



The European Union  
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# SATISFACTION RESEARCH ON MEDIATION AND ARBITRATION USE

Analytical Report  
02/2021



საქართველოს სოციალური და ანალიტიკური  
ინსტიტუტი  
INSTITUTE OF SOCIAL STUDIES AND ANALYSIS



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This study has been prepared by the Institute of Social Studies and Analysis (ISSA) with the support of the European Union (EU) and the United Nations Development Program (UNDP). Its contents are the sole responsibility of the Institute of Social Studies and Analysis and do not necessarily reflect the views of the European Union (EU) and UNDP.



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# RESEARCH METHODOLOGY

The research goal was to study the satisfaction with the use of alternative ways of dispute resolution - arbitration and mediation.

The objectives of the study were:

- ✓ to identify the level of consumer awareness, ways of obtaining information, and expectations prior to arbitration/mediation disputes;
- ✓ to evaluate the arbitration/mediation process;
- ✓ to assess the professionalism of the arbitrator/mediator and the work of the Institute / Center for arbitration and mediation;
- ✓ to identify the advantages and disadvantages of using arbitration/mediation compared to the court.

The commissioning organization, the United Nations Development Program (UNDP), provided the Institute of Social Studies and Analysis with the contact information for both arbitration and mediation users, including their first name, last name and telephone number.

According to the list provided, 61 persons were arbitration users and 82 - mediation users.

As a result of contacting each ADR user, 53 users were interviewed in case of arbitration, 6 refused to participate in the survey, and 2 could not be reached.

As for mediation users, a total of 67 users were interviewed within the survey, 15 could not be reached.


The telephone survey was conducted from January 24 to February 3, 2021.

This report presents the results of the study conducted in January 2021 on the satisfaction with the use of arbitration and mediation. Also, the results are compared with the results of the ADR Users Satisfaction Survey conducted in January 2020 with an almost identical instrument (questionnaire) (hereinafter "2020 Survey").

## RESEARCH METHOD:

 A telephone survey.

## RESEARCH INSTRUMENT:

 2 questionnaires consisting of closed and semi-structured questions - one for users of arbitration, and another for users of mediation.

## TARGET GROUP:

 The users of arbitration and mediation.

# USERS' SATISFACTION WITH ARBITRATION: RESULTS

## MAIN FINDINGS

Users' satisfaction with arbitration study identified the key findings related to users' awareness of arbitration, expectations, process evaluation, and arbitrator professionalism. The study also evaluated the performance of the arbitration institute / center according to various parameters.

The majority of respondents (56.6%) are women, most respondents are in the 25-34 age group (52.8%). The vast majority live in Tbilisi (84.9%), and all of them have higher education. 98.1% are employed in the private sector. It should be noted that the socio-demographic characteristics of the respondents are similar to the respondents of the 2020 Survey.

The vast majority of respondents - 88.7% - had complete information about arbitration prior to the dispute. The high level of awareness is explained by the fact that 98% of the respondents in the arbitration dispute are lawyers. 94.3% of respondents learned about arbitration from their professional (legal) activities. It is noteworthy that in the 2020 Survey,  $\frac{3}{4}$  (75%) of respondents had information about arbitration due to their (legal) profession. In 2021, this figure increased to 94%.

Before using arbitration for the first time, the vast majority of respondents (71.7%) had positive expectations about arbitration. 66.2% of respondents said that the dispute resolution by arbitration was initiated by themselves, the other party or a lawyer. About 34% said dispute resolution by arbitration was a standard requirement. The comparison with the results of the 2020 Survey reveals the difference. In 2020, more respondents - their half (50%) said that arbitration was the standard term for dispute resolution between the parties, and less - 44.2% - said that the dispute resolution by arbitration was initiated by themselves, another party or a lawyer.

The resolution of property disputes through arbitration in the case of the absolute majority (96.2%) was predetermined by the agreement (contract). 84% of the respondents, whose contracts provided for arbitration as a way of dispute resolution for property dispute, had accurate information at the time of contract conclusion that their dispute would be resolved by arbitration. In their latest arbitration experience, 88.7% of the respondents were representatives of arbitration claimant and 9.4% were representatives of arbitration respondent in the dispute. The comparison of two survey phases did not reveal significant differences. However, in 2021 the number of respondents representing the side of the arbitration claimant is higher than in 2020 (2020: 75%; 2021: 88.7%).

According to the latest experience in the dispute, the claimant's representatives / lawyers (32.7%), the respondent's lawyers (27.5%), or the arbitral respondent (19%) were mostly directly involved in the process. In most cases (60.4%) the arbitration proceedings were conducted with an oral hearing, and in 34.4% - only on basis of documents and evidence. In most cases the arbitration hearing venue (45.3%) was offered to the parties by the arbitration center, while in 32.1% of cases it was offered by the arbitrator. Comparing the results of the two phases of the survey, shows that by 2020 the number of users who said that the arbitration hearing venue was offered by the center to the parties is more than half, while the same number in 2021 is less than half.

It was interesting for the study to identify what impact the COVID-19 pandemic had on the work of arbitration, in particular, regarding the form of conduct of arbitration proceedings. The Survey results show that 66% of the arbitration hearings were held face-to-face, and 28.3% - remotely. Among those respondents whose cases were heard remotely, 44.4% assess this mode of work positively, while 22.2% assess it more positively than negatively. The vast majority of respondents - 84.9% -

positively, or more positively than negatively assess the environment in which the arbitration proceedings took place.

Arbitration disputes were typically decided by sole arbitrator (86.8%). As for the appointment of arbitrators, in most cases (89.6%) parties could not agree on the arbitrator and the arbitration institution / center appointed them, in more than ¼ of cases (28.6%) the parties agreed on the arbitrator. It is noteworthy that in 2021 in more cases the parties could not agree on the arbitrator and the arbitration Institution / center appointed him/her (2020 - 61.5%; 2021 - 89.6%).

The study evaluated the criteria according to which the arbitrator(s) was selected. In case of parties' joint appointments, equally important were the good reputation (21.7%), competence (legal knowledge) (21.7%) and the independence and impartiality of the arbitrator (21.7%). It appears, that the users of arbitration think that the arbitration institution / center took into consideration the arbitrator's competence (legal knowledge) (30.9%) and reputation - 20.6% when selecting him/her. Compared to the results of the 2020 Survey, it is clear that the most important factor in the selection of an arbitrator was the good reputation of the arbitrator (38.2%), while in 2021, 21.7% say the same. In the 2020 study, 21.7% was attributed to legal experience (21.7%) and arbitrator's independence and impartiality (21.7%).

Professionalism of arbitrators was evaluated according to 11 parameters on a 5-point scale (communication skills, neutrality, fairness, rapport building skills, the field expertise, competence, keeping the parties informed, focusing on settlement, confidentiality, flexibility, timely decision-making and process management skills). The statistical analysis of the arbitrator's professionalism assessment according to central tendencies showed that the mean score (Mean) for each indicator ranges from 4.35 to 4.57. This indicates that respondents' assessments in each parameter are unequivocally in a positive field.

The same can be said for the evaluation of the performance of the arbitration institution / center, according to the central tendencies, the mean score (Mean) for each indicator, on a 5-point scale, ranges from 4.5 to 4.7, which is a positive evaluation. While the positive assessment is maintained in the 2021 study, it is noteworthy that in 2021 there are fewer respondents evaluating the professionalism of arbitrators very

positively according to various parameters. In 2020, the average rating fluctuated - from 4.5 to 4.8, whereas in 2021 - from 4.35 to 4.57.

It should be noted that the users of arbitration evaluate activities of the arbitration institution / center more positively in 2021 than in 2020. In 2021, following parameters were rated most positively: flexibility 83% and electronic communication 83%. In 2021, similar to the 2020 Survey, the mean score of each parameter is in the positive field, however, in 2021 there is a larger number of respondents who, according to various parameters, evaluate the activities of the arbitration institution / center very positively.

According to the recent experience of the respondents, in most cases (60.4%) the arbitration dispute was decided in their favor, while in the case of 22.6% their claim was partially satisfied. According to the respondents, the decision made by the arbitrator / arbitrators was adequately reasoned in 90% of the cases. It should be noted that in 2021, 90.6% of respondents believe that the decision made by the arbitrator / arbitrators was adequately reasoned, while in the 2020 Survey less respondents - 78.8% thought the same.

It should be noted that 81.7% of the respondents requested the recognition and enforcement of the arbitral award, only in the case of 13.2% the parties voluntarily complied with the award. The comparison of both survey phases showed no significant difference in respondents' responses about the enforcement of the arbitral award.

According to the respondents, the main advantage that arbitration has over the court is the short period of proceedings (36.8%); among other answers, the following stand out - the process takes place in a calm atmosphere (24.1%) and the process is conducted in accordance with the rules best-suited for parties interests (12.8%).

As for the disadvantages of arbitration compared to the court, according to more than 1/3 of the respondents (38.2%) a lot of time is spent on recognition and enforcement. 20.2% think that arbitration is expensive, while 15.7% think that some banks / financial institutions offer arbitration directly to customers and do not leave them a choice.

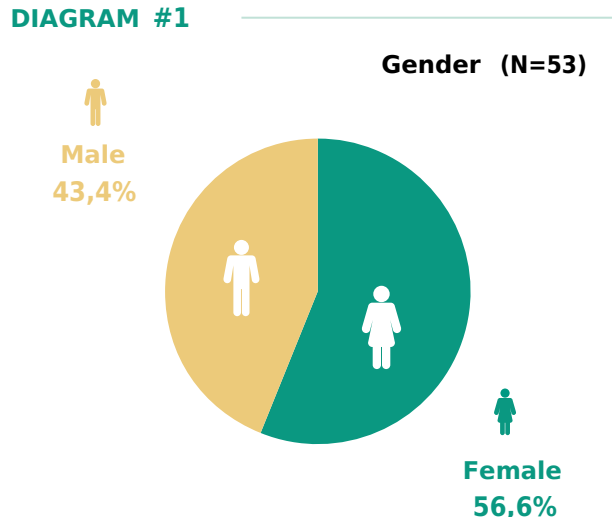
62.3% of respondents give an unequivocal advantage to arbitration over the court. For 28.3%, arbitration is

more acceptable than not. Approximately the same results are found when the respondents are asked about giving advice to someone else about use of arbitration - 62.3% would recommend it to someone else, while 24.5% would rather recommend than not. Overall, the majority of respondents are completely satisfied (35.8%) or satisfied (56.3%) with the arbitration. Only

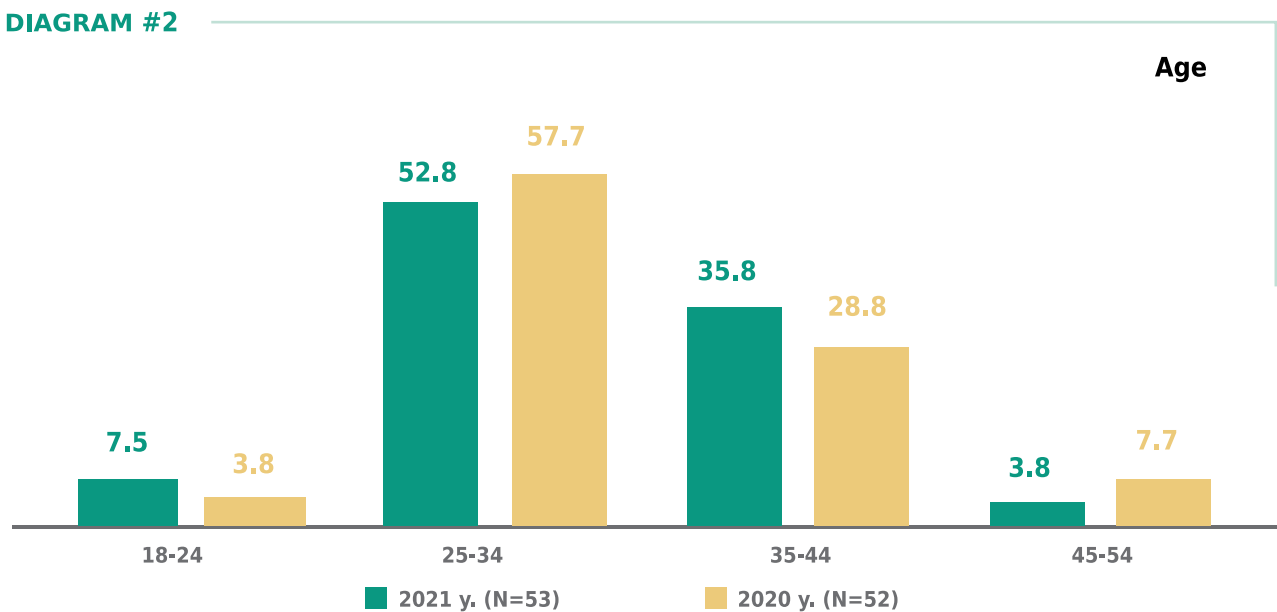
3.8% of respondents express dissatisfaction. Compared to the results of the 2020 Survey, it is clear that the number of respondents who are completely satisfied with the arbitration as a whole has slightly decreased -in 2020 - 40.4% were such respondents, while in 2021 - 35.8%.

# SOCIO-DEMOGRAPHIC CHARACTERISTICS OF RESPONDENTS

Similar to the 2020 Study, the majority of respondents in the 2021 Survey are women - 56.6% and 43.4% - men (see Diagram #1):



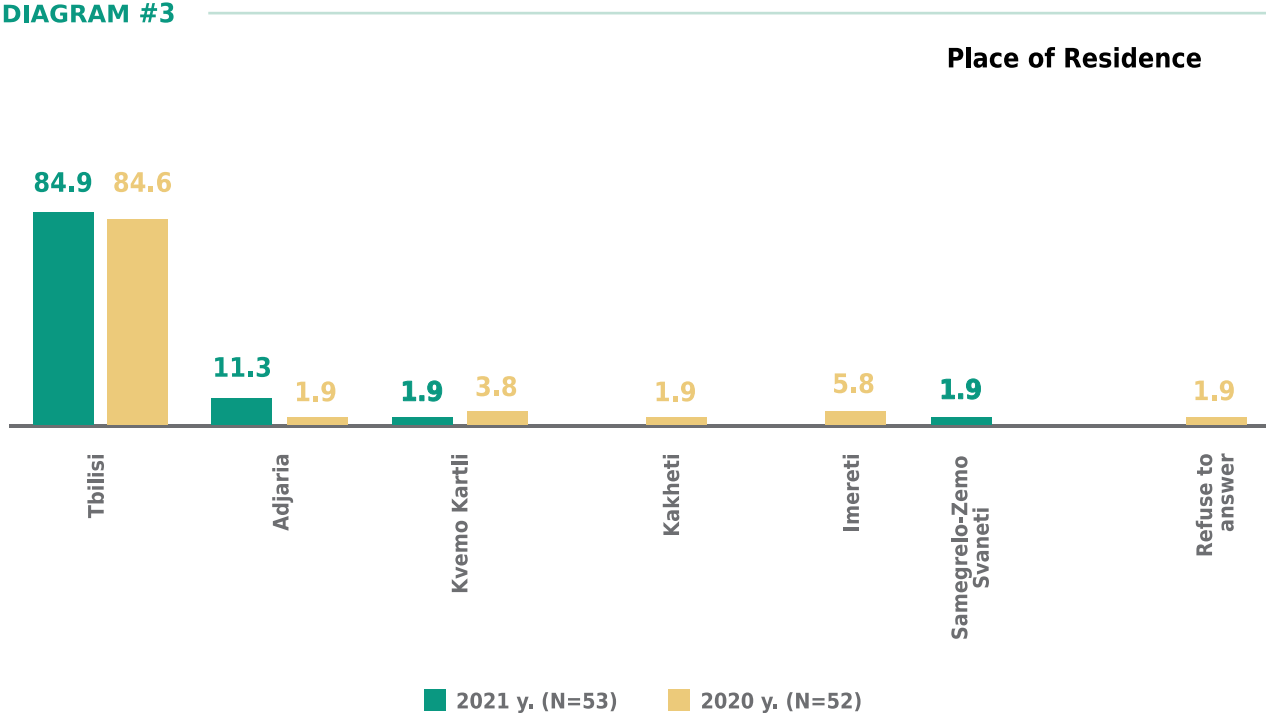
As for the age groups of the respondents - more than half - 52.8% are in the 25-34 age group. The second largest group - 35.8% - includes the members of the 35-44 age group (see Diagram # 2):





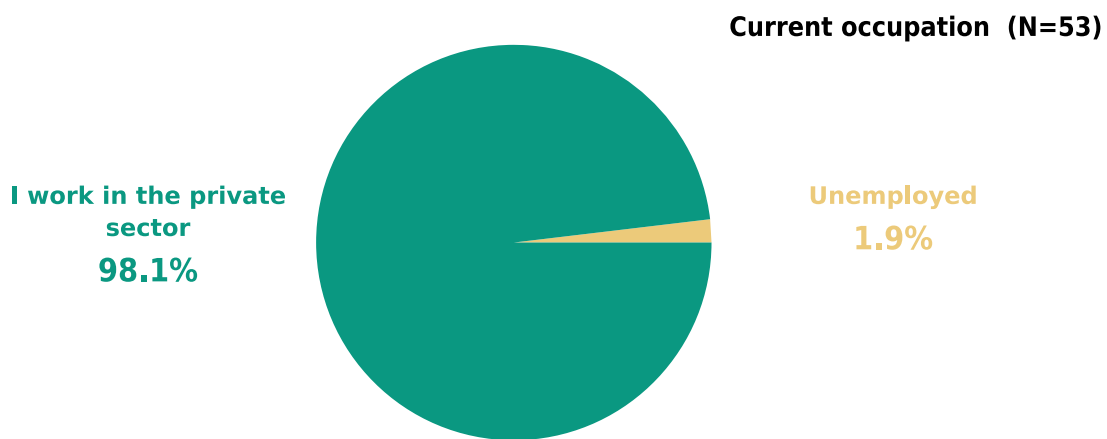
Like the results of the previous stage, the vast majority of respondents live and work in Tbilisi - 84.9%. Among other regions, Adjaria is noteworthy (11.3%). All respondents of the study have higher education. The same result is found in the 2020 study (See Diagram # 3):

**DIAGRAM #3**



98.1% of respondents are employed in the private sector (see Diagram # 4):

**DIAGRAM #4**



There was no significant difference in the results of the two phases of the study; in 2020, 90.4% were employed in the private sector. In 2021, this figure increased to 98.1%.

## ARBITRATION AWARENESS AND EXPECTATIONS

The study explored respondents' level of awareness, ways of obtaining information and expectations before arbitration proceedings. As the study shows, the vast majority of respondents - 88.7% - have had complete information prior to dispute. 7.5% of respondents have possessed some information. The high level of awareness is explained by the fact that 98% of the respondents were lawyers in the arbitration dispute. 94.3% of respondents became aware of arbitration due to their own (legal) profession, for a small part - 3.8% the source of information is acquaintances. 1.9% learned about arbitration through information online (see Diagrams # 5 and # 6):

DIAGRAM #5

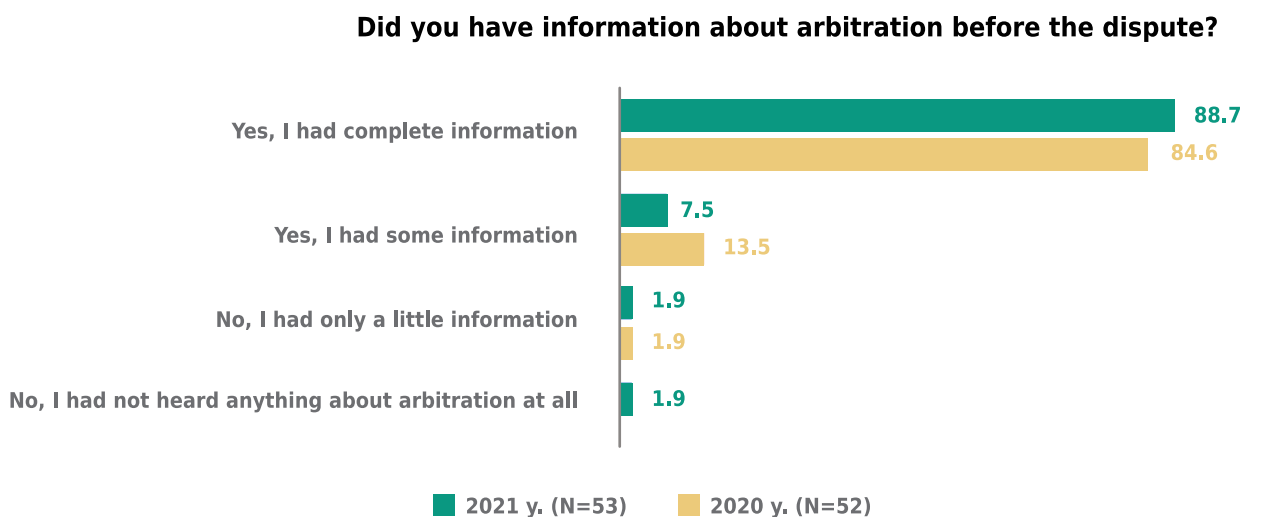
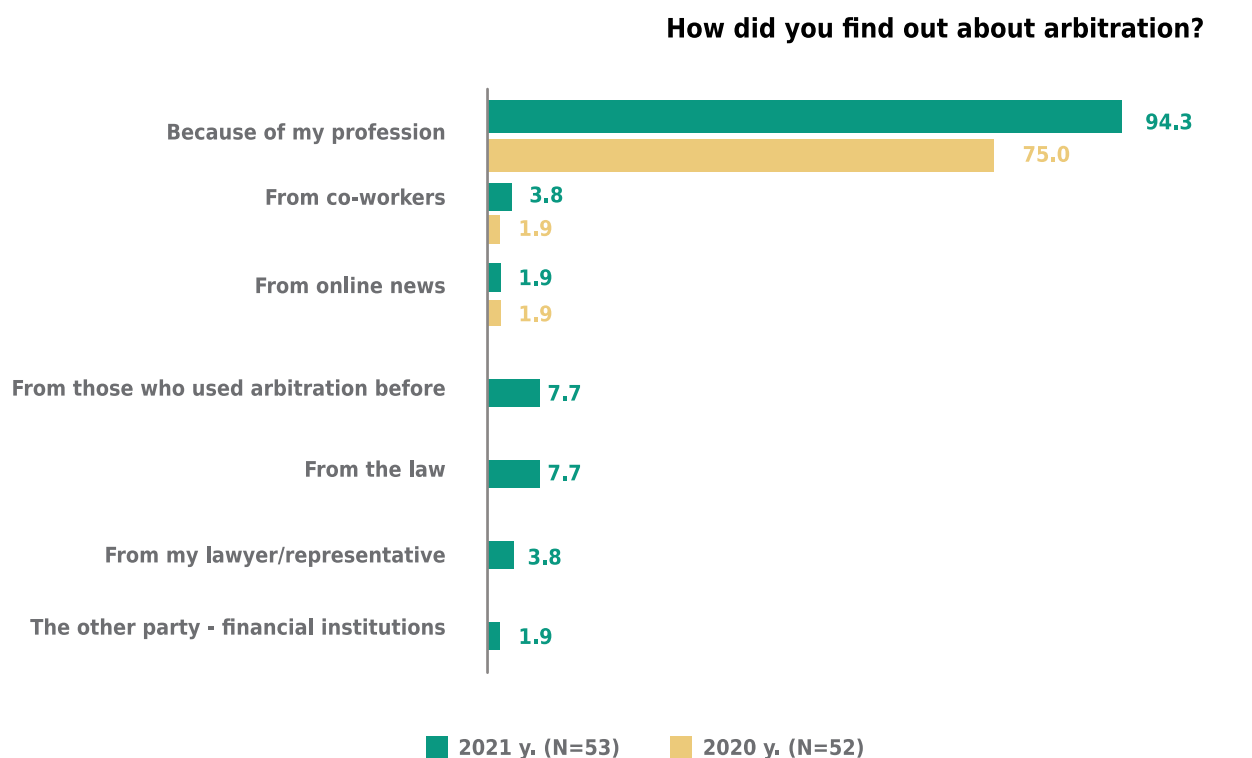


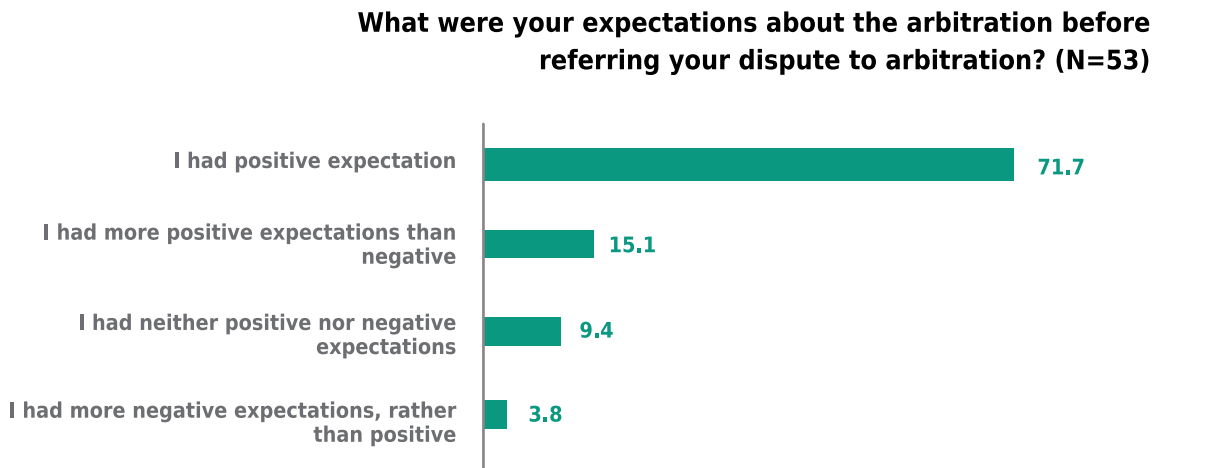
DIAGRAM #6



It is noteworthy that in the 2020 Survey, ¾ (75%) of respondents had information about arbitration due to their (legal) profession. In 2021, this figure increased to 94%. Additionally, in 2020 the sources of obtaining information about arbitration were more diverse than in 2021.

Prior to their first arbitration experience, almost 2/3 (71.7%) of respondents had positive expectations about arbitration, while 15.1% had more positive than negative expectations. The share of those with more or less negative expectations is extremely small (see Diagram # 7):

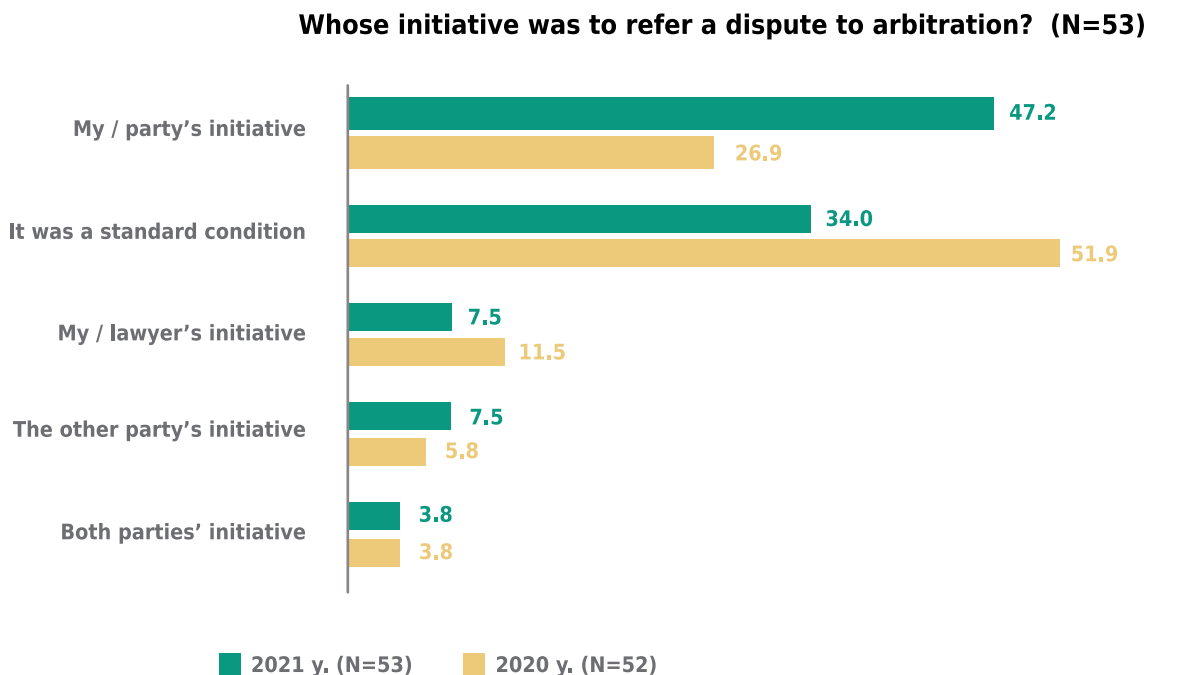
**DIAGRAM #7**



Compared to the results of the 2020 Study, no significantly different results were found with respect to expectations before the dispute.

