



THE
LAW SOCIETY
OF HONG KONG
香港律師會

2024

Standing Committee on Standards and Development

STANDING COMMITTEE ON STANDARDS AND DEVELOPMENT



The Standing Committee on Standards and Development is responsible for establishing standards and rules and formulating policies on the education, training and regulation of solicitors and foreign lawyers, and on their conduct and practice.

The Standing Committee convened 11 meetings in 2024.

Businesses dealt with by the Standing Committee during meetings and by paper circulation are categorised as follows:

- (a) The Working Party on Schedule 3 to the *Solicitors (General) Costs Rules* was set up in January to consider whether there should be changes to Schedule 3 to the *Solicitors (General) Costs Rules* (Cap. 159G) (“*Costs Rules*”). The Standing Committee endorsed the draft Information Paper to be submitted to the Costs Committee.
- (b) Consideration of the proposed amendments to Circular 12-475 on the Law Society Guidance Note of Storage and Destruction of Old Files.
- (c) Overseeing the administration of the *Continuing Professional Development* (“CPD”) *Scheme* and the *Risk Management Education* (“RME”) *Programme*:
 - Consideration of proposals to update *RME* courses on “Cybersecurity and the Law Firm” and “Data Privacy and the Law Firm” by course developers;
 - Consideration of proposals to develop a new *RME* course on conveyancing practice;
 - Consideration of a proposal to include the Quarterly RME Bulletin No.7 on Breach of Warranty of Authority as additional course material in the *RME* course;
 - Consideration of a proposal to collaborate with overseas jurisdictions and international organisations an advocacy training.
- (d) Overseeing the administration of the *Overseas Lawyers Qualification Examination* (“OLQE”):
 - Approval of the logistics of the 2023 Head V *OLQE* and the 2024 *OLQE*;
 - Consideration of review of fees for the Co-Chief Examiners and Examiners of the 2024 *OLQE*;
 - Consideration and review of the results of the 2023 *OLQE*;
 - Consideration of the Revised Guidance Notes on Examination Techniques;

- Approval of the documentation of the 2024 *OLQE* including the 2024 *OLQE* Information Package and Supplementary Information Package;
 - The Law Society processed 438 *OLQE* applications, including 259 applications for eligibility to sit and for exemption from sitting all or part of the 2024 *OLQE*, 127 applications for resitting the *OLQE*, one application for direct admission as a solicitor, one application by a barrister and 50 applications to extend their 2024 certificates to sit the 2025 *OLQE*. 267 eligible candidates sat the 2024 *OLQE*;
 - Review the marking arrangements of the *OLQE* regarding Head V;
 - Determination of applications for review under rule 9 of the *Overseas Lawyers (Qualification for Admission) Rules* (Cap. 159Q) (“*OLQE Rules*”);
 - Consideration of misconduct and proposal disqualification cases of 2023 *OLQE* and made recommendations to the Council;
- (e) Overseeing legal education:
- Consideration of the appointment of the Chief External Examiner for the *PCLL* Programmes of the three Universities;
 - Nomination of a representative of The Law Society to assess research capabilities of universities;
 - Nomination of two representatives to speak at the “Professional Conduct and Practice” Module of the *PCLL* Programme at City University of Hong Kong (“CityU”) on “The Admission and Legal Firms in Hong Kong”;
 - Consideration of suggestions of providers of legal executive courses to cooperate with The Law Society to promote legal executives as a career for potential students;
- (f) Consideration of the concept of hybrid structure put forward by the Practice Venues Committee (“PVC”) which maintains a brick-and-mortar office in Hong Kong and combines both physical and virtual elements in its practice. Direction was given to PVC and its Sub-Group to further deliberate on the need for The Law Society to issue a Circular or guidance note setting out its understanding. PVC was also directed to adopt a draft guidance note on legal practice at home or in domestic premises as previously approved by the Committee;

- (g) Supervising the work and the operation of the Committees, Working Parties and Sub-Committees under its umbrella and reviewing their recommendations and proposals:
- Review on a regular basis all the minutes of the meetings of the Committees and Working Parties;
 - Review of the composition of the Committees and Working Parties, renewal of appointment of their members and appointment of new members;
 - Consideration of the terms of reference and composition of the Working Party on Intervention Enhancement Execution;
 - Review of the progress of the legislative amendment exercise to enable solicitors to incorporate their practices, including the progress in the drafting of the *Solicitor Corporation Rules*, the *Foreign Lawyer Corporation Rules*, amendments to the *Legal Practitioners Ordinance (Cap. 159)* (“*LPO*”) and consequential amendments to the subsidiary legislation of the *LPO*, and the estimated timeline for completion of the exercise.

AML COMMITTEE

The primary objectives of the AML Committee are to review and revise the guidelines on Money Laundering (“ML”), Terrorist Financing (“TF”) and Proliferation Financing (“PF”). The Committee also engages in active collaboration and communication with governmental bodies, law enforcement agencies, and other regulatory entities to address ML, TF and PF matters. The Committee considers emerging risks, threats, legislative developments, and global best practices to effectively combat ML and TF/PF within the legal sector. Furthermore, the Committee assumes the responsibility of assisting the Council in overseeing the compliance by legal professionals with *Practice Direction P* (“*PD P*”) and the *Anti-Money Laundering and Counter-Terrorist Financing Ordinance* (Cap. 615) (*the “AMLO”*), ensuring a robust response to any actual or suspected ML and TF/PF activities within the legal industry.

In 2024, the Committee held three meetings including one with the Narcotics Division of the Security Bureau. The Committee maintains regular contact with its international counterparts, ensuring ongoing collaboration and exchange of best practices, and stays updated on global developments and leverages international expertise in enhancing its supervisory AML/Counter Terrorist Financing (“CTF”) efforts.

3rd Hong Kong ML/TF Risk Assessment Report and AML Supervision

The Committee has been actively engaged in the preparation of the 3rd *Hong Kong ML/TF Risk Assessment Report* (the “Report”), coordinated by the HKSAR Government. The Report covers the period from 2021 to 2023 and examines the ML/TF threats and vulnerabilities across various sectors in Hong Kong, including the legal sector’s susceptibility to financial crimes. The Committee completed various worksheets and risk assessments that outline the ML/TF and PF threats and vulnerabilities specific to the legal sector, as well as the regulatory and control mechanisms established by The Law Society to mitigate these risks. The HKSAR Government is anticipating to publish the Report in the second quarter of 2025.

The Committee continues its efforts to develop a framework and methodology for a targeted supervisory approach that aligns with the specific risks and demographics of the legal profession in Hong Kong. This is an ongoing project that aims to refine the AML risk-based supervision, ensuring that it addresses the unique challenges and requirements of the legal sector.

