

# 2024

# Standing Committee on Practitioners Affairs

### **The Standing Committee on Practitioners Affairs**



The Standing Committee on Practitioners Affairs ("Standing Committee") considers and keeps under review matters relating to law reforms, legal practices and legal procedures, and makes relevant determinations. It receives and reviews draft statements and submissions prepared in response to consultations from the Judiciary Administration, Government departments, the Law Reform Commission, public bodies, and other stakeholders. It also makes recommendations at the policy level to the Council of The Law Society on matters pertinent to legislative amendments, and law-related policies of the Government of the Hong Kong Special Administrative Region ("HKSAR"), such as those included in the Chief Executive's Policy Address and the Government Budget.

The Standing Committee had 10 meetings in 2024, with deliberations between meetings by email circulation. During the year, the Standing Committee oversaw the work on, among others, submissions prepared by the specialist committees in response to public consultations sent to The Law Society. It also helped discuss and approve draft submissions.

#### Overseeing the specialist committees

The Standing Committee supported the work of 36 specialist committees and sub-committees, as well as nine working parties and a number of sub-committees and task groups. Some of these specialist committees have set up ad hoc focus groups to help examine various issues.

The Standing Committee provided guidance and directions to the specialist committees, sub-committees and working parties on their administration, such as co-option, reviews of terms of reference and membership, as well as enrolment exercises. It also made recommendations to the Council of The Law Society on nominations for external committees.

Three new specialist committees were set up under the Standing Committee in the second quarter of 2024. They were the Privacy and Data Law Committee, the Committee on Charities and Trust, and the Family Office Practice Committee. These Committees are tasked with reviewing and commenting on matters relating to their respective areas of law and practice and liaising with the government and other stakeholders in the process.

#### Law reform initiatives

The Standing Committee received from its specialist committees a number of proposals on law reforms and legislative amendments which aimed to bring the relevant legislative regimes up-to-date.

There were policy discussions on law reforms held by the respective specialist committees that the Standing Committee oversaw. Some of the legislative proposals which have been considered and deliberated by specialist committees are set out in the respective sections of those committees in this report. These legislative and policy proposals were reviewed and, where appropriate, endorsed by the Standing Committee.

#### Legislative amendments and reform initiatives

The Standing Committee examined an array of legislative amendments to ordinances, regulations and statutory codes. It took notice of, for instance, the attendances by various specialist committees at the meetings of the Panel on Administration of Justice and Legal Services ("AJLS Panel") of the Legislative Council ("LegCo") and rendered assistance to those discussions.

In addition, various specialist committees had meetings with policy bureaux, government departments, law enforcement agencies, the Judiciary, the Hong Kong Bar Association, the Legal Aid Department, regulators and other stakeholders to consider a wide range of legal matters.

#### **Use of Court Technology**

Use of court technology continued to be one of the important initiatives the Standing Committee was closely monitoring. Among other things, the Standing Committee noted the Judiciary Administration arranged briefing-cum-hands-on demonstration on the key functions of the integrated Court Case Management System ("iCMS") sessions for members and their representatives.

The Standing Committee noted that the Judiciary planned to mandate the use of the iCMS by legal representatives for selected case types starting from 2026; however, the Judiciary had yet to propose or consult on the electronic service of litigation documents. The Civil Litigation Committee took the initiative to prepare a Discussion Paper entitled "e-Service of Documents in Hong Kong", which was circulated to various specialist committees for views. Upon deliberation, it was proposed that the iCMS should be enhanced to include the e-service function in addition to the current e-filing capability. The proposal was endorsed by the Standing Committee and the Council and was then relayed to the Judiciary for consideration.

#### Joint Tribunal

The Standing Committee continued to help the Joint Tribunal in the discharge of its function. The Joint Tribunal is set up to resolve disputes between solicitors and barristers in relation to fees, in accordance with the agreed Terms of Reference and Procedure.

#### **ARBITRATION COMMITTEE**

The Arbitration Committee keeps under review developments in arbitration practices and makes recommendations thereon to the Council of The Law Society. To help with the workload, this year the Committee co-opted five members.

#### **Consultations on Matters Relating to Arbitration**

The Committee discussed and/or provided views on the following.

#### Policy Address 2024 and Government Budget 2024-2025

The Committee was consulted on the Policy Address 2024 and the Government Budget 2024-2025. In gist, the Committee considered that support in the development and promotion of arbitration in Hong Kong continued to be important. It advocated continual policy attention on the development of arbitration and other dispute resolution models in Hong Kong.

# Guidance Note and Checklists for Outcome Related Fee Structures for Arbitration ("ORFSA")

In 2023, the Advisory Body on ORFSA (a body provided for under the *Arbitration and Legal Practitioners Legislation (Outcome Related Fee Structures for Arbitration) (Amendment) Ordinance 2022*) set up a Working Group on ORFSA to devise a checklist in order to assist parties to review issues if they are to consider entering into an ORFSA agreement. Two members of the Committee were nominated to the Working Group, and they provided views to the Advisory Body on ORFSA on a draft guidance note and a draft Checklists for ORFSA. The Guidance Note and Checklists for ORFSA (English version) was published in November 2023. This year, the Committee reviewed the draft Chinese version of the Guidance Note and Checklists for ORFSA and rendered its reply to the Advisory Body.

#### **Promotion of Solicitor-Arbitrators**

To help promote arbitration practices for members in Hong Kong and Mainland China, including the Greater Bay Area ("GBA"), the Committee considered various initiatives and matters, including the following:

#### (a) Exploring Business Opportunities in the GBA

The Committee reached out to various dispute resolution institutes in the GBA, exchanged views with them on The Law Society's arbitration services, and discussed issues of mutual relevancy and explored opportunities. In addition to those institutes in the GBA, the Committee also discussed initiatives to visit legal and dispute resolution institutes located in other Mainland cities such as Chongqing.

#### (b) Promotion to the Business Sector

With a view to promoting more use of arbitration to resolve disputes, the Committee reached out to the business community to introduce and promote arbitration as a form of dispute resolution, at the same time enhance the branding of solicitor-arbitrators. All these initiatives have been well received by business entities and trade associations. This year, the Committee discussed and agreed to organise similar promotional events to publicise arbitration and champion solicitor-arbitrators to the business sector.

#### (c) Review of the Hong Kong Solicitors' Guide to Professional Conduct

The Committee assisted in the discussion on proposals to update the *Hong Kong Solicitors' Guide to Professional Conduct* in relation to ORFSA.

#### (d) Sports Law Conference

The Committee considered and supported the initiative of The Law Society to organise the *Sports Law Mega Event* (viz. the *Sports Law Conference*, the 15th Recreation and Sports Night and the 9<sup>th</sup> Guangdong-Hong Kong-Macau Lawyers Sports Meet) in 2025 to demonstrate The Law Society's support and efforts in the promotion of sports and sports law in Hong Kong. The Chair of the Committee was invited and joined the working group on the *Sports Law Conference*. The working group held several meetings and provided recommendations regarding the proposed programme and speakers to the Organising Committee of the *Sports Law Mega Event*.

#### (e) New Areas of Practice to the Panel of Arbitrators

The Panel of Arbitrators is the prime database on solicitor-arbitrators in Hong Kong. This year, the Committee considered and endorsed a recommendation to add new areas of practice (e.g. sports/esports) to the Panel of Arbitrators to provide users with more details regarding the practice experience of solicitor-arbitrators. The recommendation was approved by the Standing Committee in December.

Apart from the above, the Committee also deliberated development of arbitration practices in the post-COVID pandemic environment, and online arbitration. Online arbitration is one of the fast-growing practice areas in arbitration. Various ideas on the development and promotion of online arbitration in Hong Kong and the GBA had been put up.

#### Participation in Arbitration-Related Events and Activities

This year, the Committee supported the following events in arbitration:

- (a) 16th edition of the Frankfurt Investment Arbitration Moot Court CIETAC Chinese (Mainland) National Rounds (Moot Court) (in April);
- (b) 4<sup>th</sup> IATC Conference 2024 (in April);
- (c) ICCA 2024 Hong Kong (in May); and
- (d) Cocktail Reception co-hosted by the Department of Justice ("DoJ") and InvestHK (in May).

#### **Training Courses in Arbitration**

Continual training on arbitration is essential for solicitor-arbitrators and the general membership of The Law Society. It is important for members to be made aware of and be equipped with updates on knowledge and skills for arbitration. This year, the Committee made a recommendation to the Hong Kong Academy of Law to organise a training course on ORFSA, including the newly published Guidance Note and Checklists for ORFSA.

#### **Arbitrators Admission Sub-Committee**

The Arbitrators Admission Sub-Committee ("Sub-Committee") is established under the Committee to assist with the establishment and maintenance of the Panel of Arbitrators of The Law Society of Hong Kong ("Panel"). The Panel comprises solicitors with demonstrably strong experience in resolving disputes of different natures.

This year, the Sub-Committee considered and recommended adding new areas of practice (e.g. sports/e-sports) to the Panel to provide users with updated information on solicitor-arbitrators.

The Sub-Committee received and considered empanelment applications. The Sub-Committee approved one application for admission to the Panel this year. By the end of the year, there were 30 solicitor-arbitrators on the Panel.

#### **CIVIL LITIGATION COMMITTEE**

The Civil Litigation Committee met on five occasions during the year and conducted the rest of its business by email.

#### **Consultation Papers**

The Committee has been engaged in reviewing, considering and discussing various consultation papers with the Judiciary, DoJ, the LegCo and other statutory/professional bodies, and providing comments. These included the following.

## Proposed Legislation and Practice Directions for the Implementation of the iCMS in the Small Claims Tribunal

The Committee reviewed the consultation paper and submitted a paper in response. The submission was sent to the Judiciary in January.

## Draft *Practice Direction* on Reciprocal Enforcement of Mainland Judgments in Civil and Commercial Matters

The Mainland Judgments in Civil and Commercial Matter (Reciprocal Enforcement) Ordinance (Cap.645) became effective on 29 January. The Committee reviewed a consultation paper from the Judiciary on the draft *Practice Direction* on Reciprocal Enforcement of Mainland Judgments in Civil and Commercial Matters. A submission was finalised and sent to the Judiciary in January.

#### Mandatory Use of the iCMS for Legal Representatives

The Committee considered the Judiciary's consultation paper on Mandatory Use of the iCMS for Legal Representatives. The Judiciary planned to mandate the use of the iCMS by legal representatives for selected types of cases starting from 2026. Views of the Committee together with those from other specialist committees were consolidated into a written submission, which was sent to the Judiciary in April.

# Proposed *Practice Direction 31.1* on Case Settlement Initiatives in Civil Cases in the District Court

The Committee received a consultation paper from the Judiciary on the draft *Practice Direction 31.1* on Case Settlement Initiatives in Civil Cases in the District Court. The Committee maintained reservations regarding extending the case settlement conference to other divisions of the court. A joint reply, incorporating the views of the Mediation Committee, was prepared and sent to the Judiciary in October.