Almost half of the respondents (47.2%) say that the dispute resolution by arbitration was initiated by me / the party, while 1/3 (34%) said that the dispute resolution by arbitration was the standard condition for negotiations between the parties (see Diagram # 8):

**DIAGRAM #8**

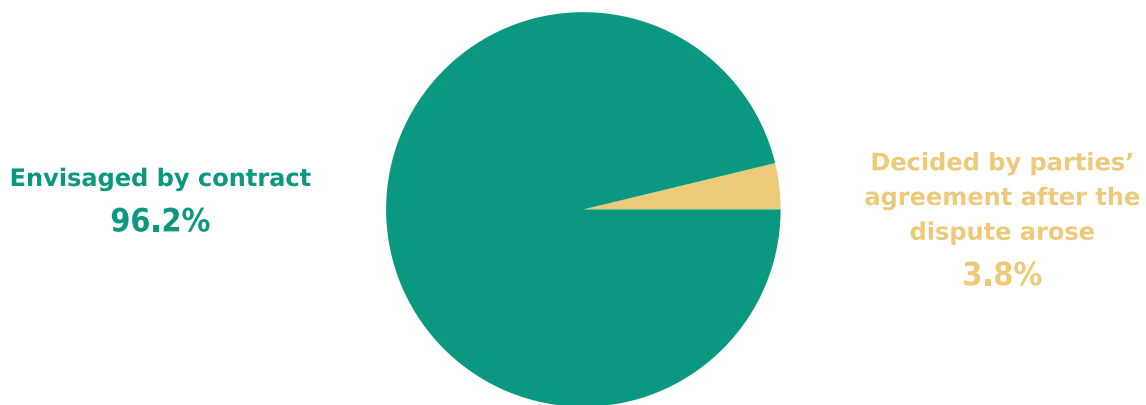


In 2020, half (50%) of respondents said that arbitration was the standard condition for resolving the disputes between the parties, while less than half, 44.2% said that arbitration was an initiative of their own, lawyer, or another party.

As the research results show, the resolution of property disputes by arbitration in the vast majority of cases (96.2%) was predetermined by the agreement (contract). Accordingly, 94.1% of respondents had accurate information that the dispute would be resolved by arbitration at the time of contracting (see Diagrams # 9 and # 10):

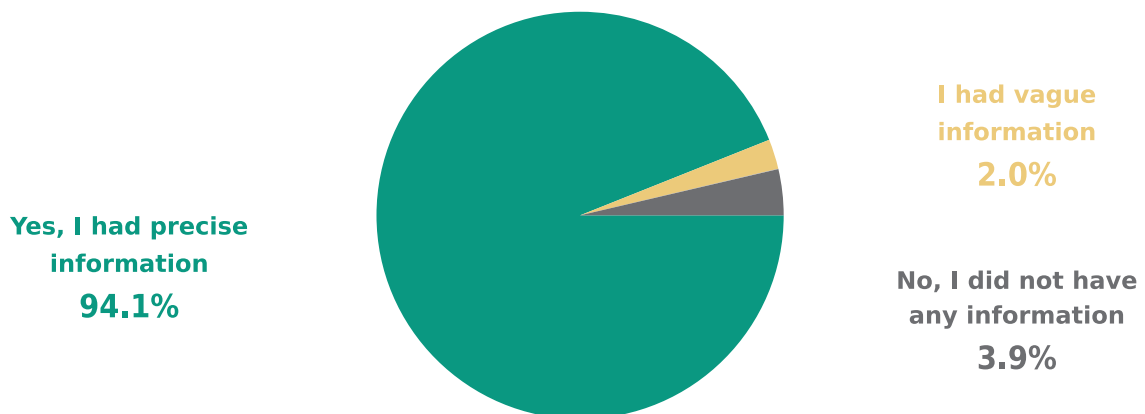
**DIAGRAM #9**

**The resolution of a property dispute by arbitration was: (N=53)**



**DIAGRAM #10**

**At the time of signing a contract, did you know that a private property dispute would be resolved by arbitration? (N=51)**

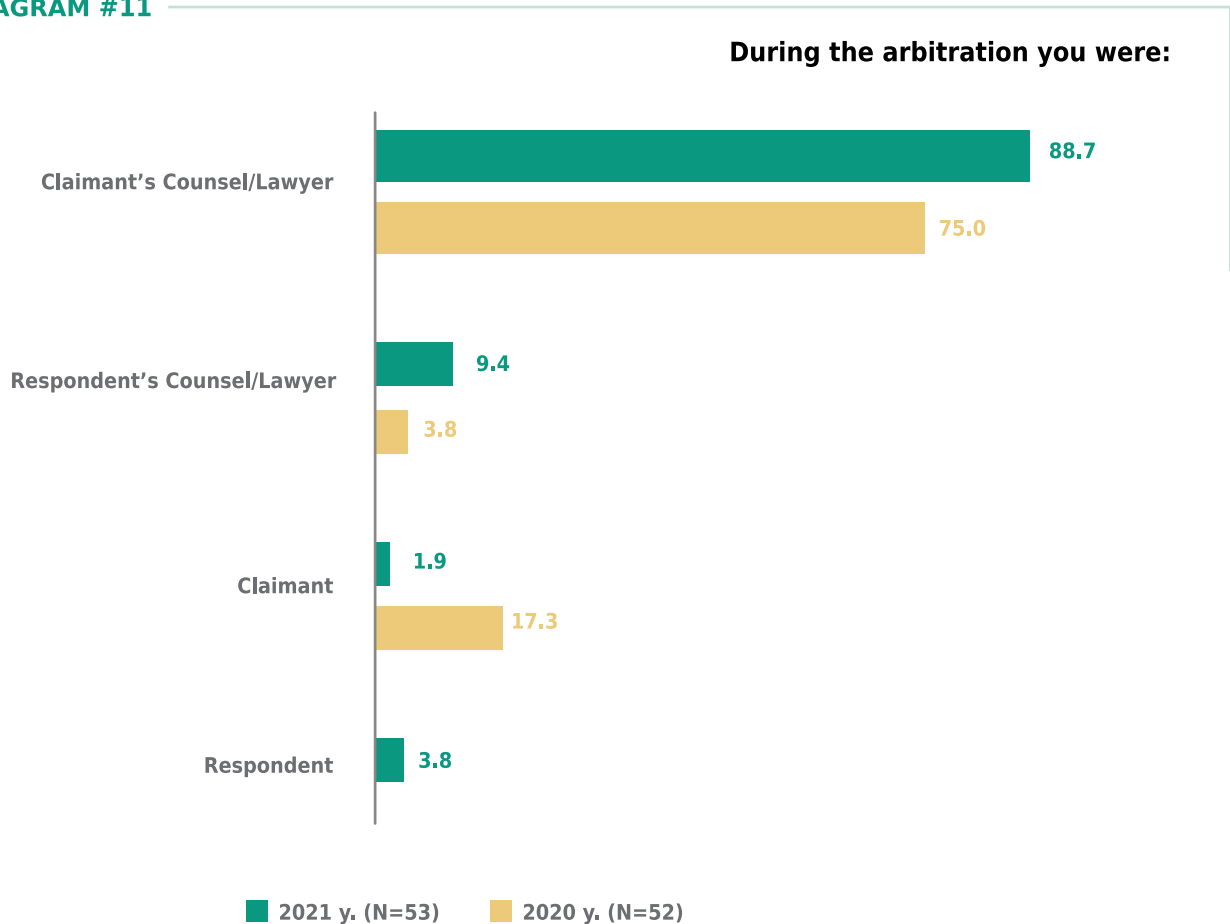


Compared to the 2020 Survey, no significantly different results were found in 2021. In 2020, the resolution of property disputes by arbitration was predetermined by the contract in 94.2% of cases, and in 2021 in 94.1% of cases. As for having the information at the time of signing the contract, in 2020 this figure was 89.8%, and in 2021 it is 94.1%.

# ASSESSING THE PROCESS OF ARBITRATION

During the recent experience in arbitration, 88.7% of respondents were the arbitration claimant’s lawyers and 9.4% were the arbitration respondent’s representatives / lawyers (see Diagram # 11):

**DIAGRAM #11**

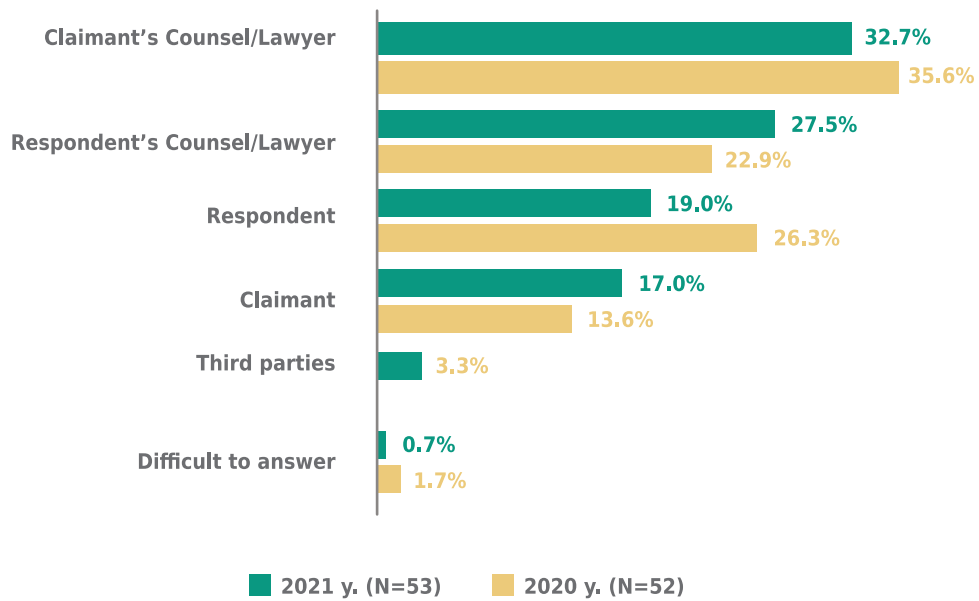


No significant differences were found when comparing both survey phases. However, in 2021 the number of respondents who were claimant’s lawyer is higher than in 2020. 2020: 75%; 2021: 88.7%.

As the research shows, during the recent arbitration experience, the claimant’s lawyers (32.7%), the respondent’s lawyers (27.5%), or the respondents (19%) were mostly directly involved in the proceedings (see Diagram # 12):

**DIAGRAM #12**

**Parties to the dispute who have participated in the arbitral proceedings:**

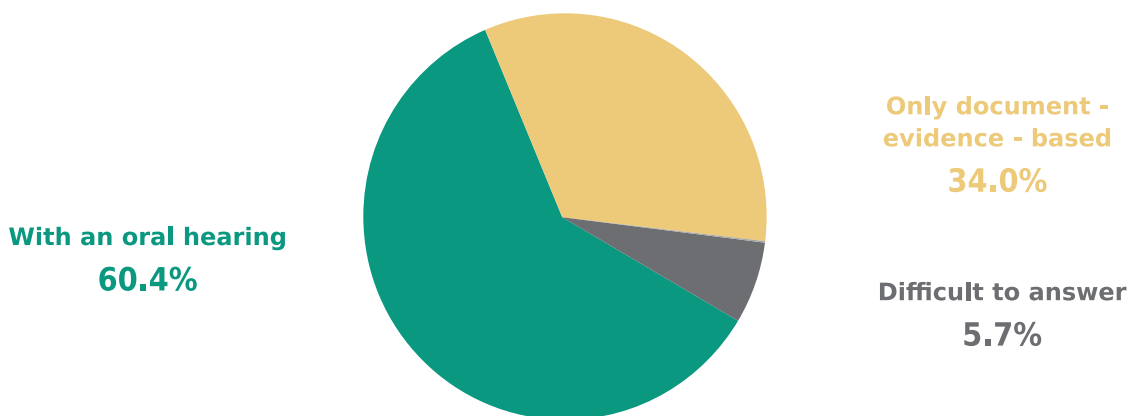


Compared to the results of the 2020 Survey, there is no significant difference except that in 2020 the number of respondents that participated in the proceedings was higher than the number of their representatives. In 2021, the results show that respondent's lawyers participated in more cases.

The study showed that in most cases (60.4%) an oral hearing was part of the arbitration proceedings, and in 34.0% of the cases - the proceedings were conducted only on the basis of documents and evidence (see Diagram # 13):

**DIAGRAM #13**

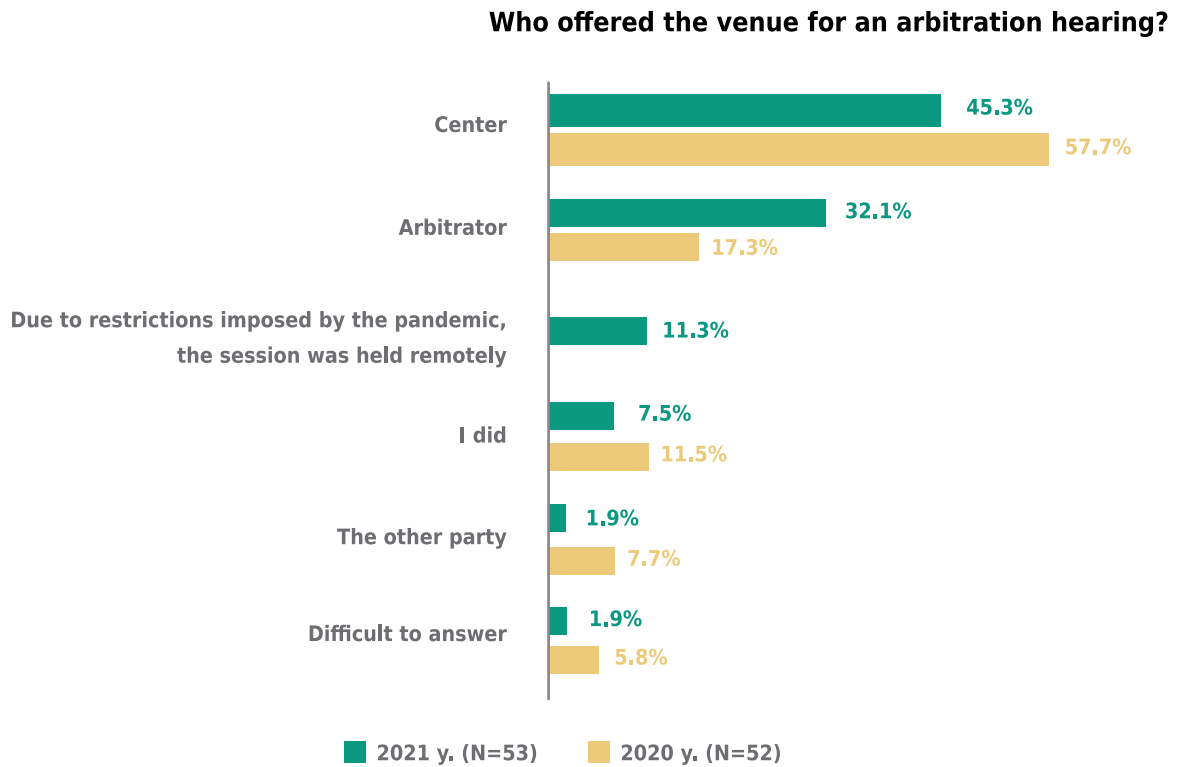
**In what form was the arbitration dispute conducted? (N=53)**



No significant difference was found when comparing both survey phases. In 2020, oral hearing was conducted in case of 57.7%, while arbitration was conducted based on documents and other evidence in the case of 40.4%.

According to almost half of the respondents (45.3%), the arbitration center offered the parties the venue for arbitration hearing; In 1/3 of the cases (32.1%) the venue for arbitration hearing was offered by the arbitrator (See Diagram # 14).

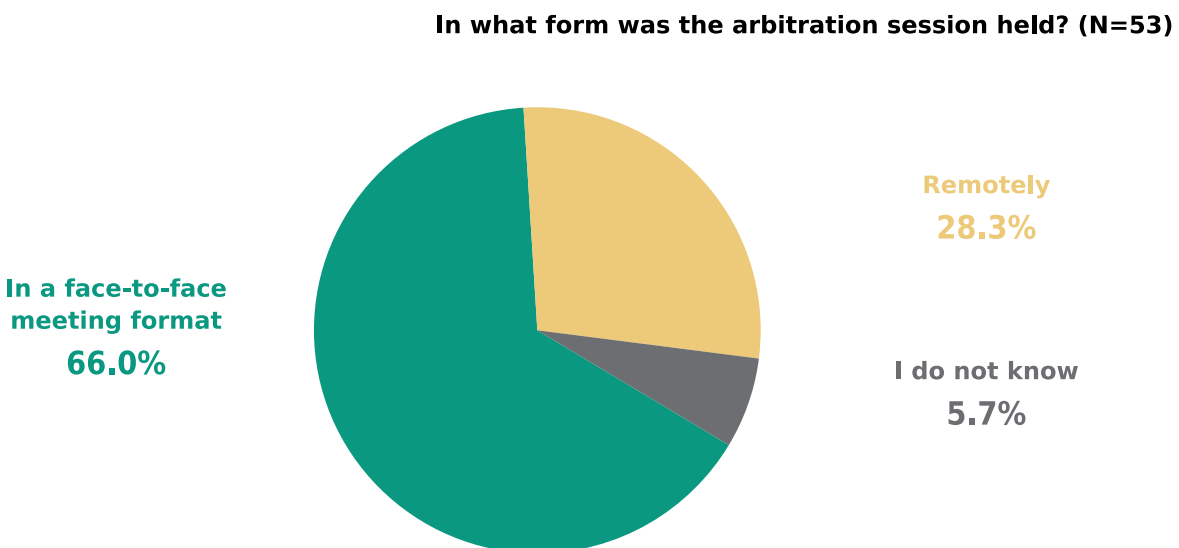
**DIAGRAM #14**



The comparison of the results of the two survey phases reveals that in 2020, more than half of the users said the venue of the arbitration hearing was offered by the center, while in 2021 this number is less than half - 2020 - 57.7%; 2021 - 45.3%.

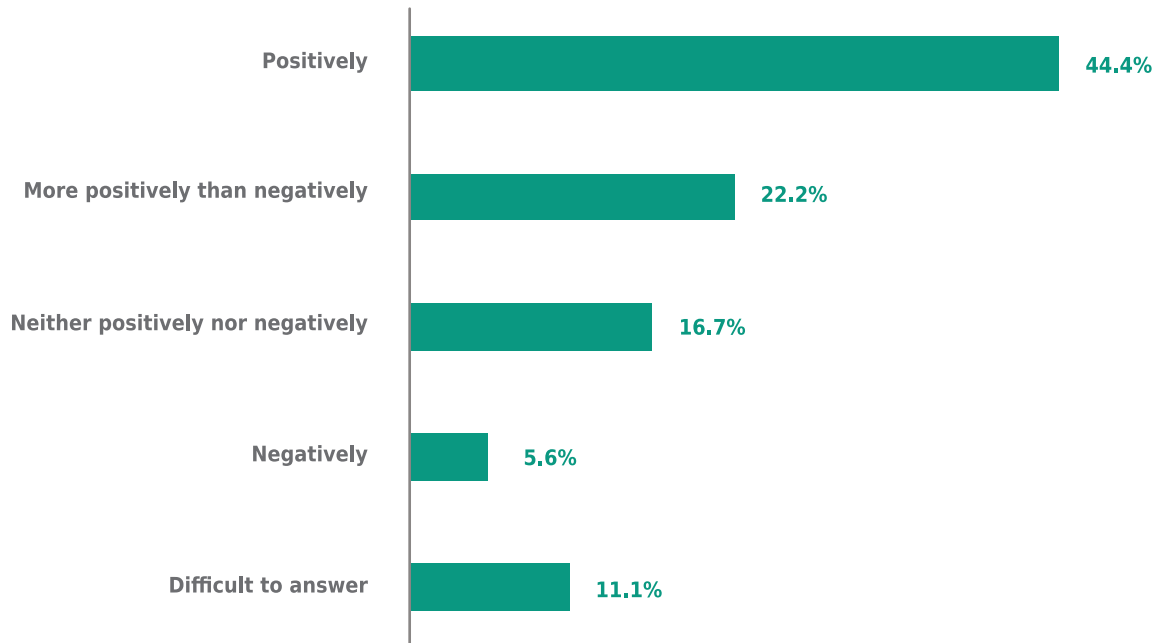
Due to the restrictions imposed in 2020 due to COVID-19 pandemic in Georgia, it was interesting for the study to identify how arbitration sessions were conducted in 2020. According to the research results, 66% of the arbitration sessions were held face-to-face, while in 28.3% of cases they were conducted remotely. Out of the respondents whose cases were heard remotely, 44.4% positively and 22.2% more positively than negatively evaluated the remotely held sessions. Approximately 1/5 of respondents evaluate remote sessions negatively or more negatively than positively (see Diagrams # 15 and # 16):

**DIAGRAM #15**



**DIAGRAM #16**

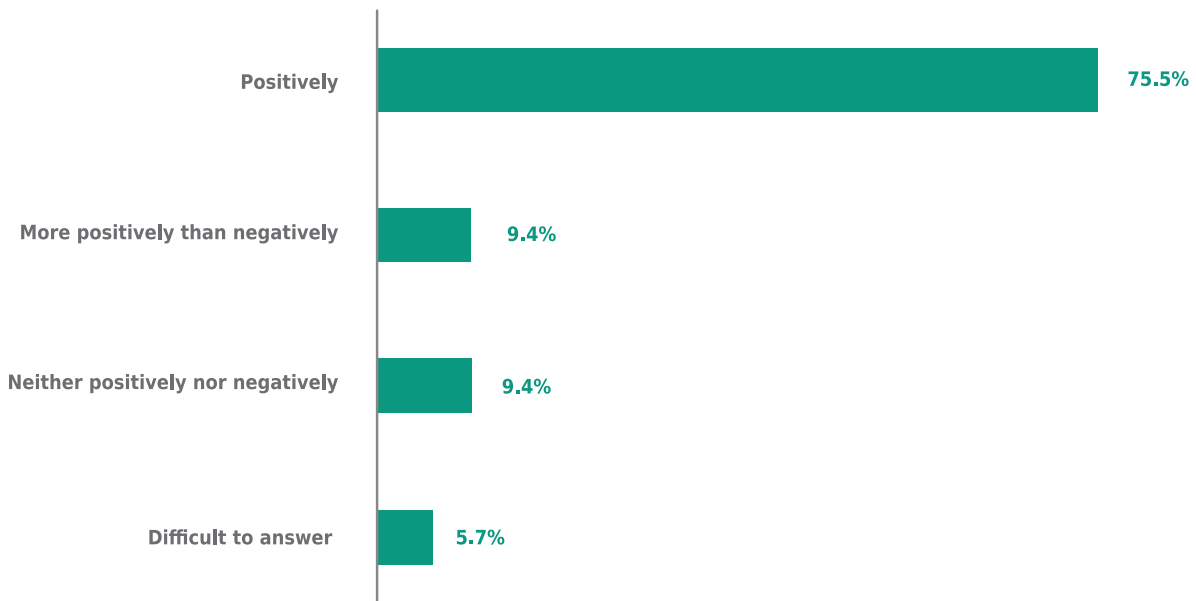
**Overall, how would you assess your experience regarding remote sessions? (N=18)**



The vast majority of respondents (84.9%) evaluate positively, or more positively than negatively, the environment in which the arbitration sessions took place (See Diagram # 17):

**DIAGRAM #17**

**Overall, how would you rate the environment in which the arbitration proceedings were conducted? (N=53)**



When comparing the results of both survey phases, there is a small difference: in 2020 - 88.5%, and in 2021 - 84.9% of respondents assessed positively, or more positively than negatively, the environment in which the arbitration proceedings were conducted.



## PROFESSIONALISM OF THE ARBITRATOR/ARBITRATORS

As the study results show, in the case of the overwhelming majority (86.8%) dispute was resolved by a sole arbitrator. As for the appointment of the arbitrator, in most cases (89.6%) the parties could not agree on the arbitrator and the arbitration institution / center appointed them, in 8.3% of cases the parties agreed on the arbitrator (see Diagrams # 18 and # 19):

DIAGRAM #18

How many arbitrators have decided your case? (N=53)

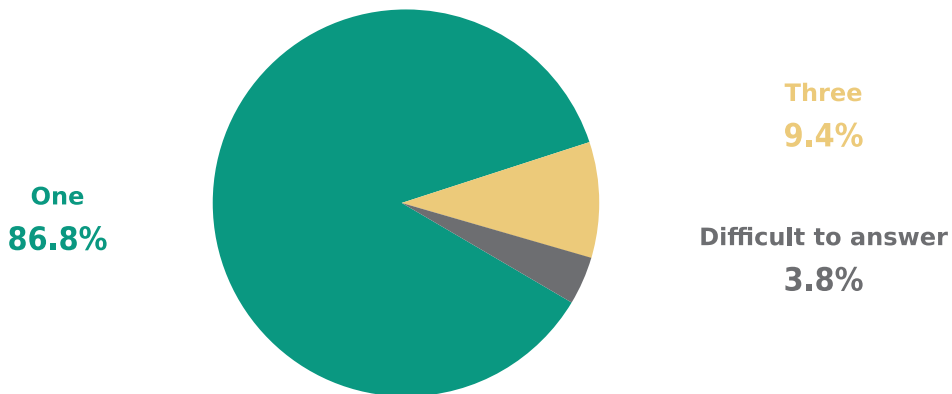
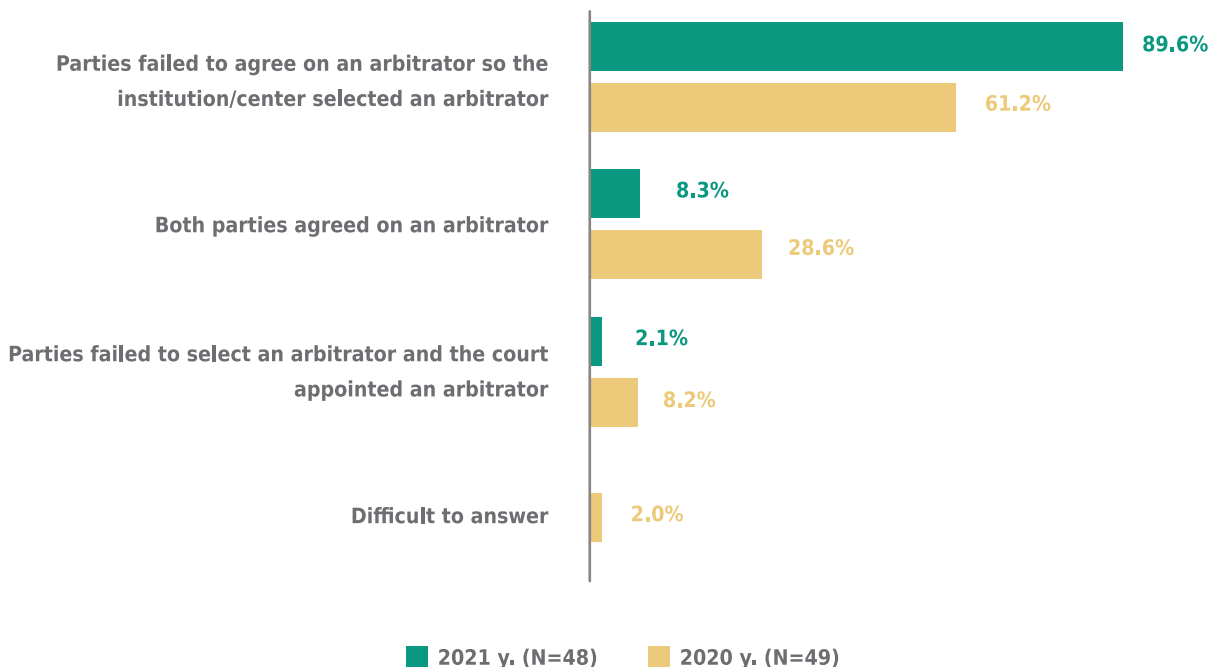


DIAGRAM #19

How was the arbitrator appointed?

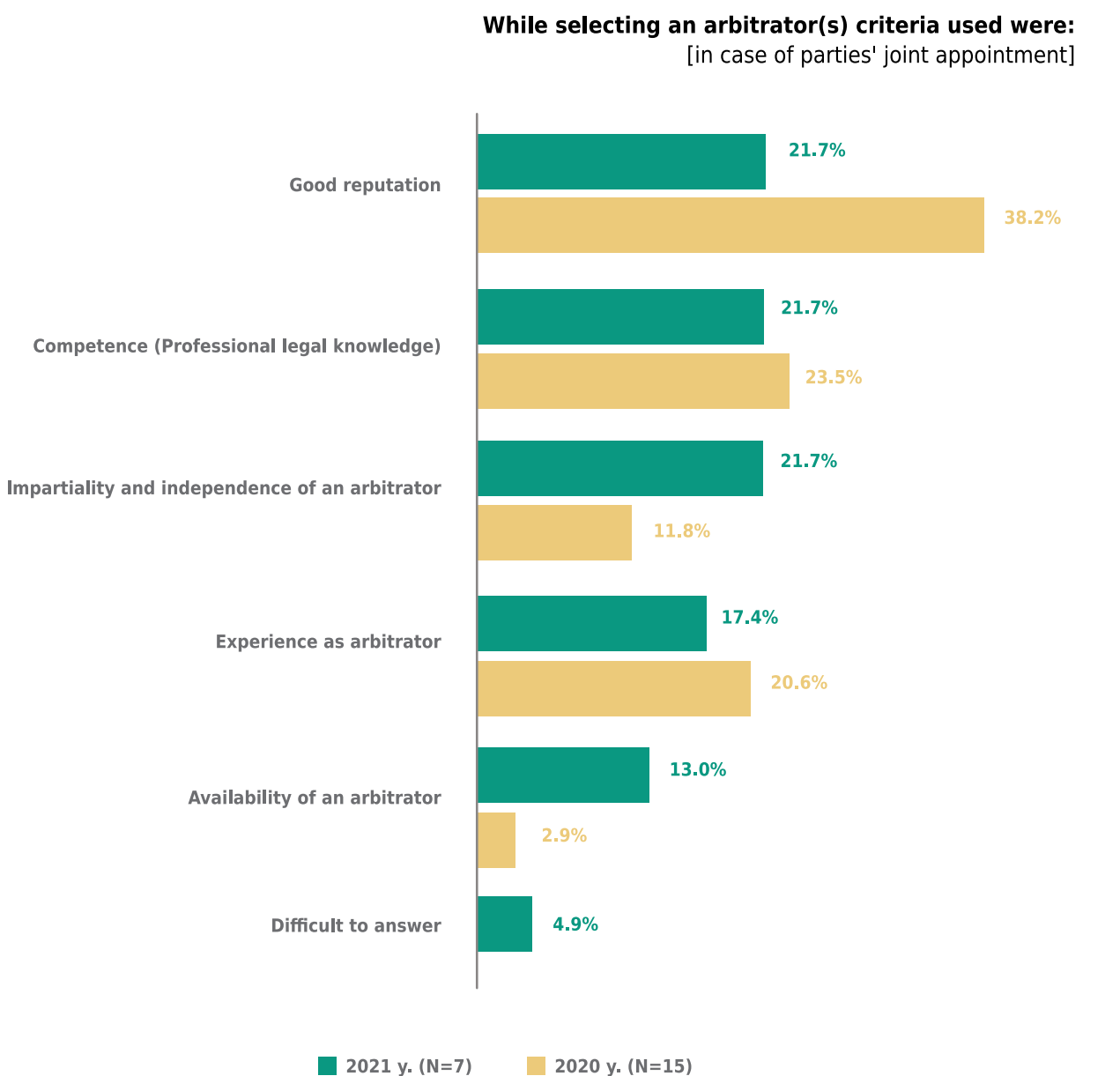


The results of both survey phases show that in the case of absolute majority, one arbitrator decided the case. As for the appointment of arbitrators, it is noteworthy that in 2021 there are considerably more cases in which the parties could not agree on the arbitrator and the arbitration institution / center appointed them (2020 - 61.5%; 2021 - 89.6%).

