



# THE *india* arbitrator

## THE INDIAN ARBITRATOR



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## EDITOR'S NOTE

*Finally Mediation is being considered seriously! Following up with the efforts of IMI in making Mediation a global independent profession, the Asian Mediation Association (AMA) has taken steps to form guidelines to certify mediation courses and to accredit mediators in the AMA member countries, viz., Fiji, Hong Kong, India, Indonesia, Malaysia, Philippines, Singapore and Thailand. The Vision 2020 of IMI to make mediation a brand and profession will have its impact in the AMA countries by this effort. We welcome all mediators to take part in this global movement and be part of a global profession with global presence.*

*Looking forward!*



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## VIEWPOINT



## Dispute Boards - Do they Always Work? - If not, Why not?

: PEER DALLAND

*It is generally accepted by most providers of international contracts that the Dispute Board should be seen to be totally independent and impartial and that Dispute Board members should ideally be of different nationalities from the Parties to the Contract. In reality this can be difficult to achieve. The Dispute Board concept will only succeed where the process is allowed to be transparent and when the Parties to the Contract are familiar with the principles of Dispute Avoidance. The author looks at options on how to improve the establishment and operation of Dispute Boards on international projects.*

Since the adoption of the MDB Harmonised Conditions of Contract by the Multilateral Banks in 2006, Dispute Boards have become mandatory on all international contracts funded by one of the Multilateral Banks. Whilst it may be argued that Dispute Boards were mandatory before 2006 under the FIDIC 1999 series of contracts, this did not always eventuate, and it was not common practice, particularly in Developing Countries, to establish the Dispute Boards at the start of the Contract.

Many of the original problems relating to the early establishment of Dispute Boards and selection of Dispute Board Members have been addressed in the FIDIC MDB Harmonised Conditions of Contract, but the process can still be frustrated by recalcitrant Parties to a Contract.

On many projects the Dispute Board will be established long after disputes have arisen. In some cases it may take 6-12 months before a Dispute Board composition is agreed between the parties. I am aware of Contracts using MDB Harmonised Conditions that are 12 months into the Contract period and have not yet appointed the Dispute Boards.

There are many contentious issues to be overcome before the members of a Dispute Board can be agreed. High on the list are the self interests of the Parties to the Contract. The Employer generally wants the Dispute Board members to be of its own nationality, whilst the Contractor, which, on projects funded by any of the Multilateral Development Banks frequently is of a different nationality, would prefer to see its own nationality represented on the Board.

The Employer is often not enthusiastic about using independent international adjudicators as envisaged by the FIDIC contract conditions, because of what it sees as exorbitant costs. Retainer fees, traveling cost, accommodation and time spent in the Country for international adjudicators with going rates of around USD 2,500-3,000 per day are often perceived to be unnecessary expenses, particularly when a local arbitrator / lawyer may only charge USD 200-300 per day. The rationale



by the Employer in these circumstances is that money saved on the Dispute Board will be available to cover other project costs.

The Contractor does not benefit from such perceived savings, but will frequently argue that a Board member with the same cultural background as itself will better understand its position in a dispute situation. There are perceived, as well as real advantages, in each Party having Board members of the same nationalities as its own. Apart from the ease of communicating with DB members of its own nationality, it may also be of significant advantage when dealing with cultural and financial issues. All of these issues and attitudes can cause significant problems and conflict during the selection process of DB members.

It is generally accepted by most providers of international contracts that the Dispute Board should be seen to be totally independent and impartial and that Dispute Board members should ideally be of different nationalities from the Parties to the Contract. In reality this can be difficult to achieve, particularly on projects in large developing countries where the Employers and local ADR practitioners firmly believe that they have the necessary expertise from within their own country to make up the Dispute Boards. Within these countries the local professionals often argue that the cost of individual board members should not exceed certain daily rates which are based on going rates for professionals in that country, and which may be only 10-15% of the rates for international adjudicators from a developed western country. Such arguments are attractive to the Employers and are mostly not resisted by the funding agencies.