# Proposed Legislation and *Practice Direction* for the Implementation of iCMS in Civil Proceedings of the High Court

The Committee reviewed a Judiciary's consultation paper on proposed legislation and *Practice Direction* for the Implementation of iCMS in Civil Cases in the High Court. A submission was prepared and sent to the Judiciary in November.

#### **Government Budget 2024-2025**

In response to a consultation on the Government Budget 2024-2025, the Committee provided views and assisted in preparing a written submission. The submission was sent to the Financial Secretary in January.

#### **Policy Address 2024**

The Committee offered comments on the public consultation for Policy Address 2024. Comments from the Committee, alongside the input from other specialist committees, were consolidated into a submission, which was sent to the Chief Executive's office in September.

#### **Issues on Civil Litigation Practice**

#### e-Service of Documents

Regarding the electronic service of litigation documents, the Judiciary had yet to propose or consult on this matter. In May, the Committee proactively prepared a Discussion Paper entitled "e-Service of Documents in Hong Kong", which was circulated to various specialist committees for feedback. In August, the feedback collected was consolidated into a document outlining comments and proposals, which was then sent to the Judiciary in order to assist the Judiciary in formulating proposals on e-service of documents. Informal exchanges of views with the Judiciary took place in October.

#### New Mega Courtroom at Wanchai Law Courts Building

At the Judiciary's invitation, a committee member, together with office-bearers and members of other specialist committees, visited the new Mega Courtroom at Wanchai Law Courts Building in February. The Judiciary presented and demonstrated courtroom technology, including digital evidence presentation, voice-to-text technology and live broadcasting audio-visual control.

#### Solicitors' Hourly Rates for Party and Party Taxation in Civil Proceedings

The solicitors' hourly rates for party and party taxation ("SHRs") in civil proceedings undergo review every four years. Following the conclusion of the first four-yearly review (2018-2022) of SHRs, the Judiciary announced that the Chief Justice had decided to maintain the SHRs at the existing level until late 2025, when the next scheduled review is due. The Committee has continued to discuss this issue in preparation for further deliberation.

In addition, the Committee reviewed, discussed and provided comments and/or suggestions on various civil litigation practice matters, including:

- Reciprocal Enforcement of Mainland Judgments in Civil and Commercial Matters;
- The Law of the People's Republic of China on Foreign State Immunity;
- New Case Type of the High Court;
- Statute Law (Miscellaneous Provisions) Bill 2024;
- Promoting the Use of Mediation in Court Proceedings;
- DoJ's Consultation Exercise on Proposal to Amend the *Legal Officers Ordinance* (Cap.87);
- Professional Conduct and Duties of Private Insolvency Practitioners;
- Judicial Officers Recommendation Commission Report 2023;
- Code of Practice on the Identity Card Number and other Personal Identifiers: "Compliance Guide for Data Users", and information leaflet on "Your Identity Card Number and Your Privacy";
- Statement of Truth;
- Fees Arrangements with Barristers including Unused Refreshers; and
- Report on Judicial Remuneration Review 2024.

#### Attending meetings of the AJLS Panel of the LegCo

The Chair and/or the Vice-Chair of the Committee, together with officer-bearer(s) and/or other representative(s) of specialist committees, attended meetings of the AJLS Panel in respect of the following items:

- Implementation of the Judiciary's information technology infrastructure and technology related initiatives in the District Court Building at Caroline Hill Road (26 February);
- Waiting Time for Court Proceedings (24 June); and
- Latest Development of the Judiciary's Use of Technology in Court Operations (25 November).

#### Circulars

The Committee also issued the following circulars to assist members with the updated civil court practice and procedures:

- New Security Screening Measures on LG4/F of the High Court Building (issued in January);
- *Practice Direction* on Reciprocal Enforcement of Mainland and Hong Kong Judgments in Civil and Commercial Matters (issued in January);
- New Case Type of the High Court (issued in February);
- Briefing-cum-Demonstration on Key Functions of the iCMS for Law Firms in February and March (issued in February);
- Briefing-cum-Demonstration on Key Functions of the iCMS for Law Firms in April and May (issued in March);
- iCMS Nomination of Law Firms for Pilot Runs for High Court Selected Cases (issued in April);

- Enhanced Security Measures at High Court Building (issued in April);
- Briefing-cum-Demonstration on Key Functions of the iCMS for Law Firms in June and July (issued in May);
- Briefing-cum-Demonstration on Key Functions of the iCMS for Law Firms in August and September (issued in July);
- Briefing-cum-Demonstration on Key Functions of the iCMS for Law Firms in October and December (issued in September);
- iCMS for Civil Proceedings of the High Court Proposed New Filing Requirement (issued in October);
- Small Claims Tribunal Implementation of the iCMS for Bulk Claim Cases (issued in October);
- Briefing-cum-Demonstration on Key Functions of the iCMS for Law Firms in January and February 2025 (issued in November); and
- *Practice Direction* on Case Settlement Initiatives in Civil Cases in the District Court (issued in December).

#### **Others**

- The Vice-Chair attended an SCMP interview on cooling-off period of consumer sales in September.
- A committee member was nominated to join the Working Group on Consumer Protection for Home Renovation organised by the Consumer Council.
- A committee member delivered a presentation at the Third Seminar on the *PRC Civil Code* (第 三期粤港澳大灣區 《中華人民共和國民法典》系列講座) in October, held in Zhongshan.

#### **COMPANY LAW COMMITTEE**

The Company Law Committee reviewed consultation papers from stakeholders including The Hong Kong Exchanges and Clearing Limited and the Securities and Futures Commission.

During the year, submissions were made on the following:

- Proposal on Severe Weather Trading of Hong Kong Securities and Derivatives Markets;
- Consultation on proposals to (i) introduce a statutory scheme of arrangement and compulsory acquisition mechanism for real estate investment trusts and (ii) enhance the SFO market conduct regime for listed collective investment schemes;
- Review of the Corporate Governance Code and Related Listing Rules;
- Proposals to Further Expand the Paperless Listing Regime and Other Rule Amendments; and
- Proposed Amendments to the *Companies (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice* (Cap.32L) regarding Mixed Media Offers.

#### **External Representation**

The Law Society continued to be represented on the Companies Registry Customer Liaison Group.

#### **COMPETITION LAW COMMITTEE**

The Competition Law Committee met twice during the year and conducted the rest of its business by email.

#### **Joint Dawn Raids**

The Committee continued its review on the practice of dawn raids conducted by the Competition Commission. Dawn raids are provided for under the *Competition Ordinance* (Cap.619). They could be carried out by the Competition Commission itself or as a joint operation with the Hong Kong Police, other law enforcement agencies and relevant organisations in appropriate cases. There is a growing trend for the Competition Commission to conduct joint raids. The Committee in January had an informal meeting with the Competition Commission to discuss issues commonly arising in joint dawn raids, including questions around procedural safeguards, differences in powers of investigation and the privilege against self-incrimination. The Committee wrote to the Competition Commission in August seeking a second meeting to discuss the outstanding legal concerns. The Committee will keep this matter under review.

#### Review of the Competition Ordinance

The Committee, jointly with other specialist committees, in August wrote to the Commerce and Economic Development Bureau proposing a meeting to discuss, among other matters, the status of the review of the *Competition Ordinance*.

#### **Public Consultation on Policy Address 2024**

The Committee, jointly with other specialist committees, prepared a submission on Policy Address 2024. The submission was sent to the Chief Executive's office in September.

#### Consultation on Mandatory Use of the iCMS for Legal Representatives

The Committee in January reviewed a consultation paper from the Judiciary on Mandatory Use of the iCMS for Legal Representatives.

#### Mandatory Use of iCMS for Legal Representatives – E-Service of Documents

The Judiciary planned to mandate the use of e-service for litigation. The Committee reviewed a discussion paper prepared by the Civil Litigation Committee on e-service of documents. Views and comments of the Committee on the proposed e-service of documents via iCMS, together with those of other specialist committees, were submitted to the Council for consideration in August.

# CONSTITUTIONAL AFFAIRS AND HUMAN RIGHTS COMMITTEE

The Constitutional Affairs and Human Rights Committee met once during the year and conducted the rest of its business via email circulation. Various matters of constitutional importance were brought to the attention of the Committee.

#### Safeguarding National Security Ordinance

On 30 January, the Government commenced the public consultation on the *Basic Law* Article 23 legislation and invited public views. It was proposed in the consultation paper that a new *Safeguarding National Security Ordinance* ("SNSO") be enacted to comprehensively address the national security risks at that time and those that might emerge in the future in the HKSAR, and to fully implement the constitutional duties and obligations as stipulated under Article 23 of the *Basic Law*, the *Decision of the National People's Congress on Establishing and Improving the Legal System and Enforcement Mechanisms for the HKSAR to Safeguard National Security* and the *Law of the People's Republic of China on Safeguarding National Security in the HKSAR*.

The Committee considered the consultation paper and provided views to the Council of The Law Society. The Law Society's submission on "Basic Law Article 23 Legislation" was submitted to the Security Bureau on 26 February. The Committee took note of the results of the public consultation and the gazetting of the Safeguarding National Security Bill ("SNS Bill") on 8 March. The Committee further took note of the proposed Committee Stage Amendments on the SNS Bill. The Legislative Council unanimously passed the SNSO on 19 March. The SNSO took effect upon gazettal on 23 March.

#### Constitutional law and human rights issues

The Committee kept under review various matters which were of significance and/or relevance to constitutional law and human rights issues in Hong Kong. Some examples are:

- The District Council Ordinary Election held on 10 December;
- The "Annotations of the *Hong Kong National Security Law* and sedition offences in the *Crimes Ordinance*" published on the website of DoJ;
- Various court judgments including:
  - (a) HKSAR v Lai Chee Ying & Others [2023] HKCFI 3337 (time limitation issue on sedition charge);
  - (b) HKSAR v Lai Chee Ying & Others [2024] HKCFI 58 (clarification of the above ruling);
  - (c) HKSAR v Choy Yuk Ling [2023] HKCFA 12 (issue on false statements in a material particular for the purpose of obtaining the Certificates of Particulars of Vehicle); and
  - (d) *HKSAR v Chow Hang Tung* [2024] HKCFA 2 (overturning of acquittal on the offence of "incitement to knowingly take part in an unauthorised assembly"); and
- Equal opportunities matters.

#### CRIMINAL LAW AND PROCEDURE COMMITTEE

The Criminal Law and Procedure Committee considers and keeps under review matters relating to the law, procedures and practices of criminal litigation. The Committee had ten meetings during the year and discussed various issues on criminal law and practice. To help with the workload, the Committee co-opted three members this year.

#### **Consultations and Reviews**

#### Consultation on the Safeguarding National Security Bill ("SNS Bill")

The Government relaunched the process of legislating on Article 23 and issued a public consultation paper on 30 January. The Committee studied the consultation paper and provided views. In response to the consultation, The Law Society made a written submission on 26 February.

On 8 March, the Government gazetted the SNS Bill, which received its first and second readings on the same day of its gazettal. The discussion of the SNS Bill at the LegCo was adjourned for consideration by the Bills Committee which finished its review on 13 March after 25 meetings. After the gazettal of the SNS Bill, the Committee held two further meetings to review the SNS Bill and provided comments.

