



**Asia-Pacific
Economic Cooperation**

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Agenda Item: 6

APEC EoDB Project on Enforcing Contracts – Project Overview

Purpose: Information
Submitted by: Korea



**First Economic Committee Meeting
Jakarta, Indonesia
1-2 February 2013**

I. 2012 APEC EoDB Project Overview

1. APEC Ease of Doing Business(EoDB) Project

The EoDB(Ease of Doing Business) project is a business-related legislation reform project for developing countries which are the members of APEC, according to the APEC summit decision rendered in November 2009. At the time, APEC summits agreed to “build more affordable, speedy, and convenient business environment by 5% by 2011 and 25% by 2015 in the areas of Starting Business, Getting Credit, Enforcing Contract, Dealing with Permits and Trading across Borders. At the Summit, the Republic of Korea was selected as the champion economy in the field of Enforcing Contracts.

2. History

2.1. 1st Phase

After the Republic of Korea was selected as the champion economy, an international workshop on the improvements of Enforcing Contracts was held at Seoul in June 2010, whereby over 70 participants from APEC Member States attended, including government officials, judges, attorneys and professors. At this workshop, 5 economies shared their reform experiences and best practices in Enforcing Contracts. One of the lessons learned from the first phase was that justice systems differ from country to country and therefore reformative efforts for respective countries is necessary. So the need to develop "customized solutions" for each economy was emphasized.



2.2. 2nd Phase with Thailand and Philippines

Following Indonesia and Peru which participated in the 2nd phase in 2011, Thailand and Philippines volunteered to participate in the project to reform its regulations regarding Enforcing Contracts.

2.2.1. Conference in Thailand

In February 2012, the Korean delegation, composed of the Ministry of Justice, the Ministry of Foreign Affairs and Trade and the Kim&Chang Law Offices, visited Thailand for a week and had several official meetings with the Office of Public sector Development Commission, the Civil Court and the Ministry of Justice to review the current system and procedures in Thailand.

An international conference on Enforcing Contracts of Thailand was held in Bangkok, where tens of judges, government officials, lawyers and law professors attended.

Legal experts were hired to prepare analysis reports regarding Thai Enforcing Contracts system from two different viewpoints. First, the biggest law firm in Korea wrote a report in view of foreign investors. Also, one of the most prestigious law firm in Thailand wrote a report in view of domestic lawyers.



2.2.2. Conference in Philippines

In April 2012, the Korean delegation visited Philippines for a week and had several official meetings with the National Competitiveness Council, the Supreme Court, the Quezon Regional Trial Court and the Ministry of Justice in Manila, as the same way with Thailand.

An international conference on Enforcing Contracts of Philippines was also held, where tens of judges, government officials, lawyers and law professors attended.

Also, legal experts from Philippines and Korea were asked to conduct legal researches to analyze the Enforcing Contracts system of Philippines in the same way as Thailand.



2.3. 3rd Phase with Indonesia

With the result of 2nd phase of 2011, Korea and Indonesia compromised to proceed the 3rd phase of the project in 2012 and thus implement the Civil Procedure Act Bill based upon the suggestions made by legal experts' researches.

According to the agreement, Korean delegation visited Indonesia in June again. Indonesian working group composed of government experts of the Ministry of Law and Human Rights and professors implemented the Civil Procedure Act draft bill, and public hearings on the draft Bill were held in Jakarta and Yogyakarta.



2.4. Seoul International Conference

In November 2012, Korea invited all legal experts and high-level policy makers from Thailand, Philippines and Indonesia to the International Conference in Seoul. The suggestions and future of Enforcing Contracts system of partner countries were discussed at the Conference.

II. Delegations List

1. Delegation of Thailand (16 people)

No	Name	Affiliation	Post
1	Prinya Deepadung	Supreme Court	Presiding Justice
2	Chumnan Ravivanpong	Court of Appeal Region IX	President
3	Soroj Suwannett	Civil Court	Chief Justice
4	Wisit Wisitsora-At	Ministry of Justice	Director-General
5	Chaiyut Komolsirisakul	OPDC	Public Sector Development Expert

* Civil Court, Ministry of Justice, OPDC etc.

