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# What We Know, We Don't Know About Macao's Arbitration Framework and the Way Forward

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## Abstract

Increasing attention has been drawn recently to the arbitration community after the long-awaited call for reform in arbitration regime back in 1996, the new Macao Arbitration Law has finally come into force on 4 May 2020.<sup>1</sup> Still a phenomenon today, Macao SAR is not regarded as a popular destination for arbitration given the very strong competitions of “international” arbitral institutions surrounded in the South-East Asia Region, like Singapore, Hong Kong SAR, and Mainland China, but also probably due to its “imperfect” arbitration system that Macao SAR that was deeply-rooted in the past.

In response to the growth of international commercial arbitration cases worldwide, Macao SAR has tried hard to ameliorate in a number of ways without giving up its share in the arbitration market. Indeed, one good example is the reform of the latest Macao Arbitration Law in 2019. However, this may not serve as a “panacea” to bring any instant changes in arbitration, and promotion of Macao SAR as a “user-friendly” seat for arbitration may require time and joint effort from every stakeholder to make that happen. This paper will revisit the evolution of the Macao's arbitration system and its latest development, the potential challenges that pose to Macao SAR, a brief introduction of local arbitral institutions, as well as the likely concerns that the arbitral institutions and arbitration users may face when it comes to the choice for the place of arbitration.

## Keywords

Arbitration; Macao Arbitration Law; UNCITRAL Model Law.

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<sup>1</sup> Law No. 19/2019. The new Macao Arbitration Law has been promulgated on 5 November 2019. The Decree-Law No. 29/96/M and Decree-Law No. 55/98/M have been abolished after the new legislation was introduced as of the date.

## 1 Introduction

Settling commercial and cross-border disputes by means of international arbitration is neither a new resolution mechanism nor novel practice in many parts of the world. To date, many research outputs related to international commercial arbitration have placed a lot of emphasis talking about the arbitration regimes with reference to common law jurisdictions like UK, Singapore, and Hong Kong SAR, or civil law jurisdiction like Mainland China. So far, there were very limited academic reviews and international journal articles that examine the latest development of arbitration mechanism, specifically in Macao SAR, let alone the new Macao Arbitration Law 2019.

This paper aims to provide some highlights of how arbitration regime operated in Macao SAR evolved from the past to the present. The article will be separated into six parts. Part II will provide an overview as to how the Macao Arbitration Regime changed over time since its colonization and after its handover to Mainland China. Then, the paper will present a brief overview of the arbitral institutions now situated in Macao SAR by looking into their functions and operating frameworks in Part III. This article will proceed in Part IV by discussing some of the key features pertaining in the new Macao Arbitration Law 2019 with the illustration of some important provisions stipulated in the new legislation. The next section, Part V, will be dedicated to discussion of the practical challenges that might occur when the arbitration is held in Macao SAR. Last but not least, Part VI will address the conclusion and way forward of Macao Arbitration.

## 2 An Overview of Macao's Arbitration Regime

### 2.1 Historical Development of Macao's Arbitration Law

Macao Law has been deeply influenced by the Portuguese law when it was first colonized by Portuguese in the 16<sup>th</sup> century, whereby the tradition of continental law using codification remained the main source of law. The notion of 'arbitration' first appeared in Portugal as early as 15<sup>th</sup> century<sup>2</sup>,

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<sup>2</sup> VICENTE, D. M. Applicable Law in Voluntary Arbitrations in Portugal. *The International and Comparative Law Quarterly*, 1995, Vol. 44, no. 1, p. 179.

but has never been explored until the early 20<sup>th</sup> century in Macao. Back then, no separate set of law was specifically enacted for resolving arbitration disputes in Portugal, and only a handful of legal provisions dealing with arbitration in commercial and civil matters were incorporated in the Portuguese Civil Procedure Code 1939.<sup>3</sup>

In 1986, the very first set of arbitration legislation, namely Voluntary Arbitration Law<sup>4</sup> came into existence in Portugal to handle voluntary arbitration, setting aside the matters such as recognition and enforcement of foreign arbitral awards.<sup>5</sup> Two years after the enactment of the Voluntary Arbitration Law in Portugal, a team of legal experts were engaged to draft the Macao version of arbitration law, with a draft proposal prepared in 1990.<sup>6</sup> Nevertheless, it took more than 6 years for the late Portuguese Government to actually promulgate the relevant rules in regulating the conditions for voluntary arbitral institutions in 1996.<sup>7</sup>

## 2.2 Some Highlights on the Old Arbitration Regime

Prior to the new Macao Arbitration Law 2019, dual arbitration regimes were in place, namely (1) the Voluntary Arbitration Regime and (2) the External Commercial Arbitration Regime. Two separate laws were introduced to regulate this dual arbitration regime – the Decree-Law No. 29/96/M was introduced to govern domestic arbitration, whereas the Decree-Law No. 55/98/M, which exemplified from the Model Law on International Commercial Arbitration of United Nations Commission on International Trade Law (“UNCITRAL Model Law”), dealt with the international arbitration disputes. For the purpose of discussion, this paper will only highlight some of the major provisions stated in Decree-Law No. 55/98/M. Unlike the new Macao Arbitration Law 2019 where the arbitration is broadly availed to resolve foreign-related disputes upon the agreement

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<sup>3</sup> Ibid., p. 180.

<sup>4</sup> Law No. 31/86, came into force 29 November 1986 after several revisions were made in the proposal.

<sup>5</sup> Supra note 3.

<sup>6</sup> LOK, V.C. Brief Discussion on the Development of Macao’s Arbitral Regime (in Chinese). *Administration*, 2000, Vol. 48, no. 13(2), p. 454.

<sup>7</sup> Decree-Law No. 40/96/M by Gazette published 22 July 1996 and came into effect 15 September 1996.

of the disputable parties, the repealed Decree-Law No. 55/98/M governing the foreign-related arbitration disputes deals explicitly with the scope of “commercial matters”. In other words, foreign disputes involving matters such as trade transaction, sales agreement, commercial representative or agent, collection of accounts, financial lease, consulting, engineering, license contract, investment, financing, banking transaction, insurance, development agreement or franchise agreement for the supply or exchange of goods or services, joint ventures and other forms of industrial or commercial cooperation, air, sea, rail or road transportation of goods or passengers would be regarded as commercial matters pursuant to Art. 1 para. 2 of Decree-Law No. 55/98/M.<sup>8</sup> In addition, based on Art. 27 of Decree-Law No. 55/98/M, the old provision simply allows the parties to seek judicial assistance from the court without any details on the procedural requirements to be complied with.

