

# CEAC NEWSLETTER

1<sup>st</sup> Edition March 2009



published by the Chinese European Arbitration Centre, Adolphsplatz 1, 20457 Hamburg, Germany, Phone: +49-(0)40-79 69 10-14, Facsimile: +49-(0)40-79 69 10-15 and the Chinese European Legal Association, Bleichenbrücke 9, 20354 Hamburg, Germany .  
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## Appointing Authority



On 29 September 2008, the first chamber of the CEAC Appointing Authority was established. The first chamber consists of

- **Professor Lu Song**, Institute of International Law, China Foreign Affairs University, Beijing, China,
- **Angelo Anglani**, Ughi e Nunziante - Studio Legale, Rome/Italy, Europe and
- **Karen Mills**, Karim Syah Law Firm, Jakarta/Indonesia, World.

## Beijing & Shanghai Seminars

CELA founding member **CLIFFORD CHANCE** hosted luncheon seminars in Beijing and Shanghai on 19 and 20 February 2009.

The speech about „Recent Developments in Chinese European Dispute Resolution“ attracted a broad Chinese and international audience. About 20 participants, including representatives from international companies doing business in China and the Beijing Embassy of the European Union (at the Beijing event) attended the seminars. The participants discussed in particular the advantages of the CISG and the UN-DROIT Principles as a neutral set of rules as well as the practical implications of the CEAC arbitration clause.

The audience participated in a vivid discussion about the style of arbitration proceedings. The continental style in which the arbitrators assist the parties to reach a settlement during the arbitration if wished by them was seen as a way which matches with Chinese preferences for settlements and negotiations. In general, the audience was open for and interested in the CEAC concept as a neutral arbitration institution with its fair division of power integrating Chinese interests in Europe.

## CELA Management visits Beijing and Shanghai



Prof. Tang of CIETAC with CELA Board



Wang Hongsong (BAC)

CELA management members **Eckart Brödermann** and **Thomas Weimann** visited Beijing and Shanghai from 18 to 20 February 2009 and held discussions with CIETAC, the Beijing Arbitration Commission (BAC), the German Chamber of Commerce and the German Embassy promoting the ideas of CEAC. The talks were very fruitful and promising. All institutions highly appreciated the CEAC concept. Further joint events for the course of the year 2009 were discussed and agreed upon.

## Facts on CIETAC/HKIAC/CEAC

**CIETAC (China International Economic and Trade Arbitration Commission)** was set up in 1956 to meet the needs of the development of China's economic and trade relations with foreign countries under China's „reform and opening-up“ policy. The CIETAC Arbitration Rules were introduced in 1956 and were revised several times, latest amendments were made in 2005 including the possibility to select a seat of arbitration outside of China.

**HKIAC (Hong Kong International Arbitration Centre)** was established in 1985 by a group of leading business people and professionals in Hong Kong. The HKIAC Domestic Arbitration Rules were approved in 1993. Beside those, HKIAC provides specific Rules, such as the HKIAC Electronic Transaction Arbitration Rules or the Semiconductor Intellectual Procedure Rules.

**CEAC (Chinese European Arbitration Centre)** is a new institutional arbitration centre established in Hamburg in September 2008 and is the first institution of its kind. CEAC rules are based on the UNCITRAL Arbitration Rules with slight modifications to adopt these to the needs of China related disputes. It was set up by CELA

(Chinese European Legal Association), an international joint venture of law firms and lawyers initiated by the Hamburg Bar Organisation, the Hamburg Chamber of Commerce, 17 law firms and 47 lawyers and academics and further members. The holding association CELA is a non-profit organisation which fosters legal and legal cultural exchange between China and Europe.

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## Editorial



The foundation of the Chinese European Legal Association, the Chinese European Arbitration Centre and the CEAC Hamburg Arbitration Rules were the result of an intensive international dialogue. Initially based on an initiative of the Hamburg Bar Organisation and the Hamburg Chamber of Commerce, the project quickly became the subject of a dialogue conducted primarily via email and during meetings at various conferences in China, Europe and America. Thus, CELA, CEAC and the CEAC Hamburg Arbitration Rules are the result of a global international joint venture involving massive experience and expertise.



### Eckart Brödermann (CELA): The Spirit of an International Joint Venture

In her opening remarks at Hamburg Town Hall on 18 September 2008, the encouraging words found by **Teresa Giovannini**, member of the CEAC Advisory Board, well described the spirit and the atmosphere of the international joint venture, driven by an effort to find global answers to global challenges at a time when international business needs are forcing the business and the legal community to cooperate worldwide. She emphasised that *“CEAC is the first initiative aimed at having an arbitration centre common to the Chinese and Western business community outside China. This is a strong opening signal on the Chinese’s side that has been made possible through the strong commercial activity located in Hamburg”*.