Before the resumption of the second reading of the SNS Bill, The Law Society had a meeting with the Deputy Secretary for Justice, during which The Law Society's comments on the SNS Bill were conveyed. Those comments included, for instance, the significance of legal professional privilege, rights of an accused during the detention periods, suspension of professional qualifications, freedom of speech and the power given to the Chief Executive in Council to make subsidiary legislation for the needs of safeguarding national security.

The SNS Bill was passed by the LegCo on 19 March and came into operation on 23 March.

#### Consultation on the Mandatory Use of the iCMS for Legal Representatives

As part of the Judiciary's ongoing efforts in making greater and wider use of technology to enhance the efficiency of court operations, the Judiciary was planning to make the use of the integrated iCMS mandatory for legal representatives within a specified target timeframe. In January, the Committee received from the Judiciary a consultation paper on the above initiative.

A sub-group was set up under the Committee to study the consultation paper. The sub-group reviewed the paper and provided comments to the Committee. These views were considered by the Committee. The comments of the Committee and other specialist committees were incorporated into a joint submission, which was sent to the Judiciary in April.

#### Consultation on the proposed new *Practice Direction* on Coronial Proceedings

The Committee in April received another consultation paper from the Judiciary, which invited views on a draft new *Practice Direction* on Coronial Proceedings ("new PD").

The Committee studied and provided comments on the draft new PD. In respond to the consultation, a joint submission incorporating the comments of the Committee and the Personal Injuries Committee was sent to the Judiciary in May.

# Consultation on the Draft Criminal Procedure (Appeal against Ruling of No Case to Answer) Rules (Cap.221M)

The Committee was in May consulted by the DoJ on the draft *Criminal Procedure (Appeal against Ruling of No Case to Answer) Rules* ("Draft Rules"). The Draft Rules sought to implement the new "no case to answer" appeal mechanism under the *Criminal Procedure (Amendment) Ordinance 2023*.

A sub-group formed under the Committee held a meeting to study the Draft Rules. The consolidated views of the sub-group and the Committee were sent to the DoJ in June by way of a letter. A reply letter from the DoJ setting out the refined Draft Rules was received in July.

#### **Criminal Legal Aid Rates**

The Committee kept under consideration the biennial review of criminal legal aid rates. The biennial review aims to update the criminal legal aid fees prescribed under Rule 21 of the *Legal Aid in Criminal Cases Rules* under the *Criminal Procedure Ordinance* (Cap.221).

#### **Other Reviews**

The Committee discussed and reviewed the following:

- The practice on offer no evidence bind over;
- Legal visit arrangements to the Correctional Services Department ("CSD") facilities;
- Preparation of reports by the CSD for court hearings;
- Legal aid assignment for solicitor-advocates;
- Fees of prosecution on fiat;
- *Mandatory Reporting of Child Abuse Bill*;
- Examining Panel (Criminal Proceedings) for the Higher Rights of Audience Assessment Board:
- Prosecution on Fiat Training Programme;
- Public consultation on Policy Address 2024; and
- Public consultation on Government Budget 2024-2025.

Where appropriate, recommendations were made to other specialist committees, the Standing Committee and/or the Council of The Law Society.

#### **LegCo AJLS Panel Meetings**

The Committee rendered assistance to the discussion of the AJLS Panel of the LegCo on the following:

- Implementation of the Judiciary's information technology infrastructure and technology related initiatives in the District Court Building at Caroline Hill Road (in February);
- Progress on the Systematic Review of Statutory Laws of Hong Kong (in March);
- Waiting times for court proceedings (in June); and
- Latest development of the Judiciary's use of technology in court operations (in November).

The Committee provided its views on, among others, the concerns of the legal profession on the waiting times for court proceedings for criminal cases and the continual need to improve on the court waiting time. The Committee also suggested that the Judiciary explore and speed up the use of information technology in case handling by, for example, accelerating the use of digital audio recording and transcription services, in order to enhance efficiency of the courts.

#### **Events and Activities**

#### Visit to the new Mega Courtroom

At the invitation of the Judiciary Administration, three members of the Committee, together with office-bearers and members of other specialist committees, visited the new Mega Courtroom at the Wanchai Law Courts Building in February and attended a briefing-cum-illustration session on the IT/AV facilities of the Mega Courtroom.

#### Rule of Law Education Train-the-Leaders Programme

As part of the efforts in enhancing the promotion of rule of law education in the community on all fronts, the Chair of the Committee in September attended and acted as a judge in the Mock Court Trial Activities of the Second Phase of the above Programme launched by the DoJ.

#### Discussions and liaison with stakeholders

The Committee held discussions and/or meetings with various stakeholders including the Judiciary Administration, the Hong Kong Advocacy Training Council, the DoJ, the Hong Kong Bar Association and the Competition Commission, to discuss matters of mutual concern.

#### EMPLOYMENT LAW COMMITTEE

The Employment Law Committee co-opted one member during the year and conducted its business by email. The Committee considered and/or provided views on the following matters relating to employment law:

- (a) The rights and obligations of employers and employees working under extreme conditions;
- (b) The proposed legislative amendment to the definition of "continuous contract of employment" under the *Employment Ordinance* (Cap.57);
- (c) The Construction Industry Security of Payment Bill;
- (d) The proposed relaxation of the Talent Scheme criteria; and
- (e) The Report on 2023 Manpower Projection published by the Labour and Welfare Bureau in November.

#### FAMILY LAW COMMITTEE

The Family Law Committee met nine times during the year. In addition, informal meetings were held with various stakeholders, including the Judiciary, to discuss a wide range of issues pertaining to family law. The Committee also conducted its business by email.

The Committee reviewed, among others, the following matters:

# **Draft** *Practice Direction* on Alternative Dispute Resolution in Family Proceedings

The Committee was invited to offer views on the draft *Practice Direction* on Alternative Dispute Resolution in Family Proceedings. Comments of the Committee, together with those from the Mediation Committee, were relayed to the Judiciary in February.

#### **Draft** Family Procedure Rules

The Family Procedure Rules Committee established under the *Family Procedure Ordinance* (Cap.646) is preparing the draft *Family Procedure Rules*. The Law Society's representatives on the Family Procedure Rules Committee sought comments from the Committee on two batches of draft *Family Procedure Rules*. The Committee reviewed and offered comments on these two batches of draft *Family Procedure Rules* in April and October respectively.

#### **Review on Consent Summons**

With the continual assistance of an ad hoc task group set up under the Committee, the Committee continued its review on the process and the drafting of consent summonses relating to ancillary relief and children arrangement. The task group compiled a set of common requisitions, with examples set out therein to address the difficulties encountered by practitioners in preparing consent summons. With several rounds of informal exchanges of views with the Judiciary on the matter, a seminar entitled "Consent Summons on Ancillary Relief and Care Arrangements for Children" was organised by the Hong Kong Judicial Institute in November, at which the Judiciary addressed the relevant questions and concerns.

#### Children Proceedings (Parental Responsibility) Bill

The Children Proceedings (Parental Responsibility) Bill ("Bill") represents efforts and attempts to bring forth the important concept of parental responsibility and the focus on children's best interests. A draft of the Bill for was put forward for public consultation in 2015/2016. The legislative exercise was not taken forward at that time, when there were calls from a few sectors of the community for provision of more support services for families.

The Committee maintained that the concepts of parental responsibility, domestic violence and child abuse intersect and overlap with one another. The *Bill* would play an important role in addressing these issues. It was important that the legislation of the *Bill* should not be delayed.

The Committee continued its efforts in meeting various stakeholders to push for the legislative exercise of the *Bill*, including meeting LegCo members in May. In June, the Committee wrote to the Panel on Welfare Services re-iterating support for the *Bill* and seeking the Panel's support in expediting the legislation of the *Bill*. The Committee took note of the discussions at the meeting of the Panel on Welfare Services held on 17 June and will keep the matter under review.

#### District Court (Fixed Costs in Matrimonial Causes) (Amendment) Rules 2024

Fixed costs are available for matrimonial causes under the *District Court (Fixed Costs in Matrimonial Causes) Rules* (Cap.336F). Private practitioners can choose whether to elect fixed costs for matrimonial cases, be it a legal aid assignment or not. However, if it is a legal aid assignment, they will be routinely asked to elect fixed costs. The last review of these fixed costs was in 2000. Since 2014, the Committee has liaised with the District Court Rules Committee, the Judiciary Administration, the Judiciary's Family Court Users' Committee (now known as Family Proceedings Court Users' Committee) and the Legal Aid Department, to propose upward adjustments of the fixed costs and to extend the fixed costs arrangement to the new family court practices. A new set of fixed costs in matrimonial causes was agreed and the *District Court (Fixed Costs in Matrimonial Causes) (Amendment) Rules 2024* was tabled for effecting the legislative changes at the LegCo for negative vetting on 10 January. The revised fixed costs took effect on 1 March.

#### Mandatory Use of iCMS for Legal Representatives – e-Service of Documents

The Committee was invited for views on a Discussion Paper on e-Service of Documents prepared by the Civil Litigation Committee. Views of the Committee were consolidated into a joint submission for the Council's consideration in July.

#### **Policy Address 2024**

The Committee offered comments on a public consultation on Policy Address 2024. Comments of the Committee, together with those from other specialist committees, were consolidated into a submission, which was sent to the Chief Executive's office in September.

#### Other family related matters

The Committee took note of and/or considered the following:

- Family Masters System (GD1.1 and GD1.2);
- Judiciary's consultation on Mandatory Use of the iCMS for Legal Representative;
- Judiciary's consultation on proposed legislation and practice direction for implementation of iCMS in civil proceedings of the High Court;
- Revised Code of Practice on Reproductive Technology and Embryo Research;
- News articles relating to child abuse;
- News articles relating to same-sex marriage;
- Article on "Surrogacy Laws in Hong Kong Time for a Change" published in The Law Society's official journal *Hong Kong Lawyer* (January 2024 issue);
- Revised Code of Practice on Reproductive Technology and Embryo Research, effective in January;
- The Mandatory Report of Child Abuse Bill;
- UK's Statement of Truth and Witness Statement;
- Judgment of *WW v XX* [2024] EWFC 330(B);
- AJLS Panel meeting on 26 February Implementation of the Judiciary's information Technology Infrastructure and Technology related Initiatives in the District Court Building at Caroline Hill Road;
- AJLS Panel meeting on 27 May Promoting the use of mediation in court proceedings;
- AJLS Panel meeting on 24 June Waiting time for court proceedings;
- The Law Society's leaflets on "Divorce and Ancillary Relief Financial Matters" and "Divorce and Children Matters";
- Booklet on "Divorce and Maintenance" issued by the Hong Kong Family Welfare Society;
- The latest progress on improving the mechanism for mutual service of judicial documents in civil and commercial proceedings between the Mainland and Hong Kong;
- Fee arrangements with barristers including unused refreshers;
- Annual review of Financial Eligibility Limits of Legal Aid Applicants and Director of Legal Aid's First Charge and Biennial Review of Criminal Legal Aid, Prosecution Fees and Duty Lawyers Fees; and
- The Maintenance Mediation Pilot Scheme by the Hong Kong Family Welfare Society.

