

Insights

GETTING THE BALL ROLLING: SPORTS DISPUTES RESOLUTION IN HONG KONG SAR

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SUMMARY

These are exciting times for sports in Hong Kong.

With the Hong Kong team's success at the 2024 Paris Summer Olympics and Summer Paralympics, the opening of the Kai Tak Sports Park and the 15thNational Games (which Hong Kong is cohosting together with Guangdong and Macao) in 2025, it is expected that interest in sports and the sports industry in Hong Kong will continue to grow.

From the selection of athletes by sports clubs to the determination of the outcome of a game, antidoping tests and sports-related commercial deals, disputes can arise at many stages along the sports industry chain.

Some observers and commentators have suggested that Hong Kong would be assisted by having a comprehensive dispute resolution system to resolve the sports-related disputes which unavoidably arise from the growing sports industry.

HONG KONG GOVERNMENT'S INITIATIVES

The Hong Kong Government has recognised the importance of and has been pushing for an effective and reliable system for resolving sports-related disputes.

In May 2024, the Department of Justice ("DOJ") submitted a paper titled "Development of Sports Dispute Resolution in Hong Kong" for Legco's review and discussion. In this paper, the DOJ recognised the "increasing demand for dispute resolution services dedicated to resolving a wide range of sports-related disputes, including competition-related disputes, disciplinary matters, contractual disputes, and governance matters" and the importance "to establish an effective sports dispute resolution mechanism to cater the needs of various stakeholders, such as athletes, sports bodies, federations, event sponsors…".

In his 2024 Policy Address, the Chief Executive stated that the Government "will explore establishing a sports dispute resolution system and promote sports arbitration, leveraging the institutional advantages of Hong Kong in dispute resolution" [1].

Further to the Policy Address, the Advisory Committee on Sports Dispute Resolution ("Advisory Committee") (chaired by the Deputy Secretary for Justice) was set up in early January 2025 to advise the Government on the design, setting up and implementation of a pilot scheme on sports dispute resolution.

INTERNATIONAL SPORTS DISPUTE RESOLUTION

Before exploring how Hong Kong's sports dispute resolution system might look like, it is useful to refer to how sports-related disputes are resolved in other jurisdictions.

In the 1980s, there was an increasing number of international sports-related disputes, but there was no independent authority specialising in sports-related problems. It was against this background that the Court of Arbitration for Sport ("**CAS**"), which is now recognised as the leading international body for sports dispute resolution, was established in 1984 in Switzerland.

The main function of the CAS is to resolve sports-related disputes through arbitration or mediation. According to CAS, two types of dispute may be submitted to the CAS: those of a commercial nature, and those of a disciplinary nature. The "commercial" disputes include those relating to sponsorship, the sale of television rights, the staging of sports events, player transfers and relations between players or coaches and clubs and/or agents. The "disciplinary" cases mainly concern allegations of doping.

A dispute may be submitted to the CAS if there is an arbitration agreement between the parties which specifies recourse to the CAS. Article R27 of the Code of Sports-related Arbitration stipulates that the CAS only has jurisdiction to rule on disputes connected with sports.

By default, the seat of all CAS arbitrations is Lausanne, Switzerland. A CAS award is final and binding upon the parties, and can be set aside only under Swiss arbitration law on limited grounds.

As summarised in the DOJ's paper in May 2024, various jurisdictions around Asia (including Malaysia, Thailand, Japan and mainland China) have established specialised dispute resolution centres or bodies to deal with sports-related disputes.

In particular, in mainland China, the China Commission of Arbitration for Sport, a specialised sports dispute resolution body, was established to deal specifically with sports disputes on matters related to selection, eligibility, disciplinary, athlete registration and exchange and those arising from sports competitions.

SPORTS DISPUTE RESOLUTION IN HONG KONG

By contrast, up to now Hong Kong has no uniform dispute resolution mechanism in its sports sector.

Most local sports associations resolve disputes by way of internal procedures, and only a small number of these associations have incorporated an arbitration or mediation clause in their constitutions or internal rules[3]. Court litigation regarding sports disputes also is rare.

However, it is not that Hong Kong lacks the legal talent and infrastructure related to sports dispute resolution. According to HKIAC's Panel and List of Arbitrators, 100 out of 933 arbitrators identified "sports" as their area of expertise[4]. Given Hong Kong's status as an international arbitration hub and the wealth of arbitration practitioners, it is logical to promote the use of arbitration in developing a sports dispute resolution system in Hong Kong.

Hong Kong's Pilot Scheme on Sports Dispute Resolution

The chairperson of the Advisory Committee has announced that a pilot scheme on sports dispute resolution ("**Pilot Scheme**") will be launched in the second half of 2025.

In various press releases and interviews with local media[5], the chairperson of the Advisory Committee has outlined some important features of the Pilot Scheme:

- 1. The Pilot Scheme would last between two to three years.
- 2. The Advisory Committee will identify suitable organisation(s) to administer the Pilot Scheme. The to-be-appointed administrating organisation(s) will appoint sports arbitrators and mediators, establish fee structures of arbitrators/mediators and set up the relevant arbitration/mediation rules and procedures.
- 3. The Advisory Committee will identify organisations to provide relevant technological services. This is to encourage the use of legal technology and the resolution of dispute resolution online.
- 4. A set of model arbitration rules for sports disputes will be introduced in around June 2025. (Note: It appears to be the Government's intention that the administrating organisation(s) will prepare their own set of arbitration rules by reference to the model rules.)
- 5. Considering the financial imbalance between athletes and national sports associations, the Government might offer some funding to support athletes who engage in arbitrations with national sports associations.
- 6. The Pilot Scheme will focus on "commercial" disputes, e.g. disputes regarding broadcasting rights, intellectual property, sponsorship, insurance. Matters such as anti-doping will continue to be dealt with by other existing mechanisms. (Note: This is different from the CAS-model which deals with both "commercial" and "disciplinary" disputes.)

7. The Government will not mandate national sports associations to participate in the Pilot Scheme, but rather will encourage these associations to take part.

CONCLUSION

The Pilot Scheme represents a promising foundation for the development of a robust sports dispute resolution mechanism in Hong Kong.

However, for the Pilot Scheme to reach its full potential, there also are other issues for the Government and the sports industry to deal with, e.g. ensuring that arbitrators/mediators receive sufficient training in sports law, and convincing industry stakeholders (such as broadcasting companies and sponsors) to incorporate arbitration clauses in their sports-related commercial contracts and to adopt the Pilot Scheme for resolving disputes.

These initiatives by the Hong Kong Government further confirm Hong Kong as one of the leading arbitration and dispute resolution venues in the world.

- [1] Paragraph 74.
- [3] Paragraph 12 and 13 of DOJ's paper published in May 2024, as mentioned above.
- [4] As of 6 March 2025.
- [5] See, for example: "Sports dispute plan set for 2025", "Hong Kong to roll out pilot scheme for sports dispute resolution", "Sports dispute resolution scheme to start this year".

RELATED PRACTICE AREAS

- Litigation & Dispute Resolution
- Business & Commercial Disputes
- International Arbitration
- Sports & Entertainment

MEET THE TEAM



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