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In today's competitive economic environment, time, cost and reputation are valued highly by the businesses and individuals associated with business entities. However, when differences arise between contracting parties, some choose to resolve them through

use mediation as an out of court dispute resolution mechanism. It was through this Project's initiative that Karachi Centre for Dispute Resolution (KCDR) was set up as a not for profit registered society in early part of 2007.

KCDR has a Board of Governors

been conducting presentations to stakeholders on mediation and operations of KCDR.

KCDR has the privilege of being approved by Sindh High Court and is the first commercial mediation centre in Pakistan. Encouraging number of cases has been received by the

of their dispute and grievances.

Lawyers in Pakistan in long term can carve a niche for mediation practice and examples from other common law jurisdictions illustrate that mediations can become a good proportion of a lawyers practice and that by suggesting mediations to their clients, lawyers save time and focus on other matters. In the west, mediations have become a specialized field and lawyers encouraged the mediation process and ADR during its development. Even in Asia, mediation is making ground and lawyers are recognizing the importance of mediation as form of alternate dispute resolution but also as a source of income in legal practice.

KCDR in collaboration with its stakeholders and partners have embarked on training activities and a recent example is training of managers and administrators from banking and corporate sector on "Conflict Resolution" and also that of training of judges serving in District judiciary in province of Sindh on "Mediation as an ADR mechanism" and "Family Mediation". These trainings which were held in June 2008 are not only assisting KCDR achieve some of its objectives, it is also imparting knowledge to professionals on mediation and developing their understanding of practical use of mediation.

It is suggested that mediation clauses need to be introduced in contracts and disputes settled through mediation. Parties and Lawyers can always invoke Section 89-A (Read with Order 10 Rule 1A) of Civil Procedure Code 1908 and refer the matter to KCDR for mediation if the matter is pending adjudication in courts.

For further information about IFC's ADR Project and KCDR, please contact:

Ms. Navin Merchant
Programme Manager-ADR
IFC
1ST Floor, Bahria Complex II,
M.T. Khan Road, Karachi.
Tel: 021-5610065
Fax: 021-5610153
E-mail: NMerchant@ifc.org

Mr. Isfandiyar Ali Khan
Project Officer-ADR
IFC
1ST Floor, Bahria Complex II,
M.T. Khan Road, Karachi.
Tel: 021-5610065
Fax: 021-5610153
E-mail: ikhan3@ifc.org

First Commercial Mediation Centre in Pakistan Karachi Centre for Dispute Resolution



negotiation and others through formal justice system, that is, litigation which may take years to end and during this period litigants lose time and incur expenses while the lengthy litigation continues.

In opinion of different people, litigation has benefits while settling differences out of court is thought of as a weakness if a party wishes to resolve a dispute. What a number of businesses and individuals are ignoring here is the fact that continuation of business relationship and unlocking business assets subject of dispute must be paramount as resolving a dispute through courts may damage a company's performance and some times its reputation as public and others come to know about its affairs. Businesses therefore can try mediation which can save them time, costs and a dispute could be resolved out of court without bringing the matter into public domain. Moreover, professionally trained mediators are neutrals and help parties reach a settlement and resolve their dispute.

consisting of leading professionals and the Chairman of the Board is Justice @ Said uz Zaman Siddiqui, former Chief Justice of Supreme Court of Pakistan. Other members of the Board are:

- i) Justice Arif Hussain Khilji
- ii) Mr. Anwar Mansoor Khan-Advocate & Senior Partner, Mansoor Ahmad Khan & Co
- iii) Mr. Shamim Ahmed Shamsi-President Karachi Chamber of Commerce and Industry
- iv) Mr. Moin M. Fudda-Country Director CIPE
- v) Mr Syed Masoud Ali Naqvi- Senior Partner
- vi) Mr. Sultan Tiwana, General Manager, SMEDA
- vii) Mr. Salman Burney, CEO, GlaxoSmithKline

In addition to setting up of the Centre, IFC also commissioned Consultants from United Kingdom, Centre for Effective Dispute Resolution (CEDR), for imparting mediation trainings to professionals

Centre which has suitable staff to facilitate the mediation process. The Centre has developed various instruments which are followed in conducting mediations and mediators have to abide by a code of conduct. This certainly increases the trust of the parties. It is pertinent to mention here that the Pakistan ADR Project has won CEDR International Award for Excellence in ADR.

It is a moot question whether institutionalized mediation will be a successful form of dispute resolution in Pakistan. However, there is no doubt that lawyers have to develop understanding of mediation and appreciate its importance. This is for the basic reason that mediation provides new professional clients and revenue generation stream. Lawyers generally fear initiatives that are new or novel in comparison with established culture of legal practice. However, if lawyers are striving for their clients' interest, which is saving their time, expenses, reputation and amicable resolution of disputes, mediation is considerably a better option than liti-