extreme situations. In their many decisions examining the scope of the public policy doctrine, the obligation to enforce arbitration agreements and foreign awards, the Singapore courts have demonstrated a clarity of analysis and a knowledge and understanding of international commercial arbitration which is the equal of the courts in London, Paris and Switzerland.

In short, Singapore is seen as a neutral venue for the holding of international commercial arbitration which is in a geographically convenient location and is supported by a physical, legal and political infrastructure that is sophisticated, skilled and of high integrity. There are few, if any, other venues in Asia which can claim all of these attributes.

**Singapore International Arbitration Centre ("SIAC")**

The SIAC was established 20 years ago as a non-profit organisation to administer arbitrations under its own rules. SIAC is headed by a board of directors which comprises leading arbitration experts from the United States, United Kingdom, Switzerland, India, Korea and Singapore.

SIAC has a secretariat comprising over 20 full-time employees who administer the cases handled by SIAC and who attend the business of the organisation. SIAC has made a point of recruiting staff from the region and beyond. Currently, SIAC staff come from Singapore, United Kingdom, Canada, India, Malaysia and Belgium.

SIAC is housed at Maxwell Chambers in Singapore. Maxwell Chambers is a state of the art arbitration facility which comprises 14 custom-designed and fully equipped hearing rooms and 12 preparation rooms. In addition there is a lounge for arbitrators and other support facilities such as a concierge service. A number of organisations, apart from SIAC, have offices in Maxwell Chambers including The International Chamber of Commerce, WIPO, ICDR (part of the American Arbitration Association) and leading sets of chambers from London. In 2012, the Maxwell Chambers added another facility in Singapore to deal with the growing case load.
SIAC's growth in recent years has been remarkable. The following chart illustrates the total number of new cases handled by SIAC from 2000 to 2011:

![Total No. of Cases Handled by the SIAC from 2000 to 2011](chart.png)

Thus it can been seen that in 2011 SIAC received 188 new cases which is 100% increase from its new case load three years before in 2008. The popularity of Singapore as a venue for international arbitration is also illustrated by ICC statistics. Singapore is the leading venue for ICC arbitrations in Asia. In 2009, 33 ICC arbitrations were commenced with a Singapore seat, while in 2010, 23 ICC arbitrations were commenced with a Singapore seat.
The industry sector breakdown of new SIAC cases in 2011 is as follows:

![Industry Sector Breakdown](image)

In 2011, new case filings involved parties from 42 countries in Asia, the Gulf, Europe and North America as follows:

<table>
<thead>
<tr>
<th>Nationalities</th>
<th>No. of Cases</th>
<th>Nationalities</th>
<th>No. of Cases</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australia</td>
<td>5</td>
<td>Mauritius</td>
<td>3</td>
</tr>
<tr>
<td>Bangladesh</td>
<td>2</td>
<td>Netherlands</td>
<td>8</td>
</tr>
<tr>
<td>British Virgin Islands</td>
<td>13</td>
<td>The Netherlands Antilles</td>
<td>1</td>
</tr>
<tr>
<td>British West Indies</td>
<td>1</td>
<td>North Korea</td>
<td>1</td>
</tr>
<tr>
<td>Cambodia</td>
<td>2</td>
<td>Norway</td>
<td>4</td>
</tr>
<tr>
<td>Canada</td>
<td>2</td>
<td>Panama</td>
<td>1</td>
</tr>
<tr>
<td>Cayman Islands</td>
<td>2</td>
<td>Philippines</td>
<td>3</td>
</tr>
<tr>
<td>China</td>
<td>20 (+3)</td>
<td>Poland</td>
<td>1</td>
</tr>
<tr>
<td>Cyprus</td>
<td>1</td>
<td>Samoa</td>
<td>2</td>
</tr>
<tr>
<td>Finland</td>
<td>1</td>
<td>Singapore</td>
<td>*79 (+4)</td>
</tr>
<tr>
<td>Germany</td>
<td>1</td>
<td>South Korea</td>
<td>7</td>
</tr>
<tr>
<td>Greece</td>
<td>5</td>
<td>Spain</td>
<td>1</td>
</tr>
</tbody>
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It should be noted that of the Singapore parties some 35% are foreign owned subsidiaries.

