

Milestones in A Changing Era

An Insight into Recent Developments of BAC

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Abstract

The economic turmoil, the COVID-19 pandemic and the market change have brought huge challenges and uncertainties to the international arbitration community. This article reviewed key efforts made by the Beijing Arbitration Commission/Beijing International Arbitration Center to respond to the changing environment, keep its competitiveness and further its internationalization, and provides an analytical insight into recent developments of its rules and practice.

1. A Changing Era for International Arbitration

Many years later, when people look back at the time that we are now experiencing, they may all agree that it is a challenging time.

For the international arbitration community, it is even more so. Looking back at the past decade, we will see that arbitration has experienced rapid growth worldwide. In the Greater China area, it was a boom. The boost of economy, free trade, and cross-border investment all contributed to a fantastic environment for the fast development of arbitration.

Now, however, it seems that everything has changed, a very sharp contrast to the picture merely several years ago when the globe was enjoying its uninterrupted economic growth since 2010. The ongoing China-US trade conflict has worsen the volatile world economic climate. Political crisis has unavoidably resulted in, and intertwined with, economic turmoil. Punitive tariff, tightened export control and broadened sanction list have become frequently appeared terms when we read business news. Since the statistics of 2020 is not available when this article is written, by most measures, 2019 was the worst year for the global economy since the global financial crisis, with global growth reaching a post-crisis low of 2.4 percent¹. Even though the result of 2020 US presidential election is already clear, it is still hard for us to predict whether the original

¹ Carlos Arteta, Patrick Kirby, *The global economic growth outlook in five charts: Fragile, handle with care* (January 9 2020), available at <https://blogs.worldbank.org/voices/global-economic-growth-outlook-five-charts-fragile-handle-care>.

months-long tariff war will become years-long, nor can we estimate when the world economy will resume its normal operation.

The outbreak of COVID-19 earlier this year has made the situation even worse. Things from people's daily life to international trade have been bitterly affected. As shown by a report of the World Trade Organization, although world trade was slowing down before the COVID-19 outbreak, merchandise exports in nominal USD terms were down 21 per cent in the second quarter of 2020 compared to the previous year, while commercial services exports were down 30 per cent². As commented by Torsten Slok, Chief International Economist of Deutsche Bank Securities, "*Now everything is not good everywhere.*"

For arbitration institutions, the whole picture is truly gloomy. How to maintain the caseload in a time of economic slowdown and even recession? How to keep their daily running as far as possible in an environment of pandemic? And how to ensure the fairness and efficiency of arbitral proceedings? In a word, is it still possible to enable arbitration to provide its certainty in such a changing era?

For Chinese arbitration institutions, one more challenge is the market change. For a long time, it has been a highly disputed issue whether foreign arbitration institutions are allowed to provide arbitration services in the mainland. Despite in a few cases the arbitration clauses providing arbitration by foreign arbitration institutions in China were held valid³, the question remained unsolved since Art. 10 of the *PRC Arbitration Law* requires that an arbitration institution shall be registered with relevant governmental authority – a precondition for providing arbitration services. This was first changed with the setting up of the Shanghai Pilot Free Trade Zone (the "SHFTZ"). Shortly after that, in 2015, the PRC State Council required to "*support the settlement of internationally renowned commercial dispute resolution institutions in the SHFTZ, in a bid to enhance the internationalization of commercial dispute arbitration*"⁴. By now four foreign arbitration institutions opened their rep offices in the SHFTZ, including the ICC, the HKIAC, the SIAC and the KCAB. But such rep offices are for liaison purpose only, not allowed to provide arbitration services. Two years later, the State

² World Trade Organization, *Report shows marked decline in trade restrictions by WTO members amidst COVID-19 pandemic* (December 11 2020), available at https://www.wto.org/english/news_e/news20_e/trdev_11dec20_e.htm.