2. Delegation of Philippines (10 people)

No	Name	Affiliation	Post
1	Presbitero Velasco Jr.	Supreme Court	Associate Justice
2	Guillermo M. Luz	National Competitiveness Commission	Private Sector Co-Chairman
3	Joseph Gerard B. Angeles	Department of Foreign Affairs	Executive Director

* Supreme Court, Department of Foreign Affairs, National Competitiveness Commission etc

3. Delegation of Indonesia (11 people)

No	Name	Affiliation	Post
1	Wicipto Setiadi	Ministry of Law and Human Rights	Head of National Law Development Agency
2	Syamsul Maarif	Supreme Court	Supreme Court Justice

* Supreme Court, Ministry of Law and Human Rights, Coordinating Ministry of Economic Affairs

4. Observers (3 countries, 15 people)

No	Nation	Participants
1	Saudi Arabia	7 persons (Judge of Ministry of Justice etc)
2	Malaysia	6 persons (Registrar of High Court of Malaysia etc)
3	Ukraine	2 persons (Deputy head of Directorate for Litigation of Ministry of Justice etc)

III. Welcome Reception (11. 6. Thu.)

All delegations from Thailand, Philippines, Indonesian and observer countries as well as speakers from the World Bank and UNCITRAL were invited to the welcome reception dinner hosted by the Ministry of Justice of Korea and had a chance to enhance friendship between countries.



IV. Main Schedule (11. 7. Wed.)

1. Conference Programme

Session / Time		Programme / Speaker
09:00 ~ 09:30		Registration
09:30 ~ 10:20		Opening and Welcome Address - Jae-Jin KWON(Minister of Justice, Korea) - Taeho BARK(Minister for Trade, Korea) - Han-sung CHA(Minister of National Court Administration, Korea) - Prinya DEEPADUNG(Presiding Justice of Supreme Court, Thailand) - Presbitero J. VELASCO Jr.(Associate Justice of Supreme Court, Philippines) - Wicpto SETAIDI(Head of National Law Development Agency, Indonesia)
1 Session	10:20 ~10:40	Report of the EoDB Project and its Proceedings -Yungjin PARK(Prosecutor, Commercial Legal Affairs Division, Ministry of Justice, Korea) -Chang-soo RYU(Director, Regional Cooperation Division, Ministry of Foreign Affairs and Trade, Korea)
	10:40 ~11:00	Report on the Proceedings of EoDB Project with Indonesia - An An CHANDRAWULAN(Faculty of Law, University of Padjadjaran)
11:00 ~ 11:20		Coffee Break
2 Session	11:20 ~11:50	The Rooms of Improvement of Enforcing Contracts System of Thailand and Philippines and Evaluation of EoDB Implementation of Indonesia by World Bank Index - Julien VILQUIN(World Bank)
	11:50 ~12:20	The Status Quo and Direction for Improvements of Arbitration System in Thailand and Philippines - Jaesung LEE(Legal Officer, UNICITRAL)
12:20 ~ 14:20		Lunch
3 Session	14:20 ~15:50	Direction for Improvements in Thai Enforcing Contracts System ▪ From Thai Lawyer's Perspective - Weerawong CHITIMITRAPAP(CEO, Weerawong, Chinnavat & Peangpanor Ltd.) ▪ From Foreign Lawyer's Perspective - Saeuk KIM & Ji-hyun NAM(Legal Attorney, KIM&CHANG, Korea)
	15:50 ~16:00	Q&A Session
16:00 ~ 16:20		Coffee Break
4 Session	16:20 ~17:50	Direction for Improvements in Philippine Enforcing Contracts System ▪ From Philippine Lawyer's Perspective - Ricardo Ma. P.G. ONGKIKO & Romeo Jr. LUMAGUI(Attorney, Sycip Salazar Hernandez & Gatmaitan) ▪ From Foreign Lawyer's Perspective - Saeuk KIM & Soojin EOM(Legal Attorney, KIM&CHANG, Korea)
	17:50 ~18:00	Q&A Session and Closing of Conference

