



Republic of the Philippines
Supreme Court
Manila

**REPORT ON THE
JUDICIAL DISPUTE RESOLUTION PROCESS
IN THE PHILIPPINES**

I. OVERVIEW OF THE PHILIPPINE LEGAL FRAMEWORK

In general, the Philippines is not a common law country. But if what is meant by the phrase is case law, based exclusively on Anglo-American common law which is not in conflict with local laws, customs and the Constitution, then we have some sort of Philippine Common Law – a common law that supplements and amplifies our statute law (*In Re: Shoop*, 41 Phil. 213). Of course, if a case is covered by an express provision of the Civil Code, the common law principle cannot be applied in deciding the same. (*Cruz v. Pahati*, L-8257, April 13, 1956)¹ The country's legal system, therefore, is primarily based on civil law, supplemented by common law.

A. THE COURT'S STRUCTURE

Generally, the structure of Philippine courts may be determined by manner of creation.

A constitutional court is one created by a direct constitutional provision. In the Philippines, the **Supreme Court of the Philippines** is the only constitutional court. It owes its creation from Section 1, Article VII of the 1987 Constitution of the Philippines.

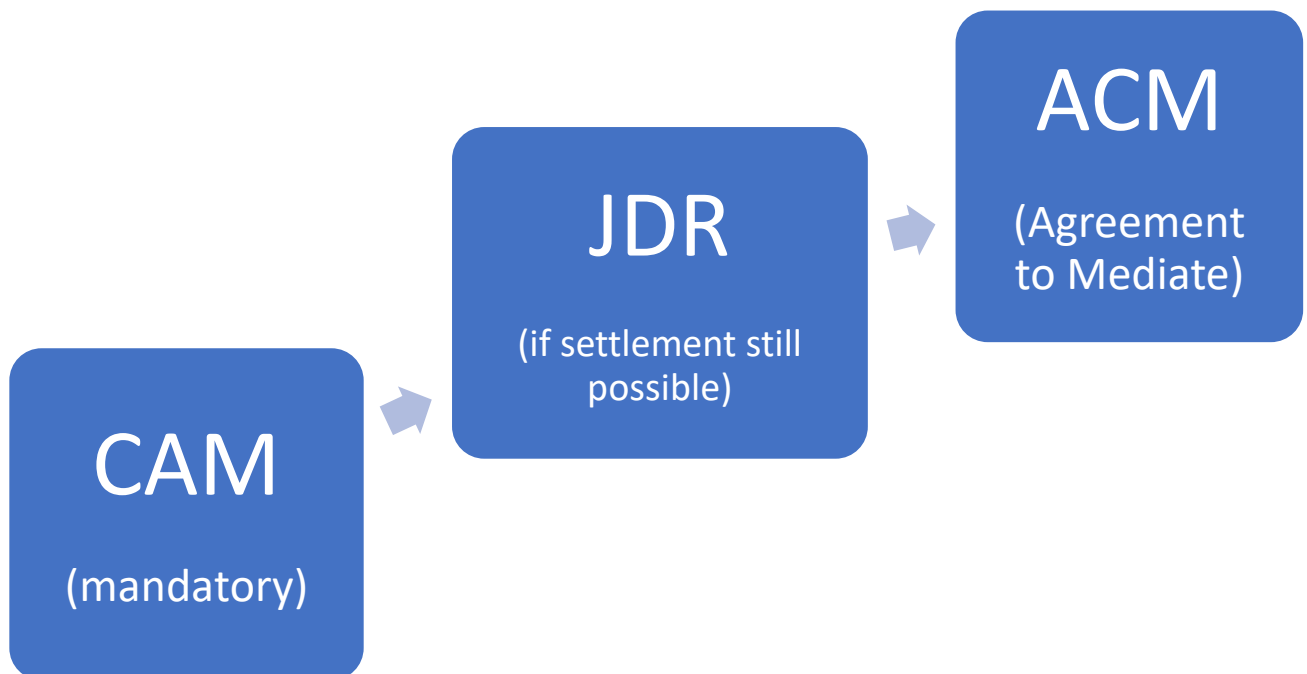
On the other hand, a statutory court is one created by a law other than the constitution. All other courts in the Philippines are statutory courts created by statutory enactments.² These are the Court of Appeals, Sandiganbayan, Court of Tax Appeals, Regional Trial Courts, Metropolitan Trial Court, Municipal Trial Court in Cities, Municipal Trial Court, Municipal Circuit Trial Courts and Special Courts such as the Family Courts.