³ See *Anhui Longlide Packaging & Printing Co, Ltd. v. BP Agnati S.R.L.*, (Ruling of PRC Supreme People's Court) (March 25 2013), available at https://hk.lexisn.com/law/content.php?provider_id=1&isEnglish=N&origin_id=2456325&eng=0&keyword=6b6Z5Yip5b6X&t_kw=6b6Z5Yip5b6X&prid=e5e4149c-43ef-6715-7ef6-7a414992f311&crd=fac80a6f-34b0-4a52-ac0e-ef90398d4d7e.

⁴ Art. 11, *Circular of State Council on Issuing the Plan for Further Promoting the Reform and Opening up of the China (Shanghai) Pilot Free Trade Zone*.

Council released the *Overall Plan for the Lingang New Area of the China (Shanghai) Pilot Free Trade Zone*, allowing well-known foreign arbitration and dispute resolution institutions to, after being registered with the judicial administrative authority of the Shanghai municipal government and reported to the judicial administrative department under the State Council for record, establish a business organization in the said New Area to provide arbitration services with respect to civil and commercial disputes arising from such fields as international business, maritime affairs and investment⁵. This was followed up by responding rules of the Shanghai local government⁶, symbolizing the true openness of the Chinese arbitration market.

A further step forward was taken this year in Beijing. In *Circular on Issuing the Overall Plans for the China Pilot Free Trade Zones* released by the PRC State Council on August 30 2020, it is clearly stated that well-known overseas arbitration and dispute settlement institutions are allowed to provide civil and commercial dispute arbitration services in Beijing Pilot Free Trade Zone in international commerce, investment and other fields, and support and safeguard the application for and execution of asset preservation, evidence preservation, behavior preservation and other interim measures by Chinese and foreign parties before and during arbitration proceedings; and support international commercial dispute prevention and settlement organizations to settle and operate in the zone. In other words, the opening-up process of the Chinese arbitration market has commenced, and Chinese arbitration institutions will have to compete with their foreign colleagues in an open market, directly.

2. Why the BAC?

As a dispute resolution practitioner, I have an interest in observing the Chinese arbitration industry for many years. In my mind, among all the swiftly growing Chinese leading arbitration institutions, the Beijing Arbitration Commission, also known as the Beijing International Arbitration Center (the “BAC”), is the one of the most representativeness. Starting from merely 7 cases with a total disputed amount of RMB 44 million (roughly USD 5.5 million) in 1995, the BAC’s caseload swelled to 6,732 in 2019, with an overall disputed amount of RMB 94.804 billion (roughly USD 13.60 billion)⁷. It is not luck. It is thanks to the institution’s continuous elaboration and hard work. Despite its rapid and even aggressive growth, I can see that the BAC management

⁵ Art. 2(4), *Overall Plan for the Lingang New Area of the China (Shanghai) Pilot Free Trade Zone*.

⁶ See also *Administrative Measures for the Lingang New Area of the China (Shanghai) Pilot Free Trade Zone* and the *Administrative Measures for Foreign Arbitration Institutions’ Establishment of Business Organization in Lingang New Area of the China (Shanghai) Pilot Free Trade Zone*.

⁷ Beijing Arbitration Commission, *2019 Annual Report*, available at <https://www.bjac.org.cn/english/news/view?id=3718>.

never fall into the trap of complacency, but always stay vigilant, facing the current and future challenges, and saving against a rainy day. It never fear a difficult environment, for it grew up from difficulties. It never hate competitions, either with its Chinese brothers or with foreign colleagues, as concluded by its management, “Competition is for better services to arbitration users”.

I am not an arbitrator of the BAC, and this article is not meant to sell you on the BAC. In fact, it has already done an excellent job of promotion globally. The key to this article is trying to offer an insight into what the BAC has done to make its progresses and respond to this changing era in recent years, from which you will understand why I choose the BAC as a representative, and how far Chinese arbitration institutions have gone in their ways of development.

