

ASIAN LEGAL BUSINESS



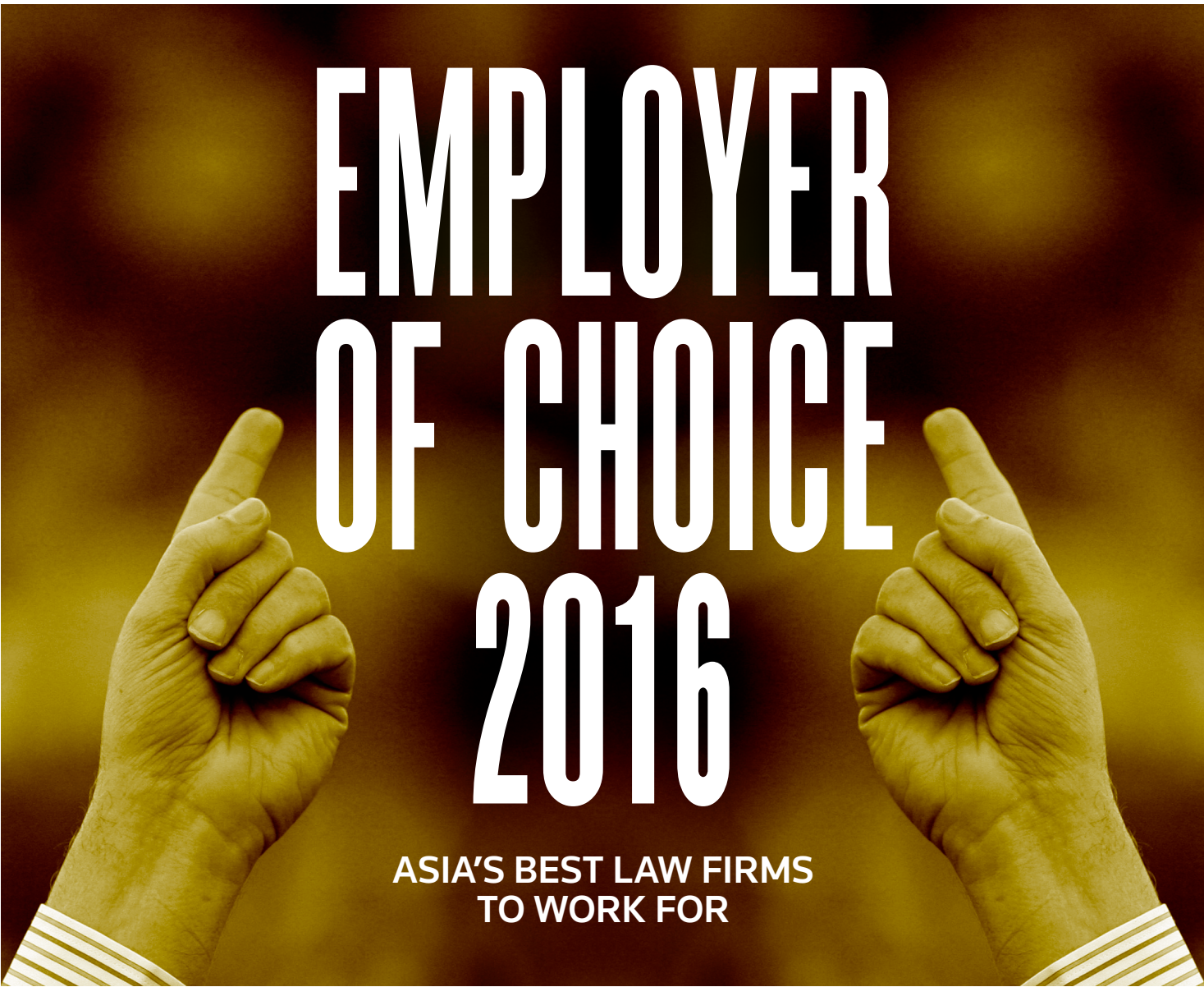
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EMPLOYER OF CHOICE 2016



ASIA'S BEST LAW FIRMS
TO WORK FOR

STARTUP SEASON

Small Asian companies changing the way lawyers work

PAGE 12

TEPID TIMES

Singapore law firms must innovate to beat the slowdown

PAGE 28

HAND IN HAND

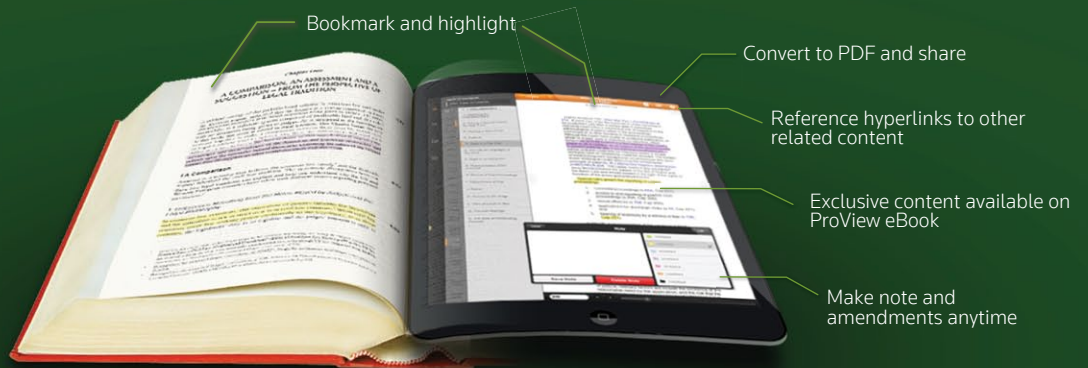
How Asia-Pacific firms are benefiting from the reach of legal networks

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A man looks at an electronic board displaying the Nikkei average outside a brokerage in Tokyo, Japan. REUTERS/Thomas Peter

COVER STORY

Employer of Choice 2016

16

DaHui Lawyers, Guangdong Grand & Holders Law Firm make the Employer of Choice list for China, Bae, Kim & Lee and Kim & Chang for Korea, Romulo for the Philippines, Drew & Napier for Singapore, and Weerawong C&P for Thailand in ALB's annual rankings of the best law firms to work for.

FEATURES

Welcome to the future

Technology is changing the way that lawyers work, and a number of Asia-based startups are leading the way, finds **Sergio Held**

12

competition, and the benefits that member firms receive

Innovation is key

As economic growth remains sluggish and transactional work hard to come by, Singapore law firms must think outside the box in order to prosper in a difficult market, says **Cornelia Zou**

28

Land of the rising fintech

Slow so far in embracing financial technology, Japan is looking to kickstart a revolution in the field, finds **Thomas Wilson** of Reuters

38

A time for networking

As cross-border trade increases in the Asia-Pacific region, legal networks are becoming important for both clients as well as law firms. **Ranajit Dam** looks at the benefits networks can provide, and how they are different from global law firms

34

Training that works

Anti-corruption training is a vital component of any company's legal and compliance efforts, but ensuring that such training stays relevant, up-to-date and effective can sometimes be a challenge. **Ranajit Dam** speaks to in-house lawyers about best practices they follow

40

'The focus is more on improving services'

Carl Anduri, the president of the Lex Mundi legal network, talks to **Ranajit Dam** about how the organisation has evolved in the last decade and a half, how it sets itself apart from the

36

Bakers, HSF lead SE Asia Law Awards noms

Baker & McKenzie has the most nominations at the ALB Southeast Asia Law Awards 2016, with 11. The firm is closely followed by Allen & Gledhill, Herbert Smith Freehills and Vietnam's Rajah & Tann LCT Lawyers, which have 10 nominations each. The awards will be held in Singapore on May 20

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NEWS

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Lai Chee Hoe, BurgieLaw

"THE LEGAL PROFESSION LACKS TRANSPARENCY. FOR EXAMPLE, A LAWYER'S FEES, COSTS, AREA OF EXPERTISE, SENIORITY AND DISCIPLINARY ORDERS ARE KEPT WITHIN THE LEGAL INDUSTRY AND ARE RARELY DISCLOSED UNLESS ASKED DIRECTLY. IT IS TIME TO MAKE THIS INFORMATION MORE ACCESSIBLE TO THE PUBLIC FOR THEM TO DETERMINE AND CHOOSE THEIR PREFERRED LAWYERS AND REVIEW THEM. IT IS NOT AN EASY TASK, BUT WE AIM TO MAKE A CHANGE."

**ASIAN
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WRITING ON THE WALL

Singapore has a mid-career problem. A recent report in the *Today* newspaper talks about how law graduates are starting out in law firms but not lasting particularly long; while a number are choosing to go in-house, quite a few are abandoning the profession altogether. The brunt is currently being felt by less fashionable areas of law like criminal and family law, where a tenth of the practitioners are more than 65 years old. But this is not a problem restricted to those practice areas, and it certainly won't be restricted to Singapore. Long, stressful working hours and the rapid rise of entrepreneurship in the region (as chronicled by our technology feature in this issue) make for a potent mix, and younger lawyers will soon realise they would prefer to build something of their own, instead of slaving over work that doesn't necessarily engage them.

The brain drain from the industry has thus begun, and if law firms don't see the writing on the wall already, they might want to take a harder look. This, however, is not meant to alarm firms but instead encourage them to consider introducing methods that boost employee engagement and increase the amount of happiness and purpose in the workplace. For example, millennials are now the largest generation in the workforce. As such, priorities need to shift to address their wants and desires, which includes social responsibility and work-life integration. The decline can be reversed, but firms need to work just that much harder to achieve it.



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THE BRIEFING

YOUR NEED-TO-KNOW FOR THE MONTH OF APRIL

Compiled by **Ranajit Dam**

BY THE NUMBERS

72

Number of current or former heads of state with links to offshore structures, according to a cache of eleven million documents leaked from Panamanian law firm Mossack Fonseca.

£25 bln

Total value of legal services to the UK economy, according to the Law Society. For every 1 percent of growth in the legal sector, some 8,000 new jobs are created and £379 million added.

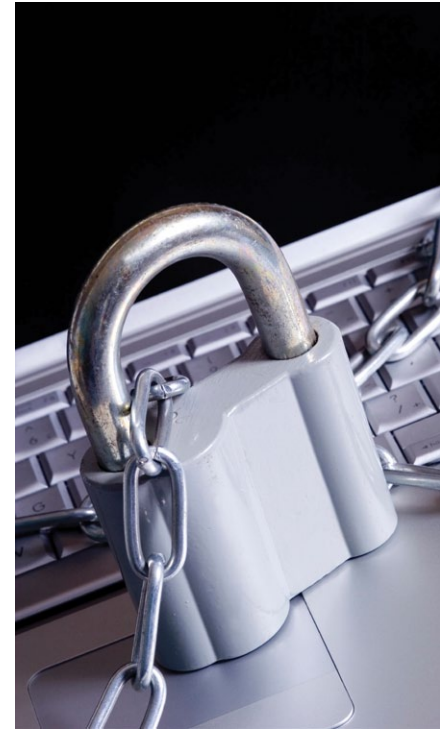
\$170 mln

Amount raised by Vietnam IPOs in the first quarter of this year, the most by any Southeast Asian country. Malaysia is a close second, followed (some way off) by Thailand and Singapore.

THE THREAT IS REAL

Hackers broke into the computer networks of some major U.S. law firms, including Cravath Swaine & Moore and Weil Gotshal & Manges, according to a report in the *Wall Street Journal*. Federal investigators are looking to see if confidential information was stolen for insider trading, as these law firms represented Wall Street banks and big companies. Other law firms were also targeted, but the probe has not amounted to any clear information on what details have been stolen, the newspaper reported. The FBI and the Manhattan U.S. Attorney's Office are investigating the matter.

U.S. media also reported that a Russian hacker named "Oleras" has targeted nearly 50 law firms, including Kirkland & Ellis, Sidley Austin and McDermott Will & Emery, plus two Magic Circle firms, to collect confidential client information. The cyber criminal, who lives in Ukraine, was trying to hire hackers to break into firms' computer systems, according to an alert from Flashpoint, a New York threat intelligence firm. [ADB](#)



ARBITRATION ROUNDUP

- ▶ The Indian city of Mumbai is expected to get an international arbitration centre in July this year, according to *Daily News and Analysis*. It will be called the Mumbai Centre for International Arbitration (MCIA) and is expected to "help retain around \$5 to 10 billion in India through dispute resolution," reports the newspaper.
- ▶ The Singapore International Arbitration Centre (SIAC) received a record number of new cases in 2015 – 271 – beating its previous record of 259 new cases in 2013. The year also saw the highest-ever number of administered cases (244) and a record total sum in dispute (S\$6.23 billion).
- ▶ Meanwhile, the Hong Kong International Arbitration Centre (HKIAC) launched a new panel of arbitrators specifically to handle IP disputes.

QUOTE UNQUOTE

"If there is greater downward fee pressure, then inevitably, revenue for law firms will also go down... We're seeing that we're running much harder and faster for the same dollar this year and even last year, compared with years before."

Singapore Law Society president Thio Shen Yi, quoted in *The Straits Times*, on the slowdown in the legal market

NORTH ASIA LEAGUE TABLES

CHINA ANNOUNCED M&A LEGAL RANKINGS

NO. 1 **CRAVATH, SWAINE & MOORE**
63,704.5 VALUE (\$mln)
 DEALS: 4 MARKET SHARE: 28.2

RANK	LEGAL ADVISOR	VALUE (\$MLN)	DEALS	MARKET SHARE
2	Fangda Partners	57,388.4	6	25.4
3	Davis Polk & Wardwell	54,825.1	6	24.3
4	White & Case LLP	52,634.0	6	23.3
5	Simpson Thacher & Bartlett	51,246.7	4	22.7
6	Cleary Gottlieb Steen & Hamilton	50,391.9	2	22.3
7*	Homburger	46,826.7	1	20.8
7*	Bar & Karrer	46,826.7	1	20.8
7*	Ostler Hoskin & Harcourt LLP	46,826.7	1	20.8
10	Skadden	25,463.2	7	11.3

(*tie) Based on Rank Value including Net Debt of announced M&A deals (excluding withdrawn M&A)

HONG KONG ANNOUNCED M&A LEGAL RANKINGS

NO. 1 **FRESHFIELDS BRUCKHAUS DERINGER**
8,060.0 VALUE (\$mln)
 DEALS: 5 MARKET SHARE: 22.2

RANK	LEGAL ADVISOR	VALUE (\$MLN)	DEALS	MARKET SHARE
2	Dorsey & Whitney LLP	2,750.8	1	7.6
3	Mayer Brown LLP	1,903.0	2	5.3
4	Skadden	1,849.4	2	5.1
5	Houthoff Buruma	1,749.0	2	4.8
6*	Cleary Gottlieb Steen & Hamilton	1,714.7	1	4.7
6*	Cravath, Swaine & Moore	1,714.7	1	4.7
6*	Ropes & Gray	1,714.7	1	4.7
9	Davis Polk & Wardwell	1,600.0	1	4.4
10*	P+P Pollath + Partners	1,594.1	1	4.4

(*tie) Based on Rank Value including Net Debt of announced M&A deals (excluding withdrawn M&A)

JAPAN ANNOUNCED M&A LEGAL RANKINGS

NO. 1 **MORI HAMADA & MATSUMOTO**
10,980.0 VALUE (\$mln)
 DEALS: 21 MARKET SHARE: 30.9

RANK	LEGAL ADVISOR	VALUE (\$MLN)	DEALS	MARKET SHARE
2	TMI Associates	3,292.9	5	9.3
3	Shearman & Sterling LLP	3,211.0	3	9.0
4	Nagashima Ohno & Tsunematsu	2,977.4	20	8.4
5	Paul, Weiss	1,429.0	2	4.0
6*	Freshfields Bruckhaus Deringer	1,000.0	1	2.8
6*	Davis Polk & Wardwell	1,000.0	1	2.8
6*	Sullivan & Cromwell	1,000.0	2	2.8
9	Allen & Overy	778.1	1	2.2
10	White & Case LLP	750.0	2	2.1

(*tie) Based on Rank Value including Net Debt of announced M&A deals (excluding withdrawn M&A)

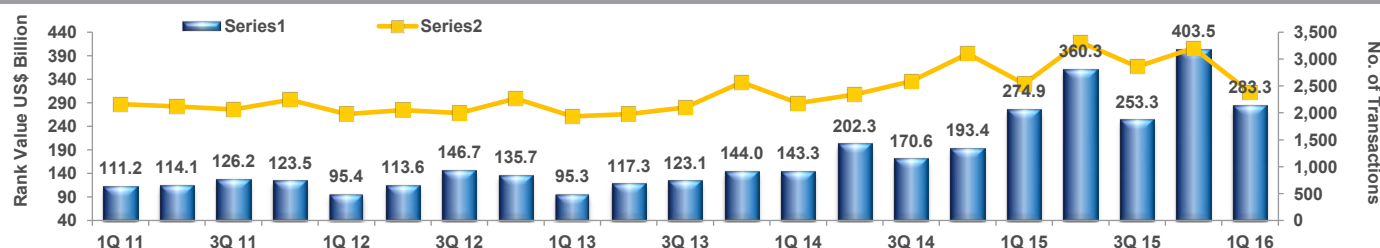
SOUTH KOREA ANNOUNCED M&A LEGAL RANKINGS

NO. 1 **LEE & KO**
5,440.7 VALUE (\$mln)
 DEALS: 14 MARKET SHARE: 42.0

RANK	LEGAL ADVISOR	VALUE (\$MLN)	DEALS	MARKET SHARE
2	Shin & Kim	3,362.0	5	25.9
3	Bae Kim & Lee	2,895.2	5	22.3
4	Kim & Chang	2,330.0	19	18.0
5*	Clifford Chance	120.0	1	0.9
5*	Freshfields Bruckhaus Deringer	120.0	1	0.9
7	Bryan Cave LLP	50.0	1	0.4
8	Foley & Lardner	13.6	1	0.1
9	Gowling WLG	0.9	1	0.0
10	Jipyong	0.2	2	0.0

(*tie) Based on Rank Value including Net Debt of announced M&A deals (excluding withdrawn M&A)

ANY NORTH ASIA INVOLVEMENT ANNOUNCED M&A ACTIVITY - QUARTERLY TREND



NOTES: League tables, quarterly trend, and deal list are based on the nation of either the target, acquirer, target ultimate parent, or acquirer ultimate parent at the time of the transaction. Announced M&A transactions excludes withdrawn deals. Deals with undisclosed dollar values are rank eligible but with no corresponding Rank Value. Non-US dollar denominated transactions are converted to the US dollar equivalent at the time of announcement of terms. North Asia includes China, Hong Kong, Taiwan, South Korea, Japan. Data range is from 1 January to 30 March 2016

SOUTHEAST ASIA LEAGUE TABLES

SINGAPORE ANNOUNCED M&A LEGAL RANKINGS

NO. 1 MORGAN LEWIS & BOCKIUS
626.2 VALUE (\$mln)
 DEALS: 4 MARKET SHARE: 8.8

RANK	LEGAL ADVISOR	VALUE (\$MLN)	DEALS	MARKET SHARE
2	DLA Piper LLP	415.8	3	5.8
3	White & Case LLP	407.3	3	5.7
4	Allen & Overy	397.5	1	5.6
5*	Goodwin Procter LLP	350.3	1	4.9
5*	Davis Polk & Wardwell	350.3	1	4.9
5*	Latham & Watkins	350.3	1	4.9
5*	Kirkland & Ellis	350.3	1	4.9
5*	AZB & Partners	350.3	3	4.9
10	Amarchand Mangaldas	194.7	2	2.7