Hence, the unification of the dual regimes has indeed streamlined the legislations into unilateral law, making it more user-friendly without differentiating between the domestic and international arbitration under the new Macao Arbitration Law 2019.

### **3 Presence of Arbitral Institutions in Macao SAR**

To correctly understand how the arbitration regime works in Macao SAR, it may be important to appreciate the presence of the arbitral institutions in the jurisdiction. So far, there are only three official arbitral institutions that offer arbitration services in Macao SAR, namely the Macao Consumer Mediation and Arbitration Centre, the Voluntary Arbitration Centre of the Macao Lawyers Association<sup>9</sup>, and the World Trade Center Macau Arbitration Center (“WTC Macau Arbitration Center”).<sup>10</sup>

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<sup>8</sup> Art. 1 para 2. Decree-Law No. 55/98/M.

<sup>9</sup> Officially known as “*Centro de Arbitragens Voluntárias da Associação dos Advogados de Macau*” in Portuguese.

<sup>10</sup> The Centre for Arbitration of Conflicts in Insurance and Private Pension Funds (which was set up in 2001 and operated by the Monetary Authority of Macao), and the Building Administration Arbitration Centre (which was set up in 2011 and operated by the Housing Bureau) have been extinguished pursuant to the Dispatch of the Chief Executive No. 128/2020 (by Gazette dated 8 June 2020) and the Dispatch of the Chief Executive No. 112/2020 (by Gazette dated 24 April 2020) respectively.

### 3.1 The Macao Consumer Mediation and Arbitration Centre

This institution was first established in 1988 in Macao under the name “*Macao Consumer Arbitration Centre*”<sup>11</sup>, and was recently renamed as the “*Macao Consumer Mediation and Arbitration Centre*” on 14 December 2020 by Gazette pursuant to the Dispatch of the Chief Executive No. 228/2020. It was initially set up with the aim to resolve disputes by alternative means other than courts, specifically consumer disputes related to goods and services, i.e., contractual disputes involving consumers and businesses.<sup>12</sup> According to the online statistics provided by the Macao Consumer Mediation and Arbitration Centre, over 14% of the complaint cases in aggregate that have been dealt with are related to ‘telecommunication and computer equipment’ and ‘laundry products’ complaints between 1998 and 2019. Over the same period of time, out of 635 cases submitted to the institution, 411 cases have been sought for mediation and 209 cases for arbitration.<sup>13</sup>

Based on the Dispatch of the Chief Executive No. 228/2020, there is no maximum ceiling set in the disputable amount to be accepted by the institution. As a way of incentive encouraging the use of non-litigation means in resolving the dispute, parties will enjoy a free-of-charge mediation or arbitration services with the institution if the claimable amount does not exceed MOP 100,000 as prescribed by the Court of First Instance in Macao SAR. Provided that this is a voluntary process which is open to the general public, parties will have a choice to opt for mediation or arbitration, or even a combination of ‘mediation and arbitration’ (“med-arb”)<sup>14</sup> to resolve the disputes in the Macao Consumer Mediation and Arbitration Centre.<sup>15</sup> Regardless which of the above-mentioned mode is selected to resolve a consumer dispute,

<sup>11</sup> Regulations of Macao Consumer Mediation and Arbitration Centre No restriction on dispute amount, arbitration open to liberal professionals. *Government Information Bureau of the Macao SAR* [online]. 14. 12. 2020 [cit. 1. 6. 2021]. Available at: <https://news.gov.mo/detail/en/N20LNxzIgy?2>

<sup>12</sup> Ibid.

<sup>13</sup> 5 cases have been withdrawn during the procedures (1 case in 2012 and 4 cases in 2013) – Statistics of arbitration cases in past years. *Macao SAR Government Consumer Council* [online]. [cit. 1. 6. 2021]. Available at: <https://www.consumer.gov.mo/CAC/Statistics.aspx?lang=en>

<sup>14</sup> Parties are normally encouraged to first mediate then arbitrate if combined mode is adopted.

<sup>15</sup> Supra note 11.

a written agreement to mediate or arbitrate or both has to be reached between parties in advance that they consent to submit the dispute to institution for mediation or arbitration or med-arb before the process officially kicks off.<sup>16</sup> In the amid of the COVID-19 as well as the cross-border transactions which become more frequent than ever, Art. 29 of Dispatch of the Chief Executive No. 228/2020 also permits parties to resolve the disputes by conducting the mediation or arbitration via video-conferencing if necessary.<sup>17</sup>

In case mediation or med-arb is adopted, the institution would normally select a mediator on the parties' behalf and try to facilitate the mediation process in the hope that the dispute could be quickly resolved.<sup>18</sup> On the other hand, if arbitration is opted, or when the mediation session fails in med-arb, then an arbitrator will be appointed to hear the submissions of both parties and their relevant evidence before he or she makes a final award.<sup>19</sup> Once parties have reached a settlement, in the case of mediation, a mediation agreement in writing has to be signed, whereas for arbitration, the arbitrator will come up with a final award which carries the same legal effect as the court order in Macao.<sup>20</sup>

### **3.2 The Voluntary Arbitration Center of the Macao Lawyers' Association**

In March 1998, the Voluntary Arbitration Center of the Macao Lawyers' Association was set up pursuant to the Dispatch No. 26/GM/98 with the objective to resolve disputes arising between lawyers, lawyers and clients, or any conflicts that relate to civil, administrative or commercial matters.<sup>21</sup> So far, there are only 2 arbitration cases that have been dealt with by the Voluntary Arbitration Center.

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<sup>16</sup> Consumer Mediation and Arbitration Service. *Macao SAR Government Consumer Council* [online]. [cit. 1. 6. 2021]. Available at: [https://www.consumer.gov.mo/AboutUs/Formalities.aspx?lang=en&id=CC-1414\\_e](https://www.consumer.gov.mo/AboutUs/Formalities.aspx?lang=en&id=CC-1414_e)

<sup>17</sup> Art. 29 Dispatch of the Chief Executive No. 228/2020.

<sup>18</sup> Macao Consumer Council, Frequently Asked Questions. *Macao SAR Government Consumer Council* [online]. [cit. 1. 6. 2021]. Available at: <https://www.consumer.gov.mo/CAC/faq.aspx?lang=en>

<sup>19</sup> Ibid.

<sup>20</sup> Supra note 16.

