



SINGAPORE ACADEMY OF LAW

STUDY ON **GOVERNING LAW & JURISDICTIONAL CHOICES** IN CROSS-BORDER TRANSACTIONS

The realities of globalisation and regionalisation have led, in recent years, to a drive to develop Singapore as a leading centre for dispute resolution and legal services in Asia. In this regard, the Singapore Academy of Law's International Promotion of Singapore Law Committee ("SAL's IPSL Committee") recently commissioned an independent study on governing law and jurisdictional choices in cross-border transactions by surveying 500 commercial law practitioners and in-house counsel who deal with cross-border transactions in Singapore and the region.

The survey has revealed that nearly three in four respondents indicated that their cross-border business in Asia has increased in recent years. The survey has also indicated an awareness of choosing Singapore law as governing law for cross-border transactions. Those respondents who indicated a preference for choosing Singapore law as a governing law in cross-border transactions cited Singapore's established legal system and the certainty of law as important factors for their preference.

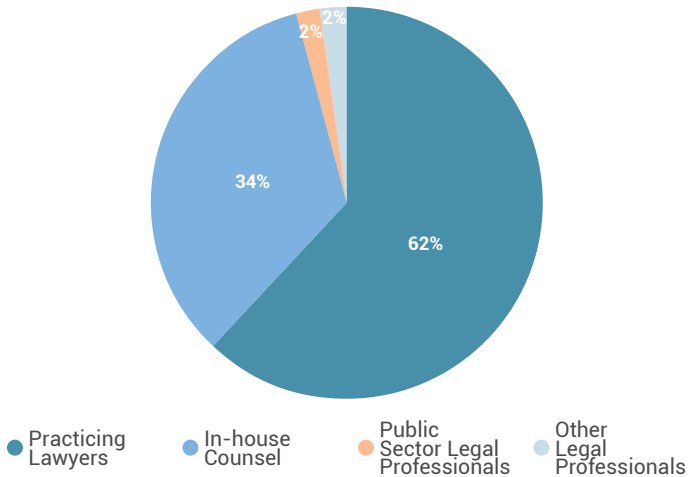
The Survey findings have revealed opportunities for Singapore to advance its standing as a global legal jurisdiction with a well-regarded body of law. The Committee will be taking these findings into account as they explore further opportunities for Singapore law to increase its presence internationally.

BlackBox Research Pte Ltd is the independent research firm commissioned by the Singapore Academy of Law to conduct this study.

SECTION 1 | Profile of Survey Participants

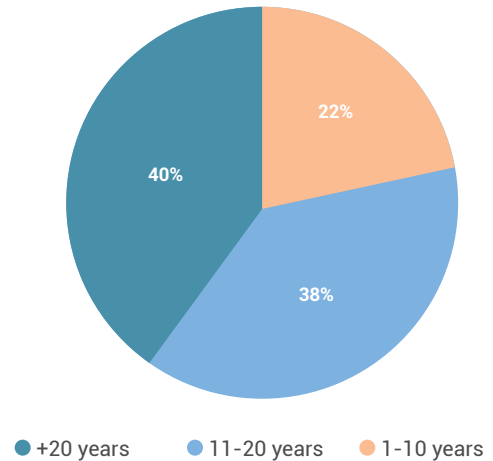
Respondent Profile

OVERALL
Base: 500



Level of Experience

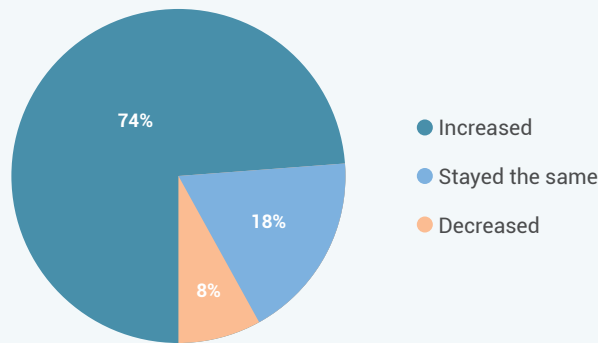
OVERALL
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SECTION 2 | Asian Business Environment

Cross-border business in Asia

Base: 500

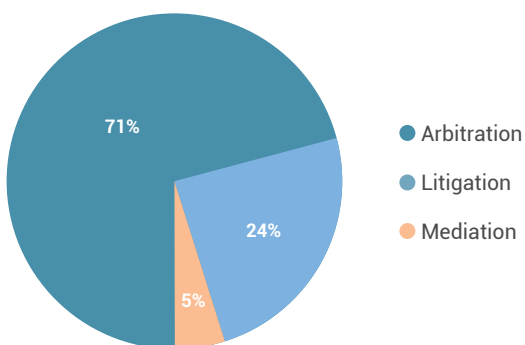


Overall, legal professionals indicate that cross-border business in Asia has increased for them in recent years.