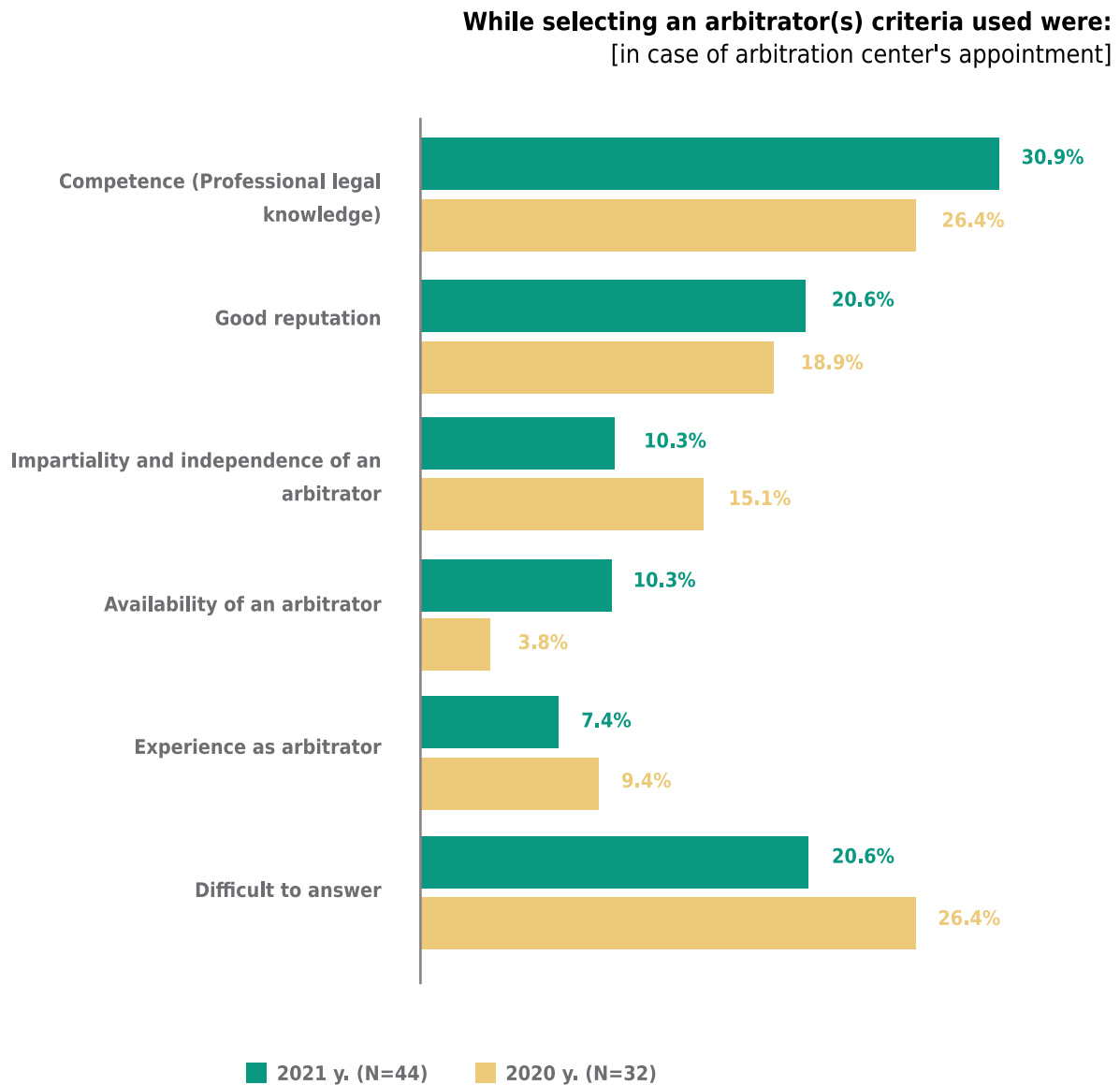
The study has a small number of respondents whose cases were reviewed by the arbitration tribunal consisting of three arbitrators. There are 5 such respondents in total. For this reason, it is not statistically reasonable to analyze which parties selected the arbitrators.

The study evaluated criteria according to which an arbitrator(s) were selected. In case of parties' joint selection of an arbitrator equally important were the good reputation (21.7%), competence (professional legal knowledge) (21.7%) and the independence and impartiality of the arbitrator (21.7%). While in case of appointment of arbitrator(s) by the arbitration institution / center, arbitrator's competence (30.9%) and the reputation (20.6%) were taken into consideration. It should be noted that 20.6% of respondents found it difficult to answer the question related to the selection criteria of an arbitrator when appointment was made by the arbitration institution / center (see Charts # 20 and # 21):

**DIAGRAM #20**



**DIAGRAM #21**



By comparing the results of two survey phases, it was revealed that in case of selection of an arbitrator(s) jointly by parties, in 2020, arbitrator’s good reputation (38.2%) proved to be important, while in 2021 in addition to the good reputation (21.7%) arbitrator’s competence (21.7%) and independence and impartiality of arbitrators (21.7%) stand out.

Arbitrators’ professionalism was assessed according to 11 parameters (communication skills, neutrality, fairness, rapport building skills, the field expertise, competence, keeping the parties informed, focusing on settlement, confidentiality, flexibility, timely decision-making and process management skills). A 5-point scale was used for the assessment, where a score of 5 indicates an explicitly positive evaluation, and a score of 1 - an explicitly negative evaluation.

The survey results showed that the vast majority of respondents evaluate all parameters of arbitrators’ professionalism very positively and more positively than negatively (Score 5). The share of negative evaluators is small (see Diagram # 22):

DIAGRAM #22

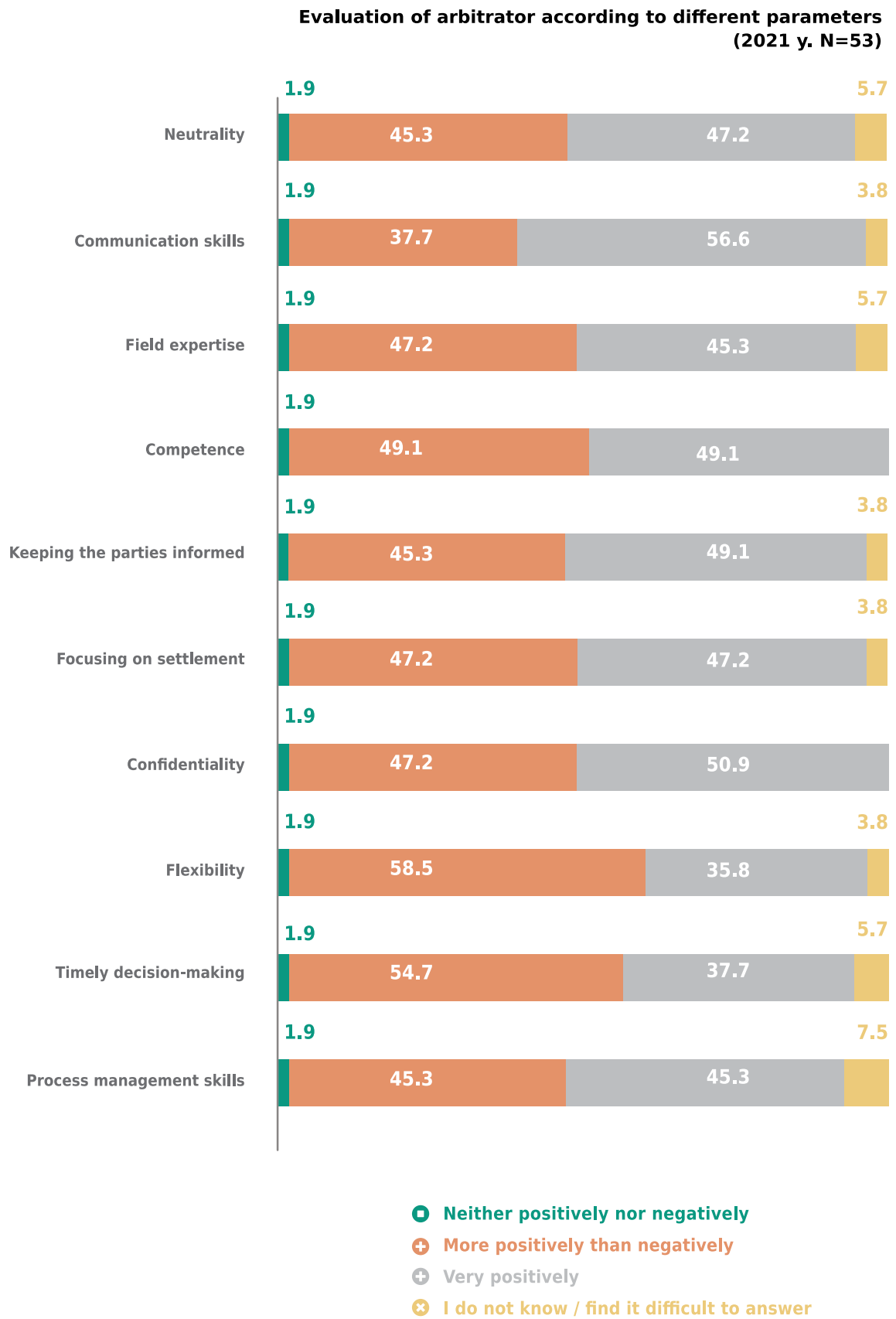
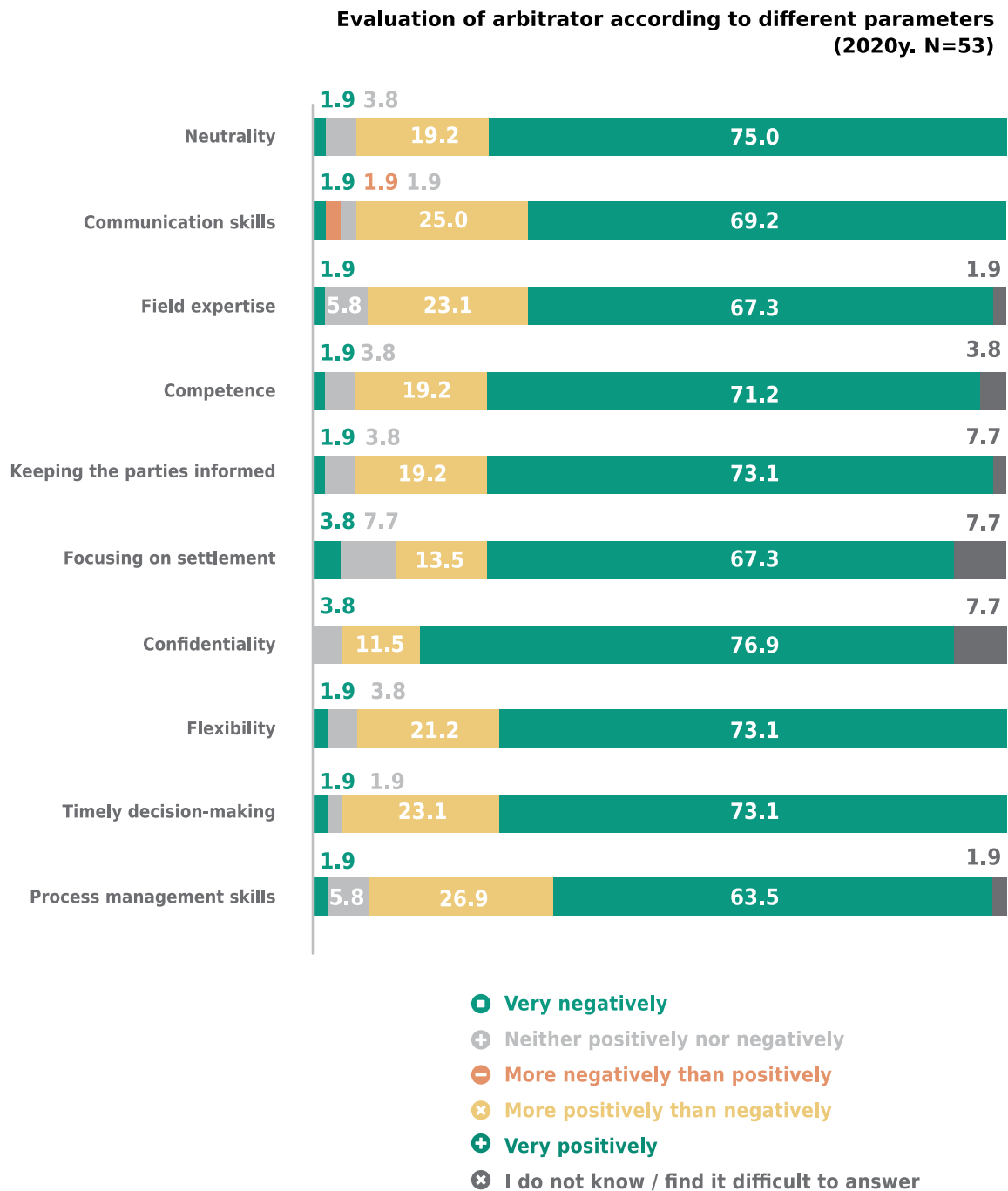


Diagram #23 shows the 2020 Survey results regarding the assessment of the arbitrator's / arbitrators' professionalism

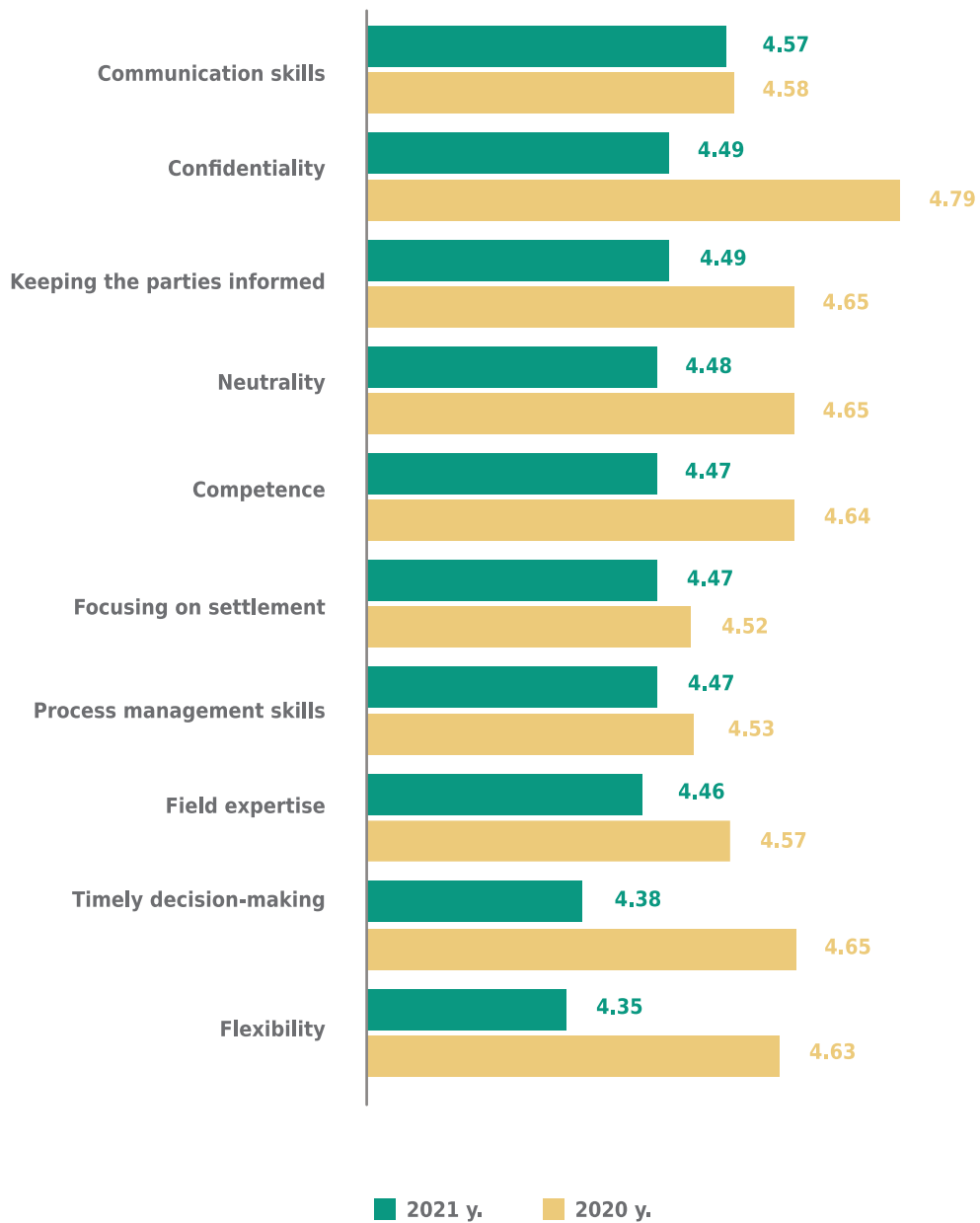
DIAGRAM #23



In 2021, similarly, to the 2020 Survey, the users positively evaluate arbitrators according to various parameters. However, it should be noted that a very positive assessment has decreased - in 2021 it is within 50%, while in 2020 - was reported by approx. 75% of the respondents.

The statistical analysis of evaluating the different parameters of arbitrator's professionalism according to the central tendencies showed that the mean score (Mean) for each parameter varies from 4.35 to 4.57. This indicates that respondents' assessments for each parameter are in a uniquely positive field (see Diagram # 24):

Mean ratings of arbitration professionalism evaluation



In 2021, similarly to the 2020 Survey, the average rating of each parameter is in the positive field, however, in 2021 there are fewer respondents who assess the professionalism of the arbitrators very positively according to various parameters. In 2020, the average rating fluctuated - from 4.5 to 4.8, while in 2021 from 4.35 - 4.57.

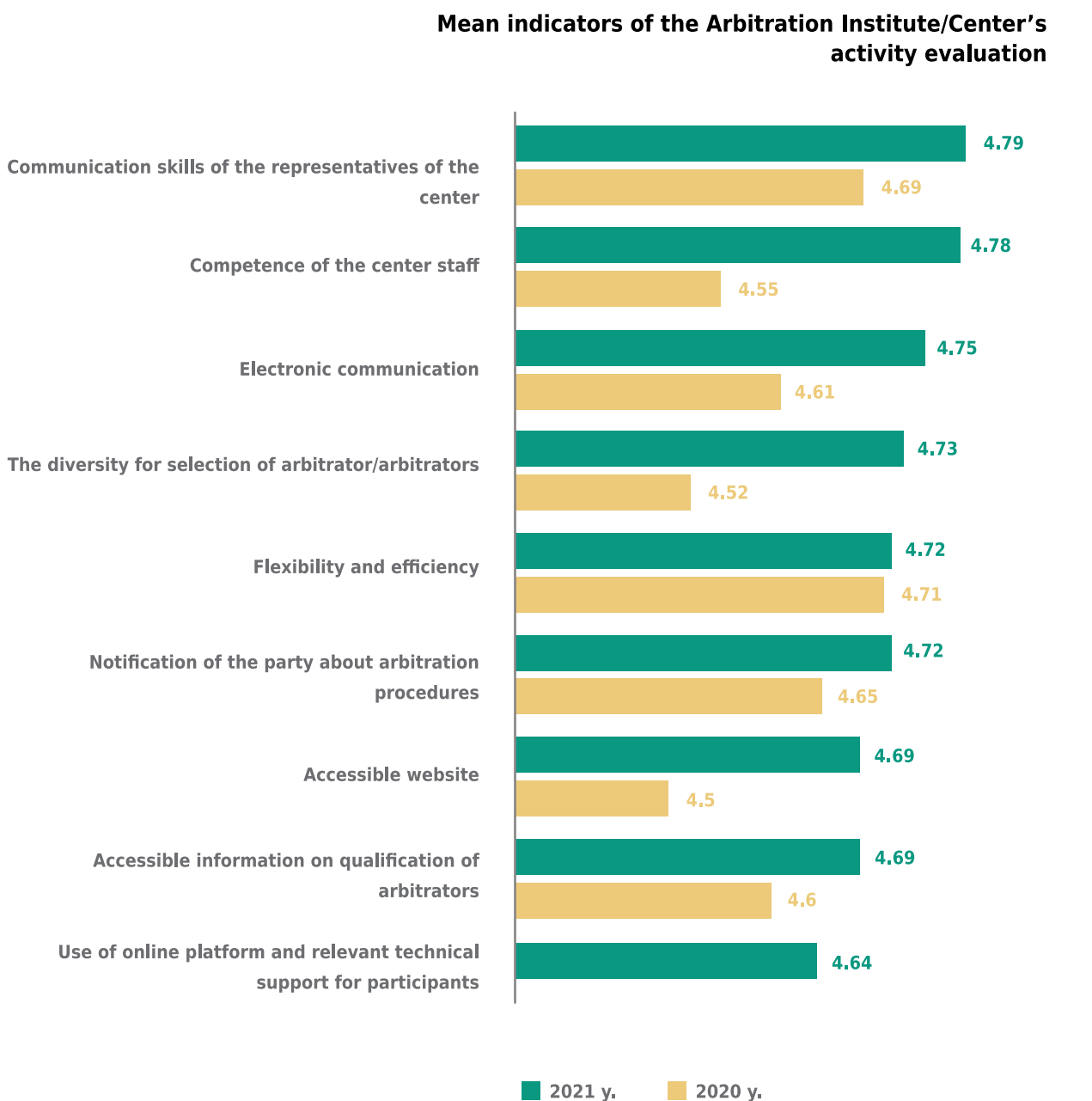
The Survey looked into the evaluation of activities of arbitration institutions / centers according to various parameters (8 in total). In this case a 5-point scale was used for the evaluation, where 5 points indicate a very positive and 1 point - a very negative evaluation. The results showed that respondents rated all eight parameters positively. See Table # 1, where the results of both phases are compared:

2020 N=52 2021 N=53	Very negatively		Negatively		More negatively than positively		Neither positively nor negatively		More positively than negatively		Very positively		I do not know / difficult to answer	
	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021
Inform the party about arbitration procedures	1.9				1.9		3.8	3.8	15.1	17.3	79.2	71.2		5.8
Communication skills of the representatives of the center	1.9						1.9	3.8	17	13.5	79.2	75.0	1.9	5.8
The diversity of arbitrator(s) choice	2.0				1.9		1.9	7.8	15.1	19.6	71.7	60.8	9.4	9.8
Accessible information on qualifications of arbitrators	1.9				1.9		3.8	7.7	17	13.5	73.6	69.2	3.8	7.7
Flexibility and operability	1.9	1.9					5.7	1.9	9.4	15.4	83	75.0		5.8
Accessible website and information	5.8	1.9					5.7	3.8	9.4	15.4	73.6	67.3	9.4	7.7
Electronic communication	1.9	1.9			1.9		3.8	3.8	9.4	15.4	83	71.2	1.9	5.8
Competence of the center staff	1.9						3.8	5.8	13.2	23.1	79.2	63.5	3.8	5.8
Use of online platforms and relevant technical assistance to the parties							7.5		7.5		67.9		15.1	

It should be noted that arbitration users evaluate the activity of arbitration institutions / centers more positively in 2021 than in 2020. In 2021, the following parameters were rated most positively: flexibility 83% and electronic communication 83%. In 2020, the most positive assessment was given to the communication skills of the representatives of arbitration center - 75% and to the flexibility and operability - 75%.

The statistical analysis of the evaluation of the activities of arbitration institutions / center according to the central tendencies showed that the mean score (Mean) for each indicator varies from 4.64 to 4.79. This indicates that respondents' assessments for each parameter are in a uniquely positive field (see Diagram # 25):

**DIAGRAM #25**



According to the results of both phases, the average rating of each parameter is in the positive field, however, in 2021 there are more respondents who evaluate the activities of the arbitration Institution / center very positively according to various parameters. In 2020, the average rating ranged from 4.50 to 4.71, while in 2021 it ranges from 4.64 to 4.79.



## GENERAL ASSESSMENT OF ARBITRATION

According to the latest arbitration experience, the respondents shared the outcome of their dispute: the dispute was resolved in favor of 60.4% of the surveyed respondents, while in case of 22.6% - their claim was partially granted. The decision made by the arbitrator(s) was adequately reasoned according to 90.6% of surveyed respondents (see Diagrams # 26 and # 27):

DIAGRAM #26

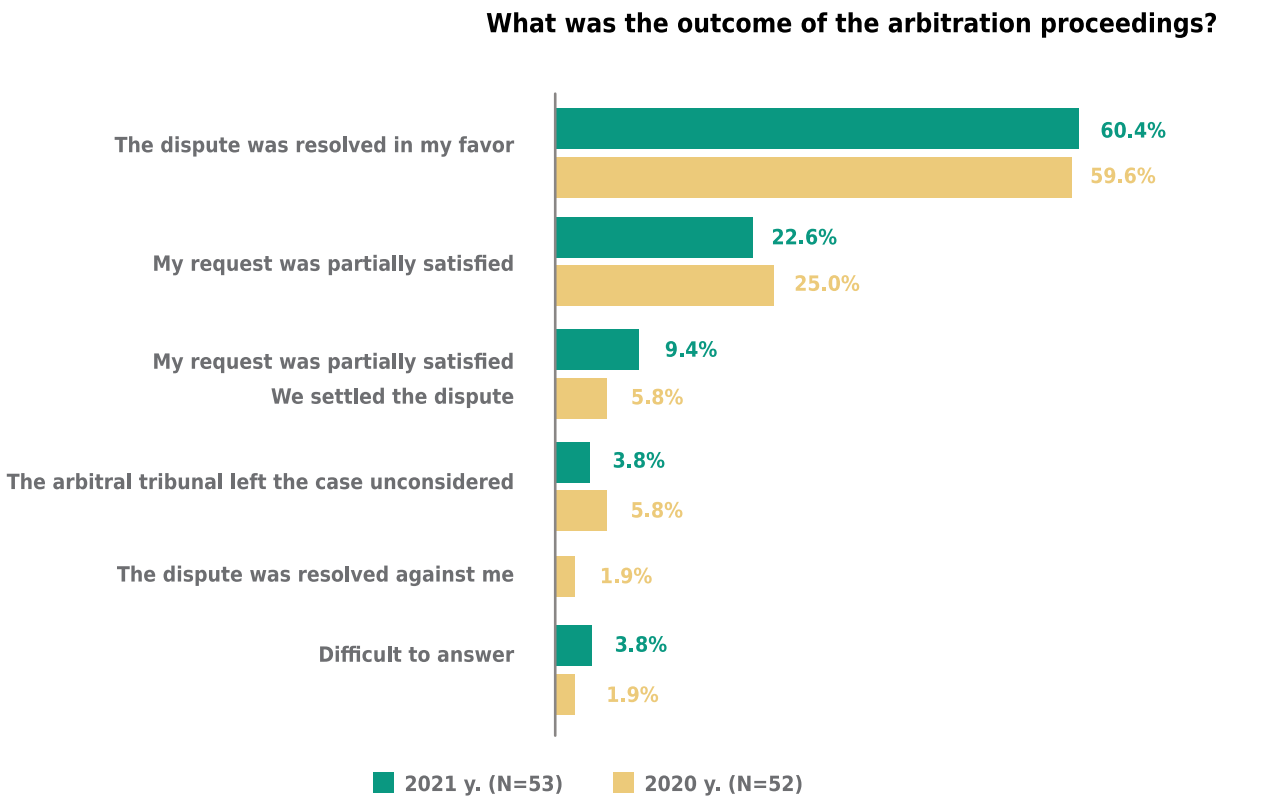
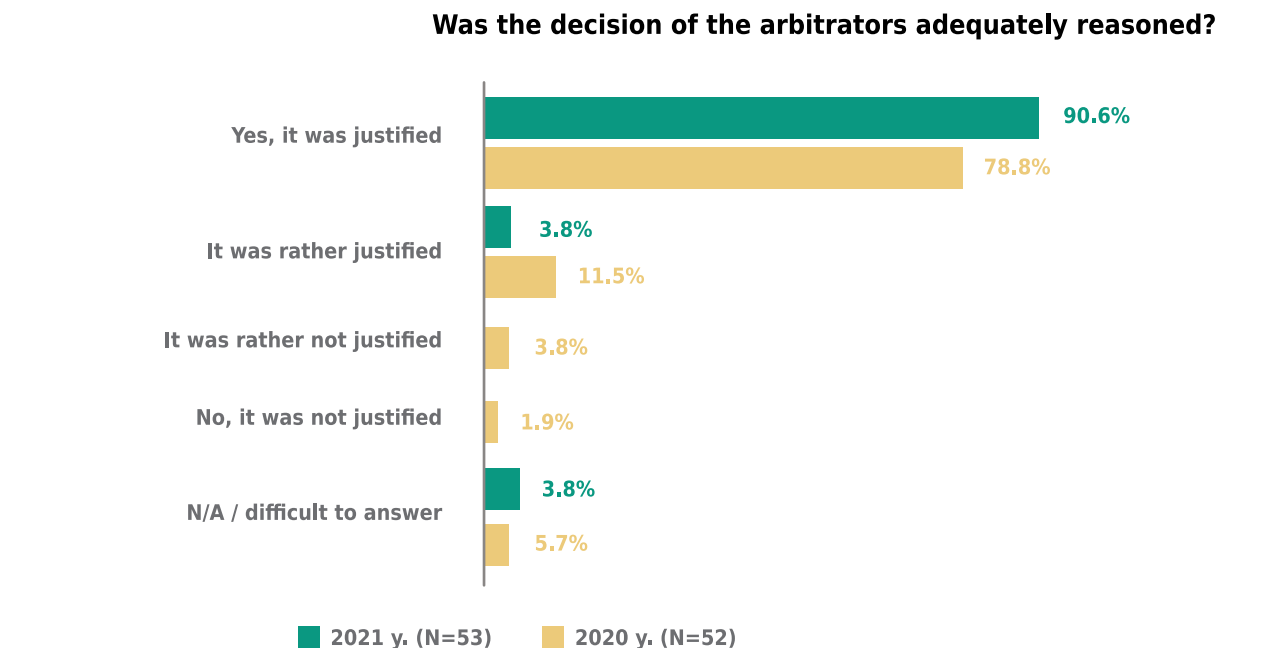