#### Circulars

The Committee approved and issued circulars to members on the following matters:

- Revised *Practice Direction SL9* Pilot Scheme on Private Adjudication of Financial Disputes in Matrimonial and Family Proceedings (in June);
- Revised *Practice Direction SL7* Guidance on Direct Judicial Communications in International Family Disputes Affecting Children (in July and November); and
- Seminar on Consent Summons on Ancillary Relief and Care Arrangements for Children (in December).

#### **Events**

#### • Visit to Mega Courtroom at Wanchai District Court

In February, the Chair and the Vice-chair attended the visit of the new Mega Courtroom at the Wanchai Law Courts Building to showcase the IT/AV facilities.

#### Conference on Modern Families

In September, the Chair, the Vice-Chair and Committee members attended a Conference on Modern Families, of which The Law Society was one of the supporting organisations. The Chair also spoke at the Conference.

## • Training Course on Basic Understanding of Related Ordinance and Court Proceedings on Child Custody and Guardianship

In October, two Committee members delivered a presentation at the training course for Social Welfare Department on Basic Understanding of Related Ordinances and Court Proceedings on Child Custody and Guardianship.

## • Family Law Seminar: Consent Summons on Ancillary Relief and Care Arrangements for Children

In November, the Chair, the Vice-chair and Committee members attended a seminar on Consent Summons on Ancillary Relief and Care Arrangements for Children, organised by the Hong Kong Judicial Institute.

#### • The Law Society and RTHK Radio TV Programme

In December, two Committee members participated in a recording of a Law Society and RTHK TV programme "Nitty Gritty of Law 2" (《法律是咁的 2》).

#### **INSOLVENCY LAW COMMITTEE**

The Insolvency Law Committee conducted its business by email during the year.

# Judiciary's Consultation Paper on the Mandatory Use of the iCMS for Legal Representatives

The Committee was invited to render views on the Judiciary's consultation paper on the Mandatory Use of the iCMS for Legal Representatives. Views of the Committee, including experiences with the Courts in the BVI, the Cayman Islands and Bermuda regarding their e-filing and e-service systems, were incorporated into a submission, which was sent to the Judiciary in April.

#### **Public Consultation on Policy Address 2024**

The Committee was consulted on Policy Address 2024. The Committee expressed views on the legislative progress of the *Companies (Corporate Rescue) Bill.* Views of the Committee, together with those from other specialist committees, were consolidated into a submission, which was sent to the Government in September.

#### Circulars

The Committee issued circulars to members on the following subject matters:

- Timely Notification to the Official Receiver of Changes in Appointment Takers in Insolvency Cases (issued in March);
- Professional Conduct and Duties of Private Insolvency Practitioners (issued in May);
- Charging of Ad Valorem Fees in Compulsory Winding-up and Bankruptcy Cases (issued in August);
- ORO Circular No.1/2024 Payments to Companies Liquidation Account and Special and Ordinary Bank Account under section 202 of the *Companies (Winding Up and Miscellaneous Provisions) Ordinance* (Cap.32) (issued in November); and
- Application for Appointment of Provisional Liquidators under section 193 of the *Companies* (Winding Up and Miscellaneous Provisions) Ordinance (Cap.32) (issued in December).

#### **Attending outside meetings**

Two members of the Committee, as representatives of The Law Society, attended regular meetings of the Official Receiver's Office Services Advisory Committee ("OROSAC") throughout the year. The OROSAC helps monitor the Official Receiver's Office's service quality and standards.

#### INSURANCE LAW COMMITTEE

The Insurance Law Committee conducted its business by email during the year.

#### **Consultation Papers**

The Committee considered and reviewed the following:

# Consultation Paper on Draft Insurance (Valuation and Capital) Rules and draft Insurance (Submission of Statements, Reports and Information) Rules

The Committee considered a consultation paper on the draft *Insurance (Valuation and Capital)* Rules and Draft Insurance (Submission of Statements, Reports and Information) Rules, released by the Insurance Authority ("IA") in December 2023. The Committee produced a written submission, which was sent to the IA in January.

# Consultation Paper on Draft Insurance (Exemption to Appointment of Actuary) Rules, Draft Insurance (Maintenance of Assets in Hong Kong) Rules, Draft Insurance (Marine Insurers and Captive Insurers) Rules and Draft Insurance (Lloyd's) Rules

The Committee reviewed a consultation paper on the drafts of the *Insurance (Exemption to Appointment of Actuary) Rules, Insurance (Maintenance of Assets in Hong Kong) Rules, Insurance (Marine Insurers and Captive Insurers) Rules* and *Insurance (Lloyd's) Rules*, released by the IA in January. The Committee produced a written submission, which was sent to the IA in February.

#### Consultation on the Companies (Amendment) (Re-domiciliation) Bill 2024

The Committee in April reviewed a working draft of the *Companies (Amendment) (Redomiciliation) Bill 2024*. A submission was made to the Financial Services and Treasury Bureau in April.

#### Consultation Paper on Draft Guideline on Valuation and Capital Requirements

The Committee considered a consultation paper on the draft Guideline on Valuation and Capital Requirement released by the IA in December. The Committee was reviewing the draft guideline and preparing a submission.

#### **Public Consultation on Policy Address 2024**

Views of the Committee on Policy Address 2024, together with those from other specialist committees, were consolidated into a submission, which was sent to the Chief Executive in September.

#### Meeting with the IA

In July, the Committee held an informal meeting with the IA to discuss a wide range of issues relating to insurance law.

#### Other insurance law related issues

The Committee took note of the following:

- Implementation of the new Risk-Based Capital regime in July;
- Consultation conclusion and legislative proposals by the Government on the introduction of a company re-domiciliation regime in July;
- Consultation on Paper Cheque Development by the Hong Kong Association of Banks in November; and
- Asian Insurance Forum 2024 in December.

# INVESTMENT PRODUCTS AND FINANCIAL SERVICES COMMITTEE

The Investment Products and Financial Services Committee considered consultations from the Government and the Securities and Futures Commission. During the year, submissions were made on the following:

- Legislative proposal to implement the Regulatory Regime for Stablecoin Issuers in Hong Kong (in February);
- Legislative proposal to regulate Over-the-Counter Trading of Virtual Assets (in April); and
- Enhancements to the OTC derivatives reporting regime for Hong Kong to mandate: (1) the use of Unique Transaction Identifier, (2) the use of Unique Product Identifier, and (3) the reporting of Critical Data Elements (in May).

#### INTELLECTUAL PROPERTY COMMITTEE

The Intellectual Property Committee has been actively and busily engaged in discussions on a wide array of issues relating to the development of intellectual property ("IP") law and practices in Hong Kong. This year, the Committee convened eight meetings and co-opted one new member to help cope with its heavy workload. Members of the Committee also attended external meetings, including meetings with the Intellectual Property Department ("IPD"), to help with discussions.

#### **Consultations and Reviews**

# Public Consultation on Proposed Subsidiary Legislation under the *Copyright Ordinance* (Cap.528)

The Committee received in February a consultation paper on "Proposed Subsidiary Legislation for Specification of Libraries, Museums and Archives and Prescribed Conditions for Certain Permitted Acts Under the *Copyright Ordinance* (Cap.528)", which was jointly launched by the Commerce and Economic Development Bureau ("CEDB") and the IPD of the HKSAR Government. The consultation set out the Government's proposals to enact two pieces of subsidiary legislation under the *Copyright Ordinance* to replace the existing *Copyright (Libraries) Regulations* (Cap.528B). The proposed new subsidiary legislation aims to specify the types and classes of libraries, museums and archives which are eligible to do certain permitted acts for use of copyright works under the *Copyright Ordinance* and prescribe the applicable conditions for each of these permitted acts. Two members of the Committee attended a briefing session held by the IPD in March. After deliberation, the Committee produced a submission which was sent to the Government in April.

#### **Public Consultation on Copyright and Artificial Intelligence**

The CEDB and the IPD jointly launched in July a consultation paper entitled "Copyright and Artificial Intelligence". The consultation focused on copyright issues arising from artificial intelligence ("AI"), especially generative AI. The Chair and a few members of the Committee attended a briefing session by the IPD in July. The Committee studied the consultation paper and made a submission to the Government in September.

#### **Regulation of Questionable IP Agents' Practices**

The Committee noted that there were concerns about law firms setting up agencies or service companies to provide IP services to the public such as trademark registration services. Upon the recommendation of the Committee, The Law Society issued a circular in July to remind members to comply with Principle 2.07 of the *Hong Kong Solicitors' Guide to Professional Conduct* (Volume 1) (3<sup>rd</sup> Edition).

The Committee also noted that IP agents of questionable qualification were operating in Hong Kong. Some IP agencies had hired in-house lawyers and asked them to provide IP services, such

as trademark and patent registration, to the public. These IP agencies were not law firms registered with The Law Society. A circular was issued in October to remind members employed by non-solicitor employers of the requirements set out in the *Solicitors (Professional Indemnity) Rules* (Cap.159M).

The Committee observed that some agents professed to have legal qualifications which were not recognised in Hong Kong, while some agents used company names which suggested they might be law firms when in fact they were not. The Committee proposed that a basic set of regulations and recommended practices be introduced to regulate the conduct of IP agents. The Committee had been taking follow-up actions in this regard.

#### **Public Consultation on Policy Address 2024**

The Committee was consulted on Policy Address 2024. The Committee agreed with full endorsement the objectives that strengthening and enhancing Hong Kong's IP protection regime, as well as promoting IP management, commercialisation and trading, would enable Hong Kong to play to its strengths and thrive in the high-value segments of the entire IT industry chain. To achieve the above, the Committee opined that it was important to have a clear and a strong policy on, among others: (a) a copyright protection regime, (b) IP trading and commercialisation, and (c) education on IP awareness and recognition. The above views, together with views from other specialist committees, were sent to the Government in September.

#### **Public Consultation on Government Budget 2024-2025**

Likewise, the Committee was invited to offer suggestions on Government Budget 2024-2025. Among other things, the Committee considered that funding efforts should be extended to (a) establish a robust IP infrastructure for IP trading and commercialisation, (b) support ongoing copyright consultations and the preparation of the legal profession for the *Madrid Protocol*, as well as the potential regulation of patent practitioners with reserved titles, and (c) promote and expand IP education. A joint submission incorporating the above and views of other specialist committees was prepared and sent to the Government in January.

In addition, the Committee discussed and reviewed the following:

- Proposed repeal of the Solicitors (Trade Marks and Patents) Costs Rules (Cap.159I);
- Operation of online IP filing platforms offering trademark application services;
- Proposal to use copyright to tackle deepfake issues;
- Proposed amendments to the Rules of the High Court and IP Subsidiary Legislation; and
- Draft *Practice Direction 22.2* on IP List.

#### Discussions and liaison with stakeholders

The Committee had been actively and busily working on proposals and issues regarding regulatory arrangements for local patent agency services.

