CHINA DISPUTE RESOLUTION

NEWS LETTER



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NEWS ALERT

1. China's Revised Maritime Law Takes Effect May 2026

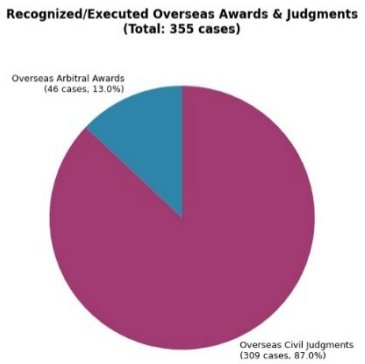
On 28 October 2025, the 14th NPC Standing Committee adopted the first full revision of China's Maritime Law since 1993. The Revised Maritime Law is to take effect from 1 May 2026. Expanded to 16 chapters and 310 articles, key changes to the law include standardized domestic-international cargo transport rules, equal passenger compensation standards, legal recognition of electronic transport records, a new maritime oil pollution liability chapter, and added foreign-related law and countermeasure clauses. These changes to the law align with international conventions and serve to boost shipping sector certainty.

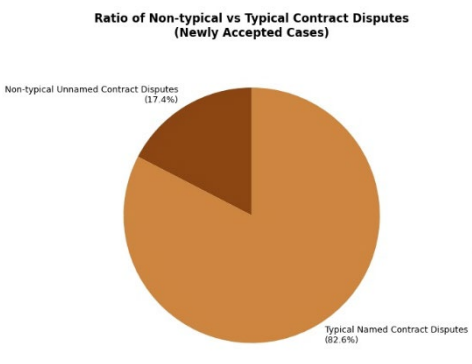
2. Beijing Fourth Intermediate People's Court Releases White Paper and Typical Cases on Foreign-Related and Hong Kong, Macao, and Taiwan-Related Commercial Disputes

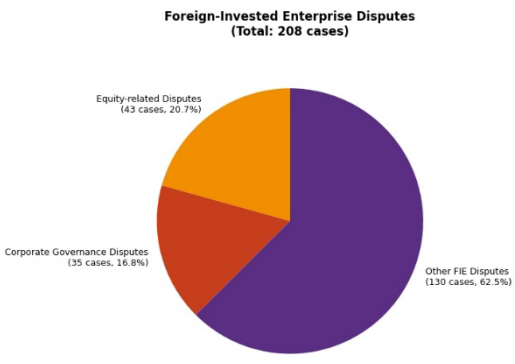
On 27 November 2025, the Beijing Fourth Intermediate People's Court (the "**Court**") released its *White Paper and Typical Cases on Foreign-Related and Hong Kong, Macao, and Taiwan-Related Commercial Disputes* (the "**White Paper**"). The White Paper provides a comprehensive summary of the Court's docket over the past three years and highlights ten representative cases.

The breakdown of the Court's work is presented in the chart below. Specifically:

- The total amount in dispute in foreign-related and Hong Kong, Macao and Taiwan-related commercial cases heard by the Court in the past three years exceeded RMB 60 billion, covering 108 distinct causes of action. New categories of cases have increasingly arisen, including VIE structure unwinding, data protection, equity transfers, and cross-border mergers and acquisitions.
- Notably, the Court also accepted 208 cases involving foreign-invested enterprises, reflecting both the capital-intensive nature of Beijing's external economic activities, and the growing diversity of business industries.
- In addition, in terms of international judicial cooperation, the Court recognized and enforced 355 foreign arbitral awards and civil judgments, including 46 arbitral awards issued by well-known international institutions such as the ICC, AAA, SIAC, and HKIAC, etc.







Regarding the ten representative cases released, the second case clarifies that, under the 2019 amendments to the *Provisions of the Supreme People's Court on Evidence in Civil Procedures*, notarization and legalization are required only for foreign official documentary evidence and for evidence relating to identity status. Other types of foreign evidence, including emails, no longer need to be notarized or legalized, thereby streamlining the evidentiary process in foreign-related litigation.

3. Xiamen Maritime Court Introduces China's First AI Disclosure Requirement

On 30 April 2025, the Xiamen Maritime Court (the "**Court**") issued China's first judicial ruling requiring full-process disclosure of artificial intelligence use in legal proceedings. This ruling arose in a case concerning a dispute over the validity of an arbitration agreement between two Singaporean companies.

The Court found that the applicant's Chinese legal counsel had used artificial intelligence to generate or process key evidence and legal submissions, making the source and authenticity of the materials unverifiable. The ruling went on to require continuous disclosure of AI use, covering five aspects: the name of the AI tool applied, its scope of application, the documents involved, review and verification procedures, and the provision of compliance undertakings.

The ruling also imposes clear disclosure timelines, and provides for potential judicial sanctions in the event of non-disclosure. This measure draws on the 2025 Chartered Institute of Arbitrators Guidelines on Artificial Intelligence Use in Arbitration, striking a balance between technological innovation and procedural justice.

4. Xiamen Court Recognizes First BRICS Arbitration Award Linked to Domestic Insolvency Proceedings

On 19 November 2025, the Xiamen International Commercial Court (the "**Court**") conducted a circuit hearing at the BRICS Innovation Center, publicly ruling on China's first case addressing the interface between the recognition of a BRICS arbitration award and domestic bankruptcy procedures.

The dispute arose from an international sale contract between a BRICS-based company and a Xiamen enterprise. After the foreign arbitral tribunal awarded payment of approximately RMB 2 million, the debtor and related entities entered restructuring proceedings before the Court. The creditor applied for recognition of the foreign award under the New York Convention.

The Court held that, as both states are Convention members, recognition should proceed unless grounds for refusal under Article V exist. It further clarified that foreign award-based claims do not *ipso facto* entitle the claimant to participate in domestic insolvency proceedings; instead, courts must first recognize the award, after which the creditor may file claims with the administrator under PRC bankruptcy law.

The ruling properly distinguishes between recognition and enforcement, providing a workable model for embedding foreign arbitral awards into China's creditor-verification framework. It reflects China's commitment to treaty compliance, judicial sovereignty, and cross-border commercial certainty.

5. Hong Kong Court Recognizes Mainland Criminal Enforcement Ruling

On 24 November 2025, Hong Kong's High Court ruled on HCMP 785/2024. HD HYUNDAI INFRACORE CHINA CO., LTD. sought to register a 2024 mainland ruling ordering one Li Zhiwei to refund over 162 million yuan (from a 2014 fraud). The central issues in dispute were (1) whether the ruling in question was an enforceable payment order or merely an interim measure; and (2) whether the ruling was independent of prior criminal judgment(s) issued by the mainland court. With mainland court explanations and expert opinions, the court deemed the ruling standalone and enforceable under the Mainland Judgments in Civil and Commercial Matters (Reciprocal Enforcement) Ordinance, setting a cross-border judicial cooperation precedent and therefore upholding the consequential Mareva injunction.

6. BAC's Revised 2025 Domestic Arbitration Rules Take Effect from 1 January 2026

On 1 January 2026, the Beijing Arbitration Commission, also known as the Beijing International Arbitration Court (the "**BAC**"), officially published its revised 2025 Domestic Arbitration Rules. Key updates to the revised rules include clarified re-arbitration procedures (covering tribunal composition, time limits and award validity), relaxed terms for multi-contract consolidation, and full-process electronic document circulation. These revisions address the practical needs of domestic parties, streamline arbitration processes, improve dispute resolution efficiency, and look to promote good faith in proceedings.

7. BAC Hong Kong Center Officially Launched

On 12 November 2025, the Beijing International Arbitration Court Hong Kong Center, which is the Beijing International Arbitration Court's first overseas branch, was officially launched in Hong Kong. Simultaneously, the Beijing International Arbitration Court released its International Arbitration Rules in eight languages – Chinese, English, French, Korean, Japanese Russian, Spanish, and Arabic. The center aims to offer world-class dispute resolution services, supporting Hong Kong's role as an international arbitration and financial hub.