Education and Outreach

Two AML seminars for legal practitioners were held on 4 July 2024 and 5 December 2024 respectively. The seminars addressed various topics, such as amendments to the *AMLO* and *PD P*, guidelines for conducting Client Due Diligence and record-keeping, as well as legal professional privilege. The sessions addressed legal practitioners’ statutory obligations concerning Suspicious Transaction Reporting, with case studies and statistics and AML risks impacting legal professionals.

The seminars featured guest speakers from the Security Bureau, the Department of Justice and the Financial Intelligence Bureau. A total of 1,322 participants attended these two sessions.

In addition, The Law Society’s *RME* course providers delivered five AML courses for practitioners under The Law Society’s *RME Provider Accreditation Scheme*. These courses were attended by 1,982 participants and reinforced their understanding of AML practices and regulations.

In September 2024, Mr Jimmy Chan, a member of the Council and the Committee, presented at the International Conference of Legal Regulators 2024 held in Melbourne, Australia, where he discussed the efforts and measures adopted by The Law Society to assist members in complying with AML requirements.

During the reporting period, member firms received important updates and publications via The Law Society’s AML website, including:

- 16 notifications regarding changes to the list of designated individuals and entities subject to targeted financial sanctions;

- three notifications concerning changes to the countries placed on the grey and black lists of the Financial Action Task Force (“FATF”);
- two FATF publications:
 - the *Guidance on Beneficial Ownership and Transparency of Legal Arrangements* (March 2024)
 - *Horizontal Review of Gatekeepers’ Technical Compliance Related to Corruption* (July 2024); and
- AML training materials from AML seminars organised by The Law Society.

CPD COMMITTEE

The main terms of reference of the CPD Committee are to formulate policies, procedures, guidelines, to monitor the implementation and administration of the *CPD Scheme* and to keep under review the relevant policies, procedures and guidelines.

The *CPD Scheme* aims at providing a convenient framework for the legal profession to meet the changing demands of clients and society by updating the practitioners on legal knowledge and skills.

The Law Society and the Hong Kong Academy of Law Ltd. (“Academy”) conducted a total of 295 *CPD* and *RME* courses during the year. Of the 295 courses, eight were conducted in Cantonese and the remainder in English. The courses attracted an attendance of 26,685 participants.

The Law Society and the Academy are grateful to the 121 presenters who contributed by sharing their valuable experiences and expertise.

Some of the highlights of The Law Society’s and the Academy’s courses are:

Artificial Intelligence (“AI”)

AI has transformed every aspect of the society and, without exception, the legal sector. The Academy conducted a number of webinars relating to AI in 2024 to prepare practitioners for this driver of change.

One of the webinars entitled “An Introduction to AI and the Impact on the Legal Profession” was held on 28 August. The speaker, Mr Ian P. McDougall, Executive Vice President and General Counsel of LexisNexis Legal & Professional shared his insights on how AI will impact the legal profession and law firm operation, and the issues of concern on the adoption of AI. Mr Roden Tong, President of The Law Society, delivered the opening remarks and Mr Christopher Yu, Vice President of The Law Society, moderated the webinar.

The webinar was well received by practitioners and attracted an audience of more than 1,780.



Webinar entitled “An Introduction to AI and the Impact on the Legal Profession”

In addition, the Academy conducted 11 webinars on AI, namely:

- The Digital Detective: Harnessing AI for Forensic Accounting Success;
- Introduction to Artificial Intelligence in Law (Modules 1 and 2);

- Recent Trends in the Regulation of Artificial Intelligence Used in the Financial Services Industry;
- Artificial Intelligence, eDiscovery, and Document Review;
- Exploring the Power of Generative AI for Legal Professionals;
- Artificial Intelligence, Large Language Model and Latest Regulations;
- An Introduction to AI and the Impact on the Legal Profession; Digital Twins: Legal Implications of Establishing your Identity and Property Ownership Online;
- Unveiling the Digital Deception: Navigating Fraud in the Era of Technological Advancement;
- Current Technology Developments Affecting Law; and
- Artificial Intelligence - Hype and Reality: Dealing with IP and other Risks created by AI.

These 11 webinars attracted approximately 850 participants.

Mainland University Lecture Series

Riding on the successful experience with the Peking University Law School (“PKU”) in offering structured law courses to their students, The Law Society stepped up its effort in collaborating with other top-tier Mainland universities and launched the Mainland University Lecture Series in 2024.

On 9 August, the Academy conducted an information session entitled “Academy of Law Lecturer Recruitment Campaign Information Session on Mainland University Lecture Series”. President Mr Roden Tong, Vice President Ms Careen Wong, and Ms Heidi Chui and Mr William Ling, Members of the Greater China Legal Affairs Committee of The Law Society, briefed attendees on the Lecturer Recruitment Campaign and shared their experiences as volunteer lecturers to deliver credit-bearing lectures to PKU students since the programme was launched in 2019.



Academy of Law Lecturer Recruitment Campaign Information Session on Mainland University Lecture Series

The Academy conducted a series of structured law courses entitled “International Commercial Dispute Resolution and Arbitration” for law students of the East China University of Political Science and Law from 9 November to 28 December, and another series of courses entitled “International Commercial Arbitration Practice” for students of the Renmin University of China from 9 November to 1 December. The two courses, which were credit-bearing and taught in English, focused on topics surrounding legal practice under the common law system, cross-border legal services and specialised areas of Hong Kong legal practice. The courses were delivered by volunteer lecturers with experience in the relevant areas of practice and were well received by the two universities and their students.



Thematic *CPD* Series

The Academy organises Thematic *CPD* Series on various areas of legal practice. The main theme of the second Thematic *CPD* Series conducted in 2024 was “Cross-Border Dispute Resolution and Enforcement”.

The debut webinar of the Thematic *CPD* Series entitled “Recent Developments in Hong Kong Family Law Practice in the Greater Bay Area (“GBA”) and Recent Cases Update” was presented by Ms Cecilia Lau, Consultant of Deacons on 28 June. The seminar examined the recent developments in Hong Kong family law practice in the GBA context and discussed how these developments affect Hong Kong family law practice with reference to selected case law on recent cross-border family wealth, matrimonial and family disputes. The seminar also discussed the reciprocal enforcement of family law related disputes in Mainland China and Hong Kong.