The CELA and CEAC managements are committed to continue to act in this open-minded spirit. The CEAC Newsletter will be a valuable tool to discuss issues of interest in the area of international arbitration and of China related business and legal education. Further, the newsletter will become a place to report on projects and achievements of the international CEAC community. Thereby, the newsletter can serve as a place to continue the international CEAC dialogue in the spirit of an international joint venture.

## Young CEAC Meetings



Young CEAC meetings in Hamburg at Yin Yang and CMS Hasche Sigle

Young CEAC’s first meeting took place in Hamburg on 31 October 2008. It was a casual dinner event for a first get-together of Young CEAC members, but yet with a tight agenda, in the Restaurant “Yin Yang” near the Hamburg harbour. The meeting gave participants an opportunity to get to know each other. The second meeting was held on 23 January 2009. It was hosted by the law firm **CMS Hasche Sigle** in Hamburg. Like the first meeting it gave a further opportunity to enhance the Sino-European network of young legal and business professionals. **Henrik Drinkuth** and **Markus Schöner**, both partners of CMS, attended this meeting as guest speakers. Together with **Christoph Schröder** (CMS) they talked about their experience with China-related matters with a focus on arbitration issues, international property rights in China and listings of Chinese enterprises at the Frankfurt Stock Exchange. The participants had a vigorous discussion on legal developments in China. The majority of the participants concluded that, in general, legal developments in China show quite a remarkable speed taking into account that a lot of the legal acts have been implemented just a few years ago.

## Global Arbitration Review

The 2009 edition of the Global Arbitration Review Arbitration Compendium for 2009 was published in February 2009 and distributed at the IBA Arbitration Day in Dubai on 16 February 2009. This leading review contains a chapter on CEAC, co-authored by **Eckart Brödermann** of CELA and **Axel Neelmeier** of CEAC. The chapters on the ICC and on the CEAC are the only chapters featuring a specific global arbitration institution. They are followed by over 40 national reports on national arbitration laws in 47 jurisdictions worldwide.

## Further Publications

Articles about CEAC are coming up in the IPBA and IBA Newsletters. Furthermore, articles for AIJA and the newsletter of the AIA have been filed. Last year, CEAC had a high coverage in the German and Chinese press and in the international legal press focussing on arbitration. Articles were published in “Handelsblatt”, “Die Welt” and “Manager-Magazin”, “China Daily”, “International Business Daily” and in the newsletter of CIArb. In 2009, the German newspaper “Die Welt” has again reported on CEAC. We would encourage supporters of CEAC to also seek publications

about CEAC and the CEAC concept of division of power in the Appointing Authority and the decision making bodies in their jurisdictions.

## CONSULEGIS Conference

For the first time since its inauguration on 18 September 2008, the CEAC Hamburg Arbitration Rules have been discussed in detail at an international conference. The autumn conference of CONSULEGIS, which was held in Hong Kong from 3 to 5 October 2008, did focus, both in the plenary session and in a workshop, on the newly established Chinese European Arbitration Centre and the CEAC Rules. “I am impressed by this new initiative. It is a worthwhile alternative to London and Singapore”, said **Weiguo Min**, partner of the Guangzhou office of the Chinese CONSULEGIS member D&S Law firm after the discussions. CONSULEGIS is an international association of 92 independent law firms from 40 countries including China (www.consulegis.com). Four of its members are among the more than 80 founding members of CEAC. In Hong Kong, the association decided to also join the Chinese European Legal Association which is the sole shareholder of CEAC.



## CEAC introduced at IBA

CEAC was introduced to the international arbitration community at the IBA Annual Meeting 2008 in Buenos Aires at the “Hot Topics” session of the Arbitration Committee. Following a short introduction by the moderator **Sally Harpole**, CELA President Eckart Brödermann gave a short overview of the project. Thereafter, CELA Vice President **Thomas Weimann** (CLIFFORD CHANCE) and **Eckart Brödermann** (BRÖDERMANN & JAHN) answered questions in a private session.

## Young CEAC Speakers

Christine Heeg-Stelldinger, Nathalie Jäger, Sabine Konrad and Christoph Schröder were appointed to Young CEAC Speakers at the occasion of the first Young CEAC meeting in Hamburg on 31 October 2008. You can reach Young CEAC by email to [young@ceac-arbitration.com](mailto:young@ceac-arbitration.com).



