



THE MARITIME ARBITRATION UNIVERSE IN NUMBERS: LONDON REMAINS EVER DOMINANT

For the third consecutive year, our analysis of global maritime arbitration case statistics shows that London continues to dominate as the most trusted arbitration centre for resolving international shipping disputes.

Many arbitral bodies make their annual arbitration statistics publically available in the spring of the subsequent year. Arbitral institutions that do not formally publish their annual data will often provide caseload statistics on request. This year HFW has been able to obtain statistics from over 10 leading arbitral bodies. Our analysis of the numbers indicates that in 2018 and 2019 London remained at the centre of global maritime dispute resolution.

A recap of last year's results

Our analysis in early 2019 showed that London continued to remain at the forefront of global maritime dispute resolution. The statistics demonstrated that London was the preferred jurisdiction for international maritime arbitration with an 80% share of maritime arbitrations in 2017.

We were able to confirm that over 1,500 maritime arbitrations of an international nature were held in London in 2017, compared to just over 140 international maritime arbitrations in Singapore, approximately 100 in Hong Kong, and about 20 in Dubai and Paris.

These statistics suggested that, although there was a slight reduction in international maritime arbitration in London in 2017, following the Brexit vote, London retained

its position as the dominant international maritime arbitration centre despite increased global competition.