(*tie) Based on Rank Value including Net Debt of announced M&A deals (excluding withdrawn M&A)

MALAYSIA ANNOUNCED M&A LEGAL RANKINGS

NO. 1 ZUL RAFIQUE & PARTNERS; LINKLATERS; BAKER & MCKENZIE
386.1 VALUE (\$mln)
 DEALS: 2, 2 and 3 MARKET SHARE: 14.1

RANK	LEGAL ADVISOR	VALUE (\$MLN)	DEALS	MARKET SHARE
4	Kirkland & Ellis	160.3	1	5.8
5*	Houthoff Buruma	154.9	1	5.7
5*	SIGNUM Law Firm	154.9	1	5.7
5*	Herbert Smith Freehills	154.9	1	5.7
5*	Skrine	154.9	1	5.7
9*	Homburger	0.0	2	0.0
9*	White & Case LLP	0.0	2	0.0

(*tie) Based on Rank Value including Net Debt of announced M&A deals (excluding withdrawn M&A)

INDIA ANNOUNCED M&A LEGAL RANKINGS

NO. 1 AZB & PARTNERS
1,044.1 VALUE (\$mln)
 DEALS: 22 MARKET SHARE: 12.7

RANK	LEGAL ADVISOR	VALUE (\$MLN)	DEALS	MARKET SHARE
2	J Sagar Associates	802.7	6	9.8
3	Nishith Desai Associates	787.6	2	9.6
4*	Hughes Hubbard & Reed	460.0	1	5.6
4*	Kirkland & Ellis	460.0	1	5.6
6	Khaitan & Co	311.4	15	3.8
7	Amarchand Mangaldas	194.7	2	2.4
8	Latham & Watkins	180.0	3	2.2
9	Linklaters	133.9	1	1.6
10*	Shardul Amarchand Mangaldas & Co	84.6	6	1.0
10*	Tatva Legal	84.6	2	1.0

(*tie) Based on Rank Value including Net Debt of announced M&A deals (excluding withdrawn M&A)

MIDDLE EAST ANNOUNCED M&A LEGAL RANKINGS

NO. 1 GIBSON DUNN & CRUTCHER
1,530.7 VALUE (\$mln)
 DEALS: 5 MARKET SHARE: 24.5

RANK	LEGAL ADVISOR	VALUE (\$MLN)	DEALS	MARKET SHARE
2*	Shearman & Sterling LLP	1,079.7	1	17.3
2*	Advokatfirmaet Thommessen AS	1,079.7	1	17.3
2*	Gorrissen & Federspiel	1,079.7	1	17.3
2*	Sullivan & Cromwell	1,079.7	2	17.3
6	Fenwick & West LLP	320.0	1	5.1
7	White & Case LLP	157.9	3	2.5
8	Cooley LLP	135.0	1	2.2
9*	Kim & Chang	96.1	1	1.5
9*	Lee & Ko	96.1	2	1.5

(*tie) Based on Rank Value including Net Debt of announced M&A deals (excluding withdrawn M&A)

ANY SOUTHEAST ASIA / SOUTH ASIA & MIDDLE EAST INVOLVEMENT ANNOUNCED M&A ACTIVITY - QUARTERLY TREND



NOTES: League tables, quarterly trend, and deal list are based on the nation of either the target, acquirer, target ultimate parent, or acquirer ultimate parent at the time of the transaction. Announced M&A transactions excludes withdrawn deals. Deals with undisclosed dollar values are rank eligible but with no corresponding Rank Value. Non-US dollar denominated transactions are converted to the US dollar equivalent at the time of announcement of terms. Geographic coverage includes SOUTH EAST ASIA: Singapore, Malaysia, Philippines, Thailand, Vietnam, Brunei, Cambodia, Indonesia, Laos, Myanmar, Timor-Leste; SOUTH ASIA: India, Afghanistan, Bangladesh, Bhutan, Maldives, Nepal, Pakistan, Sri Lanka; MIDDLE EAST: United Arab Emirates, Saudi Arabia, Qatar, Jordan, Palestine, Bahrain, Iran, Iraq, Israel, Kuwait, Lebanon, Oman, Syria, Yemen. Data range is from 1 January to 30 March 2016

\$1.8 BILLION

M&A

SAMSONITE INTERNATIONAL'S ACQUISITION OF TUMI

- Hong Kong-listed Samsonite will buy Tumi Holdings Inc in an all-cash transaction in a bid to expand in the luxury market.
- Samsonite plans to expand Tumi's presence in Asia and Europe, while strengthening its business in North America.
- Samsonite is also keen to expand its reach to offset slowing growth in China, which accounts for about 10 percent its global sales.

\$2.4 BILLION

M&A

ULTRATECH CEMENT'S ACQUISITION OF JAIPRAKASH ASSOCIATES' CEMENT ASSETS

- UltraTech Cement Ltd, part of the Aditya Birla conglomerate, has agreed to buy Jaiprakash Associates Ltd's cement plants.
- As per the deal UltraTech will acquire Jaypee's 12 plants with a capacity of 22.4 million tonnes a year.

\$1 BILLION

M&A

SUMITOMO METAL MINING'S INCREASE OF STAKE IN MORENCI MINE

- Sumitomo Metal Mining raised its stake in Arizona's Morenci copper mine by buying 13 percent from Freeport-McMoRan.
- The acquisition will take Sumitomo Metal's share in Morenci to 25 percent from 12 percent, while Sumitomo Corp holds 3 percent.

ASIA DEALS: YOUR MONTH AT A GLANCE

DEAL NAME	FIRM	JURISDICTION	VALUE (US\$ MLN)	DEAL TYPE
Zheshang Bank's IPO	Freshfields Bruckhaus Deringer	Hong Kong	1,750	IPO
	Jones Day	Hong Kong	1,750	IPO
	King & Wood Mallesons	Hong Kong	1,750	IPO
	Zhejiang T&C Law Firm	Hong Kong	1,750	IPO
Samsonite International's acquisition of lifestyle accessories brand Tumi Holdings	Cleary Gottlieb Steen & Hamilton	Hong Kong, U.S.	1,800	M&A
	Ropes & Gray	Hong Kong, U.S.	1,800	M&A
	Freshfields Bruckhaus Deringe	Hong Kong, U.S.	1,800	M&A
	Skadden, Arps, Slate, Meagher & Flom	Hong Kong, U.S.	1,800	M&A
AstraZeneca's sale of two heart drugs to China Medical System	Ashurst	China, UK	500	M&A
	Fangda Partners	China, UK	500	M&A
	Greenberg Traurig Maher	China, UK	500	M&A
UltraTech Cement's acquisition of Jaiprakash Associates Ltd's cement plants	Cyril Amarchand Mangaldas	India	2,400	M&A
	Vaish Associates	India	2,400	M&A
Development of a coal mine and construction of two power stations in Sindh, Pakistan under China's OBOR programme	Pinsent Masons	China, Pakistan	2,000	Projects
	Linklaters	China, Pakistan	2,000	Projects
Sumitomo Metal Mining's purchase of 13% stake in Morenci mine from Freeport-McMoRan	Davis Polk & Wardwell	Japan, U.S.	1,000	M&A
	Sullivan & Cromwell	Japan, U.S.	1,000	M&A
Kotak Mahindra Group and Canadian Pension Plan Investment Board's fund to invest in stressed assets in India	Cyril Amarchand Mangaldas	India, Canada	525	Funds
	Freshfields Bruckhaus Deringer	India, Canada	525	Funds

ASIA DEALS: YOUR MONTH AT A GLANCE

DEAL NAME	FIRM	JURISDICTION	VALUE (US\$ MLN)	DEAL TYPE
Anbang Insurance Group's offer to buy U.S.-based Starwood Hotels and Resorts Worldwide	Skadden, Arps, Slate, Meagher & Flom	China, U.S.	13,200	M&A
	Cravath, Swaine & Moore	China, U.S.	13,200	M&A
	Gibson Dunn & Crutcher	China, U.S.	13,200	M&A
	Sullivan & Cromwell	China, U.S.	13,200	M&A
	Debevoise & Plimpton	China, U.S.	13,200	M&A
Lupin Ltd's acquisition of U.S. drugmaker GAVIS Pharmaceuticals	Khaitan & Co	India, U.S.	880	M&A
Golden Crest Holdings' acquisition of three prime office assets in Singapore	Allen & Gledhill	Singapore	795	M&A
	DLA Piper	Singapore	795	M&A
	Lee & Lee	Singapore	795	M&A
	WongPartnership	Singapore	795	M&A
India's sale of 5 percent stake in state-run power producer NTPC	Cyril Amarchand Mangaldas	India	730	M&A
	Dorsey & Whitney	India	730	M&A
	Jones Day	India	730	M&A
	Shardul Amarchand Mangaldas	India	730	M&A
China Life Insurance's acquisition of Citigroup's minority stake in China Guangfa bank	Skadden, Arps, Slate, Meagher & Flom	China	3,000	M&A
	Jingcheng Tongda & Neal	China	3,000	M&A
	Cleary Gottlieb Steen & Hamilton	China	3,000	M&A
	Haiwen & Partners	China	3,000	M&A
	Linklaters	Thailand	6,200	M&A

\$13.2 BILLION

M&A

ANBANG INSURANCE GROUP'S OFFER TO BUY U.S.-BASED STARWOOD HOTELS AND RESORTS WORLDWIDE

- Starwood Hotels & Resorts Worldwide Inc received a cash offer from China's Anbang Insurance Group Co rivalling one from Marriott International Inc.
- The proposal is the latest in a spate of U.S. hotel bids that Anbang has made recently.
- If successful, the acquisition will be the largest ever by a Chinese company in the United States.

\$730 MILLION

M&A

INDIA'S SALE OF 5 PERCENT STAKE IN STATE-RUN POWER PRODUCER NTPC

- State-owned Life Insurance Corporation of India bought more than half of the shares being sold by the government in power utility NTPC Ltd.
- India was selling 5 percent of NTPC as part of its asset sales programme, which is crucial to contain the budget deficit.

\$6.2 BILLION

M&A

GROUPE CASINO'S DISPOSAL OF STAKE IN BIG C SUPERCENTER TO TCC GROUP

- Thailand's Berli Juckeris set to acquire hypermarket operator Big C Supercenter from France's Casino Group.
- The Thai group secured \$6.2 billion short-term financing deal with 15 banks to fund the Big C acquisition.

NEWS

Iranians exasperated as U.S. sanctions frustrate deal making



A money changer poses for the camera with a U.S. hundred dollar bill (R) and the amount being given when converting it into Iranian rials (L), at a currency exchange shop in Tehran's business district, Iran. REUTERS/Raheb Homavandi/TIMA

More than two months after international nuclear sanctions on Iran were supposed to have ended, frustration is deepening that few trade deals are going through as foreign banks shy away from processing transactions with the country.

Iranian hopes of rapidly ending the country's economic isolation are fading as particularly European banks – some of which have already been hit by huge U.S. fines for sanctions busting – fear falling foul of the many other restrictions imposed by Washington that remain in force.

Supreme Leader Ayatollah Ali Khamenei has accused the U.S. of foot-dragging following the official implementation in January of a nuclear deal with major powers.

"The Americans have not acted on their promises and (only) removed the sanctions on paper," he said in a televised address last March, complaining that international financial transactions faced problems because banks "fear the Americans".

Many nuclear-related sanctions did end when the 2015 nuclear deal was implemented on Jan. 17, including measures imposed by the European Union and rules allowing U.S. authorities to go after foreign companies and individuals dealing with Iran.

Agreements on a number of major con-

tracts have been announced with great fanfare, with Tehran hoping relief from the crippling sanctions will lead to billions of dollars in trade and investment, reviving the economy and raising Iranians' living standards. However, significant sums have yet to start flowing.

U.S. banks are still forbidden to do business with Iran and while lenders based elsewhere are not covered by this ban, major problems remain. Chief among these are rules prohibiting transactions in dollars – the world's main business currency – from being processed through the U.S. financial system.

The Iranian business community believes the U.S. has failed to spell out exactly what is permitted and what is not, leading to the uncertainty that makes international banks reluctant to process Iranian-linked transactions.

"We have to try to put pressure on America to make this issue clear. Otherwise, removing the sanctions does not mean anything," said Ferial Mostofi, chairwoman of privately owned Iranian project management firm KDD Group.

KDD Group, which is active in sectors including iron, steel and mining, has noticed greater business interest from abroad, she said, but so far no deals have been concluded. **ALB**

Pillsbury to launch HK office with Clyde aviation hire

Pillsbury Winthrop Shaw Pittman has applied for a license to set up an office in Hong Kong, and has recruited Paul Jebely, the former global head of aviation finance at Clyde & Co.

Jebely will head the firm's transportation finance practice in Asia. He specialises in negotiating and executing international commercial and business aircraft and engine financing, as well as leasing and trading transactions involving all classes of commercial and business aircraft.

At present, Pillsbury has two offices in China: Shanghai and Beijing, which opened in 2006 and 2014, respectively. Once established, the Hong Kong office will also focus on private client advisory and international disputes, including internal investigations and regulatory enforcement matters. **ALB**

SIMC shows growth a year after opening

The Singapore International Mediation Centre (SIMC) has grown since it officially opened in November 2014, according to data from its recently released 2014/2015 annual report.

SIMC received its first case in December 2014 and took in five new cases in 2015, three of which were arb-med-arb cases jointly administered with the Singapore International Arbitration Centre (SIAC).

The sums in dispute in all six cases, which were international in nature, ranged from S\$5 million (\$3.66 million) to more than S\$600 million. The cases were from various industries and sectors such as aviation, construction, shipping, oil and gas, joint ventures and partnerships, and the sale and supply of goods and services.

SIMC successfully settled all cases that went to mediation. **ALB**

Philippines signs new GMO rules, food industry relieved

The Philippines has approved a new set of rules on genetically modified organisms after a top court demanded an overhaul of previous regulations, providing relief to farmers and importers worried that any delay would spark a food crisis.

The five ministers that needed to sign the rules had done so, Merle Palacpac, chief of the plant quarantine service at the Bureau of Plant Industry, told Reuters.

The new rules will now be forwarded to the Department of Agriculture, with Palacpac saying they would likely take effect by April.

The Supreme Court in December halted the issuance of fresh permits for planting or importing genetically modified crops until the new rules were in place, putting in limbo nearly 1 million corn farmers and buyers of GM soybean meal, the Philippines' top GMO import. The court was acting on a petition by environmental activists led by Greenpeace, with the move likely closely watched by governments elsewhere as the Philippines is seen as a trailblazer for GMO.

The new rules are expected to improve transparency in the approval process for permits to plant, import and commercialise GM products, including enhanced regulations on risk assessment and involvement of local governments, said Palacpac.

While importers of soybean meal welcomed the new regulations, they were concerned it could now take longer to get permission to ship in GM crops. The Philippines was the first in Asia to approve commercial cultivation of a GM crop for animal feed and food in 2002 when it allowed GM corn planting. **ALB**

Debevoise & Plimpton opens Tokyo office

Debevoise & Plimpton has opened an office in Tokyo, its ninth globally.

Corporate partner Christopher Smeall and bengoshi international counsel Naomi Aoyama will head the Tokyo office. Smeall, a registered foreign lawyer, has been advising clients in Japan-related matters for over 30 years, handling commercial transactions. Aoyama's 15-year stint at Debevoise's New York office focused on corporate transactions.

The Tokyo office, which cements the firm's six-decade-long association with Japan, is expected to provide on-the-ground advice on transactions such as M&A and financings as well as investment matters and corporate governance. It will also give clients access to Debevoise's other offices worldwide, offering them assistance in corporate investigations, cybersecurity, dispute resolution, crisis management, civil and criminal enforcement proceedings and other concerns. **ALB**

INDUSTRY INSIGHTS

FORTISLAW
FORTIS LAW CORPORATION

A LISTING ON THE SINGAPORE STOCK EXCHANGE: MAINBOARD VS. CATALIST (PART 2)



As discussed in Part 1, the Singapore Exchange Securities Trading Limited ("SGX-ST") maintains two boards, the Mainboard and the Catalist, but whichever board that a company is listed on, it is required to comply with the SGX-ST listing rules.

In this part, we will discuss some key differences between a Mainboard and a Catalist listing:



- **Quantitative requirements**

An applicant to a Mainboard listing needs to satisfy at least one of the following quantitative requirements:

- (a) minimum consolidated pre-tax profit of at least S\$30 million for the latest financial year, and an operating track record of at least three years;
- (b) profitable in the latest financial year, have an operating track record of at least three years, and have a market capitalisation at initial public offering ("IPO") of not less than S\$150 million; or
- (c) generated operating revenue in the latest completed financial year, and have a market capitalisation at IPO of not less than S\$300 million.

A Catalist listing does not have quantitative requirements but needs to appoint a sponsor, who will assess its suitability to list and will advise and guide the company through the listing process. The company must maintain the sponsor at all times after listing.

- **IPO approval process**

A Mainboard listing is subject to review and approval by the SGX-ST and the Monetary Authority of Singapore ("MAS") whereas a Catalist listing is supervised and approved by its appointed sponsor. Once the prospectus is finalised for lodgement, the Mainboard listing applicant will lodge its prospectus with MAS whereas the Catalist listing applicant will lodge its prospectus with the SGX-ST.

- **Operating track record**

A Mainboard listing applicant would require a three-year operating track record, unless the listing is based on market capitalisation of not less than S\$300 million. A Catalist Listing does not have such a requirement.

- **Shareholders' approvals for acquisitions and disposals**

Acquisitions and disposals by a Mainboard company may only be carried out without shareholders' approval if such acquisition or disposal does not exceed 20% of the relevant size tests under Rule 1006 of the Mainboard rules. Any acquisition or disposal above 20% requires shareholders' approval. A Catalist company has more flexibility in this area as shareholders' approval is only required where an acquisition exceeds 75% or where a disposal exceeds 50% of the relevant size tests under Rule 1006 of the Catalist rules.

Comparing a Mainboard and a Catalist listing, the latter has less stringent listing requirements as companies need not meet any minimum earnings, operational track record or market capitalisation requirements. It appears to be a viable option for small but fast-growing companies to list and issue shares to the public for fundraising purposes. There is also greater flexibility for a company to carry out acquisitions or disposals.

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NEWS

Indian court extends relief to pharma firms in drug ban case

An Indian court restrained the government from enforcing a ban on hundreds of drugs for another week until it has heard petitions from drugmakers challenging the order, a lawyer representing some of the firms said.

The health department prohibited the manufacture and sale of 344 fixed-dose combination drugs this month, citing experts as saying there was no medical justification to administer them.

Several companies, including Indian units of Abbott Laboratories and Pfizer Inc, and domestic firms like Cipla Ltd and Macleods Pharmaceuticals, went to the Delhi High Court to try to get the ban lifted.

Abbott is challenging the ban on its popular codeine-based cough syrup on the grounds it was not given a chance to defend itself. Combination drugs are used worldwide to improve patients' compliance,

as it is easier to get people to take one drug rather than several. But inconsistent enforcement of drug laws in India has led to hundreds of such medicines entering the market. **ALB**



People walk past a chemist shop at a market in Mumbai. REUTERS/Danish Siddiqui

KLRCA hosts international investment arbitration conference

The Kuala Lumpur Regional Centre for Arbitration (KLRCA) hosted its inaugural KLRCA International Investment Arbitration Conference (KIIAC 2016) in collaboration with the Institute of Malaysian and International Studies on March 10 and 11. The event was held at the centre's premises, Bangunan Sulaiman.

