The Rise of Arbitration Hubs for Construction Disputes: England, Singapore, and Beyond

Insights, 8 October 2025

INTRODUCTION

Arbitration has historically been promoted as being a time - and cost-effective method of dispute resolution. However, there have been complaints by users that arbitration costs have ballooned and proceedings have stretched longer and longer.

In this attack on the value of arbitration, construction disputes have perhaps been one of the main casualties.

Due to the technical and fact-heavy nature of projects, construction disputes usually require multiple rounds of lengthy submissions accompanied by similarly lengthy witness statements and technical, delay and/or quantum expert reports. Construction disputes are further complicated by the fact that projects often involve multiple contractors and subcontractors.

Therefore, it is no surprise that arbitration users and practitioners around the world continue to explore ways to achieve greater procedural efficiency to keep costs down. This post explores some recent procedural innovations and revisions to arbitration laws in various arbitration hubs and their potential impact on construction arbitration.

UNITED KINGDOM

Although the Technology and Construction Court and the adjudication process are highly popular when dealing with construction cases in the UK, the relative appeal of arbitration is not to be underestimated.

This is notably the result of the vast number of pre-eminent construction lawyers, barristers, and experts based in the UK. Therefore, it is no surprise that English arbitrators are frequently appointed in construction arbitrations. In addition, English law is often chosen as the governing law in construction contracts, notably due to the UK's extensive construction case law.

In this context, it has been suggested that the recent revisions to the Arbitration Act might assist in revitalising construction arbitration in the UK.

The new Arbitration Act came into force on 1 August 2025. It is aimed at updating the provisions of the Arbitration Act 1996 and modernising the UK's arbitration regime to enhance its competitiveness amidst the rise of other global arbitration hubs. The Act generally applies to any arbitration seated within England and Wales and introduces a wide variety of changes, a few of which are listed below:

- Governing law: In the absence of any express wording or agreement to the contrary, the law of the seat of arbitration will now govern the arbitration agreement. This removes the uncertainty that followed the *Enka v Chubb* decision by the Supreme Court, which held that the law of the contract would ordinarily govern the arbitration agreement. This is a welcome change as construction disputes often involve international subcontractors or cross-border projects, and may therefore result in complex jurisdictional issues which may turn on the law of the arbitration agreement.

- Summary disposal: Tribunals now have the express power under the Act to dispose of claims or defences with "no real prospect" of success. Summary disposal is aimed at saving time and costs for parties by filtering out frivolous claims and arguments early and should address the issue of prolonged proceedings. This is critical for construction disputes where there are numerous primary, alternative and even speculative claims.

- Emergency arbitrator: The Act allows emergency arbitrators to issue enforceable orders, including interim orders. The enforceability of such orders is essential to ensure compliance in situations where urgent relief is needed. This should assist contractors and subcontractors in situations concerning payment disruptions, site access interruptions, or to secure evidence.

- Court powers against third parties: Courts are allowed to make orders under the Act in support of arbitration (ie, for the preservation of evidence) against parties to an arbitration and third parties. As construction disputes often involve a multiplicity of parties, such as owners, contractors, subcontractors and suppliers, enforceable orders against a third party are crucial.

- Enhanced Use of Technology: The Act now encourages virtual hearings and case-specific procedures, which is aimed at making arbitration proceedings faster and tailoring the proceedings to the needs of each specific construction case.

Considering that the Act only entered into force roughly two months ago, how the new legislative provisions will impact construction disputes remains to be seen. Nevertheless, the Act may persuade hesitant contractors and subcontractors to choose arbitration over adjudication as their chosen dispute resolution tool and London as their seat.

SINGAPORE

Singapore consistently ranks as one of the preferred arbitral seats both in Asia and throughout the world. The Singapore International Arbitration Centre (SIAC) has also established itself as a leading arbitral institution, having handled 625 new cases in 2024, 11% of which were construction, infrastructure and engineering cases.

Why is that? Singapore not only offers a neutral seat in Asia but also benefits from a strong judicial system with courts highly supportive of arbitration. Singapore has also developed a significant body of construction-related legislation, such as the Building and Construction Industry Security of Payments Act 2004 or the Singapore Infrastructure Dispute-Management Protocol 2018, as well as construction-related case law through the Technology, Infrastructure and Construction List of the Singapore International Commercial Court.

In this context, it is likely that Singapore's attractiveness as an arbitration hub for construction disputes will persist following the latest procedural developments in the city-state.

In late 2024, SIAC issued the 7th edition of its Arbitration Rules, which took effect and applies to arbitrations commenced from 1 January 2025 onwards. The 2025 SIAC Rules aim to enhance efficiency and cost-effectiveness. Key changes that may affect construction disputes are highlighted below.

- New provision on streamlined procedure: The 2025 SIAC Rules introduce a streamlined procedure for disputes not exceeding USD 1 million unless the parties agree or the President of the SIAC Court determines otherwise. Disputes will be decided by a sole arbitrator who may decide solely based on written submissions and documentary evidence. The final award must be rendered within three months of the tribunal's constitution and the fees of the tribunal and SIAC are capped at 50% of the maximum limits set in the Schedule of Fees. The procedure's abbreviated timelines should result in reduced costs, a crucial consideration in view of the costly nature of construction disputes.

- New provision on preliminary determination: the 2025 SIAC Rules now expressly allow a party to apply for, and a tribunal to make, a binding preliminary determination on a specific issue. A party may apply for a preliminary determination (i) if the parties agreed that the tribunal may make preliminary determinations, or (ii) if there is no such agreement between the parties, the applicant can demonstrate that the preliminary determination is likely to save time and costs or if the circumstances of the case warrant preliminary determination. The tribunal must render its decision within 90 days from the date of the application. Similar to the provision under the UK Act, this should help filter through the often-numerous claims of a construction dispute.