3. Strategic Deployments – Leading the Trends

It is generally agreed that Chinese arbitration institutions have surged to new highs again and again in recent years, both in caseload and in disputed amount. Nevertheless, this phenomenon is closely connected to, or even, is a by-product of, the economic prosperity. In a highly uncertain and unstable economic environment, such development may not be sustainable. To the BAC, it seems that its management has seriously thought of adversity in a time of prosperity, and has made earlier preparations. On the one hand, it forged a close tie with the national economic strategy. On the other hand, it updated the layout of its business. I think they may take years before the BAC can really harvest the fruits. However, as strategic deployments, they will be worthy of the wait.

3.1 Arbitration Integrated into Belt and Road Initiative

International trade has existed since merchants first navigated the perilous seas in fragile boats or travelled through mountains and deserts along the fabled Silk Road⁸. Silk Road has significant meanings to ancient China, and the rest of the world. I still remember the first time I listened to Kitaro’s major work, which was exactly themed *Silk Road*. The melody evoked distant images of voyages by traveling merchants and bustling caravans in the old days.

The historical routes have long gone. In a new millennium, however, they are coming back. In 2013, the Chinese central government officially launched the One Belt and One Road Plan, also known as the Belt and Road Initiative, as a national economic strategy, and then

⁸ Alan Redfern, *Interim Measures, The Leading Arbitrators’ Guide to International Arbitration* (Edited by Lawrence W. Newman & Richard D. Hill), (Juris Publishing, Inc. & Staempfily Publishers Ltd., 2004), at page 242.

outlined its framework, key areas of cooperation and running mechanisms, aiming to further strengthen the connection and collaboration among Asian, European and African countries. The Belt and Road Initiative will extend from China to Europe and include more than 60% of the world's population living in 60-plus countries across Asia, Europe and Africa. This will cover 30% of the world's GDP, and 35% of world trade⁹.

This grand blueprint has been followed by large-scale cross-border investment and trade. The overall investment is expected to be more than USD 500 billion. It brings new business opportunities. At the same time, it also brings a growing requirement for risk control and management as well as dispute resolution. In light of the huge divergence lying in the political systems, legal frameworks and judicial environments of countries and regions along the Belt and Road routes, as well as other practical issues such as cross-border recognition and enforcement, international litigation is usually incapable of meeting the requirement for resolving disputes arising from Belt and Road investment and trade. Hence the diversified dispute resolution mechanism represented by arbitration becomes a necessity for the Belt and Road Initiative.

Under this background, the BAC, with the extensive experience it has obtained from its internationalization and dispute resolution practice over the past 25 years, has actively sought to build dispute resolution service networks across the countries and regions along the Belt and Road routes. This proposal has won active responses and support from within the international arbitration community. Based on joint efforts, the China-Africa Joint Arbitration Centre (the “CAJAC”) was jointly founded by Chinese arbitration institutions represented by the BAC, the Shanghai International Arbitration Center and the Shenzhen Court of international Arbitration, and their African partners, including the Arbitration Foundation of Southern Africa, the Nairobi Centre for International Arbitration (the “NCIA”), and the Organization for the Harmonization of Business Law in Africa, a landmark event in Sino-African cooperation in the realm of arbitration. On March 27 2017, the CAJAC – Beijing Center was established based on the Cooperation Agreement between the BAC and the NCIA. Subsequently, the standard CAJAC Arbitration Rules have been made and unveiled. Largely absorbed the “Chinese mode”, the standard CAJAC Arbitration Rules adopt international practice while keep open to local features as supplements, stressing on party autonomy, due process and equal attention to be paid to requirements of parties from both common law and civil law jurisdictions.

Another effort is the Belt and Road Arbitration Program that was founded on May 19 2017, following the Belt and Road Arbitration Initiative Cooperation Agreement signed

⁹ See <https://beltandroad.zaobao.com/beltandroaden/concept>.

by the BAC, the Kuala Lumpur Regional Centre for Arbitration (now the Asian International Arbitration Centre) and the Cairo Regional Centre for International Commercial Arbitration signed, the initiators of the Program.