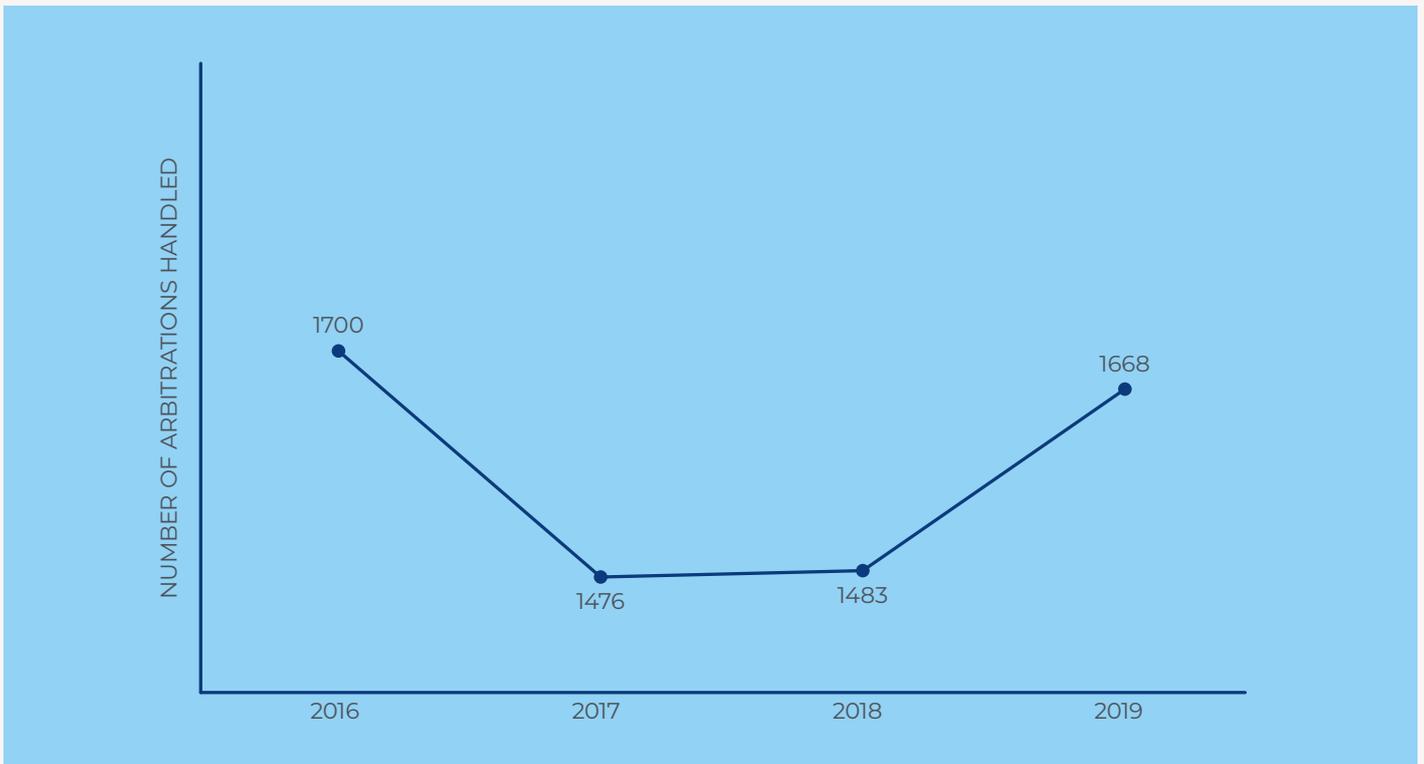
The latest maritime arbitration numbers

The London Maritime Arbitrators Association (LMAA) handled approximately 1,668 new, individual maritime arbitrations in London in 2019, up from 1,483 in 2018.¹ When combined with the 2019 figures for the London Court of International Arbitration (LCIA) and The International Chamber of Commerce (ICC), London handled approximately 1,730 new international maritime arbitrations last year.² When the LMAA's 2018 caseload statistics are combined with those from the LCIA and ICC, the total number of new maritime arbitrations in London in 2018 was approximately 1,523.³ Therefore in 2019, London saw an almost 14% increase in its international maritime arbitration caseload.

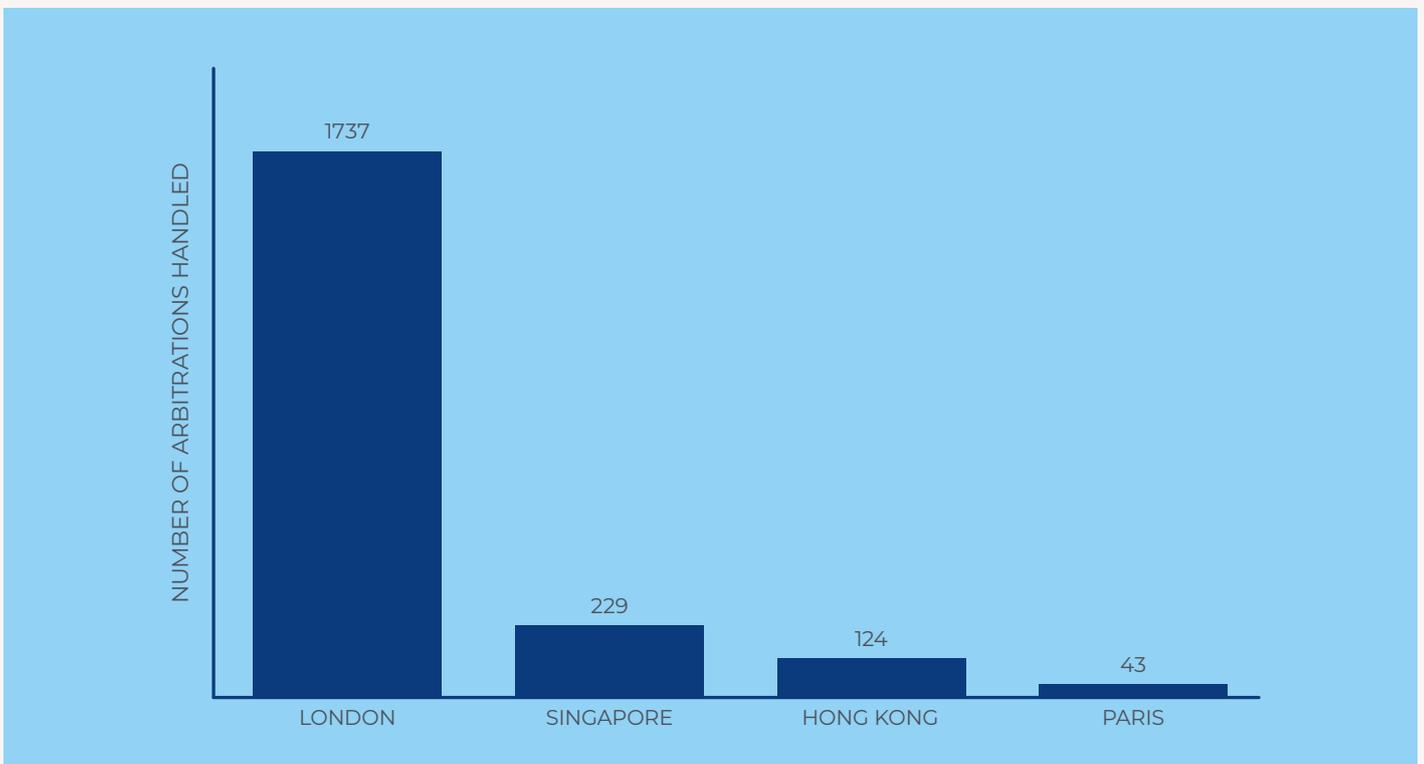
Our research over the last three years has consistently indicated that Singapore and Hong Kong are London's strongest competitors in the global dispute resolution market. The 2018 and 2019 figures continue to support this. Singapore had a bumper year in 2019, seeing the equivalent of approximately 13% of London's maritime arbitration caseload, with 229 new international arbitrations shared between the Singapore International Arbitration Centre (SIAC), the Singapore Chamber of Maritime Arbitration (SCMA), the LMAA, and ICC.⁴ The statistics were similar in 2018, when Singapore saw the equivalent of 14% of London's maritime arbitration caseload in 2018, with approximately 215 SIAC, SCMA, LMAA and ICC cases.⁵

