

## Director-General's Review of 2000

### Introduction

The year 2000 has been another positive and successful year for the LCIA, as we continue to modernise and to expand. Our international profile has been significantly raised by our conferences, and by our business and promotional activities, both in the UK and abroad.

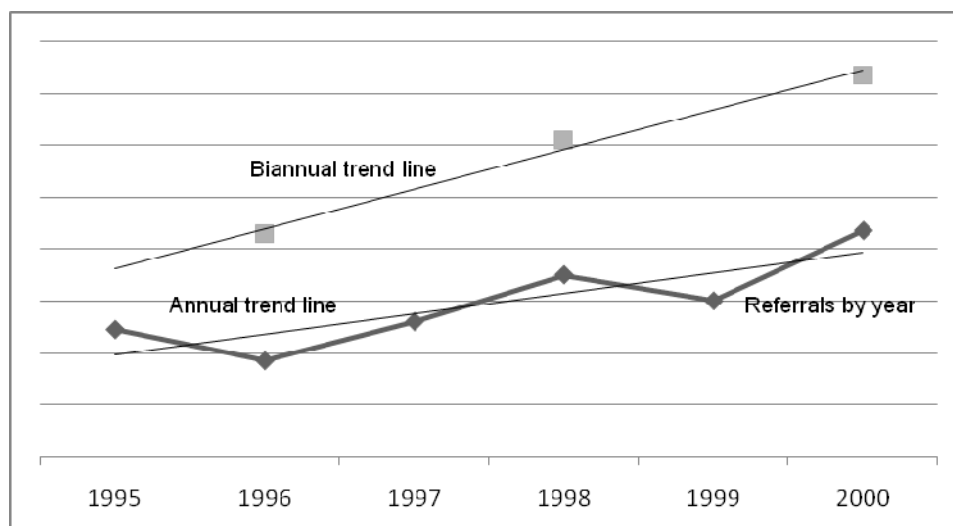
Having considerably outgrown our previous premises in Fleet Street, we re-located to the newly-established International Dispute Resolution Centre (IDRC) in January 2000. The significant increase in space afforded by this re-location has been most welcome by the LCIA staff, who now enjoy a modern office set-up and a much-improved working environment. Visitors are always welcome.

We have largely re-equipped our offices and have up-graded our computer systems, further enhancing the efficiency of our services, both in our casework operation and in our membership and conferences section.

As announced in the last Newsletter, Madeleine May has retired and Irene Bates now manages the conferences and membership section, whilst the casework operation is enhanced by the arrival of a new Assistant Registrar.

### Case Report

An increase of 45% in case referrals, as between 1999 and 2000, has put the overall upward trend well back on track, after the slight fall as between 1998 and 1999. The rather more consistent 24-month trend also remains steadily upwards, with the 147 cases in the two-year period from January 1999 showing an increase of 20% in referrals over the previous two-year period.