ANZ Bank, Manila Branch v. China National Electric Engineering Co., Ltd. & Bank of Jiangsu [2024]

(2024) Zui Gao Fa Min Shen No. 2800 [PRC][1]

*Saibo Jin**

Retrial application dismissed in case involving a dispute over alleged fraud and application the PRC Independent Guarantee Provisions to a standby LC governed by ISP98.

Type of Lawsuit: Dispute over Independent Letter of Guarantee Fraud, Independent Letter of Guarantee Payment, and Improper Dishonor.

Topics: Classification of Standby LC; Legal Application of Standby LC; Counter Standby; Independent Guarantee; Complying Demand; Independent Guarantee Fraud; Wrongful Dishonor; Interest and Costs for Wrongful Dishonor; PRC Independent Guarantee Provisions; Chinese Law; ISP98; ISP98 Rule 5.03

Parties:

• Standby LC Issuer/Counter Standby LC Beneficiary – Australia and New Zealand Banking Group Ltd. Manila Branch (ANZ, Manila Branch)

• Instructing Party – Australia and New Zealand Banking Group Ltd. Shanghai Branch (ANZ, Shanghai Branch)

• Counter Standby LC Issuer – Bank of Jiangsu, Beijing Branch

• Standby LC Applicant/Counter Standby LC Applicant – China National Electric Engineering Co., Ltd. (China Electric)

• Standby LC Beneficiary – D.M. CONSUNJI.INC. (Consunji)

Underlying Transaction: Subcontract for Philippine Engineering Project.

Instruments:

Standby Letter of Credit for USD 22,979,687.50. Subject to ISP98 and the law of the Philippines.

Counter Standby Letter of Credit for USD 22,979,687.50. Subject to ISP98 and the Provisions of Supreme People's Court on Several Issues Relating to the Hearing of Disputes over Independent Guarantees (PRC Independent Guarantee Provisions).

Procedural History:

First Instance Judgment:[2] The Second International Commercial Court of the Supreme People's Court of the PRC ruled in favor of ANZ, Manila Branch, holding that the demands of ANZ, Manila Branch did not constitute fraud and Bank of Jiangsu owed payment under the Counter Standby LC.[3]

Retrial Application: China Electric sought retrial under Article 211(2) and (6) of the Civil

Procedure Law, alleging factual and legal errors.[4]

Decision: Retrial application dismissed.

Rationale: The retrial application of China Electric does not meet the criteria of Article 211 of *Civil Procedure Law of the People's Republic of China*.[5]

Factual Summary:

Contractual Background

On 22 December 2011, China Electric as contractor entered into a Project Engineering Contract with Consunji as general contractor under which China Electric agreed to provide an unconditional on-demand bank guarantee equivalent to 10% of the total contract value to secure its performance obligations.

To fulfill this requirement, China Electric applied to Bank of Jiangsu, Beijing Branch for a standby LC. Bank of Jiangsu, through ANZ Shanghai Branch, instructed ANZ Manila Branch to issue a Standby LC in favor of Consunji. Concurrently, Bank of Jiangsu issued a Counter Standby LC in favor of ANZ Manila Branch. Both LCs were governed by ISP98 and functioned as independent guarantees, fulfilling the underlying contract's terms. All parties agreed to apply Chinese law[6] and acknowledged that any fraud issues related to the LCs would be governed by the *PRC Independent Guarantee Provisions*.

Dispute

In 2015, ANZ Manila Branch submitted a payment demand under the Counter Standby LC to Bank of Jiangsu for USD 6 million.

China Electric alleged fraud, arguing: (1) The Counter Standby LC had expired and no complying demand was received; thus, there was no payment obligation; (2) A 2019 settlement agreement[7] between ANZ Manila Branch and Consunji reducing the demand to USD 6 million constituted fraud; and (3) The USD 6 million sum demanded combined liabilities under two separate guarantees and should not be borne solely by China Electric.

Issues

(1) Whether Bank of Jiangsu retained payment obligations under the Counter Standby LC after allegedly failing to timely reject the demand.

(2) Whether the settlement agreement between ANZ Manila Branch and Consunji constituted fraud under PRC Independent Guarantee Provisions Article 12.[8]

(3) Whether the USD 6 million demanded exceeded the amount available under the Counter Standby LC.

Analysis:

Payment Obligation under the Counter Standby LC

On 27 November 2015, ANZ Manila Branch submitted documents to Bank of Jiangsu via ANZ Shanghai Branch (as the Instructing Party), requesting payment under the Counter Standby LC. The

demand complied with ISP98 and the terms of the Counter Standby LC.

Additionally, China Electric received a written notice from Bank of Jiangsu on 2 December 2015, stating that it had received a demand under the Counter Standby LC. China Electric disputed this, arguing that Bank of Jiangsu did not receive a complying demand because ANZ Shanghai Branch initiated the demand and directed payment to its account, but this contention lacked factual basis.

Under ISP98 Rule 5.03, Bank of Jiangsu was obligated to pay on ANZ Manila Branch's submission of a complying demand and its failure to issue a timely notice of dishonor.

Fraud Allegations against ANZ, Manila Branch

The Court stated the Standby LC and Counter Standby LC involved in this case are independent of each other. The settlement agreement between ANZ Manila Branch and Consunji only addressed obligations under the Standby LC and did not involve the Counter Standby LC. Since China Electric was not a party to the Standby LC, the settlement could not contend "the beneficiary has conspired with the applicant for the letter of guarantee or any other person to carry out a fictitious underlying transaction".

Further, ANZ Manila Branch's demand under the Counter Standby LC did not constitute fraud under the claim "the beneficiary has confirmed that the debt of the underlying transaction has been fully performed". Under the settlement terms, Consunji irrevocably waived all demands under the Standby LC only after receiving USD 6 million from ANZ Manila Branch. Thus, the USD 6 million was not part of any demand under the Standby LC. ANZ Manila Branch's 2019 demand for USD 6 million plus interest under the Counter Standby LC was a follow-up to its 2015 compliant demand (which remained partially unpaid) and not a new demand.

Reducing the demand amount to USD 6 million was a lawful exercise of ANZ Manila Branch's rights and did not reflect "the beneficiary is aware that it has no right to demand payment and yet still abuses such right."

The Demand under the Counter Standby LC

ANZ Manila Branch's demand for China Electric to pay USD 6 million plus interest was based on its demand under the Counter Standby LC and was unrelated to the settlement agreement under the Standby LC. The demand did not exceed the amount covered by the Counter Standby LC.

Since the settlement agreement was not a matter subject to review under the terms of the Counter Standby LC and given the documentary and independent nature of standby letter of credit transactions, the Court rejected China Electric's argument that the settlement agreement justified payment refusal and held that China Electric's refusal lacked factual and legal basis.

Saibo Jin's Comment:

The First Instance Judgment was Incorrect

Firstly, the legal relationship on which ANZ, Manila Branch based its lawsuit was flawed. Bank of Jiangsu was not a party to the underlying contract and did not participate in the settlement process among applicant China Electric, the beneficiary Consunji, and ANZ, Manila Branch regarding the Standby LC, nor did it sign the settlement agreement related to the Standby LC. Therefore, the

settlement agreement among China Electric, Consunji, and ANZ, Manila Branch has no legal binding force on Bank of Jiangsu.

Secondly, beneficiary Consunji, by signing the settlement agreements related to the underlying contract and the Standby LC, waived all claims under the Standby LC (note that these are all claims under the Standby LC issued by ANZ, Manila Branch). If the beneficiary waives all claims against ANZ, Manila Branch under the Standby LC, then ANZ, Manila Branch, as beneficiary of the Counter Standby LC, naturally loses its right to claim under the Counter Standby LC. Bank of Jiangsu, as Counter Standby LC Issuer, naturally has the right to reject any claim made by ANZ, Manila Branch under the Counter Standby LC.