¹ Civil Code of the Philippines Annotated, 2013, by Edgardo L. Paras+, p. 70

² Civil Procedure Volume I The Bar Lecture Series, 2014, by Willard B. Riano, p. 60

B. COURT IMPLEMENTATION OF THE JUDICIAL DISPUTE RESOLUTION

On February 9, 2021, the Supreme Court of the Philippines issued Administrative Matter No. 19-10-20-SC, or the “2020 Guidelines for the Conduct of the Court-Annexed Mediation (CAM) and Judicial Dispute Resolution (JDR) in Civil Cases.” The first level courts, such as the Metropolitan Trial Courts (MeTC), Municipal Trial Court in Cities (MTCC), Municipal Trial Courts (MTC), Municipal Circuit Trial Courts (MCTC) and the Regional Trial Courts (RTC) implement the Judicial Dispute Resolution (JDR) and its processes or elements. The diversion of pending cases to the Court-Annexed Mediation (CAM) and JDR is a three-stage process.



1. Court-Annexed Mediation (CAM)

Referral to CAM is **mandatory**. Section 1, Chapter 1 of A.M. No. 19-10-20-SC provides that:

“Section 1. Mandatory coverage for CAM in Civil Cases. - The following cases shall be referred to CAM:

- (a) All ordinary civil cases, including mediatable permissive or compulsory counterclaim or cross-claim as pleaded in the answer, complaint-in-intervention, and third (fourth, etc.)-party complaint, except those which cannot be the subject of a compromise under Article 2035 of the New Civil Code;

- (b) All special civil actions, except under Rules 63, 64, 65, 66, and 71 of the Rules of Court;
- (c) Special proceedings cases for settlement of estate where the dispute involves claims against the estate, or the distribution or partition of estate in intestate proceedings;
- (d) All those cases involving issues under the Family Code and other laws, in relation to support, custody, visitation, property relations, guardianship of minor children, and other issues which can be the subject of a compromise agreement;
- (e) Intellectual property cases;
- (f) Commercial or intra-corporate controversies;
- (g) Environmental cases, subject to the provisions in Section 3, Rule 3 of the Rules of Procedure for Environmental Cases (A.M. No. 09-6- 8- SC); and
- (h) Civil cases covered by the Rule on Summary Procedure.”

In all civil cases and criminal cases covered by mediation, the judge issues a referral order incorporated in the Pre-Trial Order referring the parties to the Philippine Mediation Center (PMC) for the mediation of their dispute by trained and accredited mediators. Referral to CAM is made after the pre-trial conference in civil cases, and after the pre-trial and preliminary conference of cases covered by mediation in criminal cases. During CAM, the mediator explains to the parties the CAM process and its benefits to the pending case. The mediator may hold separate caucuses for each party to determine their respective real interests in the dispute and hold joint conferences to resolve the dispute through reciprocal concessions.

2. Judicial Dispute Resolution (JDR)

Upon failing to secure a settlement of the dispute during the CAM, or in case of partial settlement, the trial judge may refer the case to a duly-trained and -accredited JDR judge, if he is convinced that settlement is still possible based on the Mediator’s Report, as well as his or her conference with the parties. Section 2, Chapter 1 of A.M. No. 19-10-20-SC provides that:

“Section 2. Referral to JDR in Civil Cases. - The following cases may be referred to JDR:

- (a) The cases enumerated in Section 1, except environmental cases, may be referred to JDR upon failure of settlement or refusal to mediate in CAM only if the judge of the court to which the case was originally filed is convinced that settlement is still possible;
- (b) The following cases, brought on appeal from the exclusive and original jurisdiction granted to the first-level courts under the Judiciary Reorganization Act of 1980, may be referred to JDR in areas declared as JDR sites, if the RTC Judge is convinced that settlement is still possible;
 - (1) all civil cases and settlement of estate, testate and intestate;
 - (2) all cases of forcible entry and unlawful detainer;

- (3) all civil cases involving title to, or possession of, real property or an interest therein; and
- (4) habeas corpus cases decided by the first level court in the absence of any Regional Trial Court Judge.”³

JDR is conducted within a non-extendible period of 15 days from the receipt of referral order or written manifestation of the parties, in several sessions, if necessary. In that period, the JDR judge sequentially becomes a mediator-conciliator-early neutral evaluator in a continuing effort to secure a settlement.

