



# **ANNUAL REPORT**



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## VIETNAM INTERNATIONAL ARBITRATION CENTRE

Established in accordance with  
Decision No. 204/TTg dated

**28 April 1993**

## VIETNAM MEDIATION CENTER

of Vietnam International  
Arbitration Centre

Established in accordance with  
Decision No. 279/QĐ-VIAC dated

**27 April 2018**

### On the basis of merging:

- The Foreign Trade Arbitration Committee (founded in 1963)
- The Marine Arbitration Committee (founded in 1964)

**The 1<sup>st</sup> centre**  
in Vietnam to provide  
professional service of  
commercial mediation

**29**

VIAC has administered the  
dispute resolution of  
thousands of disputes  
arising in all aspects of  
trade and investment

**Years of operation**

**64**

Countries &  
territories

**59**

Cities & Provinces  
in Vietnam

**Have enterprises/parties  
arbitrating at VIAC**

Headquarters  
Hanoi

Da Nang Branch

Khanh Hoa  
Branch

Ho Chi Minh City  
Branch

Can Tho Branch

Paracel Islands  
(Da Nang – Vietnam)

Spratly Islands  
(Khanh Hoa – Vietnam)

**FRIENDLINESS – TRANSPARENCY – EFFICIENCY**



# Letter of PRESIDENT

## Mr. VU TIEN LOC (Ph.D)

President of Vietnam International Arbitration Centre (VIAC)  
Deputy of the 15<sup>th</sup> National Assembly of Vietnam

Hanoi, 14th February 2022

**On the occasion of the Lunar New Year, I would like to extend my heartiest greetings and best wishes to all Arbitrators, Mediators, and members of the VIAC family.**

**I wish you all a peaceful, happy, and prosperous New Year.**

Dear Arbitrators, Mediators, and colleagues,

The world and the business communities have suffered from a strenuous year of 2021 due to the global Covid-19 pandemic, the operation of VIAC is, therefore, hugely affected. However, with our sustained effort, VIAC has endeavored to complete its 2021 plan with positive results. The influence and reputation of VIAC have spread among the domestic and international business communities, more enterprises have acknowledged and trusted VIAC for resolutions of their disputes, reaffirming the position of VIAC as the leading arbitration institution in Vietnam with a trustworthy reputation in the region.

2021 was also the year that we focused on reinforcing the Executive Board with the transition of the role of the VIAC President. I am humbled, honored, and privileged to assume the role of President of VIAC with the great support from the Executive Board, especially the former President Mr. Tran Huu Huynh. I would like to take this chance to express my appreciation to him and the

Executive Board for their extraordinary and accomplished leadership and outstanding contributions to VIAC. Mr. Huynh and the Executive Board had built up the core values of VIAC and, despite many challenges in a very young jurisdiction as Vietnam, promoted VIAC to be the leading position in Vietnam and to foot in the regional arbitration sphere with the credibility of the most dynamic arbitration institution and the only one with international network in Vietnam. It is also very grateful for his continuing dedication as a member of the VIAC's Executive Board.

Looking at the results and achievements of VIAC, I acknowledged that those accomplishments were a collective effort of the Executive Board, our listed Arbitrators and Mediators together with our excellent staff who have devoted and committed to VIAC for years. I also recognize the concrete ground where I could, with the support from VIAC's Executive Board, our listed Arbitrators and Mediators, and our staff, start up a new chapter of VIAC's development in response to new conditions of the upcoming period.

Dear all, we have begun 2022 with a new outlook of the whole nation and business community - the ideology of overcoming the pandemic, to enhance the resilience toward economic and social adversities, and to

promote innovation capacity to keep moving forward. As for VIAC, our vision and missions are not only to be fully functional as an arbitration centre providing quality arbitration and mediation services for our economy, **but also to promote institutional reform to improve Vietnam business environment, and to contribute to leveling up the capacity of Vietnamese enterprises in terms of contractual knowledge, legal risk management, and dispute avoidance and resolution to be effectively adaptable to the world of uncertainties.**

It would be a long and harsh journey, but unavoidable!

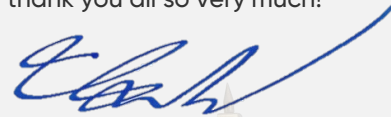
With the knowledge, experience, and network in international trade, investment, and business development that I have accumulated throughout my 20 years being the Chairman of VCCI and nearly 1/4 century as a proactive Member of Parliament, in my new position as the President of VIAC, I am committed to, together with the Executive Board, boosting up VIAC's credibility as the trusted destination for the civilized and effective dispute resolution and reach further on the regional map of arbitration and mediation as a trustworthy option for cross-border transactions and investments, contributing into improving the ease of doing business in Vietnam.