<sup>21</sup> Art. 3 letters a) to c) Dispatch No. 26/GM/98; Art. 3.1 para. 1–3 Articles of Association of the Voluntary Arbitration Centre of the Macao Lawyers' Association, Government Gazette No. 24 (Part 2), dated 10 June 2020.

At present, the Voluntary Arbitration Center has initiated two main rules that govern the procedure of arbitration: (1) “Rules on Arbitral Procedure” and (2) “Rules on Emergency Arbitral Procedure”.<sup>22</sup> For the sake of clarity, this paper will highlight the relevant discussion on the former rules only. Based on the “Rules on Arbitral Procedure” issued by the Macao Lawyers’ Association (“Macao Lawyers’ Association Rules on Arbitral Procedure”), a sole arbitrator or arbitrators can be appointed by the Voluntary Arbitration Center if parties cannot reach unanimous consent in the appointment of arbitrator(s).<sup>23</sup>

In light of efficiency and effectiveness, two or more arbitration cases may be consolidated by the Chairman of the Voluntary Arbitration Centre upon hearing the views of the parties or in pursuit of a party’s application.<sup>24</sup> In addition, the first meeting record has to be prepared by the arbitral tribunal with the involvement of the parties after receiving the submission for arbitration. Amongst all, the following matters need to be elaborate in the first meeting minutes in accordance with Art. 24, namely:

1. The summary description of the dispute;
2. The place of arbitration;
3. The applicable law or, if the parties have so determined and are legally admissible, recourse to a decision in accordance with equity (*ex aequo et bono*) or balancing conflicting interests (*amiable compositeur*);
4. The language of the arbitration;
5. The identification of the parties and their representatives or legal representatives and the respective contacts;
6. The procedural documents to be submitted by the Parties and the respective deadlines;
7. The value of the cause or its estimate that one considers appropriate.<sup>25</sup>

In terms of the decision made by the arbitral tribunal, the final award is generally not appealable unless parties agreed otherwise in the arbitration agreement or when it falls into an exception in law.<sup>26</sup> The Macao Lawyers’

<sup>22</sup> Rules are available in Chinese and Portuguese only. – Centro de Arbitragem – Legislação. *Associação dos Advogados de Macau* [online]. [cit. 1.6.2021]. Available at: <https://aam.org.mo/centro-de-arbitragem/>

<sup>23</sup> Art. 12 Macao Lawyers’ Association Rules on Arbitral Procedure.

<sup>24</sup> Art. 18 Macao Lawyers’ Association Rules on Arbitral Procedure.

<sup>25</sup> Art. 24 Macao Lawyers’ Association Rules on Arbitral Procedure.

<sup>26</sup> Art. 30 Macao Lawyers’ Association Rules on Arbitral Procedure.

Association Rules on Arbitral Procedure do not state the relevant circumstances which fall into the exceptions but have provided parties with the channels to lodge an appeal with other competent arbitral tribunals if so proved.<sup>27</sup> Sole arbitrator or arbitrators sitting in the preceding arbitral tribunal would be excluded from taking part in the appeal as member(s) of the arbitral tribunal to maintain impartiality.<sup>28</sup> As for the appellant, a time limit of 30 days counting from the date since the award is handed down will be provided.<sup>29</sup> If the grounds for appeal are agreeable by arbitral tribunal, such decision will supersede the award made by the former arbitral tribunal, and *vice versa*.<sup>30</sup> Regardless whether the appellant succeeded in the claim or not, the arbitral tribunal for appeal will render the award<sup>31</sup> within 6 months since the date the Secretariat received the appeal application.<sup>32</sup>

In addition to the substantial rules on the arbitral procedure mentioned above, the “Code of Professional Ethics” laid down by the Macao Lawyers’ Association (“Macao Lawyers’ Association Code of Professional Ethics”) has also been in place for arbitrator(s) to comply.<sup>33</sup> Under such Code, an arbitrator is under different obligations, e.g., confidentiality<sup>34</sup>, disclosure duty<sup>35</sup>, diligence duty<sup>36</sup>, and suggesting conciliation to resolve the dispute without affecting parties’ decisions<sup>37</sup> and so on.

### 3.3 The World Trade Center Macau Arbitration Centre

This institution, originally known as the “*World Trade Center Macau Voluntary Arbitration Center*”, was set up just before the handover to Mainland China

<sup>27</sup> Art. 31 Macao Lawyers’ Association Rules on Arbitral Procedure.

<sup>28</sup> Art. 36 para. 3 Macao Lawyers’ Association Rules on Arbitral Procedure.

<sup>29</sup> Art. 33 Macao Lawyers’ Association Rules on Arbitral Procedure.

<sup>30</sup> Art. 38 Macao Lawyers’ Association Rules on Arbitral Procedure.

<sup>31</sup> The award rendered by the arbitral tribunal for appeal is one that is final and is not appealable according to Art. 40 of the Macao Lawyers’ Association Rules on Arbitral Procedure.

<sup>32</sup> Art. 37 Macao Lawyers’ Association Rules on Arbitral Procedure.

<sup>33</sup> Macao Lawyers’ Association Code of Professional Ethics – Código Deontológico dos Árbitros Centro de Arbitragem da AAM. *Associação dos Advogados de Macau* [online]. [cit. 1. 6. 2021]. Available at: <https://aam.org.mo/wp-content/uploads/2021/01/Codigo-Deontologico-do-Arbitro-site.pdf>

<sup>34</sup> Art. 10 Macao Lawyers’ Association Code of Professional Ethics.

<sup>35</sup> Art. 5 Macao Lawyers’ Association Code of Professional Ethics.

<sup>36</sup> Art. 7 Macao Lawyers’ Association Code of Professional Ethics.

<sup>37</sup> Art. 12 Macao Lawyers’ Association Code of Professional Ethics.



in June 1998 pursuant to the Order 48/GM/98<sup>38</sup>, to promote alternative resolution methods other than litigation means, such as arbitration and mediation.<sup>39</sup> As part of the World Trade Center Macau, the WTC Macau Arbitration Center is operated by a Directive Council which includes a President, a Vice-President, and five Members.<sup>40</sup> Based on the latest statistics, there are only 4 arbitration cases that have been handled by the institution.