The appointment of Dispute Board members of the same nationality as the Employer without doubt provides significant advantages to the Employer, particularly if the Contractor is an International Contractor from a different country and the Contract is funded by an international funding agency. The advantage is further magnified if the Contract also provides that the seat of arbitration shall be in the Country of the Project and that the arbitrators shall be appointed by that country's national arbitration body.

In such situations the Contractor will rarely have its claims treated in an impartial and fair manner at any level of the proceedings and the Dispute Board decisions can be flawed resulting in Notices of Dissatisfaction, often from both Parties. Eventually the disputes are taken to arbitration.

The avoidance of such scenarios is the very reason that the Dispute Board concept was developed and why it is now an important inclusion in the Conditions of Contract on all international construction projects.



### The Lighter Side

This guy was watching TV as his wife was out cutting the grass during the hot summer. He finally worked up the energy to go out and ask his wife what was for supper.

Well, his wife was quite irritated about him sitting in the air conditioned house all day while she did all the work, so she scolded him. "I can't believe you're asking me about supper right now! Imagine I'm out of town, go inside and figure dinner out yourself!"

So he went back in the house and fixed himself a big steak, with potatoes, garlic bread and tall glass of iced tea.

The wife finally walked in about the time he was finishing up and asked him, "You fixed something to eat? So where is mine?"

"Huh? I thought you were out of town."



However, the Dispute Board concept will only succeed where the process is allowed to be transparent and when the Parties to the Contract are familiar with the principles of Dispute Avoidance.

It is rarely the Employer which delays the establishment of a Dispute Board. I know of several instances where the Employer has secured the signature of the Dispute Board members on the Tripartite Agreements, but the Contractor has delayed signing the agreement for long periods after the Contract has been signed. This has been so even though the Dispute Board members appear to have been agreed to prior to the signing of the Contract. Once the Main Contract has been signed there is no clear path for the Employer to secure the Contractor's signature on the Tripartite Agreements and I am aware of several projects using MDB Harmonised Contract Conditions which have been running for twelve months or more without the DB Agreements having been signed by the Contractors involved.

There are compelling arguments for ensuring that the Dispute Board Agreements are signed by all Parties before the Main Contract is signed by the Employer.

The Dispute Board composition should be agreed with the Contractor during the Bid negotiations and there are other ways to ensure that the signing of the Dispute Board Agreements is not delayed. One option is that the Contract provides that the Commencement Date shall be the date when the Employer signs the Tripartite Agreements after the mutually agreed DB members have signed.

If it is also contractually provided that the Site Access will not be available until the date when the Dispute Board Tripartite agreement has been signed by the Contractor, any delay by the Contractor in signing the tripartite agreement may then cause a delay to the project for which an EOT would not be available to the Contractor.

There are many lessons to be learned from Projects where a Dispute Board is not performing its functions, and there would be significant advantages in establishing, a body to gather information on the performance and success of Dispute Boards on International Contracts and to analyse such data with a view to improve the process. The MDBs are the only institutions that can influence the contractual provisions of international projects and the only bodies which are in a position to request or carry out audits on project performance.

I am aware of several Audits being conducted of international projects which have not performed and where the final quality of the Works is not satisfactory. The audits I am referring to are to be carried out by consulting organisations, but I think it would be more prudent for the MDB to carry out such audits themselves using its own staff and/or staff consultants as required, or alternatively, to use an independent body which are not involved in performing any design and/or supervision functions on international projects.

### *Interested to contribute Articles?*

*We would like to have your contributions. Articles should be in English. Please take care that quotations, references and footnotes are accurate and complete. Submissions may be made to the Journals Division, Indian Institute of Arbitration & Mediation, G-209, Main Avenue, Panampilly Nagar, Cochin - 682 036 or [editor@arbitrationindia.com](mailto:editor@arbitrationindia.com).*

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Organisations like the DBF have the expertise within its membership to carry out these functions on behalf of the MDBs.