As a mediator and conciliator, the judge facilitates the settlement discussions between parties and tries to reconcile their differences. As a neutral evaluator, the judge assesses the relative strengths and weaknesses of each parties’ cases and makes a non-binding and impartial evaluation of the chances of each party’s success in the case. On the basis of his neutral evaluation, the judge persuades the parties to reconsider their prior reluctance to settle their case amicably. Thereafter, whether or not parties agree to settle amicably, the JDR judge returns the case to the referring court for appropriate action.

However, not all cases could be subject to compromise. Section 4, Chapter 1, of A.M. No. 19-10-20-SC, provides:

“Section 4. Cases not subject to compromise. - The following cases shall not be referred to CAM and JDR:

(a) civil cases which cannot be the subject of a compromise, to wit:

- (1) The civil status of persons;
 - (2) The validity of a marriage or a legal separation;
 - (3) Any ground for legal separation;
 - (4) Future support;
 - (5) The jurisdiction of courts; and
 - (6) Future legitime.
- (b) habeas corpus petitions;
 - (c) special proceedings cases for probate of a will; and
 - (d) cases with pending applications for restraining orders or preliminary injunctions.

However, in cases covered under paragraphs (a) and (d) where the parties inform the court that they have agreed to undergo mediation on some aspects thereof, e.g., custody of minor children, separation of property, or support *pendente lite*, the Court shall refer them to mediation.”⁴

³ A.M. No. 19-10-SC.

⁴Id.

It is important to note that cases may be referred to JDR even during the trial stage upon written motion of one or both parties indicating willingness to discuss a possible compromise. If the motion is granted, the trial shall be suspended and the case shall be referred to JDR to be conducted by another judge through raffle in multiple *sala* courts.

The parties may, on the other hand, by joint written motion, despite confidential information that may be divulged during JDR proceedings, file a request that their case not be transferred to other courts for JDR and that they agree to have the trial judge continue with the trial should the case not be settled through JDR.⁵

In the judiciary's effort to keep up with the times and considering the present health situation brought about by the COVID-19 pandemic, the Office of the Court Administrator (OCA) issued OCA Circular No. 127-2020 dated 10 August 2020⁶ and OCA Circular No. 147-2021 dated 7 December 2021, which state that JDR may be conducted *via* videoconferencing hearings as authorized by the Court, provided that confidentiality of the proceedings is maintained.

3. Appellate Court Mediation (ACM)

Cases brought on appeal to the Court of Appeals or to the Court of Tax Appeals of cases covered by CAM, except those brought on appeal involving purely legal issues, may be referred to the PMC-Appeals Court Mediation Unit of the Court of Appeals or the Court of Tax Appeals for the conduct of mediation⁷. JDR on appeal is done with written conformity of both parties through Agreement to Mediate.

II. OBJECTIVE OF THE JDR PROCESS

The promotion and administration of justice encompass both in-court adjudication of cases that involve hearings and out-of-court settlement of disputes. JDR and CAM come into play in the latter instance.

The diversion of pending court cases both to CAM and to JDR is intended to put an end to pending litigation through a compromise agreement of the parties and thereby help solve the ever-pressing problem

⁵ Id. at 19-20.

⁶ Subject: Judicial Dispute Resolution to be Conducted through Videoconferencing Hearings

⁷ *Consolidated and Revised Guidelines to Implement the Expanded Coverage of Court-Annexed Mediation (CAM) and Judicial Dispute Resolution (JDR)*, approved by the Supreme Court of the Philippines in a Resolution dated 11 January 2011 (A.M. No. 11-1-6-SC-PHILJA), at 5.

of court docket congestion.⁸ JDR empowers the parties to resolve their dispute and promotes party autonomy and the recognition of indigenous modes of dispute resolution. The JDR also restores the role of the judiciary as the forum of last recourse and gives effect to the State Policy on Alternative Dispute Resolution enunciated in Republic Act No. 9285 otherwise known the Alternative Dispute Resolution Act of 2004, which provides that:

“SEC. 2. Declaration of Policy. - it is hereby declared the policy of the State to actively promote party autonomy in the resolution of disputes or the freedom of the party to make their own arrangements to resolve their disputes. Towards this end, the State shall encourage and actively promote the use of Alternative Dispute Resolution (ADR) as an important means to achieve speedy and impartial justice and declog court dockets. As such, the State shall provide means for the use of ADR as an efficient tool and an alternative procedure for the resolution of appropriate cases. Likewise, the State shall enlist active private sector participation in the settlement of disputes through ADR. This Act shall be without prejudice to the adoption by the Supreme Court of any ADR system, such as mediation, conciliation, arbitration, or any combination thereof as a means of achieving speedy and efficient means of resolving cases pending before all courts in the Philippines which shall be governed by such rules as the Supreme Court may approve from time to time.”

