



**ANNUAL
REPORT**

2020



MESSAGE FROM THE SECRETARY GENERAL 2021

Mr. VU ANH DUONG

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

Dear All,

It takes me by surprise how fast the year 2020 has passed when I realise it is already this time of the year again. It is when regrets of the past year fades away and pave the way for new year resolutions. In this rush, I take a slow moment to flash back, and something feel different this year, because of the unexpected global pandemic, of what has been done and what is to be done.

It can be easily seen how we all struggle to survive the past year with the spread of Covid-19 – one of the worst pandemics in the world history. The economic downturn in 2020 resulted in international trade being impeded, supply chains being broken and business relations being hurt in every aspect. In the acknowledgment of this mutual difficulties, instead of being pessimistic, VIAC has chose to face the challenge, stand by our enterprises while breaking new ground to promote alternative dispute resolutions (ADRs) in the pandemic situation.

Firstly, as the primary immediate response to the first announcement of Covid-19, VIAC issued notices and instructions for the parties to the arbitration and mediation being conducted, especially with respect to holding hearings and meetings. During the social distancing period, parties were encouraged to utilise online tools as much as they can, for example submissions being made via emails, hearings and meetings being arranged via teleconference or video-conference. In the 'new-normal' period, while online tools were still being used, hearings were conducted in either offline or offline-online hybrid form with strict rules on distance and hygiene. According to our statistics, 2020 recorded the highest number of online and hybrid hearings.

Although Covid-19 brought about disadvantages to our proceedings in general, this was also when we found new opportunity behind the challenges. In the world of technology advancements, Covid-19 with the consequent restrictions triggered the demand for and the increasing use of online services. Therefore, in addition to the online tools being utilised in traditional arbitration proceedings and mediation process as mentioned above, we have conducted research to develop new online dispute resolutions (ODRs) with the focus on mediation and arbitration. While the latter is undergoing, online mediation is being finalised and soon to be launched. In brief, these online mechanisms will virtualise some parts or the entire process of the arbitration or mediation, so as to save time and associated costs for the parties.

Another milestone I would like to take pride in is the newly designed combined mechanisms to facilitate more effective dispute resolution, to which we have devoted a significant time. They include the Mediation-Arbitration (Med-Arb) Combo and the Arbitration-Mediation-Arbitration Protocol (Arb-Med-Arb). These newly released processes encourage parties to settle dispute with good faith via mediation, saving arbitration as the last resort. Especially, our AMA Protocol is the very first one to be launched in Vietnam among the similar regimes in the world.

Personally, I see the aforementioned online and combined resolutions as something worth highlighting a chaotic year like 2020, as they were not only achievements in difficulties, but also a landmark for the new developments of ADRs in the coming years.

Another effort in further supporting the business community was a discount on arbitration costs and mediation costs when the first wave of Covid-19 cases hit Vietnam. Our true concern was that Covid-19 should not hinder the use of arbitration and mediation as dispute resolution tools. Therefore, through the discount, we aimed at financially assisting enterprises during this difficult time. Indeed, VIAC was the first arbitration institution in the world to make such an offer, which was appreciated by business community and considered a timely decision to encourage disputes to be settled.

In 2020, VIAC continued our support to the community in terms of legal and ADRs knowledge, and even managed to enhance this activity in the pandemic time. Taking the advantage of 'spare time' during social distancing period and/or economic slowdown, and a surge in the use of online means, VIAC, along with our partners, hosted a series of webinars, online publications and other events. Topics discussed in our webinars and publications varied from academic and practical aspects of ADRs, related legal instruments, to recent changes to laws and regulations. Our record indicated that there were 7,000 online attendances and 185,000 people were reached through webinars and online publications respectively.

Among these activities, it is worth highlighting the Vietnam ADR Week which was the first having been organised in Vietnam, with 11 consecutive events, 20 partners and more than 50 Vietnamese and foreign speakers, attracted more than 2,000 offline guests and more than 40,000 online attendants. With these efforts, we hoped to not only promote ADRs, but also to provide enterprises with information as to the legal policy and regulations, risk management especially in the pandemic and post-pandemic time, and ADRs information when it comes to disputes.



Last but not least, VIAC made an extraordinary decision during this pandemic situation, namely to move our headquarters to a new place which is equipped with a brand-new system of facilities. The system consists of the most modern facilities, using updated technology, which is hoped to provide parties with the most convenient experience while arbitrating or mediating with us.