The second webinar of the Thematic *CPD* Series entitled “Cross-Border Insolvency and Creditors’ and Security Holders’ Rights in Mainland Chinese Companies subject to Winding-up under Hong Kong Law” was held on 26 July. The speaker, Ms Jojo Fan, Partner of Herbert Smith Freehills, provided practitioners with a brief overview of the mutual recognition and assistance to insolvency proceedings between Mainland China and Hong Kong. She also discussed the rights and positions of creditors and security holders under Hong Kong law in cases involving entities that have been wound-up, and their related company(ies) or person(s) following a winding-up order.

The third webinar of the Thematic *CPD* Series entitled “Cross-boundary Flow of Personal Information within the Greater Bay Area” was delivered by Ms Clemence Wong, Acting Senior Legal Counsel, Office of the Privacy Commissioner for Personal Data, Hong Kong on 20 August. The webinar explained the scope of application of the *Standard Contract for Cross-boundary Flow of Personal Information Within the Guangdong–Hong Kong–Macao GBA (Mainland, Hong Kong)* and the obligations and responsibilities of contracting parties thereunder, and highlighted the requirements under the *Personal Data (Privacy) Ordinance* (Cap. 486) in transferring personal data from Hong Kong, and the latest requirements under the *Regulations on Facilitating and Regulating Cross-Border Data Flow* issued by the Cyberspace Administration of China on 22 March 2024.

The three webinars attracted more than 374 participants.



AML

On 4 July and 5 December, The Law Society and the Academy conducted two webinars entitled “AML Seminar for Lawyers”. The webinars provided practitioners with an overview of the *Anti-Money Laundering and Counter-Terrorist Financing Ordinance* (Cap. 615), customer due diligence and record keeping requirements. The webinars also updated practitioners on the money laundering offence and suspicious transaction reporting including legal obligations and legal professional privileges.

Mr Alan Linning, former Vice-Chairman of the AML Committee of The Law Society and Mr C. M. Chan, Chairman of the AML Committee of The Law Society spoke at the webinars on 4 July and 5 December respectively. Other speakers included representatives from the Narcotics Division of Security Bureau, the Department of Justice and the Financial Intelligence and Investigation Bureau of the Hong Kong Police Force. The two webinars attracted more than 1,200 participants.



Webinar entitled “RME Elective – AML Seminar for Lawyers” held on 5 December

The Academy also conducted five webinars on AML, respectively entitled “Sanctions and AML Issues for Law Firms”, “AML and Counter-Terrorist Financing Laws and Regulations”, “What Every Lawyers Needs to Know about his/her AML Obligations”, “AML and Counter Terrorist Financing Compliance” and “AML Update”. The five webinars attracted over 1,980 participants.

Mental Health Law

On 8 October, the Academy conducted another webinar and face-to-face seminar entitled “*RME Elective - Risk Management and Pitfalls in Mental Health Law Practice*”. The speakers discussed, *inter alia*, proposed changes to *Practice Direction 30.1*, procedures and common pitfalls in relation to applications under Part II of the *Mental Health Ordinance* (Cap. 136) (“*MHO*”) and applications for guardianship orders, jurisdiction of Guardianship Board, relevant Guardianship Board decisions, introduction to the *Official Solicitor Ordinance* (Cap. 416), the role of the Official Solicitor in the context of Part II *MHO* committee applications, and various types of mental capacity assessments and points to note for legal practitioners.

Speakers included the Honourable Mr Justice Fung, GBS, of the Court of First Instance, High Court; Ms Alexandra Lo, Chairperson of the Guardianship Board; Ms Lee Kwok Ming, Assistant Official Solicitor of the Official Solicitor’s Office; and representatives of the Mental Health Law Committee of The Law Society: Ms Sherlynn Chan (Chairperson); Mr John Davison, Vice Chairperson, and Dr Gabriel Hung, Ms Olivia Leung and Mr Herbert Tsoi (Members). The seminar and webinar attracted over 200 participants.



Seminar entitled “*RME Elective - Risk Management and Pitfalls in Mental Health Law Practice*”

Competition Law

On 22 August, the Academy conducted a webinar entitled “Update on Hong Kong Competition Law”. Ms Jingjing Zhao, Counsel and Mr Fernando Wong, Legal Counsel (Litigation) of the Competition Commission provided a general overview on the nature and types of conduct prohibited under the First Conduct Rule and the Second Conduct Rule of the *Competition Ordinance* (Cap. 619). They also discussed the latest developments in relation to the enforcement actions against anti-competitive conduct in various sectors, and procedural issues arising from the recent enforcement proceedings before the Competition Tribunal. The webinar attracted over 600 participants.



Webinar entitled “Update on Hong Kong Competition Law”

Company Law

The Law Society conducted three joint seminars with The Hong Kong Institute of Certified Public Accountants and The Hong Kong Chartered Governance Institute in 2024.

In the seminar entitled “ESG (Environmental, Social and Governance) and Board-Shareholder Engagement in M&A” (“First Seminar”) held on 26 March, the speaker addressed how the growth of ESG affects board and shareholder engagement in merger and acquisition.

In the seminar entitled “Private Equity Struggles and Adaptation in a Hostile Economic Environment” (“Second Seminar”) also held on 26 March, the speaker discussed the fundamentals of fund structure and the private equity business model, and the impact of recent economic conditions on the private equity industry in the U.S. and the U.K.

The First and Second Seminars were delivered by Professor Afra Afsharipour, University of California, USA and Professor Bobby Reddy, University of Cambridge, U.K. respectively. Mr Chee Keong Low, former Associate Professor in Corporate Law, Chinese University of Hong Kong Business School, was the moderator of the two seminars.

In the third seminar entitled “Governance of Charities” and held on 11 June, the speakers, Mr Matthew Young, Head of the Corporate Secretarial Department of the Hong Kong Jockey Club and Mr Chee Keong Low, discussed the recent published incident of a charitable organisation whose directors were suspected of conspiracy to defraud donations and, by drawing comparisons with other jurisdictions, suggested ways to improve the regulatory framework for charities so as to achieve good governance.



Seminars entitled “ESG and Board-Shareholder Engagement in M&A”

The CPD Scheme

Pursuant to rule 9 of the *Continuing Professional Development Rules* (Cap.159W) (“*CPD Rules*”), 221 legal practitioners were granted suspension from the *CPD Scheme* during the year. Pursuant to rule 8 of the *CPD Rules*, 36 solicitors and 15 trainee solicitors were granted an exemption from complying with the *CPD* requirements. One trainee solicitor whose duration of trainee solicitor training had been reduced from the statutory two-year training period were granted partial exemption from participation in the *CPD Scheme*.

1,570 Statements of Compliance with *CPD/RME* requirements completed by solicitors were reviewed. *CPD* audit was conducted on 591 solicitors and trainee solicitors during the year.

