The European Union Approach to Consumer ODR

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1. Background + Problem definition

• EU internal market: Growth of e-commerce, changing the consumer market.
• Problem: lack of suitable redress mechanisms.
• Result: e-commerce hampered + access to justice not safeguarded.

78% of the consumers did not bring the business to court
39%: too expensive
16%: too much effort
12%: too long
11%: too complicated
2. Solution: EU binding Legislation: ADR directive + ODR Regulation

1. full coverage
2. information requirements
3. quality requirements
How does the ODR platform work?
3. Evaluation: first results of the legislation in practice

Availability

• Scattered and fragmented landscape

• Two-tiered landscape of certified and non-certified ADR/ODR schemes
3. First results of the legislation in practice

Awareness

• Low compliance with information obligations (EU report 27%)
Q2 - Who directed you to the Consumer Mediation Service? (multiple replies possible)

- Other? Could you please specify: [Bar Chart]
- I found the information by myself on the internet. [Bar Chart]
- A relative or a friend. [Bar Chart]
- An online platform (e.g., BELMED, Meldpunt, EU ODR platform or similar). [Bar Chart]
- The trader. [Bar Chart]
- Another mediator or mediation services. [Bar Chart]
- A consumer association. [Bar Chart]
3. First results of the legislation in practice

Quality

- Broad quality standards → MS responded differently to quality requirements, several MS adopted complementary quality requirements.

- Quality standards do not take into account technological aspects
Submitted complaints automatically closed after 30-day legal deadline: 81%

Refused by trader: 13%

Withdrawal by one or both parties: 4%

Complaints reaching ADR: 2%
4. Future Thoughts on how to improve availability, awareness and quality

• Clear, easy accessible and understandable information → promote consumer trust

• Broaden the scope to include ability of traders to submit complaints (SME’s)

• An online go-to point for consumers to be navigated to the correct ADR/ODR scheme + access tailored information.

• Integrated approach of both legal and technological aspects in formulation of quality standards
What is important for consumers in an ODR scheme?

We tonen enkele mogelijke redenen om een klacht op Klachtenkompas te plaatsen. Wilt u per reden aangeven in hoeverre deze voor u van belang was om uw klacht op Klachtenkompas te plaatsen?

<table>
<thead>
<tr>
<th>Reason</th>
<th>Very unimportant</th>
<th>Not important</th>
<th>Neutral</th>
<th>Important</th>
<th>Very important</th>
<th>Not applicable</th>
<th>Don't know</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mijn geld teruggenomen</td>
<td>7%</td>
<td>5%</td>
<td>12%</td>
<td>17%</td>
<td>37%</td>
<td>19%</td>
<td>3%</td>
</tr>
<tr>
<td>Vervanging van het product</td>
<td>9%</td>
<td>6%</td>
<td>11%</td>
<td>13%</td>
<td>24%</td>
<td>33%</td>
<td>3%</td>
</tr>
<tr>
<td>Excuses van het bedrijf</td>
<td>4%</td>
<td>6%</td>
<td>15%</td>
<td>32%</td>
<td>37%</td>
<td>5%</td>
<td>5%</td>
</tr>
<tr>
<td>Andere mensen waarschuwen</td>
<td>3%</td>
<td>8%</td>
<td>28%</td>
<td>54%</td>
<td>4%</td>
<td>5%</td>
<td>4%</td>
</tr>
<tr>
<td>Het bedrijf beschadigen</td>
<td>17%</td>
<td>19%</td>
<td>24%</td>
<td>10%</td>
<td>7%</td>
<td>22%</td>
<td>2%</td>
</tr>
<tr>
<td>Compensatie voor geleden schade</td>
<td>7%</td>
<td>8%</td>
<td>15%</td>
<td>20%</td>
<td>30%</td>
<td>17%</td>
<td>3%</td>
</tr>
</tbody>
</table>

Warn other consumers
What are consumers’ needs when using an ODR scheme?

- Hulp/ondersteuning bij het leggen van contact met het bedrijf: 14%
- Informatie over mijn rechten en plichten: 3%
- Persoonlijk advies over de mogelijke manieren waarop ik mijn klacht kon: 8%
- Hulp/ondersteuning bij het onderhandelen met het bedrijf over de oplossing van: 35%
- Klacht openbaar maken: 34%
- Anders, namelijk: 6%
- Niet van toepassing/had nergens behoefte aan: 1%
ODR platform: future thoughts

- Include negotiation phase

- Maximize the use of the platform for policymaking
Thank you!

Questions?

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