SECTION 3 | Trends in Dispute Resolution

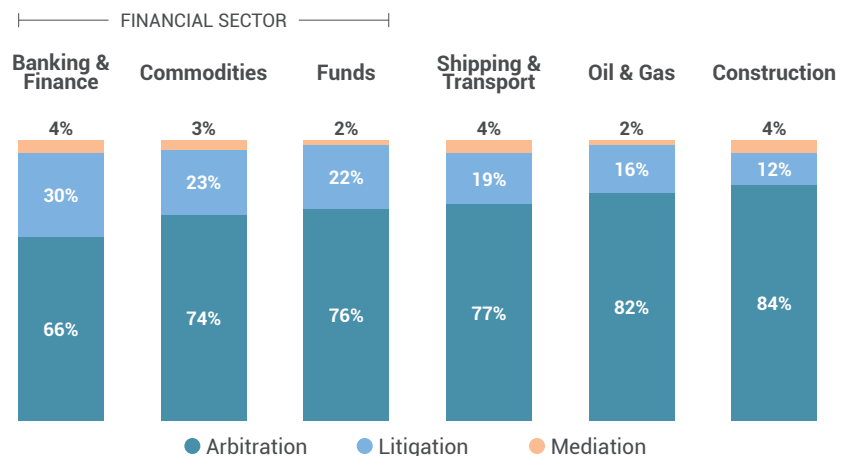
Dispute method resolution preferred

Base: 500



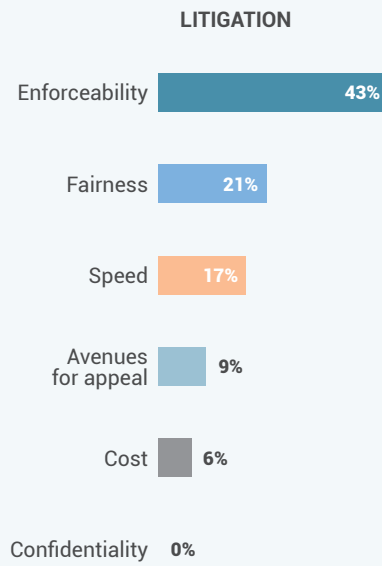
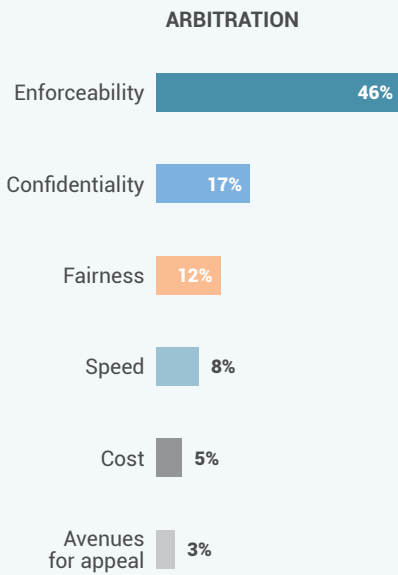
Arbitration is generally favoured by respondents.

Dispute resolution method preferred by industry sector

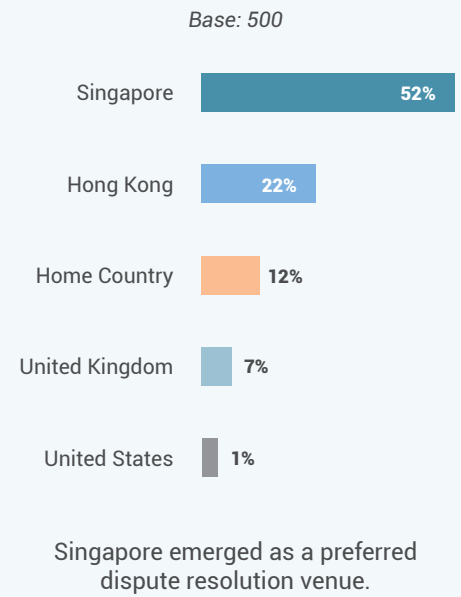


When broken down by industry sectors, there is also a clear preference for arbitration. Preference for litigation is highest in Banking and Finance in comparison to other sectors.