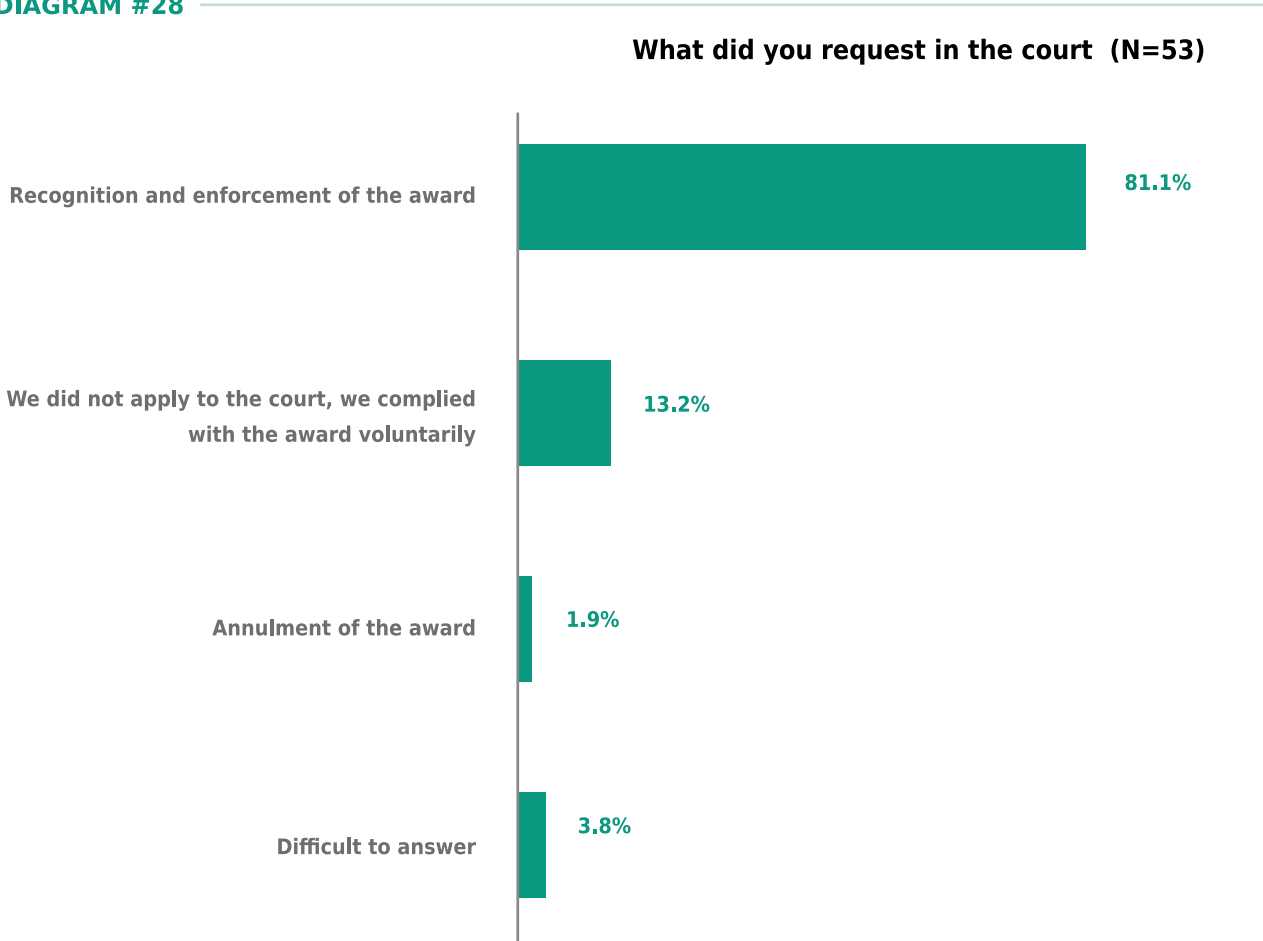
DIAGRAM #27



When comparing the two survey phases, no difference was found in terms of dispute outcomes. However, it should be noted that in 2021, the overwhelming majority of respondents - 90.6% consider that the decision made by the arbitrator(s) was adequately reasoned, while in the 2020 Survey the same was reported by less - 78.8%.

The vast majority of respondents (81.1%) requested the recognition and enforcement of the arbitral award, while a small proportion (13.2%) indicated that the parties voluntarily complied with the arbitral award (See Diagram # 28):

**DIAGRAM #28**



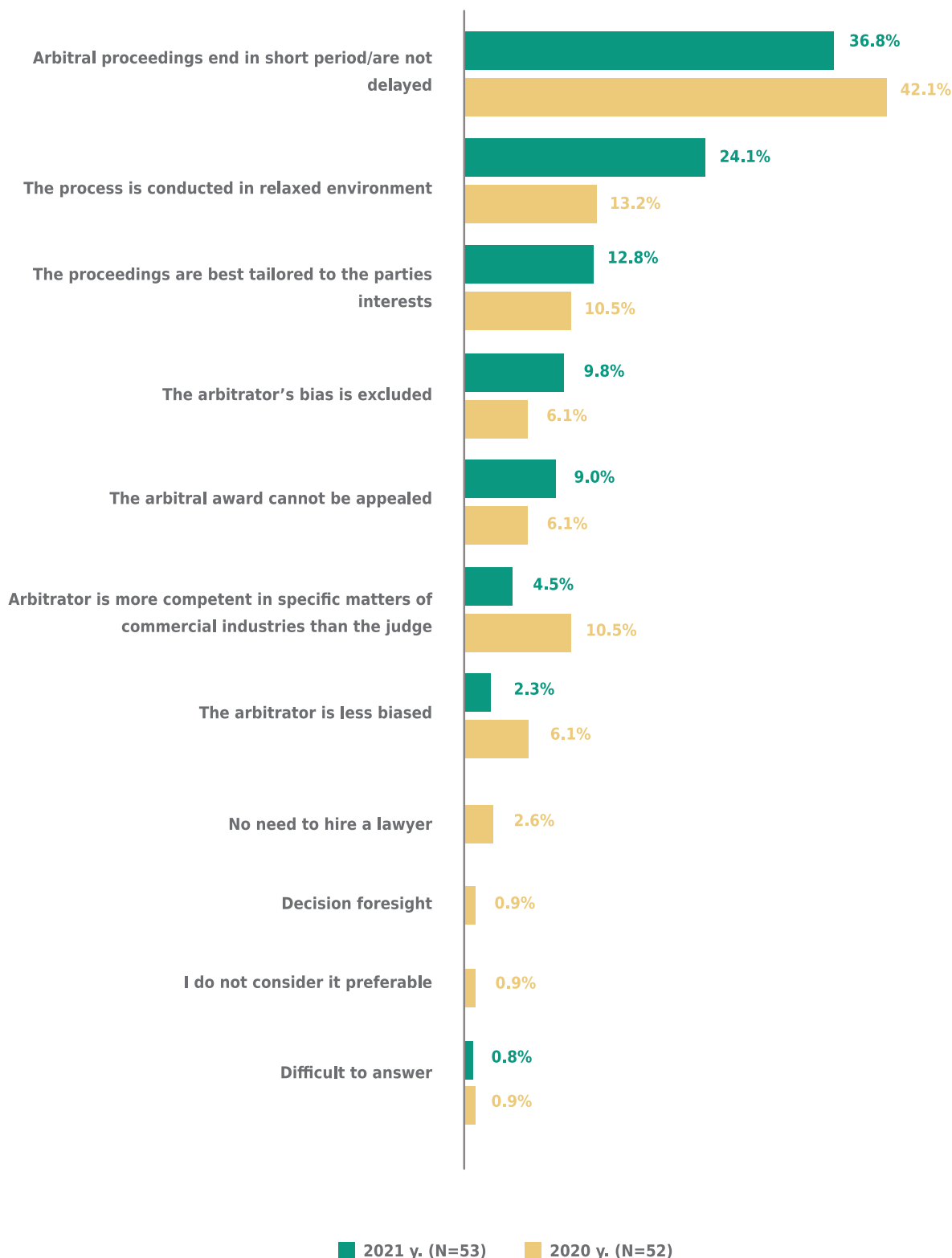
There was no significant difference between the respondents' answers regarding the enforcement of arbitral awards in two survey phases. In 2020, 82.7% requested the recognition and enforcement of the award, and in 2021 - 81.1% did the same.

The survey identified the advantages and disadvantages of arbitration compared to the litigation. As the results show, the main advantage of arbitration is that it can be completed in a short period of time (36.8%), also, several factors stand out - the process takes place in a calm atmosphere (24.1%) and the process best suited to the parties' interests (12.8%).

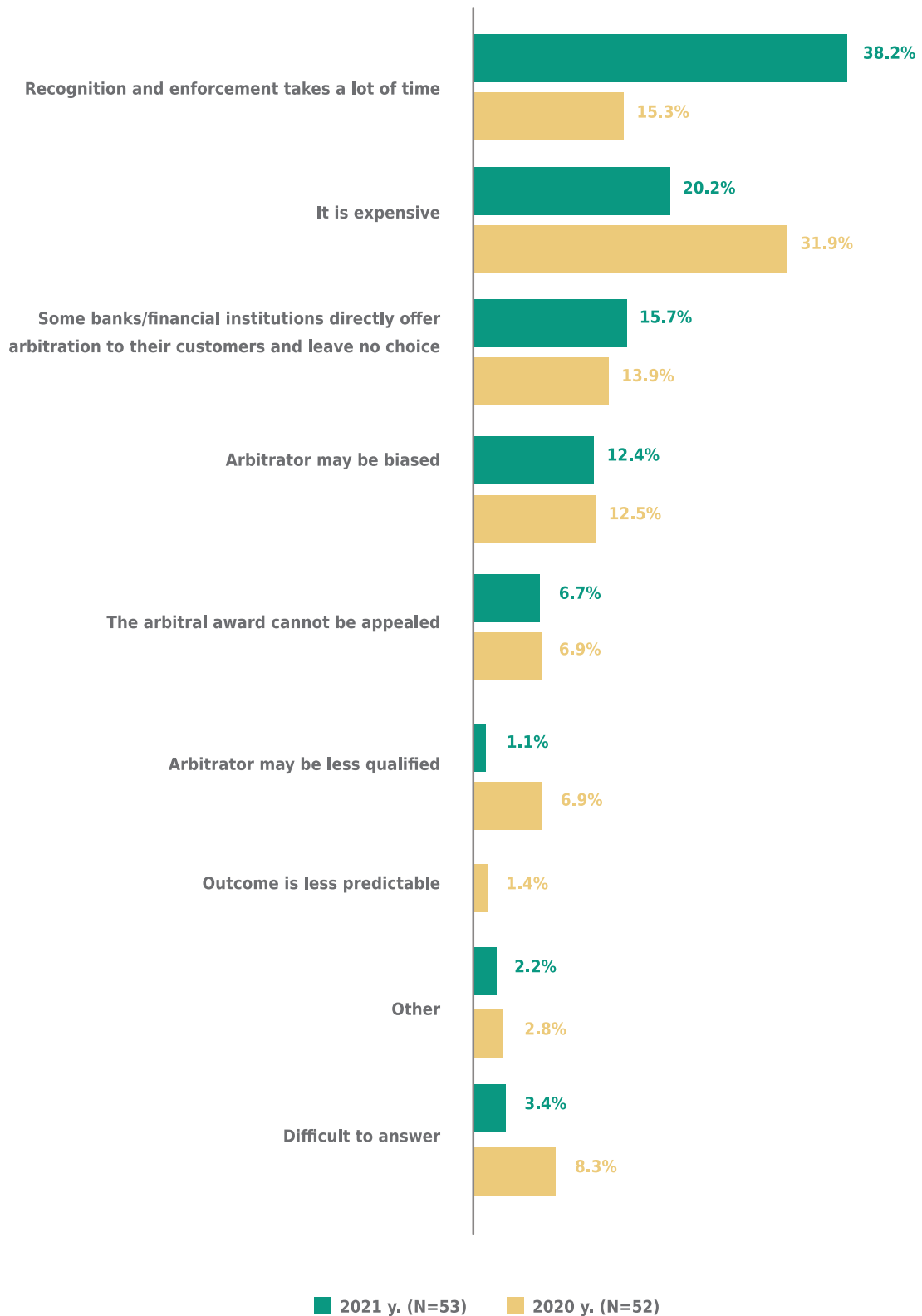
As for the disadvantages of arbitration compared to the court, more than 1/3 of the respondents (38.2%) indicate that a lot of time is spent on the recognition and enforcement of the arbitral award. 20.2% think that arbitration is expensive, while 15.7% think that some banks / financial institutions offer arbitration directly to users without leaving them a choice (see Diagrams # 29 and # 30):

**DIAGRAM #29**

**What are advantages of arbitration compared to the court?**



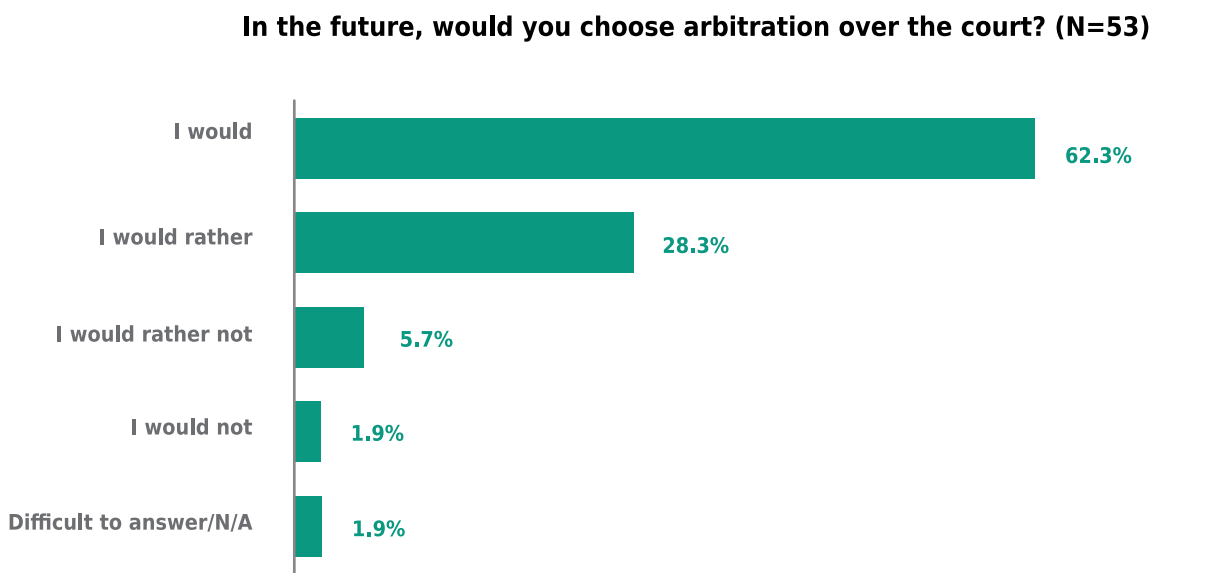
What are disadvantages of arbitration compared to the court?



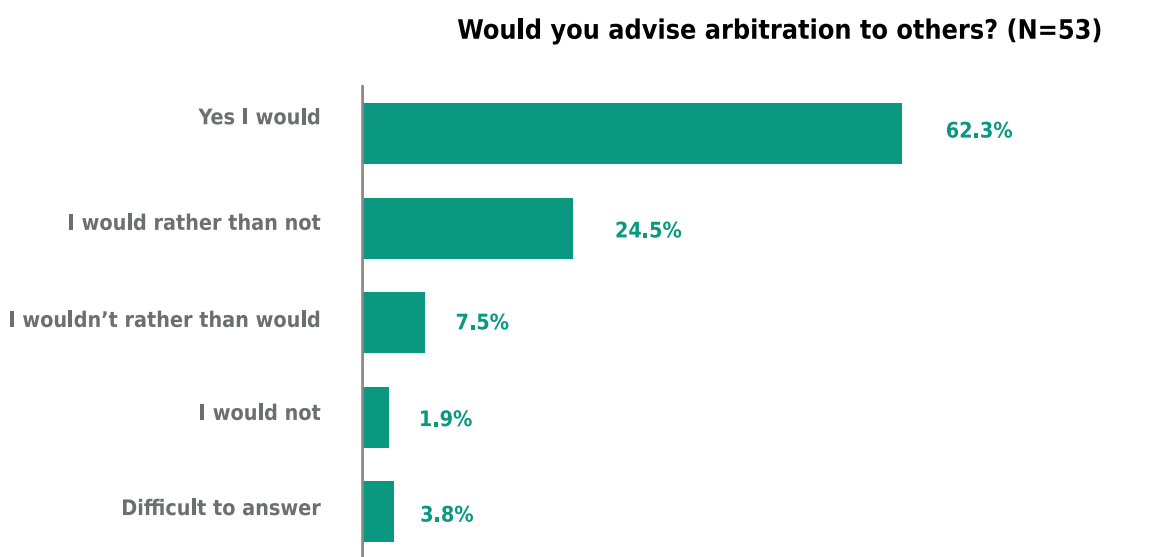
Similar to the results of the 2020 study, in 2021 both the first three advantages and disadvantages of arbitration compared to court remain unchanged.

62.3% of respondents would choose arbitration over court; 28.3% would rather choose arbitration than not. The data for the question - Would you advise others to use arbitration when necessary? - is approximately the same: 62.3% would advise, while 24.5% would rather advise than not (See Diagrams # 31 and # 32):

**DIAGRAM #31**



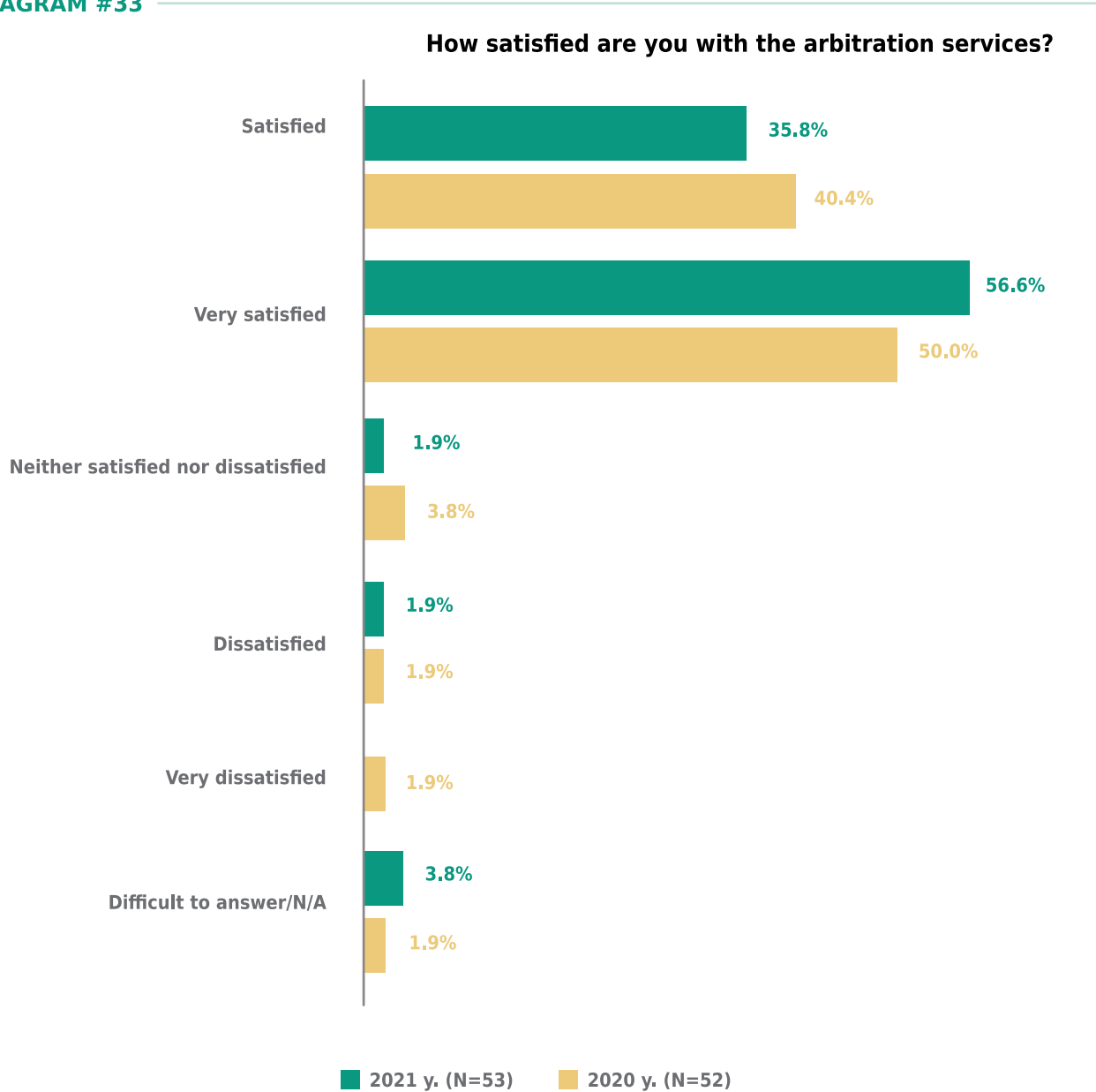
**DIAGRAM #32**



No significant difference was found when comparing the results of the two phases related to users' preferences and future recommendations. In 2020, 63.5% chose arbitration over the court, and in 2021 - 62.5%. The recommendation to use arbitration in 2021 is given by approximately the same number of respondents (62.3%) as in 2020 (63.5%).

Surveyed arbitration users are satisfied with the arbitration as a whole, in particular - 35.8% are completely satisfied and 56.6% are satisfied (see Diagram # 33):

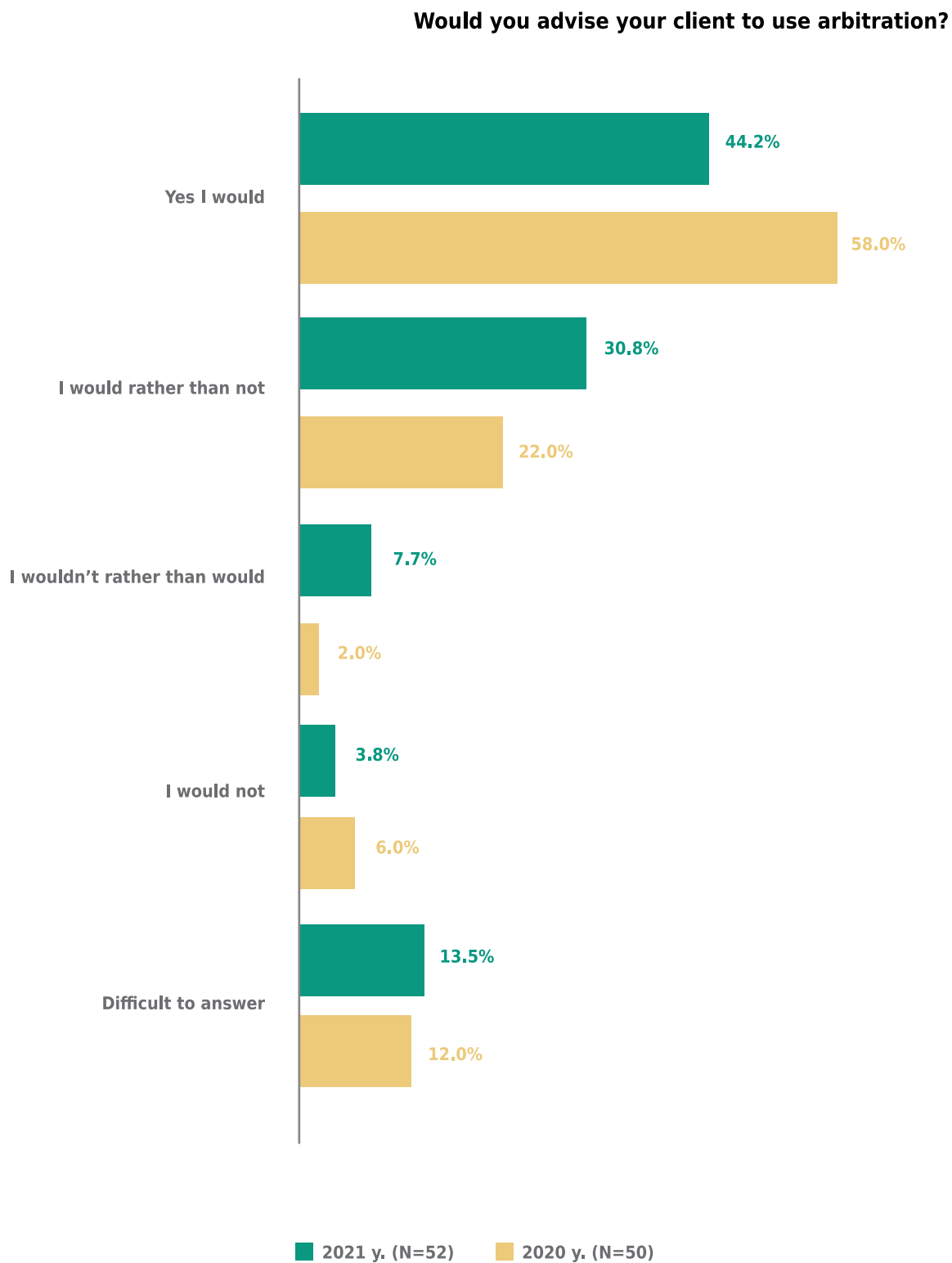
**DIAGRAM #33**



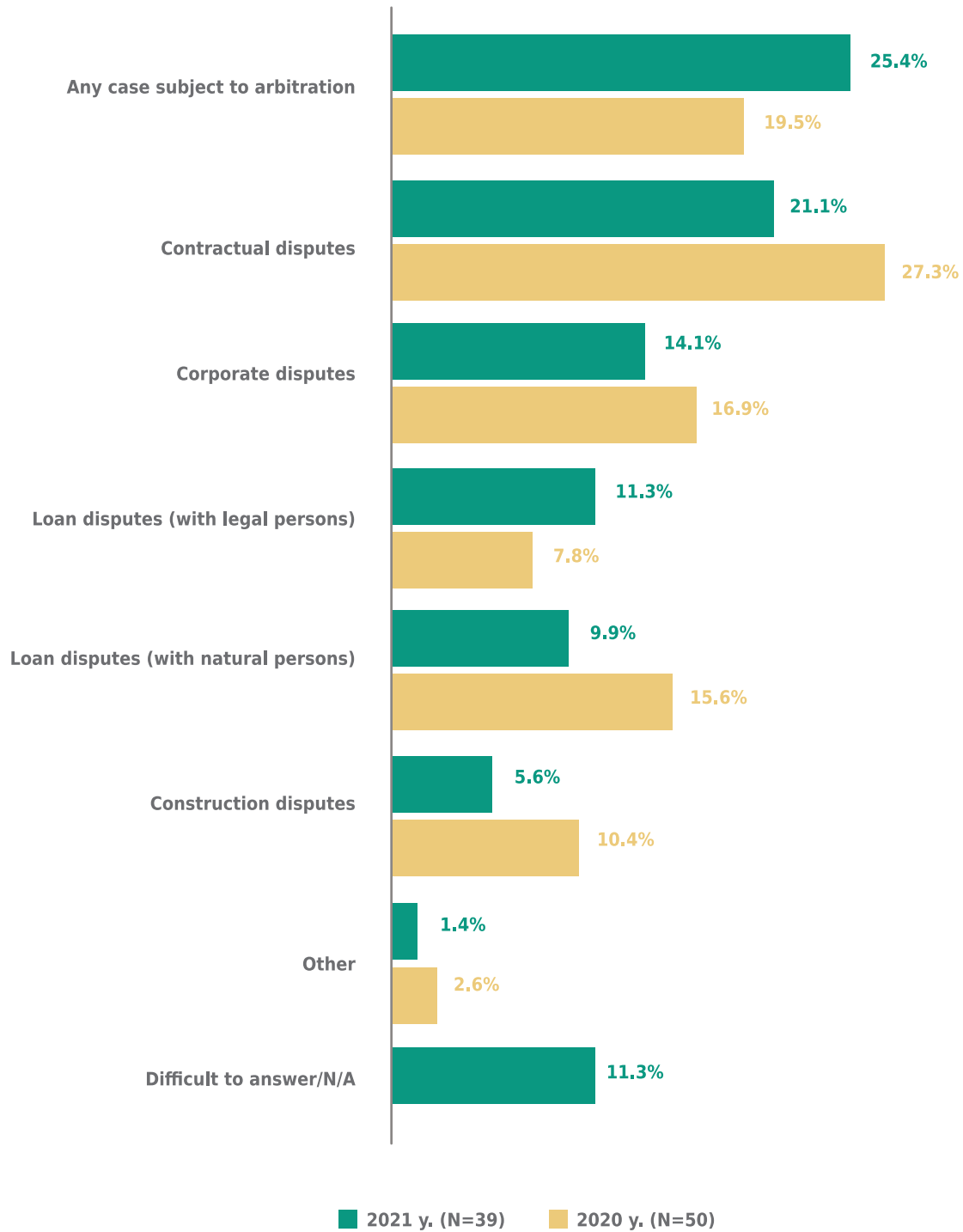
Compared to the results of the 2020 Survey, the number of respondents who are completely satisfied with the arbitration services is slightly reduced. In 2020 this rate was 40.4%, while in 2021 - 35.8%.