In Hong Kong, the Hong Kong International Arbitration Centre (HKIAC) dealt with approximately 44 new international maritime arbitrations in 2019, up from 38

LMAA London Caseload Statistics



International Maritime Arbitrations in 2019



in 2018. The Hong Kong Maritime Arbitration Group (HKMAG) received 63 maritime arbitral appointments in 2018, and we are informed saw a modest increase in its caseload in 2019. Accordingly, Hong Kong handled the equivalent of approximately 6% of London's maritime arbitration caseload in 2018, increasing to 7% in 2019.⁶

Paris, with its long-standing reputation in Europe for maritime dispute resolution, continues to be a forum worthy of note as a regional maritime centre. Paris arbitral institutions, the ICC and the Chambre Arbitrale Maritime de Paris (CAMP), hosted approximately 43 maritime arbitrations in 2019 and 2018. This represents approximately 2.5% of London's caseload for 2019 and 3% for 2018, although it should be noted that Paris has a significant ad hoc arbitration caseload that has not been included here.⁷

The UAE, with ambitions of becoming a global maritime hub to watch, continues to establish its first dedicated maritime arbitration centre in the Middle East – the Emirates Maritime Arbitration Centre (EMAC). Although caseload statistics are not yet available for this young institution (now entering its fourth year), it is working to build a reputation in the industry, although has some way to go before it may be considered a challenger to London.⁸

In our previous publications, we advised that the Scandinavian maritime clusters were seeking to promote a new Nordic shipping arbitration centre. Established in only 2017, the Nordic Offshore and Maritime Arbitration Association (NOMA) was established at the initiative of the Nordic countries' Maritime Law Associations as an alternative to (post-Brexit) London for both maritime and non-maritime international disputes. Statistics are not yet publically available, however NOMA may well emerge as a future force in international maritime arbitration.⁹ Time will tell.

Lastly, mention should be made of arbitration institutions in the United States and China known to handle significant numbers of maritime disputes. The Society of Maritime Arbitrators (SMA), the Maritime Arbitration Association (MAA) and the Houston Maritime Arbitrators Association (HMAA) do not make their arbitration statistics public and have not been able to provide their 2018 or 2019 data to us this year. China's Maritime Arbitration Commission (CMAC) is a thriving arbitral institution handling mostly regional maritime disputes. International maritime companies with no connections to China rarely choose the jurisdiction for dispute resolution and, for this reason, we have not included figures for China in this publication.

Comparing London's arbitration caseload statistics for 2018 and 2019 with statistics from major maritime arbitration centres outside London shows the extent of London's current dominance in the international maritime arbitration industry. Credibility and trust in London's arbitration centres remain high amongst international parties, with the city handling in the region of 83% of all arbitrations concerning international maritime disputes in 2019.