In March, members of the Committee together with representatives of two other IP practitioners group attended a joint meeting with IPD to note and discuss developments, initiatives and plans of the IPD. In addition, members of the Committee had its annual meeting with the IPD in May and had extensive discussions with the IPD on various IP matters. Members of the Committee also attended a meeting in December with a practice group on trademark, during which representatives from other stakeholders including the IPD exchanged views. In December, the Chair and three other members of the IP Committee participated in an interview with a contractor of the IPD and shared their views on the professional and business services relating to IP trading in Hong Kong.

#### **Promotion of IP**

#### Business of Intellectual Property ("BIP") Asia

The Committee continued to be represented on the BIP Asia Steering Committee and The Law Society continued to be the supporting organisation to the BIP Asia Forum.

This Forum was jointly organised by the HKSAR Government and the Hong Kong Trade Development Council ("HKTDC"). It brought together IP professionals and business leaders from around the world to discuss the latest developments in the IP world and to explore business collaboration opportunities. This year, the 14<sup>th</sup> edition of the Forum, themed "Reimagining IP for Impact and Growth", was held on 5 and 6 December, featuring over 100 speakers worldwide and attracted more than 3,000 participants.

The Committee again rendered support to the Forum. The Chair hosted an Inspo Talk Session on "Managing AI - From a User's Perspective". The Vice-chair and several other members of the Committee also attended the Session and facilitated participants' discussions as table hosts. In addition, the Vice-chair spoke on the topic "Basic Concepts of IP Trading" at the IPD's IP Manager Training Programme during the Forum.

#### World Intellectual Property Day Reception

The Committee on 26 April attended the World Intellectual Property Day Reception organised by the IPD.

#### GoGBA Seminar for Legal Sector

This event was organised by the Guangdong-Hong Kong-Macao Greater Bay Area Development Office and the HKTDC on 23 July to help legal practitioners understand the relevant policies and development opportunities in the GBA. The Chair spoke at the session on Strategies and Opportunities to Develop Practices of Hong Kong Legal Service Providers in the GBA.

#### Paper on Sports Law Development for Hong Kong

With the assistance of the Committee and other specialised committees, The Law Society prepared a Paper on Sports Law Development for Hong Kong, outlining the policy proposals from The Law Society in addressing both non-contentious and contentious aspects of sports law. The Paper was submitted to the Government in September.

# 2024 Guangdong/Hong Kong Seminar on IP and Development of Small and Medium Enterprises (Zhongshan)

Since 2004, The Law Society has supported Guangdong/Hong Kong Expert Group on the Protection of Intellectual Property Rights in organising an annual symposium in a city of the Guangdong Province to promote IP protection, management, exploitation and trading to Guangdong/Hong Kong SMEs in the region. The Chair of the Committee supported this year's event held in Zhongshan in September and delivered a presentation on "Collaborative innovative thinking and relevant considerations".

#### **IP Ambassador Programme**

This progamme, co-organised by the IPD and the three local universities which offer law degree courses, invites interested law students to be IP ambassadors and, as such, participate in IP-related activities such as school visit programmes, conferences, lectures, seminars, exchange programmes and networking with IP practitioners. The Committee members supported this initiative and attended on 25 October the closing ceremony for the 2023/24 Programme and the welcome reception for the 2024/25 Programme.

#### Art Panel: Time travelling – from Chinese brushes to AI Art

This event, organised by the Consulate General of Belgium and held on 14 November, was part of an initiative under the "Belgian Days". The *Art Panel* aimed to explore Chinese calligraphy and its re-definition in contemporary form under the influence of AI and technology. A member of the Committee moderated the session and another member of the Committee attended the session. Both members exchanged views with other participants on how legal issues in relation to the use of AI in art should be addressed.

#### **Publications**

A booklet on "Managing Intellectual Property Assets" was published in December. The booklet, authored by the Chair of the Committee and jointly published by the IPD and The Law Society, aims to educate the business enterprises on how to manage their IP portfolio so as to optimise their IP investments and returns. The booklet is the third of a series of booklets on IP and is accessible on the Public Zone of The Law Society's website.

#### Circulars

The Committee issued the following circulars to provide members with updates on IP-related matters:

- Filing of IP Matters Affected by Earthquakes in Japan (issued in January);
- Revisions to the Trade Marks Registry Work Manual (issued in February);
- Hong Kong Solicitors' Guide to Professional Conduct Principle 2.07: Companies Serving Clients and The Firm (issued in July);
- Implementation of the "Patent Box" Tax Concession (issued in September);
- Provision of Legal Services by Solicitors Employed by IP Agencies (issued in October);
- Joint Publication by The Law Society and the IPD of a booklet on "Managing Intellectual Property Assets" (issued in December); and
- Contact Persons for Enquiries on Trade Marks, Patents and Designs Registries (issued in December).

# LAND USE PLANNING & ENVIRONMENTAL LAW COMMITTEE

The Land Use Planning & Environmental Law Committee reviewed legislative proposals and consultation papers concerning land use planning and environmental protection in Hong Kong. It conducted business by email during the year.

#### Private Columbaria Ordinance (Cap.630)

In May, the Food and Environmental Hygiene Department published a consultation paper to amend certain provisions to the above Ordinance and enhance the implementation details to achieve more effective operation of the regulatory regime on private columbaria.

#### Buildings Energy Efficiency Ordinance (Cap.610)

In November, the Electrical and Mechanical Services Department published a consultation paper to propose amendments to the above Ordinance and its subsidiary legislation to, among other things, extend the scope of regulation to cover more types of buildings, shorten the interval of energy audits to be carried out in respect of specified buildings, and provide for the publication of certain technical information in energy audits reports.

The Committee reviewed the above consultation paper and provided submissions in response thereto.

In addition, the Committee took note that the *Land (Compulsory Sale for Redevelopment)* (Amendment) Ordinance was passed on 18 July and the Protection of the Harbour (Amendment) Bill was gazetted on 9 December.

#### LEGAL AID COMMITTEE

The Legal Aid Committee met once during the year and conducted the rest of its business by email.

Legal aid plays an important role in enhancing access to justice and upholding the rule of law in Hong Kong. This year, the Committee continued to keep a close watch on the legal aid system of Hong Kong.

#### Meeting with the Legal Aid Department

The Committee maintained an on-going dialogue with the Legal Aid Department ("LAD") on the development of and matters pertinent to legal aid practices.

The Committee had an informal meeting with the Director of Legal Aid and his deputies in January to exchange views on various legal aid issues, including the trend of the legal aid applications, problems arising from the non-delivery or late/incomplete delivery of papers by predecessors upon a re-assignment, travelling expenses incurred on legal visits and costs issues. The exchange of views at the informal meeting was fruitful.

#### Financial Eligibility Limits for Legal Aid

The Committee noted that with effect from 2 February, the financial eligibility limits for the Ordinary Legal Aid Scheme ("OLAS") and the Supplementary Legal Aid Scheme ("SLAS") were adjusted upwards. For OLAS, the limit went up from \$433,010 to \$440,800. For SLAS, the adjustment was from \$2,165,060 to \$2,204,030.

The Committee further noted that with effect from 13 December, the financial eligibility limits for the OLAS and the SLAS were further adjusted upwards. For OLAS, the limit went up from \$440,800 to \$449,620. For SLAS, the adjustment was from \$2,204,030 to \$2,248,110.

#### Other legal aid related issues

The Committee took note of the following:

- Quarterly Assignment Statistics of Legal Aid Cases
- Payment arrangement of the LAD in July
- The LAD Annual Report 2023 in October
- Annual reviews of Financial Eligibility Limits of Legal Aid Applicants and Director of Legal Aid's First Change in October
- Biennial Review of Criminal Legal Aid, Prosecution Fees and Duty Lawyer Fees in October

#### Circular(s)

The Committee issued a circular on "Correspondence with the Director of Legal Aid" in June.

#### **CPD** course

On the recommendation of the Committee, a CPD course on "Update on Legal Aid Scheme" was organised by the Academy of Law in September, with speakers from the LAD.

#### **MEDIATION COMMITTEE**

The Mediation Committee keeps in view mediation-related matters and makes recommendations thereon for the Council of The Law Society. It puts forward initiatives to help promote mediation practice and expand work opportunities for solicitor-mediators and solicitor-mediation advocates. The Committee also assists the Council with discussion and policy formulation on mediation-related matters and studies and responds to various consultations. Members of the Committee attend external meetings (for example, LegCo meetings) to help with discussions.

The Committee met once during the year and conducted the rest of its business by email. An ad hoc working group was set up to help review the relevant paragraphs/commentaries of the *Hong Kong Solicitors' Guide to Professional Conduct*. The working group conducted its business by email.

One member of the Committee retired this year, and the Committee co-opted one member to fill the vacancy.

#### **Consultations and Reviews**

The Committee considered and/or provided views on the following matters.

#### Policy Address 2024 and Government Budget 2024-2025

The Committee was consulted on Policy Address 2024 and Government Budget 2024-2025. In gist, the Committee considered that support in the development and promotion of mediation in Hong Kong continued to be important. It advocated continual policy attention on the development of mediation and other dispute resolution models in Hong Kong.

## Consultation on the Proposed *Practice Direction 31.1* on Case Settlement Initiatives in Civil Cases in The District Court

The Committee considered the proposed *Practice Direction 31.1* on Case Settlement Initiatives in Civil Cases in the District Court in September. In gist, the Committee supported the above initiative to promote the use of mediation and alternative dispute resolution in civil cases in the District Court. The Committee provided its views to the Civil Litigation Committee for a consolidated submission to the Judiciary.

#### **GBA Mediators Accreditation**

The development of mediation in the GBA continued to be one of the focused areas for discussion by the Committee this year. Among other things, the Committee noted and reviewed new developments of the GBA Mediator Accreditation Mechanism in Hong Kong.

#### **Assistance in the Development of Mediation Practices**

The Committee deliberated various arrangements and measures in order to assist solicitor-mediators and the general membership of The Law Society in the development of their mediation practices.

#### (a) International Organisation for Mediation ("IOMed")

The Committee considered and supported the initiative to establish the headquarters of IOMed in Hong Kong. The Chair of the Committee attended the meetings of the AJLS Panel held in January, February and March and rendered The Law Society's support to the establishment of the headquarters of IOMed in Hong Kong.

#### (b) Sports Law Conference

The Committee considered and supported the initiative of The Law Society to organise the *Sports Law Mega Event* (viz. the *Sports Law Conference*, the 15th Recreation and Sports Night and the 9<sup>th</sup> Guangdong-Hong Kong-Macau Lawyers Sports Meet) in 2025 to indicate The Law Society's support and efforts in the promotion of sports and sports law in Hong Kong. The Chair of the Committee was invited to and joined the working group of *Sports Law Conference*. The working group held several meetings this year and provided recommendations regarding the proposed programme and speakers for the *Sports Law Conference* to the Organising Committee of the *Sports Law Mega Event* for consideration.

#### (c) Promotion of Mediation in Hong Kong

The Committee continued its work on the promotion of the use of mediation in Hong Kong. In May, a member of the Committee attended a meeting of the AJLS Panel and expressed views on the promotion of mediation in Hong Kong.