Finally, a named defendant in this case, Bank of Jiangsu, should not have been sued. The settlement agreement is only effective among the three parties and does not extend to Bank of Jiangsu, which is not a party to the agreement. ANZ, Manila Branch should only have sued obligor, China Electric, under the three-party settlement agreement. The legal relationship and basis for ANZ, Manila Branch's claim is the three-party settlement agreement, not Bank of Jiangsu's Counter Standby LC. Since the Standby LC has been waived by the beneficiary, ANZ, Manila Branch has no obligation to make payment under the Standby LC, which in turn leads to Bank of Jiangsu's release from its payment obligation under the Counter Standby LC. The legal basis for ANZ, Manila Branch's lawsuit can only be the rights and obligations stipulated in the three-party settlement agreement among the applicant, the beneficiary, and ANZ, Manila Branch.

The Reasoning for Applying the Independent Guarantee Provisions to a Standby LC Governed by ISP98 was Unpersuasive

Firstly, in the official commentary of the Supreme People's Court on the Independent Guarantee Provisions,[9] it was explicitly stated that an independent guarantee is inherently a type of Letter of Credit; not merely a "guaranty function" – a term generally used for an accessory suretyship. The determination in this case is inconsistent with the original intent of the drafters of the Provisions.

Secondly, the first instance judgment held that a Standby LC, because it is subject to ISP98, should be characterized as an independent guarantee. The issue is that in numerous independent guarantees and standby LCs for foreign loan transactions in China, many Standby LCs are issued subject to UCP600. When disputes arising from such transactions are brought before Chinese courts, then that the nature of a Standby LC governed by UCP600 be characterized as an independent guarantee instead of a letter of credit. Consequently, the reasoning in the first instance judgment is unpersuasive.

I have found that in several past Chinese court cases in which the Standby LC is subject to UCP600 it has already be characterized as a LC and the *Letter of Credit Provisions* should be applied.[10]

(1) In an earlier case, the Ruling on Enforcement in *Woori Bank (China) Company Limited Shenzhen Branch v. Seoul Sungbo Real Estate (Yantai) Co.* by the Yantai Intermediate People's Court (21 January 2015), the Standby LC involved was issued subject to UCP600. In its first instance judgment, the Yantai Intermediate Court held:

> "[A]ccording to Article 2 of the Supreme People's Court's Provisions on Several Issues Concerning the Trial of Letter of Credit Dispute Cases, when a people's court hears a case of an LC-related dispute, if any stipulation is made by the parties concerned that the relevant

international practices or other provisions should be applicable to a case of an LC-related dispute, such stipulation shall prevail; if no stipulation is made by the parties concerned, the UCP promulgated by the International Chamber of Commerce and other relevant international practices shall be applicable to the case.

According to the scope of application stipulated in UCP600, UCP600 applies to all documentary credits (including standby letters of credit to the extent to which the UCP may be applicable) where they are incorporated into the text of the credit."

(2) In another related case on the same date, the same the Yantai Intermediate People's Court held in *The Korea Development Bank Guangzhou Branch* Enforcement Objection Case:

"[A]ccording to Article 2 of the Supreme People's Court's Provisions on Several Issues Concerning the Trial of Letter of Credit Dispute Cases, when a people's court hears a case of an LC-related dispute, if any stipulation is made by the parties concerned that the relevant international practices or other provisions should be applicable to a case of an LC-related dispute, such stipulation shall prevail; if no stipulation is made by the parties concerned, the UCP promulgated by the International Chamber of Commerce and other relevant international practices shall be applicable to the case.

According to the articles of UCP600, a credit is irrevocable and independent, meaning the performance of the issuing bank's duties under the LC does not depend on: 1) the issuing bank's right and ability to obtain reimbursement from the applicant; 2) the beneficiary's right to obtain payment from the applicant; 3) any reference in the credit to a reimbursement agreement or the underlying transaction; or 4) the issuing bank's knowledge or lack of knowledge regarding the performance or breach of any reimbursement agreement or the underlying transaction.

Article 5 of the Supreme People's Court's Provisions on Several Issues Concerning the Trial of Letter of Credit Dispute Cases stipulates that after the issuing bank makes a commitment on the payment or acceptance of a LC or performance of other obligations under a LC, the issuing bank shall perform the payment obligation within the time limit as specified in the LC as long as the documents conform to the clauses of the LC and the documents conform to each other on the surface. If a party concerned initiates a protest for the reason of the basic transaction between the applicant and the beneficiary, the people's court shall not support it, except under the circumstances as prescribed in Article 8 of these Provisions."

(3) In another related case from the same year, the Ruling on Application for Recognition and Enforcement of Court Judgments and Arbitral Awards in *China Great Wall Asset Management Co., Ltd. Jinan Office, The Korea Development Bank Guangzhou Branch v. Seoul Sungbo Real Estate (Yantai) Co., Ltd.* by the Shandong High People's Court (8 April 2015), the court found that the Standby LC in the case was issued subject to UCP600. The court found that the UCP, revised by the ICC in 2007, is an international uniform practice applicable to documentary credits, including standby letters of credit. Similar to the Yantai Court, this court held that in the absence of parties stipulating any international practices or other provisions being applied, Article 2 of the *Supreme People's Court's Provisions on LC Dispute Cases* directs that the UCP promulgated by the International Chamber of Commerce and other relevant international practices shall apply. The Shandong High People's Court added:

"According to the scope of application stipulated in UCP600, UCP600 applies to all documentary credits (including standby letters of credit to the extent to which the UCP may be applicable) where they are incorporated into the text of the credit. According to the articles of UCP600, a credit is irrevocable and independent ... [The ruling then reiterated the independence principle and cites Article 5 of the Letter of Credit Provisions, similar to the excerpt in point (2) above, concluding that KDB should perform its payment obligation and Great Wall Company's defense was unsupported due to lack of evidence of fraud under the Letter of Credit Provisions]."

Obviously, the Shandong High Court held that the standby letter of credit issued subject to UCP600 in this case should ultimately be governed by the *Letter of Credit Provisions*.

(4) In a later case, the First Instance Civil Ruling in *China Minsheng Banking Corp., Ltd. Guangzhou Branch v. Guangzhou Yatong Metal Co., Ltd. et al.* by the Guangzhou Intermediate People's Court (20 May 2016), China Minsheng Bank (CMBC) issued a standby LC subject to UCP600, but the applicant had applied for the issuance of an independent guarantee in the Application Form. A dispute therefore arose between the parties on this matter. However, the First Instance Court held:

"[R]egardless of whether the document issued by [CMBC] upon the application of [Applicant] is named an Irrevocable Guarantee or a Standby Letter of Credit, it is substantively a document of a guaranty nature. The surety liability of [surety] cannot be avoided merely due to differences in its name or translation."

(5) In another case, the First Instance Civil Judgment in *The Export-Import Bank of China v. Qiu Huizu, Wang Qiaoer, et al.* regarding a letter of credit financing dispute by the Beijing Fourth Intermediate People's Court (6 June 2018), the standby LC issued by the Export-Import Bank was subject to UCP600. However, the first instance judgment in that case did not explicitly determine whether the judicial interpretations for letters of credit or those for independent guarantees should ultimately apply.

Among the cases cited above, only one First Instance ruling characterized the nature of a standby LC as an independent guarantee. In all other cases involving standby LCs issued under UCP600, Chinese courts characterized their nature as LCs and applied the *Letter of Credit Provisions*.