III. LEGAL FRAMEWORK FOR THE JDR PROCESS

The following are the legal bases or official sources of the court’s authority to implement the JDR process:

1. Article 2028, Republic Act No. 386, also known as the “*Civil Code of the Philippines*”
2. Republic Act No. 9285, also known as the “*Alternative Dispute Resolution Act of 2004*”
3. Rule 18, Section 2 of the 2019 Amendments to the Rules on Civil Procedure
4. Rule 118, Section 2 of the 2018 Revised Rules on Criminal Procedure

⁸ Consolidated and Revised Guidelines to Implement the Expanded Coverage of Court-Annexed Mediation (CAM) and Judicial Dispute Resolution (JDR), approved by the Supreme Court of the Philippines in a Resolution dated 11 January 2011 (A.M. No. 11-1-6-SC-PHILJA).

5. Administrative Matter No. 11-1-6, also known as the “*SC PHILJA Consolidated Guidelines to Implement the Expanded Coverage of Court-Annexed Mediation (CAM) and Judicial Dispute Resolution (JDR)*”
6. Administrative Matter No. 19-10-20-SC 2021, also known as the “*Guidelines for the Conduct of Court-Annexed Mediation (CAM) and Judicial Dispute Resolution (JDR) in Civil Cases.*”

IV. EFFICACY OF JDR (AND CAM)

The usefulness of mediation cannot be gainsaid. Statistics and other empirical and qualitative data on the effectiveness of the JDR process, e.g. percentage of cases disposed of through the JDR process, number of hearing days saved, etc., reflect the success rate of PMCO’s ADR programs from 2002 to 2021, to wit:

CAM & MCAM – 61% (302,639 cases successfully mediated)
 JDR – 35% (25,468 cases successfully mediated)
 ACM – 30% (1,476 cases successfully mediated)

Table 1

PHILIPPINE JUDICIAL ACADEMY
 PHILIPPINE MEDIATION CENTER OFFICE
 CAM STATISTICAL REPORT AS OF DECEMBER 2021

YEAR	NO. OF PMC UNITS	NO. OF COURTS COVERED	NO. OF ACCREDITED MEDIATORS	TOTAL NUMBER OF CASES REFERRED	TOTAL NUMBER OF BACK TO COURT CASES ¹	TOTAL NUMBER OF CASES MEDIATED	TOTAL NUMBER OF SUCCESSFUL MEDIATION	TOTAL NUMBER OF UNSUCCESSFUL MEDIATION	ON-GOING	SUCCESS RATE
2002	26	442	360	4,118	559	3,559	3,000	559	0	84%
2003	26	442	360	4,246	1,149	3,097	2,410	687	0	78%
2004	30	601	309	20,277	12,787	7,490	5,899	1,591	0	79%
2005	37	675	483	25,745	14,028	11,717	7,626	4,091	0	65%
2006	40	730	524	21,211	8,161	13,050	8,159	4,891	0	63%
2007	53	931	628	38,816	18,671	20,145	13,633	6,512	0	68%
2008	70	1105	717	62,678	16,994	45,684	29,148	16,536	0	64%
2009	97	1380	571	49,702	18,477	31,225	19,406	11,819	0	62%
2010	97	1380	571	50,558	16,748	33,810	20,304	13,506	0	60%
2011	106	1496	706	49,497	19,777	29,720	18,029	11,691	0	61%
2012	107	1540	680	56,498	24,218	32,280	19,266	13,014	0	60%
2013	115	1623	704	58,786	16,133	33,556	20,525	13,031	9,097	61%
2014	119	1641	657	64,356	15,082	37,843	23,236	14,607	11,431	61%
2015	128	1780	650	53,839	9,479	28,297	16,505	11,792	16,063	58%
2016	135	1847	718	64,253	9,215	32,108	19,222	12,886	22,930	60%
2017	138	1880	746	60,103	11,592	36,240	20,839	15,401	12,271	58%
2018	142	2168	711	43,248	3,781	27,632	14,860	12,772	11,835	54%
2019	142	2168	698	37,788	6,040	25,310	13,501	11,809	6,438	53%
2020	142	2168	646	22,049	3,929	14,209	7,291	6,918	3,911	51%
2021	144	2168	562	23,398	3,940	14,115	7,307	6,808	5,343	52%
TOTAL	144	2,168	562	811,166	230,760	481,087	290,166	190,921	99,319	60%

