

Policy on incorporation of mediation clauses in government contracts takes effect today

The Department of Justice (DoJ) announced that the policy on the incorporation of mediation clauses in government contracts takes effect today (February 6). The mediation clause signifies the parties' agreement to use mediation to resolve disputes first before resorting to arbitration or litigation.

The Government issued the Policy Statement on the Incorporation of Mediation Clauses in Government Contracts on November 6, 2024. By virtue of the policy statement, the Government will, as a matter of general policy, incorporate a mediation clause in government contracts.

To complement the implementation of the policy, the DoJ today also promulgated "[The Government of the Hong Kong Special Administrative Region Mediation Rules \(2025 Edition\)](#)", which may be referred to as the "HKSARG Mediation Rules (2025)". These Rules provide for a set of procedural rules for the conduct of mediation proceedings and are intended to operate together with the mediation clause in government contracts. These Rules shall not affect the operation of "The Government of the Hong Kong Special Administrative Region Construction Mediation Rules (1999 Edition)" promulgated by the then Works Bureau in 1999, as amended by the then Environment, Transport and Works Bureau in 2003.

Further information about the policy, including a sample mediation clause for incorporation in government contracts, is available on the [webpage of the DoJ](#).

A spokesman for the DoJ said, "By taking the lead to incorporate mediation clauses in government contracts, it is hoped that private organisations would be encouraged to make reference to and adopt similar mediation clauses in their contracts, thereby deepening our 'mediate first' culture."