



The Worshipful Company of Arbitrators
Lunch for the Dispute Resolution Community 22nd March 2013
Speech by the Master (Karl Davies)

Warden, Alderman, ladies & gentlemen

Earlier this month Sir Peter Cresswell, a former judge of the Commercial Court and now a mediator and an arbitrator, gave our annual lecture. He took as his theme the phrase ‘the focus should be on the users’.

In choosing this focus he succinctly highlighted a number of points. The first is that whilst we have described this as a lunch for the *Dispute Resolution Community* we could equally have referred to the *dispute resolution industry*. All of those present today are part of that industry whether they sell training and qualifications, supervision and user protection, venues and other facilities or dispute resolution services either to the general commercial market or to specialist areas – shipping, commodities traders, and insurers for example.

Second, if there are users then those users have a choice and there is a market operating in which they exercise that choice. Third, if there is a market then there is competition. It may be competition to persuade a user that expert determination or mediation or arbitration is the way to solve their dispute; it may be the competition between providers and advisers as to who best to administer the process or to be appointed as the neutral arbitrator, expert or

mediator. All this is to be welcomed especially if it encourages high standards and widens the choice for the users.

Equally there is a place even in a competitive market for collaboration. In his lecture Sir Peter noted with approval a quote from one of the organisations represented here today about the need to work together to expand the market rather than just focus on individual shares of a static or even diminishing market.

There is undoubtedly scope to expand the domestic market but today we are focussing on the international competition. This comes in various forms. There are already American service providers with offices in London and Dublin and it is hard to believe that they don't have at least a small eye to our domestic market. We can also look at Singapore, Dubai, Qatar, Hong Kong, New York, The Hague and Paris among others for competitors in the international market.

In Paris in February the ICC held their fourth Mediation Week and they are already planning the fifth. Last October saw the Hong Kong Arbitration Week and there will be another this October with a particular focus on the opportunities in South America. Purpose built facilities in Singapore, Dubai and Qatar which often benefit from direct government support add to the attraction of those areas. The arbitration centre in Kuala Lumpur has already introduced specific Sharia compliant arbitration rules. Nearer home the Government of the Netherlands has provided support in cash and kind to PRIME Finance – the Panel of Recognised International Market Experts in Finance: which offers expert determination, arbitration and mediation for disputes in the financial services sector trading on the reputation of The Hague as an international justice centre.

The Times in the middle of last month ran an item about the opening of New York's first bespoke international dispute resolution centre.

The responses, many of them not attributed, reported by the journalist who wrote the article could at best be described as sanguine; "a publicity stunt" was one of the comments, "London has nothing to fear" was another. They may be right – it is not for me to judge.

However we cannot afford to be complacent. It is still the case that London and the UK have much to offer. The internationally high regard for the common law and our approach to contract law; the expertise and pragmatism of our judiciary, especially in the Commercial Court; our historical role as a mercantile nation that trades throughout the world and the globally recognised quality of our arbitrators and mediators.

But centres such as Singapore and Dubai are proclaiming the fact that the focus of international economic activity, and therefore the time zone benefit that London has long relied on, is shifting east.

I said at the beginning of lunch that you didn't have to buy anything today. I do however want to ask you to think about buying-in to one or two ideas. The first is to make better use of the business opportunities presented by the Lord Mayor's overseas visits. A simple initial step. We as a Company regularly submit briefing papers in advance of the overseas visits highlighting good news: joint ventures, UK initiatives in the area being visited and so on. We also identify challenges and difficulties – areas where a word in the right ear may help oil the wheels. We would be delighted to make these briefings more comprehensive as a result of input from your organisations.

If you would like to help us with this then leave your business card with one of my colleagues and we'll be in touch.

Second is supporting the work of *TheCityUK*. They have a brief to promote UK financial and professional services. They do this in various ways and I am very pleased that Hamish Rowan-Hamilton has agreed to say a few words about their work. One observation I would make is that they publish a biannual report about Dispute Resolution in London and the UK but it's not as complete as it could be: the more data that is shared with them the more accurate the figures and the better we can trumpet the dispute resolution industry's contribution to the economy and thereby, perhaps, encourage the sort of support from Government that some of our competitor countries enjoy.

Now may I ask you to welcome Hamish Rowan-Hamilton.