



FUTURE CHALLENGES FOR CONSUMER DISPUTE RESOLUTION

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CIVIL JUSTICE SYSTEMS

Consumer ADR in Europe

Civil Justice Systems

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Issues

- Implementation
- Maintaining technical competence and trust
- Maximising Outputs and Utility
- ADR as Market Regulation
- Conclusions

Variations in National ADR Systems and Landscapes

- Techniques: advice, information, triage, mediation/conciliation, recommendation, decision
- Structures: public, private
- Landscapes
- The Directive gives an opportunity to review
 - procedures of individual CDRs
 - the landscape of CDR bodies and to establish a vision.

The EU Vision for CDR

A comprehensive pan-EU system of CDR bodies, in every Member State, covering every type of C2B dispute

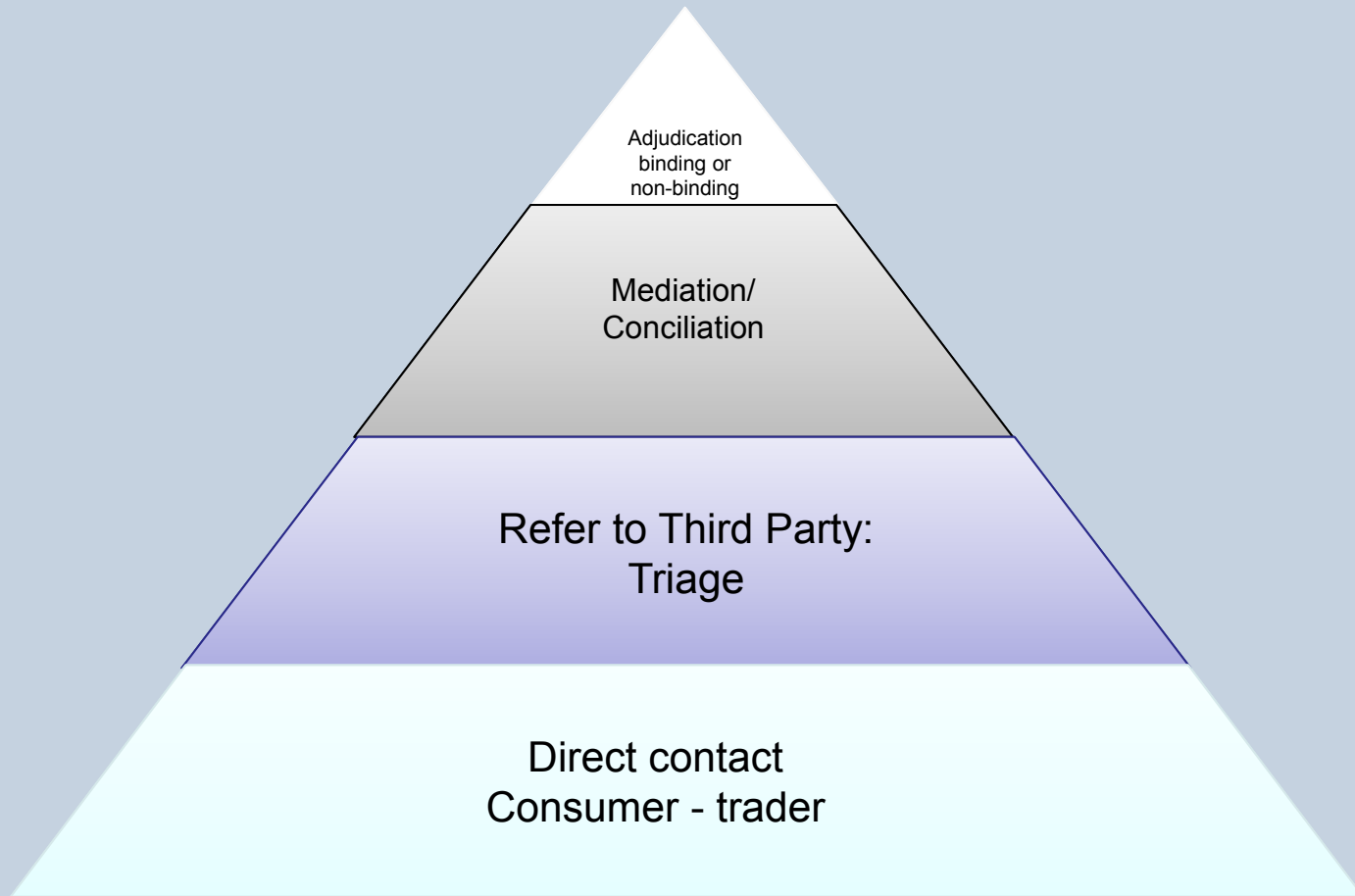
- Free to consumers, or minimal cost (art 8 (c))
- Quality of CDR bodies to be ensured by regulation:
- For cross-border disputes, an ODR platform

