

HKIAC Releases Average Costs and Duration Report

hkiac.org/news/hkiac-releases-average-costs-and-duration-report



22 Jun 2021

22 Jun 2021

PRESS RELEASE

HKIAC Releases Average Costs and Duration Report

The Hong Kong International Arbitration Centre (“**HKIAC**”) is pleased to release an updated report on the average costs and duration of an arbitration administered by HKIAC under the HKIAC Administered Arbitration Rules (the “**Rules**”). The data below reflects all such cases in which a final award was issued between 1 November 2013 and 31 May 2021 (the “**Relevant Period**”). The overall findings are listed below.

Overall Findings:

	Median	Mean
Duration of Arbitration	13 months	16.9 months
Costs of Arbitration (US\$)	64,606	137,332

The following methodology was used to produce the data:

186 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 186 arbitrations, 44 were conducted under the expedited procedure of the Rules.

13 emergency arbitrations under the Rules that were concluded by emergency arbitrator decision during the Relevant Period have been identified.

All arbitrations that were withdrawn, settled or terminated before the issuance of the final award have been excluded from this report.

Duration of arbitration, including expedited 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\$25,800) 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\$840) 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 175 arbitrations in which the arbitral tribunal was paid by hourly rate and those of 11 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	26,743	55,345	20,788	26,808
US\$1 to US\$10	70,706	99,598	93,859	93,859
US\$10 to US\$100	280,345	326,100	161,800	161,800
> US\$100	256,969	355,273	701,572	701,572

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

Expedited Arbitration:

	Median	Mean
Total Duration of Arbitration	8.9 months	9.3 months

From Transmission of file to Tribunal to Award	5.8 months	5.9 months
Costs of Arbitration (US\$)	24,212	51,239

Emergency Arbitration:

	Median	Mean
Duration of Emergency Arbitration	15 days	16 days
From Application to HKIAC to Appointment by HKIAC	22.6 hours	19.7 hours
Costs of Emergency Arbitration (US\$)	55,740	52,217

Media Contact

Hong Kong International Arbitration Centre

Kiran Sanghera

Tel: +852 2525 2381

Email: ksanghera@hkiac.org

[<< More news articles](#)

Copyright 2022 Hong Kong International Arbitration Centre. All Rights Reserved.