The Committee also maintained good working relationships with external bodies on matters relating to the promotion of use of mediation in Hong Kong. The Committee was approached by and discussed with an external body regarding the creation of a pilot scheme for mediation services.

#### (d) The Hong Kong Solicitors' Guide to Professional Conduct

To update members on practices relating to mediation, the Committee set up an ad hoc Working Group to review proposed amendments to the *Hong Kong Solicitors' Guide to Professional Conduct*.

#### (e) Publication of Sample Mediation Documents

In order to assist mediation practitioners and members in addressing and overcoming difficulties commonly encountered in various stages of the mediation process, the Committee prepared various samples and templates for use of mediation, such as Sample Agreement to Mediate, Mediation Rules, etc. These sample documents have been uploaded onto the website of The Law Society for free access by members and the general public.

#### (f) Participation in Mediation-Related Events and Activities

As part of its continual efforts to promote mediation services, the Committee proposed mediation-related CPD activities for the general membership:

- Interface Between Family Mediation/Parenting Coordination (25 October);
- Joint Mediation Helpline Office Who We Are, What We Have Done and Where We Are Heading (29 October); and
- Mediation for Healthcare & PI Claims and the Roles of Lawyers in Mediation (12 November).

Additionally, during the year the Committee participated in and/or supported the following events relating to mediation:

- *Hong Kong Mediation Week* (7 to 10 May);
- The Hengqin ADR Week's International Commercial Mediation Training (17 October); and
- Hong Kong Mediation Council Limited Conference 2024 (7 December)

#### (g) Other Promotion for Solicitor-mediators

Other efforts to promote solicitors' mediation practices by the Committee included:

- Review of the policies on solicitors' practice in Mediation and Parenting Co-ordination ("PC");
- CPD activities organised on Mediation, PC and related subjects;
- Liaison with stakeholders (both in Hong Kong and other jurisdictions) on mediation matters; and
- Updating solicitors on the latest developments of Mediation, PC and other dispute resolution practices such as Early Neutral Evaluation.

#### **Provision of Mediation Services**

The Committee assisted The Law Society in providing the following mediation services to the general public:

#### (a) Mediators Nomination Scheme

The Committee continues to provide nomination services for mediation to the public. Under the scheme, parties who have agreed to mediate their disputes but cannot agree on the choice of the mediator can jointly request The Law Society to nominate a solicitor-mediator to mediate their disputes.

#### (b) Pilot Scheme on Mediation Helpline

The Law Society's Mediation Helpline ("Helpline") was launched in November 2014. The Helpline, under the supervision of the Committee, arouses public awareness of and understanding on mediation. It also helps promote mediation, as well as solicitors' mediation practices in Hong Kong. The Helpline was initially launched for a trial period of six months, during which a panel of solicitor-mediators, with the assistance of the Secretariat of The Law Society, provided information on mediation and mediation services to the public. The Helpline received encouraging feedback and the trial period of the Helpline was repeatedly extended.

#### MENTAL HEALTH LAW COMMITTEE

The Mental Health Law Committee considers policy proposals for the reform of the mental health law regime in Hong Kong. It met four times during the year, in addition to various task group meetings and email communication. The Committee also had two joint meetings with the Judiciary, the DoJ and the Official Solicitor's Office ("OSO") to discuss mental health law and relevant practice directions. In addition, the Committee made recommendations on mental health law matters and training to the Academy of Law. To ensure the Committee has sufficient expertise and representation to achieve the tasks, the Committee co-opted three members.

#### Advance Decision on Life-sustaining Treatment Bill

The Committee was in February consulted on the *Advance Decision on Life-sustaining Treatment Bill* ("*AD Bill*"). The Committee played a pivotal role in reviewing and addressing the legal issues related to the *AD Bill* and provided views and suggestions. The Committee supported the policy objectives of the *AD Bill* and highlighted the need to lower the formalities of making ADs and clearer guidance on grandfathering of Advance Medical Directives and Do Not Attempt Cardiopulmonary Resuscitation. The above views of the Committee, together with its comments and suggestions regarding the drafting of the *AD Bill*, were sent to the Bills Committee on the *AD Bill* of the LegCo in the same month and led to concrete legislative changes.

#### Practice Direction 30.1

This year, with the assistance of its task group and the OSO, the Committee continued its review of *Practice Direction 30.1* (on applications under Part II of the *Mental Health Ordinance* (Cap.136) ("*MHO*")) ("*PD 30.1*") and the proposed amendments thereto. The amendments were proposed to improve the practices of the Court in hearing *MHO* applications, for the benefit of the legal profession and the general public. The Committee also received helpful comments from the Personal Injuries Committee in relation to the proposed amendments. Following two joint

meetings and several rounds of discussions with the stakeholders (including the Judiciary, the DoJ and the OSO), the updated *PD 30.1* came into effect on 28 October.

#### **Policy Address 2024**

In its submission to Policy Address 2024, the Committee again raised the significance of the Continuing Power of Attorney ("CPA") to Hong Kong, in particular when Hong Kong was facing an ageing society. The Committee noted that the consultation on the *Continuing Power of Attorney Bill* ("CPA Bill") was launched in 2017, but it had not seen any follow up after the consultation. The Committee called for the Government's attention and asked that the CPA Bill be tabled in the LegCo as soon as practicable for discussion.

#### Review of MHO

The Committee continued its review of the *MHO*. Task groups were set up under the Committee to review *PD 30.1* and its annexures. The task groups met on various occasions to deliberate, among other things, the requisite updates on mental health law practices under the *MHO*, and they rendered recommendations to the Committee.

#### **Professional Practice**

The Committee made recommendations to the Academy of Law to organise a Risk Management Education ("RME") course in relation to the *MHO*, in particular on the appointment of committees (under Part II of the *MHO*) and guardianship (under Part IV of the *MHO*). With the joint efforts of the Committee and the Academy of Law, an RME course entitled "Risk Management and Pitfalls in Mental Health Law Practice" was held on 8 October.

By highlighting the common pitfalls in the practice, the RME course aimed to enhance the knowledge of the legal practitioners in relation to the *MHO* (in particular on the concept of mental capacity, the relevant considerations in making committee and guardianship applications) which would help reduce the risk of a possible claim or complaint by clients or other parties. The RME course brought together eminent speakers from the Judiciary, the Guardianship Board, the OSO and members of the Committee. The course was well received.

#### **Other Reviews**

In addition, the Committee discussed and kept under review the following:

• The feasibility of remote assessment on mental capacity of persons in applications under Parts II and IVB of the *MHO*;

•	The feasibility of court-driven mediation in proceedings involving mental health law cases; and
•	The arrangement for legal visits to patients in hospital under Part III of the <i>MHO</i> .

# PERSONAL INJURIES COMMITTEE

This year, the Personal Injuries Committee continued its discussions on various personal injuries-related issues. The Committee assisted other specialist committees and the Council of The Law Society in deliberating and taking note of various matters relevant to the law, procedure and practice of personal injuries litigation. The Committee had two meetings during the year and conducted the rest of its business by email.

## **Legal Aid Assignments**

Pursuant to the meeting and discussions with the Legal Aid Department, the Committee issued a circular in February reminding general members of various matters in relation to the assignment or re-assignment by the Director of Legal Aid to act for a party/parties in employees' compensation and personal injuries cases. These matters related to the engagement of experts, payment of costs, delivery of original papers upon re-assignment, and advising on costs ceilings.

## **Levels of Compulsory Insurance for Buildings**

The level of third-party risk insurance for buildings is laid down in section 4 of the *Building Management (Third Party Risks Insurance) Regulation* (Cap.344B). The figure of \$10 million insurance set out in the *Regulation* has not been reviewed in the past 15 years. This coverage is seriously outdated and no longer provides sufficient protection for owners of private flats facing potentially large third-party claims. A spate of accidents arising from fallen debris/dilapidated concrete slabs of old buildings in various districts of Hong Kong, as well as the remarks by the Secretary for Development in August 2023 (who openly appealed for attention from property owners on their own civil liabilities in case of personal injuries or death), accentuated the need for a policy review of the level of compulsory insurance for buildings.

Following the above, the Committee wrote to the Home and Youth Affairs Bureau on various occasions and raised concerns. In response, a meeting with the Home Affairs Department ("HAD") was arranged in October 2023, during which the Committee and the HAD exchanged views on the matter. The Committee continued to follow up on this matter in 2024. In January, with a view to safeguarding the community against the risks associated with ageing buildings in Hong Kong, the Committee wrote to the Property Management Services Authority ("PMSA") proposing to increase the levels of compulsory third-party insurance for buildings. After receiving a response from the PMSA in April, the Committee deliberated and wrote further to the PMSA in June, inviting them to collaborate with the Committee in advocating for a review of the adequacy of the current minimum insurance level required under the *Building Management Ordinance* (Cap.344). The Committee also wrote to the HAD on the above in the same month and the HAD acknowledged receipt of the Committee's views in July. The Committee will continue to keep the matter under review.

## Consultation on the Mandatory Use of the iCMS for Legal Representatives

The Committee was invited to provide views on a consultation paper on iCMS launched by the Judiciary in January. The Judiciary proposed to make use of the iCMS mandatory for legal representatives within a specified target timeframe. The Committee reviewed the proposal and, jointly with other specialist committees, produced a submission to the Judiciary in April.

# Consultation on the Proposed new *Practice Direction* on Coronial Proceedings

The Committee was in April consulted on another proposal from the Judiciary on a draft new *Practice Direction on Coronial Proceedings* ("new *PD*"). The Judiciary proposed to introduce the new *PD* to facilitate the Coroner's Court in dealing with cases in an efficient, expeditious and timely manner by formulating timelines and timetables that were reasonable for various scenarios. The Committee reviewed and provided comments on the draft new *PD*. Views of the Committee on the draft new *PD*, together with the views of the Criminal Law and Procedure Committee, were consolidated into a submission which was sent to the Judiciary in May.

# Proposed New Principles to *Hong Kong Solicitors' Guide to Professional Conduct* Volume 1

The Committee discussed a proposal to include new principles under Chapter 1 of the *Hong Kong Solicitors' Guide to Professional Conduct* Volume 1 to make it a mandatory requirement for written retainers to be entered into. The Committee reviewed the proposal and provided views.

#### Amendments to PD 30.1

The Committee continued its review of the draft amendments proposed to *PD 30.1* and had meetings and discussions with the Mental Health Law Committee and the Judiciary, to exchange views on the proposed amendments. The Committee provided suggestions on, among others, the proposed directions in relation to mediation. The updated *PD 30.1* was issued by the Judiciary and came into effect on 28 October.

#### **Other Discussions**

In addition, the Committee discussed and/or kept under review the following:

- The Statement of Truth used in court documents;
- The use of single joint experts in personal injuries cases; and
- The declaration in Form No.16C regarding Admission (unliquidated amount).

## PROBATE COMMITTEE

The Probate Committee met five times during the year and conducted the rest of its business via email.

The Committee considered various matters on probate law and practices and offered views on the following:

- Probate Registry practice;
- Registration of Grants of Representation issued by the High Court of HKSAR;
- Advance Decision on Life-Sustaining Treatment Ordinance (Cap.651); and
- Authentication of Public Documents Issued in Mainland China.