As the Belt and Road Initiative covers more than 60 countries, its dispute resolution mechanism should be highly forward-looking¹⁰. The above arbitration networks the BAC endeavored to forge are aimed to integrate arbitration into the Belt and Road Initiative, strengthen the interaction and exchange between arbitration institutions in different countries and regions along the Belt and Road routes, promote the sharing of expertise, case management skills and facilities, for purpose of providing qualified and efficient dispute resolution services and legal security for investment and trade under the Belt and Road Initiative. It is an innovative attempt that worth looking into, and a leading design of huge potential.

3.2 Investment Arbitration with New Features

Investment arbitration is primarily the result of the spectacular growth of foreign investment in general during the past few decades¹¹. Given the fact that investment arbitration diverts investors from the domestic judicial system of host states, and avoid local-protectionism and interference from host states thanks to the finality and enforceability of the awards, it has been widely accepted and used by investors, especially those from developed countries. As a result, most of the BITs and multilateral agreements provide for investment arbitration as the mechanism to resolve potential disputes between investors and host states. When looking at the Belt and Road Initiative, we will find that among the countries along the Belt and Road route, 55 are member states of the Washington Convention.

By far, the Investor-State Dispute Settlement (the “ISDS”) system is the mostly applied regime of investment arbitration. After years’ practice, it has been recognized that the ISDS is in need of reform. In the discussion of the UNCITRAL Working Group III, representatives of various states have expressed extensive concerns over the existing ISDS system, such as the uniformity, consistency, predictability and correctness of investment arbitration awards, transparency of arbitral proceedings, costs, time duration, diversity, independence and arbitrators’ impartiality. It was under this background that the BAC realized the significance of the reform of investment arbitration, and expected to

¹⁰ Guiguo Wang, *The Belt and Road Initiative in quest for a dispute resolution mechanism*, *Asia Pacific Law Review*, June 2017, Volume 25, Issue 1, Taylor & Francis, at page 12.

¹¹ Kaj Hober, *Arbitration Involving States*, *The Leading Arbitrators’ Guide to International Arbitration* (Edited by Lawrence W. Newman & Richard D. Hill), (Juris Publishing, Inc. & Staempfl Publishers Ltd., 2004), at page 140.

contribute a Chinese approach to the concerns over the existing investment arbitration regime, and thereby enlarge the scope of its arbitration services.

In 2019, after widely seeking comments from experts and practitioners, the BAC unveiled its Rules for International Investment Arbitration, which became effective as of October 1 2019. Within the Chinese arbitration community, it is a pioneering effort to address those concerns about investment arbitration. Consisting of 58 provisions, the BAC Rules for Investment Arbitration are featured with the improvement of transparency in order to balance the transparency and confidentiality of investment arbitration, efficiency enhancement and cost reduction, higher requirements for arbitrators' qualification and performance, and the application of the rules in both institutional arbitration and ad hoc arbitration.

Among all the features, the most noteworthy highlight, in my opinion, is the adoption of an appeal mechanism, a design to help ensure the fairness and consistency of the awards.

According to the Rules, the parties may appeal based on their consent¹². So the appeal procedure will not be applied without both parties' agreement. The parties are required to notify the BAC in writing of their consent to appeal prior to the deadline fixed by the tribunal. The written notice, however, does not mean the parties have commenced the appeal procedure, nor will they definitely do so in a later stage. They shall, within 60 days after the arbitral award is made, submit a letter of appeal to the BAC, and thereby formally initiate the appeal procedure. The aforesaid agreement to appeal shall be concluded and noticed to the BAC by the deadline fixed by the arbitral tribunal for the parties' comments on the draft award. This design is not only meant to avoid unreasonable delay of the arbitral proceeding, but also aimed at a cost-effective dispute resolution, because the appeal procedure will result in additional time and cost.

As to the grounds of appeal, the BAC Rules for Investment Arbitration provide three circumstances in which an appeal can be initiated¹³:

- (1) that the arbitral award contains errors in the application or interpretation of the applicable law or rules of law;
- (2) that the arbitral award contains manifest and material errors of fact; or
- (3) that the BAC or the arbitral tribunal lacked jurisdiction, or the arbitral tribunal exceeded its power.

