

Costs & Duration

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HKIAC Average Costs and Duration

The Hong Kong International Arbitration Centre (“**HKIAC**”) is pleased to release an updated report on the average costs and duration of an HKIAC-administered arbitration. The data below reflects all cases administered by HKIAC under the HKIAC Administered Arbitration Rules (the “**Rules**”) in which a final award was issued between 1 November 2013 and 31 May 2019 (the “**Relevant Period**”). The overall findings are listed below.

Overall Findings:

	Median	Mean
Duration of Arbitration	12.9 months	15.8 months
Costs of Arbitration (US\$)	56,138	119,078

The following methodology was used to produce the data:

- 92 arbitrations under the Rules that were concluded by final award during the Relevant Period have been identified for the purposes of this report. Of the 92 arbitrations, 21 were conducted under the expedited procedure of the Rules.
- Eight emergency arbitrator arbitrations under the Rules that were concluded by emergency arbitrator decision during the Relevant Period have been identified.
- All arbitrations, including emergency arbitrator arbitrations, that were concluded by consent award based on parties’ settlement agreements have been excluded from this report.
- Duration of arbitration refers to the period between the date of commencement of the arbitration and the date of the final award, inclusive of any stay periods.
- Duration of emergency arbitration refers to the period between the date of HKIAC’s acceptance of the application and the date of the emergency arbitrator decision, inclusive of any stay periods.
- Costs of arbitration include the arbitral tribunal’s fee and HKIAC’s registration fee and administrative fee only.

- Costs of emergency arbitration include the emergency arbitrator’s fee and HKIAC’s administrative fee only (there being no registration fee for emergency arbitrator appointments). Under the 2018 version of the Rules, the total fees of an emergency arbitrator shall not exceed HK\$200,000 (approximately US\$25,500) unless the parties agree or HKIAC determines otherwise in exceptional circumstances.
- Under the Rules, parties have the option of paying arbitral tribunals’ fees by hourly rate (capped at HK\$6,500 or approximately US\$830) or by reference to an ad valorem fee scale. The vast majority of HKIAC tribunals are paid on an hourly rate basis.
- Costs and duration in this report are presented by both median and mean numbers for completeness. The median is the middle number of a set of values. The mean is the sum of all of the values in a set of data, divided by the number of values. Given the distribution of the data concerned, the median value is the more meaningful and robust value, as it minimises the skewing effect of outliers.

Below are the mean and median costs of 86 arbitrations in which the arbitral tribunal was paid by hourly rate and those of 6 arbitrations in which the arbitral tribunal was paid by reference to an ad valorem fee scale.

Amount in Dispute (millions)	Costs of Arbitration (Hourly Rate) (US\$)		Costs of Arbitration (Ad Valorem) (US\$)	
	Median	Mean	Median	Mean
< US\$1	31,115	57,644	13,892	16,632
US\$1 to US\$10	58,227	99,196	116,238	116,238
US\$10 to US\$100	281,271	305,331	161,800	161,800
> US\$100	295,477	411,674	No statistics available	No statistics available

Below are the mean and median duration and costs of expedited arbitrations and of emergency arbitrator arbitrations.

Expedited Arbitration:

	Median	Mean
Duration of Arbitration	8.9 months (6.0 months) ^[1]	10.7 months (6.9 months) ^[2]
Costs of Arbitration (US\$)	24,319	57,722

Emergency Arbitrator Arbitration:

	Median	Mean
Duration of Emergency Arbitration	15 days (12.9 hours)	16 days (18.4 hours)
Costs of Emergency Arbitration (US\$)	57,507	54,909

Any queries with respect to the costs and duration of HKIAC arbitration may be sent to:

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[1] The number of months in parenthesis indicates the duration between the date on which the case file is transmitted to the arbitral tribunal and the date of the final award.
[2] The number of hours in parenthesis indicates the duration between HKIAC's acceptance of the application to HKIAC's appointment of an emergency arbitrator.