# SINGAPORE INTERNATIONAL COMMERCIAL COURT ISSUES: MODEL CLAUSE FOR INTERNATIONAL ARBITRATION-RELATED LITIGATION

Date: 26 January 2023

**Singapore International Arbitration Alert** 

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When companies are embroiled in a dispute, what they want are justice and efficiency. Otherwise, justice delayed is justice denied. On 12 January 2023, the Singapore International Commercial Court (SICC) launched a model clause to aid parties in designating the SICC as the supervisory court to hear arbitration-related applications.

The model clause reads:

"In respect of any court proceedings in Singapore commenced under the International Arbitration Act 1994 in relation to the arbitration, the parties agree: (a) to commence such proceedings before the Singapore International Commercial Court ("the SICC"); and (b) in any event, that such proceedings shall be heard and adjudicated by the SICC."

Parties may incorporate this clause into their contracts, or at any other time such as after a dispute has arisen.

See the joint press release of the Singapore Supreme Court and the SICC here.

The Singapore International Arbitration Centre (SIAC), one of the most preferred arbitration institutions globally, will also be including the clause as one of the options in its Model Clause, where the international arbitration is Singapore-seated.

Without such an express designation of SICC as the relevant supervisory court to hear arbitration-related applications, the parties may have arbitration-related matters heard by the General Division of the High Court.

## **ABOUT THE SICC AND ITS ADVANTAGES**

The SICC is a division of the Singapore High Court and is designed to deal with transnational commercial disputes. The advantages of the SICC to its users are as follows:

### **Eminent Panel of Judges**

The SICC bench comprises a diverse panel of eminent international and local Judges experienced in specialist commercial disputes. Most recently, Justice Zhang Yongjian (张勇健法官) from the People's Republic of China

was appointed as an International Judge to the SICC. Justice Zhang had served as a Judge of the Supreme People's Court of the People's Republic of China for almost two decades.

### Efficiency

Applications are heard quickly and SICC judgments are delivered swiftly thereafter.

# **Cost Recovery**

As observed from the SICC judgments that have been released, the costs awards are reflective of actual costs involved in the application and give users more certainty on cost recovery.

### SINGAPORE IS PRO-ARBITRATION

The Singapore courts are known for their deep expertise in international arbitration and pro-arbitration decisions. The courts only set aside arbitration awards where it is mandated by law and the grounds for challenge are very narrow (e.g., breach of natural justice).

We fully expect that the SICC will prove itself to be a robust supervisory court—while it will not reconsider the merits of an arbitral tribunal's decision, it will not hesitate to set aside an award when there is a breach of natural justice. Most importantly, given the eminent panel of international and local judges and the speed at which the disputes are determined at the SICC, international parties can rest assured that their disputes will be determined fairly and efficiently.

For more information, please reach out to our authors or our wider International Arbitration team.

# **KEY CONTACTS**



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