What I have mentioned above, I think, well closes a year full of crisis and unexpected changes. The year 2020 not only posed challenges but also opened to new opportunities, on which our new year resolutions lie. On the one hand, VIAC will adapt to operate in the pandemic situation even better than before, by appropriately adjusting its proceedings, utilising combined and online tools, providing parties with practice notes and instructions.

With particular focus on ODRs, I truly believe that proper developments will not only tackle covid-19-related issues, but also become the future of dispute resolution in the era of technology advancements. On the other hand, VIAC will maintain our support in terms of knowledge and updates which is delivered by our expert speakers, ensuring that more enterprises, legal practitioners and other interested individuals are reached. Thus, ADRs and ODRs are further promoted.

Taking the Covid-19 pandemic as the springboard, I believe that new developments and values await those who dare to face the challenge and to make change. This is the spirit I have seen in every action of the Vietnamese Government and its people for the past year, and undoubtedly, the coming year. Hence, we have the right to keep the faith in a bright year ahead. Hopefully, the Year of the Ox will come and bring you all luck, success and fulfilment, in which VIAC wishes to be your company.

Mr. VU ANH DUONG

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





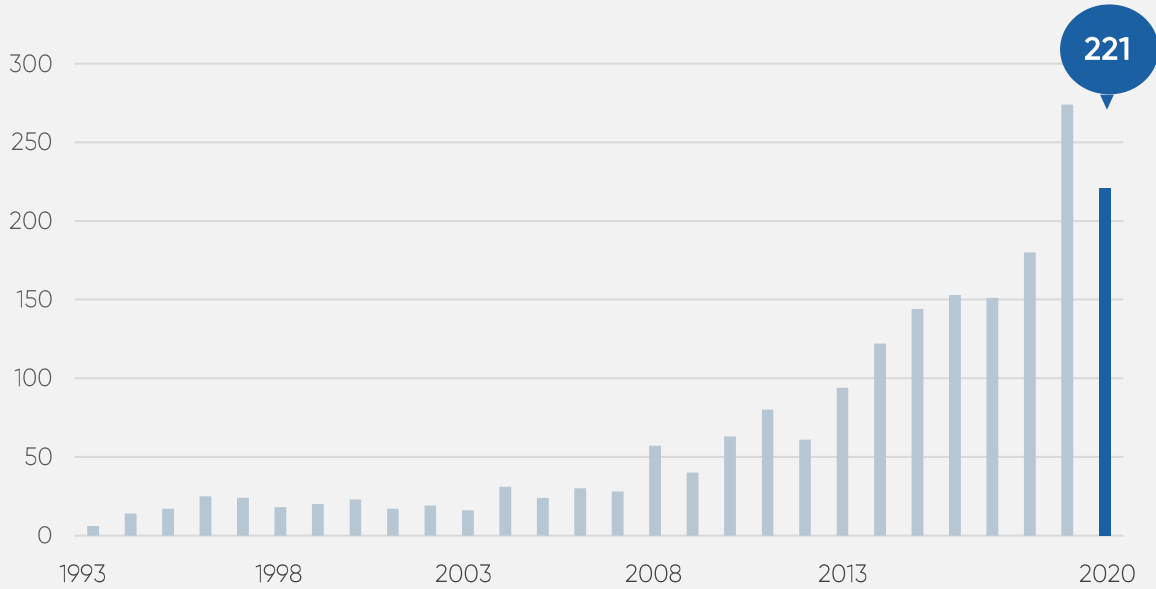
2020

STATISTICS

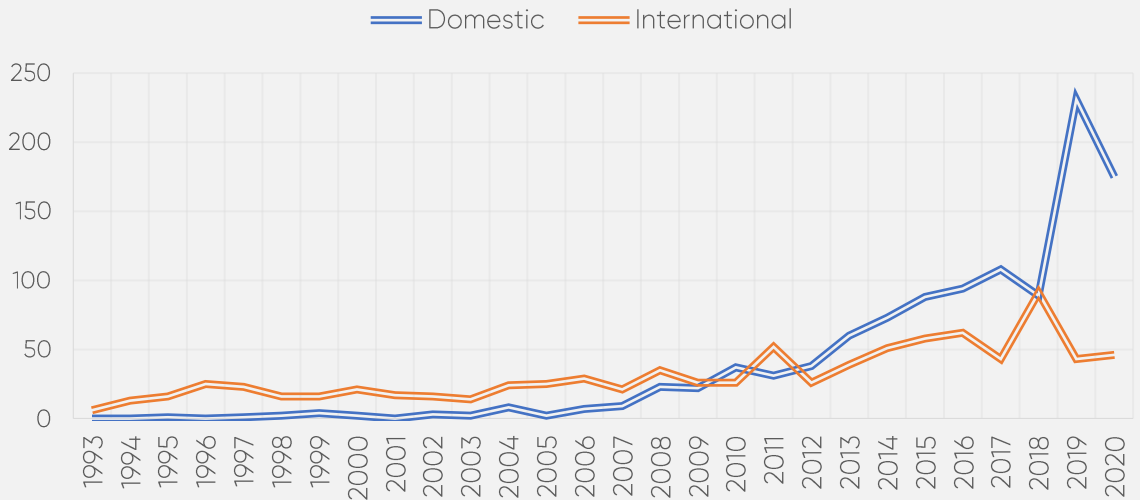


VIAC's 2020 Statistics

VIAC caseload (1993 – 2020)



In 2020, the sum of disputes accepted by VIAC still remained at over 200 cases. In which, the number of disputes involving Vietnamese enterprises and Foreign Direct Investment enterprises in Vietnam (FDI) accounted for 79.2% and the number of disputes with at least one party has foreign nationality accounted for 20.8%.

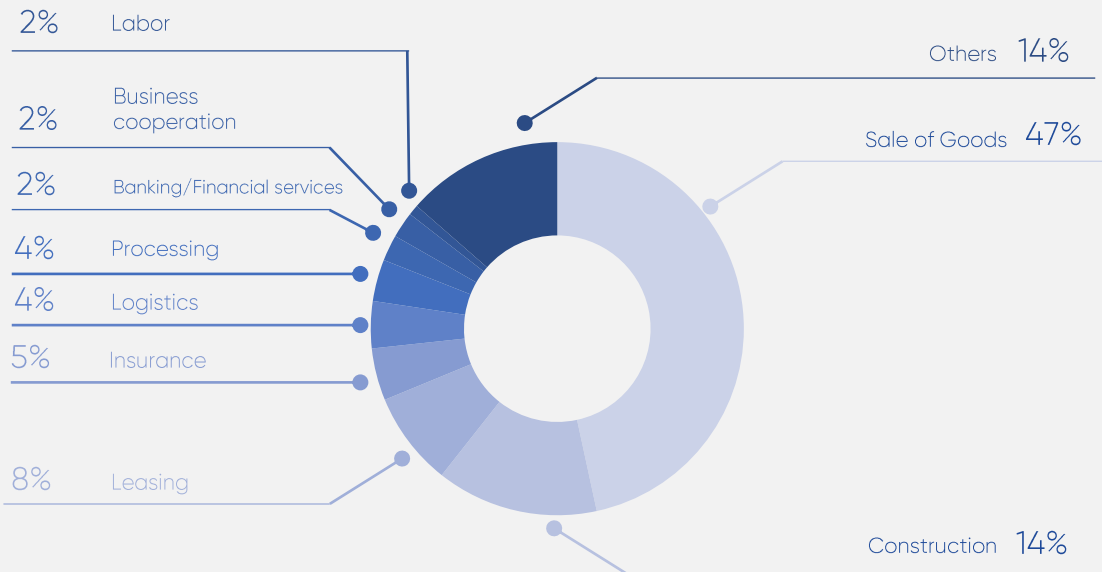


VIAC's 2020 Statistics

Statistics on the types of dispute in 2020

Types of Dispute	Number of cases
Sale of Goods	103
Construction	31
Leasing	18
Insurance	10
Logistics	9
Processing	8
Banking/Financial services	5
Business cooperation	5
Labor (Non-Disclosure Agreement)	2
Others	30

