

Evaluation Report of the Pilot Scheme of Case Settlement Conference in the District Court

Introduction

In 2018, the District Court (“DC”) launched a pilot scheme called External Mediation Master Scheme (“EMM”) to introduce the idea of assisted settlement into the civil litigation process. Under the scheme, the DC (including private practitioners with mediation experience sitting as temporary masters) promoted the use of alternative dispute resolution (“ADR”) and explored settlement with litigants and their legal representatives in case management.

In 2021, EMM was extended for 24 months and upgraded into a more structured format called Case Settlement Conference (“CSC”). A Guidance Note and a Supplemental Note were issued to provide better guidance. Given the encouraging result of CSC pilot scheme, the scheme was extended for a further 24 months from January 2023 with the introduction of a new initiative called Mediator-Assisted Case Settlement Conference (“MCSC”), a mechanism of party-driven CSC/MCSC and an improved interface between the court and the Director of Legal Aid. In MCSCs, the court assisted in the mediation process with a view to enhance its effectiveness. A revised Guidance Note was issued in December 2022.

Evaluation of the CSC pilot scheme

Up to **31 December 2024**, 541 cases were set down for CSC. Cases with different claim nature such as contract, debt, land, landlord & tenant, work done & services rendered, tort, trust and building management were included. The overall settlement rate was about **61%**, taking into account cases settled after the case has been set down for CSC but before the actual hearing, and cases with full and partial settlement.

Over 90% of the cases participated in CSC were with one or both parties legally represented. Cases where all the parties were legally represented scored the highest settlement rate of 75%. This indicates that a new culture of settlement is gradually taking root in the legal profession.

According to the data collected from users' satisfaction surveys, the overall satisfactory rate of the scheme was 83%. The participants generally commended the scheme for saving litigation time and costs, avoiding conflicts in litigation and letting them understand more about the issues in disputes.

Only one case was set down for MCSC during the extended period of the pilot scheme. It was a defamation action with claims and counterclaims involving a total of 8 parties. The case underwent 9.5 hours of mediation before a mediator and a further 7 hours of mediation by the judge assisted by the mediator. The MCSC was conducted in the new mediation facilities including breakout rooms at the Revenue Tower. **Full agreement** was reached in the end and a big trial with an estimation of 15 trial-days and involvement of Senior Counsel was avoided.

Way Forward

In light of the success of the pilot scheme and the support of the legal profession, the Working Party on Mediation ("Working Party") chaired by Lam PJ decided to regularise the pilot scheme from January 2025. A new Practice Direction ("PD") was drafted, taking into account the valuable experience gained from the pilot scheme and the operation of the Guidance Notes.

The draft PD was welcomed by the relevant stakeholders, namely the Legal Aid Department, Department of Justice, Hong Kong Bar Association and Law Society of Hong Kong, who were fully supportive of the case settlement initiatives. After carefully considered all the comments received, PD 31.1 entitled "Case Settlement Initiatives in Civil Cases in the District Court" was issued which took effect on 2 January 2025.

_____End_____

Statistical Report on CSC
(from January 2021 to December 2024)

Total No. of cases enlisted for CSC:	541
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Legal Representation for CSC cases

Legal representation	No. of cases	% of overall cases	No. of cases settled at the end	% of settlement rate among all cases
All parties are legally represented	369	68.21%	247	75.08%
At least one party is legally represented	131	24.21%	66	20.06%
None of the parties are legally represented	41	7.58%	16	4.86%
Total	541	100%	329	100%

CSC hearing results

	No. of cases	% of overall cases
(a) Cases settled	329	60.81%
(i) Cases Settled before CSC	49	9.06%
(ii) Fully Settled	273	50.46%
(iii) Partially Settled / Issues Narrowed Down	7	1.29%
(b) Cases with no Settlement	176	32.53%
(c) Cases pending for result / Cases adjourned for next CSC	36	6.66%
Total no. of cases enlisted for CSC:	541	100%

