

ANNUAL REPORT

2019

MESSAGE FROM THE SECRETARY GENERAL 2020



Mr. VU ANH DUONG VU

Permanent Vice President cum Secretary General
Vietnam International Arbitration Centre (VIAC)

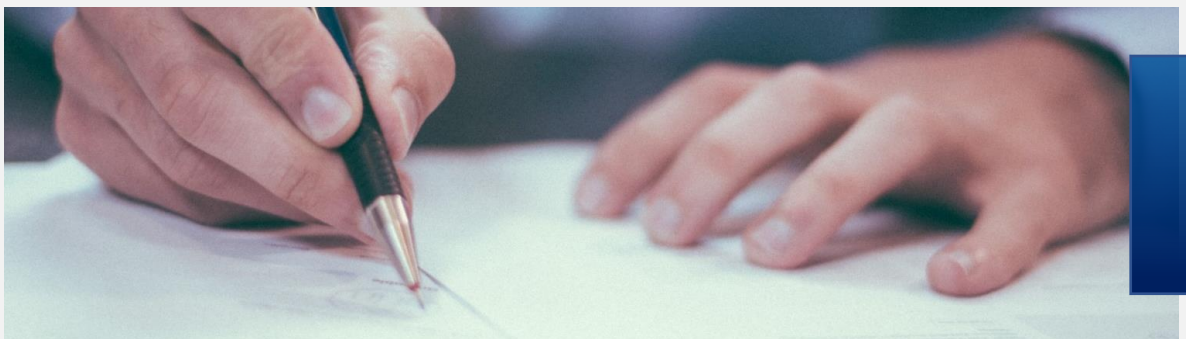
Dear all,

As the Secretary General of the Vietnam International Arbitration Centre (VIAC), it is my pleasure to bring you updates of the work that VIAC has performed and achieved in the past 2019.

As the leading arbitral institution in Vietnam, VIAC continues to reaffirm its position with the huge increase in new administered cases and overall amount in dispute. There were 274 new cases filed – 52.2 % increase from its previous year with a total of 6.7 thousand billion VND in dispute. These figures are at a record high since VIAC's establishment, which confirms the strength of its robust growth and domestic popularity. 40% of cases were international in nature, which was either FDI disputes (24%) or involved foreign element (16%). Cases in the real estate sector witnessed exponential growth in 2019 and despite the modest dispute value, it indicates a welcoming trend for parties' willingness to resolve their disputes in this field through ADRs. Non-listed and/or foreign arbitrators coming from different legal traditions and jurisdiction continued to add more colors to the arbitration practice at VIAC in 2019.

VIAC Secretariat has made a continual effort in enhancing the quality of arbitral awards by initiating a series of activities since 2018. These include internal training seminars and workshops organized throughout the year so that arbitrators can discuss case management skills and techniques as well as check-lists for award drafting.

It is believed that those seminars and workshops have posed significant development as NO arbitral awards were requested for correction or required further interpretation or supplementation in 2019.



Aiming at expanding the connection with the judges for better exchange of experience, in 2019, the Science Council of VIAC hosted the first-ever Arbitration Seminar with the participation of almost all judges of Economic Courts from both Hanoi People's Court and HCMC People's Court. The seminar was one of the few chances for judges to discuss on and gain insights into legal matters that they have been dealing with in functioning as either the supporting power or the observer/supervisor in some strict circumstances under laws; and also for both judges and arbitrators to view these issues in different perspectives and seek for mutual understanding. Taking into account of emerging new types of disputes being arbitrated, the Secretariat determines that strengthening the good connection with the Courts in terms of sharing information and experiences is one of the essential tasks; and the series of new real estate cases in the past 2019, which received valuable support from the Court, is a stark evidence of this approach.

Receiving much endorsement from the Ministry of Justice and the IFC – a member of World Bank Group, the Vietnam Mediation Centre (VMC) – a division of VIAC- sailed through 2019 with optimistic results. 05 disputes involving a total amount of approximately 1 thousand billion VND underwent the mediation process at VMC with a successful settlement rate of 100% of all 04 completed proceedings. The remaining case related to intellectual property is also expecting for another positive outcome. VMC also invested its resources into training activities to not only raise the capacity of in-house counsels and lawyers in using the tool of mediation but to also search for the next potential candidates to be admitted into our VMC's List of Mediators. 02 training courses were organized in Hanoi and HCMC with 110 trainees being mentored by 22 Vietnamese experts (10 internationally recognized mediators and 12 experienced lawyers) and 24 international mediators.