Young CEAC's speakers: **Christine Heeg-Stelldinger** (BRÖDERMANN & JAHN, Hamburg), **Nathalie Jäger** (DLA PIPER, Hamburg), **Sabine Konrad** (DEWEY & LE BOEUF, Paris) and **Christoph Schröder** (CMS HASCHE SIGLE, Hamburg)

Young CEAC offers the possibility to get involved in China-related arbitration issues at an early stage in one's career. Young CEAC members of CELA may make use of educational offers such as seminars or special Young CEAC conferences. Young CEAC shall become a platform for networking of future experts and will be used as a means of communication and exchange by young practitioners thus promoting cultural, legal and personal exchange between China and the world.

## CEAC Website

Since late 2008, CEAC has made great efforts to put contents on the CEAC website. Special thanks to **Yiliang Dong** of BRÖDERMANN & JAHN who translated everything into Chinese. All friends of CELA and CEAC are invited to support the team with ideas for new content and contri-

butions on Chinese and European law and dispute resolution issues by email to [contact@ceac-arbitration.com](mailto:contact@ceac-arbitration.com). BRÖDERMANN & JAHN has sponsored CEAC by donating a used server. The IT firm Kramer Information Technologies kindly has adapted the server to the CEAC needs on a pro-bono basis. As a result CEAC is able to keep its data on its own server.

## CEAC Financials

In 2008, CELA created CEAC with a share capital of € 25,000.00 in accordance with German company law. CEAC's 2008 costs resulted in an operative loss of € 3,485.55 which was compensated by CEAC founders in order to enable CEAC to start off the new year 2009 with a fully paid in and existing share capital of € 25,000.00. As a result, CEAC has a solid basis for approaching the first full operative year. The contributions due in 2009 should suffice to cover the operative business this year while keeping the share capital.

## CELA and CEAC taxes

CELA and CEAC are in a dialog with the tax authorities to minimize the applicable taxes. We will revert as soon as we have news. The German accountant firm Satz & Satz GmbH is assisting in the dialog with the financial authorities on a pro-bono basis. It presently seems possible that we shall overcome a number of formal hurdles of the Hamburg tax authorities with respect to the non-profit character of CELA by a slight modification of the statutes.

## CELA sponsors Vis Moot Court

CELA has decided to sponsor the Vis Moot Court 2009 which will take place in Vienna from 3 April 2009 until 9 April 2009. CEAC will be mentioned on the t-shirts, mugs and further conference materials. In 2012 the Vis Moot Court problem will be based on the CEAC Hamburg Arbitration Rules.

## Beyond Arbitration: EC SL

In December 2008, **Eckart Brödermann** has started negotiations with Hamburg University with respect to a future support of the Europe China School of Law (“EC SL”) by CELA.

## UNCITRAL Rules Reform

During the UNCITRAL conference on the development / amendment of the UNCITRAL Arbitration Rules in New York in February 2009, it became apparent that the process is likely to take until the next year. Initially, it was foreseen that the new rules should be approved by the end of 2009.

## CEAC and BAC Conference

CEAC and the Beijing Arbitration Commission (BAC) have agreed on a conference on Contract Management in International Construction. The event will be held at BAC International Conference Hall in Beijing on 28 April 2009.



**Tim Steadman** and **Michael Kremer** will speak on the 2009 conference organized by CEAC and BAC

The conference aims at in-house counsels from Chinese and European construction companies, lawyers and arbitrators. BAC estimates that an audience of about 100 participants will be present. CEAC has already engaged well known experts: CELA President **Eckart Brödermann** will speak about the “Choice of the ideal law for a construction contract”. **Tim Steadman** (London), one of the globally most renowned construction lawyers, has committed himself to speak about “EPC Contracts”. **Michael Kremer** (Düsseldorf) will speak about “Delay, Disruption and Acceleration”. CELA Vice President **Thomas Weimann** commented on this event: “We are glad that we found great partners for this very first conference CEAC co-sponsors together with a leading Chinese organisation. I am confident that the choice of speakers and our co-operation with the BAC will make this a great success.” Further details in this important event will be published in due time.

## CEAC in Düsseldorf

CEAC will be presented at the 3rd Düsseldorf International Arbitration School to be held from 21 to 25 September 2009. The five-day Düsseldorf International Arbitration School aims at providing young practitioners, post graduates and advanced students – especially Moot Court participants



– with the requisite specific knowledge and is one of the most important international events for students and young practitioners. The School is based on a highly practical, inter-active teaching concept. Participants get the rare opportunity to improve their skills and knowledge in both the law and practice of international commercial arbitration. CEAC expects to present its ideas and concept to the audience in a lecture on the opening day.