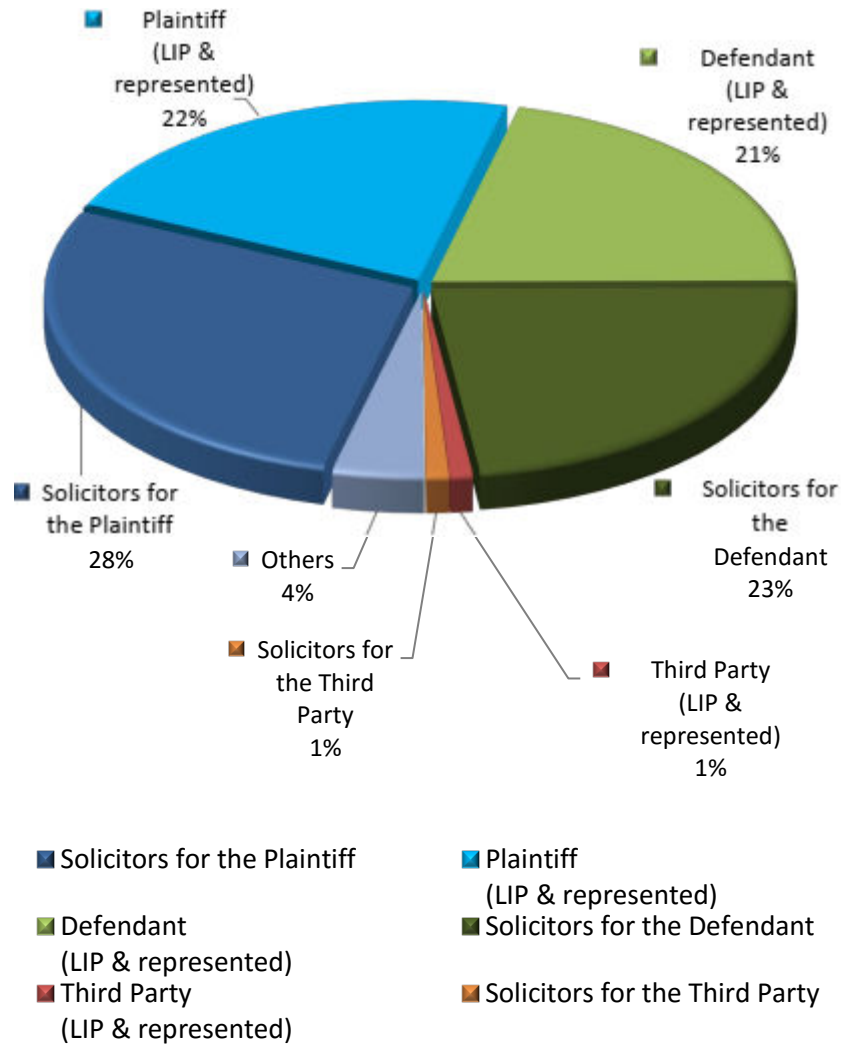
The Judiciary
December 2024

Statistical Report on CSC Users' Satisfaction Survey
(from January 2021 to December 2024)

1. Total no. of questionnaires received: **619**

2. What is your role in the case?

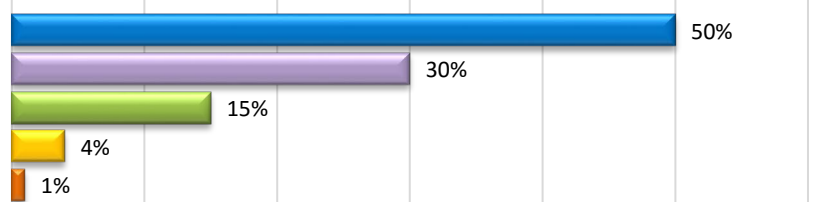
	No.	%
Plaintiff (LIP & represented)	135	22%
Solicitors for the Plaintiff	174	28%
Defendant (LIP & represented)	131	21%
Solicitors for the Defendant	141	23%
Third Party (LIP & represented)	10	1%
Solicitors for the Third Party	1	1%
Others	27	4%
Total:	619	100%



3. About the efficacy of Case Settlement Conference:

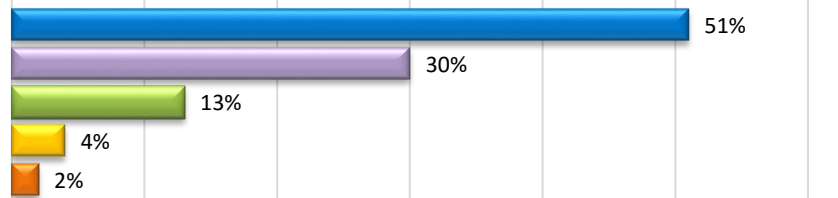
A. Case Settlement Conference had helped to save time?