Dear all, we celebrated the New Year of Golden Rat at the time of the outbreak of the new corona virus disease (Covid-19) with much fear, anxiety and even chaos but also with empathy, companion and the strong determination to prevent the spread of the disease worldwide, save our people and mitigate the global economic damage. As an old wisdom says **"Fire proves gold, adversity proves men"**, I am fully confident that with the responsibility of each and every one of us and the great effort that the Government are now undertaking, we will all overcome this ordeal and achieve success in the near future.

I wish you all good health and prosperity!

Mr. VU ANH DUONG

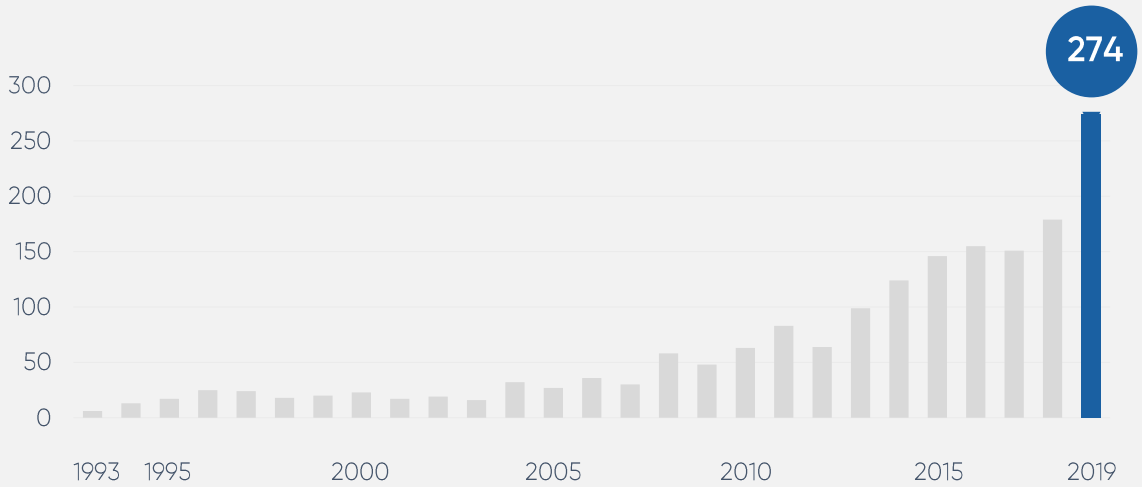
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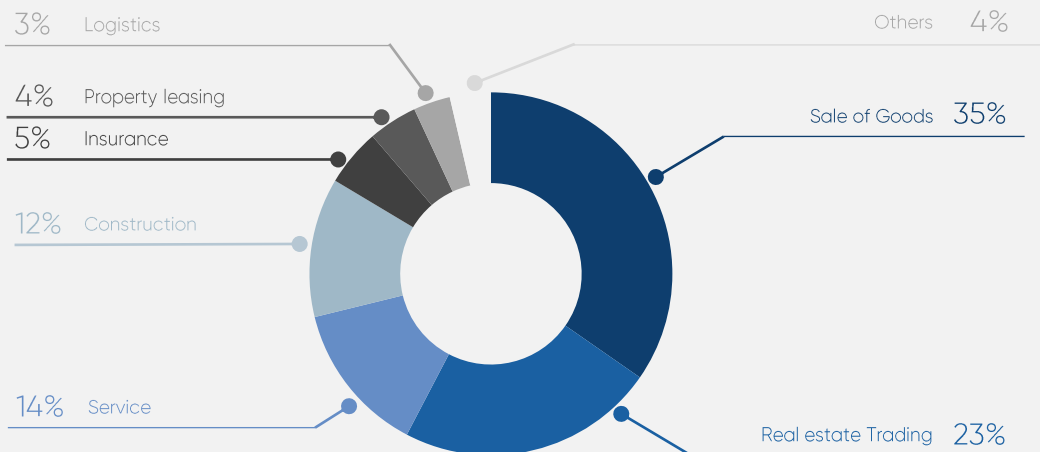
VIAC's statistic on dispute resolution by arbitration

Number of new cases handled by VIAC (1993-2019)



