

HONG KONG MEDIATION COUNCIL

(a division of Hong Kong International Arbitration Centre)

Commercial Mediation Pilot Scheme (CMPS)

A PILOT SCHEME FOR RESOLVING COMMERCIAL DISPUTES BY USE OF MEDIATION

**** For All Commercial Sectors ****

The goals of CMPS are: to assist parties in commercial disputes to come to a negotiated settlement of their disputes amicably and economically by mediation, to demonstrate the feasibility and viability of commercial mediation, and to encourage more use of mediation in resolving commercial disputes in Hong Kong.

What is mediation?

Mediation is a voluntary problem solving process designed to help parties in dispute to reach their own mutually acceptable agreement to resolve their differences. Worldwide experience has shown that mediation enjoys a settlement rate of about 80%.

How does mediation work?

In mediation each party to a dispute has a chance to put its case and to hear what the other has to say. The mediator's job is not to make a decision but to help the parties explore the strengths and weaknesses of their case and to identify solutions helping them to resolve the matter between themselves.

In a mediation session the mediator will help you:

- Discuss and decide what matters are in dispute;
- Explore each party's real needs and interests;
- Expand settlement options and assess the most suitable solution;
- Draw up the settlement agreement, setting out how the parties have agreed to resolve each matter in dispute.
- As all negotiations are conducted on a confidential basis they are therefore privileged and without prejudice.

Who provides the mediation in CMPS?

Under CMPS, mediation is provided by HKIAC Accredited Mediators. Mediators impartially assist the parties to communicate and negotiate issues in a confidential setting. They are skilled at unlocking negotiations that have become deadlocked and in keeping everyone focused on finding a solution. HKMC has a panel of suitably qualified accredited mediators for CMPS and can assist in the selection or appointment of a mediator under this scheme.

Does mediation take a long time?

Depending on the complexity of the dispute case it may only take one day or less for you to reach agreement. So it is much quicker and cheaper than going to court!

How much does it cost?

CMPS is run on a reduced-fee basis to cover the scheme's administration and the mediator's nominal fees and expenses. The charges under this Pilot Scheme are as follows which are to be shared equally between the parties but do not include room hire charges.

- Initial administrative fee \$500
- Pre-mediation session fee \$2,000
- First mediation session (4 hrs) - \$4,000
- Subsequent sessions (if required) - \$1,000 per hr

If you decide to instruct a lawyer or other professional persons to assist you during the mediation you will be responsible for the entirety of their particular charges.

For more information, contact:

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Website: http://www.hkmc.hk/HKIAC/HKIAC_English/en_mediation_index.html

Mediation First!

Resolve Disputes Amicably • Save Time and Money • Try it out now!