Where appropriate, members' circulars were issued on the above.

Among the issues above, the introduction of the *Advance Decision on Life-Sustaining Treatment Ordinance* (the "*Ordinance*") received the attention of the Committee. The *Ordinance* allowed an adult patient to make instructions in advance for situations where they were mentally incapable of deciding on life-sustaining treatment, following in-depth discussions with family members and healthcare professionals. The *Ordinance* was passed and gazetted on 29 November.

In August and September, a committee member spoke in courses relating to updates on intestate and testate succession.

The Committee received members' enquiries on probate practices and procedures and assisted in processing applications for publication in the weekly Enquiries from Solicitors on Wills, Codicils and other Testamentary Dispositions of Deceased Persons/Mentally Incapacitated Persons. About 3,282 will search enquiries were received and processed this year.

### PROPERTY COMMITTEE

The Property Committee had been actively reviewing numerous legislative proposals on property law and conveyancing practices. It had maintained ongoing engagement with key stakeholders, including the Land Registry, the Government, the Hong Kong Association of Banks ("HKAB") and the Judiciary, to address various property-related issues. Besides the routine monthly meetings, the Committee also discussed conveyancing practices and related matters through email circulations.

The Committee and its working parties from time to time received applications from general members for waivers of Deed of Mutual Covenant Guidelines as well as applications for

exemptions/deviations from forms of Agreement for Sale and Purchase, as approved under Rule 5C of the *Solicitors Practice Rules* (Cap.159H).

Where relevant, members' circulars were issued on various subject matters.

Some of the matters considered by the Committee this year are summarised below.

## Land Titles Ordinance (Cap.585)

The Land Titles Ordinance (Cap.585) ("LTO") aims to replace the present deeds registration system under the Land Registration Ordinance (Cap.128) ("LRO") with a title registration system under which the title register will be conclusive evidence of the title to and the interests in registered land.

The *LTO* has not been put into effect, but the Government had indicated that it would introduce the *Registration of Titles and Land (Miscellaneous Amendments) Bill* ("*Bill*") into the LegCo in 2025 for the "New Land First" proposal.

The Committee deliberated on various issues concerning the implementation of the LTO, such as the requirement for a certificate of verification from a solicitor to verify the identity and capacity of the parties involved, property fraud, the issuance of Title Certificates, indemnity and the stamping of documents. The Committee was also conscious of other issues, such as solicitors' liability under the LTO, the indefeasibility of title, overriding interests, verification of Title Certificates, separate registration of reserved rights, costs of registration and application forms and conveyancing forms involved and for use under the LTO and had provided comments to the Land Registry for consideration and amendments.

The Committee would continue to engage in discussions regarding the *LTO* and would closely monitor the issuance of the *Bill* in 2025.

# **Payment Arrangements for Property Transactions**

The Committee had also been busily discussing with the HKAB and the Hong Kong Monetary Authority on the HKAB's proposal to extend the Payment Arrangements for Property Transactions ("PAPT"), as an option for the payment arrangement, to the sale and purchase of residential properties. Currently, PAPT is available only for residential mortgage refinancing transactions in addition to using solicitors' cheques.

The Committee considered that there would be major and consequential changes to the day-to-day conveyancing practices if PAPT were to apply to the sale and purchase of properties. The Committee had been diligently reviewing the complicated work procedures and identifying the risks and liabilities involved. The Committee considered it important for the general membership of The Law Society to be engaged early in the HKAB's proposal so that they would better understand how PAPT works under the proposal.

In light of the above, upon invitation by the Committee, two briefing sessions were held by the HKAB to the general membership on 6 November and 15 November. Due to the technicality of the matter and its impact on conveyancing practice, The Law Society issued circulars in September, November, and December to relay the latest proposal to the general membership and invite views from general members. Those views had been passed to the HKAB on an anonymous basis.

The discussion of the Committee with the HKAB on PAPT on sale and purchase was still on-going.

## Proposed Amendments to Buildings Ordinance (Cap.123)

The Development Bureau ("Bureau") issued a consultation paper on "Proposed Amendments to Buildings Ordinance" in December. The consultation proposed amendments to the Buildings Ordinance ("BO") along three aspects, namely expediting building inspection and repair, rationalising the policy on handling unauthorised building works ("UBWs") and enhancing construction safety. The Bureau planned to introduce the amendment bill in the first half of 2026 and invited The Law Society to a briefing session to facilitate exchanges and discussion on the proposed amendments to the BO.

The consultation proposed increasing penalties and lowering the prosecution threshold for serious contraventions of the law. It also introduced a new offence so that an owner would be liable if a serious UBW is found in a property acquired after a specified period, regardless of who erected the UBWs. Additionally, anyone who knowingly assisted in acquiring such a property, such as an estate agent or a solicitor, would be guilty of the same offence and subject to the same penalties. The Committee was against the proposal that solicitors be included in the list of people subject to criminal prosecution simply because they acted for parties to a property transaction. The Committee prepared a submission in response to the above proposed amendments.

# Extension of Government Leases Ordinance (Cap.648)

The LegCo passed the Extension of Government Leases Bill ("Extension Bill") in June and the Extension of Government Leases Ordinance (Cap.648) ("Extension Ordinance") was gazetted in July.

The *Extension Ordinance* aimed to provide a standing statutory mechanism for handling lease extension matters for general-purpose leases which did not contain a right of renewal and would expire on or after 5 July.

The legislative proposal would extend upcoming expiring land leases in a batch-by-batch manner, which (it was said) would save lot owners from dealing with the procedures individually in executing the lease extension documents.

The new legislation would be applicable to all non-renewable general-purpose leases, excluding short-term tenancies and special-purpose leases. The Committee reviewed the *Extension Bill* and rendered views to the Bureau.

#### **Deed of Mutual Covenants under Land Grant**

The Legal Advisory and Conveyancing Office of the Lands Department ("LACO") drew up a set of standard clauses and revised guidelines for Deeds of Mutual Covenant ("DMC") under conditions of the land grant. In parallel with and in consequence of the above promulgation, the Committee and its dedicated working party, namely the Working Party on Revised DMC Guidelines, reviewed The Law Society's own DMC Guidelines and, where appropriate, proposed changes to The Law Society's guidelines for the drafting of the DMC under the Non-Consent Scheme. They also considered the standard waiver letter for the drafting of the DMC Guidelines under the Non-Consent Scheme from time to time and suggested amendments thereto.

#### **Non-Consent Scheme**

The Committee also worked closely with its Working Party on Review of Non-Consent Scheme Forms to consider the amendments to agreement forms issued by the LACO for sale and purchase of properties under the Consent Scheme and to attend queries from the Chief Justice on the following: -

- Amendments to two agreements for sale and purchase of first-hand residential properties in uncompleted and completed developments; and
- Amendments to the two sub-sale and sub-purchase agreements.

The Committee also considered the following:

- The agreement form for sale and purchase of non-residential properties for uncompleted developments under the Non-Consent Scheme; and
- The statutory declaration.

## Other property-related issues

The Committee considered various practice-related matters and where appropriate issued circulars to general members on, *inter alia*, the latest practice notes issued by the Buildings Department, the Lands Department, the Planning Department and the Land Registry.

Examples of the circulars issued included:

- The Lands Department Practice Notes;
- LACO Circular Memorandum;
- Land Registry Circular Memorandum;
- Residential Properties (First-hand Sales) Ordinance (Cap.621) Reminder to Trade;

- Residential Properties (First-hand Sales) Ordinance Practice Note on disclosure of relationship between vendor and the manager appointed under DMC;
- Hong Kong Housing Authority New Administrative Fees for Approval of Legal Documents by the Hong Kong Housing Authority;
- Hong Kong Housing Authority Application Fee for Letter of Nomination under the Home Ownership Scheme Secondary Market Scheme;
- Buildings Department Mandatory Building Inspection Scheme/Mandatory Window Inspection Scheme Notices;
- Sale and Purchase of Property Payment of Rates and Government Rent;
- Land Registry "Meet the Clients" Sessions on "Common Reasons for Withholding Instruments from Registration";
- Land Registry Release of Web-based Memorial Form Enhancements;
- Hong Kong Housing Authority Home Ownership Scheme Secondary Market Scheme updated documentation;
- Hong Kong Housing Society Invitation to the Hong Kong Housing Society Property Development and Conveyance Solicitors List;
- Hong Kong Housing Society Building Construction Solicitors List;
- Hong Kong Housing Society's Flat-For-Sale-Scheme Secondary Market Scheme revised documentation;
- Land Registry Release of Web-based Memorial Form Enhancements;
- Lands Department Section 15 of the New Territories Ordinance (Cap.97); and
- Residential Properties (First-hand Sales) Ordinance Revised Annex D of the Guidelines on Sales Brochure and Practice Note on Sales Brochure.

#### **External Work**

#### **Land Registry**

The Chair of the Committee sat on the *LTO* Steering Committee. The Steering Committee oversaw an *LTO* Review Committee and a Title Registration Education Committee. The Law Society was also represented on the above two external committees.

#### **Land Registry Joint Standing Committee**

Two Committee members sat on the Land Registry Joint Standing Committee and maintained liaison with the Land Registry on day-to-day issues relating to land registration matters and the Land Registry's services.

#### **Land Registry Customer Liaison Group**

A committee member and representatives from five law firms sat on the Land Registry Customer Liaison Group to share views on operational and service delivery issues with the Land Registry.

## **Taskforce on Alternative Payment Solutions for Property Transactions**

The Chair and four committee members sat on a Taskforce on Alternative Payment Solutions for Property Transactions set up by the HKAB, to discuss the alternative payment methods for property transactions.

#### **Urban Renewal Authority**

The Law Society was also represented on the Service Providers Committee and the Promotion Committee under the Urban Renewal Authority.

## RETIREMENT SCHEMES COMMITTEE

The Retirement Schemes Committee conducted its business by email.

There were various updates and amendments on the Mandatory Provident Fund (MPF) Guidelines throughout the year. Circulars were issued to the general members to draw their attention thereto. Six circulars were issued covering about 42 updates and amendments made to the MPF Guidelines during the year.

# **External Representation**

The Committee continued to be represented in the Guidelines Committee of the MPF Schemes Authority.

#### REVENUE LAW COMMITTEE

The Revenue Law Committee conducted its business by email.

# Consultation on the Implementation of Global Minimum Tax and Hong Kong Minimum Top-up Tax

The Committee in January considered a consultation paper on the Implementation of Global Minimum Tax and Hong Kong Minimum Top-up Tax. The consultation paper explained the concepts of the global anti-base erosion rules promulgated by the Organisation for Economic Cooperation and Development ("OECD") for implementing the global minimum tax, as well as the Hong Kong minimum top-up tax, and sought views on specific implementation issues including the tax compliance and administration framework. The Committee also considered the presentation materials on "BEPS 2.0 Implementation in Hong Kong: Proposed Roadmap and Strategies" provided by the Financial Service and Treasury Bureau.