The internal rules of the WTC Macau Arbitration Center (“WTC Internal Rules”) have recently been amended by way of passing a resolution in the Directive Council on 27 April 2020. Rules related to arbitration and mediation are provided under the internal rules in Chapter 3 (for arbitration) and Chapter 4 (for mediation) respectively.<sup>41</sup> When an application for arbitration has been submitted to the WTC Macau Arbitration Centre, like many other international arbitral institutions, a party retains the flexibility in the arbitration process, e.g., the number of arbitrators in forming an arbitral tribunal<sup>42</sup>, the language used in the arbitration<sup>43</sup>, the place of arbitration<sup>44</sup>, etc. Throughout the process of arbitration, arbitrators and relevant stakeholders will be bound by the duties such as disclosure<sup>45</sup>, confidentiality<sup>46</sup>, recusal<sup>47</sup>, co-operation<sup>48</sup>, etc. In order to facilitate the arbitration process, and to save costs and time, an arbitrator or arbitrators will have the discretion to consolidate the arbitration cases, subject to the agreement of the parties, when there are two or more arbitration cases with similar natures and with the same party involved.<sup>49</sup>

<sup>38</sup> Published in the Macau Official Gazette no. 24 of 15 June 1998.

<sup>39</sup> World Trade Center Macau – About us. *World Trade Center Macau Arbitration Center* [online]. [cit. 1. 6. 2021]. Available at: <http://www.wtc-macau.com/arbitration/eng/index.htm>

<sup>40</sup> *Ibid.*

<sup>41</sup> The Internal Rules are only available in Chinese. – Internal Rules of the WTC Macau Arbitration Center. *World Trade Center Macau Arbitration Center* [online]. [cit. 1. 6. 2021]. Available at: [http://www.wtc-macau.com/arbitration/cht/statute/arbitration\\_chinese\\_rules.pdf](http://www.wtc-macau.com/arbitration/cht/statute/arbitration_chinese_rules.pdf)

<sup>42</sup> Art. 45 WTC Internal Rules – “*If the party is silent on the number of arbitrators, three arbitrators will be appointed to constitute the arbitral tribunal.*”

<sup>43</sup> Art. 70 WTC Internal Rules.

<sup>44</sup> Art. 69 WTC Internal Rules.

<sup>45</sup> Art. 53 WTC Internal Rules.

<sup>46</sup> Art. 90 WTC Internal Rules.

<sup>47</sup> Art. 52 WTC Internal Rules.

<sup>48</sup> Art. 84 WTC Internal Rules.

<sup>49</sup> Art. 92 WTC Internal Rules.

## 4 Features of the New Macao Arbitration Law

### 4.1 Party Autonomy and Powers of Arbitral Tribunal

The notion of party autonomy is well-recognized in the new Macao Arbitration Law 2019. In particular, the “autonomy principle” has been laid down under Art. 5 para. 1 allowing parties to freely “*choose to resolve disputes by arbitration and determine their mode of operation, especially regarding the composition of the arbitral tribunal and relevant procedural rules*”.<sup>50</sup> In short, this new Macao Arbitration Law 2019 provides parties with wide discretion in a number of critical aspects in arbitral proceeding, for example, the preferred language, the place of arbitration, the procedure in the appointment of arbitrators, the number of arbitrators sitting in the arbitral tribunal, etc.

In terms of language, parties will have the autonomy to agree on one or more languages being used in the arbitral proceeding pursuant to Art. 50 para. 1 of the Macao Arbitration Law 2019.<sup>51</sup> If no consensus is achieved between parties, then the arbitral tribunal will determine the proper language or languages depending on the circumstances of the case, the convenience of the parties and the efficiency of communication.<sup>52</sup> Similarly, parties are free to choose the place of arbitration according to Art. 49 para. 1 of the Macao Arbitration Law 2019.<sup>53</sup> Ultimately, if parties cannot reach an agreement on that issue, the arbitral tribunal will have the right to select the place of arbitration based on various factors, e.g., the convenience of the parties<sup>54</sup> and may also hold meetings at any place that the arbitral tribunal considered appropriate for consultations among members of the arbitral tribunal, to hear the opinions of witnesses, experts, or parties, to inspect property or documents, or take other measures deemed necessary<sup>55</sup>.

Likewise, as stated in Art. 54 of Macao Arbitration Law 2019, the parties will have the freedom to choose the agreed rules of procedure for arbitral

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<sup>50</sup> Art. 5 para. 1 Macao Arbitration Law 2019.

<sup>51</sup> Art. 50 para. 1 Macao Arbitration Law 2019.

<sup>52</sup> Art. 50 para. 2 Macao Arbitration Law 2019.

<sup>53</sup> Art. 49 para. 1 Macao Arbitration Law 2019.

<sup>54</sup> Art. 49 para. 2 Macao Arbitration Law 2019.

<sup>55</sup> Art. 49 para. 3 Macao Arbitration Law 2019.

proceeding which the arbitral tribunal must abide by.<sup>56</sup> Obviously, when parties cannot agree on the specific rules of procedure, the arbitral tribunal will decide the best way to conduct such arbitral proceeding subject to the regulations<sup>57</sup> and is also granted the powers to determine the admissibility, the relevance and value of any evidence presented.<sup>58</sup> Aside from the rules, parties are also open to choose the number of arbitrators in constituting the arbitral tribunal based on Art. 21 para. 1.<sup>59</sup> Yet, Art. 21 para. 2 of the new Macao Arbitration Law 2019, which is more or less an equivalent provision of Art. 10 para. 2 of the UNCITRAL Model Law, provides that *“unless the parties have agreed otherwise, the arbitral tribunal shall consist of three arbitrators”*.<sup>60</sup> Based on the reading of the legislation wordings, despite the default number of the arbitrators in both the UNCITRAL Model Law and the new Macao Arbitration Law 2019 is set at three, the context is slightly diverged. In the case of new Macao Arbitration Law 2019, the pretext is that, if parties have come to a consensus, the parties’ determination prevails, whereas for UNCITRAL Model Law, the number of arbitrators is set at three if the parties’ determination cannot be reached. Unlike the new Macao Arbitration Law 2019, the UNCITRAL Model Law does not spell out the circumstance expressly when parties agree on the number of arbitrators.

## 4.2 Court’s Involvement in Arbitral Proceeding

The principle of “minimum court’s interference” has been expressly mentioned in Art. 5 para. 8 of the new Macao Arbitration Law 2019.<sup>61</sup> In other words, the interference of the court shall be kept at the very minimum and the court may intervene in all matters under the circumstances provided in this new Macao Arbitration Law 2019.<sup>62</sup> A good example of this is shown in Art. 61 of the new Macao Arbitration Law 2019, whereby the arbitral tribunal or party (subject to the consent of the arbitral tribunal) requests

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<sup>56</sup> Art. 54 para. 1 Macao Arbitration Law 2019.