I have outlined problems that I have observed and experienced in recent years on projects using a wide range of FIDIC contracts such as FIDIC 4, 1999 Red Book and MDB Harmonised Conditions of Contract. Other FIDIC Conditions of Contracts such as Yellow Book in particular, should, in my opinion, also be amended to provide for a permanent DB established at the start of the project. Many contracts under the Yellow Book are of substantial value and complexity and to use ad-hoc Dispute Boards on such contracts is in my opinion not appropriate. The end result when the Dispute Boards are not in place or are ineffective in their operation, is that disputes are less likely to be resolved at “grass root” level and the disputes are more likely to proceed to formal hearings and/or to arbitration. I am aware of at least one major project where this is happening.

But do we always know when this happens?

In summary I suggest that the following provisions be considered by the MDBs for inclusion in Contracts on future international construction projects:

1. Dispute Boards comprise independent, pre-qualified members of nationalities different to that of the Contract Parties.
2. The cost of the routine site visit, retainer fees and travelling, to be funded by the MDB separately to the Project funding i.e. in similar manner to the funding for Supervision and/or Management Consultants.
3. Cost of disputes and hearings to be shared by the Parties.
4. Arbitrators to be appointed by a recognised International Arbitration Centre and the seat of arbitration to be outside the Country of the Project.
5. MDBs to separately fund mandatory and project specific professionally run training seminars and workshops covering all aspects of the relevant FIDIC Contracts to be attended by the Employer Organisation, Contractor and Supervision Consultant. This training ought also to include the MDB's project staff and should take place before or at the commencement of the project. Involvement of the Dispute Board Members in the training may be a worthwhile consideration.
6. Establish audit and monitoring procedures to allow evaluation of the performance of projects with regards to formal referrals of contractual disputes to the DBs and any subsequent Arbitration procedures.

Some of the above proposals have been submitted to one MDB in project specific, confidential reports, but so far, to my knowledge, no action has been taken.

I hope this article may generate some discussion on how to improve the establishment and operation of Dispute Boards on international projects, and I would welcome comments and discussion on the subject.

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*(Author: Peer Dalland is a member of the FIDIC President's List of Approved Adjudicators, a Fellow of the DBF and is a Construction Management Specialist with Dalland Associates Pty Ltd Australia. This article was originally published in Issue 64 of the Dispute Board Federation, Geneva – Singapore.)*

Every doctor will someday need a doctor  
 Every preacher will someday need a preacher  
 Every teacher will someday need a teacher  
 Every mortician will someday need a mortician

No matter how much we know and have,  
 we all will need someone and something greater than us.

# Article



## A critical study of Principles and Procedures of Conciliation - under Indian Laws

: SUJAY DIXIT

*The simplest meaning of conciliation is the settlement of the disputes outside the court. It is a better procedure to settle disputes, as in this process it is the parties who control the outcome and the role of the conciliator is to bring parties together and to make an atmosphere conducive for settlement.*

*The process of Conciliation as an Alternative Dispute Resolution mechanism is advantageous to the parties in the sense that it is cost effective and expeditious, it is simple, fast and convenient than the lengthy litigation procedure and it eliminates any scope of bias and corruption. The author explains the process and procedure of conciliation.*

### Introduction:

Conciliation is one of the non binding procedures where an impartial third party, known as the conciliator, assists the parties to a dispute in reaching a mutually agreed settlement of the dispute. As per the Halsbury Laws of England, conciliation is a process of persuading parties to each an agreement. Because of its non judicial character, conciliation is considered to be fundamentally different from that of litigation. Generally Judges and Arbitrators decide the case in the form of a judgment or an award which is binding on the parties, while in the procedure of the conciliation, the conciliator who is often a government official gives its report in the form of recommendations which is made public.<sup>1</sup>

### Definition and Meaning of Conciliation:

The simplest meaning of conciliation is the settlement of the disputes outside the court. It is a process by which the discussion between the parties are kept going through the participation of a conciliator.