- New provision on coordinated proceedings: the 2025 SIAC Rules now provide that where the same tribunal is constituted in two or more unconsolidated arbitrations and a common question of law or fact arises, a party may apply for the arbitrations to be

heard (i) on a concurrent or sequential basis, (ii) together, or (iii) for one of the arbitrations to be suspended pending the determination of any of the other arbitrations. This procedure can be helpful as construction disputes are often made up of a number of interrelated contracts and issues that can benefit from being heard by the same tribunal, either together or consecutively.

- Revisions to emergency arbitration: the 2025 SIAC Rules refined the emergency arbitrator process and allow parties to make a request for an emergency arbitrator before filing a notice of arbitration. Parties may also apply on an *ex parte* basis for a protective preliminary order "directing a party not to frustrate the purpose of the emergency interim or conservatory measure requested". This will further enhance, for instance, the ability of contractors and subcontractors seeking to resist another party unilaterally calling a performance bond.

Singapore has also announced in March 2025 that it was opening a public consultation on potential reforms to its International Arbitration Act. However, it remains to be seen whether and how any such reform would impact construction disputes. In any event, SIAC's 2025 Arbitration Rules follow in the global footsteps towards more efficiency. And, although not directly related to construction disputes, the 2025 Rules seek to address the needs of construction parties that want faster proceedings at reduced costs.

THE MIDDLE EAST

In a survey conducted by Hogan Lovells and Middlesex University in 2024, 87% of respondents in the construction sector indicated that they anticipated increased work in the MENA region and 82% expected their construction projects to face disputes.

This should come as no surprise considering that construction megaprojects have been proliferating around the Middle East, as notably led by Saudi Arabia's Vision 2030 programme and Neom Project. As complex construction projects continue to materialise, disputes evidently follow. In 2023, the Dubai International Arbitration Centre (DIAC) reported an 11% increase in the number of arbitrations with the construction cases representing almost 40% of all underlying contracts.

Against this backdrop, the Middle East is reshaping its arbitral framework and bringing innovations, a few of which are highlighted below.

The United Arab Emirates (UAE)

Following the abolition of the DIFC-LCIA Arbitration Centre and the transfer of its caseload to DIAC in 2021, DIAC updated its Arbitration Rules in 2022, bringing them in-line with international standards. The 2022 DIAC Rules introduced provisions for, among other things, expedited proceedings, consolidation of arbitrations, joinder of parties, emergency arbitration, and interim relief.

2024 marked another effort to improve the attractiveness of the UAE for dispute resolution with the establishment of the Abu Dhabi International Arbitration Centre (arbitrateAD). arbitrateAD's rules are also in line with those of other global international institutions and

include for instance provisions for multi-party and multi-contract claims. arbitrateAD also creates an independent court of arbitration, which will oversee the administration of proceedings and offers scrutiny of awards.

Lastly, as previously reported by Peter & Kim in April, the Dubai Court of Cassation found for the first time in late 2024 that the ICC Rules empower a tribunal to award legal costs, including the costs of a party's legal representatives, despite the absence of an explicit reference to legal representatives' fees in Article 46(1) of the UAE Arbitration Law. This is a positive development bringing Dubai further in line with international practice and providing assurance to contractors that they may be able to recover their legal costs.

Saudi Arabia

Saudi Arabia is also modernising its arbitration framework and amended its Civil Transactions Law (ie, Civil Code) in 2023, which codifies contract formation and termination, loss and damages, and includes provisions specific to construction contracts.

Likewise, the Saudi Center for Commercial Arbitration (SCCA) updated its arbitration rules in 2023, notably launching the SCCA Court, tasked with making administrative decisions related to arbitral proceedings. The new rules are generally aimed at strengthening the efficiency of SCCA proceedings and grant tribunals extensive discretionary powers in this regard. For instance, tribunals can decide whether it would be appropriate to hold a hearing and, if so, its format. Tribunals are also empowered to limit the length of written submissions and encourage parties to resolve their dispute by negotiation or mediation.

Qatar, Oman and Bahrain

Other Middle Eastern countries have also been busy in the arbitration space with Qatar implementing new arbitration rules from 1 January 2025 providing for more streamlined and efficient proceedings. The Qatar International Court and Dispute Resolution Centre similarly unveiled an online case management system through which parties can run cases digitally. Oman and Bahrain also implemented new arbitration rules in 2021 and 2022, respectively.

However, and although the construction sector has been booming in recent years in the Middle East, many of the projects have yet to hit the dispute stage. As such, it is still too early to determine how the above procedural innovations will affect any potential arbitration proceedings. Nevertheless, the push for cost-efficient and expeditious resolution of disputes has been well-received by the arbitration community.

AUTHORS

CÉLIA GUIGNET
Senior Associate, Peter & Kim

JAMES MORRISON
Partner, Peter & Kim

ABOUT PETER & KIM

Peter & Kim is a specialist arbitration firm with offices in Geneva, Zurich, Sydney, Seoul, Perth and Singapore. We support clients globally through a cohesive cross-border team structure offering a depth of common and civil law expertise that is grounded in decades of combined experience at partner level in international arbitration proceedings (including ISDS cases) and in advising and representing commercial and government clients in arbitration-related proceedings before State Courts.

Peter & Kim is recognised as a global leader devoted to the highest standard of legal expertise in international arbitration.