7TH EDITION OF THE SIAC RULES: DEFINING THE FUTURE OF SIAC ARBITRATION

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International Arbitration Alert

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INTRODUCTION

The Singapore International Arbitration Centre (SIAC) has launched the 7th Edition of its Arbitration Rules (the 2025 Rules), which took effect on 1 January 2025. The 2025 Rules represent a major update of the 6th Edition (the 2016 Rules) and were developed following a consultation process with various stakeholders. This updated framework introduces a substantial number of new provisions—expanding from 41 to 65 rules—and includes redrafted provisions aimed at enhancing clarity and better aligning with the procedural flow of a typical arbitration. Relative to other arbitral institutions, the 2025 Rules introduce significant innovations, particularly in the areas of emergency arbitrations and third-party funding.

The 2025 Rules apply (unless otherwise agreed by the parties) to any arbitration conducted under the SIAC Rules commenced on or after 1 January 2025 (Rule 1.5). Parties to existing SIAC arbitration agreements, as well as those who regularly include SIAC arbitration clauses in their contracts, are encouraged to familiarize themselves with the updates in the 2025 Rules.

We set out below a summary of some key amendments introduced in this latest edition.

STREAMLINED AND EXPEDITED PROCEDURES

The 2025 Rules introduce a new “streamlined procedure” (Rule 13 and Schedule 2) aimed at providing a quick and cost-effective resolution for low-value disputes of low complexity. This procedure is automatically applicable to disputes where the amount in dispute is S$1 million or less (around US$740,000, at current exchange rates), though the SIAC president retains discretion to determine its suitability in individual cases, absent a written agreement by the parties to apply the streamlined procedure. Parties can also agree to opt out entirely.

Under the streamlined procedure, arbitration is conducted by a sole arbitrator (Schedule 2, para 1). Unless the tribunal determines otherwise, after considering the views of the parties, the arbitration shall be decided on the basis of written submissions and any accompanying documentary evidence with no entitlement to make requests for document production or to file any fact or expert witness evidence (Schedule 2, para 11). The final award must also be issued within three months of the tribunal's constitution, unless the registrar extends the time for making such final award (Schedule 2, para 15). Further, the tribunal fees and SIAC fees shall not exceed 50% of the

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maximum limits based on the amount in dispute in accordance with SIAC's Schedule of Fees, unless the registrar determines otherwise (Schedule 2, para 16). The streamlined procedure does not provide a cap on the amount of recoverable legal costs.

For disputes exceeding S$1 million in value, the 2025 Rules preserve the previous six-month expedited procedure (Rule 14 and Schedule 3), with one key modification: the upper-value threshold for application of the expedited procedure has been raised from S$6 million in the 2016 Rules (around US$4.4 million, at current exchange rates) to S$10 million (around US$7.4 million, at current exchange rates) (Rule 14.2). Additionally, one of the possible conditions for its use (i.e., cases of “exceptional urgency” under the 2016 Rules) has been expanded to include disputes in which “the circumstances of the case warrant” its application. This broader criterion is expected to increase the frequency of the expedited procedure's use.

While both the streamlined and expedited procedures aim to expedite arbitration, they differ in terms of applicability, complexity, and timelines. The streamlined procedure (for disputes under S$1 million) is designed for low-value, low-complexity disputes and is more restrictive, with no provision for document production or witness evidence unless determined otherwise by the tribunal. It also mandates a final award within three months. In contrast, the expedited procedure (for disputes between S$1 million and S$10 million) allows for more flexibility, such as the possibility of a hearing and limited document production, but still emphasizes speed with a final award required within six months. The expedited procedure offers broader criteria for its application, including circumstances warranting its use, making it more adaptable to varying dispute complexities.

Although SIAC does not disclose the number of smaller claims filed annually, its 2023 annual report reveals that from 2010 to the end of 2023, there have been 896 applications for the expedited procedure, of which 514 were accepted. Given the recent increase in the eligibility threshold from S$6 million to S$10 million, it is likely that a greater number of cases will now qualify for this expedited process, although the actual impact remains to be seen.

EMERGENCY ARBITRATION

The emergency arbitration procedure (Rule 12.1 and Schedule 1) has also been revamped to expedite the process and potentially reduce legal costs. Some of the key amendments include the ability for applicants to file for emergency arbitration before submitting the Notice of Arbitration (the Notice), with the Notice required within seven days (Schedule 1, paras 2 and 6) to avoid the withdrawal (without prejudice) of the application for appointment of an emergency arbitrator. A 24-hour deadline has also been introduced for challenging the appointment of an emergency arbitrator, from the date of receipt of the notice of appointment (Schedule 1, para 9). The timeline for the emergency arbitrator to issue an order or award continues to be 14 days from the date of appointment (Schedule 1, para 17).

Importantly, for the first time, a party may seek a “protective preliminary order” (PPO) application from an emergency arbitrator without notifying the other parties to the arbitration until after the issuance of an order by the emergency arbitrator (i.e., notice and accompanying documentation is required to be delivered “promptly and, in any event, within 12 hours of the transmission by the SIAC Secretariat of the emergency arbitrator's order in respect of the protective preliminary order application”) (Schedule 1, paras 25 and 29). A decision on the PPO application must be issued within 24 hours following the emergency arbitrator's appointment (Schedule 1, para 27). PPOs will remain in effect for a maximum duration of 14 days (Schedule 1, para 33). SIAC reports that “[t]he

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introduction of this procedure recognizes the potential need for immediate and urgent relief to parties in the early stages of a dispute while balancing the need to preserve procedural integrity and fairness."