### History and Evolution:

The history and evolution of ADR is visible from 12<sup>th</sup> century in China, England and America. In the Indian perspective it has been seen that the practice of amicable resolution of the disputes can be caught from the historic times, when in the villages disputes were resolved between members of a particular relations or occupations or between members of the same family was in practice. In some villages still the panchayat decides approximately all the disputes between the people as in earlier times the disputes were resolved by the elders.<sup>2</sup> The

#### (Footnote)

<sup>1</sup> Hailshree Saksena and Sidhartha Mohapatra, "Understanding Conciliation", Lawz, Vol 2009 P 25.

<sup>2</sup> Abhishek Kumar, "Historical Background". Lawz, Vol 12,2010 P 16.



concept of Conciliation was introduced in the statute of Industrial Disputes Act, 1947. The Conciliation is generally conducted by an officer appointed by Government under Industrial Disputes Act. The Act provides provisions for the parties to settle disputes through Negotiation, Mediation and Conciliation. Alternative Dispute Resolution plays a major role in the area of family dispute settlement. Section 5 of the Family Court Act, 1984 provides provisions for the association of social welfare organizations to hold Family Courts under control of government. Section 6 of the Act provide for appointment of permanent counselors to enforce settlement decisions in the family matters. Further Section 9 of the Act imposes an obligation on the court to make effort for the settlement before taking evidence in the case. In addition to all provisions referred above, Indian Contract Act, 1872 most importantly gives a mention about Arbitration Agreement as an exception to Section 28 that renders an agreement void if it restrains a legal proceeding.

### Application and Scope:

Section 61 of the Arbitration and Conciliation Act, 1996 explains the application and Scope of Conciliation. Section 61 points out that the process of conciliation extends, in the first place, to disputes, whether contractual or not. But the disputes must arise out of the legal relationship. It means that the dispute must be such as to give one party the right to sue and to the other party the liability to be sued. The process of conciliation extends, in the second place, to all proceedings relating to it. But Part III of the Act does not apply to such disputes as cannot be submitted to conciliation by the virtue of any law for the time being in force.

### Number and Qualification of Conciliators:

Section 63 fixes the number of conciliators. It states that normally there shall be one conciliator, but the parties may by their agreement provide for two or three conciliators. Where the number of conciliator is more than one, they should as general rule act jointly.

### Appointment of Conciliators:

Section 64 deals with the appointment of the conciliators. When the invitation to the conciliation is accepted by the other party, the parties have to agree on the composition of the conciliation tribunal. In the absence of any agreement to the contrary, there shall be only one conciliator. The conciliation proceeding may be conducted by a sole conciliator to be appointed with the consent of both the parties, failing to which the same may be conducted by two conciliators (maximum limit is three), then each party appoints own conciliator and the third conciliator is appointed unanimously by both the parties. The third conciliator so appointed shall be the presiding conciliator. The parties to the arbitration agreement instead of appointing the conciliator themselves may enlist the assistance of an institution or person of their choice for appointment of conciliators. But the institution or the person should keep in view during appointment that, the conciliator is independent and impartial.<sup>3</sup>

#### (Footnote)

<sup>3</sup> Hailshree Saksena and Sidhartha Mohapatra, "Understanding Conciliation". Lawz, Vol 2009 P 26.



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## Principles of Procedure:

### Ø **Independence and Impartiality** [Section 67(1)]

The conciliator should be independent and impartial. He should assist the parties in an independent and impartial manner while he is attempting to reach an amicable settlement of their dispute.

### Ø **Fairness and Justice** [Section 67(2)]

The conciliator should be guided by the principles of fairness and justice. He should take into consideration, among other things, the rights and obligations of the parties, the usages of the trade concerned and the circumstances surrounding the dispute, including any previous business practices between the parties.

### Ø **Confidentiality** [Section 70]

The conciliator and the parties are duly bound to keep confidential all matters relating to conciliation proceedings. Similarly when a party gives an information to the conciliator on the condition that it be kept confidential, the conciliator should not disclose that information to the other party<sup>4</sup>.