Slightly less than 44.2% of party representatives / lawyers participating in this survey would advise their client to use arbitration, while 30.8% would rather advise than not. Regarding the types of cases, 25.4% of the respondents would advise their clients to use arbitration in case of any dispute that is subject to it, 21.5% would advise to use arbitration in case of contractual disputes, 14.1% would advise to use it in corporate disputes, and 11.3% would advise it in case of loan disputes (see diagrams # 34 and # 35):

**DIAGRAM #34**



Which types of cases would you recommend to your client for arbitration?



Comparing the two phases of this study, shows that in 2021, less than half of the representatives / lawyers (44.2%) would recommend to use arbitration, while in 2020 more than half did the same (55.8%). In 2020 - 22% and in 2021 - 30.8% would rather advise to use arbitration. As for the categories of cases, there is also a difference between the answers. In 2021, the following answer is in the first place - "any dispute that is subject to arbitration" (25.4%), and in 2020 - "contractual disputes" (27.3%).



# USERS' SATISFACTION WITH MEDIATION: RESULTS

## MAIN FINDINGS

Study on users' satisfaction with mediation has identified main findings that are related to the following issues: the level of users' awareness about mediation, expectations, the mediation process and the performance of the mediation centers. The study also assessed mediators' professionalism across various parameters.

According to the socio-demographic characteristics of the respondents, every other respondent is male, whereas 49.3% are female. 46.3% are between the age of 36 and 50, while a third of the respondents fall into the age group of 22-35. The majority of the respondents (73.1%) reside in Tbilisi, while 17.9% - in Kvemo Kartli. A total of 9% (6 respondents) are from Mtskheta-Mtianeti, Guria and Imereti. 85.1% have higher education. More than half of the respondents are employed in a private (business) sector. 11.4% are unemployed.

The majority of the respondents (59.7%) had either complete or certain information on mediation prior the dispute was referred to mediation. Every third respondent had never heard of the mediation prior to the dispute. Results of the 2020 Survey reveal that the number of respondents who had no information on mediation prior to the involvement of a mediator, was relatively lower (25%). Respondents from both studies named their professional interests as the main source of information, with only minority of respondents citing television, social media, etc.

Results of both 2020 and 2021 Surveys show that the majority of respondents had positive expectations regarding mediation. The number of respondents with positive expectations has increased in 2021 (60.9%) compared to those in 2020 (56.2%). According to the study, either both or only one disputing party was involved in the mediation proceedings along with the representatives/lawyers of the parties.

It should be noted that 58.2% of respondents surveyed in the second phase reported that the mediation was a judge's initiative. Only 7.5% of the participants independently selected the mediator. Every other

respondent stated that the venue for sessions was suggested by the mediator. Mediators were offered by the mediation center to 56.7% of the respondents. The majority of those respondents (62.5%) who selected a mediator independently, report that their decision was not based on any particular criteria, whereas those from the first phase of the study said that the mediator's reputation and experience were determining factors in making their choice. Comparing the criteria of mediator's selection identified by those respondents who had not selected a mediator independently, reveals that these criteria were unknown to 44.7% of the participants in 2020 and to 25% in 2021.

The second phase of the study saw a significant increase in the share of those respondents who positively assessed mediators' professionalism handling their dispute in light of the following parameters: communication skills, neutrality, listening and settlement/agreement-oriented skills, etc. It should be noted that in the second phase, unlike the first one, none of the respondents rated the mediators' professionalism as either negative or neutral (a 5-point scale was employed in this case too).

The comparative analysis of the data from both phases revealed that contractual disputes (25%) prevailed in 2020 while loan disputes (25.4%) - in 2021 (loan disputes in 2020 - 4.2%). 77.8% out of those respondents interviewed in 2021 who reported that their mediation sessions were held remotely, rate this practice positively.

A vast majority of the respondents (88.1%) from the 2021 Survey consider the number of sessions completely sufficient for adequate conduct of mediation. In terms of the outcome, twice as many respondents in the second phase state that they reached an agreement. Besides, the share of those respondents who failed to reach an agreement through mediation is three times more among those interviewed in the 2020 study. The portion of those respondents who voluntarily complied with the agreement achieved through mediation is 2.5 times higher compared to that of 2020. As for the assessment of the activities of mediation centers, the statistical analysis revealed that the majority of the respondents interviewed in 2021 rate it positively, namely the share

of those respondents who chose the extremely positive end of the scale (a score of 5) ranges between 74.6% and 91%.

During the general assessment of the mediation, almost half of the respondents interviewed in 2021 stated that the involvement of a lawyer in the process is advisable as compared to 66.7% in 2020. A larger share of respondents in both stages of the study named a short period of proceedings as an advantage of mediation over the court (2020 - 20.1%; 2021 - 23.2%). As for the disadvantages, the respondents in both phases

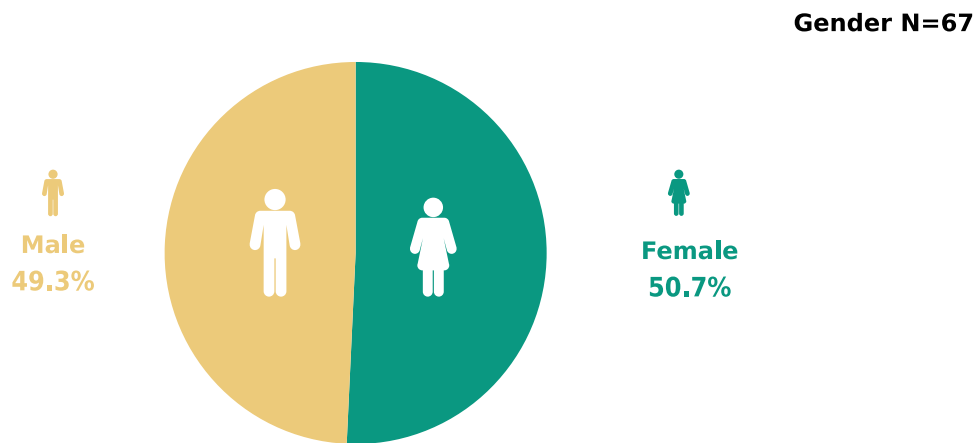
emphasised the following factors: a party disregarding the necessity to comply with the settlement terms after the mediation and in the event of failure to reach the settlement through mediation, returning the dispute to the court.

Overall, in terms of the satisfaction with the mediation process, the share of those respondents who were completely satisfied with the service provided was somewhat greater in 2021 compared to 2020 (2020 - 16.7%; 2021 - 49.3%). The share of the dissatisfied respondents is low in both cases.

# SOCIO-DEMOGRAPHIC CHARACTERISTICS OF THE RESPONDENTS

The number of participants is almost equally distributed in terms of gender segregation. Namely 50.7% is female and 49.3% - male (see Diagram #36).

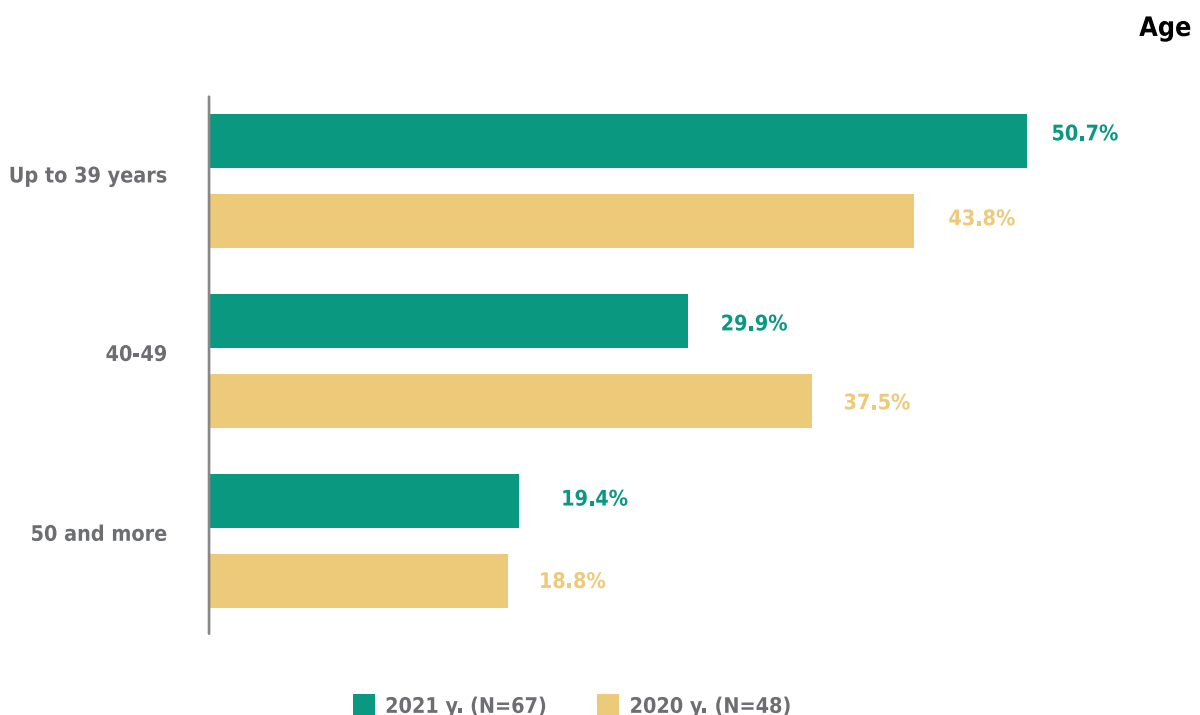
DIAGRAM #36



The number of male (52.1%) respondents in the 2020 research was greater than that of female (47.9%) respondents. In 2021, the numbers are almost equal.

The age of respondents ranges between 22 and 75. Namely, every third respondent falls into the age group under 39 while 29.9% - into the age group of 40-49. Older respondents make up almost a fifth of the participants (see Diagram #37).

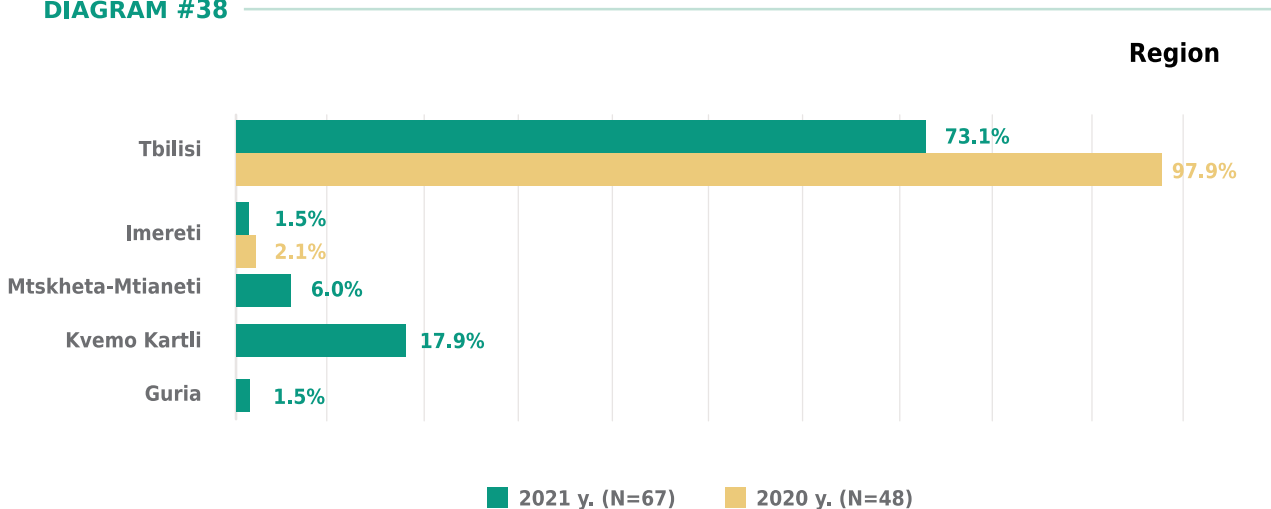
DIAGRAM #37



The youngest respondents among those interviewed in 2020 and 2021 were 26 and 22 years of age respectively. The age group of 26-39 (43.8%) was the largest in the 2020 Survey. Incidentally, a large portion of respondents in 2021 also fall into the latter age category.

In terms of place of residence, a vast majority of respondents are residents of Tbilisi (73.1%), 17.9% - live in Kvemo Kartli and 6% (4 respondents) - in Mtskheta-Mtianeti region. 2 respondents live in Imereti and Guria (see Diagram #38).

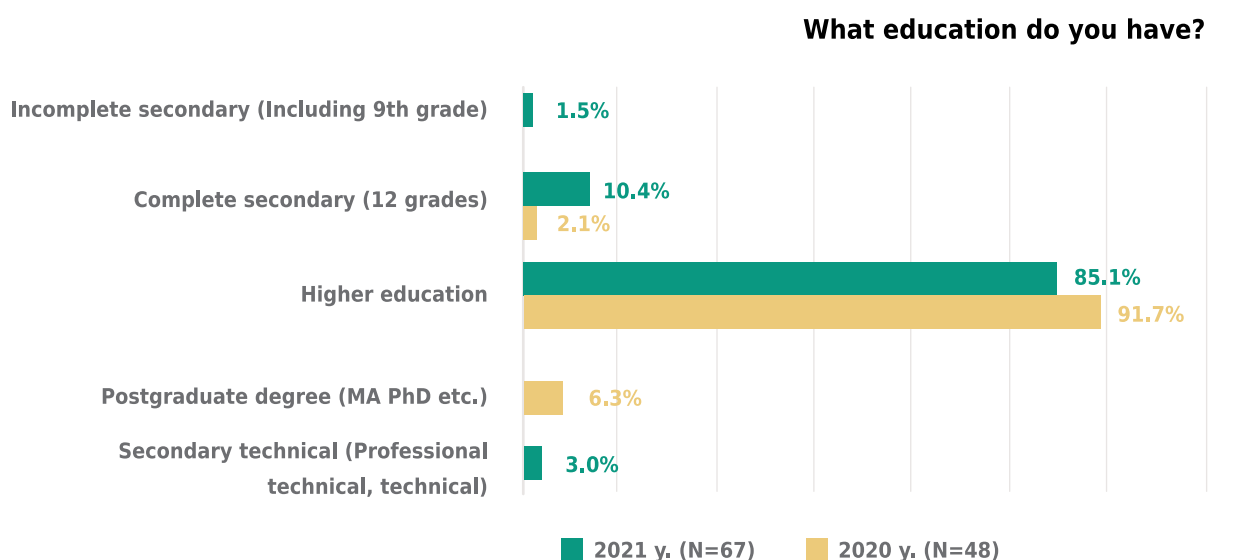
**DIAGRAM #38**



It should be noted that the 2020 Survey respondents' were residents of only either Tbilisi (97.9%) or Kutaisi (2.1%) while in 2021 respondents' regional distribution expanded to include Kvemo Kartli, Mtskheta- Mtianeti, Imereti, Guria and Tbilisi.

Respondents' educational background is as follows: 85.1% have higher education (Institute, University) and 10.4% (7 respondents) have only completed secondary education (see Diagram #39).

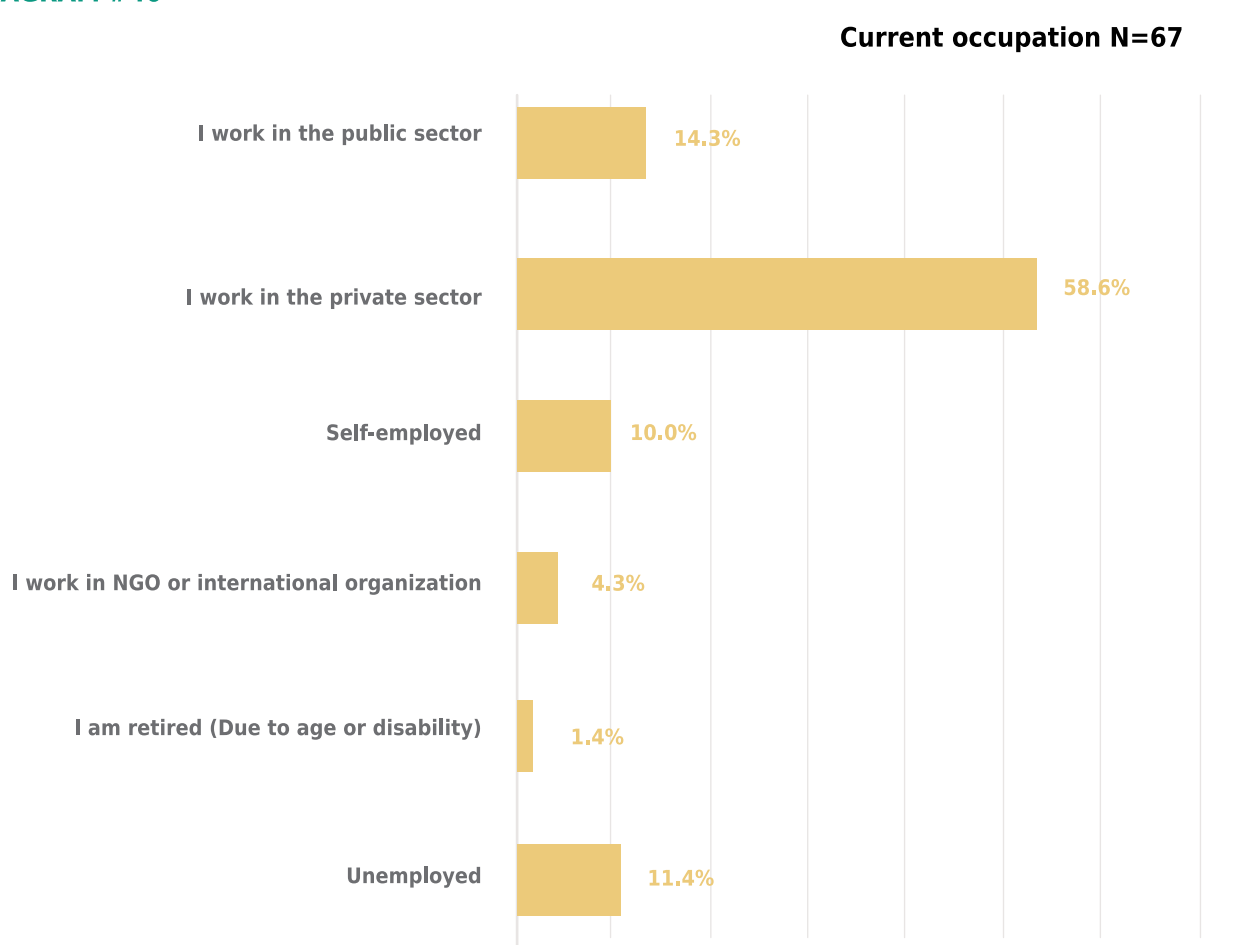
**DIAGRAM #39**



In terms of the level of education obtained, the share of respondents with a higher education was 91.7% in 2020 and 85.1% in 2021. The portion of respondents interviewed in 2021 who have completed secondary education is greater as compared to the previous stage. Furthermore, 6.3% of respondents from the first stage of the study indicated postgraduate/academic degree as the level of education obtained.

In terms of the fields of current employment, over half of the respondents work in the private (business) sector and 14.3% - in the public sector. 11.4% of the respondents are unemployed. 10% of the respondents include those who are employed at non-governmental or international organizations, are retired or self-employed (see Diagram #40).

**DIAGRAM #40**

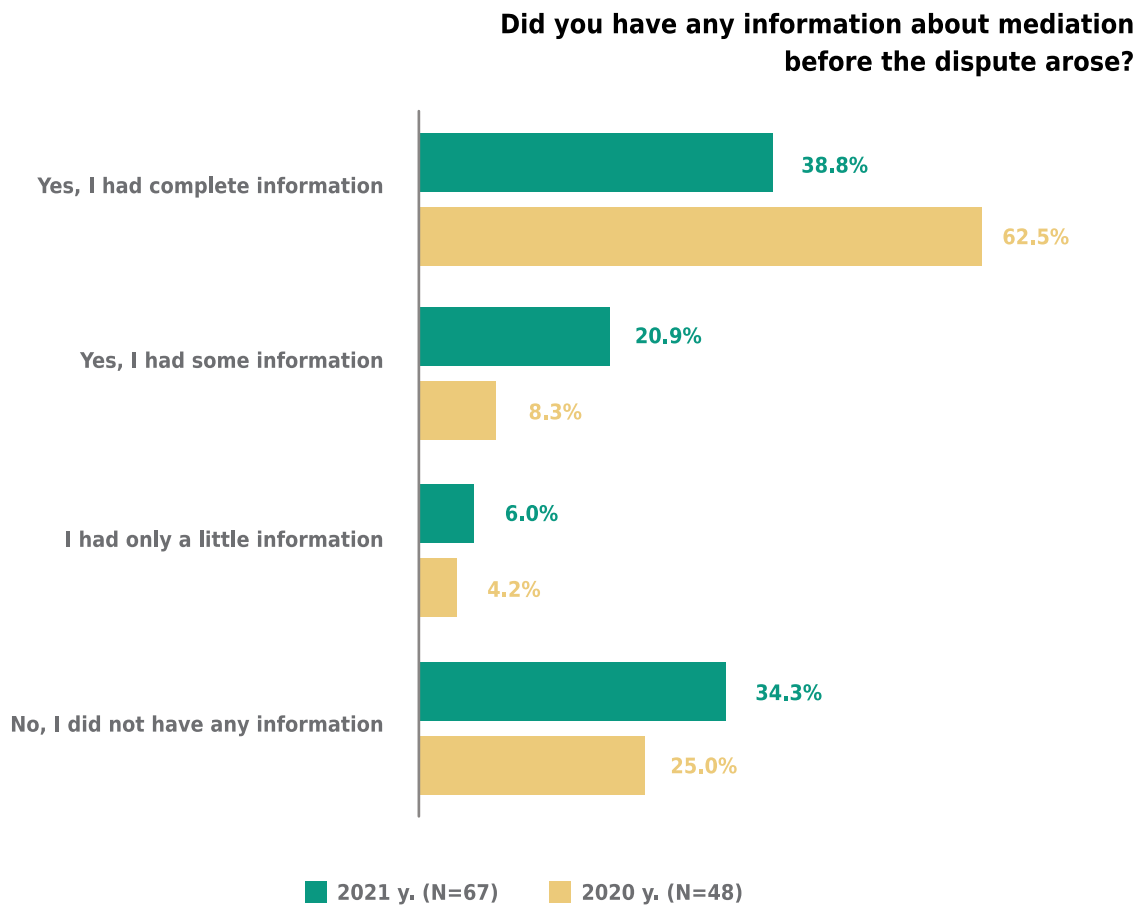


In terms of the employment, the largest portion of respondents in both phases of the survey state that they are employed in the private (business) sector (2020 - 77.6%; 2021 - 58.6%). The share of those respondents who are employed in the public sector, are self-employed, or unemployed is relatively greater in 2021.

## MEDIATION AWARENESS AND EXPECTATIONS

At the initial stage of the satisfaction survey, respondents answered questions about the awareness and expectations they had had regarding the mediation. Over half of the respondents (59.7%) state that they have had information on mediation before the dispute was referred to the mediator. However, only 38.8% of the latter category had complete information. It should be noted that a third of the respondents (34.3%) did not have any information about mediation prior to the dispute (see Diagram #41).

DIAGRAM #41

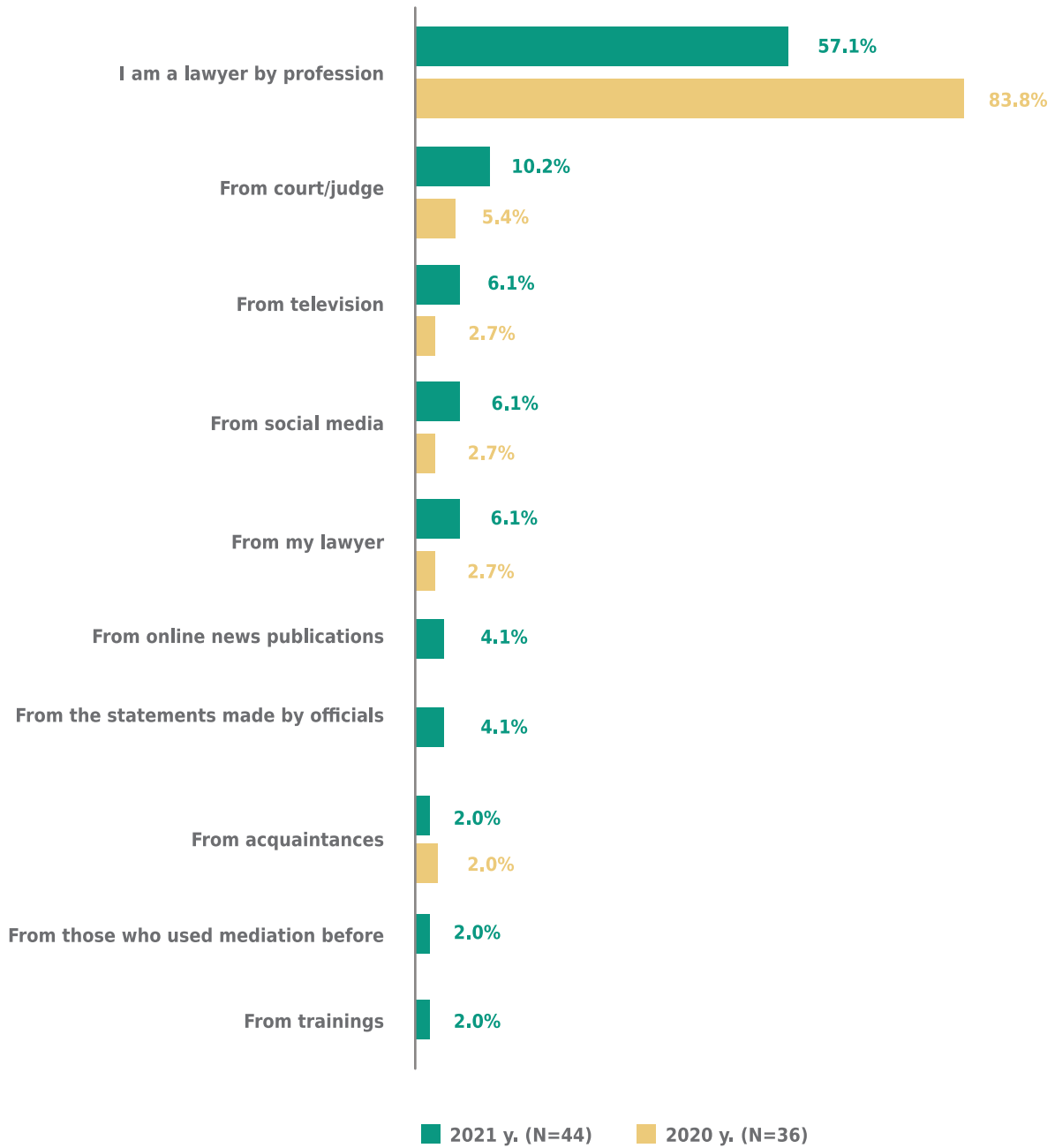


Comparing the 2021 Survey data with that of 2020 reveals that the share of respondents, who have had no information on mediation before the dispute was referred to the mediator, is relatively greater among the participants of the second phase. Namely, the share of such respondents was 25% in 2020 and 34.3% in 2021. Furthermore, there is a considerable difference in the number of respondents who had complete information from the beginning (2020 - 62.5%; 2021 - 38.8%).

Those participants, who had certain information on mediation prior to their communication with the mediation center, identified the ways of obtaining information. The predominant source of information for the majority of participants (57.1%) was their profession followed by a judge's recommendation (10.2%). A small portion of respondents named other sources, such as television, social media, acquaintances, judge, etc. (see Diagram #42).