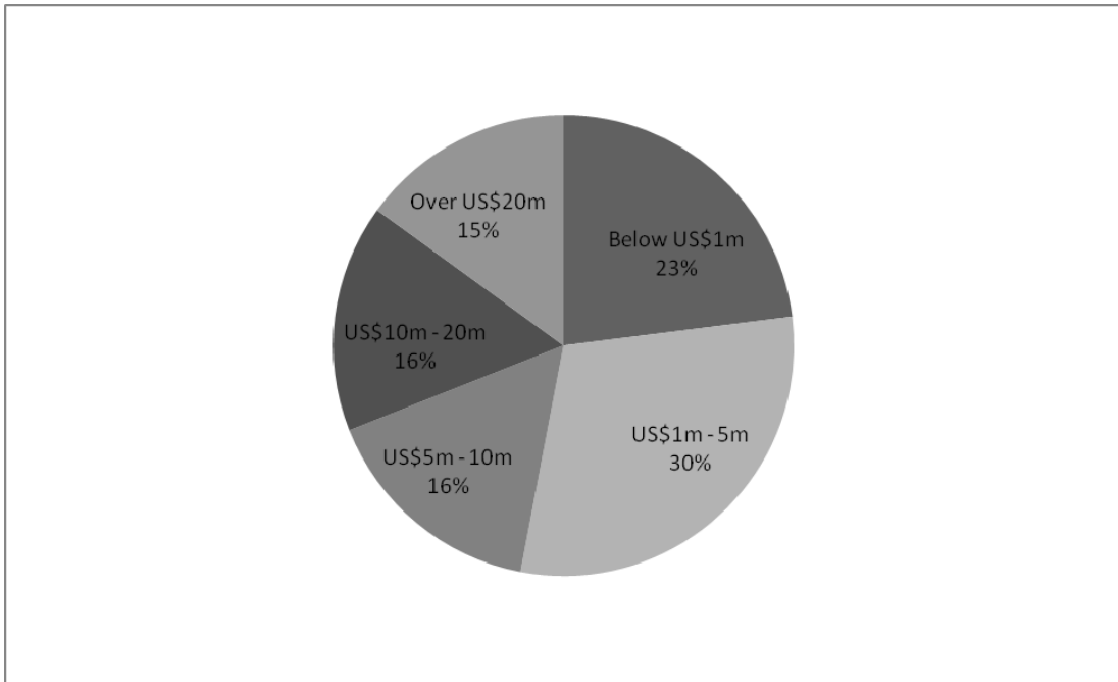


Referrals during 2000 arose out of a wide range of commercial enterprises, emphasising the multi-faceted nature of the LCIA's casework business over the past years, and underlining the universal applicability of the LCIA's rules and services. Once again, we have seen contracts in dispute in the areas of telecommunications; shipping; investment finance; property transactions; a broad range of shareholders' and share-purchase agreements; with

disputes in the fields of insurance; oil and gas/petrochemicals; and major international construction projects, dominating the casework in 2000.

There has also been a significant increase in the number of UNCITRAL-Rules cases in which the LCIA is the designated appointing authority and/or administrator. Requests for the LCIA to administer mediations and expert determinations are also on the increase.

The value of claims in 2000, where quantified, is shown in the following pie chart. Note that these sums do not include the value of counterclaims, which frequently double the sums in dispute.