*** The most agreeable / Agreeable: 80%**



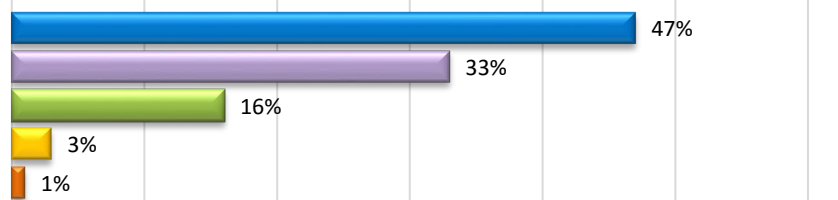
B. Case Settlement Conference had helped to save / reduce litigation costs?

*** The most agreeable / Agreeable: 81%**



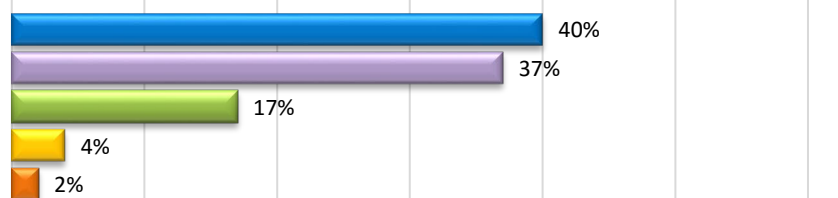
C. Case Settlement Conference had helped to avoid tension and conflict in litigation?

*** The most agreeable / Agreeable: 80%**



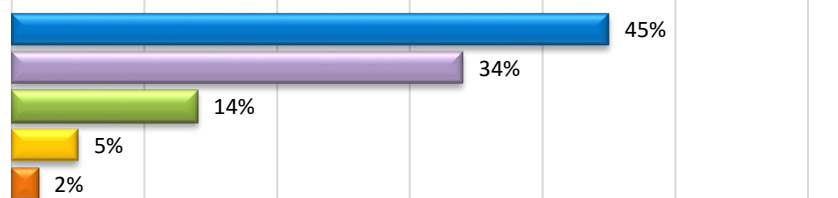
D. Case Settlement Conference had helped to alleviate the tense relationship with the other party / parties

*** The most agreeable / Agreeable: 77%**



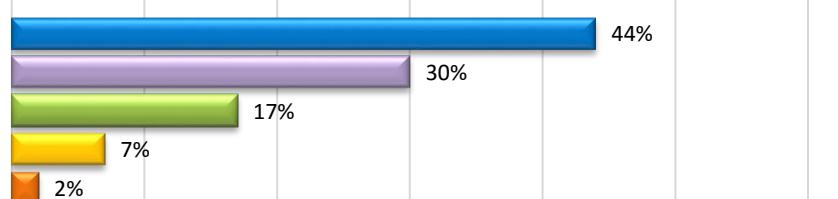
E. Case Settlement Conference had helped party / parties to understand the matter(s) in dispute

*** The most agreeable / Agreeable: 79%**



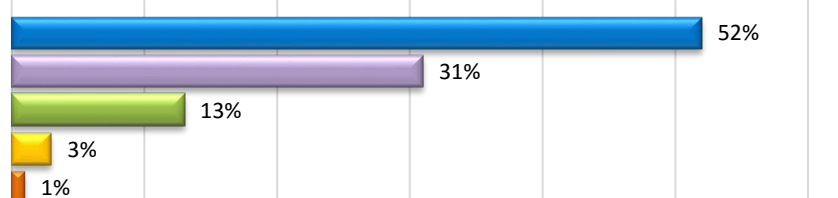
F. Case Settlement Conference had helped party / parties to narrow down the issue(s) to be tried