Investment arbitration, based on investment treaties such as the Trans-Pacific Partnership Agreement (TPP) is set to make a huge impact in the Asia-Pacific region. "An increasingly globalised world has induced deep and significant changes in South-east Asian countries' policies regarding foreign investments," said Datuk Professor Sundra Rajoo, KLRCA director.

He further stated that this, in turn, has resulted in continued growth of arbitration cases in Asia, which include disputes



brought by investors against states, both within and outside the region. Often, the best resolution to such disputes is via Asian arbitration centres, given their geographic proximity and cultural familiarity to Asian parties.

Close to 200 delegates from across the world attended KIIAC 2016. Gracing

the event were YB Puan Hajjah Nancy Shukri, minister in the Prime Minister's Department; His Highness Prince Dr. Bandar bin Salman bin Mohd Al Saud, honorary president of the Gulf Arab States Lawyers Union; and His Excellency Dato' Professor Dr. Rahmat Mohamad, secretary-general of the Asian-African Legal Consultative Organisation.

KIIAC 2016 kicked off with a keynote speech delivered by arbitrator Brigitte Stern, who is also Professor Emeritus of International Law at France's Pantheon-Sorbonne University

or Paris I.

Twenty-three presenters, including professors and arbitrators from leading regional and international institutions, also took the stage, addressing the complex issues raised by investor-state arbitration in APAC following the signing of the TPP. **ALB**

APPOINTMENTS

LATERAL HIRES

NAME	LEAVING	GOING TO	PRACTICE	LOCATION
ROD BROWN	Latham & Watkins	Mayer Brown JSM	Corporate & Securities	Singapore
JUSTIN GROSS	Ryan Lawyers	Withers	M&A	Sydney, Singapore
BENJAMIN HIRASAWA	DLA Piper	Clyde & Co	Hospitality	Singapore
FIROZ HUSSEIN AHMAD JAMALUDDIN	Hafarizam Wan & Aisha Mubarak	Zaid Ibrahim & Co	Litigation	Kuala Lumpur
CHEN LEIMING	Simpson Thacher & Bartlett	Ant Financial, Alibaba Group Holding	Capital Markets	Hong Kong
ROBERT WILLIAMS	Ryan Lawyers	Withers	Hotels	Sydney, Singapore
JOSHUA ZIMMERMAN	Milbank, Tweed, Hadley & McCloy	Proskauer Rose	Corporate	Hong Kong
ENDRA PRABAWA	CITIUS Intellectual Property	Roosdiono & Partners	Intellectual Property	Jakarta
ALASTAIR MORDAUNT	Clifford Chance	Freshfields Bruckhaus Deringer	Antitrust	Hong Kong
LAM SHIAO NING	Drew & Napier	Oon & Bazul	M&A	Singapore
VIVIAN YIU	Allen & Overy	Morrison & Foerster	Corporate	Hong Kong

PROMOTIONS

NAME	FIRM	PRACTICE	POSITION	LOCATION
SIMONS SPELLS	Berwin Leighton Paisner	Finance	Partner	Singapore
BENJAMIN R. CARALE	Latham & Watkins	Capital Markets	Partner	Hong Kong
SUNGJIN KANG	Latham & Watkins	Project Development & Finance	Partner	Hong Kong

WELCOME TO THE FUTURE

TECHNOLOGY IS CHANGING THE WAY THAT LAWYERS WORK, AND A NUMBER OF ASIA-BASED STARTUPS ARE LEADING THE WAY, FINDS **SERGIO HELD**

Dozens of startups in Asia are building new applications and tools to ease the work of lawyers and clients while developing new technologies that are transforming the profession and facilitating access to the diverse legal systems in the region. These tools help facilitate work in areas as diverse as litigation case management and contract drafting as well as allow for faster searches of precedents or archives.

The demand for these technologies continues to grow and is creating opportunities for law-focused tech companies, but the path to progress is not smooth or free of resistance.

QUICKER AND MORE EFFICIENT

"I think what technology can do for us is to accelerate, automate and amalgamate the process and workflow of the practice of law. This, in turn, can help us work quicker, more efficiently, more precisely and minimise errors," says Fahri Azzat, chief idea generator at A Tech Development Venture, a startup that develops online mobile solutions for lawyers in Malaysia.

The company's app, Locum Legalis, helps practicing lawyers find colleagues attending courts along the country so that they can make routine court appearances on their behalf. Such an appearance can take between one and three minutes, says Azzat.

"Let's assume you are my client and we are suing a defendant out of state. I practice in Petaling Jaya, Selangor but we are suing this defendant in the Penang courts. That's a three-and-a-half hour drive up, or

one hour by plane, from where I am," he says. "Now, for me to go up to Penang for that court attendance would cost you a fair bit. First, there's the flight ticket, my cab fare, food and my court appearance for the day. Even though it may be a routine court matter, we would have to keep the whole morning free in case the case is called up late. So for me to go to Penang for a case management appearance would have me set aside pretty much the whole day. I can't do any other work."

Locum Legalis aims to eliminate all the wasted time and cost for clients.

"Going there myself would be an inefficient use of my time and would cost you at least 1,000 ringgit (\$246). So what is commonly done here is to ask a Penang lawyer to attend," he says. "That lawyer would usually charge about 100 to 200 ringgit to attend." The lawyer who attends is a substitute or "locum."

Locum Legalis, which was completely developed in Malaysia, is available on both Google Play and Apple stores. There are about 1,000 Malaysian lawyers using it. "Locum Legalis was created to make the whole experience of finding locums and making one's self available to be a locum easy, fast and affordable. It was to cut out one tedious aspect of legal practice," says Azzat. The app is free to use and compensation is paid through the same app.

Technology is also helping clients find and select the right lawyers. That's the aim of BurgieLaw, developed by Pisquare, another Malaysian company.

"Too often I have heard from fellow law-





yer friends of customers approaching them for issues which are not in their area of expertise. Likewise, I too have often heard from friends and acquaintances about the difficulty in finding a lawyer that specialises in their specific issue," says Lai Chee Hoe, CEO of BurgieLaw. "I decided to take a leap of faith and created BurgieLaw to simplify the search for lawyers with the right expertise."

The app is currently in beta stage, but already 88 lawyers have joined. There is the potential for 16,425 lawyers registered in Malaysia to join. "Our aim is to recruit at least 50 percent of these lawyers to join us at BurgieLaw," says Lai.

BurgieLaw aims to be more than car-hire service app Uber for lawyers. "We find ourselves to be more like [home-sharing site] AirBnB for lawyers rather than Uber as our portal allows customers to select the lawyers based on their area of expertise and also location," Lai says.

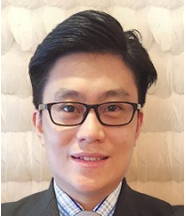
Both Uber and AirBnB have faced resistance from traditional businesses that see them as competitors and BurgieLaw is seeing a similar pushback. "There are lawyers who find that making the information accessible on a mobile platform erodes the sanctity of the profession," he says. Legal barriers are also a challenge that Lai and three business associates funding the project are looking at.

Still, BurgieLaw aims to grow quickly. "We are currently searching for someone who shares our vision and is able to guide us through our expansion plan," says Lai. Their expansion plan includes extending its reach to other jurisdictions in Asia.

HANDS-ON APPROACH

Taking an even more hands-on approach to the profession is Hong Kong's Dragon Law, which directly provides small and medium-sized enterprises (SMEs) with legal solutions to help them to manage legal work themselves. The project was launched in 2014 in Hong Kong and expanded to Singapore in 2015.

"For routine commercial work, the options for SME leaders were limited: engage a lawyer on a time or job basis, which can represent more than a marginal cost; leverage professional relationships; make use of 'legal templates' that have evolved online and provide a limited 'fill-in-the-gaps' type solution; or research the solution themselves," says Shermin Oh, a member of the company's marketing team in Singapore. "The implied 'cost' of each solution is high, from the financial cost of paying a lawyer to draft and review documents, to the risk



"THE LEGAL PROFESSION LACKS TRANSPARENCY. FOR EXAMPLE, A LAWYER'S FEES, COSTS, AREA OF EXPERTISE, SENIORITY AND DISCIPLINARY ORDERS ARE KEPT WITHIN THE LEGAL INDUSTRY AND ARE RARELY DISCLOSED UNLESS ASKED DIRECTLY. IT IS TIME TO MAKE THIS INFORMATION MORE ACCESSIBLE TO THE PUBLIC FOR THEM TO DETERMINE AND CHOOSE THEIR PREFERRED LAWYERS AND REVIEW THEM. IT IS NOT AN EASY TASK, BUT WE AIM TO MAKE A CHANGE."

Lai Chee Hoe, BurgieLaw

and time cost of using a template or trying to undertake specialist tasks."

"Dragon Law has created a new and highly appealing option: a cloud technology platform empowering SMEs to manage their legal work themselves," she says. The company is currently serving about 2,500 clients in both jurisdictions.

"The Dragon Law team now includes lawyers with BigLaw backgrounds from the UK, Hong Kong, Singapore, New Zealand, and the U.S., who work hand in hand with technologists from Asia and Silicon Valley. We predict very interesting times ahead," she continues.

Dragon Law works closely with the largest law firms in the region "as well as numerous smaller boutique firms, and legal-service providers, all of whom serve our fast-growing client base by providing high-value commercial and legal advice."

"Lawyers, in particular, were naturally initially skeptical about the feasibility of a product that could create from scratch a customised business legal contract of any type, in favour of any party, with a near-infinite drafting flexibility," she adds.

For Oh, there are a number of ways in which technology can help law firms. "For the most part, they revolve around one common theme: an attempt to increase the efficiency of fee-earners, which allows the law firms, in turn, to pass on those efficiency gains to the client," she says.

In Malaysia, Foong Cheng Leong, founder and partner of a Kuala Lumpur-based law firm, is developing a free case law search app to help lawyers gain access to a large database of court judgments.

"Our courts publish judgments online, but these judgments are published by the court websites of each respective state. For example, the Kuala Lumpur Court website publishes their own judgments while the Sabah and Sarawak courts publish on their own... There is no centralised search engine and the search is only for case names and not

their contents," says Foong. "I then created a Google custom search to crawl all these websites, but some courts decided to block Google from crawling and have occasionally removed published judgments whenever they upgraded their systems."

Foong has been gathering judgments since 2008. The Malaysian government rejected an application for funds to develop and feed the app, but a team of four people is now uploading judgments. In less than three months, Foong's team has uploaded about 4,000 cases. When they reach 10,000 cases, Foong will launch the free app. Each case has to be read and searchable keywords have to be entered.

"Some form of legal skill is required to identify the main issues," he says.

NEED FOR SPEED

Technology is also changing the behaviour of lawyers and the way they interact with clients. "In the old days, lawyers would take a longer time to churn out documents or deal with clients. But with technology now, we could easily manage a few cases at the same time," Foong says. "Our actions per minute can [improve] significantly. For example, I could be drafting an affidavit on my mobile phone while waiting for case to be called in court or answering clients' queries via WhatsApp."

However, not all of the recent tech developments are focused on clients, lawyer relationships or providing electronic discovery tools.

Lawr.co, a Singapore-based startup affiliated with venture builder Sugar Ventures, has been quietly operating since mid-last year with a lawyer-search service. In early March, Lawr.co acquired LawFarm.com, an Indian site that provides lawyer search and legal information. Lawr.co co-founder Jieyang Huang says the aim of the acquisition is to provide solutions for the public looking to meet specific legal needs while providing a one-stop shop for legal content and up-

dates. "Lawr.co was founded when it became clear to us that a chasm exists between the everyday man and the lawyer. People in general feel detached from lawyers and some may carry the misconception that lawyers are high-powered and untouchable legal eagles that they could never afford," says co-founder Jieyang Huang. "Lawr.co was set up to bridge the physical divide between lawyers and the public, providing the ordinary man with direct access to lawyers, who are themselves hungry for work, without having to go through the hassle of law firm-shopping, asking and explaining their legal problems to friends and family or trawling aimlessly through websites of law firms."

The need for transparency is a strong argument in favour of these tech initiatives. "The legal profession lacks transparency. For example, a lawyer's fees, costs, area of expertise, seniority and disciplinary orders are kept within the legal industry and are rarely disclosed unless asked directly," says BurgieLaw's Lai. "It is time to make this information more accessible to the public for them to determine and choose their preferred lawyers and review them. It is not an easy task, but we aim to make a change," he says.

For Azzat from Locum Legalis, technology has to be narrowed to its right proportions. "What we need to be aware of is that technology affects the process of work but not the decision-making," he says. "That is still a human province. Another thing is that technology can make something efficient to a point, but once it surpasses that point, the efficiency gains are lost, and technology becomes a hindrance. So we must be mindful of just how much of the process can be improved or expedited."

"This is the beginning of more collaborations and innovations in the application of digital technology to the law. I can see other areas in the legal process and workflow that can benefit from this," concludes Azzat. **ALB**

NAVIGANT



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EMPLOYEE MOBILITY AND DATA GOVERNANCE

Data plays an increasingly vital role in corporate litigation and investigations, given the ever-increasing fluidity of business communications.

In Asia, like other economies across the globe, we rely more and more on instant messaging and chat applications, we communicate more and more via video and voice, and we weave social media into our business communications. We utilise tablets and mobile phones, which create and store new and different data types. Data is often stored in proprietary file formats, or in databases that require special tools to extract the information. Data may also be in a format that does not lend itself to being prepared for legal review. To address these challenges, corporate policy, procedure and software tools, data management and information governance methods must be developed and constantly revised.

Together with the steady rise in the use of non-traditional data comes a decreased use of localised data stored on devices, laptops and servers. Less and less data is stored locally, and more data is stored in the cloud, rendering it accessible anywhere, anytime, on any device. This presents a significant challenge for anyone trying to identify and collect this data for litigation or investigations. This makes it harder to identify if data is no longer stored on a central server in an employee's local office, or at the corporations central headquarters.

The increased use of cloud storage also creates issues with the disposal and destruction of data. It can be frustrating and potentially damaging for a business if an employee's data is wiped from a device, but is discovered to have been backed up to iCloud or Dropbox. The wiped data will often remain on the cloud site, which an individual can then access from another device. These sites can also pose a risk when certifying that the destruction of data has taken place.

This can be particularly difficult if the company allows individuals to bring their own devices to the workplace, as many businesses now do. In some cases, companies have adapted corporate policies to address the right of the company to audit or collect the devices during litigation, or at the end of employment. In today's legal environment, for both smaller companies and multinational corporations who have not adapted their policies, the question of whether their employees' devices are subject to the scope of litigation or an investigation becomes

harder to answer. In many jurisdictions, a lack of corporate policy favours the employee. It is therefore clear that, as e-Discovery evolves within Asia and worldwide, the need to consider strong corporate policies is paramount.

With these changes, trends and potential risks very much in mind, and given that as yet very few Asian nations have robust, comprehensive legal frameworks for conducting e-Discovery, many companies are wisely taking proactive steps to protect themselves against the areas of emerging risk, and engaging in pre-litigation assessments. Conducting an extensive assessment of policies and procedures ensures that everything is understood, accounted for and managed properly. By understanding the use of data and how it can be used to respond to potential discovery, companies know their current state, identify gaps, and create a roadmap for the future, rendering themselves litigation-ready. Navigant's Global Legal Technology Solutions (GLTS) practice has recently expanded to Asia. It supports clients in capturing, preparing, processing and hosting data in an event of a dispute or investigation. Led by Director Tanya Gross, the GLTS team, have local hosting capability and are able to deploy mobile options for locations that are subject to strict data privacy rules in locations such as mainland China and Vietnam.

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ASIAN LEGAL BUSINESS

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2016

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EMPLOYER
OF CHOICE
2016Asia's best law firms
to work for

In a number eerily reminiscent of the figure from last year, 97 percent of lawyers across Asia have expressed satisfaction with their jobs in this year's survey, with more than half of the respondents calling themselves extremely satisfied.

"[This is a] superb place to work," gushes one partner with an Indian law firm. "You are treated as a professional and there is an excellent work-life balance. The work is great and the management is wonderful, and the firm has an extremely strong HR department that cares for all employees."

For all but seven percent of the respondents, remuneration appears to be at least at the market standard; and more than a fifth believe it to be "well above." And almost 90 percent rate the salary structure and overall salary transparency at the firm as either "good" or "excellent." Similarly, when it comes to opportunities for training or professional development, more than 93 percent are appreciative of what is available. And more than 45 percent of lawyers rate opportunities to receive mentoring in the firm as "very good." The path to partnership is however a bit of a sticking point – almost 40 percent of those surveyed feel that the path is "somewhat transparent" or not transparent at all. That said, a whopping 81 percent rate their firm as "very collaborative." And almost 90 percent like the knowledge management and IT support available at their firms.

For work-life balance, meanwhile, fewer than 40 percent think it's worth writing home about. "The firm pays well, and it expects nothing less than 200 percent commitment to work," says an associate in Malaysia. "Based on my understanding, if you want to be at the top in the firm, there seems to be no other way but to sacrifice every other parts of 'your life.'" And around 40 percent feel only "somewhat valued" at the firm, or not valued at all. But job security is high at 75 percent.

When asked if they saw themselves in the same firm in five years' time, almost 45 percent answered "definitely." And almost three-quarters said that they would recommend the firm to a friend "wholeheartedly." ALB

METHODOLOGY

The ALB Employer of Choice Rankings were compiled taking into account responses from more than 3,500 private practice lawyers across Asia, ranging from managing partners to paralegals, as well as our own market knowledge. The survey was open in the months of February and March, and law firms have been ranked on the basis of job satisfaction, remuneration, work-life balance, career prospects, mentorship, job security and other aspects, with respondents being asked to submit their inputs anonymously. Law firms in each jurisdiction have been listed in alphabetical order.



GUANGDONG GRAND & HOLDERS LAW FIRM

CHINA DOMESTIC

AllBright Law Offices

AnJie Law Firm

DaHui Lawyers

Guangdong Grand & Holders Law Firm

Han Kun Law Offices

Jilin Gongcheng Law Firm

JunHe

Solton & Partners

Yingke Law Firm

Zhong Lun Law Firm

CHINA INTERNATIONAL

Clyde & Co

CMS, China

Greenberg Traurig

Linklaters

Paul Hastings

CHINA

Job satisfaction runs high among Chinese law firms, with almost 57 percent calling themselves “extremely satisfied.” For more than 60 percent of the respondents, remuneration is deemed to be above the market standard at the least, and more than 92 percent appreciate the salary structure and overall transparency when it comes to compensation. Similarly, less than 4 percent feel dissatisfied by the opportunities for training and professional development. Almost 91 percent think of their firm as “very collaborative” and more than 93 percent are generally satisfied with the work-life balance on offer. An impressive 68 percent feel “extremely valued” at the firm and job security stands at more than 83 percent. This means that almost 95 percent see at least a chance of sticking

with the same firm for the next five year, and 82 percent would wholeheartedly recommend it to a friend.

At **AllBright Law Offices**, a senior associate lauds the “excellent leader, strong team spirit and attractive remuneration.” An associate at **AnJie Law Firm** praises the “great team atmosphere and caring partners.” Meanwhile at **DaHui Lawyers**, a partner says: “I love the people I work with and the work I am doing. The atmosphere is very collegial. Partners and associates are young, passionate and energetic about work and life.” “Employees are given strong support, while the firm combines stability and flexibility, and provides great incentives,” says a senior associate at **Guangdong Grand & Holders Law Firm**. And an associate at **Han Kun Law Offices** praises the “high-profile transactions, good workflow and solid mentorship from knowledgeable partners.”

