

Luther.

# Why Singapore is a good place to settle your disputes

SIAC / OAV Webinar „Managing Cross-Border Disputes:  
The Advantages of SIAC Arbitration“

Dr. Claus Trenner  
Hamburg, 13 October 2020

# Luther in Asia



## Our work gives us a good overview about the legal environment in Asian Countries.

- 420 Lawyers and tax advisors worldwide
- 10 Offices in Germany
- 10 International Offices
- 7 Offices in Asia: Singapore, Kuala Lumpur, Bangkok, Jakarta, Yangon, Dehli-Gurugram, and Shanghai
  - > 20 Years of experience in Asia
  - > 50 International and local lawyers
  - > 150 CorpSec, Accounting and Tax Executives



# Asian culture of dispute :



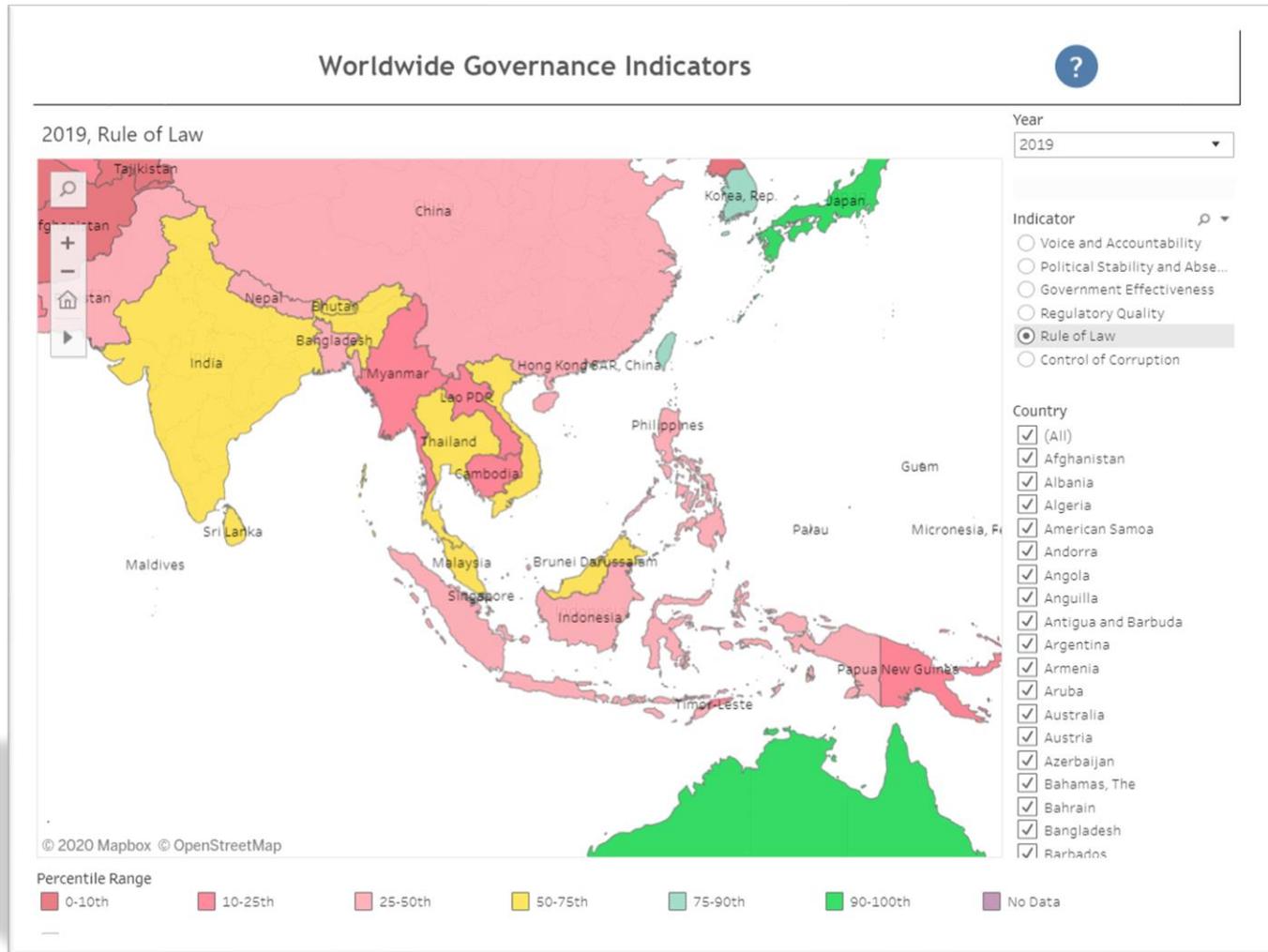
- is the mirror image of Asian negotiation culture
- open conflict must be avoided
- the meaning of the "face"
- the meaning of "no"
  - "No" is loss of face for the other side
  - Linguistic synonyms:
    - "this is an interesting thought"
    - "we will consider this in due course".
  - Simply ignoring the point and shifting the conversation to another topic
  - Silence is even less approval than in Germany

