

ANNUAL REPORT



2018

MESSAGE FROM THE SECRETARY GENERAL 2019



Mr. VU ANH DUONG

Secretary General
Vietnam International Arbitration Centre (VIAC)

Dear all,

It somehow is always one of the most special time of the year to me, at a very late afternoon in year-end days, I was sitting at my desk and flipping through the 2018 Report of Vietnam International Arbitration Centre (VIAC) with full of statistics, assessments on drawbacks, suggestions on renovation and new ideas for the coming 2019. And, I am so proud when typing this letter to all of you – who have been following up our activities, being our valued partners in so many events/training courses that we have jointly hosted and organized, being our kind and generous supporters in all aspects of our operation towards our goals of (i) being the model institution in Vietnam that professionally provides arbitration and mediation services with international standards to the business community and (ii) being the institution at the Vietnam Chamber of Commerce and Industry that proactively contributes to the promotion of ADR for a better business environment of an integrating Vietnam.

2018 was an extremely busy year of VIAC with 150% effort of us to make it a remarkable 25th anniversary of the Vietnam International Arbitration Centre (1993–2018). Our caseload has reached a new peak of 180 new cases administered by VIAC – the highest number in our 25 years of operation with the total value in dispute at ~ VND 9.5 Tril (~USD 407 Mil) and the biggest case with the involvement of ~USD 145.2 Mil in dispute.

Said numbers together with the USD 250 Mil case and over USD 100 Mil cases that VIAC had administered in previous years, again, reaffirm that VIAC is gradually being a reliable name for parties to refer their complex and hundred-mil-USD disputes to for resolution.

2018 was the year of mediation with the launching of Vietnam Mediation Centre (VMC), a division of VIAC to be the first unit to provide the commercial mediation services under the Decree 22/2017/ND-CP to enterprises doing business in Vietnam. With the valuable support from the International Finance Corporation (IFC), a member of World Bank Group, the Rules of Mediation, being announced and came into force as from 1 July 2018, has reflected almost all principles of the UNCITRAL Model law on commercial mediation and strictly in compliance with the Decree 22/2017/ND-CP to ensure the Mediated Settlement Agreements – the outcome of the mediation process at VMC could be conveniently recognized by the Court for its enforcement as regulations under the Chapter 33 of the 2015 Vietnam Civil Procedure Code.

Also, regardless I have expressed it multiple times I still think it is worth to repeat in this special occasion, I would like to send a great thank to Vietnam Chamber of Commerce and Industry and The Ministry of Justice for facilitating favorable conditions to the launching of VMC. The operation of VMC is overseen by its Board of Directors and VMC currently has its first 50 Vietnamese and foreign mediators in its panel. They are surely prestigious experts and lawyers who are very busy with their works and the duties that their positions are holding; however, by sharing the same goals of contributing more to the business communities in Vietnam, they have decided to start the journey with us to build up the Vietnam Mediation Centre to be the first choice of enterprises, just like VIAC, when there are disputes and enterprises wish to use a friendly, transparent but confidential and efficient method for dispute resolution.