The PPO procedure makes SIAC one of the first major international arbitration institutions to expressly permit ex parte emergency interim relief and illustrates SIAC's interest in pioneering procedures to address the needs of users of the arbitration process. Other institutions such as the International Chamber of Commerce (ICC) and the London Court of International Arbitration (LCIA) do not presently permit parties to file *ex parte* applications for emergency relief.

PRELIMINARY DETERMINATION

The 2025 Rules codify the tribunal's authority to resolve issues on a preliminary basis, provided that (a) the parties agree, (b) the applicant can demonstrate that such a determination will contribute to savings in time and costs and "a more efficient and expeditious resolution of the dispute," or (c) the tribunal finds that the circumstances of the case warrant preliminary determination (Rule 46.1). Rule 46.4 states that any preliminary determination must be issued within 90 days of the application being filed, unless the Registrar extends the time.

The codification of this procedural mechanism is likely to encourage parties to consider seeking preliminary determination of key issues in cases where it is deemed appropriate, facilitating a more efficient and streamlined resolution process.

The preliminary determination procedure (Rule 46) complements the early dismissal procedure (Rule 47) by providing distinct but related mechanisms for improving the efficiency of arbitration. Rule 47, on the other hand, enables the tribunal to dismiss claims or defenses early if they are manifestly without merit or outside the tribunal's jurisdiction.

While the introduction of the preliminary determination procedure marks a significant advancement for SIAC, its acceptance by courts at the enforcement stage remains uncertain. A losing party may argue that being denied the opportunity to raise a particular matter prevented them from fully presenting their case, an issue expressly recognized under Article V(1)(b) of the Convention on the Recognition and Enforcement of Foreign Arbitral Awards (also known as New York Convention).

COORDINATED PROCEEDINGS

Under the 2016 Rules, parties in multicontract, multiparty disputes have available consolidation and joinder to reduce the risks of parallel proceedings and inconsistent decisions. Rule 17 of the 2025 Rules introduces a further option: coordinated proceedings, which allows multiple arbitrations involving common questions of law or fact to be conducted concurrently or sequentially with aligned procedural steps. While the tribunal will issue separate decisions, rulings, orders, and awards (Rule 17.3), this mechanism aims to mitigate conflicting outcomes and duplication of costs. It is important to note that coordinated proceedings are available only when the same tribunal is constituted in two or more arbitrations (Rule 17.1). For comparison, the concurrent conduct of arbitrations is already expressly permitted under Article 22A of the LCIA Rules 2020.

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THIRD-PARTY FUNDING

Rule 38 introduces a significant change by requiring parties to disclose the existence of any third-party funding agreements, along with the identity and contact details of the third-party funder, in its notice or response or as soon as practicable upon concluding a third-party funding agreement.

After the constitution of the tribunal, the parties are prohibited from entering into a third-party funding agreement, which may give rise to a conflict of interest with any member of the tribunal, and, in such circumstances, the tribunal may direct the party to withdraw from the third-party funding agreement (Rule 38.3).

Tribunals may also order the disclosure of additional details, including the funder's interest in the outcome of the proceedings and whether the funder has committed to undertake adverse costs liability (Rule 38.4). The 2025 Rules also make clear that the disclosure and existence of a third-party funding agreement on its own shall not be taken as an indication of the financial status of a party (Rule 38.5).

In comparison with other institutional rules, the 2025 Rules deal more comprehensively with third-party funding, showing SIAC's recognition of the importance of addressing what is an increasingly important feature of international arbitration. For example, under Article 11(7) of the ICC Rules 2021, parties are only required to disclose the “existence and identity” of any third-party funder to help arbitrators fulfil their disclosure obligations regarding potential conflicts of interest. Furthermore, the LCIA Rules 2020 are silent on the issue of the third-party funding.

SIAC GATEWAY AND INFORMATION SECURITY

SIAC has also updated its rules to incorporate various technological advancements. A key change is the requirement for parties, tribunals, and the SIAC secretariat to upload communications to the SIAC Gateway, a new web-based platform designed to centralize filing, online payment, in-system document upload and storage, and case management, upon the direction of the Registrar (Rules 4.2 and 4.3). For example, the 2025 Rules make clear that the claimant, subject to compliance with Rule 4, will be able to file its Notice through the SIAC Gateway (Rule 6.1).

Lastly, the 2025 Rules incorporate provisions aimed at safeguarding data protection. Notably, after the commencement of the arbitration, any party may propose and seek to agree on reasonable measures to protect the information that is shared, stored, or processed in relation to the arbitration (Rule 61.1). The tribunal shall discuss with the parties the information security measures described in Rule 61.1 and may give directions to the parties in that regard, considering the circumstances of the case and relevant best practices in information security, including cyber security and cyber resilience (Rule 61.2). The tribunal also has “the power to take appropriate measures, including issuing an order or award for sanctions, damages or costs, if a party does not take necessary steps to comply with the information security measures agreed by the parties and/or as directed by the tribunal” (Rule 61.3).

CONCLUSION

The 2025 Rules represent an important development in the evolution of SIAC arbitration, offering a broader range of options and increased flexibility for both parties and tribunals. These amendments aim to improve the efficiency

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and effectiveness of the arbitration process while strengthening SIAC's position as a key player in the global arbitration landscape. The specific application of the above innovations in the 2025 Rules will only become clear with practice. As always, appropriate legal counsel will be critical in this time of transition as well as in the judicious application of the 2025 Rules as a matter of legal strategy moving forward.

For more information on this topic, please feel free to reach out to our authors or our wider International Arbitration team.

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