GUANGDONG
GRAND & HOLDERS
LAW FIRM



THOMSON REUTERS

ASIAN LEGAL BUSINESS

CHINA

EMPLOYER
OF CHOICE

— 2016 —

廣東廣悅鴻鼎律師事務所

只做复杂商事案件

We can! We win!



GUANGDONG GRAND & HOLDERS LAW FIRM



Deacons praises the “challenging work and top-notch client base.” **Oldham Li & Nie** is lauded by an associate for its “good working environment, good team, and the opportunities to get involved in different matters.” And **Skadden, Arps, Slate, Meagher & Flom** has “good benefits and generous paid leave. Strong teams in the U.S. and Europe support the Asia team.”

INDIA

Cyril Amarchand Mangaldas
Khaitan & Co.
Trilegal

Jilin Gongcheng Law Firm is praised for its “flexible working environment, easygoing partners and ample opportunities for promotion,” according to a partner. An associate at **JunHe** lauds “the people, the environment, the compensation... Everything is perfect.” At **Solton & Partners**, a partner notes the “solid bond” that the team shares. And at **Yingke Law Firm**, an associate declares their appreciation for “nice colleagues and boss.” Rounding out the domestic firms is **Zhong Lun Law Firm**, where a senior associate picks three factors: “One, it is full of challenges. Two, everyone is always professional. And three, we all share a nice relationship.”

The five international outfits that make the list are **Clyde & Co.**, **CMS, China**, **Greenberg Taurig**, **Linklaters** and **Paul Hastings**.

HONG KONG

Clyde & Co.
Deacons
Oldham Li & Nie
Skadden, Arps, Slate, Meagher & Flom

Job satisfaction is at 89 percent in Hong Kong, but remuneration could be better, with the majority (57 percent) believing it to be at market standard. Job security is fairly high, and 51 percent would wholeheartedly recommend the firm to a friend.

At **Clyde & Co.**, “there is good support from the firm, and a good career development plan. People are nice and work is coming in regularly.” A partner at

India notches up a job satisfaction rate of 98 percent this year, a percentage point higher than last year. Salaries broadly trend towards the higher end of the scale among those surveyed, while more than 90 percent appreciate the opportunities for training and professional development, and 88 percent like the mentoring they receive at their firm. The path to partnership could be more transparent (it is “somewhat transparent” for 42 percent) but 79 percent find their team “very collaborative.” Almost 60 percent feel “extremely valued, and job security is at a healthy level (71 percent say they feel “very secure”).

At **Cyril Amarchand Mangaldas**, “the work environment is challenging, the qual-

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ity of people is great and the work itself is very rewarding," says a partner. A lawyer at **Khaitan & Co.** notes the "healthy camaraderie between partners, motivated employees and the stress on achieving a work-life balance for all." And an associate with **Trilegal** highlights the "quality of work, the direct client interaction, and comfort in reaching out to partners and seniors overall."

INDONESIA

Assegaf Hamzah & Partners
Hadiputranto, Hadinoto & Partners
Hanafiah Ponggawa & Partners
Soewito Suhardiman Eddymurthy Kardono

Job satisfaction is upwards of 98 percent in Indonesia, and salary levels are also generally high, with 94 percent praising

opportunities for guidance and mentorship. Work-life balance is passable for about 62 percent, and a majority (53 percent) feels extremely valued; with almost two-thirds feeling secure in their jobs. Some 46 percent definitely see themselves in the same firm in five years' time, while 63 percent would wholeheartedly recommend the firm to a friend.

At **Assegaf Hamzah & Partners**, an associate highlights the "supportive bosses, friendly but competitive working environment, excellent colleagues and very fair remuneration." An associate at **Hadiputranto, Hadinoto & Partners** says their job allows them to "gain extensive knowledge and provides me with the opportunity to engage with many clients from different backgrounds." "I have the best job in the world according to my view," gushes an associate at **Hanafiah Ponggawa & Partners**, "the work environment is very comfortable yet challenging." And a lawyer at **Soewito Suhardiman Eddymurthy Kardono** praises the "good working environment and high pay. I can have a balanced life."

KOREA

Bae Kim & Lee
Kim & Chang
Yulchon

After China, South Korea had the largest number of responses to the survey this year, with hundreds of lawyers submitting enthusiastically. And the enthusiasm was not unfounded: almost 55 percent declared themselves "extremely satisfied" with their jobs. Remuneration is "well above" the market standard for almost 40 percent, and more than 58 percent said opportunities for training and professional development was of the highest quality. The path to partnership is "very transparent," according to 53 percent, and nearly 80 percent praise their team for being highly collaborative. Work-life balance is excellent for 46 percent, and a whopping 61 percent feel "extremely valued." No wonder job security



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KIM & CHANG

is at 70 percent, and almost 75 percent would “wholeheartedly” recommend it to a friend. Management at **Yulchon**, says a counsel, “is very considerate to employees, and pays attention to small things like sending birthday gifts to spouses, providing free lunches, and so on.”

According to Sky Yang, a partner of **Bae, Kim & Lee** (BKL), over the past decade or so, the firm has created a number of special events designed especially for its associates. “For example, new members typically attend a weekend hiking retreat as well as a welcoming dinner party for them and their families,” he says. “In addition, BKL holds an annual ‘Only One Party’ exclusively for our second-year associates

who have spent a year with us to encourage them and to hear their feedback. For all associate professionals, BKL hosts an overseas workshop for two or three days. Furthermore, we have recently adopted a pool system for all first-year associates to provide them with opportunities to build experience in a variety of practice fields.”

He adds that as the foundation of the firm’s philosophy regarding employee engagement and retention, BKL does its best to recruit talented lawyers who are also “good people.” “We see this as essential not only to fostering a collegial atmosphere and strong bonds of mutual respect and trust among our professionals, but also to delivering top-quality legal services to

our clients,” says Yang. “We then place a very high priority on providing diverse career development opportunities to our people. Such opportunities can include overseas study as well as secondments to long-standing clients. And we strive to maintain strong connections with our people even when they leave the firm, such as by inviting them to attend conferences and other social events.”

Bumkyu Sung, senior attorney at **Kim & Chang**, says that his firm is always looking to provide attorneys with opportunities for professional development that would enhance the engagement of its professionals. “For example, the firm has put more emphasis on its well-established mentor programme and increasing the interaction between the senior and junior attorneys to provide young lawyers with guidance in their professional development and also adjustment to firm life,” he says. “We also hold regularly scheduled off-site seminar programmes with the goal of enhancing teamwork and engagement. The overarching approach to increasing employee engagement, however, is continued focus on providing the top notch service that our clients have come to expect of us, as we know that client satisfaction is the starting point of a healthy cycle of quality clients and work, and we know this is the best way to enhance the engagement level of our professionals.”

Professionals have always been its strongest asset, he adds. “The firm will continue to provide development and training opportunities to increase this commitment and dedication,” says Sung. “We understand the importance of having attorneys that are content with the work environment and the work they are engaged in and we do everything to provide this to our attorneys. Again, the key to strengthening



BAE KIM & LEE

engagement at a law firm is providing its professionals with the best opportunities, in terms of both clients and the actual work “The satisfaction derived from working for the best clients in their most sophisticated matters is what all law firm professionals strive for. And we believe that these opportunities, which only Kim & Chang can provide, are what lead to greater commitment and engagement from professionals.”

MALAYSIA

Azmi & Associates
Tay & Partners
Wong & Partners
Zul Rafique & Partners

Satisfaction rates are somewhat lower in Malaysia, with less than a quarter calling themselves “extremely satisfied.” Remuneration is at the market standard for 63

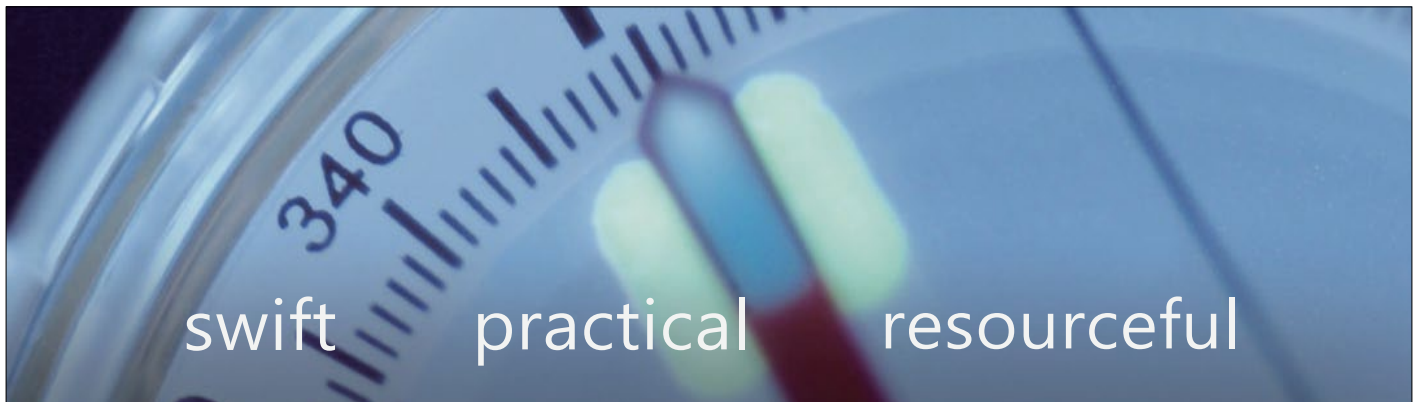
percent, and opportunities for training and professional development are good, according to 57 percent of respondents. The path to partnership is however something firms can work on: More than 67 percent, or exactly two-thirds, feel the path is only “somewhat transparent.” Work-life balance is also decent for almost 80 percent, but only about 28 percent feel “extremely valued” by their employers. A third of the respondents say they will “probably” be in the same firm in five years time, and about half would recommend it to a friend, but with qualifications.

Azmi & Associates provides “challenging tasks and endless opportunity, as long as I’m willing to learn,” says an associate. “I am exposed to a variety of clients and interesting legal work,” says a lawyer at **Tay & Partners**. At **Wong & Partners**, a partner notes the “challenging and intellectual client work” and dynamic fast-paced work environment.” And a lawyer at **Zul Rafique & Partners** praises its “ideal balance of work and personal life, and minimal office politics.”

PHILIPPINES

Quisumbing Torres
Romulo Mabanta Buenaventura Sayoc & de los Angeles
SyCip Salazar Hernandez & Gatmaitan

The Philippines has a job satisfaction rate of 96 percent, and salaries are above the market standard for more than two-thirds of the respondents. More than 92 percent appreciate the opportunities for training and professional development that their firm provides, while 86 percent like the opportunities to receive mentorship. The path to partnership is very transparent for just under a quarter of respondents, while two-thirds think their firm is “very collaborative.” Knowledge management and IT support is also something that the Philippines scores well in. With work-life balance acceptable at the least for 87 percent, and job security for nearly three-quarters, 74



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ROMULO MABANTA BUENAVENTURA SAYOC & DE LOS ANGELES

percent would “wholeheartedly” recommend the firm to a friend.

“The work environment is very conducive to professional development. Our firm is also the highest-paying firm in the legal market,” says an associate at [Quisumbing Torres](#). And a respondent from [SyCip Salazar Hernandez & Gatmaitan](#) praises the “challenging and rewarding work.”

Perry Pe, a partner at [Romulo](#) says the firm leads by example and has a caring attitude: “Our firm’s most senior partner, Ricardo J. Romulo, goes for lunch with associates every Friday in a very informal and convivial setting, to share stories.”

SINGAPORE

Baker & McKenzie.Wong & Leow
Bird & Bird ATMD
Drew & Napier
Harry Elias Partnership
RHTLaw Taylor Wessing

Singapore’s job satisfaction comes in at just under 90 percent, still a fair achievement for a market that has seen work being sluggish of late. Remuneration remains

stable, and the path to partnership is at least somewhat transparent for 90 percent. Teams are generally collaborative (some 63 percent call their firms “extremely collaborative”), and lawyers also feel that their work-life balance is decent (82 percent). With nearly half the respondents feeling “extremely valued” and 64 percent feeling secure about their jobs, more than a quarter “definitely” expect to see themselves in the same firm in five years’ time, while 54 percent would “wholeheartedly” refer it to a friend

At [Baker & McKenzie.Wong & Leow](#), an associate says “the people are generally really friendly, there is a good atmosphere around the office, and the work is interesting.” An associate at [Bird & Bird ATMD](#) praises the “opportunities to do business development, friendly and approachable partners, and interesting work from good clients.” At [Harry Elias Partnership](#) the “partners are sound and understanding,” while a partner at [RHTLaw Taylor Wessing](#), a partner lauds the opportunities for growth and understanding management.”

“We value the many talented young lawyers who join us and invest a substantial amount of time and resources into training and mentoring them,” says Blossom Hing, a director at [Drew & Napier](#). “Our senior lawyers, most of whom started their careers here, are committed to help the young ones realise their potential and become successful lawyers. As one of the largest firms in Singapore, we attract interesting, high profile and complex work. Our lawyers and

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TAIWAN

Baker & McKenzie
Eiger Law
Winkler Partners

Job satisfaction is at 88 percent in Taiwan, although salaries could be higher, with only about 36 percent saying they are paid above the market rate. Almost three-quarters appreciate the opportunities for training or professional development provided by their firms, and almost 84 percent feel that the work-life balance is acceptable at the very least, although a shade above 31 percent feel they are “extremely valued.” Job security is at 59 percent, and just above 53 percent would wholeheartedly recommend the firm to a friend.

An associate at Baker & McKenzie’s Taipei office notes the “stable and friendly environment.” “We have a great and very diverse team that works very well together,”

trainees benefit by having the opportunity to get involved in challenging cases and ground-breaking deals that allow them to constantly hone their skills and keep them engaged.”

A bonus is the open atmosphere. “Drew has a unique family culture with an ‘open door’ policy. We encourage open communication so that everyone feels he or she is part of a team,” adds Hing.

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WEERAWONG, CHINNAVAT & PEANGPANOR

says a partner at **Eiger Law**. And a counsel at **Winkler Partners** sums it up this way: "I enjoy coming to work. My colleagues care about each other and our clients. Bottom line: I can have it all: high-quality clients and colleagues, and quality of life."

THAILAND

Baker & McKenzie
Tilleke & Gibbins
Weerawong, Chinnavat & Peangpanor

While job satisfaction is at just under 84 percent in the Land of Smiles, the proportion of lawyers who are "extremely satisfied" is relatively high, coming in at 50 percent. About 51 percent also feel that they are paid above the market standard, and Thai firms also rate highly when it comes to opportunities for training and professional development. For 81 percent, work-life balance is at the least acceptable, and more than 58 percent feel "extremely valued" in the firm. With job security at a round 75 percent an impressive 60 percent definitely see themselves in the same firm in five years' time. At **Baker & McKenzie**, an associate feels the "job is challenging and I have the opportunity to be surrounded by and working with very well-qualified partners and colleagues." Meanwhile **Tilleke & Gibbins** is praised as "a great place to work, with incredibly talented colleagues

and a chance to represent some of the best clients in the world," according to a respondent.

Veeranuch Thammavaranucupt, senior partner at **Weerawong, Chinnavat & Peangpanor**, says that employee engagement is one of the keys to the firm's success. "This year, we have introduced several new professional development programmes," he says. "We provide challenging on-the-job and seminar-based training for all WCP staff, from legal assistants to senior associates. Secondments to international firms are arranged each year. In order to provide a degree of flexibility to our working environment, we have introduced our contract lawyer program. Lawyers are recognised and rewarded fairly for their contributions to the firm. The firm also provides regular opportunities for all staff to get to know each other using team building and other activities. We are building an on-site gym as we believe that good health is important."

Adds executive partner Chinnavat Chinsangaram: "We care about our people and the overall philosophy is that the firm is a platform to support all lawyers and staff to grow and advance in their professions to achieve their respective potential. We continue to reinforce a clear set of cultural values, which differentiates us from other firms in the market. We emphasise, among other factors, a politic free, transparent work environment without power play, which motivates lawyers in terms of assignments, rewards and career path. We encourage team work and dialogue among all practice groups. Often, lawyers from

different practice groups work as a team to advise and provide solutions for clients' multi-faceted transactions. The firm also welcomes diversity."

VIETNAM

LNT & Partners
Rajah & Tann LCT Lawyers
Tilleke & Gibbins

A job satisfaction rate of upwards of 97 percent, above-market remuneration for more than 52 percent of the respondents, and adequate opportunities to receive training and professional development mean that it's not a bad time to be a corporate lawyer in Vietnam. Work-life balance is "excellent" for 37 percent and "good" for 55 percent more, and almost 62 percent feel "extremely valued." Job security is at 84 percent. It's no surprise 57 percent seem themselves in the same firm in five years' time.

At **LNT & Partners**, a senior associate praises the "good environment for career development, diversity of practice areas, innovative methods and good training system. A **Rajah & Tann LCT Lawyers** partner lauds the "great work and good treatment from the firm." "My colleagues are just like my family," says a lawyer at **Tilleke & Gibbins**. "We help each other, and my boss always inspires us."

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RECRUITMENT TRENDS IN SINGAPORE AND HONG KONG

According to recruitment consultancy Hays, Singapore's legal recruitment market was hit hard in 2015 by volatile economic developments impacting oil & gas and shipping. "Global falls in business confidence have left several corporations conservative about increasing the headcount of in-house legal teams," it says the 2016 Hays Asia Salary Guide. "Despite this, we have seen a stable level of activity in private practice particularly in the areas of banking & finance, mergers & acquisitions, capital markets and international arbitration."

The key skills that are currently in demand for in-house positions, according to Hays are regional APAC experience, transactional and drafting skills, as well as the ability to communicate and read in Mandarin Chinese due to both inbound and outbound investments in China. "Following the implementation of the Fair Consideration Framework in 2014, continued preference has been given to Singapore citizens and permanent residents, particularly for more junior positions. We see these requirements continuing within the in-house hiring market," the guide adds. In private practice, it anticipates that the key areas of demand will be project finance, international arbitration, M&A and asset finance, and candidates with language skills in Bahasa Indonesian, Japanese and Mandarin will continue to be viewed as a valuable asset.

Meanwhile, with China determined to work through the global financial instability to continue its robust growth patterns of many years, Hong Kong's legal sector is expected to remain strong across the board, says Hays. "Traditional revenue generating areas in private practice, especially capital markets (equity and debt, international and local), general corporate, mergers & acquisitions and private equity are

Traditional revenue generating areas in private practice, especially capital markets (equity and debt, international and local), general corporate, mergers & acquisitions and private equity are expected to continue to be strong areas of hiring in 2016.



expected to continue to be strong areas of hiring in 2016," it notes. "Competition for candidates is fierce particularly for those with cross-border China experience as well as trilingual (English, Mandarin and Cantonese) language skills."

Additionally, there is rising demand for candidates that can apply global compliance and regulatory expertise in the local domain, both with respect to contentious and noncontentious legal work, and Hays predicts that salary levels for genuinely qualified and experienced people will grow significantly. "As a consequence of the growing importance of risk control and compliance within financial institutions, financial areas at the fringes of traditional investment banking such as private

banking, hedge funds and other investment management and insurance, will continue to grow as sectors of investment and therefore as sectors that employ legal professionals. Most areas of non-financial in-house legal recruitment are expected to remain steady in 2016 after several years of busy hiring," the guide says. **ALB**

THE BEST OF THE WORST

Feedback from some extremely dissatisfied respondents

"Direct bosses do not recognise the hard work put in by the associates. It seems that they do not want to promote associate lawyers. There is also no mentoring by the bosses. There is also a lot of finger-pointing by the bosses and lack of transparency in promotions. There is also manifest favouritism."