Matters dealt with by the Committee by paper circulation including applications for exemption from complying with the *CPD* requirements on the basis of old age and applications from practitioners for exemption from their *CPD* requirements for a second time.

CPD ACCREDITATION SUB-COMMITTEE

The main terms of reference of the Sub-Committee are to (a) determine applications for accreditation of *CPD* courses and activities; (b) determine the number of *CPD* points awarded on accreditation; (c) review the criteria for accreditation; and (d) monitor the providers of accredited courses.

A total of 4,139 courses, compared with 3,689 courses in 2023, were accredited as *CPD* courses. In terms of applications, 1,557 of the 4,139 courses were accredited on a course-by-course basis and 2,582 were accredited under the *Provider Accreditation Scheme*. In terms of course providers, 40 of the 4,139 courses were provided by The Law Society, 290 were provided by the Academy of which 206 were provided under the *RME Programme*, 388 were provided by commercial providers, and the remaining 3,716 were provided by in-house providers such as universities, professional bodies and law firms.

Matters resolved by the Sub-Committee by paper circulation included applications for renewal of accredited provider status, accreditation guideline on legal research, applications for accreditation of courses, accreditation of course providers, accreditation of committees and working parties, and accreditation of other legal activities including writing articles, books and conducting legal research.

The total number of accredited providers under the *Provider Accreditation Scheme* at the end of the year was 59. The Sub-Committee approved four legal journals and books, and 119 pieces of legal research for the purpose of compliance with *CPD* requirements during the year.

Members of the Committee and the Sub-Committee continued to monitor the standard of accredited *CPD* courses by reviewing course evaluation records and attending selected accredited courses. 19 courses were monitored during the year.

GUIDANCE COMMITTEE

The main terms of reference of the Committee are to provide guidance and advice to the solicitors' profession and others on professional conduct and ethics, including the *Conduct Guide*.

The Committee has received and dealt with or in the process of dealing with two enquiries from members and five referrals from the other Committees or Departments within the Secretariat on the following issues of professional conduct:

- (a) *RME Bulletin on Solicitors' Undertaking* prepared by ESSAR Insurance Services Limited;
- (b) Circular 24-351 on Digitisation of Documents;
- (c) Interpretation of sections 3(1) and 4(1) of the *Solicitors (Group Practice) Rules* (Cap. 159X) as to whether a member firm of a group practice which conducted only part of the business in the same address can practise other parts of the business from an address other than the address of the group practice;
- (d) Source of The Law Society's power to enforce the mandatory provisions provided in its circulars;
- (e) Circular 12-475 on the storage and destruction of old files;
- (f) Application of solicitor-client privilege under the circumstances as specified in sections 8A(1), 8AA(1) and 8B(2) of the *LPO*;
- (g) Whether the issuance of letter before action or the issuance of statutory demand would constitute the institution of legal proceedings such that a contingency fee arrangement cannot be entered into by a legal representative with a client under Principle 4.17 of the *Conduct Guide*, and the scope of prohibition under this Principle.

LEGAL EDUCATION COMMITTEE

The main terms of reference of the Committee are to (a) monitor the *PCLL* Programme; (b) set education standards for the solicitors' profession; and (c) monitor the entrants to the profession including the need for a qualifying examination for such entrants.

Matters considered and dealt with by the Committee by paper circulation and at two meetings included:

- (a) Consideration of concerns about the minimum entry requirement of a Legal Executive course and remedial measures to be implemented by the course provider to tackle the issue;
- (b) Consideration of the different approaches in course assessment of *PCLL* Programmes;
- (c) Use of Generative AI in the teaching and learning of law students;
- (d) Consideration of the examination requirement of *PCLL* requisite course in accordance with *PCLL* Benchmarks;
- (e) Consideration of a report on irregularity during assessment of a *PCLL* Programme;
- (f) Consideration of feedback from the External Examiner on a *PCLL* course;
- (g) Consideration of a report on the promotion of Legal Executives in Hong Kong;
- (h) Consideration of the appointment of Chief External Examiners for the *PCLL* Programme;
- (i) Consideration of a *PCLL* student's claim of the examination performance being affected by a medical condition;
- (j) Consideration of a public enquiry which made some observations on one *PCLL* Programme and asked for an appeal against her *PCLL* results;
- (k) Consideration of a proposal to streamline the *Practice Directions* (PD 14.1 and PD 27) regarding limited rights of audience of legal executives;
- (l) Consideration of comments of an External Examiner on the attendance policies of the three *PCLL* Programmes.

MEDIATOR AND PARENTING CO-ORDINATOR ADMISSION COMMITTEE

The main terms of reference of the Committee are to (a) establish and maintain panels of mediators and parenting co-ordinators; (b) approve applications for admission of mediators and parenting co-ordinators to the panels; (c) review and safeguard the standards of mediators and parenting co-ordinators and their training; and (d) liaise with other relevant organisations on issues pertaining to the development and training of mediators and parenting co-ordinators.

Matters considered by the Committee by paper circulation included:

- (a) Applications for admission as General Mediators;
- (b) Applications for admission as Family Mediators;
- (c) Applications for renewal of membership on the Panels of General Mediators, Family Mediators and Family Mediation Supervisors;
- (d) Applications for an extension of time to satisfy *CPD* requirements in mediation training;
- (e) Approval of an extension of the exemption granted in 2020 to solicitor-mediators on the Panels of General Mediators, Family Mediators and Family Mediation Supervisors of The Law Society to comply with their *CPD* requirements in mediation training to cover all solicitor-mediators on the Panels whose term of membership expired at the end of the 2020/21 *CPD* practice year, or will expire at the end of the 2021/22 and 2022/23 *CPD* practice years, on the basis that their Panel membership is renewable on a 4-year basis and the term of membership of these solicitor-mediators covers the 2019/20 *CPD* practice year;
- (f) Development of a Stage I General Mediation training course;
- (g) Preparation of the agreement for the appointment of a course provider to conduct a Stage I General Mediation training course and consideration of the amendments counter-proposed by the course provider to the draft agreement;
- (h) Membership of the Committee;
- (i) Proposal for the development of online applications for admission to the Panels of Mediators and Panel of Parenting Co-ordinators;

- (j) Updating the Law Society Circular on the guidelines on the use of the title “Accredited Mediator of The Law Society” or “Admitted Mediator of The Law Society” to include the use of titles of International General Mediators and International Family Mediators of The Law Society.