Following that vision, in the 2022 Work Plan, besides implementing a heavy workload of promotional and arbitral activities, the Executive Board will allocate a considerable amount of time for more interaction with Arbitrators, Mediators and VIAC's staff to collect comments, initiatives, suggestions on institutional issues, internal policy, and arbitration profession. The Executive Board will directly report and propose to the Party leaders and State leaders, as well as relevant governmental agencies regarding institutional and policy issues for the completion of the legal framework and to create favorable conditions for arbitration and mediation mechanisms.

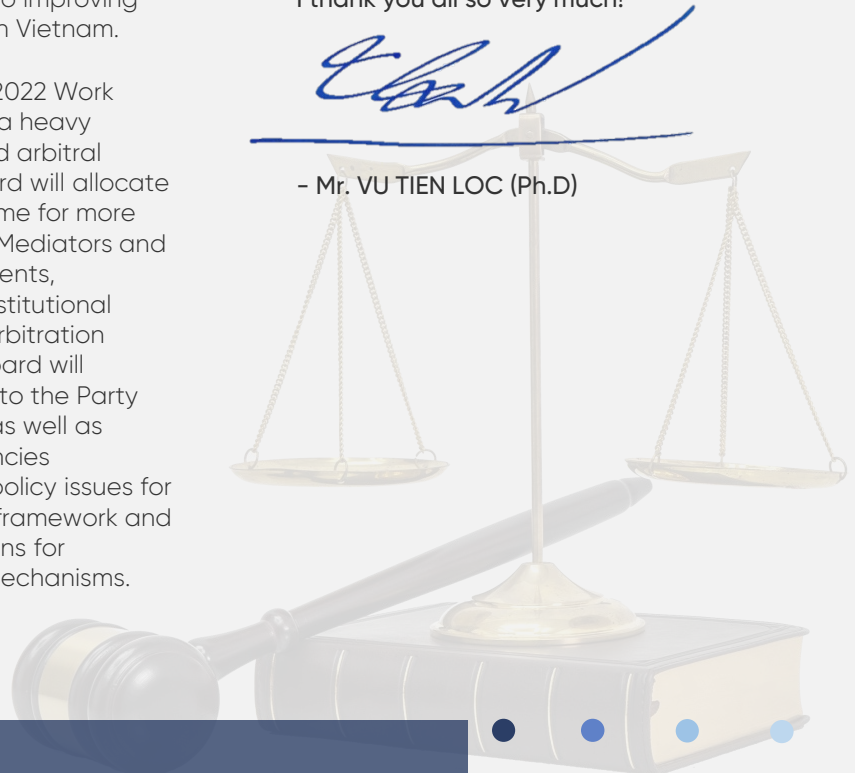
Subsequently, the role of such mechanisms would be further promoted in the process of achieving the law-governed State and a modern and integrated market economy. The Executive Board also plans to put more emphasis on broadening network of cooperation with international and diplomatic organizations, domestic and international business associations to collaborate in strengthening the in-house legal capacity, effective dispute avoidance and resolution skills in the effort to popularize arbitration and mediation to be the first choice for business disputes, aiming at tackling one of the bottlenecks in Vietnam business environment – the low efficiency of other legal methods for protecting legitimate rights and interests of the businesses.

On this special occasion – the beginning of the New Year, by sharing with you all what have been weighing on my mind, I very much look forward to receiving and attending to new ideas, new proposals, new plans and projects from all of you that are believed to form not only an important part of the future of VIAC and the future of ADRs in Vietnam, but also of the law-governed State as well as modern and humane economy of Vietnam.

**I thank you all so very much!**



**- Mr. VU TIEN LOC (Ph.D)**



# Message from **GENERAL SECRETARY**



**Mr. VU ANH DUONG**

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



Hanoi, 14th February 2022

Dear all,

2021 was a heart-wrenching and distressing time for Vietnam and also an arduous journey for VIAC since everything was in stagnation. However, as an arbitration institution, we always bear in mind that our first and foremost mission is to facilitate effective dispute resolution through arbitration and mediation to be used by investors, traders and enterprises, the essential conditions for a favorable business environment of Vietnam.

In 2021, the number of new arbitration cases administered by VIAC returned to its rising tendency and had grown 21% from 2020 with 270 new cases. A noticeable portion of which are disputes involved import and export of medical equipment supply or disruption in international business cooperation projects or cross-border merge and acquisition transactions, which well reflected the destruction and adversity of the international and domestic economy due to the pandemic.

The application of nationwide social distancing orders during the second quarter had significantly affected the arbitration proceedings; nevertheless, taking advantage of the flexibility of arbitration and mediation, we have promptly adapted to minimize delays by employing online tools in service of notices and in holding e-meetings and e-hearings. The Counsel team was available online around the clock for any new request for arbitration, submissions, or queries from disputing parties in any time zone. **Over 240 meetings and hearings were organized either virtually or physically, and around 120 of which were conducted within just four months from October to December 2021.** Prominently, we have successfully hosted virtual hearings with multiple international connection ends, remote simultaneous interpretation, remote live transcription service, witness e-interview and witness e-cross-examination.

