

China, S'pore courts sign agreement on handling judgments in money disputes

Hariz Baharudin

The courts in Singapore and China have signed an agreement that provides clarity on the procedure for having money judgments in commercial cases heard in a Singapore court be brought before the Chinese courts, for it to be recognised and enforced.

The memorandum of guidance also paves the way for such judgments made in Chinese courts to be brought to Singapore.

The agreement was signed by Chief Justice Sundaresh Menon and his Chinese counterpart Zhou Qiang last Friday on the sidelines of the second Singapore-China Legal and Judicial Roundtable.

The Supreme Court said the agreement will be especially useful for par-

ties who have commercial dealings with Chinese parties.

“Should a dispute arise and that dispute is adjudicated in a Singapore court, they have a clear idea of how to get any money judgments that may arise therefrom (that) can be enforced against the Chinese party in that country,” said the spokesman for the Supreme Court.

The agreement also applies to judgments made in the Singapore International Commercial Court (SICC).

This means that even non-Singaporean parties who have commercial dealings with Chinese parties can now choose to go to the SICC to have their disputes resolved and proceed towards enforcement under the agreement. “This applies appropriately to parties involved in the myriad activities under China’s Belt and Road Initiative,” said the

Supreme Court spokesman.

Mr Thomas Fernandez, council member of the Association of Small and Medium Enterprises, yesterday welcomed the agreement.

“I think disputes in China happen due to businessmen being unfamiliar with local culture, so this memorandum is good news if it helps to settle money disputes,” he said.

He said that the agreement would help to ensure that businesses remain fair in the deals that they strike and remain accountable, no matter where they are.

“In a business deal, both parties have to be fair about doing business. If one party’s intention is to undermine the other party, then this memorandum will be helpful in resolving such matters,” added Mr Fernandez.

harizbah@sph.com.sg