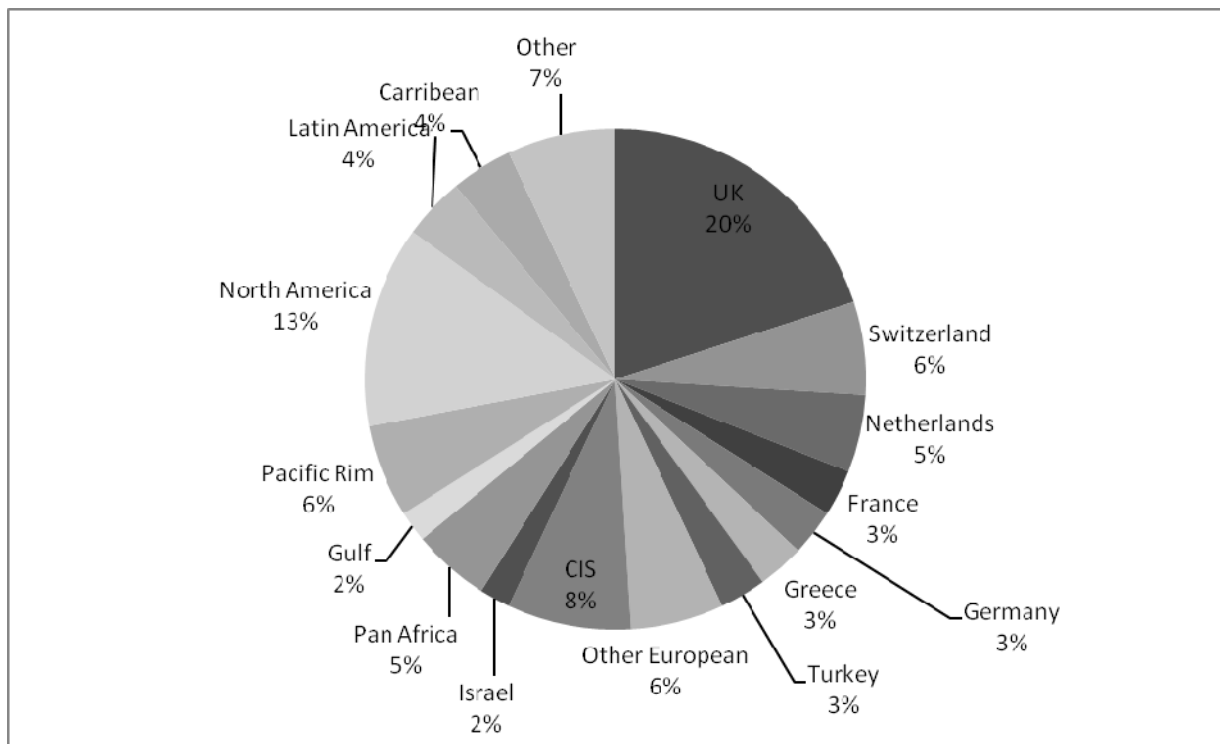


The nationalities of Claimants in year 2000 cases include Canadian, Dutch, French, German, Greek, Indian, Italian, Japanese, Kuwaiti, Nigerian, Norwegian, Russian, South African, South Korean, Swedish, Swiss, Turkish, UK and US.

The nationalities of Respondents in cases commenced in the year 2000 includes Australian, Austrian, Azerbaijani, Belgium, Brazilian, Canadian, Chinese, Cuban, Cypriot, Czech, Danish, Dutch, German, Greek, Hong Kong, Indian, Israeli, Nigerian, North Korean, Polish, Russian, South African, South Korean, Tanzanian, UAE, UK and US.

There has been a significant increase in the number of international cases referred in 2000 involving UK parties. This reinforces the proper perception of the LCIA as a truly international and neutral body, in which non-UK parties may have complete confidence when entering into contracts with UK parties.

In percentage terms, the nationalities of all parties, Claimants and Respondents, in cases referred during 2000 are as follows:

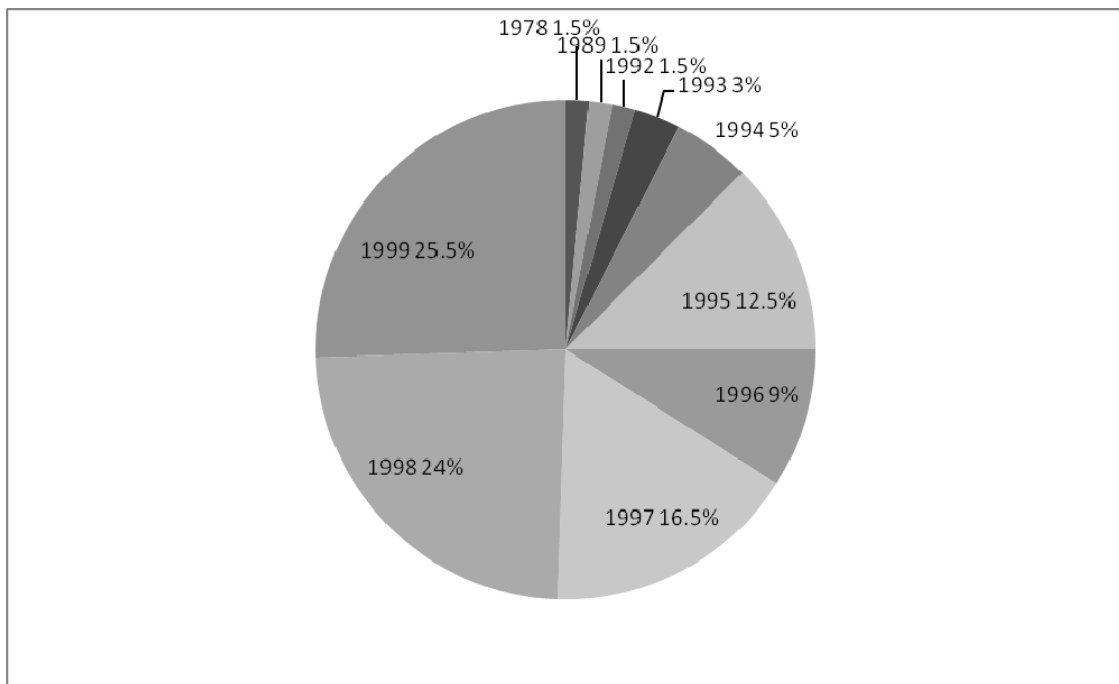


The LCIA Court made a total of 139 individual appointments of arbitrators during the course of 2000, to a total of 75 tribunals. 14 of those tribunals were in respect of cases referred towards the end of 1999. 61 were in respect of year 2000 cases. The parties nominated 59 of the 139 individuals; the LCIA Court selected the remaining 80. Of the party nominees 32 (54%) were of UK nationality. Of the Court nominees 40 (50%) were of UK nationality.