**"Tough times  
don't define  
you; they  
refine you."**

By Carlos A. Rodriguez

In 2021, our online platform for e-mediation was officially launched, bringing new experience and convenience for mediation parties. It is also the first milestone by VIAC to proceed with constructing and providing its online arbitration services in the coming time.

It is the motivation for us to prepare for the outburst of self-renovation as we believe the hardship caused by the pandemic has wiped out all the non-essentials and forced us to focus on what really matters – quality of arbitration proceedings. Steered by reinventing spirit, the Procedural guidance for arbitral tribunals conducting arbitration at VIAC, Procedure for Arbitrator Appointment and Arbitrator Statement was comprehensively revised and upgraded for better case management. Those new tools will be officially launched and introduced in 2022.

In addition, the Rules of Arbitration were also thoroughly reviewed for amendments in 2022 to ensure enormous changes and developments in the last 02 years would be absorbed and reflected in our arbitration procedure.

Vietnam is now moving to the new phase of “Flexible and safe adaptation to COVID-19 for economic recovery” with a series of economy simulating policies. We do believe those measures by the Government,

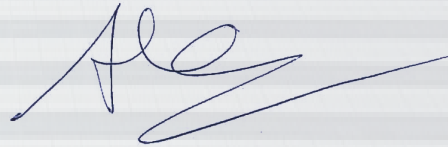
together with the morale of the Vietnamese people will protect our people and get our economy bounced back.

To sign off, I would like to send my great appreciation to our committed staff who have been through vicissitudes as a team/a big family. VIAC Secretariat will remain faithful to its vision to provide arbitration, mediation and other ADRs in Vietnam with international standards and keep completing and improving the quality of dispute resolution to better serve the business community.

Enclosing this message, I also would like to send my warmest wishes to all arbitrators, mediators, lawyers and arbitration users. VIAC appreciated your companionship through this challenging time, and we believe in a brighter 2022 with waving opportunities for all of us ahead.

I wish you all a safe and prosperous New Year of Tiger.

All my bests,



- Mr. VU ANH DUONG



01

STATISTICS



# VIAC's Statistics on Dispute Resolution through Arbitration

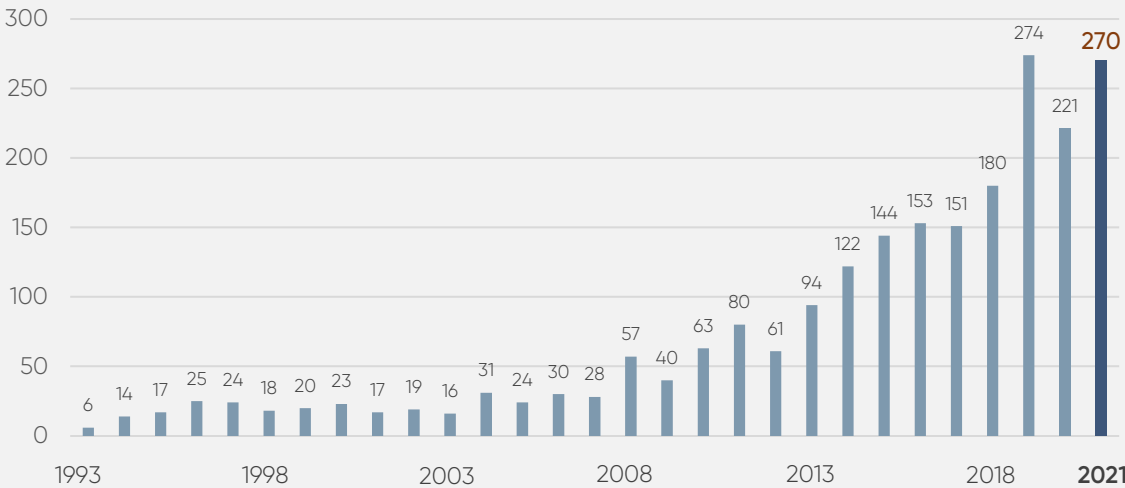
## Number of new cases handled by VIAC in 2021

In 2021, 270 new cases was filed and handled by VIAC. This figures represents a 21% increase from 221 new cases filed in 2020.

Domestic disputes accounted for 42.7%, disputes involving at least one party is FDI accounted for 39.2%, and disputes with foreign elements accounted for 18.1 %.

