

Insights

HKIAC COMMITTED TO GO GREEN

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On 21 January 2021, the Hong Kong International Arbitration Centre (“**HKIAC**”) announced its signing of the Green Pledge and support to the Campaign for Greener Arbitrations (the “**Campaign**”).

Environmental impacts of arbitrations

Pursuant to an initial study, the carbon emission of a medium-large scale arbitration needs to be offset by around 20,000 trees, equivalent to four times the number of trees in Hyde Park, London or all of the trees in Central Park, New York City. The main contributors to these negative environmental impacts include the travel journeys by air, trains and cars, stays in hotel, printing of documents and use of disposable coffee cups.

Campaign for Greener Arbitrations

The Campaign was founded in 2019 by Lucy Greenwood, an international arbitrator. The Campaign is intended to raise awareness of the significant carbon footprint incurred in the process of international arbitrations, and aims to reduce the adverse environmental impacts by managing arbitrations in a sustainable way.

The Campaign encourages all arbitration practitioners to sign the Green Pledge to demonstrate their commitment to reduce the environmental impacts of arbitration practice. The Campaign was awarded the 2020 GAR Award for Best Development.

In addition to HKIAC, the Campaign also is being supported by other arbitral institutions, such as the Chartered Institute of Arbitrators, the New York International Arbitration Center and the Tehran Regional Arbitration Centre.

HKIAC's commitment to the Campaign

The signing of the Green Pledge formalizes HKIAC's commitment to the following eight guiding principles:

- create a work space with a reduced environmental footprint by looking for opportunities to reduce energy;

- corresponding electronically, unless hard copy correspondence is expressly needed in the circumstances, while also being mindful that email has a carbon footprint;
- encouraging the use of videoconferencing facilities as an alternative to travel (including for the purposes of conducting fact finding or interviews with witnesses);
- avoiding printing, requesting the use of electronic rather than hard copies of documents and promoting the use of electronic bundles at hearings;
- using, where possible, suppliers and service providers who are committed to reducing their environmental footprint (including for the purposes of arranging an arbitration hearing);
- considering and/or suggesting, where appropriate, that witnesses or experts give evidence through videoconferencing facilities, rather than attend hearings in person;
- avoiding unnecessary travel and using videoconferencing facilities as an alternative; and
- considering and questioning at all times the need to fly and offsetting carbon emissions for any arbitration-related travel.

HKIAC's contribution to sustainable arbitration practice

In fact, HKIAC has been enhancing sustainability of its arbitration practice, for instance, through the following measures:

- storing all documents electronically on a secured platform;
- encouraging parties and tribunals to submit documents in electronic format;
- offering comprehensive virtual hearing services with clear guidelines for virtual hearing published in May 2020 – as reported by HKIAC, approximately 85% of hearings held in April and May 2020 utilised virtual hearing services either in full or part;
- implementing guidelines for its marketing activities to minimize single use items, eliminate the use of plastic and adopt digital promotion; and
- organising events with virtual participation so that travelling is not necessary.

Other HKIACs contributions to the Campaign

In addition to the signing of the Green Pledge, HKIAC has joined the steering committee of the Campaign. HKIAC also is part of a dedicated working group tasked with the preparation of the Green Protocols, which comprise a suggested framework and six associated protocols to promote better environmental behavior. The Green Protocols provide practical action items for the

implementation of the eight guiding principles of the Green Pledge and are intended to implement a new industry standard for the international arbitration community.

The draft of the Green Protocols has been released and public comments are being sought.

On 25 February 2021, HKIAC will host the Asia-Pacific session to introduce the Green Protocols and to engage key players in the region.

Significance of HKIAC going green

Climate change is a worldwide problem, and arbitration should not allow itself to be left behind. HKIAC's signing of the Green Pledge demonstrates its strong sense of commitment at the forefront of the environmental crisis in the arbitral context. In fact, by addressing the sustainability issues, it is to be hoped that both efficiency and cost-effectiveness of an international arbitration will be enhanced.

Support for and promotion of green arbitration will reinforce HKIAC's status as one of the leading arbitral institutions, allowing HKIAC to stay ahead of the curve, and at the same time reinforce Hong Kong as one of the world's premier arbitration venues.

This article was co-written with Associate Carrie Yiu.

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MEET THE TEAM



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