¹ BACK TO COURT CASES - NO MEDIATION TRANSPIRED FOR THE FOLLOWING REASONS: NON-APPEARANCE OF PARTY/PARTIES; REFUSAL OF PARTY/PARTIES; LACK OF AUTHORITY OF THE PARTIES' REPRESENTATIVES TO ENTER INTO COMPROMISE AGREEMENT; REFERRED CASE NOT MEDIATABLE: AND. NON-PAYMENT OF MEDIATION FEE.

² THE FOLLOWING AREAS HAVE TWO (2) PMC UNITS EACH, NAMELY MANILA, TUGUEGARAO CITY, MALOLOS CITY AND CALOOCAN CITY.

Table 2

PHILIPPINE JUDICIAL ACADEMY									
PHILIPPINE MEDIATION CENTER OFFICE									
JDR STATISTICAL REPORT AS OF DECEMBER 2021									
YEAR	NO. OF JDR SITES (CLUSTERS)	NO. OF COURTS COVERED	TOTAL NUMBER OF CASES REFERRED	TOTAL NUMBER OF BACK TO COURT CASES*	TOTAL NUMBER OF CASES MEDIATED	TOTAL NUMBER OF SUCCESSFUL MEDIATION	TOTAL NUMBER OF UNSUCCESSFUL MEDIATION	ON-GOING	SUCCESS RATE
2004	2	101	22		22	15	7	0	68%
2005	2	101	487		487	205	282	0	42%
2006	4	166	1,437		1,171	454	717	266	39%
2007	5	195	6,370	2,388	3,982	1,660	2,322	0	42%
2008	6	232	8,569	3,122	5,447	2,010	3,437	0	37%
2009	6	232	5,727	2,257	3,470	1,487	1,983	0	43%
2010	8	377	6,032	2,298	3,734	1,320	2,414	0	35%
2011	9	421	8,140	3,487	4,653	1,924	2,729	0	41%
2012	13	636	9,218	4,840	4,378	1,513	2,865	0	35%
2013	18	836	15,275	1,088	7,636	2,853	4,783	6,551	37%
2014	40	977	18,423	1,096	9,885	3,470	6,415	7,442	35%
2015	43	1143	17,904	1,282	7,592	2,111	5,481	9,030	28%
2016	45	1271	22,767	921	9,070	2,828	6,242	12,776	31%
2017	51	1244	18,452	1,177	8,275	2,691	5,584	9,000	33%
2018	58	1744	3,200	30	1,571	422	1,149	1,599	27%
2019	58	1744	2,245	78	943	225	718	1,224	24%
2020	58	1744	1,449	126	712	221	491	611	31%
2021	58	1744	455	26	236	59	177	193	25%
TOTAL	58	1744	146,172	24,216	73,264	25,468	47,796	48,692	35%

** BACK TO COURT CASES - NO JDR TRANSPIRED DUE TO THE FOLLOWING REASONS: PARTY/PARTIES REFUSED JDR; AND, LACK OF AUTHORITY OF PARTIES' REPRESENTATIVES TO ENTER INTO COMPROMISE AGREEMENT*

Table 3

PHILIPPINE JUDICIAL ACADEMY										
PHILIPPINE MEDIATION CENTER OFFICE										
ACM STATISTICAL REPORT AS OF DECEMBER 2021										
YEAR	NO. OF ACM UNITS	NO. OF DIVISIONS COVERED	NO. OF ACM MEDIATORS	TOTAL NUMBER OF CASES REFERRED	TOTAL NUMBER OF BACK TO COURT CASES*	TOTAL NUMBER OF CASES MEDIATED	TOTAL NUMBER OF SUCCESSFUL MEDIATION	TOTAL NUMBER OF UNSUCCESSFUL MEDIATION	ON-GOING	SUCCESS RATE
2005	1	17	81	1		0	0	0	1	0%
2006	1	17	81	3		2	1	1	1	50%
2007	1	17	81	23		18	7	11	5	39%
2008	1	17	81	161	79	82	30	52	0	37%
2009	2	20	81	391	183	208	70	138	0	34%
2010	2	20	71	748	356	392	141	251	0	36%
2011	2	20	77	1106	765	341	111	230	0	33%
2012	3	23	79	1238	491	747	231	516	0	31%
2013	3	23	93	1400	600	606	213	393	194	35%
2014	3	23	93	1171	437	494	154	340	240	31%
2015	3	23	93	1212	292	269	79	190	651	29%
2016	3	23	81	1535	509	544	158	386	482	29%
2017	3	23	81	861	203	190	44	146	468	23%
2018	3	23	81	1224	536	453	114	339	235	25%
2019	3	23	81	1127	474	412	91	321	241	22%
2020	3	23	81	290	169	118	28	90	3	24%
2021	3	23	81	124	3	13	4	9	108	31%
TOTAL	3	23	81	12,615	5,097	4,889	1,476	3,413	2,629	30%