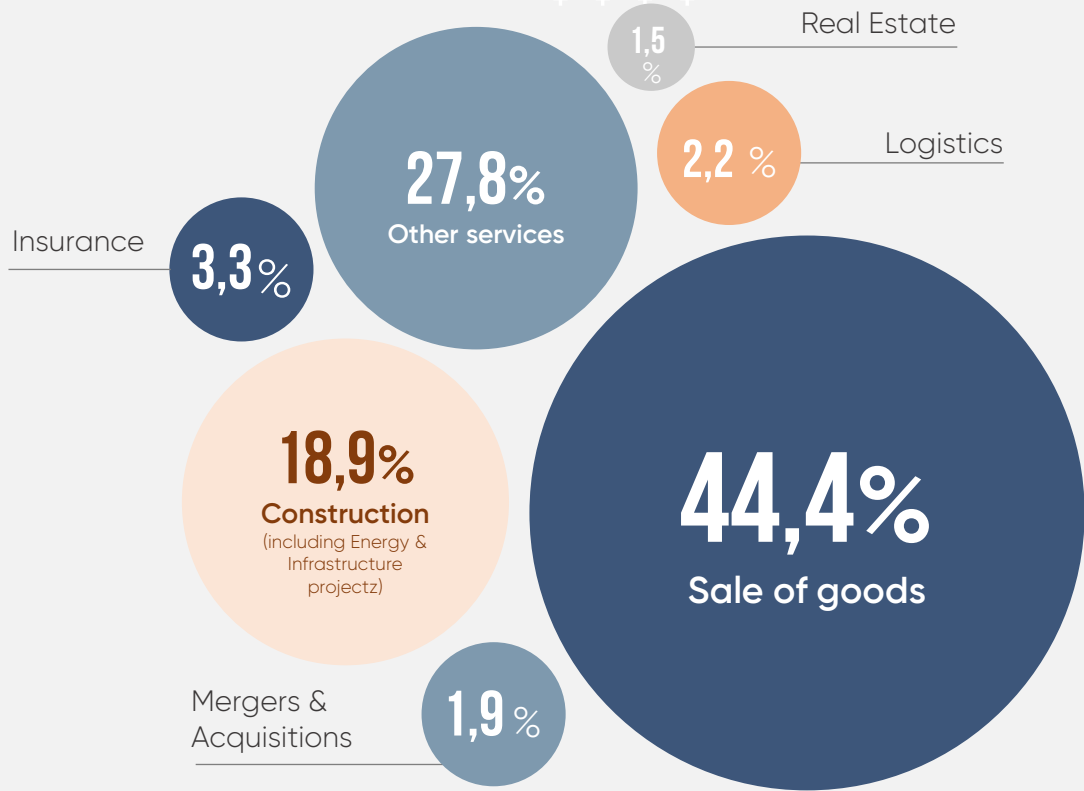


## VIAC's caseload (1993-2021)



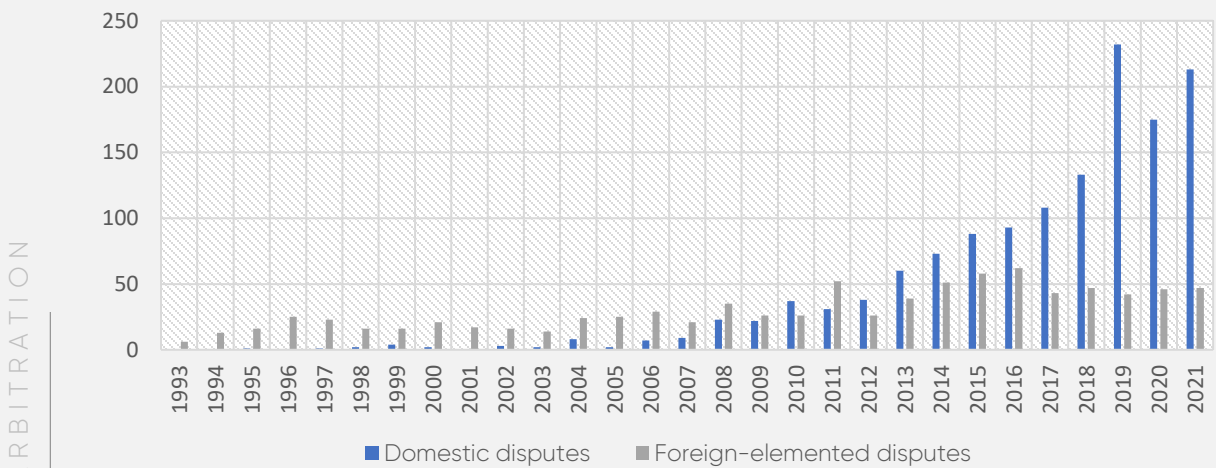
## VIAC's Statistics on Dispute Resolution through Arbitration