Following the consolidation of mediator accreditation processes of Hong Kong Mediation Accreditation Association Ltd. (“HKMAAL”) founder members including The Law Society, all accreditation of mediators must be conducted by HKMAAL since September 2013. The Law Society implemented the *Mediator Admission Scheme (General Mediators)* since August 2015 and the Scheme was extended to cover the admission of family mediators and family mediation supervisors and renamed as the Mediator Admission Scheme since November 2017.

Solicitors who were not accredited by The Law Society as General Mediators, Family Mediators and Family Mediation Supervisors prior to September 2013 under the *Mediator Accreditation Scheme* of The Law Society initially launched in August 2005 may seek admission onto the Panel of Admitted General Mediators, Panel of Admitted Family Mediators and Panel of Admitted Family Mediation Supervisors through the *Mediator Admission Scheme*, subject to the requirements of the *Mediator Admission Scheme*. Applications are considered and approved by the Committee on a case-by-case basis.

In 2024, the Committee processed seven applications for admission to the above Panels of Mediators. Moreover, 28 applications for renewal of membership on the Panel of General Mediators, four applications for renewal of membership on the Panel of Family Mediators and two applications for renewal of membership on the Panel of Family Mediation Supervisors were processed during the year.

As of the end of 2024, there were 175 solicitors on the Panel of General Mediators, 42 solicitors on the Panel of Family Mediators and eight solicitors on the Panel of Family Mediation Supervisors.

In November 2017, The Law Society also established the Panel of Parenting Co-ordinators. Parenting co-ordination is an alternative dispute resolution process whereby a Parenting Co-ordinator is appointed either by the courts or the parties in high-conflict matrimonial disputes to resolve child-related issues. As of the end of 2024, there were 16 Parenting Co-ordinators on the Panel.

In January 2020, The Law Society established the Panel of International General Mediators and the Panel of International Family Mediators to assist parties with mediation on international and cross-border disputes. As of the end of 2024, there were 17 solicitors on the Panel of International General Mediators and six solicitors on the Panel of International Family Mediators.

OLQE COMMITTEE

The main terms of reference of the Committee are to (a) establish, keep under review and resolve the standards required of overseas lawyers sitting the *OLQE*; (b) establish and review the syllabi and reading lists of each Head of the *OLQE*; (c) prepare the *OLQE* Information and Supplementary Information Packages; (d) formulate policies on all procedural matters and logistics of the *OLQE*; and (e) supervise the Examination Panels.

The Committee conducted its business by way of meetings and by paper circulation. The Committee convened two meetings including a joint meeting with the *OLQE* Co-Chief Examiners, Panel Convenors and Examiners.

Matters considered and dealt with by the Committee in meetings and by paper circulation included:

- (a) Results of the 2023 *OLQE*;
- (b) Feedback of candidates on the conduct of the 2023 *OLQE* as set out in their responses to the *OLQE* Questionnaire;
- (c) Logistical arrangements for the 2024 *OLQE*;
- (d) The 2024 and 2025 *OLQE* Information Packages, the 2024 *OLQE* Supplementary Information Package and related documents;
- (e) The syllabus and reading list of each Head of the 2024 *OLQE*;
- (f) Appointment of Examiners and Panel Convenors;
- (g) Appointment of the *OLQE* Co-Chief Examiners;
- (h) Review of the fees of the *OLQE* Co-Chief Examiners, Panel Convenors and Examiners;
- (i) Review of the marking procedures of the *OLQE*.

***OLQE* ELIGIBILITY AND EXEMPTION COMMITTEE**

The main terms of reference of the Committee are to determine applications for exemption from sitting all or part of the *OLQE*, applications to sit the *OLQE*, the guidelines for approving such applications and any amendments to the *OLQE Rules*.

The Committee conducted its business by way of meetings. The Committee convened five meetings to resolve applications to sit the *OLQE* and applications for exemptions.

During the year, there were 438 applications. Of these, there were:

- (a) 259 applications for eligibility to sit and applications for exemption from sitting all or part of the 2024 *OLQE*;
- (b) 127 applications for resitting the *OLQE*;
- (c) one application for direct admission as a solicitor;
- (d) one application by a barrister;
- (e) 50 applications to extend their 2024 certificates to sit the 2025 *OLQE*.

267 eligible candidates sat the 2024 *OLQE*.

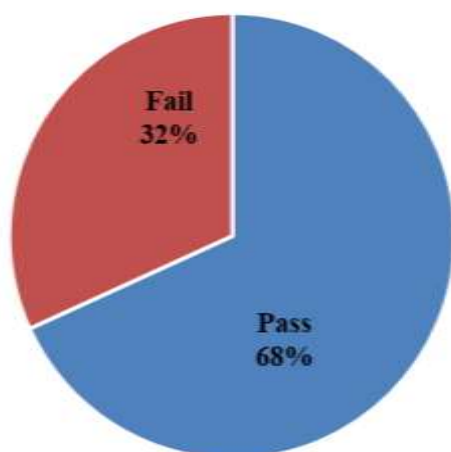
OLQE

The 30th *OLQE* commenced on 21 October 2024. A total of 267 candidates sat one or more written Heads of the Examination. 266 out of the 267 candidates came from 18 jurisdictions outside the HKSAR, nine of which were non-common law jurisdictions. The remaining one candidate was a Hong Kong barrister.

Of the 267 candidates, 103 candidates (39%) passed the Examination, having passed each of the Heads that they were required to sit. 163 candidates (61%) failed the Examination, having failed one or more of the Heads that they were required to sit. One candidate was disqualified after sitting the Examination.