** BACK TO COURT CASES - NO MEDIATION TRANSPIRED FOR THE FOLLOWING REASONS: NON-APPEARANCE OF PARTY/PARTIES; REFUSAL OF PARTY/PARTIES; LACK OF AUTHORITY OF THE PARTIES' REPRESENTATIVES TO ENTER INTO COMPROMISE AGREEMENT; REFERRED CASE NOT MEDIATABLE; AND, NON-PAYMENT OF MEDIATION FEE.*

Table 4

PHILIPPINE JUDICIAL ACADEMY									
PHILIPPINE MEDIATION CENTER OFFICE									
MCAM RIZAL STATISTICAL REPORT AS OF DECEMBER 2021									
YEAR	NO. OF COURTS COVERED	NO. OF MCAM MEDIATORS	TOTAL NUMBER OF CASES REFERRED	TOTAL NUMBER OF BACK TO COURT CASES*	TOTAL NUMBER OF CASES MEDIATED	TOTAL NUMBER OF SUCCESSFUL MEDIATION	TOTAL NUMBER OF UNSUCCESSFUL MEDIATION	ON-GOING	SUCCESS RATE
2007	3	7	1,107	347	760	667	93	0	88%
2008	26	5	7,408	2,813	4,595	4,187	408	0	91%
2009	34	5	3,364	1,159	2,205	2,023	182	0	92%
2010	22	5	1,380	548	832	773	59	0	93%
2011	22	5	1,890	938	952	886	66	0	93%
2012	22	7	2,119	958	1,161	993	168	0	86%
2013	18	7	1,445	599	512	473	39	334	92%
2014	18	7	1,584	449	684	625	59	451	91%
2015	18	7	1,787	781	838	712	126	168	85%
2016	18	7	1,143	74	464	430	34	605	93%
2017	18	7	174	40	81	68	13	53	84%
2018	18	7	470	107	187	150	37	176	80%
2019	18	7	640	160	311	246	65	169	79%
2020	18	7	291	83	162	137	25	46	85%
2021	18	7	339	90	132	103	29	117	78%
TOTAL	18	7	25,141	9,146	13,876	12,473	1,403	2,119	90%

* BACK TO COURT CASES - NO MEDIATION TRANSPIRED FOR THE FOLLOWING REASONS: NON-APPEARANCE OF PARTY/PARTIES; REFUSAL OF PARTY/PARTIES; LACK OF AUTHORITY OF THE PARTIES' REPRESENTATIVES TO ENTER INTO COMPROMISE AGREEMENT; REFERRED CASE NOT MEDIATABLE; AND, NON-PAYMENT OF MEDIATION FEE.

Table 5

PHILIPPINE JUDICIAL ACADEMY										
PHILIPPINE MEDIATION CENTER OFFICE										
COURT OF TAX APPEAL STATISTICAL REPORT AS OF DECEMBER 2021										
YEAR	NO. OF COURTS COVERED	NO. OF PMC UNIT STAFF	NO. OF CTA MEDIATORS	TOTAL NUMBER OF CASES REFERRED	TOTAL NUMBER OF BACK TO COURT CASES*	TOTAL NUMBER OF CASES MEDIATED	TOTAL NUMBER OF SUCCESSFUL MEDIATION	TOTAL NUMBER OF UNSUCCESSFUL MEDIATION	ON-GOING	SUCCESS RATE
2019		1		171	86	32	2	30	53	6%
2020		1		107	5	5	0	5	97	0%
2021		1		109	76	0	0	0	33	#DIV/0!
TOTAL		1		387	167	37	2	35	183	5%

The readiness of the parties to settle, coupled with the eagerness of the judge to help them attain this purpose, are the keys to the aforementioned success. If the parties are held responsible for their argument, so, too, can they be credited for its resolution, made possible through JDR.