- FROM A LAW FIRM IN THE PHILIPPINES

"Disorganised work allocation and assignment, no promotion plan and no salary increase for two years, no recognition for those who concentrated on work but only praise on those who acted high profile."

- FROM A LAW FIRM IN HONG KONG

"I feel [law firm] has exceptionally high expectations from its associates. They are given far too much of a work load and it is common practice for associates to work until morning. This is why our resignation rate is very high."

- FROM A LAW FIRM IN THAILAND

"The partners do not even know my name, even though I've been working here for more than three years."

- FROM A LAW FIRM IN INDONESIA

"The bosses are terrible... fire the bosses."

- FROM A LAW FIRM IN KOREA

THE 2016 LEGAL SECTOR OUTLOOK IN SINGAPORE



While lawyers are in constant demand, many employers cite finding the right fit as the biggest challenge.

In Singapore, the outlook for the legal sector appears quite stable, with 50% of the respondents in the 2016 South East Asia Salary and Employment Outlook Report saying they expect an increase in headcount in 2016, while 46% expect numbers to remain steady. In part, this growth will be needed to support the increasing number of businesses that trade across the region, encountering different legal environments as they do so.

Lawyers are in constant demand in the city and local universities across the region do a good job of producing skilled graduates. Given the size of

the banking sectors in Singapore and Malaysia, legal talent with financial and contract experience are in particularly strong demand. Typically though, finding candidates with the right skills is not the issue, and many employers cite finding the right fit for their particular culture as the biggest challenge.

Generalist lawyers are in strong demand as they tend to be the best fit for in-house roles. In-house has the potential to be a continuous growth area as companies look for genuine business partners rather than external providers.

There is also demand for Foreign Corrupt Practices Act (FCPA) compliance lawyers across the region as the regulatory landscape becomes increasingly stringent. In Singapore, there is particular demand for disputes resolution as the country continues its attempts to position itself as a hub for this service.

As the focus on China grows, candidates with spoken and written Mandarin skills are particularly highly prized.

To discover more insights into the employment prospects across the key markets in the region, **download the 2016 Michael Page South East Asia Salary and Employment Outlook** at www.michaelpage.com.sg

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INNOVATION IS KEY

AS ECONOMIC GROWTH REMAINS SLUGGISH AND TRANSACTIONAL WORK HARD TO COME BY, SINGAPORE LAW FIRMS MUST GET MORE SAVVY IN ORDER TO PROSPER IN A DIFFICULT MARKET, SAYS **CORNELIA ZOU**

As a gateway to Southeast Asia, Singapore has attracted large numbers of legal and non-legal businesses, and this has led to heightened competition across sectors. This development, when combined with a region-wide economic downturn that has a direct impact on the city-state, is hurting transactional workflow in most of the sectors such as capital markets, where IPOs have all but dried up. As a result, law firms find themselves having to be far more savvy and client-focused to thrive in this tough market.

Driven by trade, Singapore is plugged into the world's economy and has effectively positioned itself as a regional hub for business, finance and legal services. Over the last few years, the city-state has made great strides in attracting global companies. General Motors, for example, moved its international headquarters from Shanghai to Singapore in 2014, while a lot of enterprises in investment banking, technology and healthcare have also found it beneficial to make their regional home in the city-state. On top of that, the launch of the Association of Southeast Asian Nations (ASEAN) Economic Community this year has opened the door for even more regional business opportunities in a range of sectors.

This new connectivity has stepped up competition in the legal market. In response, law firms in Singapore are already adjusting their development strategies and

expanding the range of services they offer to gain the upper hand.

"With Singapore's rise as both an economic and legal hub for the region, we have seen a substantial increase in foreign firms launching here in recent years," says Stephanie Keen, Singapore managing partner at Hogan Lovells Lee & Lee. "The legal market is going through a period of rapid concentration and innovation is now becoming a major differentiator among competing firms."

And this year will be no different, she adds. "Given market conditions, 2016 promises to be a year of challenge and opportunity for ASEAN. While the drive for innovation will continue to support growth, the region remains vulnerable to macro-economic pressures and the increasing burden of regulation imposed domestically and elsewhere," says Keen.

Nick Seddon, a partner at Beaton Capital who gives strategy advice to firms in the legal sector, has a similar view.

"It is a remarkably tough market in Singapore. The struggling firms are mostly likely the ones that have gone in big time and tried to be full-service but do not have a satisfactory answer when it comes to dealing with local Singapore law issues even when they want to offer that service," says Seddon.

PRESSURES MOUNT

Last year, Singapore's economy grew at the slowest pace since the Global Financial

Crisis. A huge downturn in the oil and gas sector and the regional woes caused by slowdowns in China and soft demand from North America and Europe have been reflected in the country's legal market as well. The competition pressure coming from peers and clients interested in alternative arrangements such as fixed fees and retainers has also become a growing challenge for law firms in the city-state.

"From my meetings with Singapore law firms and clients late last year, it is a very competitive environment and many firms are discounting to win work," says Warwick Walsh, CEO and founder of law firm managing service provider Lawcadia.

This has caused issues for both law firms





People look at the skyline of the central business district from the Skybridge of The Pinnacles at Duxton public housing estate in Singapore. REUTERS/Edgar Su

and companies because firms are winning work based on lower prices while making up these discounts by charging for out-of-scope extras, which result in the client paying much more than the quoted price.

The pressure is affecting both international and local firms.

"As fee pressures mount, law firms are forced to streamline their work processes and work more effectively and efficiently to provide and maintain high standards clients deserve," says Patrick Ang, deputy managing partner at local law firm Rajah & Tann Singapore.

One way to better manage and strengthen a law firm is to acquire better or more specialised talent. Following the establish-



"THE PROBLEM WITH SINGAPORE'S LEGAL MARKET IS THAT IT'S STILL NOT PROPERLY OPEN – THE WORK OF INTERNATIONAL LAW FIRMS IS VERY RESTRICTED. INTERNATIONAL FIRMS ARE STARTING TO REALISE, PARTICULARLY IN A CLOSED MARKET LIKE SINGAPORE, THAT IT'S HARD TO COMPETE FOR BIG PORTIONS OF WORK, SO THEY LOOK AT LINK-UPS WITH LOCAL FIRMS." **Nick Seddon**, Beaton Capital



"IT IS STILL QUITE EARLY TO SAY HOW THE RECENT COMBINATIONS ARE WORKING BUT THE CURRENT LEVEL OF STABILITY OF THE FIRMS IS AN ENCOURAGING SIGN. THE KEY TO THEIR SUCCESS WILL BE THE LEVEL OF WORK THE SINGAPOREAN PRACTICE CAN DO FOR CLIENTS OF THE FIRM REFERRED TO IT FROM THE FIRM'S PLATFORM AND THE CLIENTS THE SINGAPORE OFFICE CAN REFER TO OTHER PARTS OF THE FIRM."

Tony Williams, Jomati Consultants

ment of the Legal Services Regulatory Authority (LSRA) last year, law firms are allowed to hire non-lawyers as partners, directors or shareholders.

"Given that this move has only been introduced last November, it is still early days yet to see how law firms are responding to it, but we certainly see it as a positive step towards modernizing the regulatory regime of Singapore's legal industry," says Andy Leck, managing principal at Baker & McKenzie.Wong & Leow. "This move is expected to better enable law firms to attract and retain non-lawyer talent who can help to reinforce their firm's legal practice."

BRIGHT SPOTS

There are a number of areas that are already changing the landscape within Singapore's legal market as law firms look to boost, maintain or revive their business in the coming years.

"Despite the continuing slump of distress situations, Singapore stands formidable as opportunities from distress can be turned to value if you know what to watch out for," says Keen.

While there might be a slowdown in asset financing and real estate work, practice areas such as private wealth, family law, tax, corporate and insurance are projected steady growth due to their resilience to market conditions. A number of other sectors are also poised to thrive in the coming years.

For one, Singapore is seen as an almost ideal jurisdiction for financial technology (fintech) startups, thanks to a supportive regulatory environment and its position as a regional leader in financial services. The growth of consumer demand for financial services and investment in the sector in

ASEAN will continue to grow and Singapore is well-placed to capitalise on this fintech revolution.

Then, there is a growing need to understand the parameters of data protection laws and how these may impact a company's operations. Singapore's data protection law is just one example of several recently enacted laws in the region that will, no doubt, become more sophisticated and restrictive over time, says Keen.

Additionally, the economic slowdown is driving growth in mandates in sectors like disputes, insolvency and restructuring. Already a regional dispute resolution hub, Singapore has now firmly secured its spot as a leading arbitration jurisdiction through a number of initiatives over the past decade, including various updates to Singapore's International Arbitration Act, the promotion of the Singapore International Arbitration Center as a leading arbitral institution and the liberalization of local legal market to allow foreign lawyers to advise on arbitration matters in the jurisdiction. The launch of the Singapore International Commercial Court (SICC) last year adds more weight to Singapore's position of an international center for dispute resolution.

"It remains to be seen whether these initiatives will emulate Singapore's success in the arbitration space, but we expect to see continued growth in the local disputes market in coming years," says Keen. "We are also facing a number of disrupters – whether it is the accountancy firms trying to get back into the legal market or from smaller firms that are after the more commoditised work, at least initially as well as the local firms strengthening and expanding their horizons."

And restructuring is booming. "While there may be a decline in some areas

of corporate legal work, our insolvency, restructuring and litigation practice has been very busy," says Ang of Rajah & Tann Singapore. "Due to the economic slowdown, contracting parties are finding reasons to delay or deny payment, especially for variation orders. We expect more disputes around this issue."

According to Ang, Rajah & Tann alone has had 20 to 30 percent more work in the insolvency and restructuring area over the past two years.

NEWLAW RISING

Law firms in Singapore are exploring innovative ways to provide more than just legal services to their clients. Some, like Eversheds and Rajah & Tann, are offering short-term contract lawyers to be placed with companies, following the path blazed by "NewLaw" outfits like Axiom and AdventBalance, which recently merged with Lawyers on Demand.

Rajah & Tann launched R&T Asia Resources as a wholly owned subsidiary of Rajah & Tann Singapore last year. The new unit acts as a contract legal service for clients seeking in-house freelance lawyers to help them through peak periods or when short-term assistance is needed.

"This service helps clients contain costs and as freelance lawyers are screened by R&T Asia Resources, clients are assured of their professionalism," says Ang. "The traditional way of operating a law firm may no longer work in today's environment. We have to be nimble and consider new business streams to remain relevant."

COMING TOGETHER

Last year the headlines in Singapore's legal industry were made by a number of mergers and alliances (**see box**), and that looks set to continue into 2016.

"Around the world, the legal market is changing because our clients' business needs have changed. Other professions changed and adapted to globalization years or even decades ago but the legal profession stands out as being a profession that has changed little over the years," said a spokesperson with Dentons, an international law firm that combined with local firm Rodyk & Davidson last year. "So what is happening now is really a symptom of the legal profession catching up to its clients."

Through these combinations, the Singapore firm gains access to the international firm's wider client base and



TIE-UPS AROUND

The year 2015 was an eventful year for Singapore's legal market with international law firms forming alliances or merging with local partners, including three notable ones: Morgan Lewis & Bockius and Stamford Law Corporation, Dentons and Rodyk & Davidson and Withers and KhattarWong.

Singapore law firms that have merged or formed alliances with international firms are often able to offer integrated, specialised and comprehensive advice across a wide variety of disciplines, often using sophisticated multi-office teams.

"From the perspective of Singapore law firms, with liberalisation of the profession, and the forces of globalisation, the pressure continues to provide Singapore clients with sophisticated and specialist cross-border advice," says Suet-Fern Lee, managing partner of Morgan Lewis Stamford. "Singapore businesses want legal advisors who understand their businesses, their industries and their legal issues, wherever they seek to operate on the planet."

On top of a client base of Fortune 100 companies that comes with the combination of the two firms, Stamford has also gained specialist know-how in many areas, presence in multiple jurisdictions, IT support, knowledge management as well as technology knowhow from the deal. Morgan Lewis in turn acquired highly established local full service capabilities, which greatly enhanced its offerings in Asia. "We

operate on a fully integrated basis and collaborate closely," says Lee.

Meanwhile, "the creation of Withers KhattarWong has meant that clients are now offered legal services around the world, within one organisation," says Gerallt Owen, head of international regulatory and corporate crime at Withers KhattarWong. "Particularly valuable in this regard are Withers' immigration, corporate and wealth planning practices, which can help clients with extending their international reach and activity."

Withers has also gained a significant expansion of its legal capabilities and headcount in Singapore, with the addition of corporate, banking, property, tax and expanded litigation practices.

The link between Dentons and Rodyk & Davidson is more on the talent-acquisition side. "This combination is about capturing talent and quality for the benefit of our clients," says a Dentons spokesperson. "Rodyk's significant practice experience and long-standing, leading position in Singapore allows us to connect the top talent in Singapore to unique client challenges that exist in Singapore and around the world." With its arrangements around the globe, Dentons can now boast access to more than 7,300 lawyers.

The agreement between Dentons and Rodyk & Davidson allows the combination to share marketing and branding, but profits and finances remain separate. **ALB**

infrastructure while the international firms gains a strong Singapore presence and regional capability with limited additional investment, says Tony Williams, principal at international legal management consultancy Jomati Consultants.

"It is still quite early to say how the recent combinations are working but the current level of stability of the firms is an encouraging sign. The key to their success will be the level of work the Singaporean practice can do for clients of the firm referred to it from the firm's platform and the clients the Singapore office can refer to other parts of the firm," he notes. "We are seeing the emergence of regional firms with a strong ASEAN footprint such as Rajah & Tann and Zico Law who will aim to provide a one stop legal offering across the ASEAN and regionally," says Williams.

Today's clients want to work with law firms that are proactive and act as a business partner to help them become the business they want to be tomorrow, rather than a firm that simply helps them address the challenges of today. The uptick in mergers and alliances are, in part, a reflection of that changed client demand.

"The biggest winner or beneficiary of law firm alliances in Singapore is the client," says Ang. "Clients are now presented with a choice of law firm offerings and being savvy users of legal services, they are in an ideal position to select firms that best suit their business needs."

Many other leading law firms are also keeping an eye out for partnerships with local firms. "International firms continue to consider whether local tie-ups are appropriate and beneficial," says Keen from Hogan Lovells Lee & Lee. "We remain alert to what our competitors are doing and the opening of the legal market."

But this could all change as Singapore's legal market liberalises further. The problem with Singapore's legal market is that it's still not properly open – the work of international law firms is very restricted. International firms are starting to realise, particularly in a closed market like Singapore, that it's hard to compete for big portions of work, so they look at link-ups with local firms."

"Until Singapore truly opens its market which probably will happen in the next decade, this trend will continue," he adds. "When the legal market in Singapore opens up at some point, there will be true competition there and competition produces quality." **ALB**

LUBIS GANIE SUROWIDJOJO



■ **Dr. Mohamed Idwan ('Kiki') Ganie**
Managing Partner
Lubis Ganie Surowidjojo

'WE HAVE MADE IT OUR MISSION TO ANTICIPATE CLIENT NEEDS'

LGS recently completed its 30th anniversary. What are some of your memories from the early days of the firm, and how do they compare with how the firm is today?

Lubis Ganie Surowidjojo (LGS) was founded in 1985 by Timbul Thomas Lubis, Mohamed Idwan ('Kiki') Ganie and Arief Tarunakarya Surowidjojo. Since then, LGS has grown into the largest corporate transactions and corporate litigation firm in Indonesia. LGS specializes in both Commercial Transactions and Commercial Disputes, including criminal law. As well as helping to put the deal together we can also help to prevent or solve problems in its implementation.

Our lawyers are specialized in confirming what the legal problem is, but do not leave the solution to the client, they are also trained to suggest commercial solutions to what has started as a legal problem or legal solutions to what has started as commercial problems.

There is no "one fits all" method. Every client is different, with different requirements and preferences. We try to address changing requirements of our clients and their different requirements. We are skilled at servicing both existing and anticipated client needs. Whilst we provide commoditized as well as bespoke legal products, the service in both cases is always tailor made to fit the specific requirements of the respective client.

Providing "more for less". We believe in "value for money". We are continuously trying to increase value and to be more effective and efficient and to apply economies of scale to decrease individual legal cost. To do the walking and not only the talking, we have obtained an ISO 9001/2008 accreditation issued and regularly audited by Lloyds, the objective of which is continual improvement in terms of effectiveness, efficiency and client satisfaction. Whilst mere client satisfaction is the aim of law firms generally we also want clients to return to us in the future.

What have been some of the firm's key achievements in the last three decades?

In our more than three decades of service, we are experienced in representing a diverse range of clients

from domestic to multinational corporations, public and private companies, to government instrumentalities and state owned enterprises. We work with our clients to understand their problems, determine their needs, and arrive at a practical solution that is both cost-effective and viable over the long term.

Our unique selling point is the combination of our long-standing practice of commercial law and our premier litigation department that has extensive experience in dealing with commercial disputes in the context of arbitration and alternative dispute resolution as well as litigation in the Indonesian courts. This allows our corporate transaction departments to benefit from such litigation experience, and from their own compliance work, to ensure that any transactions handled by the firm are carried out with a view to the potential for future disputes, to this end we review transactions and business relationships of our clients for potential issues.

Similarly, in what ways do you think the Indonesian legal market has evolved during your time as a lawyer?

Clients are increasingly looking for stability (or better: sustainability) and strategic direction. We have made it our mission not only to service existing but also anticipated client needs. We are therefore skilled not only to advise what the "the law says", but also what the clients could or should do to solve the legal aspects of a legal or commercial problem or to support our Clients' strategic direction.

In three years' time we see the firm to have achieved its mission to be the Indonesian firm with the largest transaction and dispute resolution division and with the largest network of branch offices throughout Indonesia to provide not only expertise on central government laws, regulations and policies, but also regional laws, regulations and policies, and to provide assistance wherever the legal issues arise within Indonesia. All that with a view to increase value, to be more effective and cost efficient for the benefit of our clients and also to assist other firms who require legal services in the region (provinces) of Indonesia.

What have been some of the key practice areas for LGS in the past year or so? Are there any work highlights that you are particularly proud of?

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LGS acts as the lead legal advisor to the IIGF, which is an Indonesian government framework that insures risks of PPP projects stemming from a variety of sources, including unfavourable policy changes and other political risks. This replaces the previous practice of government guarantee notes that were issued on a per-project basis and creates a robust framework within which all future PPP projects in Indonesia will operate. This has also involved LGS acting as the lead Indonesian legal advisor for the Government of Indonesia (Ministry of Finance, the national electricity company (PLN), the Indonesia Infrastructure Guarantee Fund (IIGF), and Regional Governments hosting infrastructure projects) in formulating and executing the legislative and contractual framework underlying Indonesia's current infrastructure development. Recent projects have included: Central Java Power Plant (\$3.4 billion), Muara Laboh (\$661 million), Bandar Lampung (first large PPP water project), and Central Kalimantan Coal Railway (approx. \$2.3 billion).

Tell us about your alliance with Clyde. What are some of the benefits that the two firms have derived from the alliance?

We have entered into an association with Clyde & Co., a major international law firm based in the United Kingdom with offices throughout the world. The goal of the association is to serve the firms' clients throughout Indonesia, to attract new international clients, and to cater to Indonesian businesses that conduct business abroad and those whom are looking at opportunities abroad.