The future

As the UK continues through its post-EU transition period, and the world grapples with the Covid-19 pandemic and its economic aftershocks, it is difficult

to predict with absolute certainty the future maritime arbitral landscape. However, as companies within the industry start to face economic challenges and ensuing disputes as a result of the post-pandemic global financial downturn, we expect the use of arbitration to increase. In these challenging times, the flexibility, faster resolution and potentially lower costs offered by arbitration may make it an increasingly popular choice for resolving maritime disputes.

London continues to enjoy a solid reputation for international dispute resolution, and we anticipate will continue to prosper as a maritime arbitration hub in 2020 and beyond. The LMAA (which sees 95% of its caseload in London) has recently reassured its members that, with approximately 80% of their London maritime arbitration cases conducted using documents only, much of their current activity is business as usual and remains unaffected by Covid-19 restrictions. The LMAA is also no stranger to conducting remote hearings using video conferencing software (as permitted by their rules), and as such has been able to adapt quickly to the new reality. It will be this ability to adapt that could be key to arbitration institutions continuing to attract maritime dispute cases in 2020.

The statistics above are our best estimates produced from the figures for maritime arbitrations both published and provided to us upon request. They cannot completely capture all maritime arbitrations as not all institutions provide full breakdowns by jurisdiction and sector and ad hoc arbitrations are difficult to track. Different arbitration institutions also record their arbitrations slightly differently, which makes comparative analysis of figures more difficult. Please find a comprehensive explanation of the statistics [here](#).¹⁰

Footnotes:

- 1 In total, 1,756 individual arbitrations were handled by the LMAA in 2019, and 1,561 in 2018, with 95% of those references handled in London.
- 2 In 2019, the number of arbitrations under LCIA Rules categorised in the transport and commodities sector was approximately 61, with England chosen as the arbitral seat in approximately 89% of cases (approximately 54 cases). In 2019, the ICC registered a total of 869 new cases and we estimate approximately 10% of the ICC's new arbitrations relating to the transportation sector (approximately 8.6%) were handled in London based on 2018's data.
- 3 In 2018, the number of arbitrations under LCIA Rules categorised in the transport and commodities sector was in the region of 33. In 2018, approximately 10% of the ICC's new 72 arbitrations relating to the transportation sector were handled in London.
- 4 The LMAA handled 88 new maritime arbitrations in 2019 in Singapore, and the SCMA oversaw 41 new maritime case references in 2019. We estimate the SIAC received approximately 95 new maritime references and the ICC received 5 new maritime cases in 2019.
- 5 The SIAC have confirmed they handled approximately 80 maritime cases in 2018. The SCMA confirmed that it oversaw 56 maritime references in 2018. The ICC handled 4 transportation references in Singapore in 2018 and the LMAA handled approximately 78 maritime arbitrations in 2018.
- 6 The ICC handled approximately 2 new transportation cases in Hong Kong in 2018, and the LMAA have not provided any statistics for Hong Kong.
- 7 The ICC handled approximately 13 new transportation sector arbitrations in Paris in 2018 and 2019, and CAMP saw 30 maritime arbitrations in Paris in 2018 and 2019. It should be noted that Paris has a significant ad hoc maritime arbitration caseload which cannot be easily tracked, and for which statistics have not been included in our publication.
- 8 The EMAC and DIFC-LICA have declined to make their maritime arbitration statistics publically available. The DIAC have confirmed that they handle very few maritime arbitration cases.
- 9 NOMA have not provided their 2018 or 2019 arbitration statistics to us, nor provided projected figures for 2020.
- 10 <https://www.hfw.com/downloads/002203-HFW-Maritime-arbitration-in-numbers-More-on-the-statistics-July-2020.pdf>

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About HFW

HFW are the world's largest shipping practice, with more than 200 specialist lawyers and 13 Master Mariners across the Americas, Europe, the Middle East and Asia-Pacific. In January 2020, HFW won the Excellence in Maritime Law award at the Lloyd's List Global Awards, which recognises the world's best shipping law firm.

More than two-thirds of HFW's work globally is disputes - unprecedented for a law firm of our size and scale. Independent research by leading industry publication, The Lawyer, highlighted us as one of the top five preferred litigation firms for FTSE 100 businesses.

We are the clear leader for shipping disputes. The Lawyer's Litigation Tracker shows that we handled 64% more shipping litigation cases in the English Courts over the past five years than our nearest rival. However, despite our experience and success: "our aim is always to negotiate solutions, rather than to litigate".



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