Figures 1 – 6: Examination results with respect to each Head of the OLQE

*Figure 1:
Head I – Conveyancing*



*Figure 2:
Head II – Civil and Criminal Procedure*

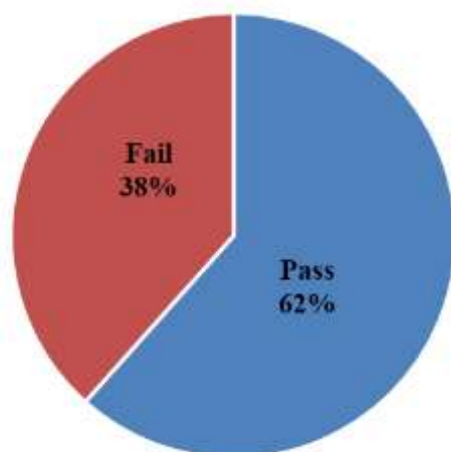


Figure 3:
Head III – Commercial and Company Law

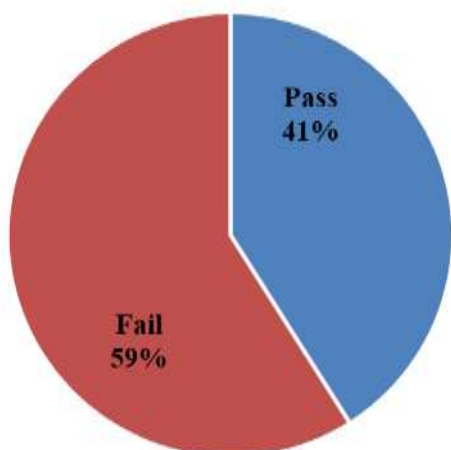


Figure 4:
Head IV – Accounts and Professional Conduct

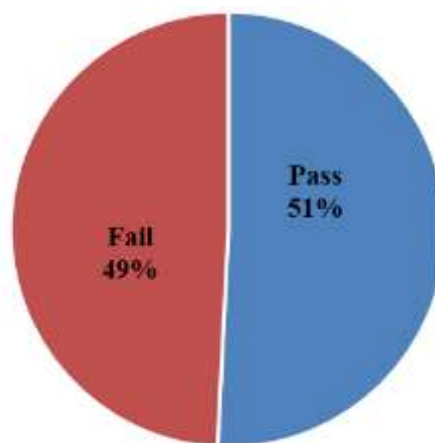


Figure 5:
Head V – Principles of Common Law

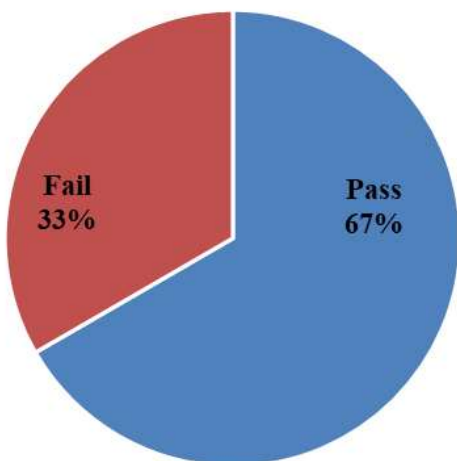


Figure 6:
Head VI – Hong Kong Constitutional Law

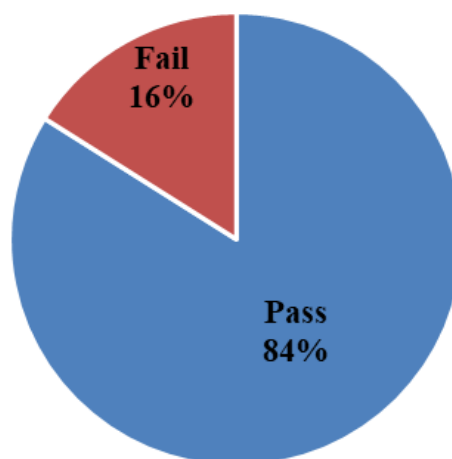
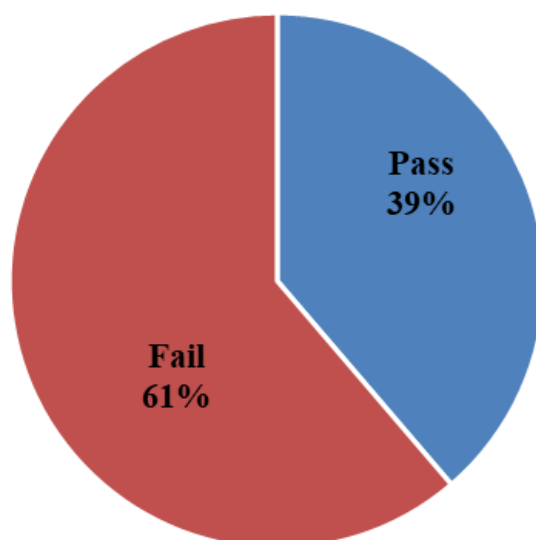


Figure 7: Overall Examination Result

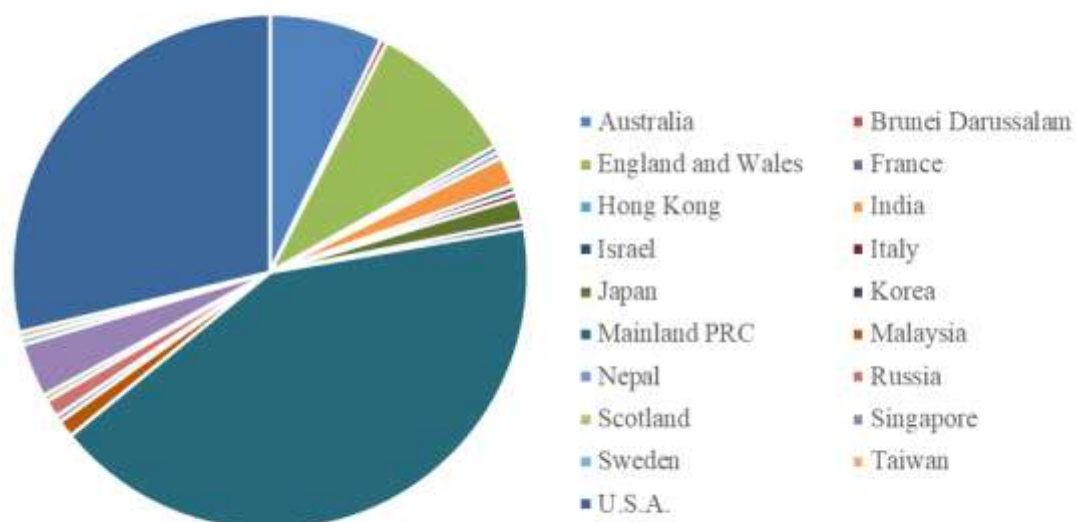


	No. of Candidates						Overall Result
	Head I	Head II	Head III	Head IV	Head V	Head VI	
Pass	120	69	41	96	18	115	103
Fail	56	43	59	93	9	22	163
Total	176	112	100	189	27	137	266

Written Heads
Oral Head

Head I – Head IV & Head VI
Head V

Figure 8: Jurisdictions of the candidates



Jurisdictions	No. of Candidates	%*	Jurisdictions	No. of Candidates	%*
Australia	19	7.1%	Mainland PRC ¹	112	41.9%
Brunei Darussalam	1	0.4%	Malaysia	3	1.1%
England and Wales	25	9.4%	Nepal ¹	1	0.4%
France ¹	1	0.4%	Russia ¹	3	1.1%
Hong Kong ²	1	0.4%	Scotland	1	0.4%
India	5	1.9%	Singapore	9	3.4%
Israel	1	0.4%	Sweden ¹	1	0.4%
Italy ¹	1	0.4%	Taiwan ¹	1	0.4%
Japan ¹	4	1.5%	U.S.A.	77	28.8%
Korea ¹	1	0.4%	Total	267	100%

¹ Non-common law jurisdiction

² Barrister

* The percentages have been calculated to the nearest decimal point. Therefore the aggregation of the percentages may not add up to 100%

PRACTICE VENUES COMMITTEE

The main term of reference of the Committee is to carry out a feasibility study for legal practitioners to practise in service centres, at home, in domestic premises or by virtual offices. The Committee is also tasked with reviewing the relevant rules and regulations and making recommendations on whether and, if so, how to allow legal practitioners to practise in the aforementioned practice venues.