SIAC maintains a panel of international arbitrators. In cases where there is to be a sole arbitrator, the parties are asked to choose the arbitrator. If they cannot do so then SIAC will make the appointment. In tribunals consisting of three arbitrators, each party appoints an arbitrator and the chairman is appointed by the co-arbitrators or, failing agreement, by SIAC. In 2010 SIAC appointed arbitrators from the following countries:

- USA;
- Australia;
- Austria;
- United kingdom;
- Brunei;
- Canada;
- France;
- China;
- India;
- Korea;
- Malaysia; and
- Singapore.

**SIAC Rules of Arbitration**

SIAC has its own Arbitration Rules. The latest version dates from July 2010. It provides for fully administered arbitrations, supervised by the SIAC. The new Rules were adopted following an extensive consultation process with practitioners. The Rules aim to improve the speed and efficiency of arbitration and to reflect best practice and innovations in international arbitration.
In order to further the efficient conduct of an arbitration, the 2010 Rules introduced a new Expedited Procedure for cases with a value below S$5,000,000 or in cases of exceptional urgency. A party to an SIAC arbitration can apply to the SIAC Chairman for a determination that the Expedited Procedure should apply to that arbitration. If the Chairman determines that the Expedited Procedure is appropriate, the case is referred to a sole arbitrator (unless the Chairman determines otherwise) and the award is to be made within 6 months of the constitution of the Tribunal, although in exceptional cases the Registrar can extend this time. The Tribunal need only state the reasons for its award in summary form. This procedure has proved very popular and since July 2010 when new Rules came into operation, some 55 requests for the Expedited Procedure have been received to date.

Another innovation introduced by the 2010 Rules is the provision for the appointment of an Emergency Arbitrator to assist parties who require emergency relief before the constitution of a Tribunal. The Emergency Arbitrator is appointed by the SIAC Chairman within 1 business day of receipt of a relevant application from a party, and within 2 business days of his appointment, the Emergency Arbitrator is required to establish a schedule for consideration of the party's application. The Emergency Arbitrator has the power to order or award any interim relief he deems necessary. His order or award can be revisited by the Tribunal, when it is constituted, and in any event ceases to be binding on the parties if a Tribunal is not constituted within 90 days of the order or award being made or when the Tribunal makes a final award or if the claim is withdrawn. Thus in an emergency, before an arbitral tribunal is constituted, if a party seeks urgent relief to restrain another party from taking action which might irreparably harm the applicant's rights, or in order to preserve evidence or sell goods which are deteriorating, the Emergency Arbitrator procedure provides a very quick and effective system for seeking relief at very short notice.

Since the 2010 Rules came into effect, ten Emergency Arbitrator applications have been received by SIAC.

By way of illustration, one Emergency Arbitrator application occurred over the Chinese New Year holiday. The case involved the dispute as to quality between a Chinese company and an Indonesian company regarding the shipment of coal. The Indonesian shipper wanted to sell the cargo of coal pending the resolution of the dispute as the cargo was deteriorating. The respondent's co-operation was needed to get the cargo out of the port. The applicant contacted SIAC on a Monday morning warning of its intention to make an Emergency Arbitrator application. Thereupon the registrar set about finding someone suitable. The applicant filed their papers at 2pm the same day and by 5pm an Emergency Arbitrator, who was a very experienced shipping lawyer, was appointed. That arbitrator gave his preliminary directions the same evening and the hearing was scheduled for the next day. On Tuesday he made an order permitting the sale.

In a more recent application, the investment arm of an international banking institution sought the appointment an Emergency Arbitrator to consider a request for freezing orders to prevent dissipation of
assets of an Indian company into which it had invested for a minority shareholding. The claimant also sought the production of various accounts, financial documents and disclosure of assets, based on prima facie evidence of fraud. The Emergency Arbitrator was appointed within one day and issued directions on the conduct of proceedings within a further one day. A challenge to the emergency arbitrator was dealt with and denied by a Committee of the Board of SIAC within 2 days. Thereafter, a hearing took place less than 4 days after the Emergency Arbitrator was appointed and less than a week after the application for emergency relief was made. On hearing both parties, the Emergency Arbitrator ordered a freeze on the dissipation of assets of the Indian company subject to certain terms.

