

Arbitration Alert

Dear Clients & Friends

Singapore International Arbitration Centre releases new edition of rules with new expedited procedure

The primary rules for arbitration conducted at the Singapore International Arbitration Centre (the “**SIAC**”) are the SIAC Rules, the fourth edition of which came into effect on 1 July 2010 (the “**SIAC Rules 2010**”). This edition supersedes the previous SIAC Rules (3rd Edition, 1 July 2007) (the “**SIAC Rules 2007**”).

The differences between the SIAC Rules 2007 and the SIAC Rules 2010 are mainly administrative. The SIAC Rules 2010 introduces a new expedited procedure, while also updating and clarifying certain provisions.

Expedited procedure under SIAC Rules 2010

The SIAC Rules 2010 allow for the parties to opt for an expedited procedure. Under Rule 5 of the SIAC Rules 2010, an expedited procedure is available when:

- The amount in dispute does not exceed the equivalent amount of S\$5,000,000, representing the aggregate of the claim, counterclaim and any set off defence; or
- Where the parties so agree; or
- In cases of exceptional urgency.

Should the parties opt for the expedited procedure, the Registrar of the SIAC (the “**Registrar**”) may shorten any time limits prescribed under the SIAC Rules 2010. The expedited matter will also be referred to a sole arbitrator unless the Chairman of the SIAC (the “**Chairman**”) determines otherwise. A key feature of the new expedited procedure is that, unless otherwise stated by the Registrar, the award will be made within six months from the date the tribunal is constituted. The tribunal must also state the reasons for the award is based unless the parties have agreed that no reason are to be given.

Another new feature of the SIAC Rules 2010 is the ability of the parties to appoint an emergency arbitrator, under Schedule 1, in order to seek interim relief before the tribunal is constituted. It should be noted that if the Chairman decides to accept the party’s application under Schedule 1, the Chairman will appoint an emergency arbitrator within one business day after receiving the application and payment of any required fee.

Amendment to notice of arbitration and response

Rule 3 of the SIAC Rules 2010 provides a new requirement for those filing a notice of arbitration. The party wishing to commence an arbitration - that is, the claimant - is now required to state his proposal for the number of arbitrator(s) (if this is not specified in the arbitration agreement) in his notice of arbitration. Rule 3 goes on to provide that, unless the parties have agreed otherwise, the notice of arbitration must also include the nomination of an arbitrator if the arbitration agreement provides for three arbitrators, or a proposal for the sole arbitrator where the arbitration agreement provides for a sole arbitrator.

Similarly, the respondent is also now required to state, in his response to the notice of arbitration, his nomination of an arbitrator if the arbitration agreement provides for three arbitrators. If the arbitration agreement provides for a sole arbitrator, the response should either agree with the claimant’s proposed arbitrator or provide a counter-proposal.

Where there are more than two parties to the arbitration and three arbitrators are to be appointed, the claimants must jointly nominate one arbitrator and the respondents must jointly nominate one arbitrator. If both joint nominations are not made within 28 days of the filing of the notice of arbitration or within a period agreed by the parties, the Chairman will appoint all three arbitrators and designate one of them to act as the presiding arbitrator.

Memorandum of issues

Rule 17 of the SIAC Rules 2007 required the tribunal to, in consultation with the parties, draw up a memorandum of issues to be determined by the tribunal in the arbitration. However, this requirement has been removed in the SIAC Rules 2010. Instead, Rule 16.4 of the SIAC Rules 2010 provides that the tribunal may, at its discretion, direct the order of proceedings so as to require parties to focus their presentation on certain issues.

New schedule of fees

The administrative fees and the arbitrators' fees have been revised. The full table of fees is available on the SIAC website www.siac.org.sg

Further information

Should you have any queries as to how this may affect your business, please do not hesitate to get in touch with your usual contact at Allen & Gledhill LLP or either of the following:

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