### International Support

If you feel encouraged to get involved in the international community which is supporting the CEAC project you could do any of the following:

For any further questions please feel free to contact Eckart Brödermann or Axel Neelmeier



- You could organise a seminar in your region with members of the local, international and Chinese community on CEAC as a tool for alternative dispute resolution in the spirit of an equal division of power between China, Europe and the world in the decision making bodies of CEAC and, most importantly, in the Appointing Authority. In such events you could discuss the needs or the use of choosing a neutral law or a neutral set of rules such as the CISG or the UN-DROIT Principles of International Commercial Contracts. Further, you could discuss the background of CEAC which are neutral arbitration Rules (UN-CITRAL based) slightly adopted to the needs of China trade.
- You could agree on CEAC arbitration clauses or CEAC choice of law clauses in your contracts.
- You could contribute with short articles to the next edition of the CEAC newsletter or to the CEAC website.

Last but not least, you could decide to join CELA which is the internationally held entity and sole shareholder of CEAC. You will find information about how to become a member on the website of CELA at [www.cela-hamburg.com](http://www.cela-hamburg.com). Feel free to contact Eckart Brödermann and Axel Neelmeier for all further questions.

### Annual Planning 2009

#### Past Events

- 23/01/2009 ..... Young CEAC Meeting in Hamburg
- 18/02/2009 ..... Visit to CIETAC in Beijing
- 19/02/2009 ..... Visit to the Beijing Arbitration Commission (BAC) in Beijing
- 19/02/2009 ..... CEAC Seminar at CLIFFORD CHANCE in Beijing
- 20/02/2009 ..... Visit to CIETAC in Shanghai
- 20/02/2009 ..... CEAC Seminar at CLIFFORD CHANCE in Shanghai

#### Events Coming Up

- 23/03/2009 ..... Presentation of CEAC at BRÖDERMANN & JAHN Hamburg
- April 2009 ..... CEAC Sponsors Vis Moot Vienna
- 17/04/2009 ..... Young CEAC Meeting in Hamburg at DLA Piper, Hamburg, Jungfernstieg 7, 8:00 p.m.
- 28/04/2009 ..... Conference on Contract Management in International Construction including Arbitration Issues; co-organized by CEAC & BAC in Beijing**
- 14/09/2009 ..... CEAC Seminar in Beijing
- 15/09/2009 ..... CEAC / HKIAC Hong Kong Workshop
- 16/09/2009 ..... CEAC / CIETAC Seminar on "Modern Trends in International Dispute Resolution" in Shanghai
- 17 - 18/09/2008 ..... China Arbitration Days in Hamburg including Visits of Hong Kong Delegation and CEAC Workshops; CELA Annual Meeting**
- 21/09/2009 ..... CEAC at Düsseldorf International Arbitration School
- 24/09/2009 ..... CEAC Lecture at the Düsseldorf Arbitration School
- 04/10/2009 ..... Working Lunch in Madrid at the IBA Annual Meeting

#### Dates Not Finally Fixed

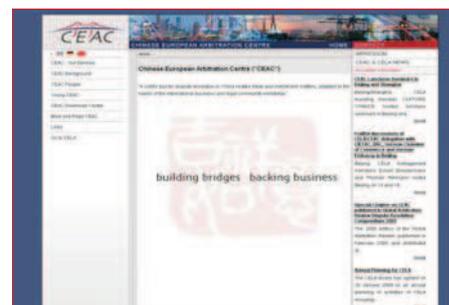
- May 2009 ..... China Day, sponsored by CLIFFORD CHANCE Frankfurt
- June 2009 ..... CEAC Workshop Istanbul
- Summer 2009 ..... Presentation at IFMOS Osnabrück (Practitioners' Workshop)
- August 2009 ..... Contribution on CEAC at the AIJA-Conference in Budapest
- September 2009 ..... Young CEAC Meeting in Hamburg
- Autumn 2009 ..... Business Seminar for Practitioners

### CEAC Ambassadors

CELA and CEAC are presently working on an initiative to react to the need of local presence in many jurisdictions and regions around the globe. It is intended to create an international network of CEAC Ambassadors who should have a high reputation in the area of arbitration and a readiness to promote CEAC and its aims and spirit in their region so that potential users of CEAC can pre-discuss their interest in CEAC in their region and local language. If you have any proposal please let the CEAC or CELA management know as soon as possible. It is presently intended to officially nominate the first CEAC Ambassadors at the occasion of a business breakfast in Madrid on Monday, 5 October 2009. Details will follow in due time. Save the date!

### Day to Day Information

You will find day to day information on CEAC and updates to the annual planning on CEAC's presence on the internet at [www.ceac-arbitration.com](http://www.ceac-arbitration.com).



You are invited to contribute to the website or to this newsletter. Please feel free to contact any member of the management.