Experience in working with International firms is the critical element, as well as lawyers' international experience and ability to work with clients and counterparts from other jurisdictions, which usually means different legal systems and different expectations than those prevalent in the home market. Our association with Clyde & Co. provides out lawyers with this invaluable experience as well as providing our clients with a fully integrated service that has both unparalleled local Indonesian experience and outstanding international expertise.

What would you say are some of the key attributes that set LGS apart from other Indonesian law firms?

Adding value depends on the specific circumstances and requirements of the client. We start from the assumption that there is no universal way to do that.

For example, where several clients had the same legal problem caused by new laws, regulations or policies they agreed to jointly instruct us and

shared the legal cost. Where we have initially proposed that, now this same or even wider group of clients comes together upon their own initiative on the understanding that our cost will be shared among them.

Another example is where the client has a legal problem which requires various specializations, which no single local firm can provide and we then build a dream team of only the best lawyers this country can provide. Clients trust that we know who are the best in the legal industry and that we can negotiate a better deal in terms of legal cost and level expertise than they could themselves. All within the shortest period of time. Our main objective is the best interest of the client.

We strive to understand a client's needs and the legal complexities faced by them in Indonesia's highly dynamic legal and business landscape, translate this into a solution, and then see the successful outcome. To this end, we approach our clients' assignments with a pragmatic view that is driven by a deep understanding of their business needs and of the surrounding practicalities of the legal and business landscape that they operate in. This means that it is essential to keep abreast of the latest legal developments and how they are likely to affect business operations, and have a view of both the challenges that such developments present and of the opportunities that may emerge as a result.

What does the next year look like for both Indonesia's legal market, and your firm?

Firstly, debt restructuring (mainly in the mining and shipping sector because of falling commodity prices and freight cost), secondly infrastructure including power plants, toll roads and ports because of the government's focus on long overdue infrastructure, thirdly anything directly or indirectly connected with the tourism sector because of the government program to increase revenue from tourism and fourthly, Compliance, because of increased compliance requirements.

In the longer term, we foresee an expansion of the practice area to include work with clients whose businesses are not at risk of financial difficulty, but who decide to involve counsel with bankruptcy experience to ensure that any contracts and arrangements are sufficiently resilient in the face of either party's financial non-performance.

A TIME FOR NETWORKING

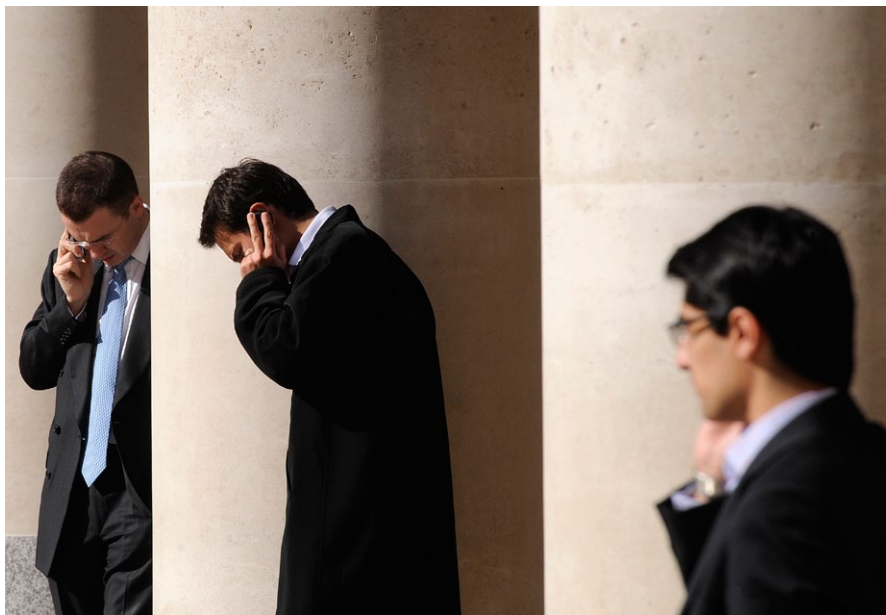
WITH CROSS-BORDER TRADE INCREASING IN THE ASIA-PACIFIC REGION, LEGAL NETWORKS ARE BECOMING IMPORTANT FOR BOTH CLIENTS AS WELL AS LAW FIRMS. **RANAJIT DAM** LOOKS AT THE BENEFITS NETWORKS CAN PROVIDE, AND HOW THEY ARE DIFFERENT FROM GLOBAL LAW FIRMS

Cross-border trade is not new to Asia, given how the past few decades have seen investment flowing into the region. Recently, however, the direction of the flow of trade and investment has diversified; capital has been moving outwards from the region as well, not to mention the rise of intra-Asian trade. Suddenly lawyers find their clients seeking counsel relating to countries near and far. To ensure they maintain the trust of these clients, firms need to find tried-and-tested peers in those jurisdictions who they can rely on.

In this scenario, it is legal networks like Lex Mundi (see interview with president Carl Anduri on page 36) and Interlaw that can act as a bridge between law firms in different countries and regions, and these have become increasingly sophisticated in recent times.

According to Michael Siebold, chair, and Shuichi Namba, Asia-Pacific regional chair, of Interlaw, networks “have shed their former club-like status and transformed themselves into highly professional organisations,” and they are growing. “We have been able to spend the last couple of decades shaping our offering around the client’s increasing need for a truly international, high standard of legal expertise, they say. “During the past three years, Interlaw has expanded considerably – in 2015 we welcomed eight new firms from around the world – bringing the total number of Interlaw members to almost 7,000 lawyers in 76 firms, across 125 major cities.”

Another key area where networks have evolved is brand. “For the international law firms, brand recognition is often their trump card in securing clients,” say Siebold and Namba. “Brand is also increasingly



REUTERS/Toby Melville

important to the legal networks as they develop but, unlike the major firms, brand does not lead the charge. For networks, their unifying brand is a mark of quality and also signifies a commitment by thousands of local legal experts around the world to work together for the benefit of their multinational clients.”

VALUE PROPOSITION

Siebold and Namba say that there are two key ways where networks are challenging global law firms: Networks provide “truly international reach” while maintaining local independence. “Large law firms have spent the past decade increasing their global footprint through formal mergers and ‘best friends’ arrangements. While their reach might have extended signifi-

cantly, it has proven to be difficult to embed their offer on a truly global scale,” they say. “While many firms have entered new markets, more are pulling out of major jurisdictions and locations. That is why clients find significant gaps in the reach of these global firms. In reality, they are creating networks of a sort, but without the genuine worldwide coverage established networks can provide.”

By providing the combination of established local expertise with access to international experts across most of the world, elite legal networks are able to offer something different to the global outpost service pushed by many global legal brands,” say Siebold and Namba. “Added to this, in a network, reputable independent firms work alongside one

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ARBITRATION LAW REFORM IN MYANMAR

For more than 70 years, arbitration in Myanmar was governed by the Arbitration Act 1944. In April 2013, Myanmar acceded to the New York Convention on the Recognition and Enforcement of Arbitral Awards 1958. However, there was much uncertainty over enforcement of foreign arbitral awards in Myanmar as there was no domestic legislation enacted to provide the framework for enforcement. On 5 January 2016, the much anticipated Arbitration Law (Union Parliament Act No. 5 of 2016) was enacted by the Parliament of the Republic of the Union of Myanmar, which gave effect to Myanmar's accession to the New York Convention

PRE-2016 REGIME

Under the previous Arbitration Law 1944, there was no distinction between domestic and foreign arbitration. Extensive supervisory powers were given to courts to play an interventionist role - for example, the power to modify an award, and to pass interim orders. An arbitration agreement that ousts the jurisdiction of the court was deemed invalid.

NEW REGIME

The new Law has its roots in the UNCITRAL Model Law on International Commercial Arbitration.

The courts' powers are now limited under the new Law. Its role is more supportive than interventionist. One such power is the granting of protective interim measures for freezing of assets and securing of evidence. This will give investors greater confi-

dence to enter into agreements with parties that have substantial assets in Myanmar as they will be prevented from dissipating assets and destroying evidence during the course of the foreign arbitration. The courts shall only exercise this power when an arbitral tribunal cannot do so or cannot do so effectively. The courts are also given the power to stay a suit in favour of arbitration where there is an arbitration agreement, and such decision to stay an action is not subject to appeal.

ENFORCEMENT OF FOREIGN AWARDS

The new Law clearly sets out that the local courts must recognize and enforce foreign awards rendered in any New York Convention state, unless one of the statutory grounds for refusal apply, which closely mirrors the grounds provided under the Model Law with minor deviations. Provision has been made for appeal against the court's decision to refuse to enforce the foreign award. However, it is unclear what the position will be with respect to foreign awards rendered in non-New York Convention States.

CONCLUSION

The new Arbitration Law is a significant development and a welcome move to international investors. It encourages settlement of disputes by arbitration and is a clear expression of Myanmar's commitment to create a more conducive investment climate and an arbitration-friendly jurisdiction that aligns itself with international norms in arbitration.

another with the joint aim of providing the best service to clients. Most importantly, we enjoy working together – there is no place for political infighting in a network, with member firms respecting one another's independence."

NEED FOR RELIABILITY

But what do the law firm members of these networks stand to gain from joining them? Singapore-headquartered law firm Joseph Tan Jude Benny (JTJB), which specialises in shipping and dispute resolution, currently has its own network of offices in Asia and beyond, including in jurisdictions like Myanmar, Taiwan and Greece. But it still is a member of two international legal networks: Advoc, which has 90 members in 68 countries, and the Shiparrested.com network, which has 280 maritime law firms in 98 countries.

Murali Pany, managing partner of JTJB, says that since the firm does a lot of commercial and corporate cross border work for its international and domestic clients, and also has a specialist practice in maritime law and maritime work, which, by its nature, is international, there was a need for offices and reliable contacts in other jurisdictions in order to provide



"THE ABILITY TO ENGAGE A QUALITY LAW FIRM IN ALMOST ANY JURISDICTION WITH ASSURANCE, SOMETIME AT VERY SHORT NOTICE, IS INVALUABLE TO US."

Murali Pany, Joseph Tan Jude Benny

a full and seamless service to its clients. This led to the firm setting up its JTJB network, but "there was a need for a wider range of reliable contacts in more jurisdictions and this led to us joining Advoc and Shiparrested.com."

He says that the networks fulfil different purposes. "Advoc network firms are more full service, commercial or corporate

law firms, though there is a maritime practice group," says Pany. "Shiparrested.com firms specialise in maritime law." These networks, he adds, allow the firm to focus its expansion plans. "In jurisdictions where we have a reliable network partner and irregular work, there is no real need for us to consider establishing an office," he says.

Pany notes that the ability to engage a quality law firm in almost any jurisdiction with assurance, sometime at very short notice, is "invaluable" to JTJB. "The network firms also cross-market via events and seminars, refer work to each other and share contacts in their respective jurisdictions," he says.

Similarly, JTJB also contributes to the networks. "We organise the annual Advoc Business Law Conference in Bali," he says. "We have also organised the annual Advoc Maritime Conference in Singapore in 2014 and 2015. Our Senior Partner, Dato' Jude Benny became the Advoc Global President in 2015. In March of this year, we co-hosted the 13 Annual Shiparrested.com Conference in Singapore. This was the first time that Conference had been held in Asia and it was attended by over 80 delegates from around the world."

‘THE FOCUS IS MORE ON IMPROVING SERVICES’

CARL ANDURI, THE PRESIDENT OF THE LEX MUNDI LEGAL NETWORK, TALKS TO **RANAJIT DAM** ABOUT HOW THE ORGANIZATION HAS EVOLVED IN THE LAST DECADE AND A HALF, HOW IT SETS ITSELF APART FROM THE COMPETITION, AND THE BENEFITS THAT MEMBER FIRMS RECEIVE

ALB: Can you tell us a bit about your career so far? What brought you to Lex Mundi, and what are your key functions and responsibilities as president?

Anduri: My career history is fairly straightforward. I've only been at two organizations, and those organizations are related. I joined Morrison & Foerster right out of law school when the firm had only one office and 50 lawyers in San Francisco. I was the first managing partner of the firm's Hong Kong office in 1983 and the first managing partner of the firm's Tokyo office in 1987. Morrison is a truly great law firm, and I was very fortunate to be in on the ground floor of the development of its international capabilities. Morrison is a member of Lex Mundi. What attracted me to the Lex Mundi position was the incredible client-service potential of a global network of top tier law firms. As CEO my main responsibility is to work with our Board of Directors and member firms to develop the strategies that will realize that potential and then carry out those strategies.

ALB: How would you say that Lex Mundi has evolved during your time as president? What would you say have been some of the notable achievements?

Anduri: When I become president in 2000, Lex Mundi was already the world's leading network of independent law firms. The evolution has been towards becoming a much more proactive client-facing organization that provides three types of resources to clients – professional development programs that include business and management training; insights about global legal and business trends to inform the decisions of senior in-house counsel; and coordinated support for projects involving multiple jurisdictions.

At the same time, we have focused on providing much greater resources to our



member firms to help them serve clients better, to help them increase their client base and to help them continuously improve. Lex Mundi has developed a strong central staff to support our member firms. When I began in 2000, there were four of us. We now have 29 staff members for Lex Mundi and the Lex Mundi Pro Bono Foundation.

Achievements include the institutionalization of a membership review process to ensure a strong membership. Membership is not permanent. If a firm is not in the top tier in its jurisdiction, if it is not providing high quality services or if it is not active within Lex Mundi, its membership will not be renewed. The Board of Directors takes its responsibility to make these decisions

very seriously. The review process is administered by our Vice President, Melinda Eggenberger.

We are the only network with a professional development function. Our Director of Professional Development, Suzanne Fine, came to us from Linklaters, where she was the global head of knowledge and learning. Suzanne and her team support our member firms in their training initiatives. And Lex Mundi has its own training academy, the Lex Mundi Institute, that offers five intensive, week-long programs each year – Cross-Border Transactions; Cross-Border Dispute Resolution; management programs for new partners and for managing partners; and a Business Management Program presented in collaboration with the University of Cambridge Judge Business School. More than 1,000 of our member firm lawyers have completed these week-long programs.

Suzanne and her team also develop a series of Best Practice Guides for use by our member firms. They work with our member firms to help them improve their project management skills and to enhance their knowledge management capabilities. We have also retained a knowledge management consultant to work with our member firms in the Asia/Pacific, Latin America and Caribbean regions.

This year we are celebrating the 10th anniversary of the Lex Mundi Pro Bono Foundation. The Foundation, led by its Managing Director, Chloe Holderness, matches social entrepreneurs who are in need of pro bono legal assistance with our member firm lawyers. To date 92 of our member firms have provided help to more than 450 social entrepreneurs on more than 1,000 matters in 57 countries around the world.

We established a Client Advisory Council that consists of general counsel of leading multinational companies. They attend regional conferences, provide advice to our Board of Directors and receive access to our resources for corporate legal departments.

We have established a very strong marketing group within Lex Mundi, led by our Director of Marketing and Communications, Kathleen Pope-Sance. Kathleen and her team have formed strong relationships with corporate counsel associations and have significantly raised the profile of Lex Mundi.

More recently we established a business development function within Lex Mundi, led by our Director of Business Development, Eric Staal. His group works with in-house

counsel and member firms to develop bespoke services for clients to address complex, cross-border challenges. He also oversees our regional initiatives, most recently bringing on board our Singapore-based Head of Business Development and Strategy, Asia/Pacific, Edwin Seah.

ALB: The legal network space globally has a number of players. How does Lex Mundi set itself apart from the competition?

Anduri: What sets Lex Mundi apart is the quality of our member firms. No other organization comes close.

We combine the advantage of a high quality membership with resources to support those members. This gives our member firms the ability to work together to serve clients at the highest level on their greatest challenges – anywhere in the world.

ALB: What are some of the provisions you have to ensure that only quality law

serve clients and help them improve their client-service capabilities. Member firms receive referrals from other member firms. But it is important to note that there is no requirement that member firms refer work to other member firms; firms are free to do – and are expected to do – whatever is in the best interests of the client.

Member firms benefit from Lex Mundi's marketing and business development activities.

ALB: According to recent data, Lex Mundi covers the most jurisdictions and boasts among the largest numbers of attorneys. Where do you still see room for growth and improvement?

Anduri: We would like to have member firms in each jurisdiction in which clients of member firms need assistance and in which there are firms that meet the Lex Mundi membership standards. To be frank, in some jurisdictions we can identify the best firm, but that firm might not meet

“THE EVOLUTION HAS BEEN TOWARDS BECOMING A MUCH MORE PROACTIVE CLIENT-FACING ORGANIZATION THAT PROVIDES THREE TYPES OF RESOURCES: PROFESSIONAL DEVELOPMENT PROGRAMS; INSIGHTS ABOUT GLOBAL LEGAL AND BUSINESS TRENDS; AND COORDINATED SUPPORT FOR PROJECTS INVOLVING MULTIPLE JURISDICTIONS.”

firms are members of Lex Mundi? What are some of the most important benefits these firms receive?

Anduri: We are very careful when we bring in a new member firm. We never invite a firm to become a member unless it is a full-service, top-tier firm in its jurisdiction. And as I explained, membership is not permanent. We systematically and rigorously review our member firms as part of our membership review process. And while a firm is a member, we provide support to help that firm continuously improve.

One of the most important benefits of membership is privileged access to very high quality member firms around the world – which gives each member firm the capability to serve existing clients and to attract new clients. Member firms also have access to many forms of information, best practices, educational programs and materials that help them

the standards. We continue to observe several jurisdictions.

That being said, our policy for the past fifteen years has been to focus more on improving our services for our existing member firms than on expanding our membership.

ALB: What expansion plans do you have for the Asian region in the near future?

Anduri: We are closely monitoring several jurisdictions in the Asian region, but our main focus is on creating more value for our existing members and for clients doing business in the region. For example, we have retained a consultant to help member firms enhance their knowledge management capabilities, and our Head of Business Development and Strategy, Asia/Pacific, is an important resource to facilitate inbound and outbound client projects in the region. 

LAND OF THE RISING FINTECH

SLOW SO FAR IN EMBRACING FINANCIAL TECHNOLOGY, JAPAN IS LOOKING TO KICKSTART A REVOLUTION IN THE FIELD, FINDS **THOMAS WILSON** OF REUTERS

A laggard in embracing the 'fintech', or financial technology, revolution, Japan is set to ease investment restrictions that could free up the flow of capital in an economy sitting on an estimated \$9 trillion in individuals' cash deposits.

Strict regulation, easy access to credit due to rock-bottom interest rates, and weak demand for innovative financial services from a risk-averse population that still prefers cash to credit cards, have strangled fintech's advance in Japan.

Fintech ventures - usually start-ups leveraging technology from cloud data storage to smartphones to provide loans, insurance and payment services - raised \$2.7 billion in China last year, and over \$1.5 billion in India, according to CB Insights data. Ventures in the United States attracted investment of around \$7.4 billion.

In comparison, investment in Japanese ventures reached only around \$44 million in the first nine months of 2015.

Now, Japan's financial industry regulator hopes relaxed rules on investing in financial ventures, and a new system for regulating virtual currency exchanges will pass through parliament by May - a first step in kickstarting the fintech revolution in the world's third-biggest economy.

"The law changes aren't a goal, but a first step," Norio Sato, a senior official at the Financial Services Authority (FSA), says. "Fintech will have a big impact on financial services."

The changes, which will allow banks to buy stakes of up to 100 percent in non-finance-related firms, will free up Japan's three megabanks to enter into tie-ups with fintech ventures developing services including robotic investment advisory and blockchain, the decentralized ledger technology behind the bitcoin digital currency.