<sup>57</sup> Art. 54 para. 2 Macao Arbitration Law 2019.

<sup>58</sup> Art. 54 para. 3 Macao Arbitration Law 2019.

<sup>59</sup> Art. 21 para. 1 Macao Arbitration Law 2019.

<sup>60</sup> Art. 21 para. 2 Macao Arbitration Law 2019.

<sup>61</sup> Art. 5 para. 8 Macao Arbitration Law 2019.

<sup>62</sup> Art. 5 para. 8 Macao Arbitration Law 2019.

the court to assist in obtaining evidence, especially if the investigation of the evidence depends on the wishes of one of the parties or a third party and refuses to cooperate<sup>63</sup>, the court can notify the parties in the arbitration or third party to submit the necessary evidence<sup>64</sup>. It is important to take note that the process of obtaining evidence must be one that is of an urgent nature, and such act will typically take priority over any non-emergency judicial work.<sup>65</sup> One interesting point to note is that, the new Macao Arbitration Law 2019 provides a more detailed elaboration on the relevant rules of “Court Assistance in Taking Evidence” as well as its procedure under Art. 61 para. 1–6, whereby Art. 27 of the UNCITRAL Model Law only furnishes a simple version of the equivalent provision without specific details.

### 4.3 Recognition and Enforcement of Arbitral Awards

Similar to Art. 35 of the UNCITRAL Model Law, where competent courts are allowed to recognize and/or enforce the arbitral award, the new Macao Arbitration Law 2019 specifies that competent courts in Macao SAR, such as the Court of First Instance<sup>66</sup> and the Intermediate Court<sup>67</sup> will have the jurisdiction to exercise the discretionary power in certain circumstances for the purpose of recognition and/or enforcement of foreign arbitral awards pursuant to Art. 74 of the new Macao Arbitration Law 2019.<sup>68</sup> Despite the court's intervention is to be kept in the minimal at all times, the “recognition and enforcement” of foreign arbitral awards is particularly important as the terms carry special meanings in the international arbitration framework. The rationale behind is that, when parties seek arbitration as a means to settle dispute, they will concern about the necessary tool for the recognition and enforcement of foreign arbitral awards and will make sure whether such foreign arbitral award can be enforced or not.<sup>69</sup>

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<sup>63</sup> Art. 61 para. 1 Macao Arbitration Law 2019.

<sup>64</sup> Art. 61 para. 3 Macao Arbitration Law 2019.

<sup>65</sup> Art. 61 para. 6 Macao Arbitration Law 2019.

<sup>66</sup> Art. 74 para. 1 Macao Arbitration Law 2019.

<sup>67</sup> Art. 74 para. 2 Macao Arbitration Law 2019.

<sup>68</sup> Art. 74 Macao Arbitration Law 2019.

<sup>69</sup> DIAS SIMÕES, F. Recognition and Enforcement of Foreign Arbitral Awards in Macau. *Hong Kong Law Journal*, 2014, Vol. 44, no. 2, p. 567.

In line with the new Macao Arbitration Law 2019, there is a separation of works allocated to the courts (i.e., between the Court of First Instance<sup>70</sup> and the Intermediate Court<sup>71</sup>) in Macao when it comes to recognition and enforcement of foreign arbitral awards. According to Art. 70, a foreign arbitral award shall have effect in Macao only after they have been recognized by the Intermediate Court of Macao taking into account the international conventions, mutual legal assistance agreements, or special laws applicable to the jurisdiction.<sup>72</sup> Whereas for the enforcement of the foreign arbitral awards, it would be dealt with by the Court of First Instance after the foreign arbitral award has been recognized by the Intermediate Court.<sup>73</sup>

#### 4.4 Arbitrability of Administrative Dispute

In respect of the nature of the dispute, Chapter 10 of the new Macao Arbitration Law 2019 has designated a particular section in handling administrative disputes by means of arbitration, which is a unique feature not included in the UNCITRAL Model Law. For instance, Art. 77 provides that an administrative dispute is arbitrable if there is an administrative contract, the liability has to do with administrative authority, civil servant or service personnel that losses have been caused by its public management activities.<sup>74</sup> To put it in another way, so long a party concerned in the dispute involves a civil servant or administrative authority, such signatory party in the arbitration agreement will be entered under the name of the Macao Special Administrative Region.<sup>75</sup> In an administrative dispute, the Chief Executive is vested with the power to appoint arbitrators designated by the Macao Special Administrative Region.<sup>76</sup> Bearing in mind this special

<sup>70</sup> Supra note 67; According to Art. 74 para. 1 of the Macao Arbitration Law 2019, the Court of First Instance is the court with the jurisdiction to exercise the discretionary power provided in Art. 15, Art. 23 para. 2 point iii), para. 3–4, Art. 24 para. 2–4, Art. 29 para. 4, Art. 30 para. 2, Art. 44, Art. 45, Art. 46 para. 9, Art. 51 para. 4, Art. 61, Art. 69 and Art. 73.

<sup>71</sup> Ibid.; According to Art. 74 para. 2 of the Macao Arbitration Law 2019, the Intermediate Courts are courts with the jurisdiction to exercise the discretionary power provided in Art. 70–72.

<sup>72</sup> Art. 70 Macao Arbitration Law 2019.

<sup>73</sup> Art. 73 Macao Arbitration Law 2019.

<sup>74</sup> Art. 77 para. 1–3 Macao Arbitration Law 2019.

<sup>75</sup> Art. 78 para. 1 Macao Arbitration Law 2019.

<sup>76</sup> Art. 78 para. 1 Macao Arbitration Law 2019.

nature of the dispute, there is a prerequisite set for (1) the applicable law, whereby the arbitral tribunal shall only rule with the substantive law of Macao Special Administrative Region on the administrative disputes pursuant to Art. 79<sup>77</sup> and (2) the arbitral awards concerning the administrative disputes shall be announced by publication<sup>78</sup>.