*** The most agreeable / Agreeable: 74%**



G. Overall, Case Settlement Conference is an effective alternative in resolving current dispute(s)

*** The most agreeable / Agreeable: 83%**



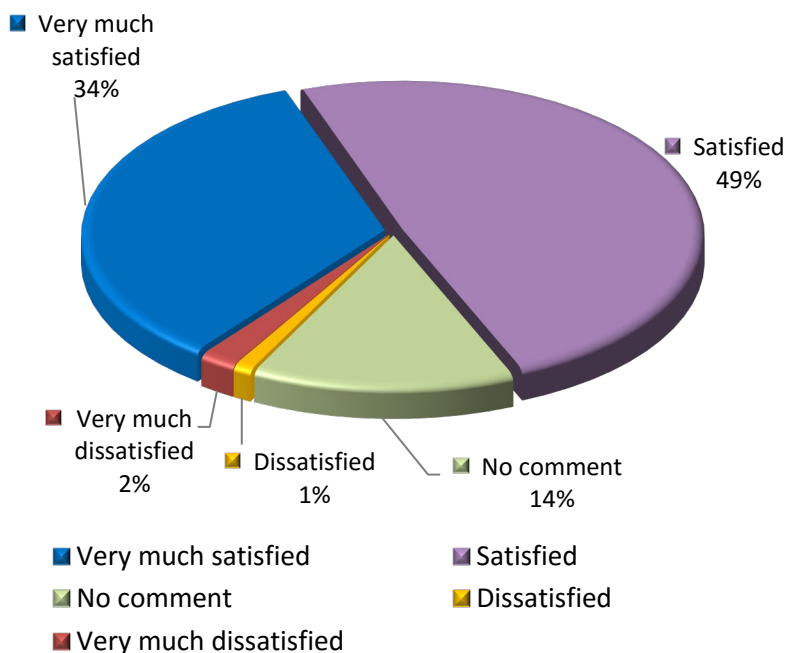
0% 10% 20% 30% 40% 50% 60%

■ The most agreeable ■ Agreeable ■ Neutral

■ Less agreeable ■ Least agreeable

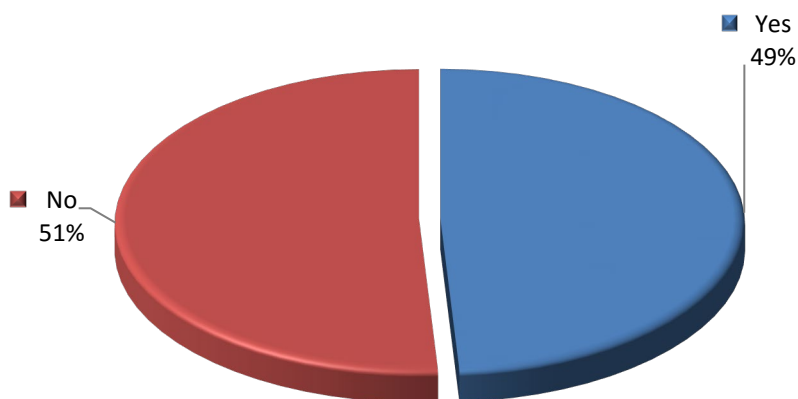
4. Overall, are you satisfied with the Case Settlement Conference?

	No.	%
Very much satisfied	201	34%
Satisfied	289	49%
No comment	81	14%
Dissatisfied	7	1%
Very much dissatisfied	9	2%
Total:	587	100%



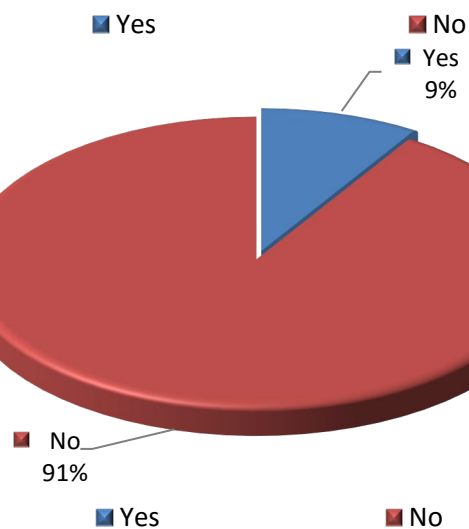
5A. Have you attempted mediation before attending Case Settlement Conference?

	No.	%
Yes	288	49%
No	297	51%
Total:	585	100%



5B. Was the mediation successful?

	No.	%
Yes	24	9%
No	256	91%
Total:	280	100%



6. Are you willing to attempt mediation (again) after attending Case Settlement Conference?

	No.	%
Yes	282	72%
No	110	28%
Total:	392	100%

