CHAPTER 1

Introduction: International Organizations and the Promotion of Effective Dispute Resolution

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The lawful and effective resolution of disputes is of central concern for all international organizations as both proponents of, and institutions sustained by, the rule of law. Thus, the effectiveness of multilateral institutions is directly aligned with the efficient interaction and reconciliation of the laws which enable them to exist and act. The deliberations of the 2018 Asian Infrastructure Investment Bank (AIIB) Legal Conference brought this important dynamic to the fore. The conference drew upon diverse experiences and expertise of eminent international lawyers, including senior legal officers of a wide range of international organizations, the presidents, vice-president and secretaries-general of prominent international arbitral institutions, distinguished academic lawyers and partners of leading global law firms. In turn, this resulting second volume of the AIIB Yearbook of International Law (AYIL) examines the role of international organizations in promoting effective dispute resolution, both as dispute participants and by providing dispute resolution platforms and expertise.

This volume of AYIL is divided into five parts to reflect a series of overarching themes and relationships. Firstly, international arbitration's effectiveness and affinity with multilateral institutions. Second, international organizations as proponents of the norms of dispute resolution. Third, the dispute resolution mandates of international organizations. Fourth, the role of dispute resolution and economic development. The fifth and last part presents the 2018 AIIB Law Lecture and the 2018 AIIB Legal Conference Report.

In the first part of this second volume of AYIL, authors associated with four major international arbitral institutions globally and in Asia—Singapore...
International Arbitration Centre, London Court of International Arbitration, Hong Kong International Arbitration Centre and China International Economic and Trade Arbitration Commission—explore not only the dynamic processes of innovation, emulation and interaction between arbitration hubs, but also the affinity between effective arbitration and multilateral institutions. Cavinder Bull starts by exploring how the institutional arbitration community thrives by steady efforts to meet the needs of their users by raising standards, speed, and enforceability, whilst lowering costs, of arbitral awards. Next, Jacomijn van Haersolte-van Hof and Romilly Holland present a case study of the appointment and challenge procedures that underpin effective arbitration and make a call for transparent information sharing. In their chapter, Matthew Gearing and Joe Liu trace the evolution of international arbitration in Hong Kong SAR—paralleling China’s expanding trade and prosperity—and in particular examine the broader legislative context of these developments. Lastly in this part, Jingzhou Tao and Mariana Zhong expound upon the sometimes obscure but enterprising ways in which the Supreme Peoples’ Court of China has abridged deficiencies in China’s arbitration law in order to forge a more arbitration-friendly jurisdiction and so better sustain the Belt and Road initiative.

The second part considers the way in which international organizations are proponents of the norms of dispute resolution. This is of course intrinsic to the work of any multilateral institution with a mandate to resolve disputes. Hugo Hans Siblesz argues that it is incumbent on such institutions to foster legitimacy in dispute resolution, and their independent, apolitical, international legal status makes them well placed to do so. More broadly, the chapter by Locknie Hsu puts forward the case that international organizations can positively model the promotion of effective dispute resolution, reflecting their interior ethos and norms.

The third part of this volume of *AYIL* turns to the challenges for international organizations with a mandate to resolve disputes. Wenwen Liang examines the turn the World Bank took into dispute resolution when it worked to establish the International Centre for Settlement of Investment Disputes (ICSID), notwithstanding no mention of such a function in the World Bank’s Articles of Agreement. What can be learnt from this episode in order to enhance, rather than impair, the legitimacy of any such successor judicial institutions? This question is pertinent to the following chapter by Malik Dahlan that considers the dispute resolution needs that arise from the Belt and Road Initiative and finds a gap—arguing that the multilateral, rule-of-law based, impartial AIIB is well placed to take on the mantel of a modern ICSID for the
Belt and Road. Lastly in this part, Asif Qureshi examines the indispensable but impaired role of the World Trade Organization to settle global trade disputes and the extent to which national security and trade war rhetoric corrupts the effectiveness of such dispute settlement.

Part four examines the premise that effective dispute resolution processes are a precondition for economic development, and considers the attendant involvement of international organizations from multiple perspectives. Ramit Nagpal and Christina Pak provide an overview of judicial and dispute resolution reform projects from the standpoint of a multilateral development bank and track the transition from largescale, faulty projects, to smaller bore, but more successful, technical assistance. Whereas, the chapter by Andreas Baumgartner examines the macro impact of effective and efficient commercial dispute resolution processes as an enabler for economic development, and sets out a provocative but practical vision of future, artificial intelligence aided, dispute resolution processes. Lastly in this part, Marie-Anne Birken and Kim O’Sullivan survey both the historic role, together with the vigorous present-day usage, of commercial mediation across Central Asia.

This volume concludes with a chapter by Georg Nolte based upon his 2018 AIIB Law Lecture on the subject ‘International Organizations in the recent work of the International Law Commission of the United Nations’, revealing that the Commission has over time veered away from grand but faltering interventions, towards more focused but useful outputs. Finally, a summary report on the proceedings of the 2018 Legal Conference, prepared by Ranjini Ramakrishnan, is included. This diversity of perspectives offers convincing evidence that effective dispute resolution is a precondition to successful economic development—and that international organizations have an essential role to play in promoting both.