DIAGRAM #42

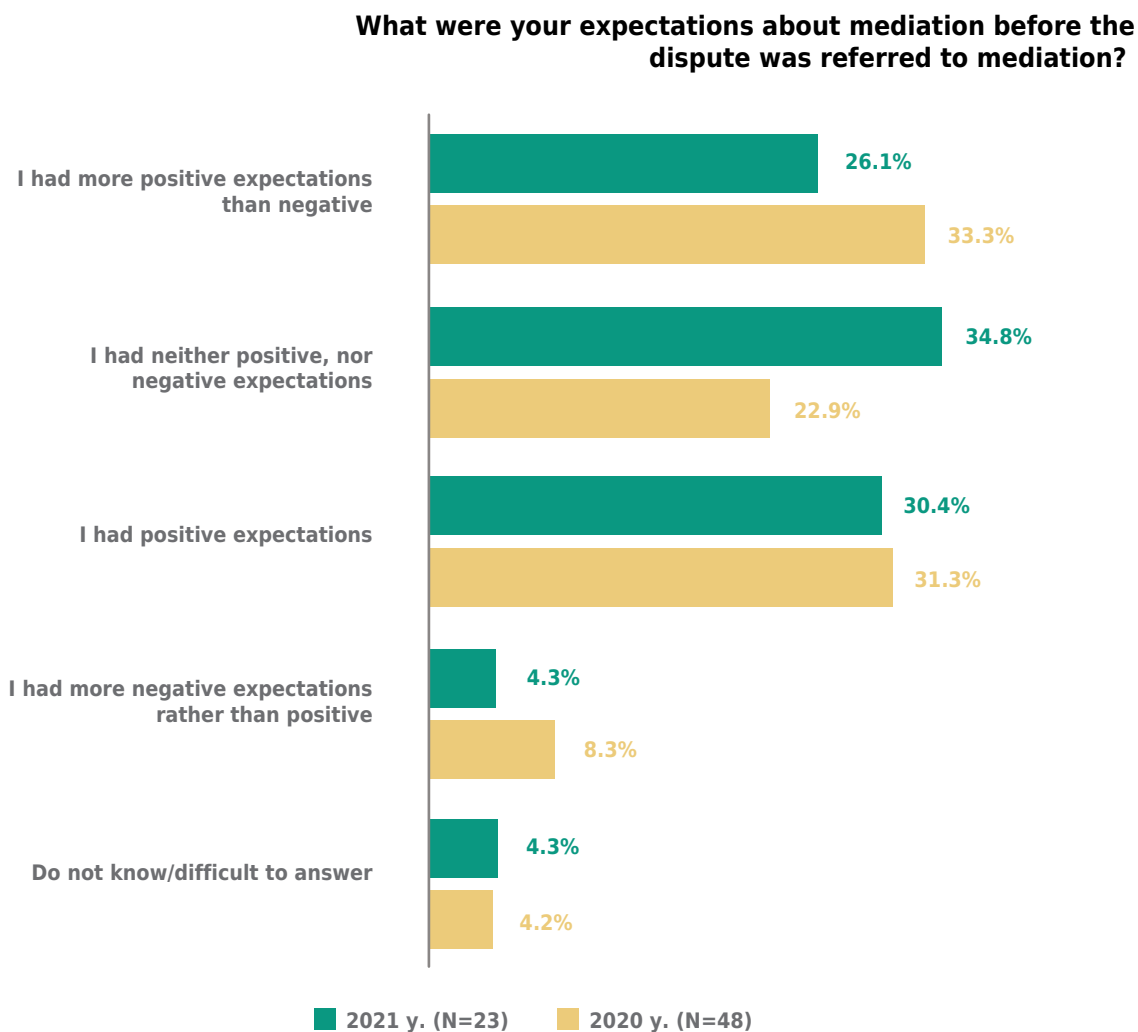
### How did you find out about mediation?



The data comparison from both phases reveals that the main source of information for the surveyed respondents was their profession. Namely, a vast majority of the respondents (83.8%) in 2020 were lawyers by profession and thus, had information about mediation. The same answer was given by over half of the respondents in 2021. A small portion of respondents from both phases referred to other sources such as television, acquaintances, social media, etc.

Respondents rated their expectations of mediation prior to the proceedings on a 5-point scale - 5 points being an extremely positive evaluation and 1 point - extremely negative (a score of 3 on this scale is equivalent to a neutral evaluation). The data analysis revealed that 56.5% of the respondents had positive expectations, out of which 26.1% had extremely positive experience. Almost a third of the respondents (30.4%) chose a neutral rating (see Diagram #43).

**DIAGRAM #43**



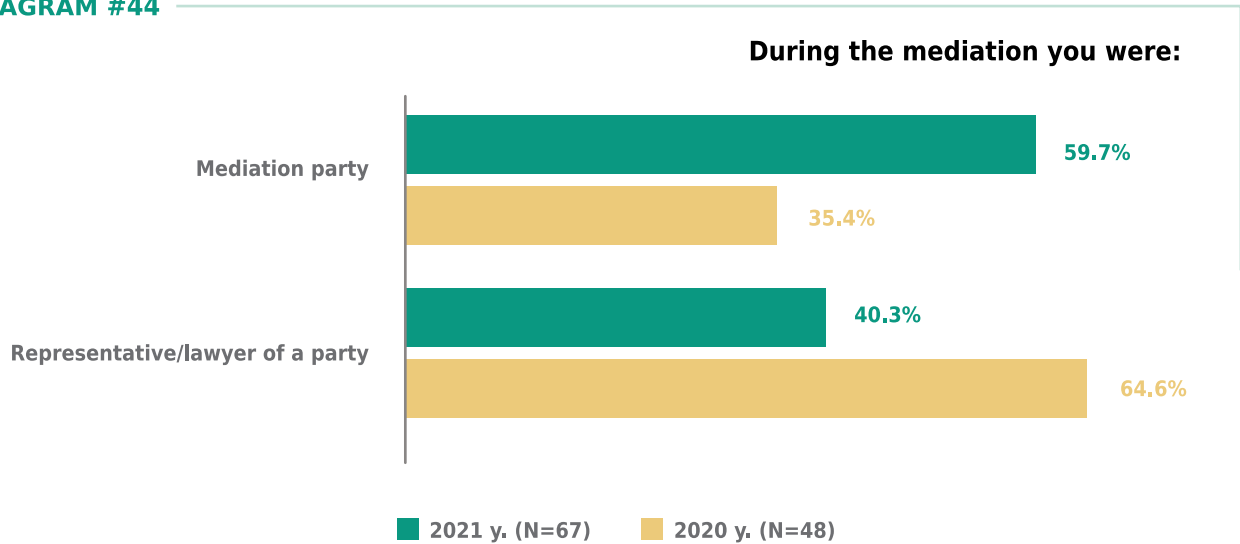
Evaluating respondents' expectations before mediation revealed that more than half of the participants in both survey phases had positive expectations towards mediation (2020 - 64.6%; 2021 - 56.5%). The number of participants with neutral and negative expectations is almost equal in both stages.



# EVALUATION OF MEDIATION PROCEEDINGS AND MEDIATOR'S PROFESSIONALISM

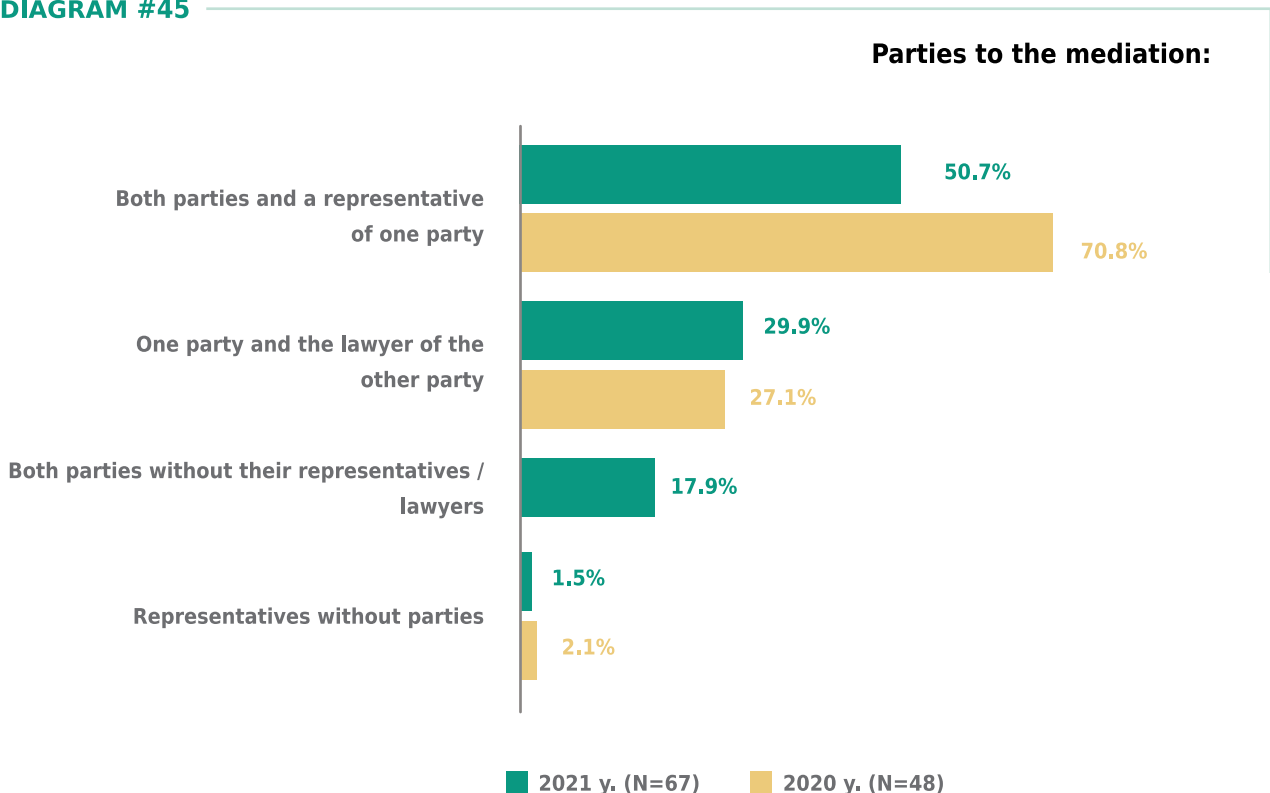
Both the disputing parties and their representatives/lawyers took part in the survey: 59.7% of the respondents were a disputing party and 40.3% - a lawyer of a party (Diagram #44).

**DIAGRAM #44**



The study revealed that in the case of every other respondent (50.7%) both parties and a representative of one party participated in the mediation proceedings. Over a quarter of respondents noted that only one party and the lawyer of the other party participated in the mediation process. Less than a fifth of the respondents (17.9%) reported that both parties participated in the process without their lawyers (see Diagram #45).

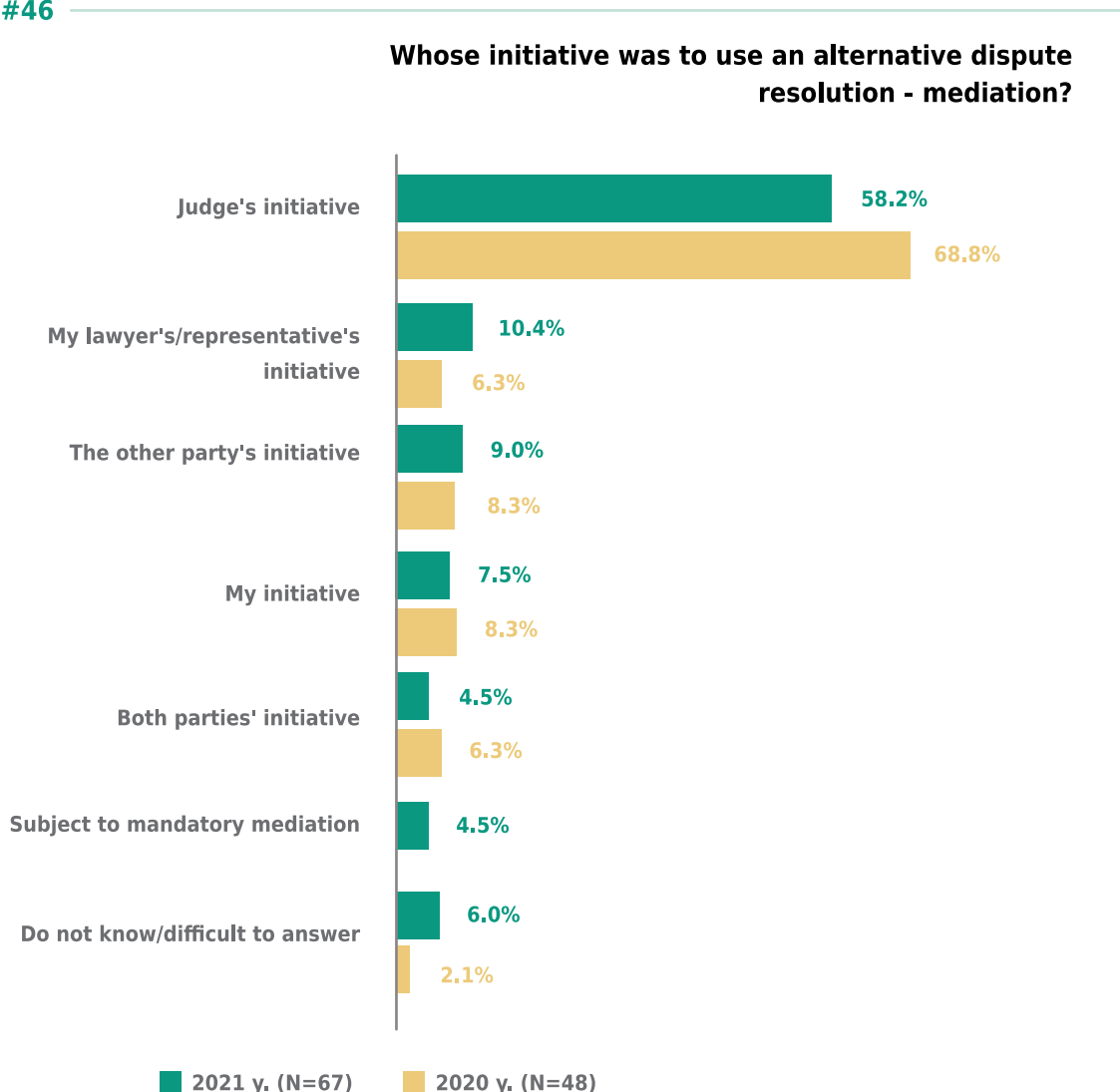
**DIAGRAM #45**



The number of lawyers participating in the mediation proceedings exceeded that of the parties among the persons surveyed in 2020 while the 2021 research saw an increase in the share of parties' involvement and a decrease of lawyers' participation in the mediation process. Furthermore, 70.8% of the respondents from the first phase noted that both parties (claimant-respondent) and a lawyer/representative of one of the parties participated in the proceedings. The share of such cases among the participants of the 2021 Survey is not greater than 50.7%. Almost an equal number of participants from both stages of the study reported that only one party and a representative of the other party participated in the mediation proceedings.

Over a half of the respondents (58.2%) noted that it was a judge's initiative to refer the dispute to mediation. The share of those who named other persons/parties as initiators is significantly low. Namely, only 10.4% reported that it was their lawyer's initiative; 9% of the cases were initiated by the other party. 7.5% of the respondents said it was their own initiative (see Diagram #46).

**DIAGRAM #46**

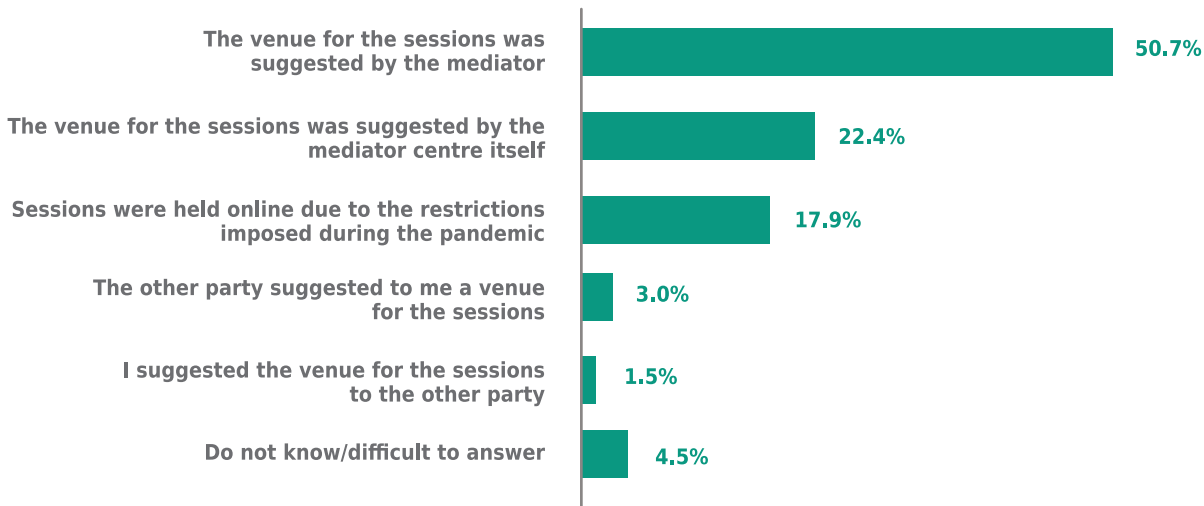


Mediation was initiated by a judge in case of 68.8% in 2020 and 58.2% in 2021. However, the number of those who noted that it was a lawyer's initiative slightly has increased: 2020 - 6.3%; 2021 - 10.4%.

In the case of 50.7% of the respondents, sessions were held at a venue suggested by the mediator. Over a fifth of the participants noted that the mediation center itself offered them the venue. No more than 17.9% of the respondents had their sessions held online due to the restrictions imposed during the pandemic (see Diagram #47).

**DIAGRAM #47**

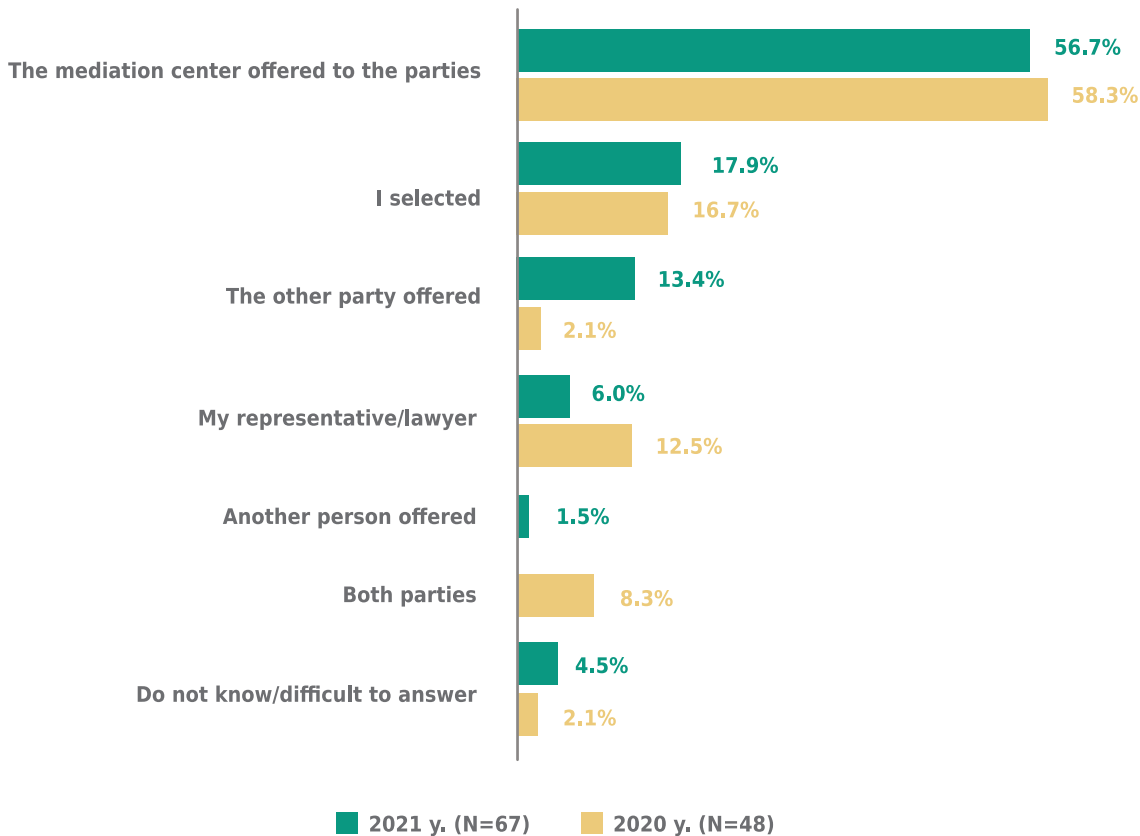
**Who offered the venue for mediation sessions? N=67**



Study results show that in the case of 56.7% of the respondents a mediator was offered to the parties by the mediation center itself. 17.9% noted that they selected the mediator themselves, while 13.4% were offered a mediator by another party (see Diagram #48).

**DIAGRAM #48**

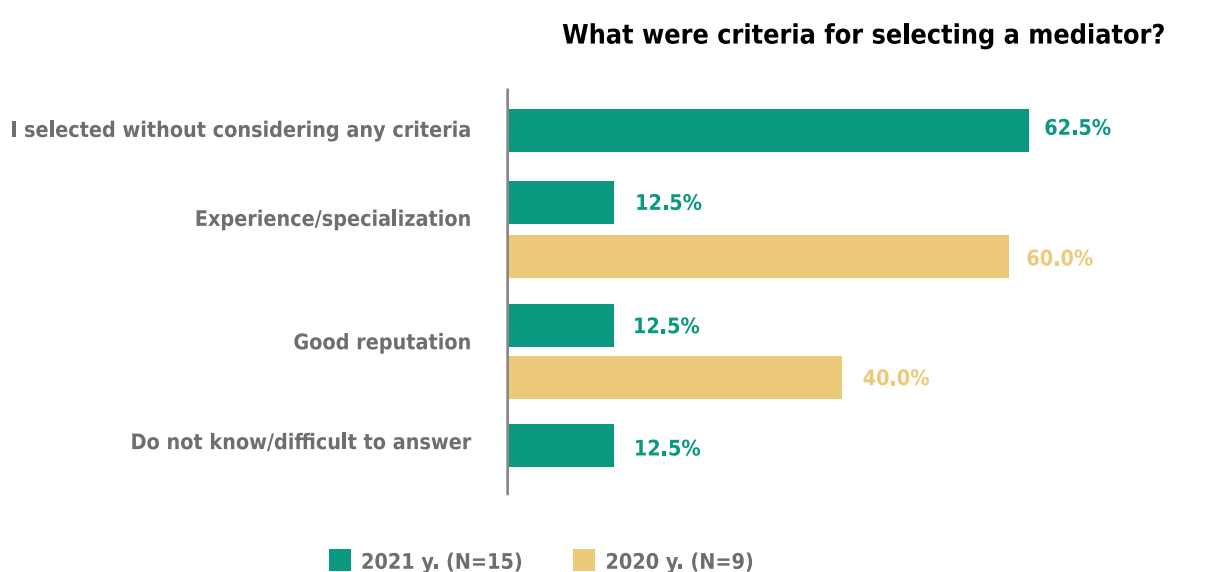
**Who selected the mediator?**



There is no significant difference in the selection process of a mediator between the survey phases, however, the shares of those who were offered a mediator by their representatives/lawyers (2020 - 12.5%; 2021 - 6%) and by the other party (2020 - 2.1%; 2021 - 13.4%) are rather different.

The majority of those respondents (10 respondents - 62.5%) who had independently selected a mediator (a total of 16 respondents), did so without considering any predetermined criteria. An equal number of respondents took into consideration the mediator's good reputation or experience/specialization (2 respondents in each case) (see Diagram #49).

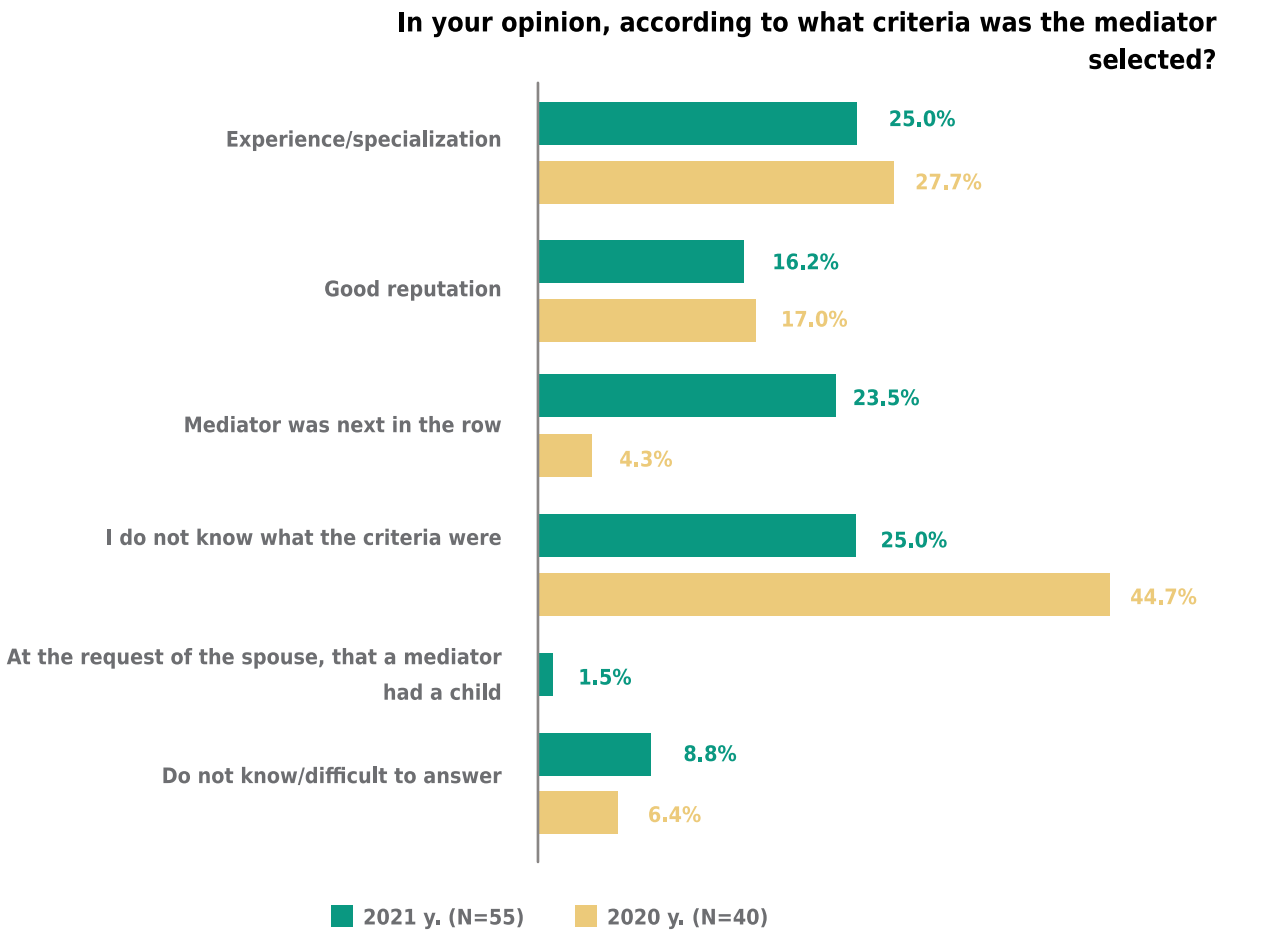
**DIAGRAM #49**



A significant difference occurs in terms of mediator selection criteria among those respondents who had independently selected a mediator in both stages of the study. Namely, according to the 2020 Survey, respondents had considered only two parameters in the selection process (mediator's good reputation - 40% and mediator's experience/specialization - 60%). A significant portion of the participants from the second phase report that no criteria were considered in the decision-making process (62.5%). A considerably smaller share of respondents in the second phase reported having considered the mediator's reputation and specialization of the research as compared to 2020 data.

Respondents, who have not selected a mediator themselves, identify the criteria used to select a mediator for their dispute. 25% reported that the mediator’s experience/specialization was considered. The same number of the respondents noted they are not aware of the criteria considered in the selection process. Over a fifth of the respondents believe a specific mediator was selected for their dispute because they were next in the row. Only 16.2% of the respondents identify mediator’s reputation as a key factor (see Diagram #50).

**DIAGRAM #50**



Comparing the selection criteria identified by the respondents from both phases who have not chosen a mediator themselves, reveals that in 2021 random selection prevailed (2020 - 4.3%; 2021 - 23.5%). It should also be noted that in 2020, 44.7% of the respondents were not aware of the selection criteria, whereas the share of such individuals decreased to 25% in 2021.

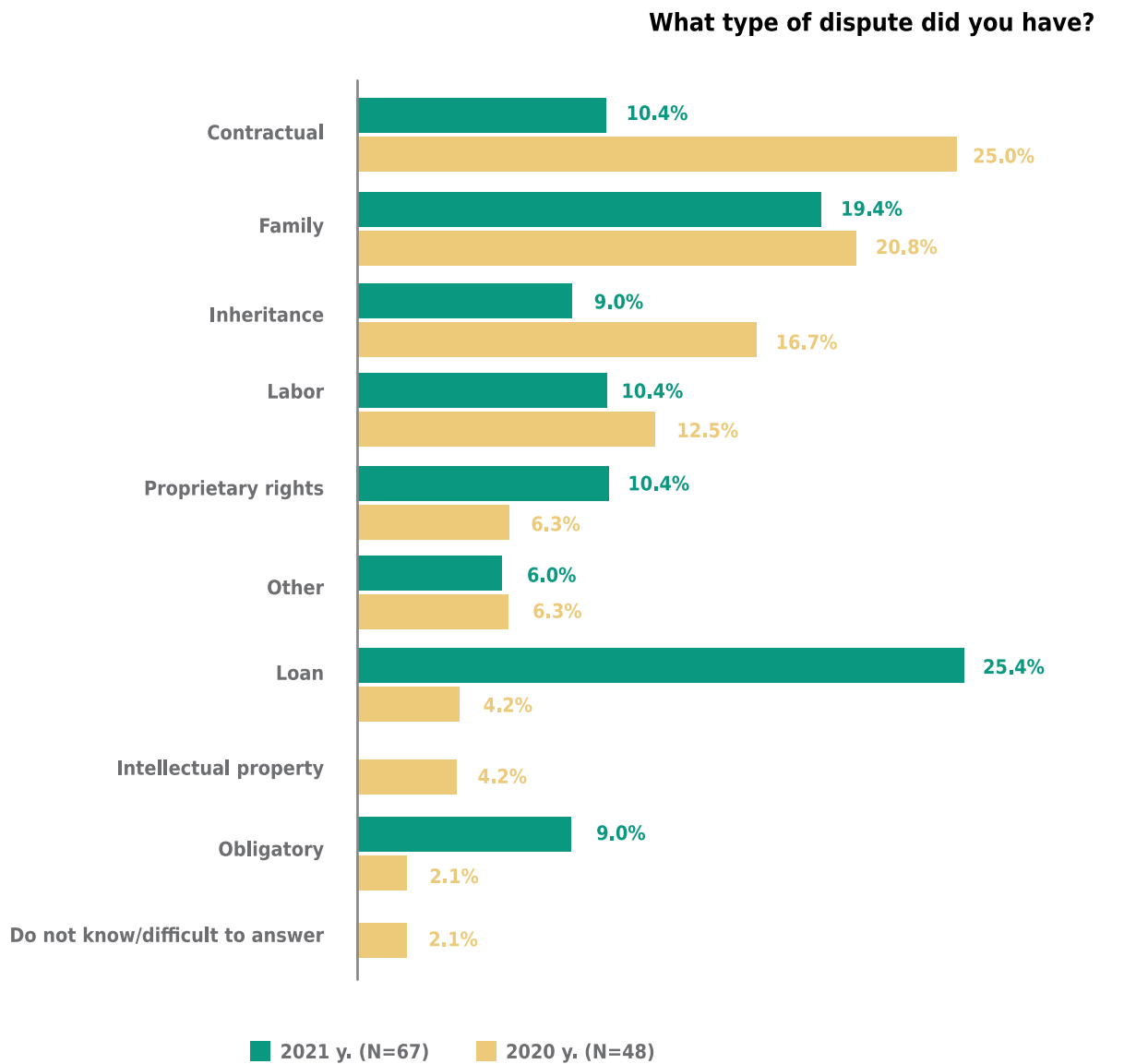
Respondents rated mediators’ professionalism on a 5-point scale based on the following parameters: communication skills, empathy, efficiency, neutrality, listening skills, rapport building skills, field expertise, settlement-orientation, etc. The statistical analysis revealed that respondents rated each parameter positively in all instances (a score of 5 or 4 on a 5-point scale). The characteristics identified as particularly positive by the respondents are as follows: keeping confidentiality, settlement-orientation, listening skills, neutrality, etc. It should be noted that respondents did not use negative or neutral indicators to express their attitudes (see Table #2).