The Retrial Application in this Case was Predestined

The Fourth Civil Division within the Supreme People's Court handled the retrial application of this case. The five judges who presided over the first instance of this case, although nominally judges of the International Commercial Court, were all in fact from the Fourth Civil Division. It is inappropriate and practically meaningless to have a panel of three relatively junior judges from the Fourth Civil Division review, challenge, or even overturn a prior judgment rendered by a panel of more senior judges from the same division. This procedural setup was fundamentally unfair to the petitioning party.

* Mr. Saibo Jin is a Senior Partner of Beijing Jincheng Tongda & Neal Law Firm and a member of the ICC Banking Commission's Technical Adviser team.

1 Judgment of the Supreme People's Court of the PRC, dated October 24, 2024, Case No. (2024) Zui Gao Fa Min Shen No. 2800, Chief Judge: Chen Hongyu, Judges: Ma Dongxu, Zhu Ke.

2 ANZ, Manila Branch filed a lawsuit against Bank of Jiangsu and third party China Electric in Nanjing Intermediate People's Court of Jiangsu Province. As this case is an international commercial case with significant influence, the Second International Commercial Court of the Supreme People's Court, in accordance with Article 20 and Article 38 of the Civil Procedure Law of the People's Republic of China (amended on June 27, 2017) and Article 2 of the Provisions of the Supreme People's Court on Several Issues Concerning the Establishment of International Commercial Courts, ruled that the case should be heard by the Second International Commercial Court of the Supreme People's Court. Article 155 of the Civil Procedure Law of the People's Republic of China (amended on June 27, 2017) Judgments and rulings of the Supreme People's Court, and judgments and rulings for which appeal is not allowed pursuant to the law or judgments and rulings for which an appeal is not filed within the appeal period shall be judgments and rulings which have come into legal effect.

3 Case Number: (2020) Zui Gao Fa Shang Chu No. 2 [PRC]. See full text and case summary.

4 Case Number: (2024) Zui Gao Fa Min Shen No. 2800 [PRC].

5 Civil Procedure Law of the People's Republic of China Article 211

Where the application of the litigants satisfies any of the following circumstances, the People's Court shall conduct a re-trial:

(1) There is adequate new evidence to overturn the original judgment or ruling;

(2) There is lack of evidence for the basic facts ascertained in the original judgment or ruling;

(3) The main evidence for the facts ascertained in the original judgment or ruling is forged;

(4) The main evidence for the facts ascertained in the original judgment or ruling has not been cross-examined;

(5) Where the litigants are unable to gather the main evidence required for trial of the case due to objective reasons, the litigants have submitted a written application to the People's Court for investigation and gathering of evidence, and the People's Court does not carry out investigation and gathering of evidence;

(6) The application of laws by the original judgment or ruling is wrong;

(7) The composition of the trial organisation is illegal or a judge who should abstain from the lawsuit pursuant to the law does not abstain;

(8) A person with no capacity for litigation action is unable to participate in proceedings as he/she is not represented by a legal representative or a litigant who should participate in proceedings is unable to participate in proceedings due to any reason not attributable to himself/herself or his/her agent ad litem;

(9) A litigant's right to debate is deprived in violation of the provisions of the laws;

(10) Judgment in default is made in the absence of a litigant who has not been served a summons;

(11) The original judgment or ruling has omitted or exceeded a claim;

(12) The legal document on which the original judgment or ruling is based is revoked or modified; or

(13) The judge(s) has/have committed corruption, favouritism or perverted the law in making a judgment during the trial of the case.

6 During the trial of this case in the Second International Commercial Court, all parties agreed to uniformly apply Chinese law to the disputes involved in this case.

7 See section 1.5 of case summary.

8 *PRC Independent Guarantees Provisions* Article 12 states:

Under any of the following circumstances, the People's Court shall deem that the case constitutes an independent

letter of guarantee fraud:
(1) the beneficiary has conspired with the applicant for the letter of guarantee or any other person to carry out a fictitious underlying transaction;
...
(4) the beneficiary has confirmed that the debt of the underlying transaction has been fully performed, or that the triggering event for payment as provided in the independent letter of guarantee has not occurred; or
(5) any other circumstances where the beneficiary is aware that it has no right to demand payment and yet still abuses such right.

9 See Yongjian LIU and Hongyu SHEN, Understanding and Applicability of Regulations on the Trial of Lawsuits Concerning Independent Guarantees, PEOPLE'S JUDICATURE APPLICATION, Page 23, No. 1, 2017. Both LIU and SHEN were judges in the Supreme People's Court of China at the time and were the responsible judges of the drafting of the Justice Interpretation.

10 Attorney Saibo JIN is an expert in handling Independent Letter of Guarantee disputes, and was invited to participate in drafting and revising the judicial interpretation "Provisions of Supreme People's Court on Several Issues Relating to the Hearing of Disputes over Independent Letter of Guarantee". Since August 2023, designated as a member of the Technical Advisory (TA) of the Banking Commission (BC) of the International Chamber of Commerce (ICC). Former member of the Task Force of Demand Guarantee and an expert in DOCDEX Letter of Credit and Independent Letter of Guarantee dispute resolution at the ICC. Vice Director of the East Asia Committee of the Institute of International Banking Law & Practice (IIBLP), member of the Modification Committee of the International Standby Practices (ISP98) of the IIBLP, and member of the Editorial Committee of the electronic publication "Documentary Credit World" (DCW) of the IIBLP. Member of both the Letter of Credit and Independent Letter of Guarantee expert groups of ICC China. Attorney Jin Saibo has handled numerous litigation and arbitration cases related to Letters of Credit and Independent Letter of Guarantee, bulk commodity trading including disputes involving steel, copper oxide, aluminum oxide, palm oil, and ship sales. Twice elected as Vice Director of the Financial and Securities Special Committee of the All China Lawyers Association, arbitrator of the China International Economic and Trade Arbitration Commission, arbitrator of the Beijing International Arbitration Center, and arbitrator of many other arbitration institutions. Previously appointed as an expert of the Expert Committee on Civil and Administrative Supervision Cases of the Supreme People's Procuratorate. Invited to provide opinions and suggestions on the drafting and revision of judicial interpretations of the Guarantee Law part of the Civil Code. Member of the sixth and fifth working groups of the United Nations Commission on International Trade Law (UNCITRAL) for the Model Law on Secured Transactions and the Model Law on Insolvency. Observer of the drafting working group of the Model Law on Factoring (MLF) of the International Institute for the Unification of Private Law (UNIDROIT). Member of the Legal Committee (LC) of the Factors Chain International (FCI). Member of the Academic Committee of the Commercial Factoring Committee of the Service Trade Research Institute of the Ministry of Commerce. Haosheng LIN assisted with preparing the English version of this case summary. Lin is an associate attorney at Beijing Jincheng Tongda & Neal Law Firm.

Case Digest of CACV 600/2025 [2025] HKCA 936

Hyalroute Communication Group Ltd v

Industrial and Commercial Bank of China (Asia) Limited

Teresa Wu, Jacqueline Law [Qualified GBA Lawyers]

Before the Court of Appeal ("the **CA**") was, in this case, the Plaintiff's renewed application for an interim anti-suit injunction ("**ASI**") against the Defendant pending determination of its appeal, pursuant to a Summons filed on 26 August 2025 ("the **Summons**").

The Plaintiff is a Cayman Islands company which has guaranteed a term loan taken by its subsidiaries from the Defendant bank. The loan was not repaid, and the Defendant served a statutory demand in the Cayman Islands. The Term Facility Agreement ("the **TFA**") governing the loan contained an arbitration agreement requiring disputes to be "finally resolved" by arbitration administered by the Hong Kong International Arbitration Centre (HKIAC), with Hong Kong law governing the arbitration agreement. In response to the statutory demand, the Plaintiff sought, by way of an Originating Summons ("the **OS**"), an ASI in Hong Kong to restrain the Defendant from pursuing winding-up proceedings in the Cayman Islands.