### Types of dispute



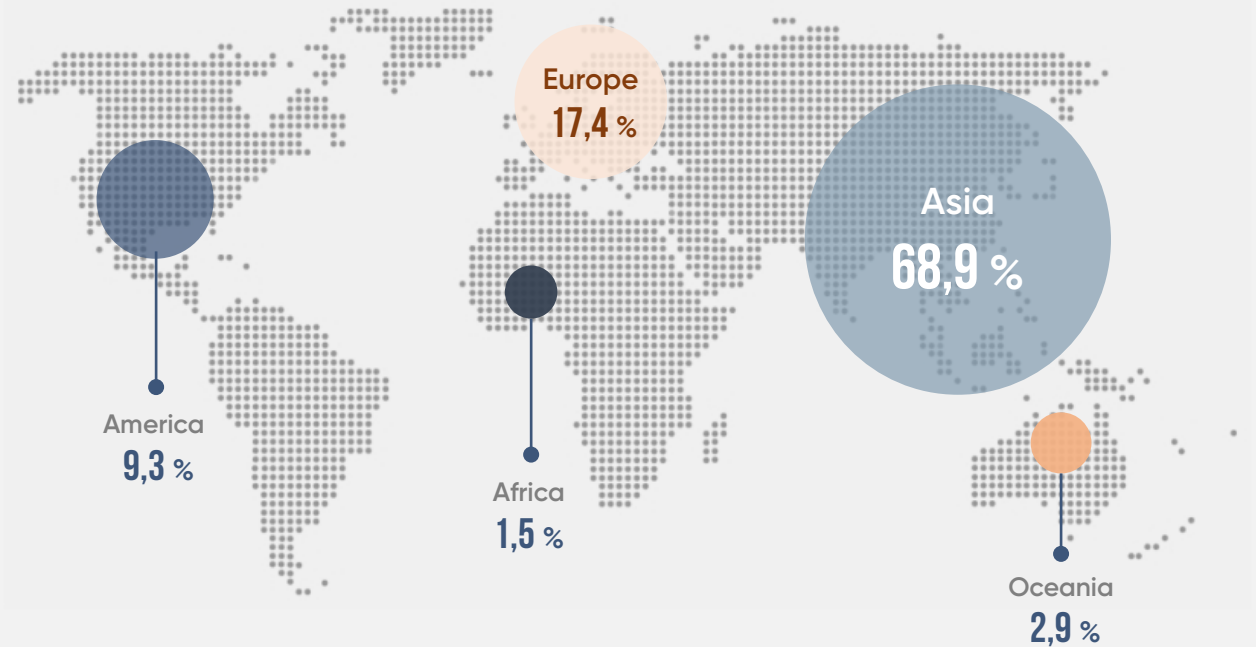
VIAC has been handling a wide range of disputes in 2021. The top three disputed sectors with the biggest number of cases handled at VIAC remained as Sale of goods (44.4%), service provision (27.8%), and construction (18.9%). In addition, disputes settled at VIAC also arise from many other areas including insurance, logistics, mergers and acquisitions, audit services, intellectual property, etc.

### Dispute Properties (1993 – 2021)



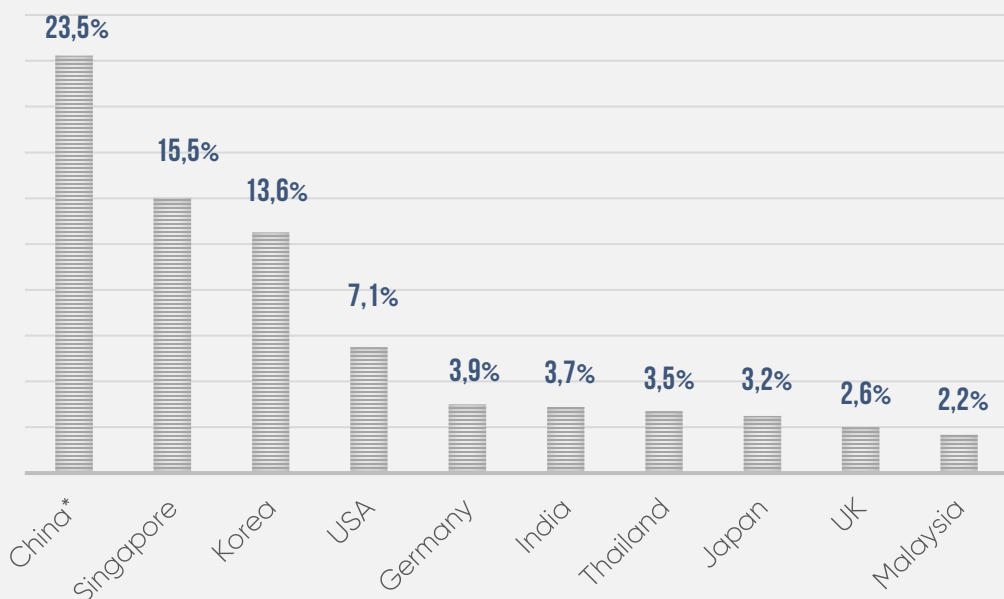
## VIAC's Statistics on Dispute Resolution through Arbitration

### Geographical Diversity in Origin of Parties



According to VIAC's statistics, the disputing parties came from 59 of 64 provinces and cities in Vietnam, as well as 64 countries and territories around the world. The majority of disputing parties are from Asia (68.9%), Europe (17.4%), and America (9.3%).