FINTECH GROWTH ACCELERATES IN ASIA WITH RECORD \$4.5 BILLION INVESTMENTS

By **Elzio Barreto** of Reuters

Investors poured a record \$4.5 billion into financial start-ups in Asia last year, four times as much as the previous year, data shows, putting the region at the center of the global tech revolution poised to shake up the financial services industry.

Total investments into peer-to-peer lenders, payment services companies and Internet insurers globally rose to \$19.1 billion, 60 percent more than in 2014, data from KPMG and CB Insights showed.

In Asia, investments rose at a much faster pace, led by mammoth funding rounds for fintech companies in China and India, and with billions of consumers in the region using their mobile phones for everything from buying insurance to paying for goods, the trend is expected to continue for the foreseeable future.

China, where investments surged to \$2.7 billion, attracted nearly three times the investments seen in Britain over the 2014-2015 period, the data showed.

"Naturally, because growth in the region is quite high, you should expect to see continued investment," says Zennon Kapron, founder of Shanghai-based financial industry research firm Kapronasia.

India and China have large populations and a high adoption rate of new technologies, making them fertile ground for fintech companies looking

to disrupt traditional players such as banks, insurance companies and credit card operators.


India, where nearly two-fifths of its 1.27 billion people have no bank accounts and only 252 million have Internet access, is seen as a promising growth market for firms looking to leverage technology to connect financial services and products, particularly through mobile phones.

"The rising number of people getting used to smartphones and new technologies in India will result in more funds flowing into the fintech solutions providers in the near-term at least," says Harish HV, an India-based partner at advisory firm Grant Thornton.

In China, online lending platform Lufax and internet insurer Zhong An Online Property and Casualty Insurance now rank as the world's top two fintech companies by valuation.

Lufax closed a \$1.2 billion funding round in January, while Alibaba Group Holding Ltd's finance arm, Ant Financial Services Group, is looking to raise up to \$3 billion, setting the stage for another blockbuster year in 2016 in the region.

India's mobile payments services firm One97 Communications came in sixth among global fintech giants, underscoring the potential value investors place on such firms in the region.

"There's a lot of interest in this segment," notes Harish. 

Mitsubishi UFJ Financial Group, Mizuho Financial Group and Sumitomo Mitsui Financial Group have said they are eyeing such investments, having previously been restricted to holding stakes of only 5-15 percent in start-ups.

Under pressure from weak loan demand, the megabanks see an opportunity to earn money through fintech, but are also aware of its potential to disrupt traditional business models.

GAME CHANGER

The unpromising fintech environment in Japan - which was blindsided by the high-profile collapse of the Mt. Gox bitcoin exchange in 2014 when hackers stole an estimated \$650 million worth of the digital currency - has seen some entrepreneurs go overseas for funding.

Junichi Horiguchi, co-founder and CEO of bitcoin service provider Zerobillbank Ltd, established his start-up in Tel Aviv last year to take advantage of Israel's advanced technology industry.

Investment in fintech start-ups by global banks and tech giants including Barclays, Google and Facebook is far more



Pedestrians are reflected in an electronic board showing the graph of the recent fluctuations of the exchange rates between the Japanese yen against the U.S. outside a brokerage in Tokyo, Japan. REUTERS/Yuya Shino


common in Israel than in Japan, he says. "It's completely different over there," notes Horiguchi. "Every month there are open innovation contests and (start-up) accelerator program."

Sales at Japan's fintech start-ups could jump to over half a billion dollars by 2020 as the use of technology such as blockchain increases, Yano Research Institute said in a report.

The new rules the FSA is promoting on virtual currency exchanges could make Japan one of the first countries to regulate bitcoin at a national level.

"Japan hasn't previously been enthusiastic about fintech," says Sato. "But creating these rules this fast could gain the world's attention."

Bitcoin entrepreneurs, often reliant on investment for growth, have called for clearer regulation and will welcome the latest changes, says Yuzo Kano, founder and CEO of bitcoin exchange bitFlyer Inc, and head of the Japan Authority for Digital Assets, a lobbying group.

"The establishment of the law is extremely surprising," Kano says, referring to how quickly the FSA had drafted the law. "It's set to be very successful." 



REGIONAL UPDATE
SINGAPORE

Loo & partners LLP
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BANKING AMENDMENT BILL 2016



The Banking (Amendment) Bill 2016 (the "Bill") aims to bolster prudential safeguards, strengthen corporate governance and reinforce risk management controls in the Singapore banking industry. This update summarises the key categories of amendments in the Bill.



1. Bolster prudential safeguards

The Bill introduces two main measures to bolster prudential safeguards. The first measure empowers the Monetary Authority of Singapore (the "MAS") to require a foreign bank branch to locally incorporate all or part of its banking business, where this is necessary or expedient in the interest of the public, the domestic financial system or the depositors. A locally incorporated bank will be subject to Singapore's capital standards and corporate governance requirements. The second measure empowers the MAS to impose prudential requirements that cap banks' leverages. This ensures that banks maintain sufficient liquidity.

2. Strengthen corporate governance

The Bill introduces a few measures to strengthen the corporate governance of banks. The first measure empowers the MAS to remove key appointment holders of banks, including its chief executive officer and deputy chief executive officer, if they are not found to be fit and proper. The second measure empowers the MAS to direct banks to remove their external auditors if they fail to carry out their statutory duties satisfactorily. The third measure empowers the MAS to prohibit, restrict or direct banks to terminate any related party transaction entered into by banks if any such transaction is deemed to be detrimental to the interests of depositors. The fourth measure relates to the introduction of a safe harbour provision to protect banks' external auditors from liability where they disclose, in good faith, information to the MAS as part of their reporting duties under the Banking Act (Cap. 19) of Singapore.

3. Reinforce risk management controls

The Bill also promises to reinforce risk management controls. It will formalise the MAS' expectation for banks to set out risk management systems and controls that match their business profiles and operations. The MAS may penalise banks that fail to do so. Further, the Bill will introduce a requirement for banks to obtain the MAS' approval to establish new places of business where certain non-banking activities (for example, money-changing and remittance) are conducted. This empowers the MAS to exercise better oversight of banks' activities.

The Bill promises to enhance the resilience and stability of Singapore's financial system.

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TRAINING THAT WORKS

ANTI-CORRUPTION TRAINING IS A VITAL COMPONENT OF ANY COMPANY'S LEGAL AND COMPLIANCE EFFORTS, BUT ENSURING THAT TRAINING STAYS RELEVANT, UP-TO-DATE AND EFFECTIVE CAN SOMETIMES BE A CHALLENGE. **RANAJIT DAM** SPEAKS TO IN-HOUSE LAWYERS ABOUT BEST PRACTICES THEY FOLLOW

As bribery and corruption fall increasingly until the scrutiny of governments and agencies around the world through legislation like the U.S. Foreign Corrupt Practices Act (FCPA), The United Kingdom Bribery Act (UKBA) and even local laws, companies are finding that they need to put strong systems in place to ensure they don't fall afoul of the authorities. An important part of this is training employees on company regulations and codes, effectively making them aware of what's right, what's wrong, and what kind of behaviour is expected from them

To this end, companies employ a variety of methods, including e-learning, lectures and interactive workshops. Of the three, however, it is the latter that in-house counsel find to be the most effective. "I strongly feel that in-person training works the best," says Eric R. Finkelman, executive director and general counsel, APAC, for Avon. "That way you can look into people's eyes when you train them, you can engage, you can ask questions and you can relate individually."

However, it is important that the workshops are topical and are as close as possible to real-life scenarios. "We shouldn't be plucking scenarios from the air; these should be collected from the field," says Yeoh Mun Shern, legal counsel and compliance advisor at Hitachi Asia. "As they are taken from real-life experiences or events, these relate to things that actually matter to the group."

Finkelman agrees. "Well-designed training should begin with hypothetical case studies that can reflect actual experiences," he says. "We divide the course attendees into breakout groups and ask them to discuss the case studies and to present their

own ideas as to correct responses to these situations, and then we cover the broader subjects during training and refer back to the hypotheticals and how they should properly be addressed. People seem to enjoy that a lot, they get very animated when they discuss the case studies in their groups, and this seems to put the formal presentation which follows into context."

He also finds it particularly effective to



"IN-PERSON TRAINING WORKS THE BEST...THAT WAY YOU CAN LOOK INTO PEOPLE'S EYES WHEN YOU TRAIN THEM, YOU CAN ENGAGE, YOU CAN ASK QUESTIONS AND YOU CAN RELATE INDIVIDUALLY."

Eric R. Finkelman, Avon

use real-life examples. "It's one thing to talk about corruption in the abstract," says Finkelman. "It's something else when I talk about a textile factory in Bangladesh that burnt down with all the doors locked, or the school in China that collapsed because it was made of substandard concrete and the inspectors were paid off. These are actual examples of how corruption costs thousands of lives; or which costs society

a great deal of money, or both, and these are things to which people can relate."

EVERY SINGLE PERSON

One of the major challenges that large corporations face is ensuring that the training is undertaken by each employee.

Hitachi Asia is looking at empowering general managers to ensure that training is pervasive across the company. "We plan to provide GMs with the materials, and then we'll ask them to come up with the messages they want to send to their teams," says Yeoh. "We'll also provide them with a few scenarios and ask them to choose which ones are the most relevant for their teams."

Avon is currently under an FCPA monitorship, and while the monitor has recognized that Avon "has designed and maintained a very well-functioning compliance program," he has made recommendations for additional improvements, including that Avon provide in-person training to train a broader employee population and to do so even more frequently in some markets. While Finkelman admits this can be difficult, as there may be the need to chase some people down to complete all required training, the company has found a way to ensure completion by assigning consequences to missing the training. "Every person in Avon has a compliance objective as part of their performance goals, which requires them to complete all their compliance training in a timely fashion," he says. "If they don't complete it in a timely fashion, then they haven't fully met their objectives, and they will not be entitled to their full bonus. This is an approach that is supported by the monitor. So we can now say: 'Look there's no choice, you have to complete this training.'" **ALB**



REUTERS/PAUL HACKETT

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SE ASIA LAW AWARDS 2016

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BAKER & MCKENZIE, HERBERT SMITH FREEHILLS LEAD NOMINATIONS



Baker & McKenzie has the most nominations at the ALB Southeast Asia Law Awards 2016, with 11. The firm is closely followed by Allen & Gledhill, Herbert Smith Freehills and Vietnam's Rajah & Tann LCT Lawyers, which have 10 nominations each.

Baker & McKenzie's nominations include Arbitration Law Firm of the Year, Banking and Financial Services Law Firm of the Year and Energy and Resources Law Firm of the Year. Meanwhile, Herbert Smith Freehills' nominations include the much sought-after Managing Partner of the Year award.

The International Deal Firm of the Year category is another one that is keenly contested, featuring heavy hitters like Allen & Overy, Latham & Watkins, Linklaters, Norton Rose Fulbright and Skadden, Arps, Slate, Meagher & Flom, among others. Meanwhile, the Boutique Law Firm of the Year offers a chance to look at Asia's up-and-coming law firms.

On the in-house side, Keppel Corp has two nominations (In-House Lawyer of the Year and In-House Team of the Year). Other in-house teams receiving nominations include UOB, Asian Development Bank, Morgan Stanley, Global Logistic Properties, AIG Thailand, Sime Darby, Maxis and SingTel.

The awards ceremony will be held at The Fullerton Hotel Singapore on 20 May. Reserve your tables/seats by contacting Amy on amy.sim@thomsonreuters.com or call **+65 6870 3348**.

NEXT ALB AWARDS: ALB Japan Law Awards 2016 will be held at The Ritz-Carlton Tokyo on June 14, 2016. For more details to attend the prestigious awards, please contact Tracy on tracy.li@thomsonreuters.com.

FINALISTS (Excluding Deals)

LEADING LAW FIRMS AS OF 31 MARCH

Baker & McKenzie	11
Rajah & Tann LCT	10
Allen & Gledhill	10
Herbert Smith Freehills	10
Rajah & Tann Singapore	8
RHTLaw Taylor Wessing	8
Shook Lin & Bok	8
Vision & Associates	8
WongPartnership	8
Drew & Napier	7
Norton Rose Fulbright	7
Shearn Delamore & Co	7
Skrine	7
Allen & Overy	6
SyCip Salazar Hernandez and Gatmaitan	6
Watson Farley & Williams	6
Budidjaja & Associates	5
Freshfields Bruckhaus Deringer	5
Tumbuan & Partners	5

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- Allen & Gledhill
- Allen & Overy
- Baker & McKenzie
- Budidjaja & Associates
- Colin Ng & Partners
- Drew & Napier
- Freshfields Bruckhaus Deringer
- Herbert Smith Freehills
- Kochhar & Co
- Norton Rose Fulbright
- Rajah & Tann LCT
- Rajah & Tann Singapore
- RHTLaw Taylor Wessing
- Rodyk & Davidson
- Shook Lin & Bok
- Skrine
- SyCip Salazar Hernandez and Gatmaitan
- Watson Farley & Williams
- WongPartnership

BANKING AND FINANCIAL SERVICES LAW FIRM OF THE YEAR

- Allen & Gledhill
- Allen & Overy
- Baker & McKenzie
- Budidjaja & Associates
- Chandler & Thong-Ek
- Hanafiah Ponggawa & Partners
- Herbert Smith Freehills
- Myanmar Legal Services
- Norton Rose Fulbright
- Rajah & Tann LCT
- RHTLaw Taylor Wessing
- Shearn Delamore & Co
- Shook Lin & Bok
- Skrine
- SyCip Salazar Hernandez and Gatmaitan
- Tumbuan & Partners
- Vision & Associates
- WongPartnership

BOUTIQUE LAW FIRM OF THE YEAR

- Advocatus Law
- Bangkok International Associates
- Charin & Associates
- Collyer Law
- Gateway Law Corp
- Gulapa Law Office
- Providence Law Asia
- Thanathip & Partners
- TSMP Law Corp
- Tumbuan & Partners

COMMERCIAL LITIGATION LAW FIRM OF THE YEAR

- Advocatus Law
- Allen & Gledhill
- Baker & McKenzie
- Budidjaja & Associates
- Drew & Napier
- Hanafiah Ponggawa & Partners
- Harry Elias Partnership
- Herbert Smith Freehills
- Kochhar & Co
- Rajah & Tann LCT
- Rajah & Tann Singapore
- RHTLaw Taylor Wessing
- Rodyk & Davidson
- Shearn Delamore & Co
- Shook Lin & Bok
- Skrine
- SyCip Salazar Hernandez and Gatmaitan
- Vision & Associates
- Watson Farley & Williams
- WongPartnership

CONSTRUCTION AND REAL ESTATE LAW FIRM OF THE YEAR

- Allen & Gledhill
- Baker & McKenzie
- Drew & Napier
- Hanafiah Ponggawa & Partners
- Harry Elias Partnership
- Herbert Smith Freehills
- Kochhar & Co
- Norton Rose Fulbright
- Pinsent Masons MPillay
- Rajah & Tann LCT
- Rajah & Tann Singapore
- RHTLaw Taylor Wessing
- Rodyk & Davidson
- Shearn Delamore & Co
- Shook Lin & Bok
- Skrine
- SSEK Legal Consultants
- SyCip Salazar Hernandez and Gatmaitan
- TSMP Law Corp
- Tumbuan & Partners
- Vision & Associates
- WongPartnership

CORPORATE CITIZENSHIP LAW FIRM OF THE YEAR

- Allen & Gledhill
- Baker & McKenzie
- Drew & Napier
- Herbert Smith Freehills
- Hogan Lovells Lee & Lee
- Linklaters

- Rajah & Tann LCT
- RHTLaw Taylor Wessing
- TSMP Law Corp
- WongPartnership

ENERGY AND RESOURCES LAW FIRM OF THE YEAR

- Allen & Overy
- Baker & McKenzie
- Bird & Bird ATMD
- Chandler & Thong-Ek
- Freshfields Bruckhaus Deringer
- Hanafiah Ponggawa & Partners
- Herbert Smith Freehills
- Rodyk & Watkins
- Mayer Brown JSM
- Norton Rose Fulbright
- Rajah & Tann LCT
- Rajah & Tann Singapore
- Shearn Delamore & Co
- Shook Lin & Bok
- Skrine
- SSEK Legal Consultants
- SyCip Salazar Hernandez and Gatmaitan
- Tumbuan & Partners
- Vision & Associates
- Watson Farley & Williams
- WongPartnership

INDIA ENERGY AND RESOURCES LAW FIRM OF THE YEAR

- Cyril Amarchand Mangaldas
- HSA Advocates
- Trilegal

INDIA MANAGING PARTNER OF THE YEAR

- Anand and Anand
- AZB & Partners
- Cyril Amarchand Mangaldas
- HSA Advocates

INDIAL DEAL FIRM OF THE YEAR

- AZB & Partners
- Cyril Amarchand Mangaldas
- HSA Advocates
- Phoenix Legal
- Trilegal

INTELLECTUAL PROPERTY LAW FIRM OF THE YEAR

- Allen & Gledhill
- Baker & McKenzie
- Bird & Bird ATMD
- Davies Collison Cave
- Drew & Napier

- Gateway Law Corp
- LNT & Partners
- Rajah & Tann LCT
- Rajah & Tann Singapore
- RHTLaw Taylor Wessing
- Shearn Delamore & Co
- Skrine
- SyCip Salazar Hernandez and Gatmaitan
- Tilleke & Gibbins
- Vision & Associates
- WongPartnership

INTERNATIONAL DEAL FIRM OF THE YEAR

- Allen & Overy
- Baker & McKenzie
- Freshfields Bruckhaus Deringer
- Herbert Smith Freehills
- Latham & Watkins
- Linklaters
- Norton Rose Fulbright
- Skadden, Arps, Slate, Meagher & Flom
- Watson Farley & Williams

MANAGING PARTNER OF THE YEAR

- Tony Budidjaja - Budidjaja & Associates
- Charin Satchayan - Charin & Associates
- Martin Desautels - DFDL
- Stephen Revell - Freshfields Bruckhaus Deringer
- Alastair Henderson - Herbert Smith Freehills
- Stephanie Keen - Hogan Lovells Lee & Lee
- Quyen Ha Nguyen Hoang - LNT & Partners
- Eric Piesner - Morrison Foerster
- Nguyen Gia Huy Chuong - Phuoc & Partners
- Chau Huy Quang - Rajah & Tann LCT
- Tan Chong Huat - RHTLaw Taylor Wessing
- Philip Jeyaretnam - Rodyk & Davidson
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- Holman Fenwick Willan
- Ince & Co
- Norton Rose Fulbright
- Rajah & Tann LCT
- Rajah & Tann Singapore
- Reed Smith
- Shearn Delamore & Co
- Shook Lin & Bok
- Skrine
- TSMP Law Corp
- Vision & Associates
- Watson Farley & Williams

MATRIMONIAL LAW FIRM OF THE YEAR

- Harry Elias Partnership
- PKWA Law Practice
- Rajan Chettiar
- RHTLaw Taylor Wessing

OFFSHORE LAW FIRM OF THE YEAR

- Bedell Cristin
- Harneys Westwood & Riegels
- Maples and Calder

SE ASIA DEAL FIRM OF THE YEAR

- Allen & Gledhill
- Drew & Napier
- Rajah & Tann Singapore
- Shook Lin & Bok
- SSEK Legal Consultants
- WongPartnership

TAX AND TRUSTS LAW FIRM OF THE YEAR

- Allen & Gledhill
- Baker & McKenzie
- Drew & Napier
- Rajah & Tann Singapore
- Shearn Delamore & Co
- Vision & Associates

THAILAND LAW FIRM OF THE YEAR

- Allen & Overy (Thailand)
- Baker & McKenzie
- Chandler & Thong-Ek
- Charin & Associates
- DFDL
- Linklaters
- Norton Rose Fulbright
- Tilleke & Gibbins
- Watson Farley & Williams (Thailand)
- Weerawong, Chinnavat & Peangpanor

VIETNAM LAW FIRM OF THE YEAR

- Allen & Overy (Vietnam)
- Baker & McKenzie (Vietnam)
- DFDL
- Freshfields Bruckhaus Deringer
- LNT & Partners
- Mayer Brown JSM
- Phuoc & Partners

- Rajah & Tann LCT
- Tilleke & Gibbins
- VILAF
- YKVN

BANKING AND FINANCIAL SERVICES IN-HOUSE TEAM OF THE YEAR

- Asian Development Bank
- EFA Group
- Morgan Stanley
- UOB

TMT IN-HOUSE TEAM OF THE YEAR

- Equinix
- Maxis
- SingTel

FOR THE FULL LIST OF FINALISTS, VISIT WWW.LEGALBUSINESSONLINE.COM/AWARDS/SEASIA-LAWAWARDS-2016

ASIAN LEGAL BUSINESS

SE ASIA 20 MAY THE FULLERTON HOTEL SINGAPORE LAW AWARDS 2016

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Finalists for the ALB SE Asia Law Awards 2016 may now reserve seats for this prestigious ceremony taking place at The Fullerton Hotel Singapore on May 20. To reserve table or seats, please complete the online registration form at www.regonline.com/SEALA2016. For reservation assistance, please contact Amy on amy.sim@thomsonreuters.com or +65 6870 3348.

