



THE  
**LAW SOCIETY**  
OF HONG KONG  
香港律師會

# Peace and Prosperity *on the Belt and Road*

International Summit 2023  
in celebration of the 10<sup>th</sup> Anniversary  
of the Belt and Road Initiative

# **Session 1 – Peace: Preventing and resolving commercial and sovereign disputes (peace and law and order as foundation for economic growth, international developments, case studies, international dispute settlement systems)**

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# Sovereign dispute

- Disagreement between two or more states with claims and counterclaims concerning a matter of fact, law and policy
- If not properly handled, it frequently leads to armed conflicts.

# Mechanism to resolve sovereign disputes

- Article 33 (1) of the Charter of the United Nations stipulates that

“[t]he parties to any dispute, the continuance of which is likely to endanger the maintenance of international peace and security, shall, first of all, seek a resolution by negotiation, enquiry, mediation, conciliation, arbitration, judicial settlement, resort to regional agencies or arrangements, or other peaceful means of their own choice.”

# Methods of dispute resolution

1. Diplomatic means;
2. Judicial means, namely, arbitration and adjudication leading to a legally third-party decision; and
3. Dispute settlement procedures among member states of international organisations.

# Diplomatic means

- The Saudi-Iran rapprochement brokered by China in March 2023 with an exchange of ambassadors
- China is determined to play an active role in brokering peace.
- On 16 February 2023, the International Organisation for Mediation Preparatory Office was established in Hong Kong to carry out the preparatory work for the establishment of the International Organisation for Mediation (“IOMed”).

# Judicial means

- Member states of the United Nations are subject to the jurisdiction of the International Court of Justice (the “Court” or “ICJ”)
- The seat of the Court is at the Peace Palace in The Hague (Netherlands).
- The Court’s role is to settle, in accordance with international law, legal disputes submitted to it by States and to give advisory opinions on legal questions referred to it by authorized United Nations organs and specialized agencies.

# Judicial means

- A topical one relating to the Russo-Ukraine War is the complaint of genocide lodged with the Court in 2022 by Ukraine under the Convention on the Prevention and Punishment of the Crime of Genocide.
- Many treaties provide their own specific mechanisms for dispute settlement.
- A common feature for disputes that cannot be otherwise resolved be referred to the ICJ.



## Dispute settlement procedures among member states of international organisations

- Some international organisations provide their own dispute resolution mechanisms.
- For example, in commercial and trading, member states of the World Trade Organisation (“WTO”) can resort to the built-in dispute resolution system.
- Recently, there is an international trade dispute where Hong Kong lodged its case against the US to a WTO Dispute Panel.
- The WTO appeal mechanism has been crippled since the end of 2019 by the US

## Dispute settlement procedures among member states of international organisations

- On the afternoon of 27 September 2023, President Xi Jinping stressed *China will firmly defend the authority and efficacy of the multilateral trading system with the WTO at its core in its involvement in the reform of this trade organization, to actively promote the resumption of the normal operation of the WTO dispute settlement mechanism.*

The background features a complex marbled pattern in shades of teal and light blue, accented with thin, flowing lines of gold. The overall effect is ethereal and celebratory, with soft bokeh lights scattered throughout. The text 'Thank you' is centered in a dark blue, sans-serif font.

**Thank you**