The Committee conducted its business by way of meetings and by paper circulation. The Committee convened one meeting in 2024.

The Committee noted the relevant resolutions of the Standing Committee on Standards and Development to adapt the draft guidance note on legal practice at home or in domestic premises as previously approved by the Committee into an internal report. In accordance with the direction of the Standing Committee on Standards and Development, the Committee also reconsidered its recommendation for The Law Society to issue a Circular or guidance note setting out The Law Society's understanding of hybrid structure (i.e. the combination of both physical and virtual elements in legal practice, with a brick-and-mortar office kept in Hong Kong) and the circumstances in which specific waivers are needed.

The Committee also considered the pros and cons, the policy considerations and any legislative amendments or waivers required for law firms to practise in service centres. It reviewed a draft updated version of the existing internal guidelines for considering relevant applications for waivers.

The Sub-Group for Legal Practice in Virtual Offices under the Committee convened one meeting in 2024 to consider and discuss, as a preliminary issue, the interpretation of the phrases “self-contained premises”, “share premises” and “share common areas” as appear in *Practice Direction D.5* and section 7 of the *Foreign Lawyers Practice Rules* (Cap.159R) and the term “address” as appears in sections 3 and 4 of the *Solicitors (Group Practice) Rules* (Cap. 159X). The Sub-Group also considered the next steps to be taken to move forward the discussion of the “all virtual office” option.

The Sub-Group for Legal Practice in Service Centres under the Committee convened one meeting in 2024 to consider a draft updated version of the existing internal guidelines for considering relevant applications for waivers for law firms to practise in service centres in Hong Kong.

RME COMMITTEE

The main terms of reference of the Committee are to (a) formulate and keep under review the policies, procedures and guidelines of the *RME Programme*; and (b) monitor the implementation and administration of the *RME Programme*.

The *RME Programme* aims at raising the awareness of risk issues and promoting good risk management in legal practice.

Since its initial implementation in November 2004, the *RME Programme* has been in operation for over 20 years, its application extending gradually to all Hong Kong solicitors practising as sole practitioners, partners, associates, consultants, trainee solicitors and registered foreign lawyers working in Hong Kong law firms.

With the establishment of the Academy, the *RME* courses are all offered through the Academy.

The Committee conducted its business by way of meetings and by paper circulation. The Committee convened two meetings in 2024. Matters considered and dealt with by the Committee included:

- (a) Proposal to include additional course materials in the *RME* courses;
- (b) Proposed updating of the *RME* courses on “Cybersecurity and the Law Firm” and “Data Privacy and the Law Firm”;
- (c) Proposed new *RME* course on “Conveyancing Practice”;
- (d) Proposed review and enhancement of the *RME Programme*.

In 2024, six Module 1A, six Module 1B, six Module 2A and six Module 2B of principals’ core courses, two Module 1 and two Module 2 of non-principals’ core courses, six Module 1 and six Module 2 of registered foreign lawyers’ core courses, 17 Module 1 and 17 Module 2 of trainee solicitors’ core courses, 16 Compulsory First Elective courses for trainee solicitors, and 86 elective courses were held. All of the courses were delivered via webinars.

RME electives have since 1 November 2008 been offered free of charge to participants who have to fulfil their *RME* obligations in the relevant *RME* practice year and who have not attended any other *RME* electives during that year. Core courses have also been offered by the Academy free of charge to all trainee solicitors since 1 November 2009. Since 1 November 2014, subject to certain exceptions, all courses within the *RME Programme* have been offered free of charge to participants.

53 applications for exemption from complying with *RME* requirements made under rule 8A of the *Legal Practitioners (Risk Management Education) Rules* (Cap. 159Z) were processed during the year.

RME ACCREDITATION SUB-COMMITTEE

The main terms of reference of the Sub-Committee are to (a) determine applications for accreditation of *RME* courses and activities; (b) review the criteria for accreditation; and (c) monitor the providers of accredited courses.

120 applications for accreditation of courses were processed in 2024, out of which 73 elective courses offered by law firms and other institutions and 42 elective courses offered by commercial providers were accredited.

Course provider accreditation of *RME* elective courses was introduced in 2007. In 2024, 14 law firms accredited as *RME* elective course providers conducted 82 elective courses within their firms and another 14 elective courses for the benefit of the general membership of The Law Society.

The Sub-Committee also considered and accredited two applications for participation in committees for accreditation as an *RME* elective activity.

TRAINEE SOLICITORS COMMITTEE

The main terms of reference of the Committee are to (a) monitor the system of trainee solicitor contracts and the training of trainee solicitors; (b) consider all policies relating to trainee solicitors and their training; and (c) make recommendations on any changes in relevant policies.

The Committee conducted its business by way of meetings and by paper circulation. Matters considered and dealt with by the Committee by paper circulation included consideration of reply to enquiries about the calculation of days of leave and extension of the solicitor training contract of a trainee solicitor.

EDITORIAL BOARD OF THE HONG KONG SOLICITORS' GUIDE TO PROFESSIONAL CONDUCT

Formerly known as the *Guide Working Party*, the Editorial Board's main term of reference is to review and update the *Conduct Guide*.

The Editorial Board conducted its business by way of meetings and by paper circulation. The Editorial Board convened seven meetings during the year. Matters considered and dealt with by the Editorial Board in meetings and by paper circulation included:

- (a) Review of the principles and commentaries in the *Conduct Guide* including consideration and review of suggestions made by the general membership, specialist Committees and Working Parties of The Law Society;
- (b) Formulation of proposed new Commentaries to Principle 1.07 and other relevant Principles of the *Conduct Guide* in view of the impact of artificial intelligence on the legal profession;
- (c) Formulation of proposed amendments to the *Conduct Guide* arising from the draft *Solicitor Corporation Rules*, the draft *Foreign Lawyer Corporation Rules*, the related amendments to the *LPO* which have already been gazetted but have not yet come into operation and the draft consequential amendments to the subsidiary legislation of the *LPO*;
- (d) Membership of the Editorial Board;
- (e) Change of name from “*Guide Working Party*” to “*Editorial Board of The Hong Kong Solicitors' Guide to Professional Conduct*”.