Parameters for evaluating mediator professionalism 2021 (N=67) 2020 (N=48)	Very negative		More negative than positive		Neither negative nor positive		More positive than negative		Very positive		Do not know/Difficult to answer	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
	Communication skills			1.9		3.8	3.8	15.1	17.3	79.2	71.2	
Neutrality					1.9	3.8	17	13.5	79.2	75.0	1.9	5.8
Listening Skills			1.9		1.9	7.8	15.1	19.6	71.7	60.8	9.4	9.8
Rapport building skills			1.9		3.8	7.7	17	13.5	73.6	69.2	3.8	7.7
Empathy	1.9				5.7	1.9	9.4	15.4	83	75.0		5.8
Negotiation skills	1.9				5.7	3.8	9.4	15.4	73.6	67.3	9.4	7.7
Field expertise	1.9		1.9		3.8	3.8	9.4	15.4	83	71.2	1.9	5.8
Informing the parties					3.8	5.8	13.2	23.1	79.2	63.5	3.8	5.8
Settlement oriented					7.5		7.5		67.9		15.1	
Observing the confidentiality throughout the mediation process												
Efficiency			2.1		2.1	3.0	10.4	95.5	83.3	1.5	2.1	

As per the evaluation of mediators' professionalism based on each listed parameter, the share of positive ratings considerably increased in the second phase. The 2020 Survey suggested that the share of respondents who chose an extremely positive rating (for each parameter) ranged between 72.9% and 89.6% as opposed to over 94% in 2021. Furthermore, no second phase respondent rated mediators' professionalism as negative or neutral, unlike the first phase, which could be perceived as a positive development.

Based on the experience of the respondents, loan (25.4%) and family (19.4%) disputes represent the most frequent disputes that were referred to mediation. Furthermore, an equal number of the respondents reported having contractual, property or labour disputes (the share of respondents in each case is 10.4%) (see Diagram #51).

**DIAGRAM #51**

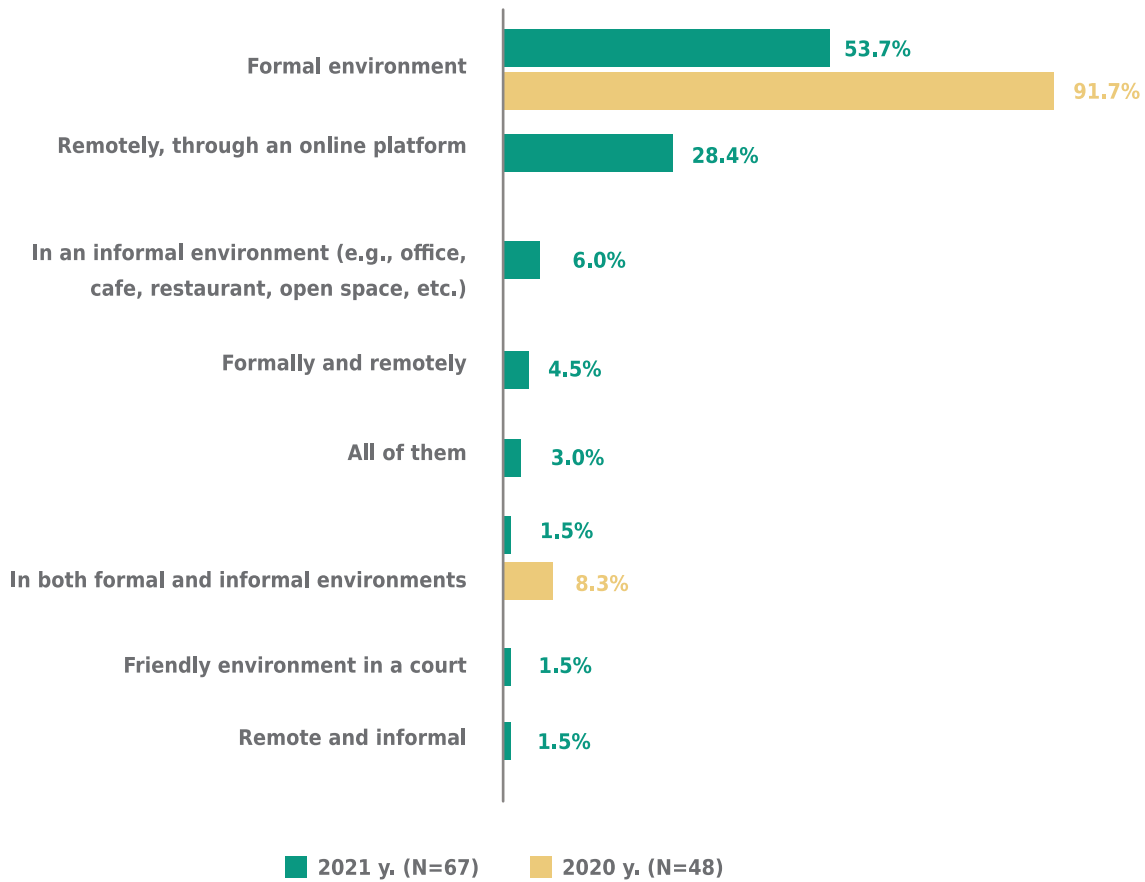


The comparative data analysis of both phases revealed that most frequently mediation was conducted in case of contractual and loan disputes, however their respective share is drastically different – contractual disputes – 25% in 2020 and 10.4% in 2021, while loan disputes were 4.2% in 2020 and 25.4% in 2021. There is a significant decrease in inheritance disputes as well (2020 – 16.7%; 2021 – 9%). The 2021 Survey saw an increase in property disputes and disputes related to obligations. The share of other types of disputes has neither increased nor decreased considerably.

Mediation sessions were held in a formal environment in at least every other respondent’s case (e.g. court mediation center). 28.4% reported that the sessions were conducted remotely through an online platform. The share of those respondents who named other such as informal environment, friendly environment in the court, remote/informal environment, etc. does not exceed 6% in each case (see Diagram #52).

DIAGRAM #52

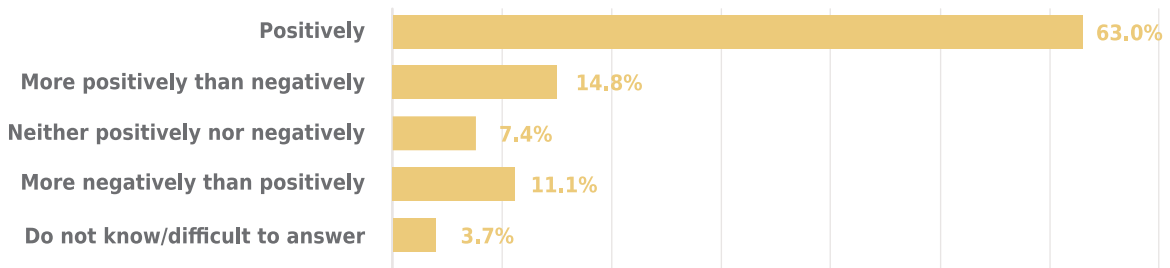
What was the environment like, where mediation sessions were held?



Those respondents who reported their mediation sessions were held remotely rated their experience on a 5-point scale. A vast majority of the respondents (77.8%) positively evaluate their experience in this respect; 63% of the participants used an extremely positive indicator (a score of 5). 11.1% negatively assess their experience of remote sessions. However, none of the respondents from the latter group gave an extremely negative rating (see Diagram #53).

DIAGRAM #53

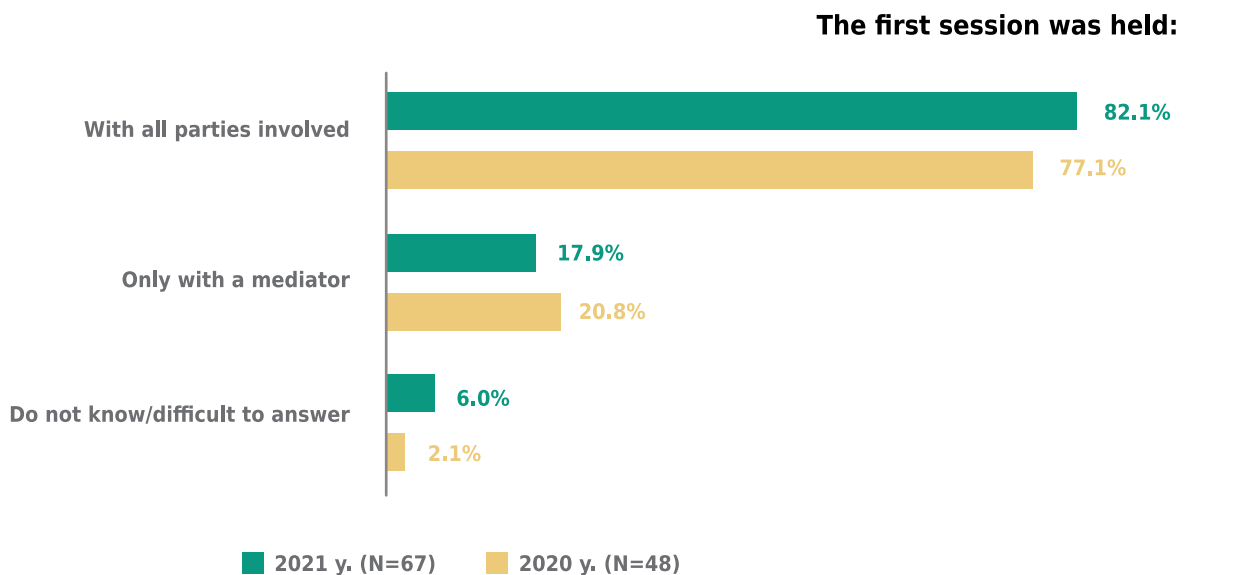
Overall, how would you rate your experience of remote sessions? N=27





A vast majority of the respondents reported that all involved parties were present during the first session. 17.9% indicated that the session was conducted only with the participation of the mediator (see Diagram #54).

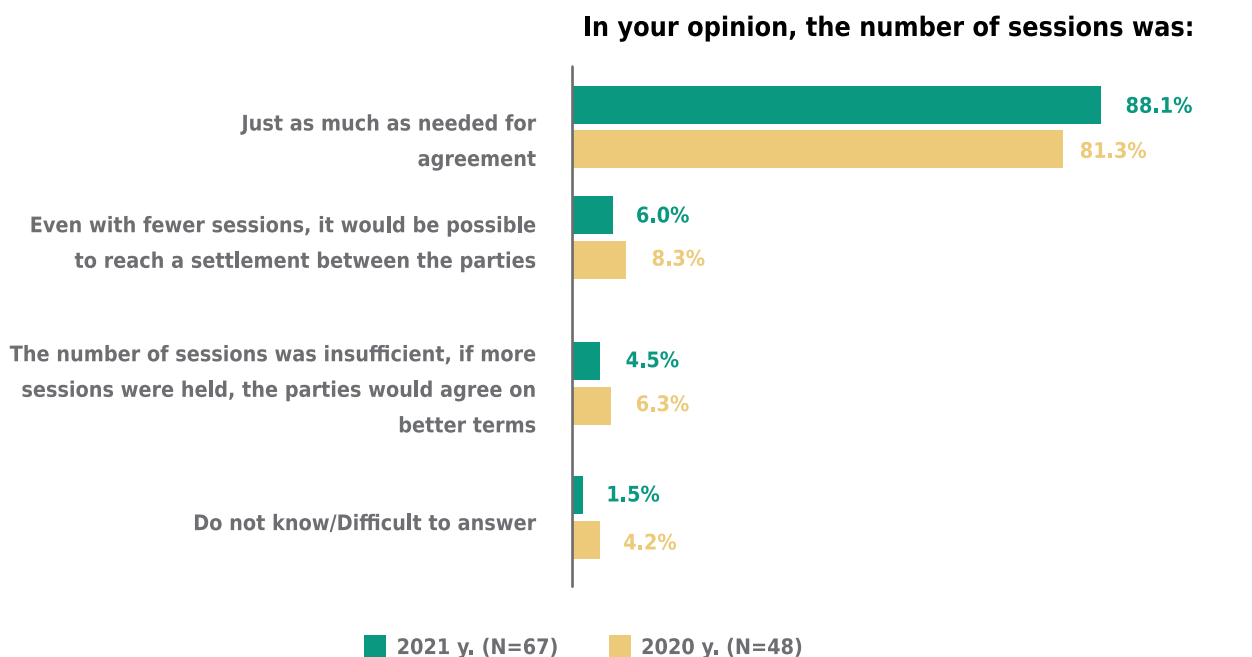
**DIAGRAM #54**



Comparing data from both phases revealed that the share of those respondents who have reported that all involved parties were present during the first session was smaller - 77% in 2020 as compared to 82.1% in 2021.

88.1% of the respondents are satisfied with the number of sessions held and note that in their case there were sufficient sessions considering the circumstances. Only 4.5% reported that the number of sessions was not sufficient and believed that parties would have been able to reach a settlement had there been more sessions held (see Diagram #55).

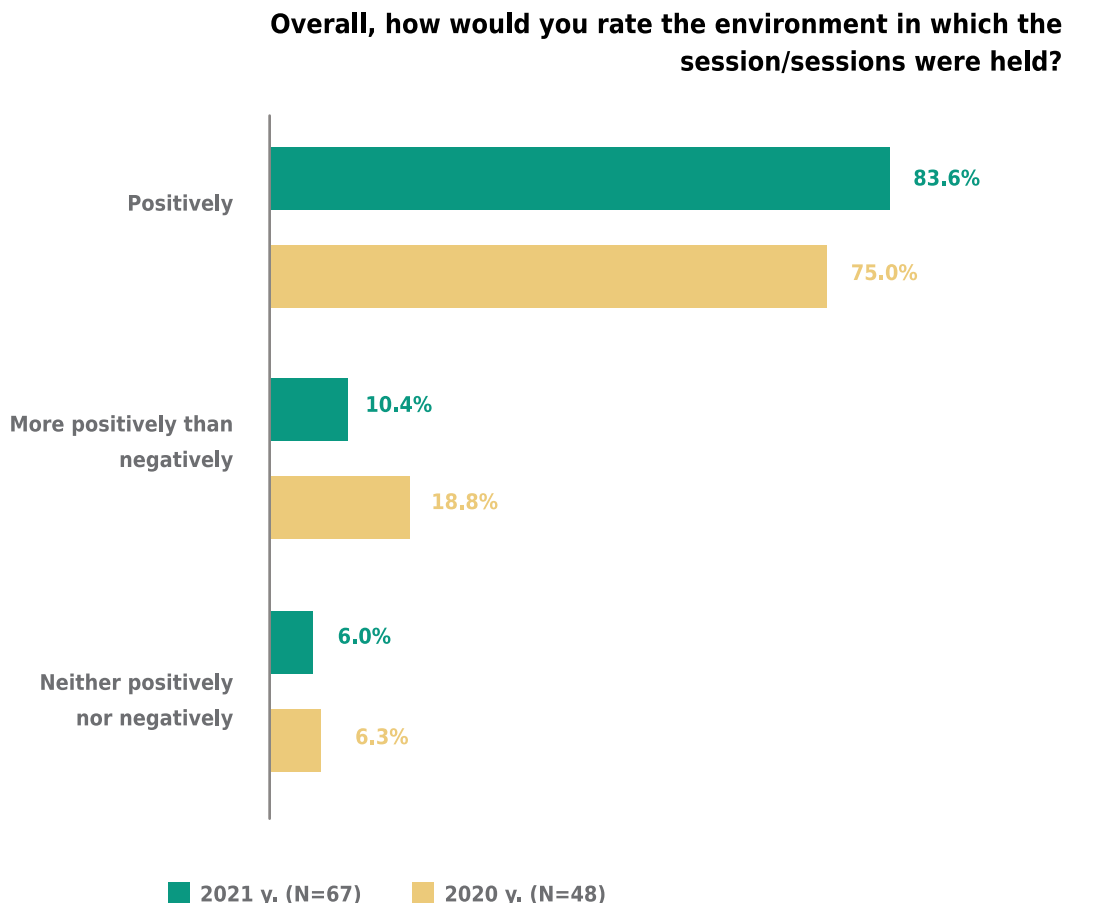
**DIAGRAM #55**



Evaluating the number of mediation sessions, the share of those respondents (81.3) who reported that sufficient sessions were held was 7% smaller in 2020 than in 2021.

Respondents were asked to rate the environment in which the mediation sessions were held on a 5-point scale. An overwhelming majority (94%) offered positive assessments, while 6% expressed a neutral attitude (see Diagram #56).

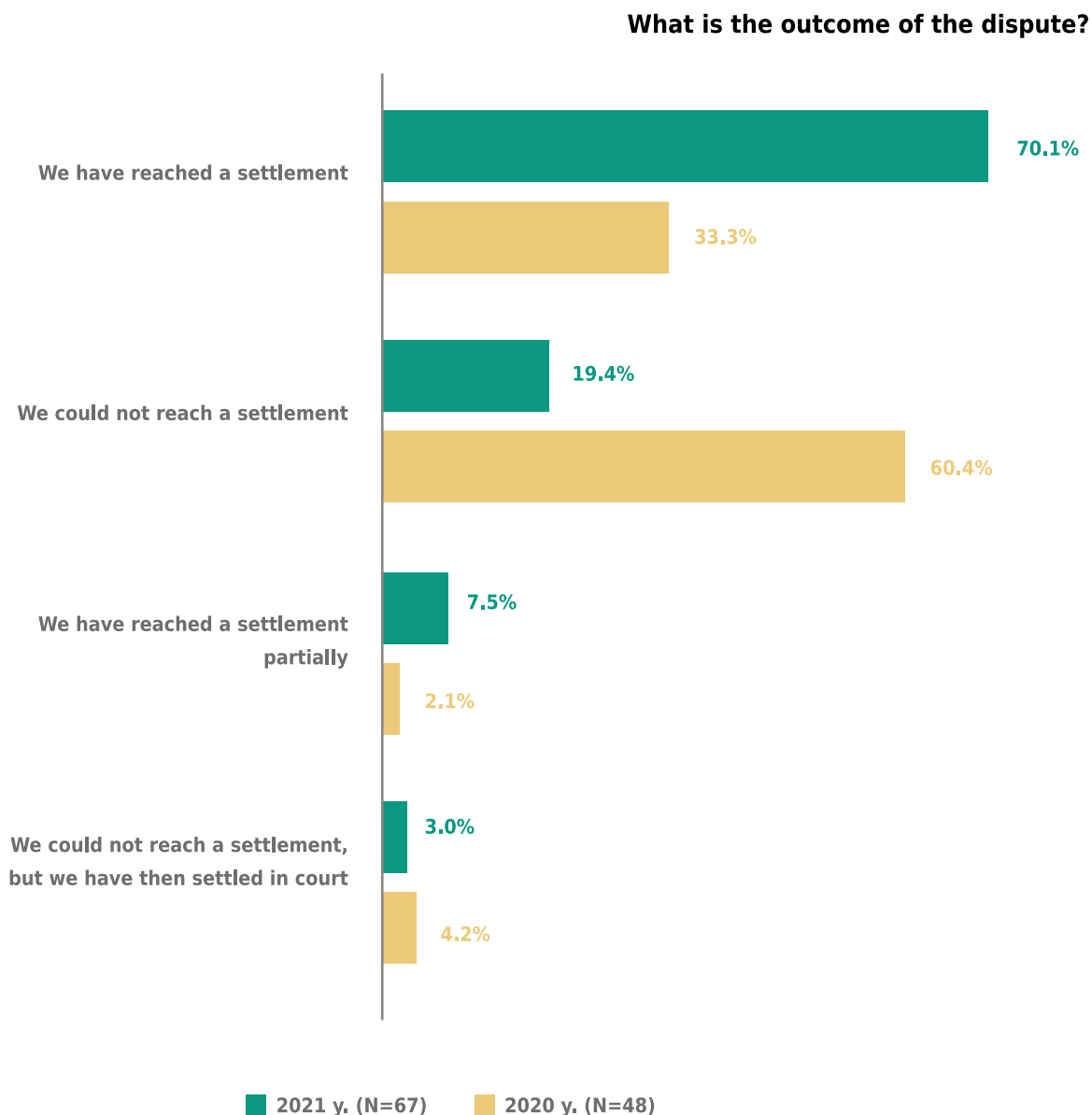
**DIAGRAM #56**



It should be noted that the majority of the respondents from both stages positively assess the environment in which the sessions were held. However, there has been a minor increase, namely by 8.6%, in the share of extremely satisfied respondents in the second stage. Furthermore, none of the respondents from either stage negatively assessed the environment in which the sessions were held.

While discussing the outcome of mediation, 70.1% of the respondents reported that they reached a settlement. Almost 20% noted that they failed to reach an agreement. 7.5% (5 respondents) reached a partial agreement. 3% (2 respondents) indicated that they were unable to resolve the dispute with the help of the mediator but managed to do so in the court. It should be noted that both of the latter respondents reported that the mediation process positively influenced the settlement achieved in the court (see Diagram #57).

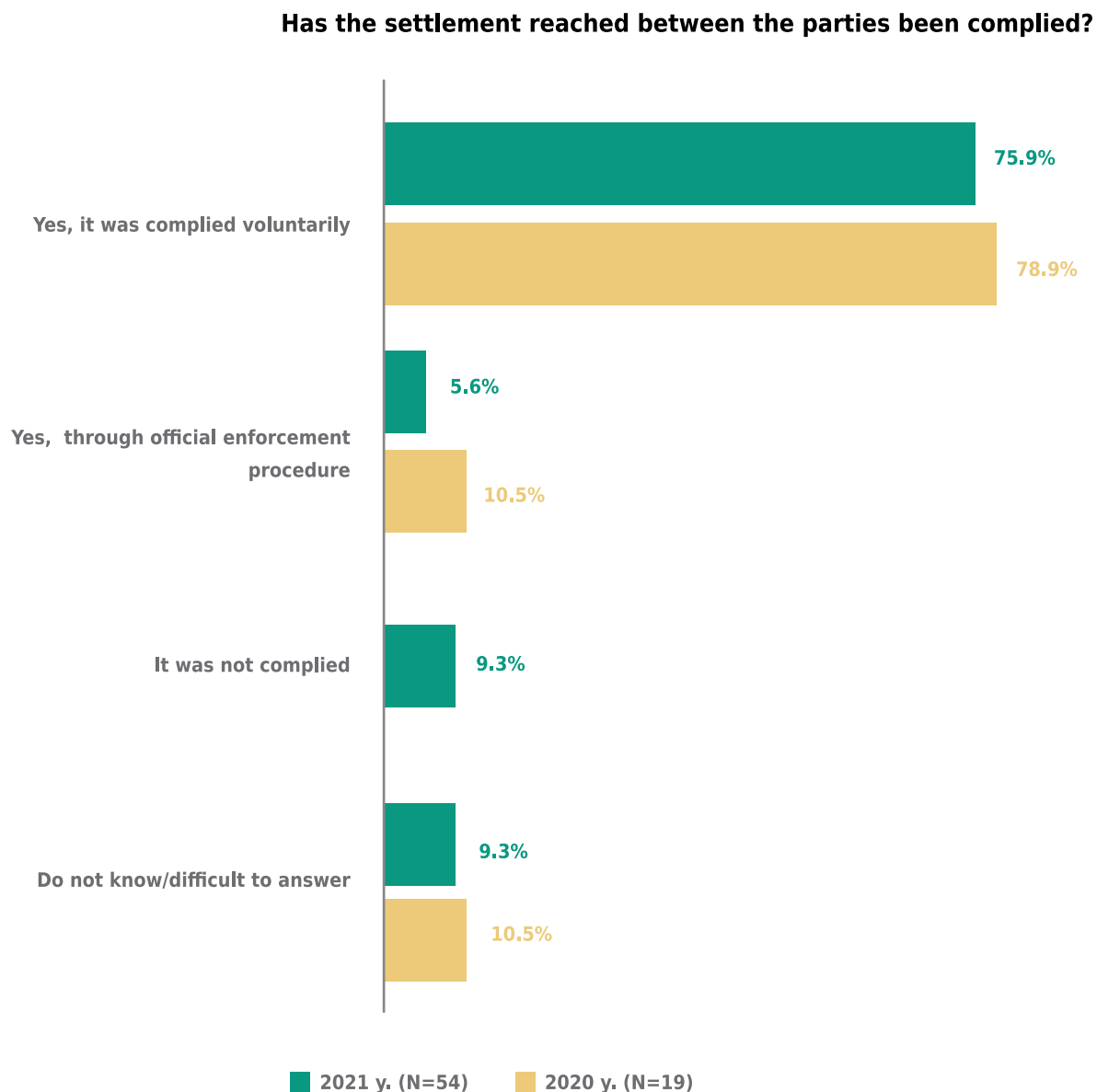
**DIAGRAM #57**



The number of disputes resolved through mediation in 2021 significantly exceeds that of 2020. Namely, the number of respondents reporting the settlement doubled; whereas, the share of respondents who were unable to settle is three times less in 2021 (2020 - 60.4%; 2021 - 19.4%).

75.9% of those respondents who had their disputes settled through mediation note that the parties voluntarily complied with the settlement agreement. 9.3% report no compliance with the agreement. In the case of 5.6%, settlement was enforced through official procedures (see Diagram #58).

**DIAGRAM #58**



Comparing study results showed that the disputes settled through mediation in 2020 saw voluntary compliance with the agreement in 78.9% of the respondents. The share of such respondents is almost same in 2021 (75.9%). The share of those cases where further compliance was enforced through official procedures also doubled.

Respondents rated the mediation center’s performance on a 5-point scale based on the following criteria: informing parties on mediation procedures, considering the party’s interests, communication skills of the center’s representatives, choice of mediators, technical support, the competence of the center’s representatives. The statistical analysis revealed that the respondents gave positive ratings for the most part, and only in some cases - neutral ratings. Only one respondent used a negative rating to express personal attitude towards the center noting that the party’s interests were not taken into consideration in selecting the mediator or planning the sessions. The share of those respondents who positively assessed the competence of the mediation center’s representatives was particularly high (91%). A big portion of the respondents also positively assessed the following aspects: technical support and choice of mediators. The share of each is 89.6% (see Table #3).