### Top 10 foreign users at VIAC



(\* ) Including Hong Kong and Taiwan

# VIAC's Statistics on Dispute Resolution through Arbitration



240

HEARINGS  
(Virtual meetings included)



02

Expert appointments  
(DB – Dispute Board)



467

Arbitrator appointments



226 DAYS

Average duration  
of dispute resolution



52

Cases in which arbitration process  
conducted in a foreign language



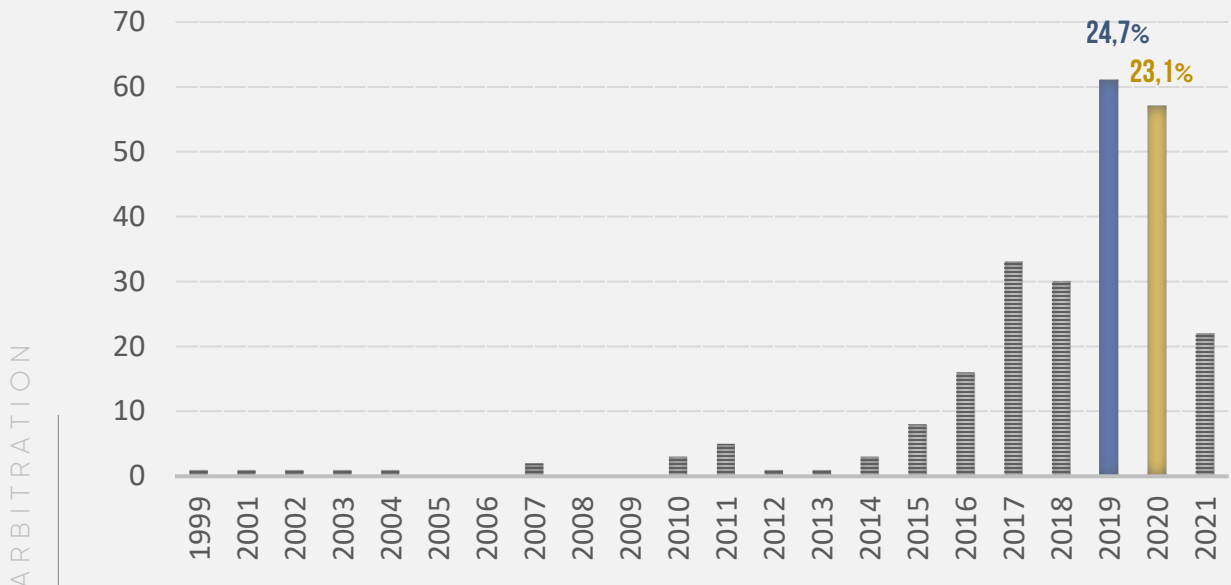
50,7%

Rate of lawyer's participation as  
Advocate or Authorized representative  
(130 of 270 cases)

## Dates of Arbitration Agreements for cases filed at VIAC in 2021

According to VIAC's statistics, all arbitration agreements for cases filed in 2021 has been established as a clause in contracts.

Besides, disputes arising from contracts entering into force in 2019 and 2020 particularly accounted for nearly 50% of new case filings.





# VMC's Statistics

## Statistics on dispute resolution activities by mediation

In 2021, VMC administered 10 mediation cases (raised the total number of disputes in the period from 2018 – 2021 to 24 cases) of which the number of domestic disputes accounted for 50% and disputes involving foreign elements accounted for 50%. In addition, all parties involving in successful mediation cases voluntarily implemented the mediated settlement agreement (MSA), while other processing cases are believed to result in a positive outcome by 2022.

Furthermore, disputes arising from service provision (which account for nearly 40% of all disputes), construction, design consultancy, sale of goods and business cooperation has been continuedly recorded to be prevalent in 2021. In particular, disputes arising from the construction sector have continued to record a high number of cases for three consecutive years.



**24**  
new cases filing

Types of dispute

-  **Construction**
-  **Business cooperation**
-  **Sale of goods**
-  **Service provision**

**11/24**  
CASES

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

**08/24**  
CASES

With participation of lawyers

**10/24**  
CASES

Successfully concluded by a MSA and all voluntarily implemented

**12/24**  
CASES

Mediation process involving foreign elements





## Combination of Mediation & Arbitration

In recent years, as disputes arise on a more complex and frequent basis, especially international ones, enterprises may wish to utilise several means of dispute resolution rather than arbitration or mediation on its own.