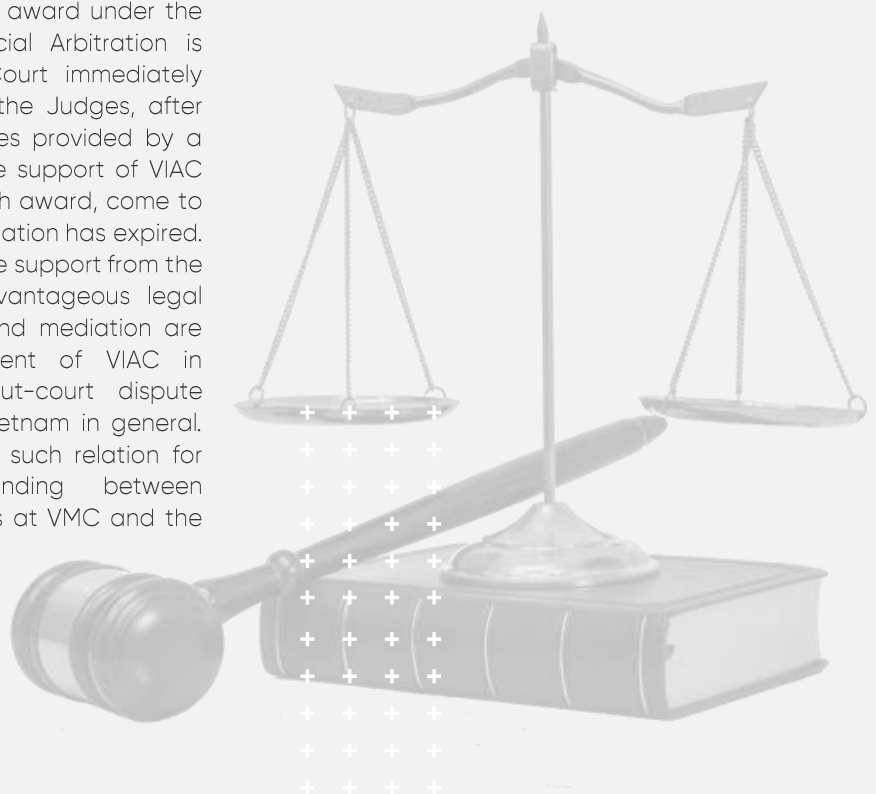
In 2018, the relation between VIAC and the Court's system especially the Hanoi's People Court and the HoChiMinh's People Court continued to be stronger with the supportive attitude from both Courts. There are many grand actions of the Court to show such "friendly" attitude: A party to arbitration could seek for the application for interim measures by the Court under the laws with no difficulties; The boundaries between the merit-related matters and procedural ones are clearer with the proper respect of the Judges to the merit-related matters that already decided by the Tribunals; The time limitation for a party to challenge the validity of an award under the Vietnam Law on Commercial Arbitration is strictly applied and the Court immediately rejected such challenge if the Judges, after considering all the evidences provided by a party of the award with the support of VIAC regarding the service of such award, come to conclusion that the time limitation has expired. As we always self-remind, the support from the Court system and the advantageous legal framework for arbitration and mediation are crucial for the development of VIAC in particular and of the out-court dispute resolution mechanisms in Vietnam in general. We will keep strengthening such relation for better mutual understanding between Tribunals at VIAC, mediators at VMC and the Judges at the Court.

On a broader view, 2018 was an impressive year of the Vietnam economy with more-than-expected GDP growth rate of 7.08%. The Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) was ratified by the National Assembly and officially came into force in Vietnam since 14 January 2019, which remarks the wide and comprehensive integration of Vietnam into the global economy. Vietnam, in 2018, was the first-time-ever nominated and has won to be a member of UNCITRAL for the term of 2019 – 2025. Such event shows the country's improving international position as well as the worldwide recognition of its contribution to the common work of the international community, including in international trade law.

With positive statistics of Vietnam in 2018, I have a strong belief that 2019 shall promise more success and achievements for Vietnam and for VIAC ourselves.

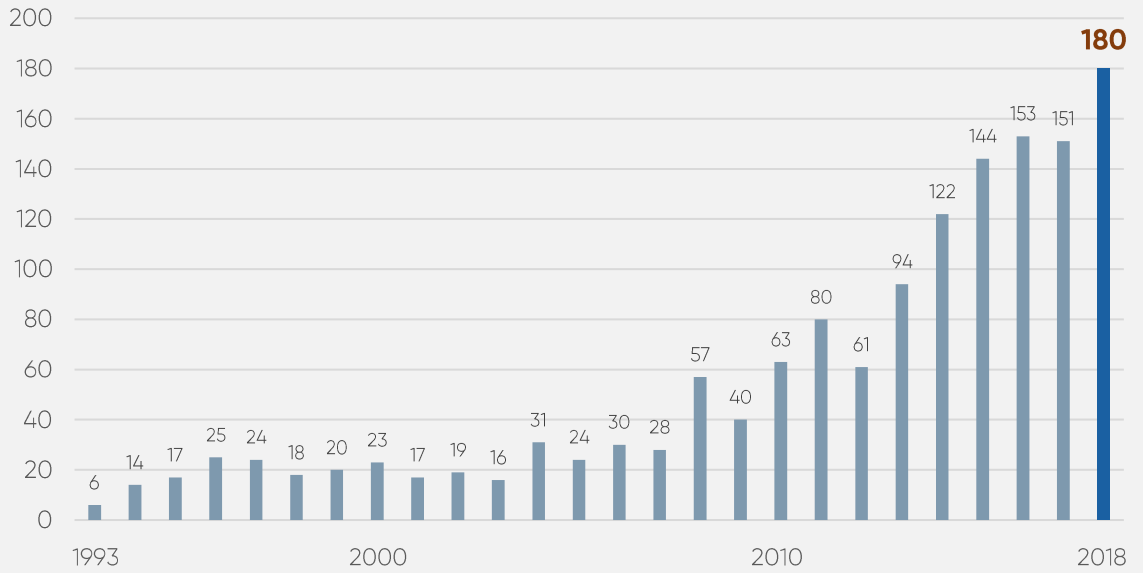
To sign off, I would like to send my deep appreciation to our arbitrators, our mediators and my wonderful colleagues at VIAC and VMC for all the energy and devotion that you have brought to our works. I am so eager to start the New Year of the Golden Pig with your new ideas, new projects, big plans and all of our effort for another successful year of VIAC.