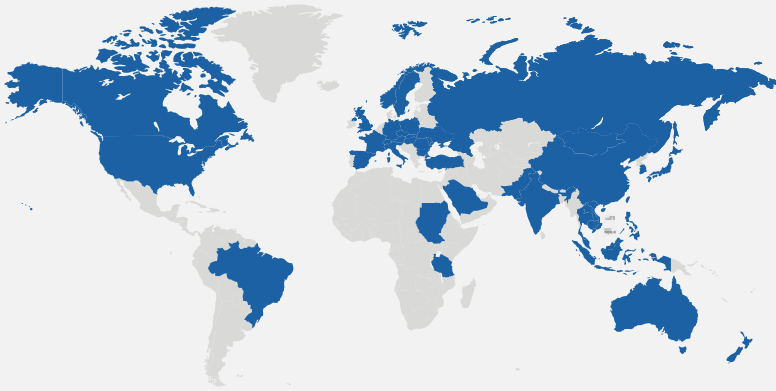
In 2020, parties filed claims across a range of diversity sectors, in which, the sale of goods continues to be the most common field accepted and resolved at VIAC in the past year with 103 cases, accounting for 47% of the total number of cases. Second is the construction sector with 14% and Leasing (real estate, property etc.) accounted for 8%. Notably, 2020 is the second year VIAC has had a dispute in the labor field, specifically a dispute related to the Non-Disclosure Agreement (NDA).



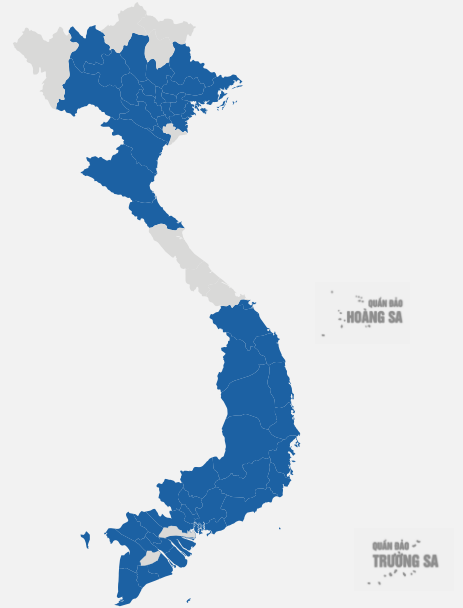
VIAC's 2020 Statistics

Statistics on the disputing parties at VIAC

- HAVE enterprises/parties arbitrating at VIAC
- NOT YET have enterprises/parties arbitrating at VIAC



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



59 Cities & provinces having enterprises arbitrating at VIAC.

TOP 03 NATIONS with enterprises arbitrating at VIAC (2020)



China



Singapore



Korea

TOP 05 PROVINCES having enterprises arbitrating at VIAC (2020)



01 Ho Chi Minh City



02 Hanoi



03 Dong Nai



04 Long An



05 Binh Duong



VIAC's 2020 Statistics



VND 17,021 BIL

TOTAL VALUE IN DISPUTE

(Equivalent \$ 740 mil)



6

Successful mediation cases



221 DAYS

Average duration of dispute resolution



29

Cases in which arbitration process conducted in foreign language

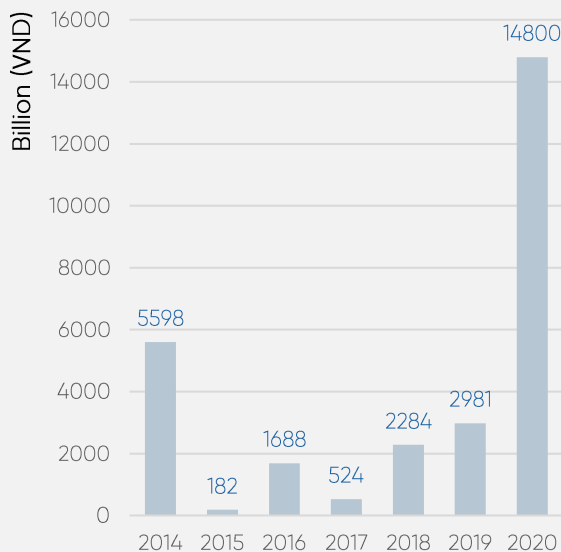


VND 77 BIL

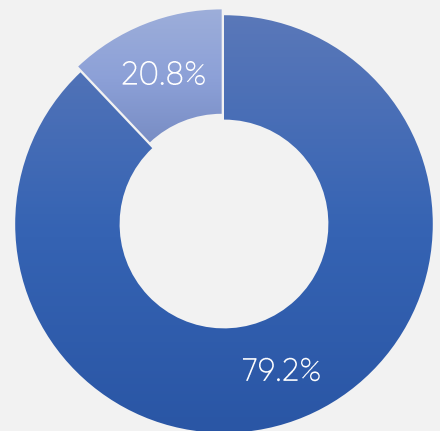
AVERAGE DISPUTE VALUE

(Equivalent \$ 3,3 mil)