Indeed, the use of combined ADR methods is now a prevalent trend among the business community thanks to its efficiency. As a positive response, VIAC and VMC have conducted research on combined services in order to provide enterprises with the most efficient dispute resolution, in terms of result (dispute completely resolved and enforceable result), time (faster), and cost (more economical).

Based on the original mediation process and arbitral proceedings, VIAC and VMC are delighted to present two new combined dispute resolutions, namely **the Mediation – Arbitration Combo and Arbitration – Mediation – Arbitration Protocol**.

01

**Arbitration - Mediation Combo  
(Med-Arb)**



02

**Arbitration - Mediation – Arbitration  
Protocol (Arb-Med-Arb)**



## Digital applications in dispute resolution

In order to adapt to the epidemic situation over the past year, VIAC and VMC have quickly made adjustments to suit the context and make it beneficial to enterprises when participating in arbitration proceedings. For instance, while complying with the Government's social distancing directives, the arbitration proceedings must not be delayed. Currently, in addition to receiving and delivering notices in compliance with the requirements, VIAC also assists parties in handling information via email, particularly with parties in the blockaded or quarantined area.

VIAC and VMC have also increased the organization of virtual hearings in the form of video-conference. This is also recommended by the Arbitral Tribunal to the parties for timely handling, avoiding prolonging the dispute. Procedural and equipment issues have also been standardized to support the parties and the Arbitral Tribunal in resolving disputes in the most effective way.



Visit at  
<https://medup.vmc.org.vn/vi/>



Simplified  
Manipulation



Cost-saving  
Solution



Fast-track  
Procedure



Automated  
Operation

### MedUp – VMC's Online Mediation Platform

On March 30, 2021, the Vietnam Mediation Center (VMC) Vietnam International Arbitration Center (VIAC) - officially launched the online mediation platform MedUp. MedUp is an online dispute resolution platform independently operated by Vietnam Mediation Center (VMC) with new renovation in traditional mediation - a division of the process such as automatic steps, optimized periods, time and cost for the parties of dispute. This is a pioneer platform in online dispute resolution by ADR in Vietnam. In terms of this development, VMC hopes to be able to provide technology solutions which could meet and promote the demands to resolve disputes between businesses and consumers through virtual mediation (B2C, including credit or e-commerce disputes) MedUp is believed to become an effective method to support not only e-commerce sector but also other disputes. In other words, MedUp could be the ideal platform for utilizing mediation in other commercial fields, especially in the current Covid-19 context.

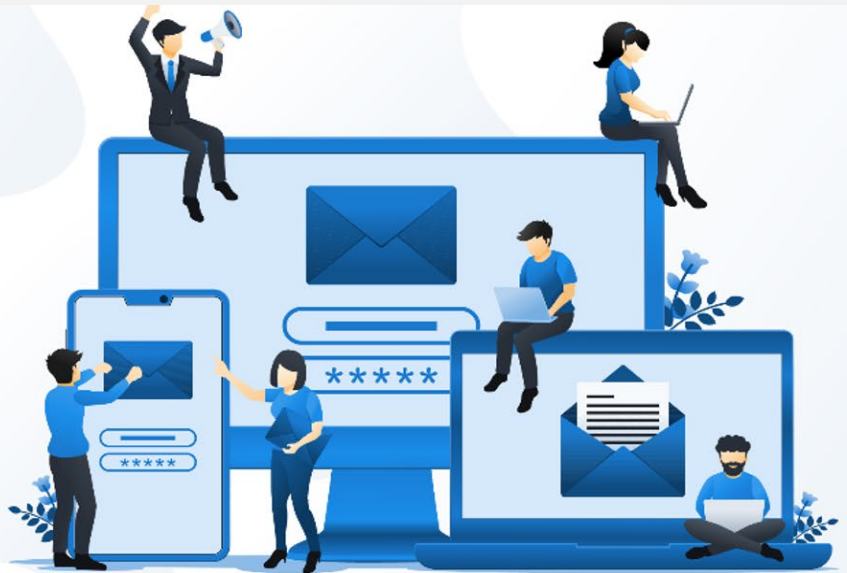


## Covid-19 | VIAC accompanies enterprises during covid-19 pandemic period

Many enterprises in Vietnam have had to suspend operations as a result of the pandemic, including those on the verge of bankruptcy and collapse. With these challenges, enterprises have been rushing to discover solutions to survive and recover in the later stages. There is always a risk of arising disputes in the operation of an enterprise in general, as well as in the process of signing and executing contracts. Disputes can emerge at any time for a variety of reasons, both objective and subjective. According to VIAC's 2021 statistics, disputes have increased due to late fulfillment of contractual obligations (improper delivery, improper performance of works according to the contract schedule, non-payment or late payment, etc.).

As a result, enterprises filing cases at VIAC primarily intend to demand the violating party to pay for damages and require the appropriate implementation of the contract conditions, among other things.

