

Model Mediation Procedure

2023 EDITION



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1. What is Mediation?



Mediation is...

Mediation is a flexible process conducted confidentially in which a neutral person actively assists the parties in working towards a negotiated agreement of a dispute or difference, with the parties in ultimate control of the decision to settle and the terms of resolution.

The principal features of mediation are that it:

- involves a highly trained and experienced neutral third party to manage the process and facilitate negotiations;
- is far quicker and cheaper than litigation or arbitration;
- is without prejudice and confidential;
- involves parties and representatives with sufficient authority to settle;
- is flexible, enabling the process to be designed and managed by the mediator to suit the parties, in consultation with them;
- puts the parties in control of the process and its outcomes (unlike litigation/arbitration);
- enables the parties to devise creative solutions which are not possible in an adjudicative process such as litigation or arbitration, and which may benefit all the parties, particularly if there is the possibility of a continuing relationship;
- can be used in both domestic and cross-border disputes, two-party and multi-party disputes, and whether litigation or arbitration has been commenced;
- has a very high settlement rate.



CEDR's Model Mediation Procedure

Many commercial and government contracts now require parties to use mediation in accordance with CEDR's Model Mediation Procedure. While mediation is essentially flexible, the Model Procedure set out in this document, taken with the CEDR Model Mediation Agreement, provide a clear and robust framework for the mediation process to be set up and used. This procedure should be read in conjunction with the CEDR Code of Conduct for Third Party Neutrals.

Any contemplated or existing litigation or arbitration in relation to the dispute may be started or continued despite the mediation, unless the parties agree or a Court orders otherwise. If settlement terms are not agreed through mediation, the parties can revert to litigation or arbitration.



2. Referral to Mediation

Referral of a dispute to a mediator or to CEDR for mediation may be as a result of:

- voluntary referral by all parties;
- referral by one party who asks CEDR to secure the involvement of other parties into a mediation;
- responding to a Pre-action Protocol, Court Rules, a Court Order or a recommendation by a judge before trial or appeal;
- Dispute Resolution clause in a commercial or government contract requiring the use of mediation as a step in the parties' agreed dispute resolution process;
- the provisions for use of mediation within an industry or public sector policy framework.

Parties referring a case to CEDR are encouraged to include a copy of any appropriate document or agreement as per above with the referral.



3. Choosing the Mediator

The parties may choose their own mediator directly or from any CEDR panel of mediators, or may ask CEDR to recommend mediators from whom they can choose one to appoint as the mediator for a dispute.

In some circumstances there may be a contractual or court requirement for the parties to request CEDR to nominate and appoint a mediator or where the parties fail to agree on a choice of mediator.

CEDR will only nominate or appoint a mediator who, in its view, possesses the relevant skills and experience to mediate the dispute for the parties effectively, and who will comply with the CEDR Code of Conduct for Third Party Neutrals ('the Code'). Any nominated mediator and all other parties to the mediation will be required to confirm immediately to CEDR if there is any matter which might prevent the nominated mediator from complying with the Code in relation to the mediation of the dispute, such as a conflict of interest. CEDR or the mediator will then notify all the parties of any such matter immediately it is disclosed to them.

If required by any of the parties or the Court, or under the published terms of any CEDR dispute resolution scheme, CEDR will appoint a mediator to be used in relation to

a dispute, subject always to that mediator not being prevented from complying with the Code in relation to the mediation of that dispute. As part of CEDR's role to develop the field and its professionalism, the parties may be asked by CEDR to approve the appointment of an observer mediator to attend a mediation at no cost to the parties, provided that the observer mediator also appropriately complies with the Code in respect of the mediation. The identity of any observer mediator proposed to attend the mediation will be made known in advance of the mediation to the parties, who are free to object to any such nomination or decline any such appointment.

All observers will be CEDR accredited mediators and will have signed confidentiality agreements. In appropriate cases CEDR may recommend, or the parties agree, the use of co-mediators or the appointment of a neutral expert to advise the mediator on technical matters. If co-mediators are chosen by the parties, all references to the mediator in a document are taken to indicate the plural. CEDR recommends however, that documents related to the process be adapted to refer to the mediator in the plural and that both mediators be signatories to the Mediation Agreement.

The circumstances in which a co- mediator may be appropriate are:

- The number of parties or number of attendees within a party is such that it would be of benefit to have co-mediators
- Where a specific technical expertise is required.
- The varying nationalities and cultural backgrounds of the parties. This is separate to the potential need for a translator.
- Personal preference of the parties.

4. Preparation for the Mediation

CEDR or the mediator, when agreed or appointed, will assist in making the necessary arrangements for the mediation as required or agreed by the parties or under the terms of any scheme, including:

- preparing the agreement for mediation, incorporating any agreed amendments and issuing it for execution by the parties;
- compiling names and roles of attendees for the circulation of a participants' form before the mediation takes place;
- facilitating agreement as to the date, start time, venue arrangements (costs to be met by parties) when necessary and/ or use of video conferencing technology;
- facilitating exchange of case summaries and document bundles between the parties and the mediator when requested;
- setting up any pre-mediation meetings agreed by the parties and the mediator if requested. Meetings may be online, telephone, in-person or hybrid, as the case requires.