Types of Disputes in 2019

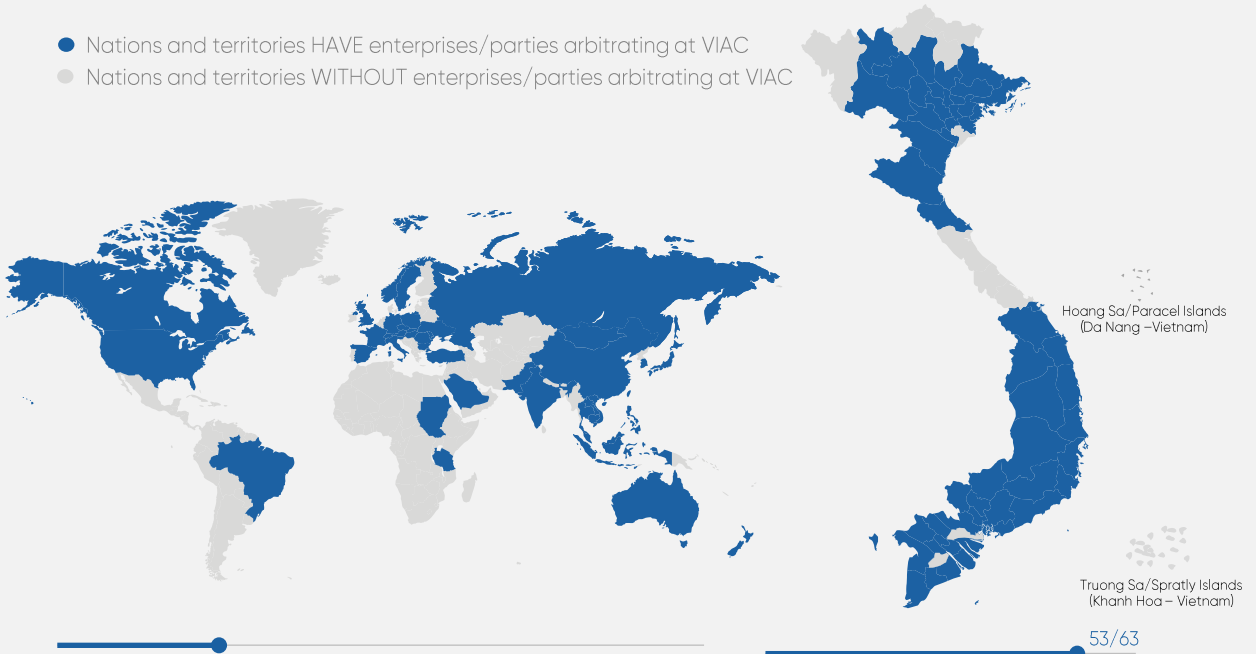
Types of Disputes	Number of cases
Sale of Goods	95
Real-estate	63
Provision of Service	37
Construction	34
Insurance	14
Property leasing	12
Logistics	9
Others	10



VIAC's statistic on dispute resolution by arbitration

Disputing parties at VIAC

- Nations and territories HAVE enterprises/parties arbitrating at VIAC
- Nations and territories WITHOUT enterprises/parties arbitrating at VIAC



60 Nations, territories have enterprises/parties arbitrating at VIAC.

53 Cities & provinces having enterprises arbitrating at VIAC.

TOP 3 foreign users arbitrating at VIAC (2019)



China



Singapore



Korea

TOP 5 provinces/cities having enterprises arbitrating at VIAC (2019)

01

Ho Chi Minh City



02

Hanoi



03

Long An



04

Binh Duong



05

Hai Phong



VIAC's statistic on dispute resolution by arbitration



VND **6.698** BIL
TOTAL VALUE IN DISPUTE
(Equivalent \$ 289 mil)



8

Successful mediation cases



0

Arbitral Awards of correction, interpretation or addition made



29

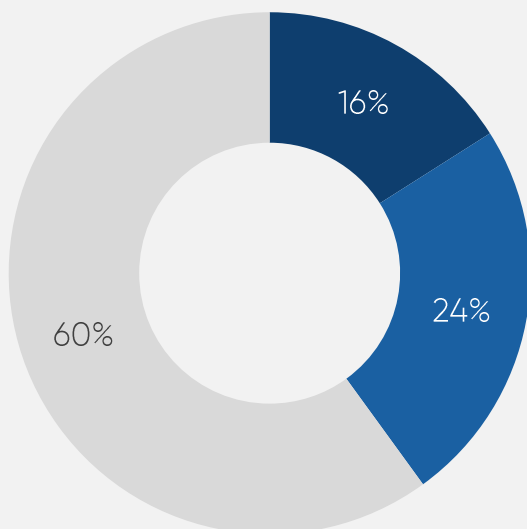
Cases in which arbitration process conducted in foreign language



VND **24** BIL

AVERAGE DISPUTE VALUE

Dispute properties
In 2019



- Foreign-element disputes
- FDI disputes
- Domestic disputes



VMC's statistic on dispute resolution by arbitration



05

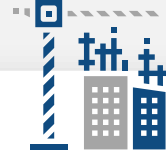
Number of cases



Total value in dispute

VND **934.5** BIL

~ USD 40.3 MIL



Type of dispute

Construction

05/06

CASES

Mediators are appointed by parties' mutual agreement (with the support of VMC Secretariat)

01/06

CASES

With participation of a lawyer

04/06

CASES

Successfully concluded by a MSA and all voluntarily implemented

02/06

CASES

Mediators are CEDR accredited mediators

02/06


CASES

Mediation process conducted in English



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