The OS was dismissed at first instance by the Recorder. The Recorder held that the arbitration agreement was not breached because only disputes that would be "finally resolved" were caught. Cayman winding-up proceedings, applying Caymon Islands law (unlike Hong Kong law), would not finally resolve the Plaintiff's indebtedness and therefore did not infringe the arbitration agreement. The Recorder also considered the merits of the Plaintiff's defence, found them hopeless and frivolous, and concluded that it was an abuse of process to rely on such a defence to restrain the Defendant from invoking Cayman insolvency jurisdiction.

On appeal, the CA considered the principles governing interim injunctions pending appeal. In **Registrar of Hong Kong Institute of Certified Public Accountants v X** [2017] 3 HKLRD 541, the Court stated that an applicant must demonstrate "a real prospect of success on appeal". The grant of an injunction is not automatic, even if one might have been granted pre-trial, and the merits of the defence remain relevant when assessing whether an ASI should be granted.

The Plaintiff advanced five grounds of appeal: (1) misinterpretation of the arbitration agreement; (2) improper reliance on Cayman law; (3) misapplication of Cayman law; (4) irrelevance of merits to ASI; and (5) erroneous findings on the defence. The CA accepted that the Plaintiff's construction argument was reasonably arguable, noting that "finally resolved" might mean that arbitration was intended to produce a conclusive resolution of disputes. The CA further found that two of the other grounds relating to Cayman law would rise and fall with this issue and required no further consideration.

The CA, however, rejected the Plaintiff's contention that the merits of its defence were irrelevant. Under Hong Kong law, an ASI would normally have been granted in respect of winding-up

proceedings brought in breach of an arbitration agreement "in the absence of strong reasons", and the lack of any *bona fide* dispute to the petitioning debt could constitute an abuse of process as well as such strong reason not to grant an ASI.

Furthermore, the CA held that the ASI sought by the Plaintiff was a *quia timet* injunction to prevent the Defendant from bringing winding-up proceedings because of an unmet statutory demand. The Plaintiff's evidence clearly referred to and relied upon the prospects of such proceedings. ASI applications also could not be considered in a vacuum. The merits of the defence must be assessed as part of the court's discretion.

With respect to the last ground concerning the Plaintiff's defence, the CA held that in this case, the Plaintiff's estoppel argument, based on the termination of a MIGA Insurance Contract, was untenable. The Plaintiff was aware of its obligation to pay premiums, there was no evidence of waiver or reduction, and the insurance lapsed naturally. With the termination of the insurance, the Plaintiff's defence collapsed.

The CA concluded that even if the Recorder erred in his construction of the arbitration agreement, the absence of an arguable defence meant the appeal had no real prospect of success. The application would therefore fail at the first hurdle. The Summons was accordingly dismissed with costs to the Defendant, to be summarily assessed on paper.

Efficient Arbitration Pathways under the Revised PRC Arbitration Law: An Analysis from the Party-Interest Optimization Perspective

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Abstract:

China's newly revised *Arbitration Law of the People's Republic of China* (2025 Revision) is guided by the principles of "efficiency, practicality, stability, and internationalization". It introduces systematic optimization of arbitration procedures and incorporates several practical developments into the statutory framework, thereby laying a solid foundation for enhancing arbitration efficiency. This article examines institutional changes and their practical implications across the three stages of arbitration – before, during, and after the proceedings – to assist parties in accurately understanding and applying the new rules, comprehensively managing the arbitration process and related risks, and maximizing their interests. At the pre-arbitration stage, the new Law refines the principle of the arbitration agreement's separability, establishes rules for online arbitration, and expands special mechanisms for foreign-related arbitration. At the second stage, while arbitration is ongoing, the revised Law introduces a new system for preservation and interim orders, while clarifying judicial assistance mechanisms for evidence collection. At the post-arbitration stage, the revised Law shortens the time limit for setting aside an arbitral award and standardizes the procedure for courts to remit proceedings back to tribunals. Overall, through comprehensive institutional reforms, the new Law significantly enhances the predictability and enforceability of arbitration, providing parties with a more efficient, flexible, and internationally competitive dispute-resolution pathway.

Background

The *Arbitration Law of the People's Republic of China* (hereinafter the "Arbitration Law") was revised on 12 September 2025 and will formally enter into force on 1 March 2026. As a key mechanism for dispute resolution, arbitration plays an important role in efficiently defusing conflicts and properly addressing disputes. This revision of the Arbitration Law focuses on enhancing efficiency, practicality, stability, and the level of internationalization[1]. Based on this background, this article examines the institutional differences before and after the revision across the pre-arbitration, mid-arbitration, and post-arbitration stages, thereby providing parties with guidance on selecting more efficient pathways for dispute resolution.

I. Pre-Arbitration Stage: Optimizing Mechanisms for Efficient Arbitration

Before the commencement of arbitration proceedings, parties may rely on the new Arbitration Law to select more efficient approaches to arbitration. Specifically, the revised Arbitration Law refines the principle of separability of the arbitration agreement, introduces a default regime for online arbitration, and adds special provisions for foreign-related matters.

1. **Determining the Separability and Validity of the Arbitration Agreement**

Before commencing arbitration, a potential claimant must first confirm the validity of the arbitration agreement. In practice, the parties may enter into a stand-alone arbitration agreement, or they may include an arbitration clause within a contract. In either case, the principle of separability must be observed when determining its validity.

The 2017 amendment to the Arbitration Law, in Article 19, addressed the separability of arbitration agreements and addressed four specific contractual contexts: modification, rescission, termination, and invalidity[2]. However, because the provision did not cover all possible contractual contexts, disputes often arose in practice over whether circumstances not expressly enumerated would affect the validity of the arbitration agreement[3]. In contrast, Article 30 of the 2025 revised Arbitration Law expressly provides that whether a contract has been formed, and any subsequent situations of modification, ineffectiveness, termination, revocation, or invalidity, do not affect the validity of a duly concluded arbitration agreement[4]. This revision broadens the scope of covered contractual conditions, particularly by addressing the circumstance in which whether a contract has been formed is itself in dispute, thereby further strengthening separability determinations.

In fact, even before the revision of the Arbitration Law, cases had already arisen involving the question of whether a dispute over the formation of a contract affects the validity of an arbitration agreement. For example, in a 2022 case released by the Supreme People's Court involving Yunyu Co., Ltd. and Shenzhen Zhongyuancheng Commercial Investment Holding Co., Ltd.[5], the parties had agreed to an arbitration clause. One party issued a draft contract that was signed and stamped by the other, but the formal contract was never executed. This gave rise to a dispute regarding whether a contract had been formed and whether the absence of contract formation affected the validity of the arbitration clause. As the then-effective Arbitration Law did not address such situations, reliance was placed on Article 10(2) of the *Interpretation of the Supreme People's Court on Certain Issues Concerning the Application of the Arbitration Law of the PRC* (2008 Revision), which provides that where the parties reach an arbitration agreement at the time of contracting, the fact that the contract is not formed does not in and of itself affect the arbitration agreement[6]. Accordingly, before the new revision of the Arbitration Law, solutions to this issue depended on judicial interpretation. The newly revised Arbitration Law now explicitly crystallises this rule at the legislative level, thereby improving the statutory foundation for determining the separability of arbitration agreements.

Based on these provisions, when drafting an arbitration agreement or clause, parties should ensure that it contains a clear expression of their shared intent to arbitrate, specifies the matters subject to arbitration, and identifies the chosen arbitral institution, thereby enhancing clarity and completeness, as well as reducing the risk of disputes over validity. At the same time, parties should preserve evidence related to the drafting, execution, and negotiation of the arbitration agreement so that, should a dispute arise regarding the validity of the contract or the arbitration clause itself, the validity of the arbitration agreement can be confirmed pursuant to the new separability provisions in the Arbitration Law.