In December, the *Inland Revenue (Amendment) (Minimum Tax for Multinational Enterprise Groups) Bill* was gazetted and would be introduced into the LegCo on 8 January 2025. The said *Bill* aimed to amend the *Inland Revenue Ordinance* (Cap.112) to implement certain international tax reform proposals drawn up by the OECD to address base erosion and profit shifting through applying the global minimum tax and Hong Kong minimum top-up tax to multinational enterprise groups which operate in Hong Kong and have consolidated annual revenue of 750 million euros or above.

# **Policy Address 2024**

The Committee offered comments on a public consultation on Policy Address 2024. Comments of the Committee, together with those from other specialist committees, were consolidated into a submission, which was sent to the Chief Executive's office in September.

# **Consultation on Potential Tax Treaty Partners for Hong Kong**

The Committee in February considered a consultation paper on Potential Tax Treaty Partners for Hong Kong and offered comments on jurisdictions which should receive priority in commencing negotiations on Comprehensive Avoidance of Double Taxation Agreements.

# **Automated Exchange of Financial Account Information ("AEOI")**

The Committee in April took note of the Government's plan, in response to the recommendation made by the OECD, to amend the list of participating jurisdictions and expand the list of reportable jurisdictions under Schedule 17E to the *Inland Revenue Ordinance* (Cap.112) for the purpose of AEOI.

# Inland Revenue (Amendment) (Tax Deductions for Leased Premises Reinstatement and Allowances for Buildings and Structures) Ordinance 2024

The Committee noted that the *Inland Revenue (Amendment) (Tax Deductions for Leased Premises Reinstatement and Allowance for Buildings and Structures) Ordinance 2024* was gazetted on 27 December to introduce a tax deduction for expenses incurred for reinstating the condition of premises under a lease to their original condition, and remove the time limit for claiming annual allowance in respect of a commercial or industrial building or structure starting from the year of assessment 2024/25.

## Consultation on introduction of a Company Re-domiciliation Regime

The Committee in April reviewed a working draft of the Companies (Amendment) (Redomiciliation) Bill 2024.

# Consultation on Mandatory Use of iCMS for Legal Representatives

The Committee in January received a consultation paper issued by the Judiciary on Mandatory Use of iCMS for Legal Representatives. The Committee took note that the Judiciary proposed to mandate the use of iCMS for cases such as tax claim proceedings in the District Court, starting from 2026.

# **Mandatory Use of iCMS for Legal Representatives – E-Service of Documents**

The Judiciary planned to mandate the use of e-service for litigation. The Committee reviewed a discussion paper prepared by the Civil Litigation Committee on e-service of documents. Views and comments of the Committee on the proposed e-service of documents via iCMS, together with those of other specialist committees, were submitted to the Council for consideration in August.

#### Other revenue law related issues

The Committee took note of the following:

- Implementation of the "Patent Box" Tax Concession in September;
- The Inland Revenue Department's announcement on the new annual rate of interest payable on Tax Reserve Certificates; and
- Public consultation on Government Budget 2024-2025.

#### Joint Liaison Committee on Taxation

Two committee members, as representatives of The Law Society, attended regular meetings of the Joint Liaison Committee on Taxation throughout the year.

### **SPORTS LAW COMMITTEE**

The Sports Law Committee was set up to, among other things, review, examine and comment on issues on legal practices relating to sports and e-sports industries in Hong Kong (including but not limited to dispute resolution, contract, intellectual property, personal injuries and employment law). Where appropriate, the Committee made recommendations thereon to the Standing Committee and/or the Council.

This year, the Committee met twice and set up an ad hoc working group to discuss and make recommendations on the proposed programme and speakers for the *Sports Law Conference* held in February 2025. The Committee also considered various other matters in relation to the promotion and development of sports law for Hong Kong.

To help with its workload, the Committee co-opted five members this year. The Committee considered and/or provided views on the following matters during the year.

#### **Terms of Reference**

The Committee recommended including explicit reference to e-sports in its Terms of Reference. The above recommendation was approved by the Standing Committee in August.

## Paper on the Development of Sports Law for Hong Kong

The Law Society took note of the growing importance of the sports industry globally and considered that the HKSAR Government should have in place a comprehensive policy for sports and e-sports development in Hong Kong. With the assistance of the Committee and other specialist committees, The Law Society prepared a Paper on Sports Law Development for Hong Kong, which set out policy proposals of The Law Society covering both non-contentious and contentious aspects of sports law. The Paper was sent to the relevant bureaux and departments of the Government in September.

# Policy Address 2024 and Government Budget 2024-2025

The Committee was consulted on Policy Address 2024 and Government Budget 2024-2025. In gist, the Committee considered that a comprehensive policy support from the HKSAR Government in the development and promotion of sports and sports law continued to be important. The Committee advocated for policy attention on establishing a comprehensive legal framework covering all aspects of sports development, which would be essential for providing a supportive environment for long-term growth and sustainability of sports and economy in Hong Kong. The Committee also asked that adequate funding be allocated for the above purpose. These views of the Committee (together with comments from other specialist committees) were submitted to the Government.

# **Sports Dispute Resolution Centre/Sports Law Office**

The Committee noted and considered a suggestion for the establishment of a Sports Dispute Resolution Centre in Hong Kong. The Committee discussed, among other things, the feasibility to set up an independent dispute resolution centre for sports and e-sports disputes in Hong Kong.

The Committee also took note of a suggestion to establish a Sports Law Office, a dedicated unit aimed at promoting and developing sports law in Hong Kong. The Committee would further explore the suggestion.

# Sports Law Conference

The Committee recommended to the Council to organise a *Sports Law Conference* ("*Conference*") in 2024 or 2025. The Council supported this recommendation and directed to brand and organise the *Conference* as part of the *Sports Law Mega Event* (which consisted of the *Conference*, the 15<sup>th</sup> Recreation and Sports Night, and the 9<sup>th</sup> Guangdong-Hong Kong-Macau Lawyers Sports Meet) in February 2025. The Chair of the Committee was appointed as Chair of the Organising Committee of the *Sports Law Mega Event*.

The Committee set up a working group on the *Conference*. The working group held several meetings this year and provided recommendations regarding the proposed programme and speakers for the *Conference* to the Organising Committee for consideration. Moreover, the Chair and several members of the Committee were invited to be the moderators and speakers for the *Conference*.

## **Advisory Committee on Sports Dispute Resolution**

The DoJ was planning to establish the Advisory Committee on Sports Dispute Resolution to advise the Government on the design, setting up and implementation of a pilot scheme on sports dispute resolution targeted to be launched within 2025. A member of the Committee was in December nominated to sit as The Law Society's representative on the above Advisory Committee.

# AJLS Panel of the LegCo

The Chair of the Committee, together with office bearers of The Law Society, attended a meeting of the AJLS Panel on 25 May on the development of sports dispute resolution in Hong Kong.

## TRANSPORTATION AND LOGISTICS COMMITTEE

The Transportation and Logistics Committee met once during the year and conducted the rest of its business by email.

# United Nations Convention on the International Effects of Judicial Sales of Ships

As Hong Kong is a major international shipping centre with judicial sales of ships from time to time, the Committee continued its effort in advocating an early application of the *United Nations Convention on the International Effects of Judicial Sales of Ships* (also known as the *Beijing Convention on Judicial Sales of Ships*) ("Convention"), which was open for signature in Beijing on 5 September 2023. China is one of the signatories. The Committee will engage with the policy bureau on the Government's plan as regards the application of the *Convention* in Hong Kong and will keep this matter under review.

## UNCITRAL Model Law on Electronic Transferable Records

The Committee, jointly with other specialist committees, in August wrote to the Commerce and Economic Development Bureau proposing to have a joint meeting to exchange views on, among other matters, the Government's plan for Hong Kong to adopt the UNCITRAL *Model Law on Electronic Transferable Records* or similar legislation to enable the use of electronic bills of lading and other documents of title.

Noting that other countries such as the UK and Singapore had enacted legislation for electronic transferable records, and that the enactment of the relevant law was in progress in Mainland China to enable the use of electronic bills of lading and other documents of title, the Committee was prepared to meet and be engaged in the discussion with stakeholders and the Government, with a view to striving for legislation to facilitate the use of electronic trade documents.

# **Public Consultation on Policy Address 2024**

The Committee, jointly with other specialist committees, prepared a submission on Policy Address 2024. The submission was sent to the Chief Executive's office in September.

## **Public Consultation on Government Budget 2024-2025**

In response to a consultation on Government Budget 2024-2025, the Committee provided views and assisted in preparing a written submission. The submission was sent to the Financial Secretary in January.

# Other transportation and logistics issues

The Committee took note of the following matters relevant to transportation and logistics:

- Maritime Services Traineeship Scheme Legal;
- Policy Address 2024 on low-altitude economy;
- The establishment of the Hong Kong Maritime and Port Development Board;
- New article on "HK to promote smart, green ports to boost competitiveness: logistics chief";
- Miscellaneous amendments to marine legislation, gazetted on 10 October; and
- Updates on Marine Legislation legislative amendments to implement the latest requirements of the International Maritime Organisation and to facilitate the provision of pilotage services (LC Paper No. CB(3)933/2024(06)), prepared by the Transport and Logistics Bureau in November.

#### **Event**

### • Hong Kong Maritime Week 2024

The Law Society was a supporting organisation for a seminar entitled "Hong Kong – Mainland Interim Measures Arrangement: the 5<sup>th</sup> Anniversary and its Application to Maritime Cases", jointly organised by the Hong Kong Maritime Arbitration Group and the DoJ in November. The Chair and a Committee member were nominated to attend the seminar.

# WORKING PARTY ON REVIEW OF NON-CONSENT SCHEME FORMS

The Working Party on Review of Non-Consent Scheme Forms keeps in view, among other items, developments and updates on law and practices in conveyancing as well as agreement forms and amendments issued by the LACO on agreements for sale and purchase of residential and non-residential properties under the Consent Scheme. It also reviews the agreement forms for the use of the Non-Consent Scheme with reference to the amendments by LACO on the forms prescribed under the Consent Scheme.

The Working Party completed its review on the following draft agreement forms for the Non-Consent Scheme:

- (a) The agreement forms for sale and purchase of residential properties for uncompleted and completed developments; and
- (b) The agreement forms for sub-sale and sub-purchase of properties for uncompleted and completed developments.

The Working Party held three meetings this year to consider the following draft documents for the Non-Consent Scheme for use:

- (a) The agreement form for sale and purchase of non-residential properties for uncompleted developments under the Non-Consent Scheme; and
- (b) The statutory declaration.

Amendments to the above agreement form and statutory declaration were proposed and considered by the Property Committee and the Council, and they were submitted to the Chief Justice for consideration and approval in July.

## WORKING PARTY ON REVISED DMC GUIDELINES

The Working Party on Revised DMC Guidelines was set up to, among other things, review the proposed revision by the LACO to the guidelines for the drafting of the DMC under the Consent Scheme.

The Working Party held a meeting in July to consider amendments to the waivers of The Law Society's Guidelines for DMCs and Sub-DMCs ("Guidelines") in the standard waiver letter. It conducted its other business via email. Recommendations on the proposed amendments to the standard waiver letter were relayed to the Property Committee and were approved in September.