### NOTICE ON ARBITRATION PROCEEDINGS/ MEDIATION PROCESSES AT VIAC/VMC DURING THE OUTBREAK OF COVID-19



Besides methods to promptly adjust to the situation, on August 9, 2021, the Vietnam International Arbitration Center (VIAC) and the Vietnam Mediation Center (VMC) of VIAC had published **Decision No. 85/QD-VIAC** and **Decision No. 86/QD-VIAC** on supporting 20% of arbitration and mediation fees, respectively in VIAC and VMC during the period from August 9, 2021 to December 31, 2021.

VIAC/VMC is one of the few alternative dispute resolution (ADR) provider organizations in the world, and the only one in Vietnam that has implemented the aforementioned support fee mechanism so far. As an agency with the function of resolving disputes, VIAC/VMC hopes that enterprises will persevere in maintaining and expanding operations during this period so that a foundation for recovery and expansion can be established in the coming times.





# 02

2021 – A YEAR IN REVIEW

## Establishment of VIAC's branch in Khanh Hoa



On November 4, 2021, Vietnam International Arbitration Center (VIAC) organized the launch of the new VIAC's Branch in Khanh Hoa, which is located at 92 Le Hong Phong Street, Phuoc Hai Ward, Nha Trang City, Khanh Hoa. Mr. Le Xuan Thân, former Standing Vice Chairman of the Provincial People's Council, is the Branch Director.

The Khanh Hoa branch is responsible for disseminating missions, giving procedures guidance for resolving commercial disputes by commercial arbitration in accordance with the Law on Commercial Arbitration 2010 and VIAC's Rules of Arbitration; receiving cases to be transferred to VIAC for processing; assisting VIAC's Arbitral Tribunal in resolving disputes, sending and receiving letters and documents; and arranging working facilities and rooms for the Arbitral Tribunal as required to organize a hearing.

Furthermore, the VIAC Branch in Khanh Hoa will assist enterprises in their business investment activities by spreading legal knowledge to support enterprises in managing and preventing legal risks, as well as properly understanding and effectively utilizing dispute resolution methods to resolve disputes that may arise.



## Commercial Arbitration & Mediation Series

In order to support the enterprise community, lawyers, and many other interested parties in updating a variety of information relating to arbitration, mediation, and related concerns, VIAC and VMC had established a series of online events on dispute resolution by arbitration & mediation in 2021. The series have created a multi-dimensional, practical material platform in which participants could interact and discuss directly with famous specialists with profound understanding and practical experience in the aforementioned sectors.

### Series of 07 online events on Arbitration



### 2021's VIAC ARBITRATION SERIES



**07**

WEBINARS ON THE TOPIC OF DISPUTE RESOLUTION BY COMMERCIAL ARBITRATION



**21**

DOMESTIC AND INTERNATIONAL EXPERTS



**3.800**

VIRTUAL ATTENDEES



**~165.000**  
REACHES

**~40.000**

RELAY VIEWS



### Series of 06 online events on Mediation





## Accompanying enterprises in the Covid-19 period

### Project "Promoting online dispute resolution in e-commerce to protect consumers in Vietnam"

From March to June 2021, the Central Institute for Economic Management (CIEM) in partnership with the Vietnam International Arbitration Center (VIAC) launched a project with the goal of supporting enterprises in gaining a better grasp of online dispute resolution procedures. The "Online Dispute Resolution Experience for Enterprises" was also developed for the first time in this project, in order to provide enterprises with the ability to directly join in the simulation of VIAC's actual cases. Throughout the process, experts, the VIAC Secretariat and the VMC Secretariat explicitly introduced the participating enterprises how to approach each step and engage in the online dispute resolution conference. As a result, it assists enterprises in gaining a more direct and detailed understanding of the dispute resolution process through alternative dispute resolution methods in general and dispute resolution on the online platform in particular.



### Series of webinars to provide legal support for enterprises in some areas during Covid-19

Also in 2021, while the epidemic situation causing many negative impacts, severely affecting the production business and the implementation of enterprise contracts, VIAC has collaborated with the Vietnam Chamber of Commerce and Industry (VCCI) and industry associations to host over 50 online events to assist businesses in resolving obstacles and legal issues arising during the Covid-19 pandemic.

The webinars are recorded and broadcasted on VIAC's official YouTube channel.



>>> <https://www.youtube.com/c/VIAOnline>



## International Relations

Collaborating on various activities with international partners

**09**

EMBASSIES IN VIETNAM

**15**

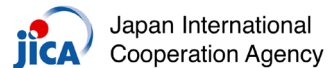
OTHER INTERNATIONAL ORGANIZATIONS

**05**

INTERNATIONAL EVENT/EVENT SERIES




## Prominent Partners in 2021





# VIETNAM INTERNATIONAL ARBITRATION CENTRE

## Headquarters (Hanoi)

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