2. **Online Arbitration Mechanism**

Online arbitration has been widely used in arbitration practice in recent years. In 2024, a total of 93

arbitral institutions nationwide handled online arbitration cases, with a combined disputed amount reaching RMB 300 billion[7]. Beyond online hearings, the scope of online arbitration has also expanded to include ancillary measures such as the preservation of assets and property. For example, in a case involving a Shenzhen construction company that applied for property preservation[8], the relevant arbitral institution, upon receiving the application, transmitted it to the court through its digital interface platform. The court registered the case the same day, conducted its review, and promptly issued a civil ruling. This case illustrates the significant advantages of online arbitration in enhancing procedural efficiency.

Although online arbitration has become common in practice, the previous Arbitration Law did not explicitly address its legal effect. Article 11 of the new Arbitration Law adds that "arbitration activities may be conducted online on an information network, unless the parties explicitly disagree to it"[9], thereby establishing a default rule for the application of online arbitration, unless expressly rejected by the parties. This provision usefully clarifies the legal validity of online arbitration. While respecting party autonomy, the new Law aligns with the trend toward digitalization in dispute resolution, and markedly improves procedural efficiency.

Accordingly, when selecting the mode of arbitration, parties may actively choose online arbitration to save time and improve efficiency. It is also advisable for parties, when entering into contracts, to include an express clause confirming that "the parties agree that any arbitration proceedings may be conducted online", thereby putting the question of online arbitration beyond peradventure.

3. **Special Provisions on Foreign-Related Arbitration**

The newly revised Arbitration Law introduces several amendments to the foreign-related arbitration regime to better align with developments in international commercial arbitration.

First, with respect to the regime's scope, Article 78 of the new Law adds a catch-all category of "other foreign-related disputes" in addition to foreign economic and trade disputes, transportation disputes, and maritime disputes[10]. This expansion broadens the range of foreign-related arbitration cases to include emerging categories such as foreign-related intellectual property disputes like patent disputes, and foreign-related financial disputes such as fraud involving independent guarantees, thereby responding to evolving needs in practice.

Second, regarding the organizational form of arbitration, Article 82 establishes a special arbitration mechanism. In addition to traditional institutional arbitration, parties to foreign-related maritime disputes or foreign-related disputes between enterprises registered in pilot free trade zones approved by the State Council, the Hainan Free Trade Port, or other designated regions, may opt for special arbitration. Under this mechanism, the arbitral tribunal may be constituted by individuals meeting the qualifications prescribed by the Arbitration Law, who may adjudicate the dispute in accordance with the parties' agreed arbitration rules[11]. This mechanism has been piloted since 2016 in free trade zones and further explored through local legislation in regions such as Shanghai and Hainan[12]. For instance, in March 2025, the Shanghai Maritime Court accepted its first case concerning the confirmation of the validity of an ad hoc arbitration agreement[13]. In that case, two enterprises registered in the China (Shanghai) Pilot Free Trade Zone and the Lingang Section of the same zone disputed expenses related to imported goods. Although they had entered into an "Ad Hoc Arbitration Agreement", they later disagreed over its validity and brought the matter before the court. The

Shanghai Maritime Court held that the parties had clearly and consistently expressed their intention to resolve the dispute through "ad hoc arbitration", and therefore confirmed the validity of the agreement. This special arbitration mechanism avoids any untoward deference towards institutional arbitration, and significantly enhances the flexibility of foreign-related arbitration.

Third, regarding the nationality of arbitral awards, Article 81 of the new Law introduces the concept of the "seat of arbitration". It provides that, unless otherwise agreed by the parties, it is the law of the seat of arbitration (rather than the law of the arbitral institution's location)[14] which shall apply to arbitral procedures[15]. It also provides that the arbitral award shall be deemed to have been made at the seat of arbitration. This modification clarifies situations in which the seat of arbitration and the location of the arbitral institution differ, and provides a clear basis for determining the nationality of the award. For example, in a prior case involving a machinery company and a Swedish technology company that applied to set aside an arbitral award[16], the award was rendered by the ICC International Court of Arbitration, but the seat of arbitration was Beijing. The court held that the award constituted a foreign-related arbitral award made in mainland China by a foreign arbitral institution, and that the determination of the award's nationality should respect the parties' choice of the seat. Accordingly, the award was deemed a foreign-related arbitral award under PRC law. The revision in the new Law will effectively reduce disputes arising from unclear or conflicting designations of the arbitral seat and the arbitral institution.

In light of these provisions, parties entering into foreign-related arbitration agreements should fully consider the implications of the new Law, particularly the application of the law of the arbitral seat and the introduction of the special arbitration mechanism. Parties should clearly stipulate in their arbitration agreements the scope of arbitration, the form of arbitration, the arbitral seat, the arbitration rules, and the applicable governing law, so as to avoid disputes arising from ambiguities or missing elements.

II. During the Arbitral Proceedings: Safeguarding Rights Throughout

During the arbitral hearing process, the revised Arbitration Law adds and improves a series of measures designed to enhance efficiency and protect party interests. For example, in addition to the original system of property preservation, the Law adds a new mechanism for act preservation and clarifies the legal basis for applying preservation measures. The new Law also explicitly provides that parties to an arbitration may apply for judicial assistance, thereby strengthening the role of the courts in arbitration and enhancing arbitration's credibility and enforceability as a dispute resolution mechanism. These changes provide solid protection for both substantive and procedural rights throughout the arbitration process.

1. Preservation Measures in Arbitration

The preservation regime in arbitration is an important mechanism for safeguarding the substantive rights of the parties. Compared with the previous Article 28 of the Arbitration Law, which provided only for property preservation[17], Article 39 of the new Law introduces act preservation (in the form of what are essentially mandatory orders)[18], aligns with the *Civil Procedure Law of the People's Republic of China* (hereinafter the "Civil Procedure Law"), and clarifies the rules regarding pre-arbitration preservation.

Before the revision, Chinese arbitration practice had already seen cases supporting act preservation through the imposition of mandatory orders. For instance, in the Huntington Company's act preservation case[19], the Huntington Company, due to a dispute with Ciming Hospital, applied to CIETAC for orders requesting permission to remove equipment from Ciming Hospital's IVF center and requesting that the hospital cease using and properly safeguard its property. The court ultimately ruled that, except as necessary to preserve extracted eggs, sperm, and embryos, Ciming Hospital must not continue to use the equipment. Although the then-effective Arbitration Law provided only for property preservation, the court relied on Article 100 of the *Civil Procedure Law* (2017 Amendment)[20], which governs act preservation, to grant the Huntington Company's application.

The newly revised Arbitration Law consolidates and affirms this existing practice by providing explicit statutory support for act preservation in arbitration. Under the new Law, parties may apply for both property preservation and act preservation during the arbitration process. In urgent circumstances, parties may also apply to the court for preservation measures even before arbitration begins. For preservation applications submitted by a party through an arbitral institution, the new Arbitration Law further emphasizes that the arbitral institution shall forward the application to the court, and that the court shall handle it in a timely manner in accordance with the law. This strengthens the parties' rights to seek preservation measures and reflects the judiciary's support for, and cooperation with, arbitration. The refinement of the preservation regime under the new Law offers more comprehensive legal safeguards for parties seeking preservation in arbitration and helps them better protect their lawful rights in complex arbitral proceedings.

2. Judicial Assistance in Evidence Collection

Articles 55 and 58 of the new Arbitration Law expressly provide that parties may apply for judicial assistance in evidence investigation and evidence preservation, and they impose corresponding obligations on relevant authorities[21]. These provisions offer strong support for parties seeking to obtain critical evidence during arbitration.

Although Article 43 of the former Law empowered arbitral tribunals to "collect evidence on their own"[22], and Article 46 allowed courts to conduct evidence preservation when evidence was at risk of being lost or would be difficult to obtain later[23], the absence of explicit statutory obligations for courts or third parties to cooperate meant that the effectiveness of arbitral tribunals' evidence-collection efforts was often limited and could not be fully utilized in practice.