### Ø **Disclosure of the Information** [Section 70]

When the conciliator receives an information about any fact relating to the dispute from a party, he should disclose the substance of that information to the other party. The purpose of this provision is to enable the other party to present an explanation which he might consider appropriate.

### Ø **Co-operation of the Parties with Conciliator** [S. 71]

The parties should in good faith cooperate with the conciliator. They should submit the written materials, provide evidence and attend meetings when the conciliator requests them for this purpose.

## Procedure of Conciliation:

### Ø **Commencement of the Conciliation Proceedings** [Section 62]

The conciliation proceeding are initiated by one party sending a written invitation to the other party to conciliate. The invitation should identify the subject of the dispute. Conciliation proceedings are commenced when the other party accepts the invitation to conciliate in writing. If the other party rejects the invitation, there will be no conciliation proceedings. If the party inviting conciliation does not receive a reply within thirty days of the date he sends the invitation or within such period of time as is specified in the invitation, he may elect to treat this as rejection of the invitation to conciliate. If he so elects he should inform the other party in writing accordingly.

### Ø **Submission of Statement to Conciliator** [Section 65]

The conciliator may request each party to submit to him a brief written statement. The statement should describe the general nature of the dispute and the points at issue. Each party should send a copy of such statement to the other party. The conciliator may require each party to submit to him a further written statement of his position and the facts and grounds in its support. It may be supplemented by appropriate documents and evidence. The party should send the copy of such statements, documents and evidence to the other party. At any stage of the conciliation proceedings, the conciliator may request a party to submit to him any additional information which he may deem appropriate.

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#### (Footnote)

<sup>4</sup> Section 70 Proviso.





Ø **Conduct of Conciliation Proceedings** [Section 69(1),67(3)]

The conciliator may invite the parties to meet him. He may communicate with the parties orally or in writing. He may meet or communicate with the parties together or separately. In the conduct of the conciliation proceedings, the conciliator has some freedom. He may conduct them in such manner as he may consider appropriate. But he should take in account the circumstances of the case, the express wishes of the parties, a party's request to be heard orally and the need of speedy settlement of the dispute.

Ø **Administrative Assistance** [S. 68]

Section 68 facilitates administrative assistance for the conduct of conciliation proceedings. Accordingly, the parties and the conciliator may seek administrative assistance by a suitable institution or the person with the consent of the parties.

### Case Laws relating to Conciliation:

#### Haresh Dayaram Thakur v. State of Maharashtra and Ors.<sup>5</sup>

While dealing with the provisions of Sections 73 and 74 of the Arbitration and Conciliation Act, 1996 in paragraph 19 the court held that:

(Footnote)

<sup>5</sup> AIR 2000 SC 2281



### Think ... Survivor!

The only survivor of a shipwreck was washed up on a small, uninhabited island. He prayed feverishly for God to rescue him, and every day he scanned the horizon for help, but none seemed forthcoming.

Exhausted, he eventually managed to build a little hut out of driftwood to protect himself from the elements and to store his few possessions.

One day, after scavenging for food, he arrived home to find his little hut in flames, the smoke rolling up to the sky. The worst had happened; everything was lost.

He was stunned with grief and anger. "God, how could you do this to me?" He cried.

Early the next day, however, he was awakened by the sound of a ship that was approaching the island. It had come to rescue him.

"How did you know I was here?" asked the weary man of his rescuers.

"We saw your smoke signal," they replied.

It is easy to get discouraged when things are going bad. But we shouldn't lose heart, because God is at work in our lives, even in the midst of pain and suffering.

Remember, next time your little hut is burning to the ground it just may be a smoke signal that summons the grace of God.