# What does this mean for dispute resolution?

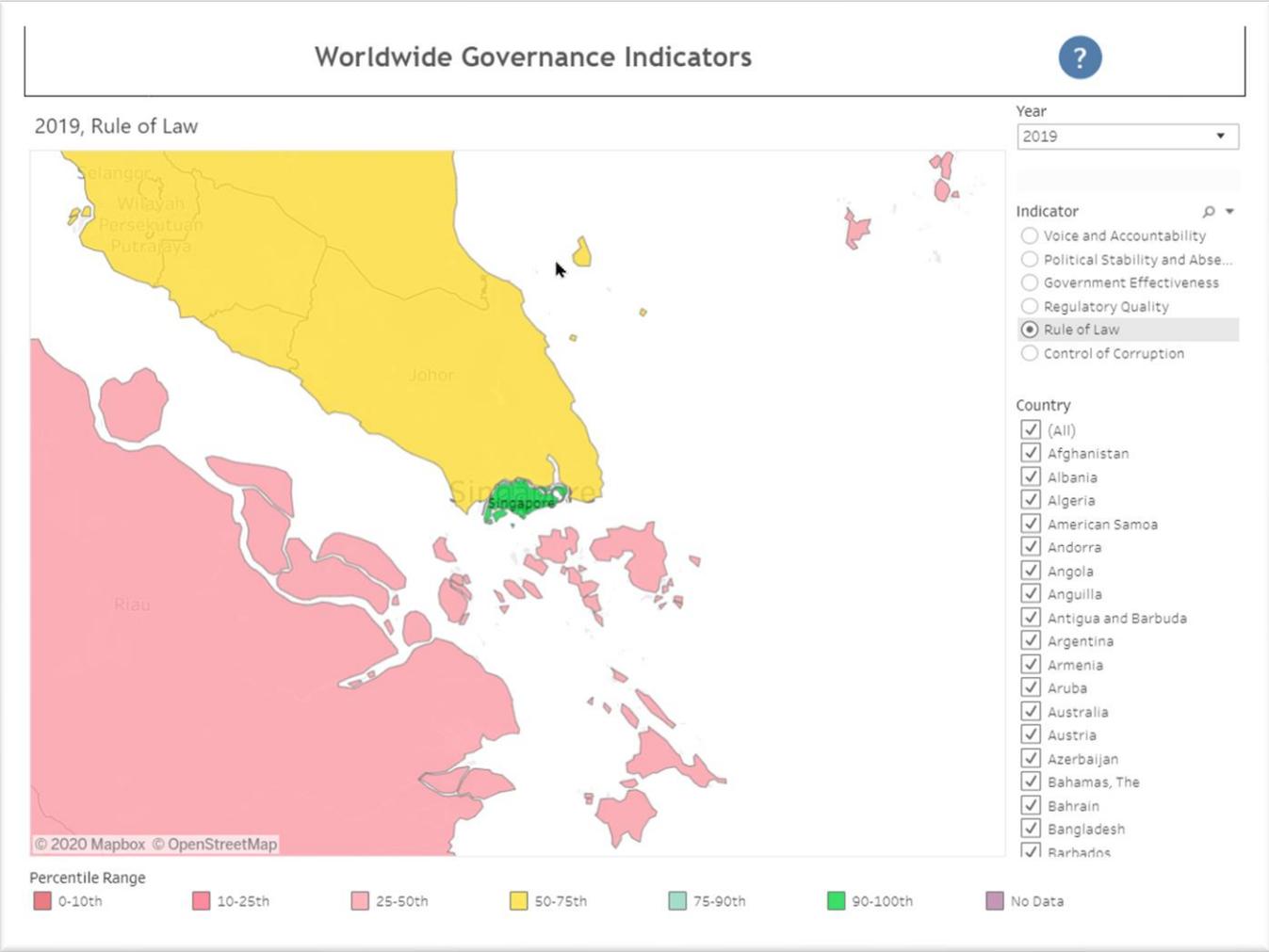


- Preference for rapid resolution of top-level differences
  - "A contract is only the starting point for further negotiations"
  
- Multi-stage arbitration clauses with preliminary stages of dispute resolution on a commercial level (consultation clauses) and mediative elements (mediation clauses) are useful and increasingly common
  - Problem 1: Speed
  - Problem 2: Clarity

# The „rule of law“ in Asia is (nearly everywhere) not what Europeans might expect



# Except in Singapore



# Enforcing claims can be very slow

Doing Business 2020

Myanmar

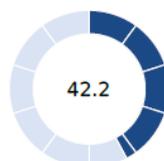
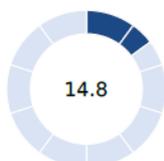
## Enforcing Contracts - Myanmar

### Standardized Case

Claim value	MMK 6,995,992
Court name	Latha Township Court
City Covered	Yangon

Indicator	Myanmar	East Asia & Pacific	OECD high income	Best Regulatory Performance
Time (days)	1160	581.1	589.6	120 (Singapore)
Cost (% of claim value)	51.5	47.2	21.5	0.1 (Bhutan)
Quality of judicial processes index (0-18)	4.0	8.1	11.7	None in 2018/19