Decisions of the Singapore Courts
As mentioned above, the Singapore Courts have demonstrated an excellent knowledge of international arbitration and a determination to support arbitration. A few cases may be cited by way of illustration. A recent decision is that of the Court of Appeal in AJU v AJT. There, an arbitration was commenced in Singapore under the Rules of the SIAC. The dispute concerned an agreement which enabled the appellant to stage an annual tennis tournament in Bangkok, Thailand for a term of 5 years. A dispute arose and an arbitration was commenced. Subsequent the appellant made a complaint of fraud, forgery and use of a forged document against the respondent’s sole director and two related companies to the Thai Police. The parties later entered into a Concluding Agreement agreeing to withdraw all the criminal proceedings in consideration for payment of an amount of US$470,000. Pursuant to the Concluding Agreement, the complaint with the Thai Police was withdrawn by the appellant and a Cessation Order was issued by the Special Prosecutor's Office and payment of the amount was made. The Thai prosecution confirmed that a Non-Prosecution Order was issued because "the evidence was not enough to prosecute".

The plaintiff subsequently refused to terminate the arbitration proceedings on the basis that a mere statement that there was insufficient evidence meant that the investigations still could be reactivated by new evidence. The appellant proceeded to apply to terminate the arbitration proceedings on the ground that the parties had reached full and final settlement of all claims between them but this was challenged by the respondent on the grounds that the Concluding Agreement was invalid and unenforceable because of duress, undue influence and illegality. The High Court of Singapore concluded that the Concluding Agreement was an agreement to stifle prosecution and was contrary to public policy. It decided that the award should be set aside.

On appeal to the Court of Appeal, the judgment was overturned and the award was declared enforceable. Chief Justice Chan Sek Keong delivered the judgment of the Court of Appeal. The Chief Justice observed that enforcement of a foreign award could be resisted on public policy grounds only where "exceptional
circumstances... would justify the Court in refusing to enforce the award" or where there was a violation of "the most basis notions of morality and justice".

The arbitral tribunal had concluded that the Concluding Agreement was not illegal and had not been performed illegally by the appellant, the respondent's allegations of duress and undue influence were not made out and that the respondent's allegation that the appellant had procured the issue of Non-Prosecution Order by bribery was likewise unsubstantiated.

The Court of Appeal noted that in some cases the Court when asked to enforce a judgment could examine the underlying facts to see if there was an illegality but that it was not appropriate to do so here because the matter had been properly investigated by the arbitral tribunal. He concluded that findings of fact made in an international arbitration are binding on the parties and cannot be re-opened except if there is fraud, breach of natural justice or some other recognised vitiating factor. The end result was that the Court of Appeal decided that no public policy issue arose which warranted the setting aside of the award.

Not only are the Singapore Courts reluctant to set aside awards or refuse enforcement of foreign awards, but they will strive, wherever possible, to uphold the validity and effectiveness of an arbitration agreement. Thus in Insignma Technology Co Ltd v Alstom Technology Ltd the parties entered into a licence agreement which provided for disputes to be resolved by arbitration "before the Singapore International Arbitration Centre" in accordance with "the Rules of Arbitration of the International Chamber of Commerce". The respondent commenced an arbitration before the ICC for resolution of a dispute which had arisen. The jurisdiction of the ICC was contested by the appellant who maintained that the parties had agreed to arbitration administered by the SIAC. The respondent then commenced arbitration at the SIAC. Once the arbitration had commenced the appellant contended that the arbitration clause was pathological and was therefore nugatory. The arbitral tribunal which had been appointed by the SIAC to conduct the arbitration in accordance with the ICC Rules of Arbitration ordered that the issue of jurisdiction be determined as a preliminary matter. The tribunal issued an award holding that it had jurisdiction. An application was made to the High Court to set aside the award but the High Court declined to do so. It held that the arbitration agreement was sufficiently certain and could be given effect. The Court of Appeal dismissed an appeal. The court said that where parties have evinced a clear intention to settle any dispute by arbitration, the court should give effect to such intention, even if certain aspects of the agreement may be ambiguous, inconsistent, incomplete or lacking in certain particulars. Applying the principle of effective interpretation, the court took the view that an arbitration agreement should not be interpreted restrictively or strictly, it as not a statute. A commercially logical and sensible construction must be preferred over another that was commercially illogical especially given the inherently private and consensual nature of arbitration and the principle of a party autonomy which should be respected. The

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2 [2009] 3 SLR (R) 936.
court further said that effect must be given to workable arbitration agreements in international arbitration, subject only to public policy consideration to the contrary. The court did not accept the argument that the arbitration clause was pathological and inoperative. It concluded that there were no public policy considerations which barred or prevented SIAC from administering the arbitration and that the clause was operable.