To address this gap, jurisdictions such as Shanghai have actively explored mechanisms involving arbitral investigation orders. For example, in a dispute arising from a cross-border data service contract[24], the arbitral tribunal found that key evidence was difficult to obtain. It therefore applied for judicial assistance from the Shanghai International Commercial Court, requesting that the Court grant an investigation order. Relying on the *Measures of the Shanghai High People's Court on Issuing Investigation Orders to Assist Arbitration in Evidence Collection (Trial)*, the court issued the requested order, thereby facilitating smooth progress in the arbitration.

Although several local jurisdictions have established systems for arbitral investigation orders, such mechanisms had not been uniformly implemented nationwide. With the new revision, however, the Arbitration Law now provides a clear statutory basis for evidence collection in arbitration. This significantly strengthens collaboration between arbitral institutions and the judiciary, and ensures a

more systematic and standardized mechanism for evidence collection. For parties, this enhances arbitration's efficiency, convenience, and confidentiality, while further bolstering its credibility and authority.

In light of these provisions, if parties are unable to obtain necessary evidence on their own due to objectively-ascertainable circumstances during arbitration, they may apply for a judicial investigation order. Doing so ensures timely access to critical evidence, enables effective assertion of rights, and facilitates the efficient progress of arbitral proceedings.

III. Post-Arbitration Stage: Standardizing Remedies for the Final Disposition of Disputes

To consolidate the outcomes of arbitration, the new Arbitration Law introduces important improvements to post-arbitration remedies. On the one hand, it shortens the time limit for applying to set aside an arbitral award, urging parties to exercise their rights promptly. On the other hand, it clearly stipulates that once the arbitral tribunal commences a renewed arbitration (in the form of a re-hearing) after the court accepts an application for setting aside, the court must terminate the setting-aside proceedings, thereby ensuring the smooth continuation of the arbitral process.

1. Shortening the Time Limit for Setting Aside an Arbitral Award

Under Article 72 of the revised Arbitration Law, a party applying to set aside an award must do so within three months from the date on which it receives the award[25]. This shortens the deadline from the former Law's six-month period[26]. The amendment aims to encourage parties to exercise their rights for judicial review in a timely manner and to improve the efficiency of the arbitral system.

Parties should pay particular attention to this shortened timeframe. Although the new Law does not change the existing rule, it remains important to note that if one party applies for enforcement of the award and the other applies to set it aside, the court will suspend enforcement in accordance with the law[27]. However, before filing an application to set aside, the party must still comply with the award.

2. Clarifying the Procedure for Re-Arbitration by the Arbitral Tribunal

Under the former regime, if a Court determined that an arbitral tribunal should re-arbitrate the case (by way of re-hearing) after a successful application to set-aside the tribunal's award, the Court would notify the tribunal to recommence arbitration within a specified period and suspend the setting-aside proceedings[28]. Article 74 of the new Law builds upon this framework by adding that "if the arbitral tribunal commences re-arbitration, the people's court shall rule to terminate the setting-aside procedure"[29]. This amendment effectively prevents parties, once the arbitral tribunal has commenced re-arbitration, from seeking to revive the original setting-aside proceedings.

For parties, this means that once the tribunal initiates re-arbitration, courts will no longer review or supervise the prior award. The focus of both substantive rights and procedural strategy shifts entirely to the renewed arbitration proceedings.

IV. Conclusion

From the perspective of the parties, the new Arbitration Law reflects an overall legislative intent towards strengthening safeguards for arbitration at the front end, while tightening the ambit and

scope for potential challenges at the back end. Before the commencement of arbitration and during the proceedings, the new Law reinforces procedural protection and judicial support by upholding pro-arbitration principles in determining the validity of arbitration agreements, improving the system of preservation measures, and clarifying the courts' obligations to assist in evidence investigation. At the same time, by promoting alignment between China's foreign-related arbitration regime and international rules, the new Law further enhances the predictability and competitiveness of arbitration. After an award is rendered, the new Law shortens the time limit for setting aside an award to three months and specifically provides that re-arbitration will terminate setting-aside proceedings. These changes effectively curb the possibility of a party abusing procedural rights to delay enforcement of the award. While enhancing the efficiency of arbitration and the finality of awards, the revisions also shift parties' duty of prudence further toward the front end, requiring them to identify and mitigate risks in advance when drafting arbitration clauses and navigating key procedural stages, thereby achieving a considered balance between efficiency and the protection of rights.

As China's arbitration system continues to develop and evolve, it is moving toward greater internationalization, digitalization, and specialization. The credibility and enforceability of arbitral awards have been further enhanced. In the future, arbitration, as an efficient method of dispute resolution, is likely to increasingly become the preferred choice for an increasing number of market participants.

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1 The newly revised Arbitration Law will come into effect on 1 March 2026, strengthening the support provided by courts and other relevant authorities for arbitration. People's Court Daily. <https://mp.weixin.qq.com/s/fJd-qdGTEMwmVvAtH4-suQ>

2 Arbitration Law of the People's Republic of China (2017 Amendment)

Article 19 An arbitration agreement shall exist independently. The amendment, rescission, termination or invalidity of a contract shall not affect the validity of the arbitration agreement.

3 Chen Jiaxu. A One-Stop Guide to the Major Revisions and Key Interpretations of Judicial Review Provisions under the New Arbitration Law. Shanghai First Intermediate People's Court. <https://mp.weixin.qq.com/s/YOqo8xVviWLqQ8hqarqyOg>

4 Arbitration Law of the People's Republic of China (2025 Revision)

Article 30 An arbitration agreement shall exist independently. The formation, amendment, pending effectiveness, termination, revocation or invalidity of a contract shall not affect the validity of the arbitration agreement that has been concluded.

5 Yunyu Co., Ltd. v. Shenzhen Zhongyuancheng Commercial Investment Holding Co., Ltd.,
Civil Ruling on Application for Confirmation of the Validity of an Arbitration Agreement, The
Supreme People's Court of the People's Republic of China, (2019) SPC Min Te No. 1. <https://cicc.court.gov.cn/html/1/218/180/221/1340.html>

6 Interpretation of the Supreme People's Court on Certain Issues Concerning the Application of the Arbitration Law of the PRC (2008 Revision)

Article 10 Where a contract does not become effective or is cancelled after being formed, the effectiveness of the

agreement for arbitration shall be ascertained under Paragraph 1 of Article 19 of the Arbitration Law.
Where the parties concerned reach an agreement for arbitration regarding a dispute when concluding the contract, the effectiveness of the agreement for arbitration shall not be impacted if the contract is not formed.

7 Last Year, 93 Arbitral Institutions Handled Online Arbitration Cases; the Newly Revised Arbitration Law Clarifies the Legal Effect of Online Arbitration. Legal Daily. <http://legalinfo.moj.gov.cn/pub/sfbzhfx/zt/2025nzt0120/xcgvxxddzcf/202510/t20251009_525972.html>

8 The Guangdong High People's Court Releases the Second Batch of Model Cases on Judicial Review of Arbitration. Guangdong High People's Court. <https://mp.weixin.qq.com/s/emkigF5CnOQwqMOQRckUlw>

9 Arbitration Law of the People's Republic of China (2025 Revision)
Article 11 Arbitration activities may be conducted online on an information network, unless the parties explicitly disagree to it.
Arbitration activities conducted online on an information network have the same legal effect as offline arbitration activities.

10 Arbitration Law of the People's Republic of China (2025 Revision)
Article 78 The provisions of this Chapter apply to all arbitration of foreign economic or trade, transportation, maritime, and other foreign-related disputes. In the absence of provisions in this Chapter, other relevant provisions of this Law apply.