In most cases, the appeal may only be initiated on these three grounds. Nevertheless,

¹² Art. 46 and Appendix E, BAC Rules for International Investment Arbitration 2019.

¹³ Rule 3 of appendix E, BAC Rules for International Investment Arbitration 2019.

Art. 46.4 leaves some space to party autonomy, where parties may select other grounds for appeal by agreement, but subject to the BAC's review, which means the BAC will determine whether such grounds agreed by the parties are acceptable for appeal. The purpose is to tackle the problem of incompatibility between the parties' agreed grounds and the mandatory law of the seat of arbitration, if any, so as to minimize the risk of annulment or non-enforcement of the award.

Similar as international commercial arbitration, an award of investment arbitration is also final and binding on the parties as of the date it is made¹⁴. The difference is that in the event of appeal, the appeal award shall substitute the arbitral award and shall be made in one of the following forms¹⁵:

- (1) upholding the arbitral award;
- (2) making material modification(s) to the award; or
- (3) making a new award.

By unveiling the first set of Rules for Investment Arbitration that adopts an appeal procedure, the BAC is obviously trying to address the call for reform of the current investment arbitration system as represented by the ISDS, while update the whole structure of its arbitration services. In this specific field of dispute resolution that has long been dominated by the West, it is not easy, but definitely worth trying, and I do look forward to seeing the first international investment arbitration case filed with the BAC in the near future.

4. Tactical Approaches – Sharpening the Sword

Apart from the strategic deployments, a number of tactical approaches are also seen in the BAC's recent rules and practice, as the BAC management consistently seek new ways to fill the needs of its clients. These approaches provide immediate assistance and convenience to arbitration users and their counsels, by which the BAC well kept its competitiveness in international commercial arbitration.

4.1 New Weapon Available - EA Proceeding

As an important weapon in international arbitration, interim measures have long been discussed and practiced. In recent years, Emergency Arbitrator (the "EA") proceeding has been gaining momentum as most arbitration institutions incorporated EA provisions

¹⁴ Art. 42, BAC Rules for International Investment Arbitration 2019.

¹⁵ Rule 8 of appendix E, BAC Rules for International Investment Arbitration 2019.

when revising their arbitration rules¹⁶. Under the existing PRC law framework, however, interim measures in arbitration proceedings, although allowed and available, are somewhat limited. The arbitral tribunal is not authorized to determine on and render an order to attach assets or to take similar preservative measures. This is at the exclusive discretion of courts. Apart from that, the current laws on arbitration and civil procedure are silent on EA proceeding. As a result, the whole process for interim measures in practice is often delayed due to the heavy caseload of courts and the official communication between courts and arbitration institutions as the parties' application for interim measures shall be forwarded to courts by arbitration institutions.

In view of the above situation, the BAC inserted provisions on interim measures during the revision of its Arbitration Rules 2008, which are designed to satisfy the need of its clients in international arbitration practice. According to the BAC Arbitration Rules 2015, after a case is accepted by the BAC and before the arbitral tribunal is constituted, any party that wishes to apply for interim measures may submit a written application to the BAC for the appointment of an EA in accordance with the applicable law. The BAC shall make a determination on it. If the BAC approves the application, it shall appoint an EA from its panel within 2 days after the corresponding fee is paid, and shall notify the parties of such appointment¹⁷. The BAC Arbitration Rules 2019 remained such provisions. It is my understanding that the EA proceeding is a strong supplement to the previous versions of the BAC Arbitration Rules.

This innovation soon met its first test. At the end of 2017, the BAC accepted the first case in mainland China in which an EA proceeding was applied. The interim measure order was made by the EA within only 12 days from the date the case was formally filed, partially granting the interim relief sought by the claimant. After 4 more days, the order was recognized by the High Court of the Hong Kong SAR, which rendered an enforcement order. Based on this enforcement order, the case was finally settled amicably. The administration of this case has provided valuable practical experience of EA proceeding, and has attracted wide attention from within the Chinese arbitration community. This case is undoubtedly a precedent of the Chinese arbitration practice, and clearly shows the internationalization of Chinese arbitration institutions.