HIGHEST value in dispute (2014 – 2020)



Dispute properties In 2020



■ Domestic ■ International



VMC's Statistics

Statistics on dispute resolution activities by mediation



10
Number of cases



Total value in dispute
974.2 BIL (VND)
~ 42,35 MIL (USD)



Types of dispute
Construction
Sales of goods
Intellectual Property

05/10
CASES

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

02/10
CASES

With participation of a lawyer

05/10
CASES

Successfully concluded by a MSA and all voluntarily implemented

02/10
CASES

Mediators are CEDR accredited mediators

02/10
CASES

Mediation process conducted in English

COMMERCIAL MEDIATION





2020

A YEAR IN REVIEW

Digital application in dispute resolution

In the context of the global Covid-19 outbreak, which causes major barriers to travel not only between countries but also Vietnam domestic provinces, VIAC has quickly conducted research to applicate the information and communication technologies (ICTs) in dispute resolution. In 2020, many virtual arbitration hearings has been implemented under the parties' agreement as an efficient solution for arbitration procedure in pandemic. Besides, VMC (division of VIAC) also developed and launched a new online dispute resolution platform which virtualise most of parts of the mediation process.

MedUp | VMC's Online Mediation Platform



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



Simplified
Manipulation



Cost – Saving
Solution



Fast – Track
Procedure



Automated
Operation

On March 30, 2021, the Vietnam Mediation Center (VMC) – a division of the 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 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.



Combination of Mediation & Arbitration

In recent years, as disputes arise in 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 is 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)**



Vietnam Commercial Arbitration and Mediation Week - Vietnam ADR Week 2020 (VAW 2020)



15 – 19 June 2020



Hanoi & Ho Chi Minh City



In celebration of Commercial Arbitration Law's 10-year enactment, VIAC cooperated with nearly 20 different partners to organize Vietnam Commercial Arbitration and Mediation Week 2020 - Vietnam ADR Week 2020 (referred to as VAW 2020).

VAW 2020, with 11 events lasting from June 15-19, was not only on arbitration and mediation matters but also provided many practical contents related to businesses during the COVID-19 pandemic as well as in the context of Vietnam preparing to join EVFTA. Furthermore, VAW 2020 was a great opportunity for participants to interact with 50 industry-leading national and international experts in economics and law fields, as well as an exchange forum between lawyers, legal experts, arbitrators, mediators, representatives from many enterprises.



Co-hosted by:



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ARBITRATION & LEGAL EDUCATION



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Online & hybrid events

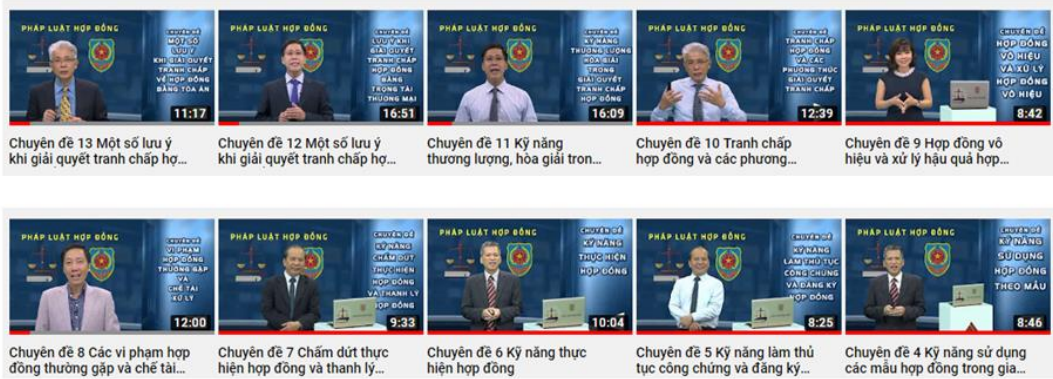
32 WEBINAR AND HYBRID EVENTS

updating on alternative dispute resolution (ADR), new legislations, etc.



SERIES OF 18 E-LEARNING TOPICS


revolving around the legal issues in the field of contract





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