#### 4.5 Emergency Arbitration

The concept of emergency arbitration has been introduced in the new Macao Arbitration Law 2019 in Chapter 3 of the legislation. Under the new law, in order to nominate an emergency arbitrator, it is very crucial to specify the relevant rules for such nomination in the arbitration agreement by the parties, otherwise it would be deemed as invalid.<sup>79</sup> The term “emergency arbitrator” is well-defined in Art. 2 para. 6 as “*an arbitrator appointed to order the adoption of emergency interim measures before an arbitral tribunal is constituted*”.<sup>80</sup> Therefore, an emergency arbitrator will be granted power to only deal with emergency interim matters, e.g., ordering the emergency interim measures at the request of either party<sup>81</sup> or reserving the right to make decision on the request for an emergency interim measure<sup>82</sup>. Upon the request of any party, emergency arbitrator is empowered with the rights to modify, suspend or terminate the emergency interim measures that have been ordered.<sup>83</sup> It is also noteworthy that a time limit is set to a requesting party when an emergency interim measure has been ordered before the arbitration procedure begins.<sup>84</sup> That is, the requesting party has to take necessary measure to carry out the arbitration procedure within 30 days from the day the notice of order is received, otherwise such emergency interim measure will be declared as invalid pursuant to Art. 19 of the new Macao Arbitration Law 2019.<sup>85</sup>

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<sup>77</sup> Art. 79 Macao Arbitration Law 2019.

<sup>78</sup> Art. 80 Macao Arbitration Law 2019.

<sup>79</sup> Art. 16 Macao Arbitration Law 2019.

<sup>80</sup> Art. 2 para. 6 Macao Arbitration Law 2019.

<sup>81</sup> Art. 17 para. 1 Macao Arbitration Law 2019.

<sup>82</sup> Art. 17 para. 2 Macao Arbitration Law 2019.

<sup>83</sup> Art. 18 Macao Arbitration Law 2019.

<sup>84</sup> Art. 19 Macao Arbitration Law 2019.

<sup>85</sup> Art. 19 Macao Arbitration Law 2019.

## 4.6 Eligibility of Foreign Arbitrators and Regulations on Arbitrators' Fees

Due to the restrained number of experienced arbitrators in Macao, the new Macao Arbitration Law 2019 has introduced the “opening-up” policy for overseas arbitrators to act as arbitrator(s) of the arbitral tribunal in case an arbitration proceeding is held in Macao.<sup>86</sup> So far, the Macao resident status is not a must for an arbitrator to sit in an arbitration in Macao<sup>87</sup> nor an administrative license is requested to perform the duty<sup>88</sup>. So long the appointed foreign arbitrator can produce certification documents concerning the information of the arbitration, such as the date and place of performance of the duties as arbitrator, the foreign arbitrator will be exempted from undergoing any application<sup>89</sup> and can stay in the jurisdiction within the timeframe of the arbitration proceedings<sup>90</sup>. In connection with the arbitrator’s and the arbitral tribunal’s fees, this is governed by Art. 34 of the new Macao Arbitration Law 2019.<sup>91</sup> Without the agreement of the parties, fees of the arbitrators and the arbitral tribunal as well as the relevant fees incurred in arbitration proceeding shall be calculated based on the provisions stipulated in the respective arbitral institutions’ rules.<sup>92</sup>

## 5 Practical Challenges in Macao's Arbitration

### 5.1 Language Barriers

Chinese and Portuguese remain the official languages in Macao after the handover, despite English is commonly used in trades and business nowadays. Conventionally, Portuguese is the official language and all laws were written in Portuguese back in centuries ago and still continue to carry its importance nowadays in practice. On the other hand, with the introduction

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<sup>86</sup> Art. 81 Macao Arbitration Law 2019.

<sup>87</sup> Art. 81 para. 2 Macao Arbitration Law 2019.

<sup>88</sup> Art. 81 para. 1 Macao Arbitration Law 2019.

<sup>89</sup> *Supra* note 87.

<sup>90</sup> *Supra* note 88.

<sup>91</sup> Art. 34 Macao Arbitration Law 2019.

<sup>92</sup> Art. 34 para. 2 Macao Arbitration Law 2019.

of Basic Law of Macao SAR<sup>93</sup>, Chinese has become a preferred language used in different sectors after Macao's handover to China.

The applicability of these dual languages may in fact create difficulty for legal practitioners when it comes to the interpretation of law with two different sets of languages. Thus, there comes an issue of priority in terms of languages. Undoubtedly, the long-tradition of using Portuguese as the official language in the legal system in Macao has brought an extensive impact to the Macao's legal system and society as a whole, yet the Chinese language will always prevail<sup>94</sup> when a conflicting understanding arises between the Portuguese and Chinese translations in interpreting a law after the handover.<sup>95</sup>

As Macao's laws were drafted and enacted primarily in Portuguese in the past, and now they are more commonly bilingual – Chinese and Portuguese, there is little room for non-Chinese and non-Portuguese speaking legal practitioners to understand fully what the laws actually meant without first attaining the language or languages in a proficient level. Given that arbitration disputes, in particular international commercial arbitrations, involve parties coming from around the world, the language barriers may create extra hurdles to arbitrators when Macao law is referred or adopted as substantive law in an arbitration dispute, and so much so it would be very challenging for a non-Chinese or non-Portuguese speaking arbitrator to render an award in an arbitration which shall be unbiased and just. In the realm of international commercial arbitration, most of the arbitrators of course will be fluent in English, but very limited practitioners will be able to master English-Portuguese effectively and simultaneously, and even less when looking for multilingual arbitrators who speak the languages in a native manner.

Despite the fact that more professional interpreters have been cultivated in the past decades locally and overseas to meet the large demand of Portuguese-Chinese linguists in interpretation and translation works, especially in the government and business sectors, sometimes they have been blamed for not providing a sound or accurate interpretation or translation

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<sup>93</sup> Art. 9 Basic Law of Macao.

<sup>94</sup> Standing Committee of the National People's Congress issued an official interpretation on 2 July 1999.

<sup>95</sup> TONG, I. C. Linguistic Pluralism and the Legal System of Macau. *Journal of International and Comparative Law*, 2020, Vol. 7, no. 1, p. 188.



job, e.g., the interpreter fails to grasp the true meaning of the law which was originally written in Portuguese when conducting the legal interpretation or translation, or simply because they lack the required proficiency in Portuguese language.<sup>96</sup>

Language itself plays a significant role in international commercial arbitration, especially that administered by an arbitral institution. Until today, English seems to remain the most chosen and preferred language among the arbitral institutions based on the latest statistics.<sup>97</sup> Arbitrators are normally expected to be fluent in the language selected by the parties to understand the case well without the presence of the interpreters when conducting the arbitration proceeding. There are lots of challenges involved when employing interpreters or translators, on top of the high costs incurred in engaging a team of interpreters, at the same time, a high quality of interpretation or translation is also demanded from these professionals in the course of an arbitration. This would be even more real if all parties in the arbitration come from different jurisdictions and are capable of communicating in the mother tongue only, which will definitely create an issue in the communication as well as ensuring the overall quality of the arbitration process.<sup>98</sup> In addition, there is always a consideration related to impartiality and confidentiality to be taken into account when a third party like an interpreter or translator is involved in the arbitration process.<sup>99</sup> Hence, proper training and professional experience of the interpreters or translators are highly important to ascertain the quality of the interpretation or translation works throughout a non-litigation process.<sup>100</sup> Thus, the language barriers remain a challenge not only for Macao's legal community, but the arbitration worldwide.