It can be seen from this case that the recognition and enforcement of EA orders are not restricted by law of the seat of arbitration, and parties may consider seeking enforcement

¹⁶ Wei Sun, *First Emergency Arbitrator Proceeding in Mainland China: Reflections on How to conduct an EA Proceeding from Procedural and Substantive Perspectives* (September 1 2018), available at <http://arbitrationblog.kluwerarbitration.com/2018/09/01/first-ea-proceeding-mainland-china-reflections-conduct-ea-proceeding-procedural-substantive-perspectives/>.

¹⁷ Art. 63, BAC Arbitration Rules 2015.

of EA orders in other jurisdictions outside the mainland. Naturally, parties intending to initiate EA proceeding are suggested to pay close attention to the legal environment of the jurisdictions where the target assets of the counterparty are located before starting the EA proceeding.

4.2 Cost-effectiveness Improved – Reform of Arbitration Fee Structure

After several years implementation of its Arbitration Rules 2015, the BAC further revised the rules and unveiled its Arbitration Rules 2019 on July 19 2019. Among all the updates of this new and existing set of rules, the most highlight I would like to stress here is the bold breakthrough in the arbitration fee structure.

As a tradition of arbitration institutions in China and many other jurisdiction, importance is often attached to the disputed amount of the case, and both the administrative fee and arbitrators' fee are fixed with reference to the amounts in dispute. However, as a generally accepted fact, the fees payable depend essentially on the amount of work the arbitrators have devoted to the dispute¹⁸. Although the traditional practice has long been criticized, in China, it is difficult to be changed for historic and practical reasons, until the BAC Arbitration Rules 2019 came into effect on September 1, 2019.

The BAC Arbitration Rules 2019, and the annexed fee schedules divided arbitration fee into arbitrator's fee and administrative fee, an approach taken by many international arbitration institutions. The fee schedules consist of two parts:

- (1) Annex I – Schedule of Arbitration Fees; and
- (2) Annex II - Schedule of Fees for Appointing Emergency Arbitrators and Applying for Interim Measures.

In previous versions of the BAC Arbitration Rules, the division is made between the Case Acceptance Fee and the Case Handling Fee, which results from specific historical conditions. With the development of Chinese arbitration practice, there has been increasing criticism of these separate categories of arbitration fees. From the parties' perspective, it is unclear what these fees are paid for, while the correlation between the arbitrator's fee and administrative fee is unclear, and also deviates from international practice. In order to solve this problem, the BAC Arbitration Rules 2019 clearly categorize arbitration fees into arbitrator's fee and administrative fee in Annex I. Such classification will undoubtedly improve arbitrators' performance by allowing an appropriate level of remuneration for their

¹⁸ Lars Heuman, *Arbitration Law of Sweden: Practice and Procedure*, (Juris Publishing, Inc., 2003), at page 553.

professional contribution to a specific case. In the meantime, the BAC has further raised arbitrators' fee standard to align with current levels of economy and reflect reasonable respect for the value and expertise of arbitrators.

A more important point is that arbitrators may charge on an hourly basis by agreement of the parties. The hourly billing method is a common practice in international arbitration for calculating arbitrator's fee and can reflect the time and effort devoted by arbitrators to specific cases with greater accuracy. For cases with a large amount in dispute but with simple facts and legal issues, the adoption of hourly rates by agreement of the parties can effectively control the cost of dispute resolution. To provide more options to the parties, the BAC Arbitration Rules 2019 introduced hourly rates in the calculation of arbitrator's fee that is subject to the parties' agreement. At the same time, to reasonably control the costs of arbitration, the fee schedules impose a cap of no more than RMB5,000.00 (roughly USD765.00) in principle on the arbitrator's hourly rate. The adoption of hourly rates will substantially help to further the integration of Chinese domestic arbitration practice with international practice and provide the parties with more freedom in determining and controlling the costs.