Figure - Enforcing Contracts in Myanmar - Score



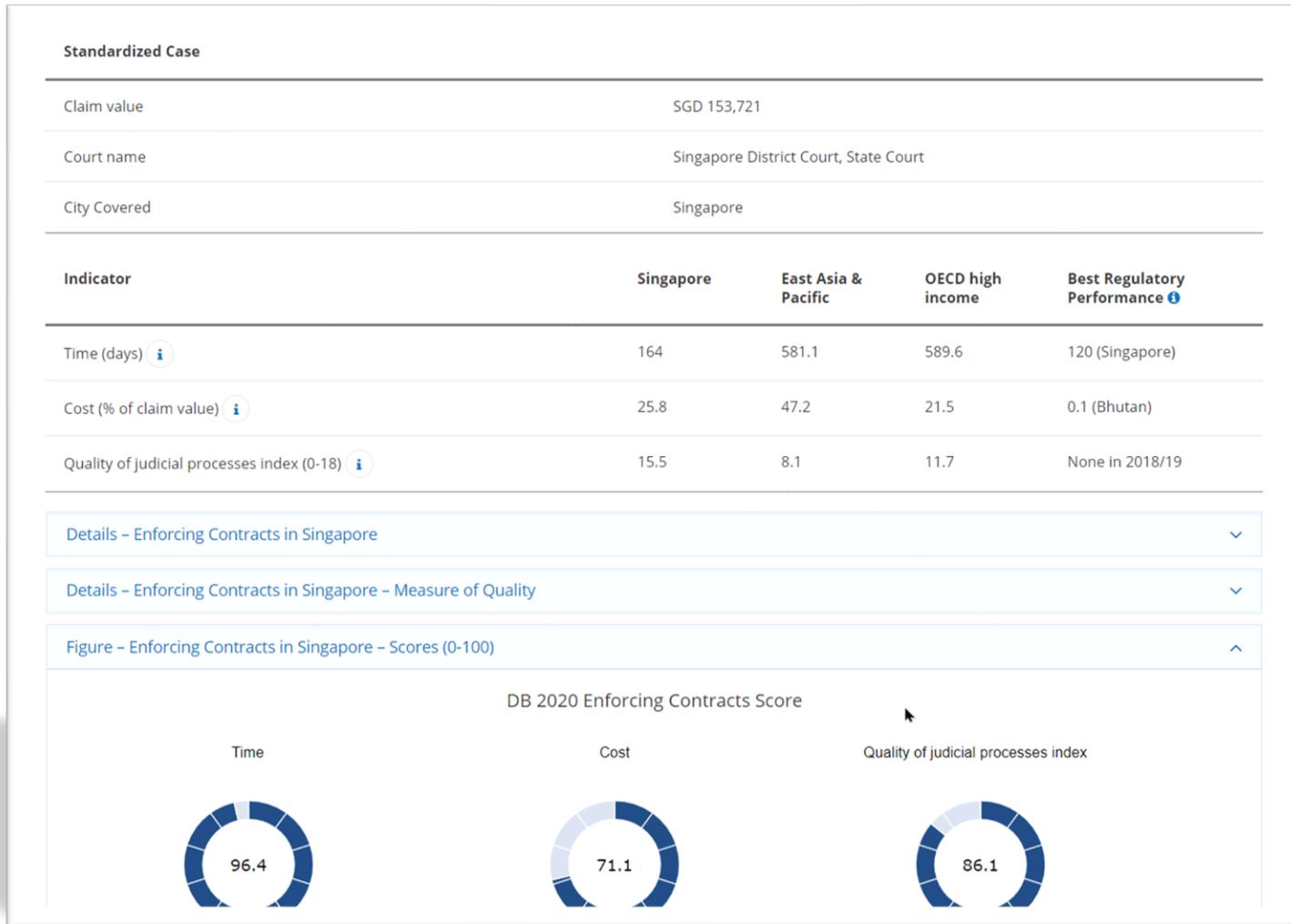
# And the standards and legal systems vary

Figure - Enforcing Contracts in Myanmar and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of enforcing contracts is determined by sorting their scores for enforcing contracts. These scores are the simple average of the scores for each of the component indicators.

# Singapore is on top, however



Thank you

# Your contact



**Dr. Claus Trenner, LL.M. (Singapore)**

Lawyer

Partner

4 Battery Road, Bank of China Building

#25-01, Singapore 049908

Phone: +65 6408 8000

DID: +65 6408 8009

Fax: +65 6408 8001

Mobile: +65 9451 9422

[Claus.Trenner@luther-lawfirm.com](mailto:Claus.Trenner@luther-lawfirm.com)

Q&A

The information given in this presentation is exclusively intended for the named event. The disclosure of this presentation shall only apply to the internal use of the addressee and texts or graphics compiled here, have been used within the scope of the presentation and do not fully document the event.

The presentation does not constitute the provision of legal or tax advice. This must be effected individually, taking into account the circumstances of the case, and in accordance to our engagement letters. Dissemination, citation and duplication – also in extracts – of the content of the presentation for the purpose of passing-on to third parties is only permitted with prior agreement.

For reasons of better legibility, the simultaneous use of gender-specific language forms is dispensed with. Corresponding terms apply in principle to all genders in the sense of equal treatment. The abbreviated form of language has editorial reasons and does not imply any valuation.

# Luther.



Hits the mark. Luther.