ANH DUONG VU (Mr.) | Secretary General

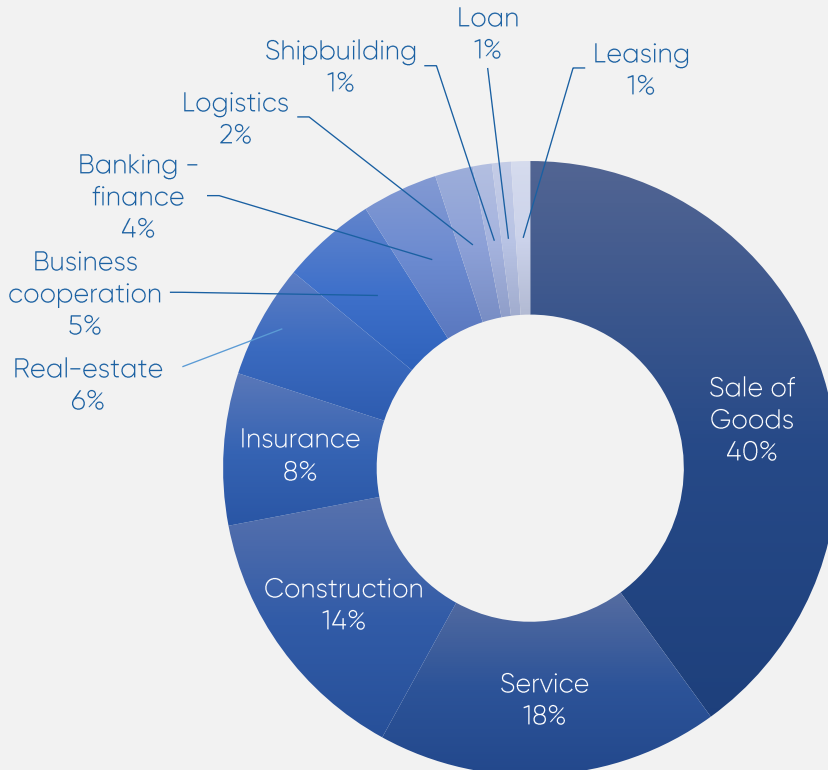


VIAC's statistics on dispute resolution by arbitration

Number of new cases handled by VIAC (1993-2018)



