

Shanghai court rejects int'l arbitration result

A Shanghai court has said it will not uphold a ruling by the Singapore International Arbitration Center over a dispute between a Shanghai-based firm and a Singapore-based company.

The No. 1 Intermediate Court of Shanghai said the Singapore arbitration center violated clauses in the original contract.

Singapore-based Noble Resources International, the seller, and Shanghai Xintai International Trade, the buyer, signed an iron ore purchase contract on Oct. 29, 2014, the court said.

According to the contract, any dispute and claim were to be settled by the Singapore arbitration center, and there had to be three arbitrators.

Noble Resources filed an arbitration request on Jan. 14, 2015, claiming Xintai was liable for violating the contract.

Xintai objected four times to the procedure and make-up of the arbitration court, but the Singapore arbitration center approved the procedure and appointed sole arbitrator. The center ruled in Aug. 2015 that Xintai should pay 1.6 million U.S. dollars in damages to Noble Resources.

In February, Noble Resources brought the result to a Shanghai court, asking for the enforcement of the result, which was opposed by the Shanghai firm.

The Shanghai court said that though it usually agreed with international arbitration, this was the first time it would not uphold such a result.