This reform of arbitration fee structure has won extensive recognition as it well met the expectation of the arbitration community. To a larger extent, the arbitration fee structure embodies and reflects the identity and role of an arbitration institution. This reform actually means the BAC voluntarily gave up the complete control of the arbitration fee, and contributed part of its financial benefits, for better cost-effectiveness and transparency of arbitration. In light of the long history of the tradition in China, such effort is really hard to make, but the BAC did it. A strong signal of its innovation, courage and independence.

4.3 Tackling the Crisis - Wide Application of Technologies

With the ongoing COVID-19 pandemic, arbitration institutions have been facing unprecedented challenges. In an environment of social distancing and even quarantine, how to ensure the fairness and efficiency of arbitration while minimize the adverse impact such as undue delays? And how to provide effective guidance and assistance to parties and arbitrators, so as to deliver certainty and confidence?

Again, the BAC took prompt actions. Earlier this year, the BAC Working Guidelines on Online Hearings (For Trial Implementation) and online hearing system were launched, an timely and effective response to the pandemic by using digital and visual technologies. Under the Guidelines, the arbitral tribunal may decide to conduct an online hearing if both parties apply for it, or one party applies for it and the other raises

no objection, or the arbitral tribunal considers it necessary without objection from any of the parties. The application of technologies may be the best tool to keep the normal operation of arbitration. It not only avoids gathering of people, but also help to control costs, especially the travel expenses incurred by arbitrators, parties and their counsels and other participants in hearings if they come from different regions.

While providing the possibility of working remotely to arbitrators and parties, the Guidelines also set some limits on the online hearing practice, for purpose of ensuring the fairness and confidentiality of arbitration. This means that online hearing applications may not be allowed under several particular circumstances. For example, in some cases, the finding of key facts will be highly dependent on the physical authenticity of specific evidence, or, in some cases, the requirements for secrecy will be higher as state secrets or trade secrets are involved.

The application of digital and visual technologies have brought great convenience to arbitration practitioners. Nevertheless, since it is not possible to have face-to-face presentation of the case and debates, my suggestion is that parties and counsels do make sure they are well prepared before the online hearing, both their evidence and arguments of legal issues, and thereby help the arbitrators to better understand their case and issues in disputes and organize a more effective hearing.

What's also worthy of mention is that the abovementioned technologies are not only applied to hearings, but also to the BAC's various events. With growing reputation around the world, the BAC has been proactive within the global arbitration community. In recent years, it has organized a number of events and roadshows in major cities on different continents, such as London, Paris, Frankfurt, Hague, Vienna, Zurich, Toronto, New York, San Francisco, Singapore, Hong Kong, Kuala Lumpur – the list goes on and on. I used to attend such events from time to time to learn about the latest spotlights and know-hows of dispute resolution. At the beginning of this year, it seemed to me that such events will have to be ceased due to the pandemic. On the contrary, they were held as usual, but switched to a virtual way. A latest example is the 2020 Annual Summit on Commercial Dispute Resolution in China. Being the BAC's annual event since 2013, this is the first time it is held online. With more than a dozen of speakers and commentators and more than 1,900 audiences from 15 countries and regions, the online summit went smoothly and was proved to be a success.

5. A Final Word

Just when I was about to finish this article, the BAC released its draft Code of Ethics for Arbitrators in Investment Arbitration for comments. Another step forward. So we see, the

BAC, as a typical representative of Chinese arbitration institutions as well as emerging arbitration institutions in the Greater China area, never slow the pace on the road to its dreams.

Many years later, when arbitration practitioners review the history of arbitration development, they may see that arbitration institutions around the globe have varied experiences during the second and the third decade of the 21st century, when the world was full of unpredictability and abnormality. Some suffered. Some survived. Yet some not only got through but made new progresses, and the BAC is a distinguished example. It keeps moving ahead on the road to growth that is full of twists and turns. It keeps its consistency and innovation that are crucial for success in an unforeseeable world. It keeps its unwavering commitment to “professionalism, competence and transparency” (*Global Arbitration Review*) even in a time of breakdown.

Yes, it has turned breakdowns into breakthroughs, leaving its milestones in a changing era. Not just great, but legendary.