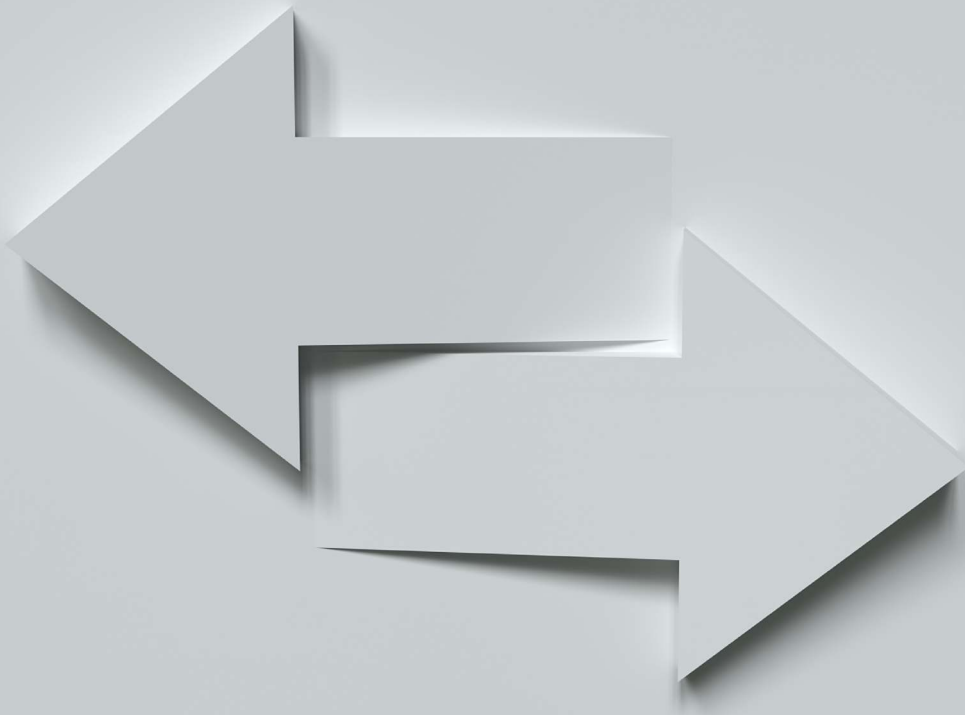


PAPAPOLITIS / PAPAPOLITIS

EST 1898



ON THE SPOTLIGHT

Dispute Resolution

MAY, 2025

Mediation as a "Tool" for the Out-of-Court Resolution of Business Disputes and the Transformation of Corporate "Culture"

The Challenges of Greece's Judicial System

It is widely known that the state of the Courts and the administration of justice in Greece has been severely criticized and is admittedly far from optimal. The phenomenon is not a current one, nor is it exclusively Greek. Unfortunately, however, in our country, especially in recent years, the situation has been continuously deteriorating.

The Rise of Alternative Dispute Resolution (ADR)

An increasing number of individuals and businesses, not only in Greece but also abroad, prefer to avoid judicial proceedings and resort to other procedures that allow them to resolve their dispute quickly, amicably and in a manner that creates new opportunities for their future. Such methods are internationally referred to as "Alternative Dispute Resolution" (ADR), **Mediation being the most widespread and effective one among them.**

What is Mediation?

Mediation is nowadays a way of resolving disputes on all five continents, in countries with different social, economic and legal systems. Mediation is an out-of-Court process in which the parties to a dispute seek to resolve it with the assistance of a third party, the Mediator, to achieve mutual benefit and satisfaction of their interests.

The Role of the Mediator

The specially trained Mediator uses special techniques and assists in resolving the dispute **without deciding what is fair or right, as he is neither a judge nor an arbitrator.** He facilitates negotiations between the parties, focusing on points of convergence of views and seeking the parties' real interests, to help them reach a solution and **a mutually acceptable and sustainable agreement.**

Key Advantages of Mediation

The undeniable advantages of Mediation are:

- Speed**
- Efficiency**
- Flexibility**
- Low cost** (compared to litigation), and, most importantly,
- Active participation** of the parties in the process and that they (and not a third party) decide the outcome, the final resolution.

How Does the Mediation Process Work?

As a process, Mediation is conducted in specially designed venues, within the timeframe of one single day, on a strictly confidential basis. The Mediator treats the parties with **complete confidentiality**: while learning information and secrets from one side, he is obliged not to disclose them to the other, unless he receives specific and explicit permission.

Legal Framework of Mediation in Greece

Since 2010, and subsequently with the current **Law 4640/2019**, the main aspects of the Mediation process have been regulated, including the enforceability of the Mediation Report, which contains the agreement of the parties which may result from Mediation, while it incorporates Mediation into the existing procedural system.

Mandatory Initial Mediation Session

The institution of the **Mandatory Initial Mediation Session**, during which the Mediator informs the parties about the process and principles of Mediation before proceeding to trial, enabling the parties to attempt to avoid bringing the case to Court, is of particular practical importance. The Mediator is usually one and can be appointed by the parties (in case of mutual consent) or by the Central Mediation Committee of the Ministry of Justice (in case of disagreement).

Next Steps in Mediation

After the 1st (informative) Session, the parties can either decide to withdraw and refer the case to the Courts or choose to participate and proceed to the next Mediation Sessions.

If the parties decide to proceed with the Mediation process, the Mediator provides guidelines on the next steps they need to follow. The process is confidential, and taking minutes is not permitted. Parties participating in the Mediation process are excluded from being examined as witnesses in case of an unsuccessful outcome. Mediation Sessions may also be conducted by videoconference.

Promoting Mediation in Greece

The Hellenic Association of Business & Entrepreneurship and the Hellenic Mediation Centre have been at the forefront of promoting the institution of Mediation in Greece from the very beginning, having trained numerous Mediators in the past in cooperation with British Mediation Centers, having experienced certified Mediators and continuing to provide quality Mediation services and high-quality training.

Business Benefits of Mediation

The application of Mediation in businesses has multiple benefits, not only in terms of resolving any pending litigation, but also in terms of changing the very 'culture' of the business. Indeed, a business can use the services of specially trained Mediators in its operations, even "proactively" to manage disputes within the organisation, such as to resolve labor relations' issues, support a difficult negotiation, while also provide with advice on how to manage a "crisis".



AUTHOR

George Grivas


Partner, Head of Dispute Resolution
ggrivas@papapolitis.com

PAPAPOLITIS / PAPAPOLITIS

EST 1898

ATHENS 268, Kifisias Ave., Chalandri, 15232, Greece
LONDON 111 Park Street, Mayfair, London W1K7JL, UK

info@papapolitis.com
www.papapolitis.com

 Papapolitis & Papapolitis