Factors influencing choice of dispute resolution method

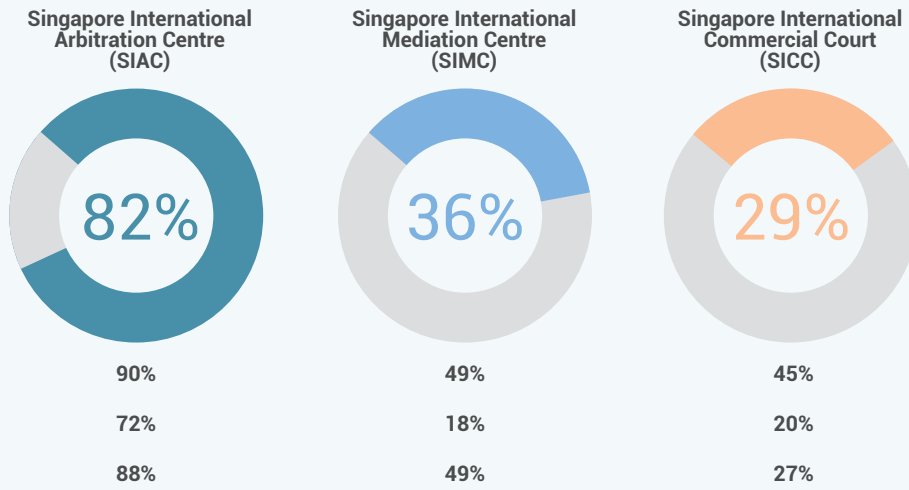


Preferred venue for dispute resolution



Familiarity with Singapore's dispute resolution institutions

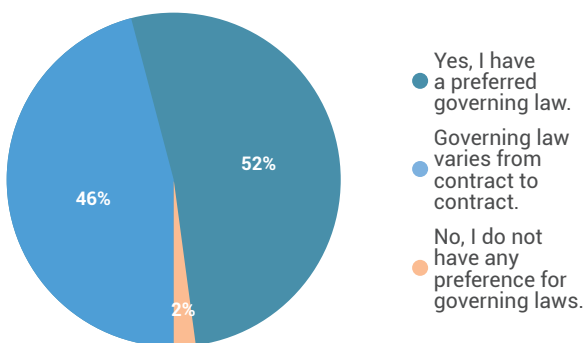
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SECTION 4 | Governing Law Preferences

Preference for governing law

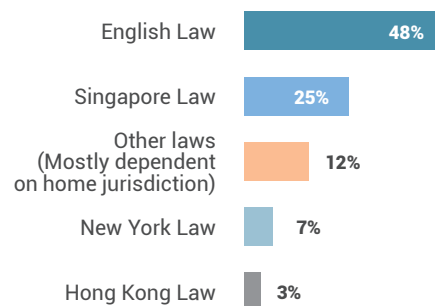
Base: 500



Respondents are divided on whether they have a preferred governing law preference for cross-border commercial contracts.

Preferred governing law

Base: 500



English law is a preferred choice of governing law. Respondents indicated an awareness of choosing Singapore law as governing law for cross-border contracts.

KEY TAKEAWAYS

Top three reasons for choosing Singapore as venue for dispute resolution



PROXIMITY



EFFICIENCY



NEUTRALITY/FAIRNESS

Top three reasons for choosing Singapore law as governing law in cross-border contracts



FAMILIARITY



CERTAINTY OF LAW



PROXIMITY

Moving forward, SAL's IPSL committee would focus its efforts on:



Developing areas of industry specialisation through collaboration with regulatory authorities and industry bodies



Increasing the familiarity of Singapore law through legal articles and academic literature



Providing greater emphasis on publicity outreach with practical insights into benefits of adopting Singapore law as governing law in cross-border contracts

SAL's IPSL committee wishes to thank all respondents who participated in the study.

This document intends to summarise key survey findings for ease of understanding. Should you need more information/clarification, please email us at enquiries@sal.org.sg or call **6332 4388**.



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