

The Speech of The Hon Mr Justice Fung
on the Open Day of Financial Dispute Resolution Centre (FDRC)
26 March 2014

I am honoured to be invited to speak on the Open Day of FDRC.

Hong Kong is one of the major international financial centres, with a sophisticated network of financial institutions providing a wide range of products and services to local and international investors and consumers.

FDRC is a non-profit making organization coming into operation in June 2012. It has been helping financial institutions and their customers in resolving monetary disputes through an alternative dispute resolution mechanism. The setting up of FDRC reflects the changing needs of our society in resolving disputes, which is in line with the international trend of having disputes mediated first before resorting to litigation.

FDRC is characterized by the hallmarks of independence, impartiality, accessibility and efficiency. It maintains a List of Mediators and Arbitrators of high quality with sound knowledge of the field.

When we walk into this Centre, we will notice the theme colour green and natural lighting in the mediation rooms. It is a very congenial environment conducive to an amicable settlement of disputes.

Over the years, FDRC has conducted numerous seminars, talks and briefing sessions on its services in here. At the end of 2012, 80% of the cases handled were successfully settled by mediation and nearly 90% of the users rated the service as satisfied. These results are encouraging and promising.

The FDRC annual report have documented moving stories where the mediators facilitated communication between the parties by helping the bank officers step into the shoes of the customers and understand their concerns with sincerity. And the customers appreciated the efforts of the mediators and participation of the bank representatives in listening to them. The FDRC's approach and success is in line with the general trend of dispute resolution in Hong Kong.

The Judiciary is committed to facilitating and encouraging settlement of disputes by alternative means and litigation is regarded only as the last resort. Since early 2000s, various schemes have been put in place to promote mediation in the resolution of disputes, in family cases, construction, building management, company matters, extending to all civil cases in 2010. Mediation is now regarded as an integral part of the legal system. It is a flexible, time-saving and cost-effective process because parties are encouraged to focus on their underlying common interests rather than to throw in wasteful resources in battles of attrition. It also relieves the parties from the agonies of litigation. The Courts are witnessing an increasing number of litigants and lawyers in realizing the potentials of mediation. There are very few cases where the parties would not seriously consider mediation before going to trials.

In a sophisticated community, there are rising expectations of quality assurance of its institutions and professions. An effective control mechanism, which is fair and subject to independent review, is essential for maintaining public confidence. FDRC has put in place mechanism for the appointment of mediators and arbitrators such that high standards are met.

I am sure this Open Day will provide a good opportunity for the exchange of ideas on the subject of mediation amongst the different stakeholders.

May I wish FDRC every success in pursuing its noble mission, and all of you an informative and fruitful session. Thank you.