The parties will:

- agree the appointment of the mediator;
- agree with CEDR the date, start time and venue (including any use of video conferencing for the mediation);
- execute the mediation agreement;
- pay CEDR's fees and expenses as agreed under CEDR's Terms and Conditions of business (including the cost of the mediation venue where necessary);
- each prepare and exchange a case summary for the mediation in respect of their approach to the dispute at the mediation



and endeavour to agree with all other parties what documents are needed for the mediation;

- send to the mediator directly and/or by electronic copy (as agreed), or to the location indicated by CEDR, a copy of their case summary and a copy of the bundle of documents at the earliest convenience, usually no less than one week before the date set for the mediation, making clear:
 - whether case summaries have or have not yet been exchanged;
 - whether or not and when CEDR or the mediator is to effect exchange; and
 - whether all or any part of any case summary or documentation is intended to be confidential for CEDR and the mediator only. (Late submission of documents might call into question that party's good faith involvement in the mediation process, and have detrimental effects on the prospects of success of any mediation;)
 - notify the mediator of the names and roles of all those attending the mediation on their behalf,
 - ensure that a lead negotiator with full authority to settle the dispute attends the mediation to sign any potential settlement agreement;
 - alternatively notify the mediator, CEDR and (unless very good reason exists to the contrary) the other parties of any limitation on authority to settle, for instance lack of legal capacity, or the need for ministerial approval, court approval, or board ratification, in which case the lead negotiator will need to have power to recommend acceptance of any settlement. (Late disclosure of limited authority to settle can call into question that party's good faith involvement in the mediation process, and have detrimental effects on the prospects of success of any mediation.)



The mediator will:

- ensure that the Code is complied with in respect of the mediation of the dispute, reporting any conflict of interest or other relevant matter, if any, immediately it emerges to CEDR and (subject to any question of confidentiality or privilege) the parties;
- attend any pre-mediation meetings on terms and agenda agreed by the parties, or proposed by the mediator;
- read each case summary and document bundle submitted in advance of the mediation by the parties;
- make contact with a representative of each of the parties before the mediation to assist in preparation for the mediation and discuss issues arising.



5. Documentation

Documentation intended to be treated as confidential by the mediator or CEDR (such as a counsel's opinion, an undisclosed expert report, a draft proof of evidence or a confidential briefing for the mediator) must be clearly marked as such, and will not be circulated further without express authority.



Documentation

One of the advantages of mediation is that its success is not dependent on exhaustive disclosure of documents. Bundles can usually be relatively limited in size, containing only key documents, and case summaries can be quite brief. Bundles can be jointly prepared by the parties. The parties can agree for a simultaneous exchange of case summaries if it is appropriate to do so.

While documents brought into existence for the purpose of the mediation, such as case summaries, are clearly privileged from later

production in other proceedings, the fact that a document which is otherwise disclosable in proceedings is produced for the first time during the mediation does not normally confer privileged status on it. The parties must take legal advice on such matters if they arise.

CEDR is a signatory to the Green Mediator Pledge and would encourage documentation, wherever possible, to be digital copies rather than printed.

6. The Mediation Agreement



How it works

The mediation agreement provides the essential legal basis for the mediation. Its signatories (the parties to the dispute, the mediator and CEDR) all agree by signing it that the mediation is to be conducted in a manner which is consistent with both this CEDR Model Mediation Procedure and the Code of conduct for Third Party Neutrals.

A mediation agreement will be sent to the parties as part of the preparation process for the mediation, and any proposed amendments can then be discussed and inserted if agreed by all.

The mediation agreement will normally be signed in advance by electronic signature or at the beginning of the mediation day on behalf of each of the parties and the mediator, having been pre-signed on behalf of CEDR. Upon appointment of the mediator by the parties (or by CEDR) any pre-mediation contact between the parties, CEDR staff and CEDR mediator, will observe the mediation agreement's terms as to confidentiality, regardless of whether the agreement has already been signed or not.

7. The Mediation

Mediation can take place in person, online or as a hybrid process.

The arrangements described below apply to in-person mediations but broadly similar provisions apply for online mediation, such as arrangements for all parties to have (virtual) private rooms and prohibition on recording the mediation. Please see the guidance from CEDR the 'Mediator's Guide to Online Mediations' and the 'Client Guide to Online Mediations'.



Set up

For in-person mediations it is normal for there to be at least three rooms so that each party has a private room for confidential consultations on their own and with the mediator during the mediation. There should also be a further room large enough for all parties to meet with the mediator jointly.