“From the statutory provisions noted above the position is manifest that a conciliator is a person who is to assist the parties to settle the disputes between them amicably. For this purpose the conciliator is vested with wide powers to decide the procedure to be followed by him untrammelled by the procedural law like the Code of Civil Procedure or the Indian Evidence Act, 1872. When the parties are able to resolve the dispute between them by mutual agreement and it appears to the conciliator that there exists an element of settlement which may be acceptable to the parties he is to proceed in accordance with the procedure laid down in Section 73, formulate the terms of a settlement and make it over to the parties for their observations; and the ultimate step to be taken by a conciliator is to draw up a settlement in the light of the observations made by the parties to the terms formulated by him. The settlement takes shape only when the parties draw up the settlement agreement or request the conciliator to prepare the same and affix their signatures to it. Under Sub-section (3) of Section 73 the settlement agreement signed by the parties is final and binding on the parties and persons claiming under them. It follows therefore that a successful conciliation proceedings comes to end only when the settlement agreement signed by the parties comes into existence. It is such an agreement which has the status and effect of legal sanctity of an arbitral award under Section 74”.

### **Mysore Cements Ltd. v. Svedala Barmac Ltd** <sup>6</sup>

It was held that Section 73 of the Act speaks of Settlement Agreement. Sub-section (1) says that when it appears to the Conciliator that there exist elements of settlement which may be acceptable to the parties, he shall formulate the terms of a possible settlement and submit them to the parties for their observation. After receiving the observations of the parties, the Conciliator may reformulate the terms of a possible settlement in the light of such observations. In the present case, we do not find there any such formulation and reformulation by the Conciliator, under Sub- section (2), if the parties reach a settlement agreement of the dispute on the possible terms of settlement formulated, they may draw up and sign a written settlement agreement. As per Sub-section (3) when the parties sign the Settlement Agreement, it shall be final and binding on the parties and persons claiming under them respectively. Under Sub-section (4), the Conciliator shall authenticate the Settlement Agreement and furnish a copy thereof to each of the parties. From the undisputed facts and looking to the records, it is clear that all the requirements of Section 73 are not complied with.

### **Conclusion:**

The process of Conciliation as an Alternative Dispute Resolution mechanism is advantageous to the parties in the sense that it is cost effective and expeditious, it is simple, fast and convenient than the lengthy litigation procedure and it eliminates any scope of bias and corruption. The parties who wish to settle their disputes can be provided with a great incentive by the process of conciliation. It is a better procedure to settle disputes, as in this process it is the parties who control the outcome and the role of the conciliator is to bring parties together and to make an atmosphere conducive for settlement. **“Do conciliate whenever there are differences, and sooner it is done, the better”**.<sup>7</sup>

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#### **(Footnote)**

<sup>6</sup> AIR 2003 SC 3493

<sup>7</sup> Hailshree Saksena and Sidhartha Mohapatra, “Understanding Conciliation”, Lawz, Vol 10,2009 P 27.

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## **Interested to start ADR Centre?**

Indian Institute of Arbitration & Mediation is looking for parties interested to start IIAM Chapters in various states and cities.

If you have a passion for dispute resolution and you are interested to start a Dispute Resolution Centre, please mail your details to: [dir@arbitrationindia.com](mailto:dir@arbitrationindia.com)

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## News & Events



### IIAM admitted as Member of AMA

Indian Institute of Arbitration & Mediation was admitted as a Member of the Asian Mediation Association in the AGM held on 23<sup>rd</sup> February 2011 at Kuala Lumpur, Malaysia. The Ministry of Labour, Industrial Relations and Employment of Fiji was also admitted as an Associate Member of AMA.



The 2<sup>nd</sup> AMA Conference, titled “**Rediscovering Mediation in the 21<sup>st</sup> Century**” was held on 24<sup>th</sup> and 25<sup>th</sup> at Malaysia, where more than 480 delegates from across the globe participated. Chief Justice of Malaysia, Tun Zaki bin Tun Azmi inaugurated the conference. Mr. Michael Leathes, Director of the International Mediation Institute (IMI) and Ms. Irena Vanenkova, Executive Director, IMI presented sessions about international accreditation of mediators and the emergence of mediation as an independent global profession by 2020. The AMA constituted a 3-member committee to prepare guidelines for certifying mediation courses and accrediting mediators in the AMA Member countries. The members of the Committee are Mr. Winston Siu of Hong Kong Mediation Centre, Mr. Anil Xavier of Indian Institute of Arbitration & Mediation and Mr. Loong Seng Onn of Singapore Mediation Centre.