In addition to the English arbitrators appointed by the LCIA Court, the nationalities of arbitrators appointed during 2000 included Australian, Austrian, Belgian, Canadian, Danish, Dutch, French, German, Greek, Indian, Italian, New Zealand, Russian, South Korean, Swedish, Swiss and US.

The fact that English arbitrators are selected more frequently than other nationalities, both by the parties and by the LCIA Court, is a reflection of the fact that an English seat is still most commonly chosen, as is English substantive law, in both cases regardless of the nationality of the parties. Nonetheless, as the LCIA's caseload continues to expand, so the absolute number of non-UK arbitrators appointed by the LCIA Court is also steadily growing.

The breakdown of the dates of the contracts in dispute in year 2000 cases (where known) is shown in the next chart. Almost 50% of new referrals for the year were in respect of contracts entered into in the two years prior to 2000.



## Conferences and Symposia

During 2000, the LCIA organised its busiest programme of symposia and conferences yet. For the first time ever, and in response to popular demand, two symposia were held at Tylney Hall during the year. The first was over the traditional May dates; the second in October. Any fears that running two “Tylney Halls” might dilute the event proved unfounded, as each symposium was highly successful. The calibre both of attendees and of the topics discussed was as high as ever.

As another “first”, we introduced a “split” symposium at the European Users’ Council Symposium in Scheveningen in September. There were around 150 delegates, who were divided into two groups for the discussion sessions, coming together at coffee breaks and at meal times, and for a round-up session at the end of the symposium. Many useful comments about this format were received from members. These will be taken into account if demand is sufficient for this format to be employed in the future.

In February, the LCIA Asia-Pacific Council held a Symposium in Hong Kong, attended by 90 delegates from 22 countries.

Our ‘Young International Arbitration Group’ continued to flourish with two symposia in 2000. In February, 60 delegates attended the Hong Kong symposium, kindly hosted by Johnston Stokes & Master, and in September a similar number attended the symposium in The Hague, kindly hosted by De Brauw Blackstone Westbroek Linklaters & Alliance. The Young International Arbitration Group, now has more 350 members from 50 countries.

The LCIA also co-hosted two conferences in November. One in Geneva with WIPO, on the impact of technology on ADR; the other in Lausanne, with CAS, on ADR in sports disputes. The LCIA also ran two one-day events at the IDRC in March. *“Playing away from Home”* was an LCIA/BILA/ARIAS conference on insurance disputes. A symposium on international engineering disputes was held in association with Herbert Smith. Each event attracted the maximum 50 delegates that space would allow.

In addition to its own conferences, the LCIA contributed to, and addressed, international arbitration conferences organised by other bodies in many venues, including Buenos Aires, Cyprus, Dublin, London, Moscow, Paris, Rio and São Paulo.

## Looking forward

The LCIA has now settled into its new environment at the International Dispute Resolution Centre. Here, we are in the company of many eminent arbitrators and arbitration practitioners, conducting hearings at the IDRC under a wide range of rules (and ad hoc), including LCIA, ICC, ICSID, LMAA and others. IDRC is also home to many mediations and is proving to be the popular and dynamic centre for arbitration and ADR in London that those of us involved in its conception and establishment had hoped. The LCIA's presence at, and close involvement with, IDRC will undoubtedly continue to raise our profile in international dispute resolution.

In 2000, we took our first steps to promote the LCIA in Latin America and the newly-established Latin American Users' Council will increase its activities in that region during 2001, holding its first symposium on Saturday 10 March in Mexico City, immediately following the IBA's fourth International Arbitration Day.

As the increase in our business enables us to expand our staff, so we hope to expand our operations into jurisdictions with which, hitherto, we have had too little contact. In Africa, for example, the LCIA will be represented at the IBA conference in Kenya in March, whilst the Pan African Users' Council will organise a symposium in Ghana, currently scheduled for November.

As always, the LCIA's primary objective is to offer an efficient and non-bureaucratic service to all of its users. To help us to do so, we very much welcome comments and constructive criticism from our members, all of whom should feel free to interact with the LCIA secretariat, whether seeking information and/or support, or offering suggestions as to how we might continue to improve our services.



Adrian Winstanley  
*Director General*