2. Welcome & Opening Address

2.1. Ministry of Justice, Ministry of Foreign Affairs and Trade and National Court Administration of the Supreme Court

The Minister of Justice of Korea(Mr. Kwon Jae-Jin) and the Deputy Minister for Trade(Mr. Lee Si Hyung) representing the Minister for Trade(Mr. Taeho Bark) welcomed the delegations. Also, the Minister of the National Court Administration of the Supreme Court(Mr. Hansung Cha) made a congratulatory address.



2.2. Delegations from Thailand, Philippines and Indonesia

Presiding Justice of the Supreme Court of Thailand(Mr. Prinya Deepadung), Associate Justice of the Supreme Court of Philippines(Mr. Prebistero Velasco Jr.) and Head of National Law Development Agency of Indonesia(Mr. Wicipto Setiadi) made each remark, expressing their gratitude to hospitality and support of Korean government.



2.3. Photo Session

The Minister of Justice of Korea, Mr. Kwon Jae-Jin gave a present to each delegation and the delegations had a photo session.



3. The 1st Session - Report of the EoDB Project and its Proceedings

Mr. Bong Kyu Suh, Director of Commercial Legal Affairs Division of the Ministry of Justice was the moderator for the whole conference. Mr. Chang-soo Ryu, Director of Regional Cooperations Division of the Ministry Foreign Affairs and Trade, and Mr. Yungjin Park, Public prosecutor of the Ministry of Justice, introduced the efforts to improve the business environment of APEC and progress of the EoDB project from 2009. And Ms. An An Chandrawulan, a professor of Padjadjaran University from Indonesian delegation, introduced the status-quo of the project of Indonesia from 2011 and explained their plan to propose the Civil Procedure Act Bill to the Parliament in 2012.



4. The 2nd Session

Mr. Julien Vilquin, the team leader of Enforcing Contracts indicator from the World Bank, made a presentation about rooms for improvement of Enforcing Contracts system of Thailand and Philippines and evaluation of EoDB implementation of Indonesia.



Mr. Jaesung Lee, a legal officer for UNCITRAL made a presentation in terms of direction for improvement of arbitration system, suggesting Thailand, Philippines and Indonesia to adopt the UN Convention on Contracts for the International Sale of Goods(CISG) and the Electronic Communications Convention.



5. The 3rd Session - Direction for improvement in Thai Enforcing Contracts System

Before the 3rd session, Dr. Issa A. Alghaith from Saudi Arabian delegation, one of observer countries, asked a chance to comment and made a brief introduction about their efforts to improve business environment.



Then, the legal experts who conducted research reports on Thai Enforcing Contracts system made presentations about their research results. They cross-checked their viewpoints shared them with government officials.

Firstly, Mr. Weerawong Chittmitrapap, the Chairman of Weerawong, Chinnavat & Peangpanor Ltd., made various suggestions such as reduction of the rate of case adjournment, simplifying and speeding up the procedures, introducing e-court system to facilitate, establishing a 'Research Division' for the Courts of First Instance and so on based upon very in-depth study.



Secondly, Mr. Saeuk Kim and Ju-hyun Nam from Kim & Chang Law Offices also suggested many ways to reform the Enforcing Contracts system. They suggested to adopt service by post as the principal method of service, to make judgment publicly available, and to introduce e-filing system. Making awarding of post-judgment interest mandatory, reducing enforcement fee and introducing private bailiffs were also suggested to achieve more efficient enforcement.



6. The 4th Session - Direction for improvement in Philippine Enforcing Contracts System

The legal experts who conducted research reports on Philippine Enforcing Contracts system made presentations about their research results as well.