<sup>96</sup> TONG, I. C. Linguistic Pluralism and the Legal System of Macau. *Journal of International and Comparative Law*, 2020, Vol. 7, no. 1, p. 190.

<sup>97</sup> 80.3% of arbitration administered by Hong Kong International Arbitration Centre ("HKIAC") were in English in 2019. – 2020 Statistics. *HKIAC* [online]. [cit. 1. 6. 2021]. Available at: <https://www.hkiac.org/about-us/statistics>; 79% of arbitral awards administered by ICC were in English in 2019. – ICC Dispute Resolution 2019 Statistics. *Global Arbitration News* [online]. [cit. 1. 6. 2021]. Available at: <https://globalarbitrationnews.com/wp-content/uploads/2020/07/ICC-DR-2019-statistics.pdf>

<sup>98</sup> CARTER, A. and S. WATTS. The Role of Language Interpretation in Providing a Quality Mediation Process. *Contemporary Asia Arbitration Journal*, 2016, Vol. 9, no. 2, p. 304.

<sup>99</sup> *Ibid.*

<sup>100</sup> *Ibid.*

## 5.2 Lack of Precedents

Until today, there were only a few arbitration cases being heard and decided in Macao SAR leading very little opportunities for legal practitioners to explore and get hands-on experience in Macao's arbitration arena. With the nature of arbitration being one that is impartial and confidential, the publication of the arbitral awards is not that common among arbitration community. As a result, arbitrators and relevant parties may not have any idea as to how former disputes were settled and decided without the presence of the awards as precedents, or to predict the outcome of an arbitration.<sup>101</sup> The beauty of having the published award shall not be ignored especially when it comes to the point of certainty. With reference to the preceding awards, arbitrator(s) and parties will be able to estimate the likelihood of success in the arbitration, the approaches that a particular arbitrator handled the cases and so on, so as to assist the parties and their legal representatives to better prepare for the arbitration case and without wasting unnecessary time and costs, should the claim be one that is seen as frivolous.<sup>102</sup>

Some studies also showed that even if an award is redacted, the provision of such published award may be valuable to the parties to understand the arbitrator's insights.<sup>103</sup> Despite 'arbitration' is not new to many professions in Macao SAR, so far not much has been explored on the practical side. Hence, if the award can be made available by way of publication, this would not only help arbitrators (including those newly joined professionals to better learn how experienced arbitrators decide in an arbitration) but it also allows parties to consider who can be a suitable candidate to act as arbitrator when they come across an arbitration.<sup>104</sup> In the interest of the inexperienced arbitrators, an award may indeed serve as a privileged

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<sup>101</sup> ZLATANSKA, E. To Publish, or Not to Publish Arbitral Awards: That is the Question... *International Journal of Arbitration, Mediation and Dispute Management*, 2015, Vol. 81, no. 1, p. 28.

<sup>102</sup> *Ibid.*

<sup>103</sup> 2018 International Arbitration Survey: The Evolution of International Arbitration. *Queen Mary University of London* [online]. [cit. 1. 6. 2021]. Available at: [http://www.arbitration.qmul.ac.uk/media/arbitration/docs/2018-International-Arbitration-Survey--The-Evolution-of-International-Arbitration-\(2\).PDF](http://www.arbitration.qmul.ac.uk/media/arbitration/docs/2018-International-Arbitration-Survey--The-Evolution-of-International-Arbitration-(2).PDF)

<sup>104</sup> *Ibid.*, p. 29.

material for the purpose of intellectual understanding, e.g., how to approach an arbitration with similar facts when one is appointed as an arbitrator in the near future.<sup>105</sup>

Unlike the doctrine of precedents that many common law jurisdictions would welcome, publishing awards has not yet been accepted as a norm in many international commercial arbitrations. Since arbitration itself is a party-autonomy dispute resolution mechanism, parties are open to opt-in or opt-out, including the selection of arbitrator. Hence, with the publication of the awards available in the public domain, this would enable parties to know the names of the arbitrators, the arbitration cases that the arbitrator(s) have been involved in, the specific nature of the disputes in the past, how the arbitrator(s) ruled the case, etc.<sup>106</sup> From the arbitrator's perspective, this would, in turn, provide a good track record to build-up his or her reputation in the field of arbitration<sup>107</sup> which will be very encouraging for arbitrators who newly join the profession.

### **5.3 Protectionism in Local Legal Profession**

At present, the development of legal education in Macao SAR is still underdiscussed in many foreign legal scholarships, and little details are known to the international legal community. In the current Macao's legal system, no distinction is drawn between solicitor and barrister. Thus, these lawyers are normally permitted to accept contentious and non-contentious work, e.g., providing legal advice and appearing in court as counsel, etc.<sup>108</sup> Historically, Macao's legislations are written in Portuguese and Chinese only. Thus, the majority of law students in Macao are bilingual in Chinese and Portuguese at a level whereby they can understand the legislation. Unlike many jurisdictions where registration to practice law is allowed upon fulfillment of certain statutory requirements, such as registering as 'foreign lawyer' in Hong Kong or Singapore, Macao SAR has its set of unique rules laying down the specific conditions for legal qualification and practice. Ultimately,

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<sup>105</sup> Ibid.

<sup>106</sup> Ibid, p. 31.

<sup>107</sup> Ibid.

<sup>108</sup> OLIVEIRA, J. C. et al. An Outline of the Macau Legal System. *Hong Kong Law Journal*, 1993, Vol. 23, p. 383.

the requirements in both language and legal education may impose hurdles to potential candidates who hold foreign legal qualification, especially those from common law jurisdiction, to practice law or to represent clients in Macao SAR.

Likewise, given that Macao lawyers are primarily educated and trained either locally or in Portugal, not a lot of legal professionals in Macao SAR would have the same opportunity to receive additional legal education or legal training, for example, in common law. Thus far, there is only a handful of legal professionals who attained the legal knowledge jointly in civil law and common law. Looking from the viewpoint of arbitration, arbitrators are normally specialists with particular set of expertise or even cross-disciplines, who would often have tremendous experience dealing with a vast majority of the arbitral cases involving complicated facts and issues in cross-border and international disputes. Eventually, in light of the highly technical area of expertise and knowledge that are required in an area like arbitration, these cases are usually referred to the same group of arbitrators who have the international experience and arbitration exposures, leaving very few opportunities for new arbitrators to join the arbitration market due to factors such as “*high barriers to entry and information asymmetries*”<sup>109</sup>, let alone Macao’s professionals who are eager to start their careers as arbitrators.