The mediator will chair and take responsibility for determining the procedure at the mediation, in consultation with the parties. The procedure is likely to comprise of a series of private and joint meetings including:

- preliminary meetings with each of the parties when they arrive at the venue;
- a joint meeting of all attending the mediation, at which each of the parties will normally be invited to make an oral presentation;
- a mix of further private meetings and joint meetings (which may involve all or some of each party's team), as proposed by the mediator and agreed by the parties.

The Mediation Cont.

Professional advisers, particularly lawyers, can and usually do attend the mediation. Such advisers play an important role in the exchange of information and opinion on fact, evidence and law; in supporting their clients (particularly individuals) in the negotiations; in advising clients on the implications of settlement; and in drawing up the settlement agreement and any consent order.

No verbatim recording or transcript should be made of the mediation by the parties or the mediator in any form, but participants can make their own private notes which will not be disclosable to anyone else, including in any subsequent litigation or arbitration.

Mediations can last beyond a normal working day and it is important that the key people attending for each of the parties remain present or, at worst, available by telephone or video conference for so long as the mediation continues. Any time constraints should be reported to CEDR or the mediator as soon as known, as any unexpected departure can be detrimental to the progress of the mediation and perceived as disrespectful by other parties.

Where any part of the mediation takes place using video conferencing software, the Host shall mean any and all of the following: the person allocated the role of “Host”, “Organiser” or similar term by the video conferencing platform used; the person who is the lead participant; or the person in control of the video conferencing platform.



No recording should be made.



Mediation can last longer than one working day.

8. Confidentiality in Relation to the Mediation

The CEDR Model Mediation Agreement provides that what happens at the mediation is to be treated as confidential by the parties, the mediator and CEDR, including the terms of settlement, unless otherwise agreed by the parties in writing. However, the fact that the mediation is to take place or has taken place is not normally made confidential. If it is desired to make the fact that the mediation is taking place confidential also, the agreement can be amended.

As the mediation is held under the auspices of CEDR, and CEDR is a party to the mediation agreement, CEDR is also bound to keep confidential information which the mediator may share with CEDR for the purposes of case reports or queries regarding professional conduct.

Apart from where the parties agree in writing to consent to disclosure of what would normally be confidential, there may be rare circumstances in which the confidentiality of the mediation process cannot be preserved, such as where:

- the mediator or any party or their representative is required by law to make disclosure;
- the mediator reasonably considers that there is a serious risk of significant harm to the life or safety of any person if the information in question is not disclosed; or
- the mediator reasonably considers that there is a serious risk of being personally subject to criminal proceedings unless the information in question is disclosed.

Such questions might arise in relation to duties under the Proceeds of Crime Act 2002 or related legislation or under any other legislation. Legal representatives (who may themselves be under a comparable duty of disclosure in their own capacity) must take full responsibility for advising their clients of the implications of disclosure in relation to any such matters at a mediation.

9. Conclusion of the Mediation

The mediation may end in a number of ways:

- by agreement by the parties and the mediator
- by settlement of the dispute in whole or part, when all agreed matters must be written down and signed by the parties to be binding;
- by an ‘in principle settlement’ of the dispute with an agreement to draft binding terms after the mediation day;
- by the mediator advising the parties that a settlement, for the time being, at least, cannot be reached;
- by one or more parties leaving the mediation before settlement is achieved;
- by an agreed adjournment for such time and on such terms as the parties and the mediator agree;
- by withdrawal of the mediator in accordance with the mandatory and optional circumstances set out in the Code;
- by production of a document of summary or recommendations from a mediator, if requested by all parties and agreed by the mediator.

The mediator will facilitate the drawing up of any settlement agreement, though the drafting is normally done by the lawyers representing each of the parties.

Where proceedings have not been started in respect of the dispute, the settlement agreement will (if so intended and drafted) usually be a legally binding agreement with its terms enforceable via the Courts. Where proceedings have been issued in relation to the dispute, it is normal for a Consent Order to be agreed either at or after the mediation and later lodged with the relevant tribunal to end the proceedings on the terms agreed. Parties should agree who will be responsible for lodging the Consent Order.

Where the mediation day does not end in complete settlement, the mediator may continue to work with the parties thereafter to see whether further progress might be possible.

Many disputes which do not settle at the mediation day can settle later, usually as a result of what occurred or was learned at the mediation.



Where the mediator agrees to stay in contact with the parties after a mediation, the provisions of the mediation agreement continue to apply to those communications with and/or including the mediator.

In the event that a settlement is not reached, the mediator if requested and if agreed by each of the parties and the mediator, may produce a non-binding opinion or recommendation in an effort to take the matter forward.

CEDR endeavours to make contact with all parties after every mediation to obtain their feedback on both the process itself and, in particular, the mediator. Any feedback obtained regarding the mediator will be given in full to the mediator as part of the mediator's continuing learning and development and CEDR's quality assurance.

10. Complaints

How to Complain

Any formal complaint about CEDR or any mediator nominated by CEDR should follow the procedure set out here:

[CEDR Commercial Complaints Procedure](#)