### Legal workshop by Dubai Judicial Institute

The First Legal workshop in English was conducted by the Dubai Judicial Institute at Dubai on 7<sup>th</sup> and 8<sup>th</sup> of March 2011. The workshop titled “**Introduction to Law**” covered topics including Contracts, Torts and Alternative Dispute Resolution. The tutors included Mr. Mohammed Riaz, Sr. Solicitor, UK, Mr. Anil Xavier, President, Indian Institute of Arbitration and Mediation, Mr. Steve Gregory, Business Principal, Holborn Assets, UK, Mr. Musthafa Zafeer .O.V. and Mrs. Alman Zafeer, Sr. Lawyers, Dubai. Certificates for delegates were distributed by Dr. Jamal Al Sumaiti, DJI Director General.



### Onus of reconciliation on Courts

Putting the onus on the courts to find a possible solution to matrimonial discords, the High Court of Allahabad, India said that it is the pious duty of the court to put a check on unnecessary litigation between husband and wife. The bench, passing this order on a Public Interest Litigation concerning matrimonial disputes, directed the courts concerned and the police that if reconciliation is not possible, and the matter appears to be serious, or there is probability of recurrence of violence, only in those cases should the police take immediate steps for arresting the accused in pursuance of the FIR. The High Court also said that these are the matters, where arrests should not be effected immediately as that would take away the chance of reconciliation between the parties. The Court issued certain directions in this regard, asking the police and the concerned lower courts that when a complainant approaches with complaints about harassment, or violence against the wife by the husband and in-laws, except in the cases of extremely grave nature or serious violence and injuries and possibilities of repeated violence against the wife, the courts or the police should first make an effort to try and bring about reconciliation between the parties.



## British Government pushing mediation in marriage breakdown

Various hi-sensational divorce cases, including McCartneys and Cleeses, have turned London into the divorce capital of the world, with the biggest pay-outs and the most sensational splits. The Government is promoting mediation as the cheaper and quicker alternative to divorce courts. From now on, when a couple break up, they will be forced to attend a “mediation-awareness” session, where they will learn the benefits of mediation.

## Mediation Law to Further Grassroots Democracy

China enacted the People’s Mediation Law with the aim to strengthen democracy at the grassroots level. The main function of mediation is resolving disputes at the grassroots level by allowing people to settle differences through peaceful talks and mutual understanding. The law stipulates that mediation should be carried out with the consent of both parties. If one party has explicitly refused to resolve the problem through talks, the mediation shall not be undertaken. China has more than 4.9 million mediators working in more than 800,000 mediation committees, according to the Ministry of Justice.

## Pakistan cricketers submit appeals to Court of Arbitration

The three Pakistan cricketers banned by the International Cricket Council for spot-fixing in a match against England have submitted appeals to the Court of Arbitration for Sport (CAS). Mohammad Asif, Mohammad Amir and Salman Butt have filed challenges to their five-year suspensions, imposed by an anti-corruption tribunal last month. Butt also got a further suspended five-year ban and Asif a two-year suspended sanction.

## Mediation in Libya?

Venezuela’s President Hugo Chavez proposed an international mediation effort to seek a peaceful solution to the uprising against Muammar Gaddafi of Libya. Venezuelan Foreign Minister said that a bloc of friendly countries could help resolve the conflict in Libya, saying diplomacy - rather than military threats - should be used to end the violence sweeping the North African nation. Muammar Gadhafi’s government has authorized Venezuela to select countries for an effort to mediate an end to Libya’s crisis and to coordinate the effort. Gadhafi’s opponents in Libya, however, have shown no willingness to negotiate as long as he remains in power. Countries including the US and Italy also have been cool to Chavez’s proposal. In a contrary opinion, since there is a civil war in Libya, the best solution for Libya is that Muammar Gaddafi realizes that he has to step down and allow the Libyan people to express themselves freely and choose their government.

## Certificate in Dispute Management (CDM)

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