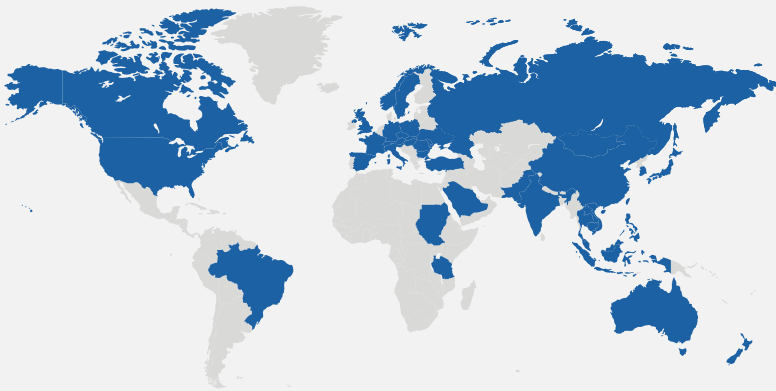
Types of disputes in 2018



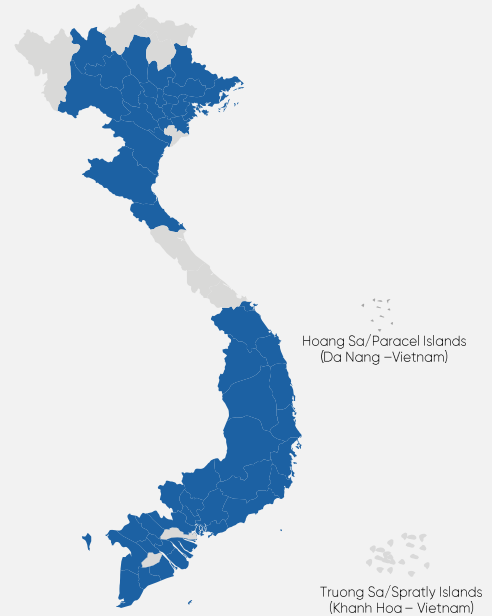
VIAC's statistics on dispute resolution by arbitration

Geographical Origin of Parties

- Territories have parties arbitrating at VIAC
- Territories without parties arbitrating at VIAC



60 Nations and territories have parties arbitrating at VIAC



53 Provinces/cities have parties arbitrating at VIAC 53/63

VIAC'S STATISTICS ON DISPUTE RESOLUTION BY ARBITRATION

TOP 03 nations have parties arbitrating at VIAC



China

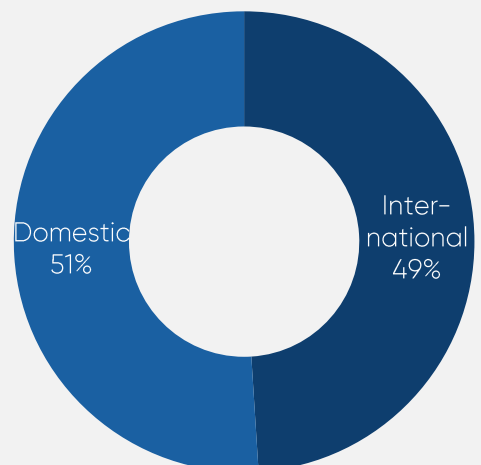


Singapore



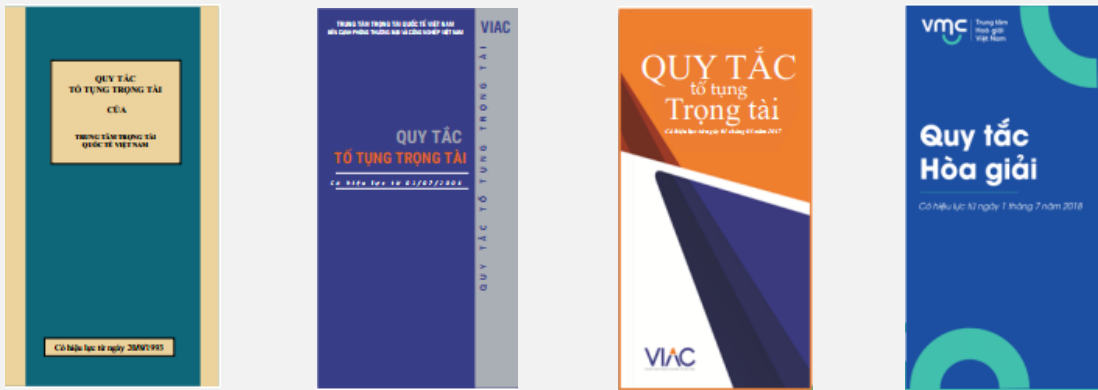
South Korea

Dispute properties in 2018



VIAC's statistics on dispute resolution by arbitration

VIAC has been reinventing itself to provide arbitration services complying with the amendments of Vietnam's legislation and aligning with the global dispute resolution trend. Moreover, VIAC has actively welcomed feedback from arbitrating users (enterprises and attorneys) to develop its services toward a better and more efficient arbitration