11 Arbitration Law of the People's Republic of China (2025 Revision)
Article 82 Where the parties agree in writing to refer to arbitration a foreign-related maritime dispute or a foreign-related dispute arising between enterprises formed and registered in a pilot free trade zone created with the approval of the State Council, the Hainan Free Trade Port, or other areas designated by the state, they may choose to refer the dispute to an arbitral institution or select the People's Republic of China as the seat of arbitration and refer the dispute to an arbitration tribunal consisting of persons who meet the conditions prescribed in this Law for arbitration in accordance with the agreed arbitration rules, and the arbitration tribunal shall, within three working days of its formation, under recordation with the arbitration association regarding the names of the parties, the seat of arbitration, the composition of the arbitration tribunal, and the rules of arbitration.

12 Press Conference on the Newly Revised Arbitration Law Held by the Ministry of Justice. The State Council Information Office of the People's Republic of China. <http://www.scio.gov.cn/xwfb/bwxwfb/gbwfbh/sfb/202510/t20251014_935160_m.html>

13 First Case! Shanghai Maritime Court Concludes a Dispute over the Application for Confirmation of the Validity of an Ad Hoc Arbitration Agreement. Shanghai Maritime Court. <https://mp.weixin.qq.com/s/dn17HAFEaExz1wipP4Tr1g>

14 Chen Jiaxu. A One-Stop Guide to the Major Revisions and Key Interpretations of Judicial Review Provisions under the New Arbitration Law. Shanghai First Intermediate People's Court. <https://mp.weixin.qq.com/s/YOqo8xVviWLqQ8hqarqyOg>

15 Arbitration Law of the People's Republic of China (2025 Revision)
Article 81 The parties may agree on the seat of arbitration in writing. Unless the parties have otherwise agreed on the applicable law of the arbitration procedure, the seat of arbitration shall serve as the basis for determining the applicable law of the arbitration proceedings and the court with jurisdiction. An arbitration award is deemed to have been rendered at the seat of the arbitration.
If the parties have not agreed on the seat of arbitration or have agreed ambiguously, the seat of arbitration shall be determined in accordance with the arbitration rules agreed upon by the parties; if the rules of arbitration are silent, the arbitration tribunal shall determine the seat of arbitration based on the circumstances of the case and the principle

of facilitating dispute resolution.

16 Typical Cases Supporting and Safeguarding the Development of International Commercial Arbitration Centers (VI). Beijing International Commercial Court. <http://www.bicc.gov.cn/2025-01/17/c_1065190.htm>

17 Arbitration Law of the People's Republic of China (2017 Amendment)

Article 28 A party may apply for property preservation if it may become impossible or difficult for the party to implement the award due to an act of the other party or other causes.

If a party applies for property preservation, the arbitration commission shall submit the party's application to the people's court in accordance with the relevant provisions of the Civil Procedure Law.

18 Arbitration Law of the People's Republic of China (2025 Revision)

Article 39 A party may apply for property preservation or request an order that the other party take certain actions or refrain from taking certain actions if it may become impossible or difficult to implement the award or cause other damages to the party by reason of an act of the other party, among others. If a party applies for preservation, the arbitral institution shall refer the party's application to the people's court in accordance with the relevant provisions of the Civil Procedure Law of the People's Republic of China, and the people's court shall handle it in a timely manner in accordance with the law.

In case of emergency, a party to an arbitration agreement may, before applying for arbitration, apply to the people's court for property preservation or request the people's court to order that the other party take or refrain from taking certain actions in accordance with the relevant provisions of the Civil Procedure Law of the People's Republic of China. If a party applies for preservation, the people's court shall handle it in a timely manner in accordance with the law.

19 Hainan Huntington Hospital Management Consulting Co., Ltd. v. Ciming Boao International Hospital Co., Ltd., Civil Ruling on Other Civil Matters, Hainan First Intermediate People's Court (formerly Hainan Intermediate People's Court), (2019) Qiong 96 Xing Bao No. 1. <https://law.wkinfo.com.cn/judgment-documents/detail/MjAyOTU0MDE5OTA%3D?showType=0>

20 Civil Procedure Law of the People's Republic of China (2017 Amendment)

Article 100 For a case where, for the conduct of a party or for other reasons, it may be difficult to execute a judgment or any other damage may be caused to a party, a people's court may, upon application of the opposing party, issue a ruling on preservation of the party's property, order certain conduct of the party or prohibit the party from certain conduct; and if no party applies, the people's court may, when necessary, issue a ruling to take a preservative measure.

21 Arbitration Law of the People's Republic of China (2025 Revision)

Article 55 A party shall provide evidence in support of its own claims.

The arbitration tribunal may, as it considers necessary, collect evidence on its own initiative, and may, when necessary, request relevant entities to provide assistance in accordance with the law.

Article 58 Where any evidence may be destroyed or lost or difficult to obtain at a later time, a party may apply for evidence preservation. If a party applies for evidence preservation, the arbitral institution shall refer the application to the primary people's court at the place where the evidence is located, and the people's court shall handle it in a timely manner in accordance with the law.

In case of emergency, a party to an arbitration agreement may, before applying for arbitration, apply to the people's court for evidence preservation in accordance with the relevant provisions of the Civil Procedure Law of the People's Republic of China. If a party applies for evidence preservation, the people's court shall handle it in a timely manner in accordance with the law.

22 Arbitration Law of the People's Republic of China (2017 Amendment)

Article 43 Parties shall provide evidences in support of their own arguments.
The arbitration tribunal may, as it considers necessary, collect evidences on its own.
23 Arbitration Law of the People's Republic of China (2017 Amendment)
Article 46 Under circumstances where the evidence may be destroyed or lost or difficult to obtain at a later time, a party may apply for preservation of the evidence. If a party applies for preservation of the evidence, the arbitration commission shall submit his application to the basic people's court in the place where the evidence is located.
24 China's First Case: Shanghai International Commercial Court Issues an Investigation Order to Support Interim Measures in International Arbitration. Shanghai First Intermediate People's Court. <https://mp.weixin.qq.com/s/-FPCv4OCtt2XrYPqUDKCdg>
25 Arbitration Law of the People's Republic of China (2025 Revision)
Article 72 A party that wishes to apply for revocation of the arbitration award shall submit such application within three months from the date of receipt of the award.
26 Arbitration Law of the People's Republic of China (2017 Amendment)
Article 59 A party that wishes to apply for setting aside the arbitration award shall submit such application within six months from the date of receipt of the award.
27 Arbitration Law of the People's Republic of China (2025 Revision)
Article 77 Where one party applies for enforcement of the arbitration award and the other party applies for revocation of the arbitration award, the people's court shall rule to suspend the procedure of enforcement.
If the people's court rules to revoke the arbitration award, it shall rule to terminate the enforcement procedure. If the people's court rules to reject the application for revocation of the arbitration award, it shall rule to resume the enforcement procedure.
28 Arbitration Law of the People's Republic of China (2017 Amendment)
Article 61 If, after accepting an application for setting aside an arbitration award, the people's court considers that the case may be re-arbitrated by the arbitration tribunal, it shall notify the tribunal that it shall re-arbitrate the case within a certain time limit and shall rule to stay the setting-aside procedure. If the arbitration tribunal refuses to re-arbitrate the case, the people's court shall rule to resume the setting-aside procedure.
29 Arbitration Law of the People's Republic of China (2025 Revision)
Article 74 Where, after accepting an application for revocation of an arbitration award, the people's court considers that the case may be re-arbitrated by the arbitration tribunal, it shall notify the tribunal that it shall re-arbitrate the case within a certain time limit and shall rule to stay the setting-aside procedure. If the arbitration tribunal commences re-arbitration, the people's court shall rule to terminate the setting-aside procedure. If the arbitration tribunal refuses to re-arbitrate the case, the people's court shall rule to resume the setting-aside procedure.

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