



## EU REGULATIONS FOR DISPUTE RESOLUTION IN ECOMMERCE

If you sell goods or services online, under new EU Regulations from 15th February, your website must provide a link to the European Commission's Online Dispute Resolution (ODR) Platform.

Online traders who use Alternative Dispute Resolution (ADR) should also provide information about the ODR Platform in their contractual terms.

### HOW TO COMPLY

In order to comply with the regulations, you must provide the following information on your website:

1. a **link** to the ODR platform <http://ec.europa.eu/odr>
2. the **email address** of the online trader

The following wording may be suitable:

*"If you are a client/customer and we have made a contract with you by electronic means you may be entitled to use an EU online dispute resolution service to assist with any contractual dispute you may have with us. This service can be found at <http://ec.europa.eu/odr>. Our email address is xxxxxxx "*

### WHAT IS EU ONLINE DISPUTE RESOLUTION?

The EU website has the following explanation:

*If consumers have a complaint about a good or service they have bought, instead of going to court, they can choose Alternative Dispute Resolution (ADR). The term ADR includes all the ways of resolving a complaint which do not involve going to court.*

*Typically consumers ask a neutral third party to act as an intermediary between them and the trader; this neutral third party is called an ADR entity. The ADR entity can then suggest or impose a solution, or simply bring the two together to discuss how to find a solution. This is also known as "mediation", "conciliation", "arbitration", "ombudsman" or "complaints' board". Compared with going to court, ADR is usually quicker, simpler and costs less.*



*Online Dispute Resolution (ODR) is an ADR procedure conducted entirely online. The platform is user-friendly, multilingual and accessible to all.*

*Everything is done in four, simple steps:*

- The consumer fills in an online complaint form and submits it.*
- The complaint is sent to the relevant trader, who proposes an ADR entity to the consumer.*
- Once consumer and trader agree on an ADR entity to handle their dispute, the EU ODR platform transfers automatically the complaint to that entity.*
- The ADR entity handles the case entirely online and reaches an outcome in 90 days*

## REGULATIONS FOR TRADERS WHO USE ADR FOR RESOLVING DISPUTES

Under *The Alternative Dispute Resolution for Consumer Disputes (Competent Authorities and Information) Regulations 2015*, if a trader is required by his Trade Association or Professional Institution to use ADR in resolving disputes, the trader must provide the name and website address of the ADR entity:

- on the trader's website, if the trader has a website; and
- in the general terms and conditions of sales or service contracts between the trader and a consumer.

The ADR entity has to be one authorised by one of the organisations referred to in the Regulations, which include the Financial Conduct Authority and the Legal Services Board.

Read the information in full:

- [http://ec.europa.eu/consumers/solving\\_consumer\\_disputes/docs/adr-odr.factsheet\\_web.pdf](http://ec.europa.eu/consumers/solving_consumer_disputes/docs/adr-odr.factsheet_web.pdf)

*Giles Dixon, February 2016*