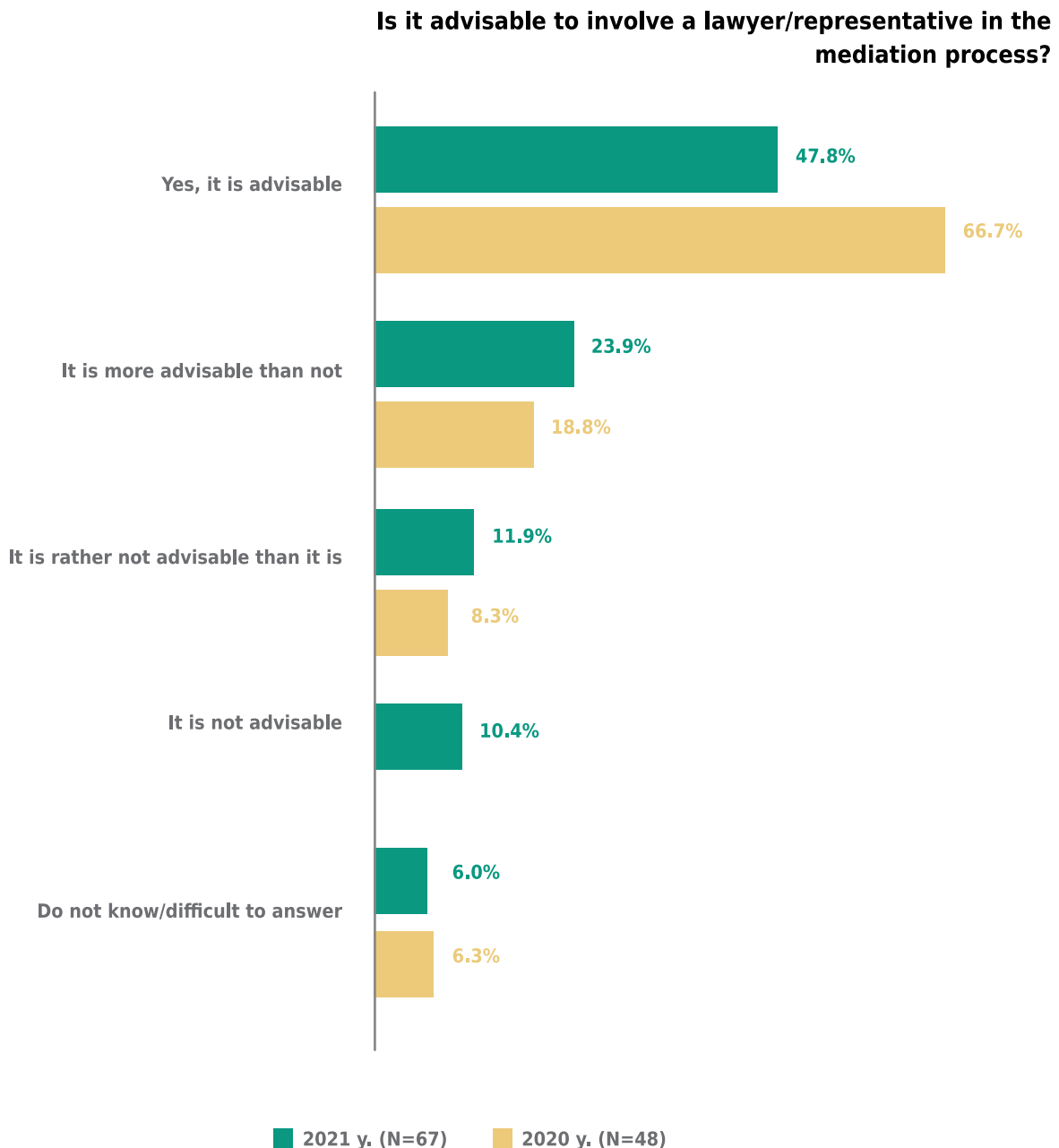
Evaluate the activities of the Mediation Center according to following parameters  2021 (N=67) 2020 (N=48)	More negative than positive		Neither positively nor negatively		More positively than negatively		Positively		Don't know/Difficult to answer	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
	Informing the party regarding the mediation procedures			6	6.3	6	18.8	88.1	64.6	
Considering parties' interests (i.e. during the selection of mediators)	1.5		1.5	6.3	9	16.7	88.1	72.9		4.2
Communication skills of center representatives			3	6.3	9	20.8	88.1	70.8		2.1
Diversity of mediators			3	8.3	7.5	16.7	89.6	83.3		
Technical support (Infrastructure of the center)			1.5	16.7	9		89.6	83.3		
Center representatives competence				2.1	7.5	20.8	91	72.9		4.2
Use of online platforms and appropriate technical support for participants					4.5		74.6			20.9

Comparing respondents’ feedback on the performance of the mediation center reveals that ratings on a 5-point scale by the respondents interviewed in 2021 mainly fall into the positive assessment field. Namely, the share of those respondents who used an extremely positive rating ranged between 74.6% and 91% in 2021 and between 64,6% and 83.3% - in 2020. Besides, as per the 2020 data, the largest portion of the respondents assessed the infrastructure of the mediation center particularly positively, while 91% of the respondents in 2021 gave their extremely positive ratings to the competence of the center’s representatives.

## GENERAL ASSESSMENT OF MEDIATION

Respondents talked about the experience of lawyers' participation in the mediation process as part of the general assessment of mediation. 47.8% of the respondents think lawyers' participation is advisable, while 23.9% believe it is rather advisable than not. The share of those who think it is not advisable does not exceed 22.3% (see Diagram #59).

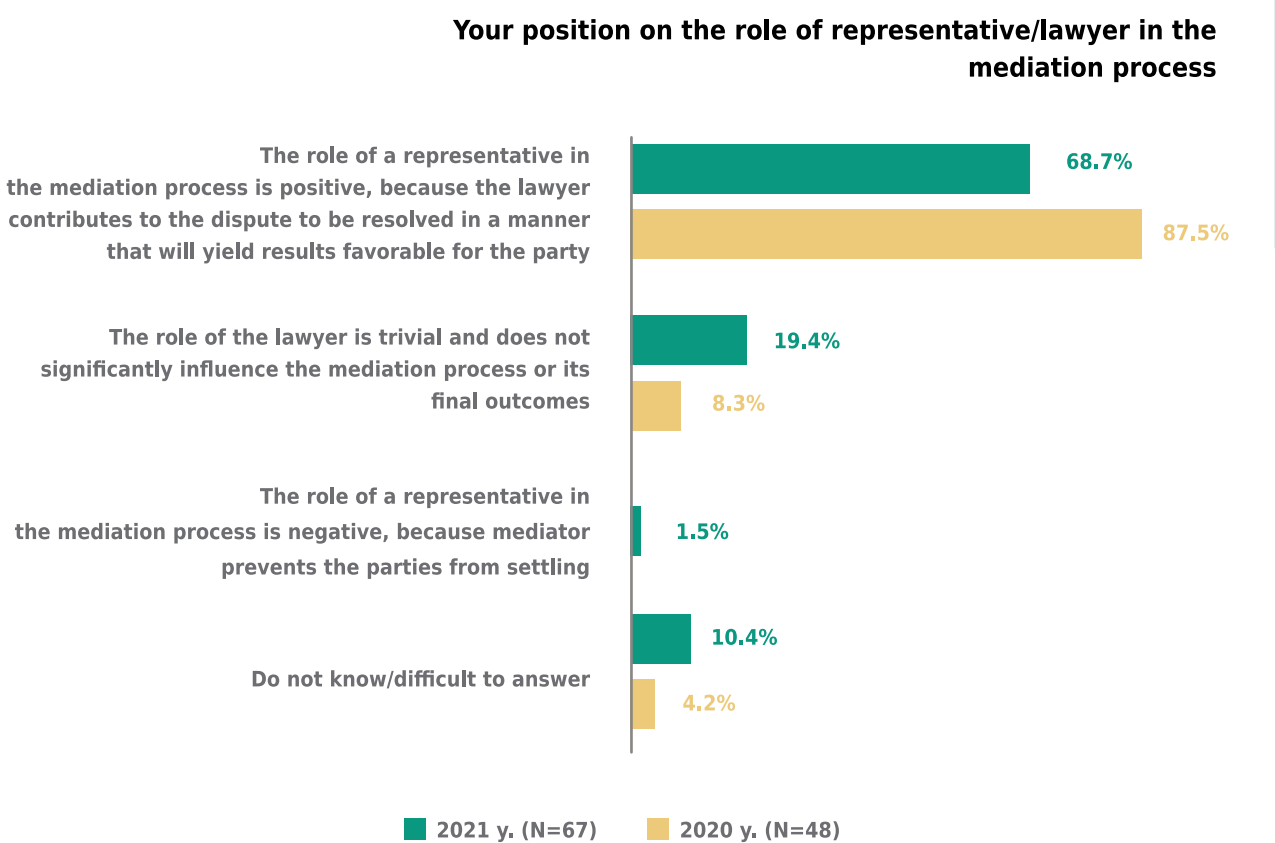
DIAGRAM #59



66.7% of the respondents interviewed in 2020 found the participation of a lawyer/representative advisable as compared to 47.8% in 2021. The share of those who noted that such action is not advisable was 10.4% - on the second phase.

68% of the respondents assess the role of a representative/lawyer positively in the mediation process because the lawyer contributes to the dispute to be resolved in a manner that will yield results favourable for the party. Almost a fifth of the respondents believes that the role of the lawyer is trivial and does not significantly influence the mediation process or its final outcomes (see Diagram #60).

**DIAGRAM #60**



Comparison of study results reveals that 87.5% of the respondents interviewed in 2020 positively assessed the role of the representative/lawyer in the mediation process as compared to only 68.7% in 2021. Furthermore, while 8.3% of the respondents in the first stage found the role of the representative/lawyer in the mediation process trivial because it did not significantly influence either the mediation or its outcomes, the share of such respondents in the second stage increased to almost a fifth.

Respondents used a 5-point scale to rate on which stage of the mediation the involvement of lawyers was beneficial. The statistical analysis revealed that respondents' ratings varied from positive to negative. However, it should be noted that only a small number of respondents offered the negative assessment. Their share in either stage of the study does not exceed 5.5%. Positive ratings were given by an equal number of respondents (72.7% in each parameter) who believed that a lawyer's involvement was useful in determining the terms of the settlement and at the stage of mediation where interests were explored. 69.1% of the respondents favour lawyer's involvement in the process of exchanging offers and 76.3% - in the process of testing reality (when the mediator asked the party to assess the judicial potential of the dispute). The majority of the respondents (65.5%) also see lawyers' involvement at the initial stage of the mediation, when the parties are briefed about the process, as beneficial. The share of respondents who offer a neutral assessment in this regard ranges between 1.8% and 7.8% (see Table #4).

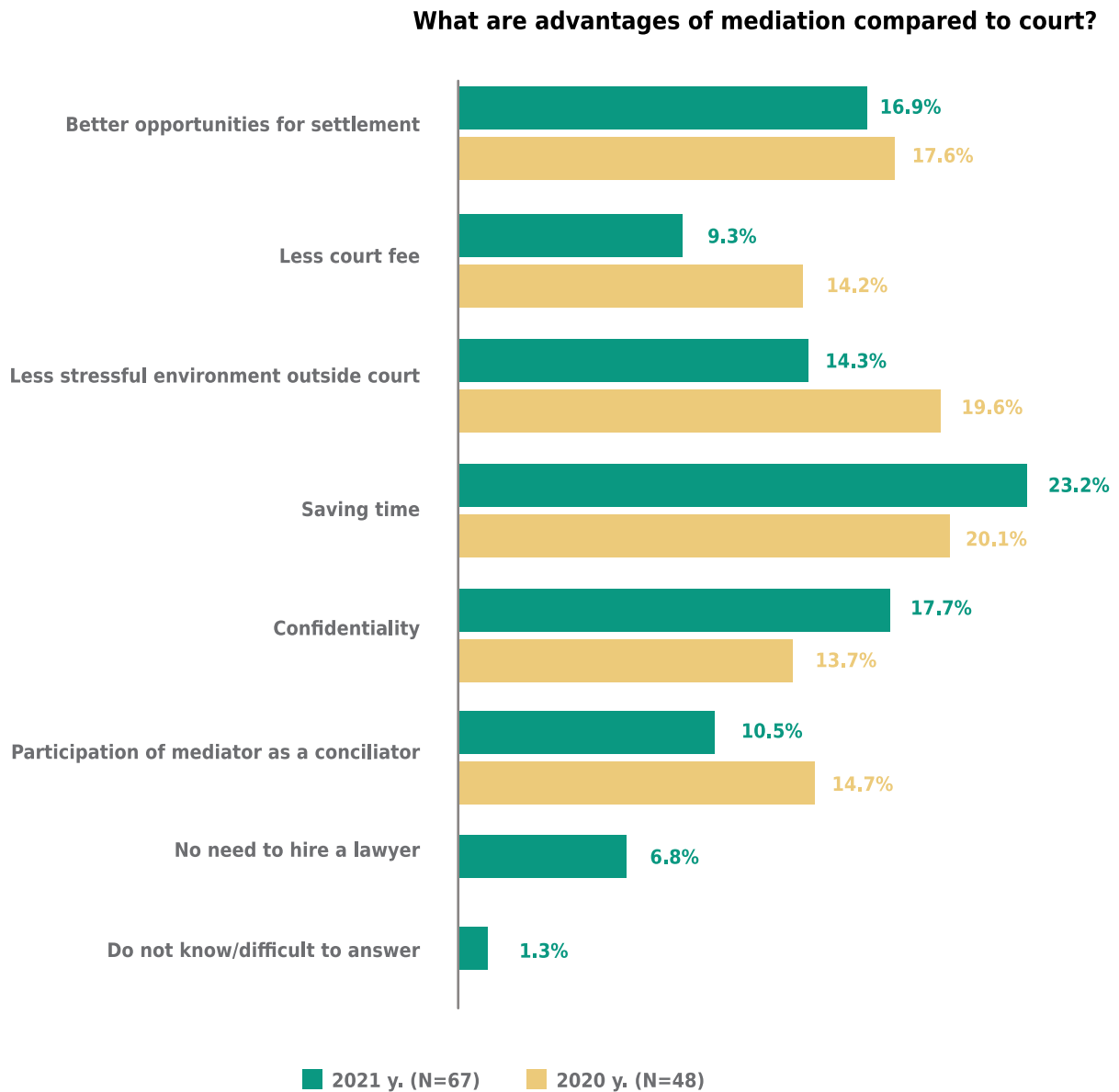
At what stage of the mediation process was the involvement of a lawyer helpful or useless?  2021 (N=67) 2020 (N=48)	Useless		More useless than useful		Neither useful, nor useless		More useful, than useless		Useful		Difficult to answer	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
	At the initial stage when the parties were informed about the mediation	5.5				7.3	12.9	14.5	6.5	65.5	80.6	7.3
At the stage of exploring interests in mediation	3.6		1.8		1.8	16.1	12.7	16.1	72.7	67.7	7.3	
Reality Testing - The mediator asked the party to assess the judicial potential of the dispute	3.6		1.8		3.6	12.9	12.7	3.2	67.3	83.9	10.9	
When exchanging offers	3.6		1.8		7.3	9.7	10.9	6.5	69.1	83.9	7.3	
When determining the terms of the settlement	3.6		1.8		1.8	9.7	10.9	3.2	72.7	87.1	9.1	

The respondents' assessments in terms of the benefits of the lawyers' involvement at various stages of mediation in the first study vary from positive to neutral. It should be noted that no negative assessments were given initially unlike in the 2021 Survey. A vast majority of the respondents favoured the involvement of a lawyer in the process of exchanging offers and testing reality (when the mediator asked the party to assess the judicial potential of the dispute) in 2020 - 83.9% per each parameter. In 2021 data - the majority of the respondents favour the involvement of a lawyer in determining the terms of the settlement and at the stage of mediation where interests are explored -72.2% per each parameter.

Respondents were asked to identify the advantages of mediation over the court. Over a fifth of the respondents (23.2%) indicated the timely manner in which the disputes can be resolved. 17.7% pointed out that it was the confidentiality and 16.9% indicated that mediation provided better opportunities for settlement/agreement. The main advantage of mediation for 14.3% of the respondents was the fact that disputes are handled in a less stressful environment as compared to the court. 10.5% found the involvement of the mediator as a conciliator favourable. The share of those respondents who consider the relatively smaller amount of payable fee and the absence of the need to hire a lawyer as advantages of the mediation is not greater than 9.3% (in each parameter). Based on the above, the time needed to resolve a business dispute and confidentiality are essential for the persons/companies involved in the dispute (see Diagram #61).



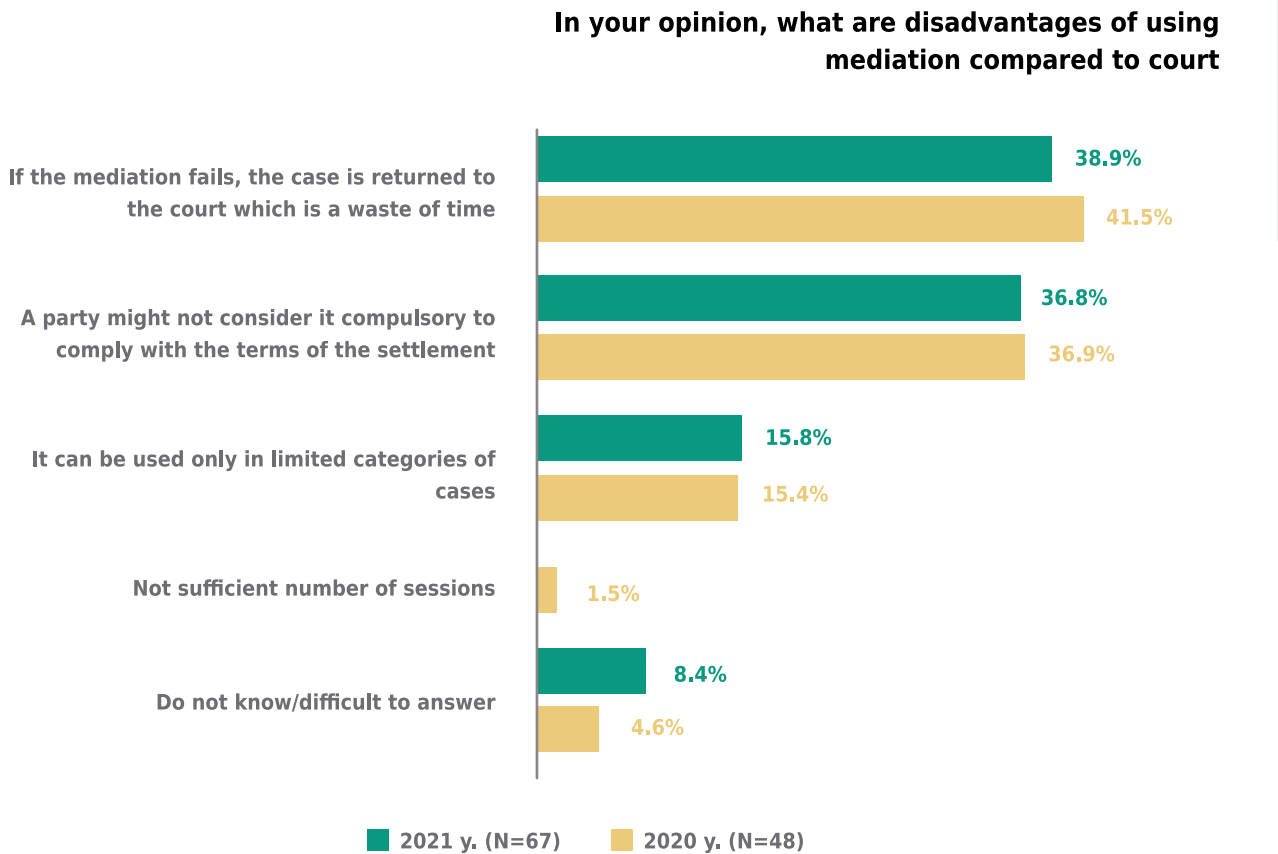
DIAGRAM #61



While assessing the advantages of mediation over the court, a vast majority of the respondents during both phases named the time-efficiency factor (2020 - 20.1%; 2021 - 23.2%). Besides, while 19.6% of the respondents from the first phase found the fact that the case was handled in a less stressful environment was advantageous compared to the court, the 2021 study saw a decrease in this regard (14.3%). Confidentiality proved to be a key factor for more respondents on the second phase as compared to the first.

Apart from the advantages, the respondents also talked about the main disadvantages of the mediation compared to the court. Namely, the majority of the respondents identified the following drawbacks: waste of time if the mediation fails and the case is returned to the court (38.9%) and a party might not consider it compulsory to comply with the terms of the settlement (36.8%). 15.8% consider the limited nature of mediation, i.e. that it cannot be applied to all types of cases, to be its drawback (see Diagram #62).

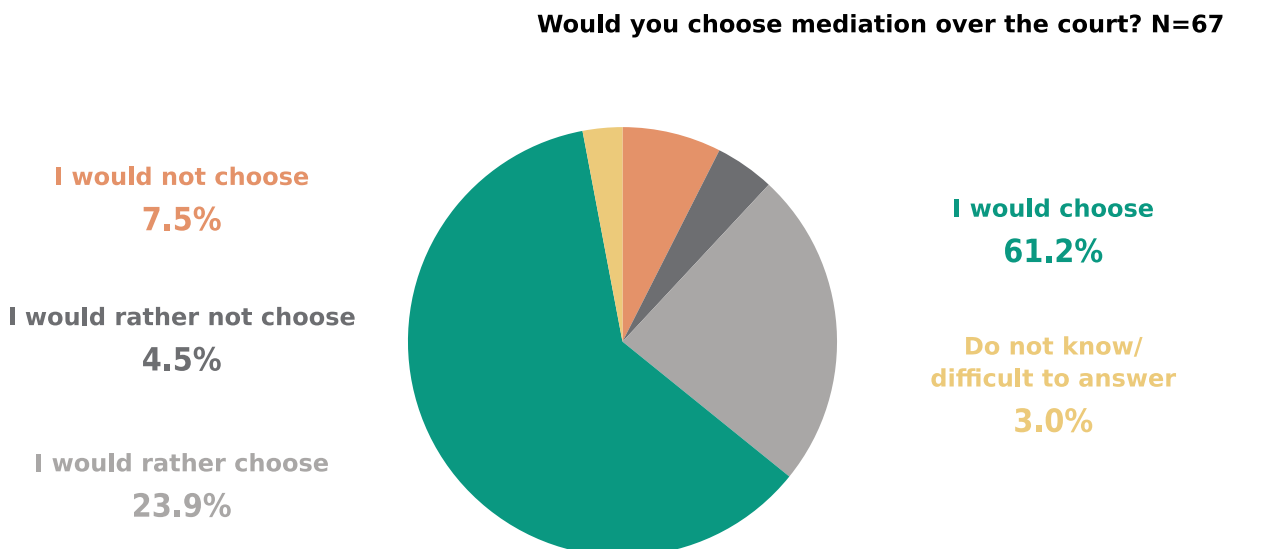
DIAGRAM #62



It should be noted that no significant differences were observed in terms of the disadvantages identified by the respondents in either stage of the study. Percentage distribution in terms of the disadvantages is almost equal on both stages.

The study revealed that 85.1% of the respondents would choose mediation over the court to settle a dispute should the necessity arise. 61.2% among the latter group would definitely choose mediation and 23.9% were more likely than not to choose mediation. The share of the respondents who would not choose mediation over the court is not greater than 12% (see Diagram #63).

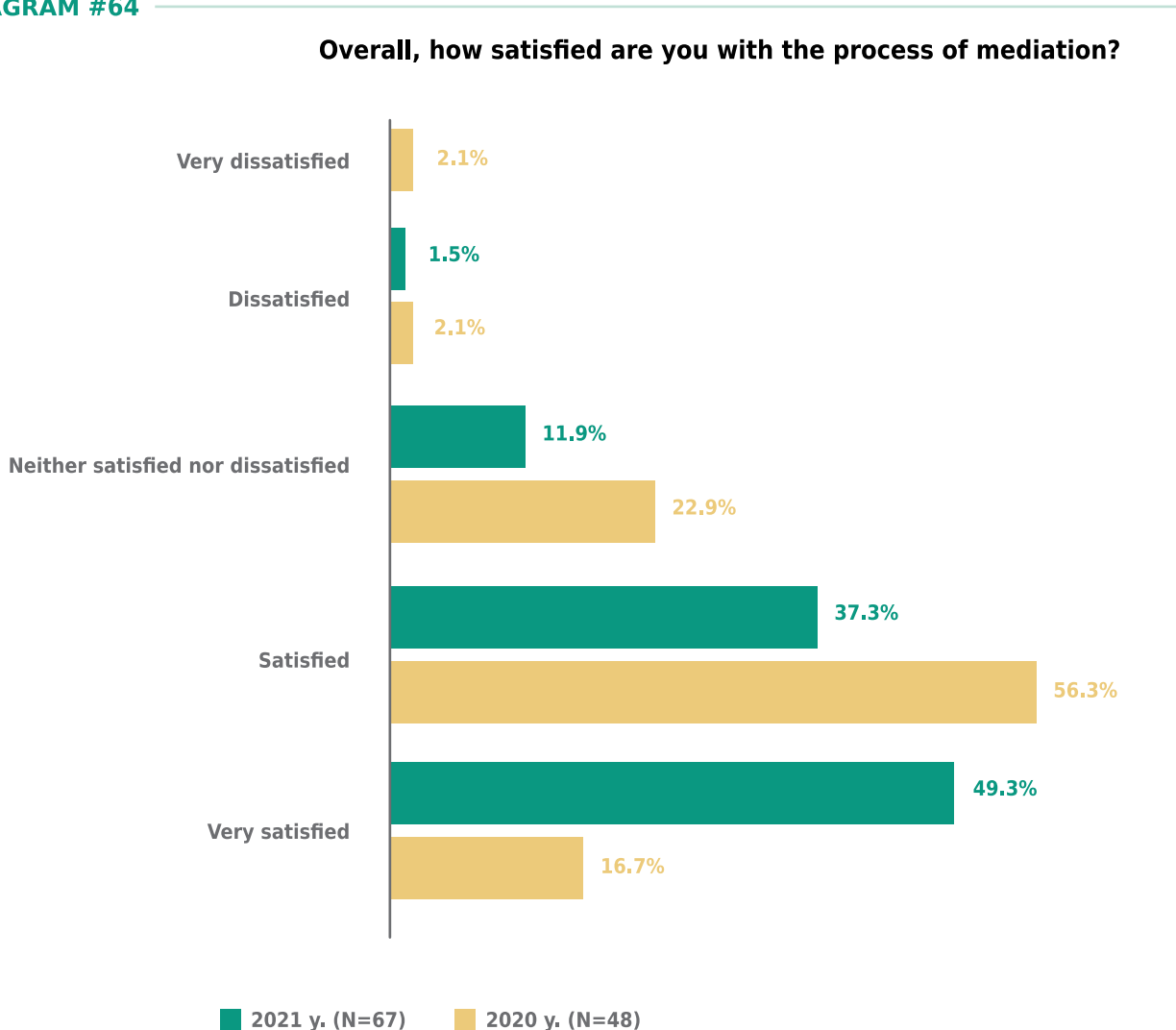
DIAGRAM #63



2020-2021 study results show that the majority of the respondents from both stages would rather use mediation than court should the necessity arise.

Respondents with relevant experience were also asked to assess the overall satisfaction with the mediation process. A vast majority of the respondents (86.6%) note that they are satisfied with the process with 49.3% being extremely satisfied. Only one respondent reported dissatisfaction with the process and 11.9% (8 respondents) offered a neutral assessment (see Diagram #64).

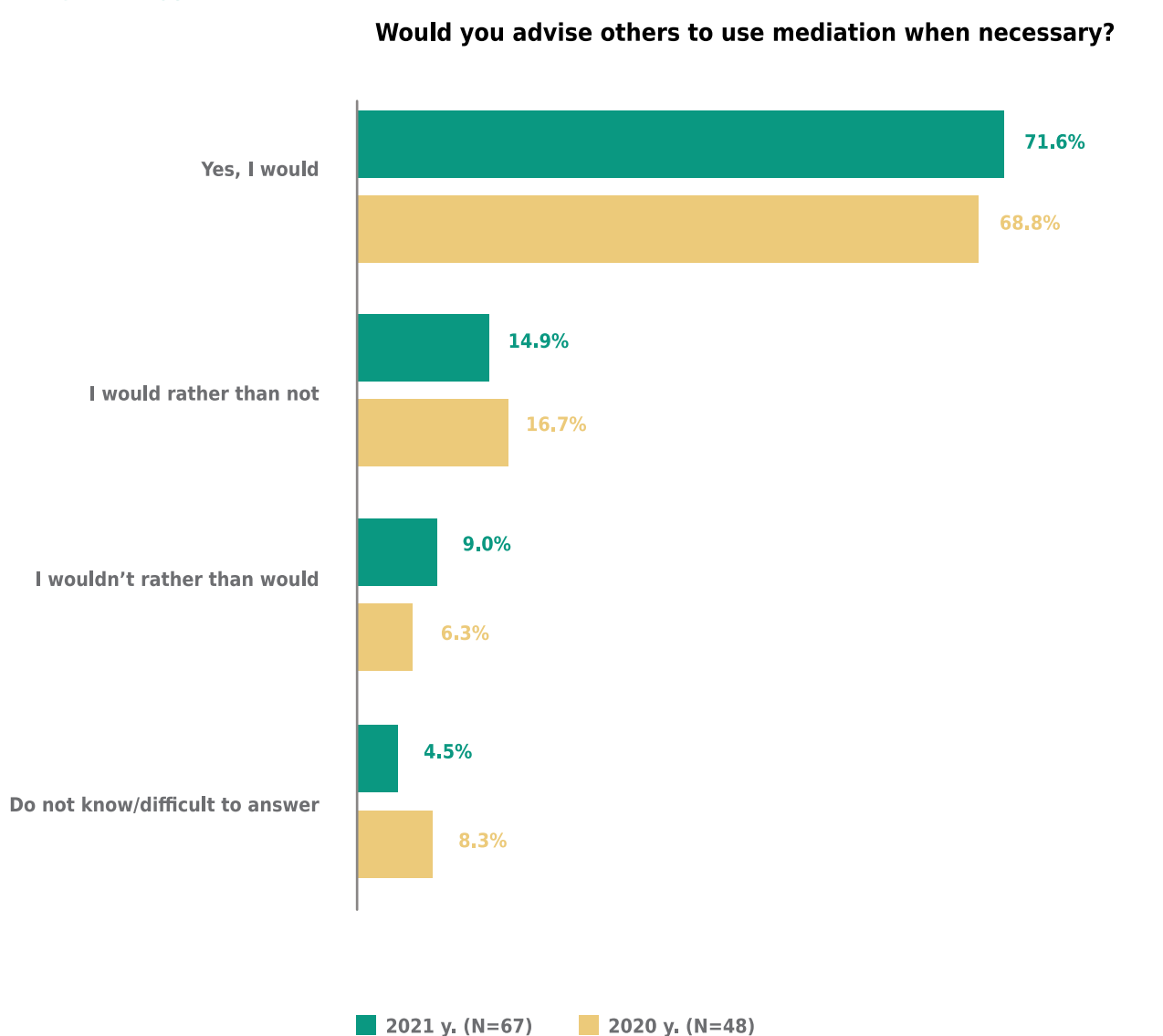
**DIAGRAM #64**



As for the satisfaction with the mediation process, the share of the respondents who were extremely satisfied with the service provided to them was significantly lower in 2020 than in 2021 (2020 - 16.7%; 2021 - 49.3%). The share of dissatisfied respondents is low in both cases.

71.6% of the respondents state that they would recommend or advise others to use mediation if necessary. Only 9% (6 respondents) are likely not to recommend than to recommend (see Diagram #65).

**DIAGRAM #65**



The majority of the respondents interviewed during both phases reported that they would recommend/advise others to use mediation if necessary (2020 - 68.8%; 2021 71.6%). 6.3% of the respondents from the first phase said they would rather not recommend mediation to others, than would. 9% of respondents in 2021 share the similar view.

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