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REUTERS/Rupak De Chowdhuri

WELCOME TO TRUST FORUM ASIA

WHEN IT COMES TO slavery and human trafficking, the sheer numbers alone can be heartbreaking. Globally, nearly 30 million people today live as modern-day slaves, with Asia accounting for more than half of the world's most exploited people. Trafficking for sexual exploitation accounts for a quarter of all victims, while the rest are in forced labour, domestic servitude or slavery situations. Between 600,000 and 800,000 people are trafficked across international borders every year. Some 60 percent of all trafficking victims are adult women, and more than a quarter are children. And this is all a growing, lucrative enterprise globally: Modern slavery is an industry worth \$150 billion in profits a year.

But what the numbers can't highlight is the devastating impact all this has on the victims and those closest to them, as well as their wider communities. As a result of slavery and human trafficking, countless people today live and work in degrading conditions, families have been destroyed, and children have had their childhoods ruined. The victims end up being

trafficked into brothels, forced into manual labour, made victims of debt bondage, and in some cases, even born into servitude. The time to take real action is now, particularly in Asia, where so much of the trafficking takes place.

To this end, we are organising Trust Forum Asia, an event dedicated to bringing together organisations and individuals to fight human trafficking and modern day slavery. The conference brings together some of the region's most influential business and thought leaders, from corporate CEOs to human rights advocates, government officials, journalists and the NGO community. Delegates are encouraged to forge tangible commitments and create actionable initiatives that raise awareness, help individuals make more informed choices and change lives.

We urge you to join us, and look at how you can do your part to put a dent in the slavery and human trafficking business. Together, we can build a freer world.

The Trust Forum Asia Team

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LEGAL
BUSINESS**

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ON THE COVER: Zarli Hartu, 46, cries for her son Marmot Ismai, who she says was kidnapped into a human trafficking camp, at a refugee camp outside Sittwe. Picture taken May 21, 2015. REUTERS/Soe Zeya Tun



Aye Than Dar (R) touches the head of her sister Hla Thidar Myint (L) at a park in Bangkok. When Aye Than Dar and her little sister Hla Thidar Myint paid a broker in Myanmar's Mon state to smuggle them to Thailand for domestic work, it was the start of a decade-long ordeal that would see the pair separated and Hla held as a slave. Picture taken November 14, 2015. REUTERS/Athit Perawongmetha

TAKING ON TRAFFICKING

Human trafficking remains a scourge within the Asian region, particularly in businesses like fishing. However, as awareness grows, companies, governments and organisations alike are fighting back, finds **Haky Moon**

CONCERNS OVER forced labour and even slavery continue to plague Asian countries, even as governments and some multinational corporations are battling to stamp it out. Asia has made and continues to make its fortunes on the back of cheap labour – labour that can sometimes be too cheap.

The same labour that is driving economic growth is turning the region into a hub for modern slavery. Modern-day slaves underpin a growing industry worth a staggering \$150 billion a year.

This issue will be the focus of Thomson Reuters Trust Forum Asia, which will be held on April 28 in Singapore. The event brings together a group of international experts on

human trafficking to explore what we can do to eradicate it.

RECORD HIGH

Shockingly, the number of slaves today is higher than any other time in history. Worldwide, there are 36 million people who languish in modern slavery, according to the Global Slavery Index. The number is almost equal to the entire population of Canada. And almost 65 percent of all these people, or around 23.5 million, are in Asia.

Forced labour can be found virtually everywhere, but in absolute terms, seven out of the top 10 countries with the highest numbers of modern slaves are in Asia.

India has by far the largest number of people who could be considered slaves, an astounding 14 million people. In China, there are an estimated three million and while Pakistan has 2.1 million. Uzbekistan, Indonesia, Bangladesh and Thailand, all Asian countries, all have huge numbers of people who could be considered slaves.

Part of the problem has been the unprecedented migration of labour, a consequence of the economic growth that many countries in Asia have experienced over the past two decades.

Take China as an example. The country has achieved double-digit rates of growth, but it is still possible to hire a Chinese worker



The shackled legs of suspected human traffickers are seen as they arrive for their trial at the criminal court in Bangkok, Thailand, March 15, 2016. REUTERS/Chaiwat Subprasom

for less than \$1 and a bowl of rice per day in some circumstances. In comparison, the cheapest workers in Jamaica cost \$4 per day.

This is not minimum wage. Rather, the \$1 is earned by those who work outside of traditional employment and are unprotected by law. Migrant workers in China, without a hukou – registration number – for the place where they reside working often fall in this category.

“(They) are vulnerable to exploitation and work for wages almost next to nothing, or for free,” says Nick Grono, CEO of Freedom Fund, the first private investment fund dedicated to identifying and investing in the most effective front-line efforts to end slavery.

HOTSPOTS

There are a few industries that are hotspots for forced labour.

Examples include fishing in Thailand, palm oil production in Indonesia and the textiles industry in Bangladesh. In India, debt bondage is a significant concern, with debt passed from generation to generation



Think about this, a man from Myanmar who has never seen the sea in his entire life is suddenly casted off on a fishing boat in Thailand... Take the business of peeled shrimps. Millions of women and children are being exploited in this industry.

NICK GRONO, FREEDOM FUND



and children working to pay off the debts of their parents. Forced domestic servitude is not uncommon in Myanmar or even China.

The issue has been of particular concern in Thailand after a series of scandals exposed by both the media and multinational corporations.

The country’s seafood export industry is worth \$6.9 billion but the labour force behind

this massive and highly profitable business is mostly made up of unregistered migrant workers from Myanmar, Cambodia and Laos.

The Raks Thai Foundation, which is active in this space, estimates that 80 percent of the industry’s workforce is made up of unregistered and or workers trafficked from neighbouring countries.

“Think about this, a man from Myanmar who has never seen the sea in his entire life is suddenly casted off on a fishing boat in Thailand,” points out Grono. “Take the business of peeled shrimps. Millions of women and children are being exploited in this industry.”

Official figures from the Thai government official suggest that there are 145,000 people working in its fishing industry, but activist group Raks Thai Foundation estimates that the actual numbers exceed 200,000 trafficked and unregistered workers.

COMBATING TRAFFICKING

Efforts to combat human trafficking have not been futile.

In March, the largest human trafficking



Migrant domestic worker Suay Ing, 31, wipes a window of a clinic in Bangkok. Ing was nine when she was first employed as a domestic worker, cleaning for a family and sleeping in their laundry room in the northern Thai city of Chiang Mai for \$10 a month. The eldest of four children of migrant construction workers from Myanmar, Ing was 14 when she was trafficked to Bangkok by a broker who promised her a job and abandoned her. Asia is home to 41 percent of the estimated 53 million domestic workers worldwide, most of them women who enjoy few rights, work excessively long days and earn far below the minimum wage, rights groups say. Picture taken May 25, 2015. REUTERS/Athit Perawongmetha

trial in Thai history was held in Bangkok, with 89 defendants facing charges of involvement in a transnational human trafficking ring stretching from Myanmar to Malaysia via Thailand. The charges carry a maximum sentence of up to 15 years and a fine of up to 1 million baht (\$28,469).

There has also been progress in stepping up the number of investigations in Thailand while the country's billion-dollar fishing industry is increasingly under fire.

"We've got seven different government departments in Thailand working together for the first time to resolve illegal fishing and illegal labour issues," says Darian McBain, group director for sustainable development at Thai Union Group, a manufacturer of seafood-based products that was founded in Thailand in 1977.

The Thai government's push to clamp down on the fishing industry has been driven by warnings from the European Union, which issued a "yellow card" last April and warned that Thailand needed to clean up its poorly regulated seafood industry or face a "red card" ban on exports to the EU.

"A lot of the groups working on [human trafficking and slavery issues] are looking at how to apply lessons learned in Thailand to other countries across the ASEAN region,"



One of the major challenges, if you're looking at human trafficking and even slavery, is that it is a multi-country problem. If I took the example of Thai Union, even if Thai Union had full control of its supply chain and was absolutely sure there was no slavery in the supply chain, there are still other ways to influence it. They're all interlocked.

DARIAN MCBAIN, THAI UNION



adds McBain.

In Indonesia, the Maritime Affairs and Fisheries Minister Susi Pudjiastuti has worked to deploy a number of policies to tackle the issue. Pudjiastuti has been a strong supporter of efforts to combat illegal, unreported, and unregulated (IUU) fishing and has been sending back Thai fishing boats that cross into Indonesian waters illegally.

Meanwhile, nearby Singapore has recently passed The Employment Act, a law designed

to protect the basic rights of all workers, including foreign and migrant workers.

COMING CLEAN

Large multinational companies like Geneva-based Nestlé have come clean to the public on their efforts to combat modern-slavery. Last November, the Swiss food and beverage producer disclosed that its own suppliers were practicing forced labour – an admission that was the result of a year-long investigation. Grono of Freedom Fund considers these efforts to be "groundbreaking and [could] possibly shift the parameters of what can be expected of businesses."

Along with Nestlé, computer maker Hewlett-Packard is another multinational that made headlines by announcing in November 2014 new standards for its suppliers to combat human trafficking. In addition to environmental requirements and social requirements, the company said suppliers would not charge employment fees directly to their workers nor would they employ workers through third-party brokers.

The pressure from Western companies is driving changes in supply chains across Asia. However, despite the progress to date, a lot remains to be done. Globally, there are only about 10,000 prosecutions a year and less than 6,000 convictions related to the human trafficking.

"One of the major challenges, if you're looking at human trafficking and even slavery, is that it is a multi-country problem," says McBain, "If I took the example of Thai Union, even if Thai Union had full control of its supply chain and was absolutely sure there was no slavery in the supply chain, there are still other ways to influence it. They're all interlocked."

She adds, "One of the ways [to tackle modern slavery] is to maintain a presence, be it in Thailand or Malaysia." Government campaigns and investigative journalism focused on various industries are useful to create awareness and keep the pressure up.

"There are certainly a lot more discussions. A lot more international organisations [are] working on human trafficking campaigns, like USAID (United States Agency for International Development), the International Labor Organization, and International Organization Migration," notes McBain. "All of these organisations are working together [and are] starting to raise the profiles of human trafficking and what we need to do to try to stop it." ●



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'SOMEBODY, SOMEWHERE IS SUBSIDISING THE COST, AND THE PERSON IS NOT US'

Archana Kotecha, Head of Legal at Liberty Asia, speaks to **Ranajit Dam** about the challenges in combating trafficking, and how we can all play our part

What are some of the challenges we face in combating human trafficking in Asia?

Unsafe migration, poverty, corruption, lack of resources and a general lack of understanding of laws and enforcement of the laws are some of the key challenges faced in Asia.

Intervention strategies are currently very victim-focused or heavily biased towards the criminal justice system. These are necessary but not adequate to tackle the business of slavery. Disruption and dismantling of networks will take a complementarity of approaches including one that involves following the money trail.

Finally, it's hard to work in this space without the fear of reprisal, and also fear of being targeted by laws such as defamation laws. This impacts lawyers, activists and NGOs, and presents a real challenge for advocacy and victim support in this region.

How would you describe the legal frameworks in the region?

The frameworks are relatively comprehensive and broad-ranging, covering most of the offenses related to human trafficking, slavery and forced labour, and they provide stringent enough penalties.

The issues really are relating to enforcement, in particular identification of victims, in the sense of applying the law to identify the vulnerable people it relates to. Prosecution of victims remains an issue, as often victims are caught in the process of committing crimes as a direct result of being trafficked. And because the success rate is very low and there is adverse attention in relation to these issues, lawyers are unwilling to take on cases like these.

The biggest failing of the frameworks, however, is that slavery has evolved to a phenomenon that could start with a victim in Cambodia but actually make it all the way back to a retail outfit in the U.S, involving a lot of individuals and organisations in between and across many jurisdictions. The legal system can tackle the trafficker at the



end of the food chain or different parts of a network, but isn't able to disrupt and bring down these vast networks.

What technologies do we currently possess to combat human trafficking?

Technology has emerged as one of most important ways through which a lot of human trafficking has proliferated; abusers in the West are now able to groom victims in Southeast Asia much more easily and readily over the Internet. But then many of these same technologies are helping us find the people perpetrating the abuses and those who drive demand for abuse, as we use ISPs and payment facilitators to track down the criminals.

We are also pairing up with technology firms and creating tools that allow us smarten our fight against human trafficking. For example, we've partnered with Salesforce Foundation to come up with a victim-case management system which involves customising the Salesforce product for the use of NGOs working on the frontline with victims in Southeast Asia. This allows for better data collection, better sharing and basically for a more informed view of what is actually going

on so the response can be more targeted.

Also recently Liberty Asia in collaboration with Chab Dai launched Freedom Collaborative, the first multi-service functional platform which brings together all anti-trafficking stakeholders from a number of organisations across a variety of jurisdictions.

How are companies getting involved?

We've certainly noticed a change in the environment of late. There's been a move away from the more fluffy CSR activities in this space to a something that's a lot more rigorous, and this is for a number of reasons. Across the world, we have legislation targeting slavery, so there is a real scrutiny into the way companies are tackling these issues within their own businesses.

There is also a lot of focus from investors on ESG practices within different companies they are investing in, and that has led to a lot more serious effort being made in understanding businesses, and what sort of strategies they are putting in place to root out modern day slavery from their businesses.

What can individuals do to play their part?

You can certainly donate skills, funds and expertise to the fight. But you can also take a closer look at what your work place or community is doing to fight slavery; if they're doing nothing, maybe now is the time to start a conversation and raise awareness.

As a consumer you can also play an important role. We all like a good bargain, but remember there is a reason why fashion is so cheap today, why certain types of food, like shrimp for example, is so affordable. It's because somebody somewhere is subsidising that cost and that person is not us. That person is the human involved in the creation of those goods and services. So consumers have to be a lot more discriminating about who they buy from and also how they buy it. Patronise businesses that are doing all they can to keep their supply chains free from slavery and force labor. ●

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SUPPLY CHAINED

BY MONIQUE VILLA

AS YOU READ THIS, there are 36 million slaves in the world, more than any other time in history. The instruments used to deprive them of freedom are more sophisticated than locks and rope – they're tied to chains of supply and demand. Buyers want cheap goods, companies want profit, and along the supply chain, countless individuals are forced to work for free. Today, slavery is a global business worth \$150 billion – three times the annual revenue of tech giant Apple.

The global outsourcing rush that started 40 years ago has completely transformed supply chains, making them increasingly complex and more difficult to monitor. It has become easier for unscrupulous employers to take advantage of vulnerable employees while corporations have found it virtually impossible to have full visibility over the working conditions of those at the bottom of their supply chain.

Combine this trend with the unprecedented labour migration across Southeast Asia in the past two decades, and it's obvious why the region has become the world's hub for modern-day slavery. Nearly three quarters of the world's slaves are concentrated in 10 countries, with seven in Asia: India in the lead, followed distantly by China, Pakistan, Uzbekistan, Indonesia, Bangladesh and Thailand.

Based on conservative estimates, Thailand has around 500,000 trafficked individuals, both in sex trafficking – for which the country is known as a super destination – and in forced labour, mostly in the fishing industry.

The country's \$7 billion seafood industry is a brutal example. There are no official records of how many people are currently enslaved on fishing boats, but human rights activists and some governments working on the issue are certain the entire industry, the third-largest in the world, would almost collapse without forced labour.

It's easy to imagine why: in the past 60



REUTERS/Yiorgos Karahalidis

years, global seafood production increased over 1100 percent, driven by demand from Europe, North America and Japan. To meet demand and maximise profit, Thailand's seafood industry has turned to migrants.

Lured by Thailand's growing economy, thousands of people from poorer neighbouring countries pay brokers to help them cross the border and find unskilled labour opportunities. But once they have paid the brokers – and contracted debt to do so – they are conned, trafficked and sold. Bought for as little as \$250, these migrants are sent out to the high seas on unregistered "ghost ships" for months at a time, exposed to constant violence and threat. Many of the fishermen come from Myanmar and had never seen the sea before being pushed on a boat and endure hell.

Luckily, some progress has been made. Thailand has been warned by the European Union to put their house in order or face sanctions; the Obama administration has effectively banned seafood caught by forced labour; and multinational food company Nestlé recently disclosed that a year-long internal investigation found forced labour in its supply chain.

Nestlé's admission is particularly interesting. The company has set a strong example for those wishing to follow suit, especially for multinationals, which can bring about immediate change for workers by simply switching suppliers. Just imagine the impact if the world's top 50 corporations formally

committed to eradicating slavery in their supply chain. Many, like Nestlé, have started to look seriously into this.

And that's why, together with world-renowned sculptor Anish Kapoor, I have created the Stop Slavery Award. To be conferred for the first time at the annual Trust Women conference on November 30 in London, the prize will honour corporations that go above and beyond to clean their supply chains of forced labour.

With the Award, we want to spark a virtuous cycle that will spur more companies to investigate, improve and eliminate unfair and illegal labour practices in their supply chains. The Award will also encourage consumers to make informed and responsible decisions on what goods to buy.

Business has the power to eradicate forced labour, but corporations will take no action until the equation is one of low risk and big returns.

There should be real incentives for companies that decide to tackle modern slavery. We cannot expect corporations to do this when competitors that choose not to not only get away with it, but rake in profits. If we want multinationals to seriously tackle slavery in their supply chains, we need to speak profit, risk, and reputation.

Companies should be prepared to collectively change the rules of the game. Consumers, on the other hand, should have realistic price expectations and check the provenance of what they buy. A \$1 T-shirt is not always a bargain; instead, it could be a red flag.

We hope the Stop Slavery Awards will trigger just that, taking us a step closer to putting the business of modern slavery out of business. ●

Monique Villa is CEO of the Thomson Reuters Foundation and Founder of TrustLaw and Trust Women. For more information on the Stop Slavery Award visit www.stopslaveryaward.com

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