On 22 April 2024, the Editorial Board successfully held an hour-long Information Session at The Law Society function room. Mr Amirali Nasir, Vice-President and the Chief Editor of the Editorial Board, kicked off the session with opening remarks about the ongoing review of the *Conduct Guide* and professional ethics generally. Four Contributing Editors of the Editorial Board then delivered brief introductions about selected areas of the *Conduct Guide* including relevant approaches to the review and update exercise. Near the end of the session, Mr Nasir invited interested members to apply to join the Editorial Board. The event was well received by nearly 50 solicitors, foreign lawyers and trainee solicitors (in person and virtually). More members expressed an interest to join the Editorial Board following the session.

WORKING PARTY ON REVIEW OF THE SUBJECT MATTERS OF CESSATION OF PRACTICE OF LOCAL AND FOREIGN FIRMS AND THE APPOINTMENT OF CESSATION AGENTS

The main terms of reference of the Working Party are to (a) review the subject matters of cessation of practice of local and foreign firms and conduct a comparative study of the practices and policies of other jurisdictions; (b) review the appointment of cessation agents and substitute agents; and (c) prepare a report to the Standing Committee and the Council on the issues and problems encountered by law firms in cessation including the appointment of cessation agents and substitute agents.

The Working Party convened a meeting in 2024 to review the policy intent of the requirement of a cessation agent upon cessation of practice of a law firm. The Working Party considered that it is a balancing exercise for The Law Society to protect the interests of the public whilst facilitating the retirement of solicitors.

The Working Party noted that substantial administrative affairs involving costs have to be dealt with by a law firm upon cessation of practice. The Working Party discussed whether a law firm should be required to pay a levy to set up a fund to deal with the post-cessation matters on a “user pay” principle. The Working Party also explored an alternative option of requiring a law firm intending to cease practice to give a longer period of notification, say six to nine months, instead of the existing notification period of 8 weeks so that the firm may have sufficient time to wind down the practice and transfer files and client’s money to the clients or new firms if they do not wish to appoint a cessation agent.

The Working Party also considered the power of the Council to grant a waiver of the requirement to appoint a cessation agent under *Practice Direction D7(1)* subject to such conditions as the Council may think fit. Members understand that the waiver applications are subject to the approval on a case-by-case basis and upon exceptional circumstances.

The Working Party will continue to review the cessation guidelines, risk factors and measures implemented by the overseas jurisdictions to minimise risks. Upon conclusion of the review, the Working Party will make recommendations to the Standing Committee and the Council.

WORKING PARTY ON SCHEDULE 3 TO THE *SOLICITORS (GENERAL) COSTS RULES*

The main terms of reference of the Working Party are to (a) review whether there should be changes to Schedule 3 to the *Solicitors (General) Costs Rules* (Cap.159G) (“*Costs Rules*”); (b) make recommendations to the Council on any changes including the formulation of the amendments to the *Costs Rules* and consequential amendments to the *LPO* and/or subsidiary legislation to the *LPO* as may be appropriate; (c) advise on the pros and cons of such changes and the policy issues involved; and (d) deal with all matters incidental and pertinent to the implementation of any changes approved by the Council and the Costs Committee established under section 74 of the *LPO* (“Costs Committee”).

The Working Party conducted its business by way of meetings and by paper circulation. One meeting was convened during the year. Matters considered and dealt with by the Working Party in meeting and by paper circulation included:

- (a) Consideration of the letters from the Secretary to the Costs Committee requesting for clarification of rationale of certain parts of The Law Society’s proposed amendments to Schedule 3 to the *Costs Rules* and the draft replies to such letters;
- (b) Consideration of the draft information paper to provide the background and justifications, objectives and details of The Law Society’s proposed amendments to Rule 4 of and Schedules 2 and 3 to the *Costs Rules* for circulation to members of the Costs Committee;
- (c) Consideration of the feedback provided by the representatives of legal services consumers at the meeting of the Costs Committee in November on certain parts of The Law Society’s proposed amendments to Schedule 3 to the *Costs Rules*, the response from the initiator of the relevant proposed amendments, the Property Committee of The Law Society, and the draft letter to the Secretary to the Costs Committee setting out The Law Society’s revised proposal.

WORKING PARTY ON SOLICITOR CORPORATION RULES

The main term of reference of the Working Party is to prepare the *Solicitor Corporation Rules* (“SC Rules”) and the *Foreign Lawyer Corporation Rules* (“FLC Rules”), the amendments to the *LPO* and the consequential amendments to the subsidiary legislation to the *LPO* to enable law firms to incorporate.

The Working Party convened two meetings in 2024 discussing issues relating to solicitor corporations and foreign lawyer corporations. The Working Party noted that at present, sole proprietors and partners of law firms are responsible for the running of law firms. If solicitor corporations are introduced as a new mode of operation for solicitors, directors of a solicitor corporation will be tasked with the operation of the solicitor corporations. When the Mainland and Hong Kong Closer Economic Partnership Arrangement (“CEPA”) was signed, no reference was made to solicitor corporations. The Working Party reviewed the CEPA and related documents. The Working Party agreed that the scope of the CEPA and related documents should be expanded to include solicitor corporations and references to sole proprietors and partners should be revised to include directors of a solicitor corporation.

The Working Party noted that a law firm in Hong Kong must be engaged in substantive business operations in Hong Kong for three years or more in order to provide legal services in Mainland China. A law firm in Hong Kong must operate legal services in Hong Kong for five full years in order to form a partnership association with a Mainland law firm. The Working Party proposed that the requirements for three years and five years could be cumulative, i.e. some years of operation as a law firm and some years of operation as a solicitor corporation so that the operation requirement could be satisfied.

The Working Party also reviewed the relevant provisions in the CEPA relating to the establishment of a special common partnership between a Hong Kong law firm and a Mainland law firm. The Working Party proposed that the provisions in the CEPA and related documents should be revised to facilitate the establishment of a special common partnership between a solicitor corporation and a Mainland law firm.

The Working Party recommended that all issues of the CEPA and related documents arising out of the implementation of the solicitor corporations should be referred to the Department of Justice (“DoJ”) for their follow-up actions with the relevant Mainland authorities. The Standing Committee endorsed the Working Party’s recommendations and this matter has been referred to the DoJ for their further action.

The Working Party also noted the amendments to *Practice Directions* as well as the progress of the consequential amendments to the subsidiary legislation to the *LPO* arising from the *SC Rules* and the *FLC Rules*.