TIME-SAVING AND COST-SAVING

Article 6: Multiple Contracts

>>> Cost reduction rate from 15% to 37%

>>> Time-saving

Điều 37: Expedited Procedure

STANDARD PROCEDURE



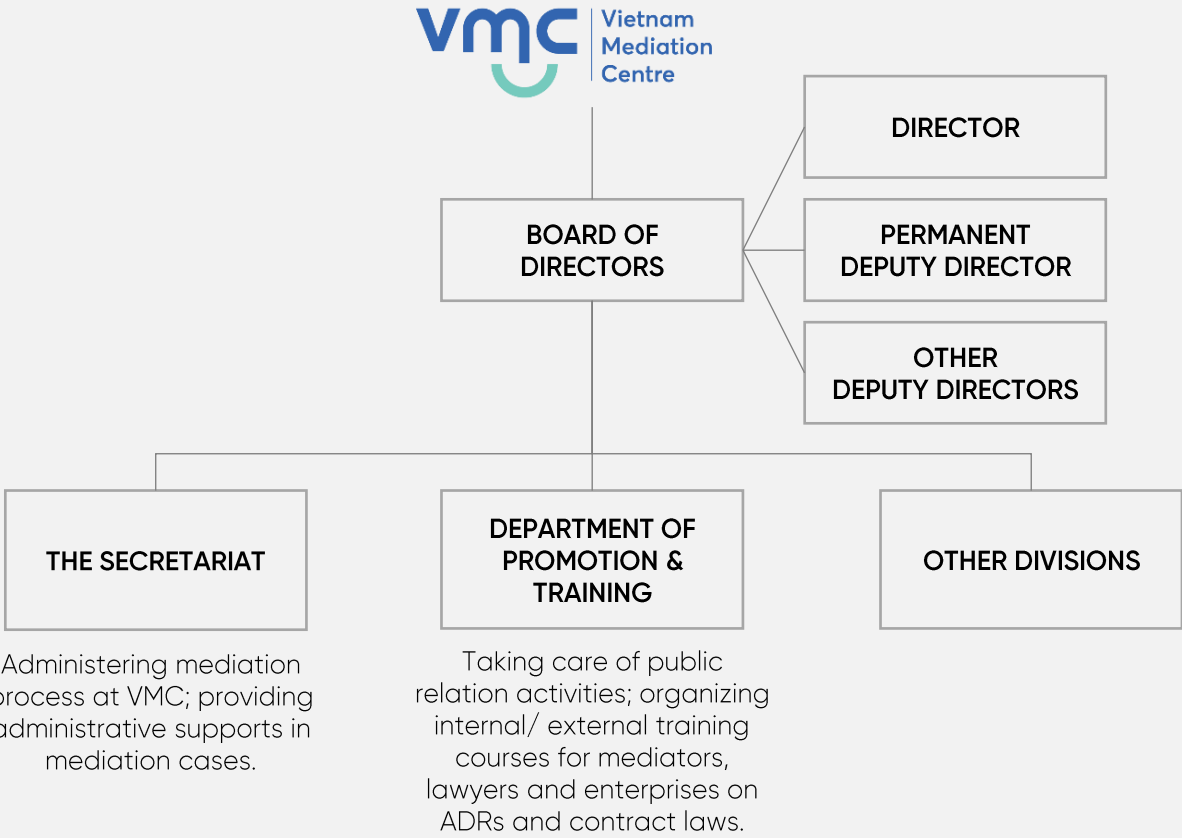
EXPEDITED PROCEDURE



The establishment of Vietnam Mediation Centre (VMC)

ORGANIZATION CHART

Vietnam Mediation Centre (VMC) is a division of Vietnam International Arbitration Centre (VIAC). The organizational structure of the VMC is as follows:



VIETNAM MEDIATION CENTRE'S LISTED MEDIATORS

37 VIETNAMESE MEDIATORS



FOREIGN MEDIATORS **13**



International cooperation



05 Memoranda of Understanding signed in 2018




Partners having signed Memorandum of Understanding with VIAC







VIETNAM INTERNATIONAL ARBITRATION CENTRE

Head Office

 6th Floor, VCCI Tower, No.9 Dao Duy Anh St.,
Dong Da Dist., Hanoi, Vietnam

 (+84) 243 574 4001

 (+84) 243 574 3001

Ho Chi Minh Branch

 5th Floor, VCCI Tower, No. 171 Vo Thi Sau St.,
District 3, Ho Chi Minh City, Vietnam

 (+84) 283 932 1632

 (+84) 283 932 9555

 www.viac.vn

 info@viac.org.vn