

PRESS RELEASE**Singapore clinches bid for UN Convention on Mediation
to be named after Singapore**

1. On 20 December 2018, the United Nations General Assembly (UNGA), at its 73rd session in New York, passed a resolution to adopt the United Nations (UN) Convention on International Settlement Agreements Resulting from Mediation, and to name it after Singapore.
2. The Convention will be known as the “Singapore Convention on Mediation”. It is the first treaty to be named after Singapore among the treaties concluded under the auspices of the United Nations organisation. At the session, UNGA also agreed that the signing ceremony for the Convention will be held in Singapore on 7 August 2019.
3. On the same day at the UN in New York, Singapore delivered a statement, commending the UN Commission on International Trade Law (UNCITRAL) for its work on mediation and expressing appreciation for the support for the signing ceremony to be held in Singapore.
4. Singapore is expected to be amongst the first signatories of the Convention. The Convention will provide for the cross-border enforcement of mediated settlement agreements. This will give businesses greater certainty that mediated settlement agreements can be relied upon to resolve cross-border commercial disputes.
5. Singapore welcomes other countries to be amongst the first signatories of the Convention on 7 August 2019, and to participate in the events which will be organised in conjunction with the signing ceremony.
6. Being amongst the first signatories to the Convention will be a strong statement of a country’s commitment to trade, commerce and investment. It will strengthen a signatory’s position as a leader in international trade law and will be warmly welcomed by businesses and foreign investors.
7. “We would like to thank everyone for their overwhelming support for the UN Convention on Mediation to be named the Singapore Convention. This is the first UN treaty carrying the Singapore name. It is a singular honour for

Singapore and will further cement Singapore's place on the world map for international dispute resolution. We look forward to welcoming everyone for the signing ceremony on 7 August next year", said Minister for Home Affairs and Minister for Law, Mr K Shanmugam.

8. Over the years, the Singapore Ministry of Law has made various moves to establish Singapore as an international dispute resolution centre. It has set up various institutions, including the Singapore International Arbitration Centre (SIAC), Singapore International Mediation Centre (SIMC), and Singapore International Commercial Court (SICC) and Maxwell Chambers to provide a full suite of dispute resolution services for international commercial parties to resolve their disputes in Singapore, which is a trusted, neutral venue with high quality jurisprudence. Singapore also enacted the Mediation Act 2017, which provides, among other things, for the recording of mediated settlement agreements as orders of court, and facilitates the enforcement of mediated settlement agreements.

MINISTRY OF LAW
21 DECEMBER 2018

Annexes:

Annex A - Statement delivered at UNGA

Annex B - Factsheet on Singapore Convention on Mediation

Statement delivered at UNGA

1 Thank you, Mdm President. Singapore would like to take this opportunity to express appreciation to Members States for their support for the resolution on the United Nations Convention on International Settlement Agreements Resulting from Mediation, which adopts the Convention and authorises a ceremony in Singapore on 7 August 2019 for the Convention's opening for signature.

2 We commend UNCITRAL for its recent work on mediation. The Convention provides a uniform and efficient framework for the enforcement of international settlement agreements resulting from mediation and for allowing parties to invoke such agreements, and the amended Model Law seeks to harmonise the legal frameworks in this area. We believe that both instruments will facilitate the growth of international commerce, to the benefit of the global economy.

3 Singapore is honoured to be associated with the Convention. We look forward to welcoming delegations to Singapore in August 2019, to be among the first signatories of the Convention and to participate in the events which will be organised in conjunction with the signing ceremony.

4 Thank you very much, Mdm President.

Factsheet on the Singapore Convention on Mediation

Background to the Convention

The United Nations Commission on International Trade Law (“UNCITRAL”) is the core legal body of the United Nations system in the field of international trade law. UNCITRAL’s Working Group II (“WGII”) on Dispute Settlement has been working on instruments to provide for the cross-border enforcement of international commercial settlement agreements reached through mediation.

In February 2018, WGII finalised (i) the United Nations Convention on International Settlement Agreements Resulting from Agreement (“the Convention”); as well as (ii) amendments to the Model Law on International Commercial Conciliation (2002).

The Commission subsequently recommended that the 73rd United Nations General Assembly (UNGA) consider the draft convention with a view to adopting/authorising: (i) the Convention; (ii) for the signing ceremony of the Convention to be held in Singapore; and (iii) the nomenclature of the “Singapore Convention on Mediation”. This was formalised on 20 December 2018 when the 73rd UNGA passed a resolution to adopt the Convention, and to name it after Singapore.

Benefits of the Convention

Mediation is rising in popularity as a means to resolve cross-border commercial disputes. Mediation results in significant benefits, such as reducing the instances where a dispute leads to termination of commercial relationships, facilitating the administration of international transactions by commercial parties and producing savings in the administration of justice by States. Mediation complements other modes of dispute resolution as it can be used in conjunction with litigation or arbitration.

However, its growth has been hindered by a long-standing obstacle – the difficulty that a party faces in ensuring that the other party complies with their mediated settlement agreement. This is because a mediated settlement agreement, unlike a court judgment or an arbitral award, is only binding contractually and, therefore, not directly enforceable in the courts. The lack of an efficient and harmonised framework for cross-border enforcement of settlement agreements resulting from mediation has been often cited as a challenge to the use of mediation.

The Convention therefore addresses the lack of an effective means to enforce cross-border commercial mediated settlement agreements. Businesses can have greater assurance that mediation can be relied on to settle cross-border commercial disputes, because mediated settlement agreements can be enforced more readily by the courts of jurisdictions that are contracting parties to the Convention and may also be invoked by a party as a defence against a claim.

This will facilitate the growth of international commerce and promote the use of mediation around the world.

Key Features of the Convention

The Convention will apply to international commercial settlement agreements resulting from mediation.

- It will not apply to international settlement agreements that are concluded in the course of judicial or arbitral proceedings and which are enforceable as a court judgment or arbitral award.
- It will not apply to settlement agreements concluded for personal, family or household purposes by one of the parties (a consumer), as well as settlement agreements relating to family, inheritance or employment law.

The courts of a contracting party will be expected to handle applications either to enforce an international settlement agreement which falls within the scope of the Convention or to allow a party to invoke the settlement agreement in order to prove that the matter has already been resolved, in accordance with its rules of procedure, and under the conditions laid down in the Convention.

The courts of a contracting party may refuse to grant relief on the grounds laid down in the Convention, including:

- If a party to the settlement agreement was under incapacity;
- If the settlement agreement is not binding, null and void, inoperative or incapable of being performed under the law which it is subjected to;
- If there was a serious breach by the mediator of standards applicable to the mediator, without which breach that party would not have entered into the settlement agreement;
- If granting relief would be contrary to the public policy of the contracting party.