

**Arbitration and Mediation Legislation (Third Party Funding)
(Amendment) Bill 2016
Debate and voting arrangements**

Object of the Bill : To amend the Arbitration Ordinance (Cap. 609) and the Mediation Ordinance (Cap. 620) to ensure that third party funding of arbitration and mediation is not prohibited by the common law doctrines of maintenance and champerty; and to provide for related measures and safeguards.

First debate	: Clauses with no amendment – Clauses 1 and 2
Voting	: To vote on the above clauses standing part of the Bill
Second debate	: Clauses with amendments – Clauses 3 and 4 proposed by the Secretary for Justice
Joint debate on the original clauses and the amendments thereto.	
Debate theme: Clauses to amend the Arbitration Ordinance and the Mediation Ordinance	
Clause 3	
<ul style="list-style-type: none"> – To delete the proposed section 98G(2) of the Arbitration Ordinance (the section provides for the meaning of third party funding arbitration which does not include the provision of arbitration funding by a lawyer or a person providing legal services); and – to add a new section 98NA to the proposed Division 3 (Third Party Funding of Arbitration Not Prohibited by Particular Common Law Offences or Tort) of Part 10A (Third Party Funding of Arbitration) to specify that Part 10A does not apply to lawyers acting for parties in arbitration. Simply put, if the proposed amendment is passed, only lawyers acting for a party in the relevant arbitration would be prohibited from providing third party funding therefor. In addition, the proposed amendment adds the meanings of “party” and “lawyer” to the proposed section 98NA(3). 	
Clause 4	
<ul style="list-style-type: none"> – Under the proposed section 7A (Third party funding of mediation) of the Mediation Ordinance, certain proposed provisions (including the proposed section 98S under Division 3 of Part 10A) of the Arbitration Ordinance are to be applied to the Mediation Ordinance with modifications. The proposed amendment seeks to amend the proposed section 98S by providing for disclosure of mediation communication for third party funding of mediation, and adding the meanings of “mediation”, “mediation communication” and “Mediation Ordinance” to the proposed section 98S(5). 	
Voting	: To vote on the above amendments together, and then vote on the original clauses or the clauses as amended standing part of the Bill

Secretary for Justice’s amendments

(set out in LC Paper No. CB(3) 645/16-17 issued on 7 June 2017)