## 5.4 Competitions Among International Arbitral Institutions

On top of the above challenges, not only the rapid growth in the arbitration cases has triggered higher rivalry in the market among the arbitrators worldwide, the international arbitral institutions are also facing fierce competition in the increasing number of arbitration cases. According to the Queen Mary University of London’s statistics (2018), conventional locations for arbitration such as London, Paris, Singapore, Hong Kong, and Geneva were the five preferred seats of arbitration selected<sup>110</sup>, whereas ICC,

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<sup>109</sup> ROGERS, C. A. The Market for Arbitrators and the Market for Lemons. *Kluwer Arbitration Blog* [online]. 10. 6. 2020 [cit. 1. 6. 2021]. Available at: <http://arbitrationblog.kluwerarbitration.com/2020/06/10/the-market-for-arbitrators-and-the-market-for-lemons/>

<sup>110</sup> 2018 International Arbitration Survey: The Evolution of International Arbitration. *Queen Mary University of London* [online]. P. 9 [cit. 1. 6. 2021]. Available at: [http://www.arbitration.qmul.ac.uk/media/arbitration/docs/2018-International-Arbitration-Survey--The-Evolution-of-International-Arbitration-\(2\).PDF](http://www.arbitration.qmul.ac.uk/media/arbitration/docs/2018-International-Arbitration-Survey--The-Evolution-of-International-Arbitration-(2).PDF)

LCIA, SIAC, HKIAC, and SCC were the preferred arbitral institutions<sup>111</sup>. When determining which institution is to be chosen for an arbitration, factors such as ‘general reputation and recognition of the institution’, ‘high level of administration (including efficiency, pro-activeness, facilities, quality of staff)’, ‘access to wide pool of high-quality arbitrators’, ‘previous experience of the institution’ were considered crucial when an arbitration is opted for.<sup>112</sup>

Yet, based on the above survey, it was found that “*global presence/ability to administer arbitrations worldwide*” has become an important driver for parties, especially with the large volume of cross-border transaction disputes happening globally, and given that many arbitral institutions handling cases in “*a multitude of locations around the world*” nowadays.<sup>113</sup> A good example is the pilot programme proactively launched by the Supreme People’s Court (“SPC”) by allowing foreign arbitral institutions to set their representative offices in Shanghai<sup>114</sup> and Beijing<sup>115</sup> in the Free Trade Zone.<sup>116</sup> This example demonstrates a significant step moving the Chinese arbitration system towards an arbitration-friendly jurisdiction.

## 6 Conclusions and the Way Forward

The introduction of the new Macao Arbitration Law 2019 has indeed been a great leap forward in many ways through the reform in its arbitration

<sup>111</sup> Ibid., p. 13.

<sup>112</sup> Ibid., p. 14.

<sup>113</sup> The State Council’s Circular on Issuing the Plan for Further Promoting the Reform and Opening-up the China Shanghai Pilot Free Trade Zone (promulgated on 8 April 2015).

<sup>114</sup> 2018 International Arbitration Survey: The Evolution of International Arbitration. *Queen Mary University of London* [online]. P. 15 [cit. 1. 6. 2021]. Available at: [http://www.arbitration.qmul.ac.uk/media/arbitration/docs/2018-International-Arbitration-Survey--The-Evolution-of-International-Arbitration-\(2\).PDF](http://www.arbitration.qmul.ac.uk/media/arbitration/docs/2018-International-Arbitration-Survey--The-Evolution-of-International-Arbitration-(2).PDF)

<sup>115</sup> Administrative Measures for Registration of Business Offices Established by Overseas Arbitration Institutions in China (Beijing) Pilot Free Trade Zone (the “Administrative Measures”) take effect since 1 January 2021. English version of the Administrative Measures is available online. – Administrative Measures for Registration of Business Offices Established by Overseas Arbitration Institutions in China (Beijing) Pilot Free Trade Zone. *Beijing Arbitration Commission. Beijing International Arbitration Center* [online]. 31. 12. 2020 [cit. 1. 6. 2021]. Available at: <https://www.bjac.org.cn/news/view?id=3878>

<sup>116</sup> PRUSINOWSKA, M. China as a Global Arbitration Player? Recent Developments of Chinese Arbitration System and Directions for Further Changes. *Tsinghua China Law Review*, 2017, Vol. 10, no. 1, p. 39.

system, which definitely brings a new chapter in the Macao SAR's arbitration history, and hopefully with a more arbitration-friendly mechanism. Yet, the new legislation is not perfect, and there still exist some uncertainties as to how the new arbitration law will bring benefits to the arbitration audience in terms of its effectiveness and efficiency. On the one hand, despite the Chinese-Portuguese language continues to play a significant role in the local legal system, as well as legal education in Macao SAR, which shapes its uniqueness, not only within Mainland China, but in the world, the protectionism of the legal profession may impede obstacles in light of the stringent prerequisites for legal qualification.

Languages may continuously impose difficulties for arbitrators to understand the case, especially when the Macao law is used as the substantive law in an arbitration. Despite some laws and regulations were gradually and unofficially translated into English, some of which are accessible in public domain, Chinese and Portuguese remain predominantly the two official languages that are currently in use. Thus, having a competitive edge in mastering the language and knowing the law in the native language would surely be a plus to arbitrators when they are appointed to act in Macao SAR. On the other hand, for an arbitral institution to become "internationalized", the implication of the new Macao Arbitration Law 2019 is just one of the many successful factors. Excellent one-stop service shall be in place with well-trained administrative and support staff in the secretariats would help a great deal to expedite the arbitration process.<sup>117</sup> Competition does not stay alone locally. Keeping abreast of the latest global development in international arbitration and setting new strategies to outstand its competitors is extremely crucial for local arbitral institutions to act. Ultimately, promoting Macao SAR as a suitable place for future arbitration and bringing more attractiveness to the international arbitration community to come to Macao SAR for arbitration are the goals that one should aim at.

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<sup>117</sup> SLATE, W. K. International Arbitration: Do Institutions Make a Difference. *Wake Forest Law Review*, 1996, Vol. 31, no. 1, p. 47.

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