Mr. Ricardo Ma. P.G. Onkiko and Romeo Jr. Lumagui from Sycip Salazar Hernandez & Gatmaitan, which is the biggest law firm in Philippines, pointed out principal obstacles to contract enforcement such as unreasonable delay by infringing regulations which indicates time periods, too much leniency of the judge, congested court dockets and so on.



Mr. Saeuk Kim and Soojin Eom from Kim & Chang Law Offices made suggestions such as introducing simplified procedures for simpler cases, raising the ceiling for small claims, creating specialized courts or chambers, enhancing rules for setting trial dates and so on.



V. Main Schedule (11. 8. Thr.)

1. Visit to IT Centre of Supreme Court (10:00 ~ 12:00)

All delegations visited IT Center of Korean Supreme Court which is located in Bundang.



○ Main Conference Hall - Introduction of e-filing system of Korea



○ Video Conference Hall - Trial processed by the video conference system



○ Central Control Centre



○ E-court Experience Room



2. Luncheon (12:30 ~ 14:00)





1. What is APEC EoDB Project?

Asia Pacific Economic Cooperation

- Forum for 21 Countries around Asia-Pacific Region
 - ➔ To promote free trade and economic cooperation



1. What is APEC EoDB Project?

Ease of Doing Business Action Plan

- 2009 Singapore APEC Meeting Agreement
 - ➔ Improve the business environment 25% by 2015



1. What is APEC EoDB Project?

Ease of Doing Business Action Plan

- World Bank Doing Business Index
 - ➔ Measures business regulations across 183 economies annually



1. What is APEC EoDB Project?

Ease of Doing Business Action Plan

- 5 priority areas
 - ➔ Make it cheaper, faster and easier

5 areas	Champion Economy
Starting a Business	USA, New Zealand
Getting Credit	Japan
<u>Enforcing Contracts</u>	Korea
Trading across Borders	Singapore, Hong Kong
Dealing with Permits	Singapore

2. Phase 1 - 2010

APEC Workshop on Enforcing Contracts

- Analyze the current status & Share best practices
- ➔ Increase the understanding of the Enforcing Contracts



2. Phase 1 - Conclusion

Various Ways of Reform

- Procedure
 - ➔ Civil Procedure Law
- Time
 - ➔ Adoption of IT Technology
- Cost
 - ➔ More Lawyers

Various Aspects of Reform

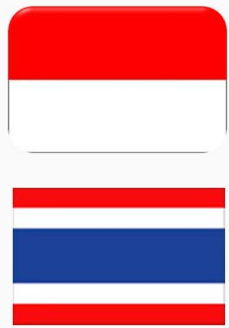
- Legal Aspects
 - ➔ Revision of Law
- Political Aspects
 - ➔ Opposition of Interests Group
- Cultural Aspects
 - ➔ Improvement of Practice

Customized Solution

3. Phase 2

4 Partners in Phase of 2011 and 2012

- Indonesia & Peru in 2011
- Thailand & Philippines in 2012



3. Phase 2

Conference on Enforcing Contracts



Communication with Government and Court



3. Phase 2 - Customized Solutions

Workshop on Enforcing Contracts

- Identify rooms for improvement
 - ➔ **Government Officials, Judges, Lawyers and Professors**
 - ➔ **Hire legal experts (Lawyers, professors & UNCITRAL)**

3. Phase 2 - 2011 Conclusion

International Conference in Seoul ('11. & '12.)

- Invite High Level Policy Makers to Seoul
 - ➔ Supreme Judges, Vice Ministers and so on
- Meeting of the Supreme Judges



- Visit to IT Centre of Korean Supreme Court



4. Phase 3 - 2013 ~ 2015



Implementing the reform

- Follow up procedure
 - ➔ Actual Reform of the Judicial System
 - ➔ Improvement in World Bank Ranking
- Need Political Power and Support
 - ➔ Found the ways to reform
 - ➔ Need the Will and Power for reform

THANK YOU