In a more recent decision in Quarella SpA v. Scelta Marble Australia Pty Ltd, the High Court was considering a distributorship agreement between an Italian company and an Australian company which was governed by the CISG ‘and where not applicable by Italian law.’ The Italian company applied to have the award set aside and argued that the sole arbitrator had wrongly decided to apply Italian law as the applicable law of the contract. The High Court took the view that the arbitrator’s reasoning to apply Italian law was sound having based that on several factors including the conduct of parties. The High Court also observed that in any event, an incorrect application of the applicable law as agreed between parties as opposed to a refusal to apply the agreed applicable law did not attract the provisions of Article 34 (2) (a) (iii) of the Model Law to cause the award to be set aside. The High Court in doing so emphasized several decisions of the Singapore courts which have consistently taken the view that an error of law or fact by itself does not attract the power of courts to set aside an arbitral award.

Other recent decisions from Singapore have also interpreted Article 28 (6) of the ICC Rules 1998 as precluding any appeal from an award and taken a broader view on the rule of pleadings applicable in international arbitration.

In the recent decision of PT Prima International Development v Kempinski Hotels SA and other appeals, [2012] SGCA 35, the Singapore Court of Appeal reversed the decisions of the Singapore High Court. The High Court had set aside 3 of the 5 awards arising out of an arbitration between the parties on the basis that the awards had been decided on a point which had not been properly pleaded. 2 of those awards dealt with substantive issues while the third dealt with costs. The High Court had set aside the awards on the basis the Arbitrator had decided issues that had not been formally pleaded, thereby acting beyond the scope of his authority. In overruling the decision the Court of Appeal T avoided a formalistic approach to pleadings in arbitration and instead considered whether the wronged party has truly been prejudiced by the acts of the other party.

This decision marks the long trend of the Singapore Court’s pro-arbitration and pro-enforcement approach and confirms the position that the Singapore Courts will not interfere with the decision of the

3 [2012] SGHC 166.
4 See Daimler South East Asia Pte Ltd v. Front Row Investment Holdings (Singapore) Pte Ltd., [2012] SGHC 157.
arbitral tribunal except on the limited grounds set out in the International Arbitration Act (Cap. 143A) and in the absence of real prejudice being caused to the wronged party.

**ICCA Congress**

It is perhaps no surprise therefore that the International Council for Commercial Arbitration decided to hold its prestigious bi-annual congress in Singapore in June 2012.

Singapore and SIAC played host to the largest ever ICCA Congress with over a 1,000 delegates from 59 countries in attendance at the 3 day conference with a host of social events. The then Attorney General, Sundaresh Menon (now a Judge of Appeal and due to be appointed the next Chief Justice of Singapore) set the theme for the Congress with some very fundamental thought provoking questions in his keynote address on the future of international arbitration. A host of eminent speakers debated and discussed issues on investment arbitration, technology in arbitration, the somewhat tenuous relationship between courts and arbitration, and other ‘nuts and bolts issues’ such as discovery, enforcement, evidence, costs, using arbitral secretaries, and the like. No less visible was the support of the Singapore government with the President, the Prime Minister and the Law Minister being closely involved with the Congress. As the baton passed to Miami for the next edition, there was little doubt that Singapore had made its mark on the map for international arbitration.

**Conclusion**

International arbitration has come a long way in Singapore as the number of cases demonstrate. There are now some 200 new SIAC cases commenced each year, 20-30 ICC arbitrations based in Singapore in addition to arbitrations conducted under the auspices of other bodies such as the LCIA. In addition there are a significant number of ad hoc arbitrations. The physical manifestation of the emergence of Singapore as a leading venue for international arbitrations is the establishment of Maxwell Chambers, undoubtedly the leading arbitration facility in the world. Bolstered by a superb court, which constantly demonstrates its expertise and support or international arbitration and a political, social and commercial environment conducive to the settlement of commercial disputes, Singapore has now emerged as one of the leading venues for international arbitration along side traditional locations such as London, Paris and Geneva.