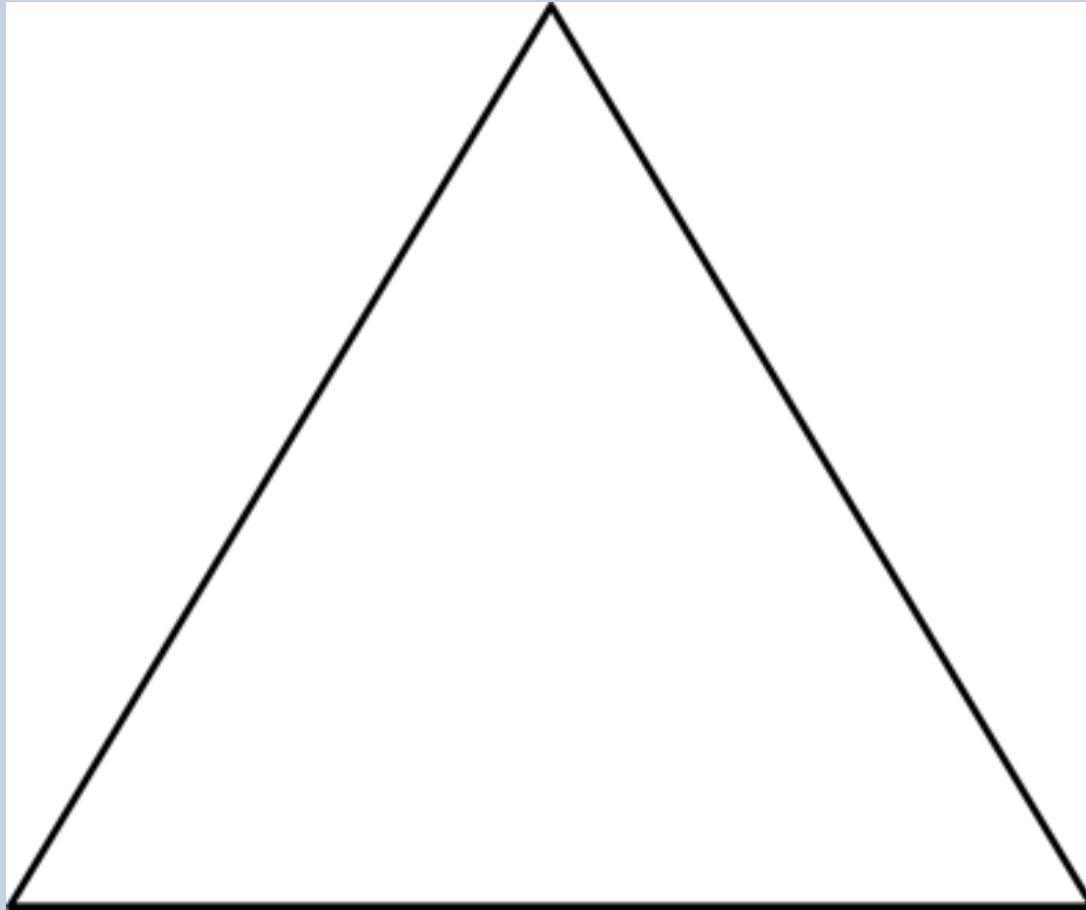
Models

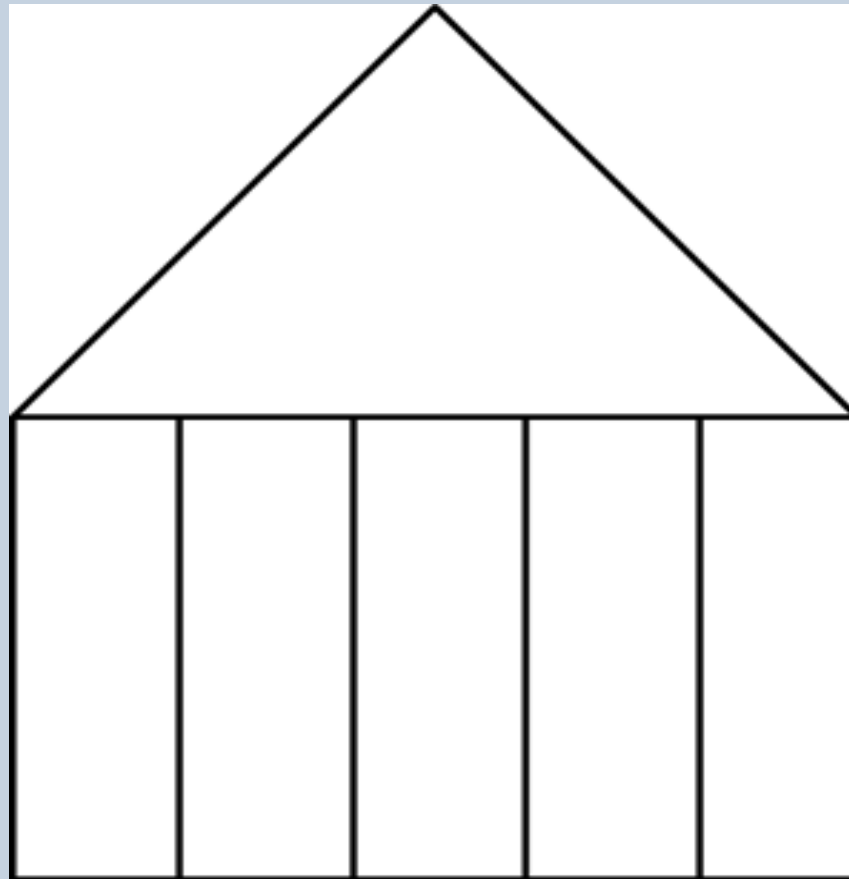
1. Arbitration/decision
2. In-house (France)
3. In-regulator
4. Ombudsman (case handlers)

Note that these models involve different *techniques* (or combinations of techniques), e.g. triage, mediation, decision

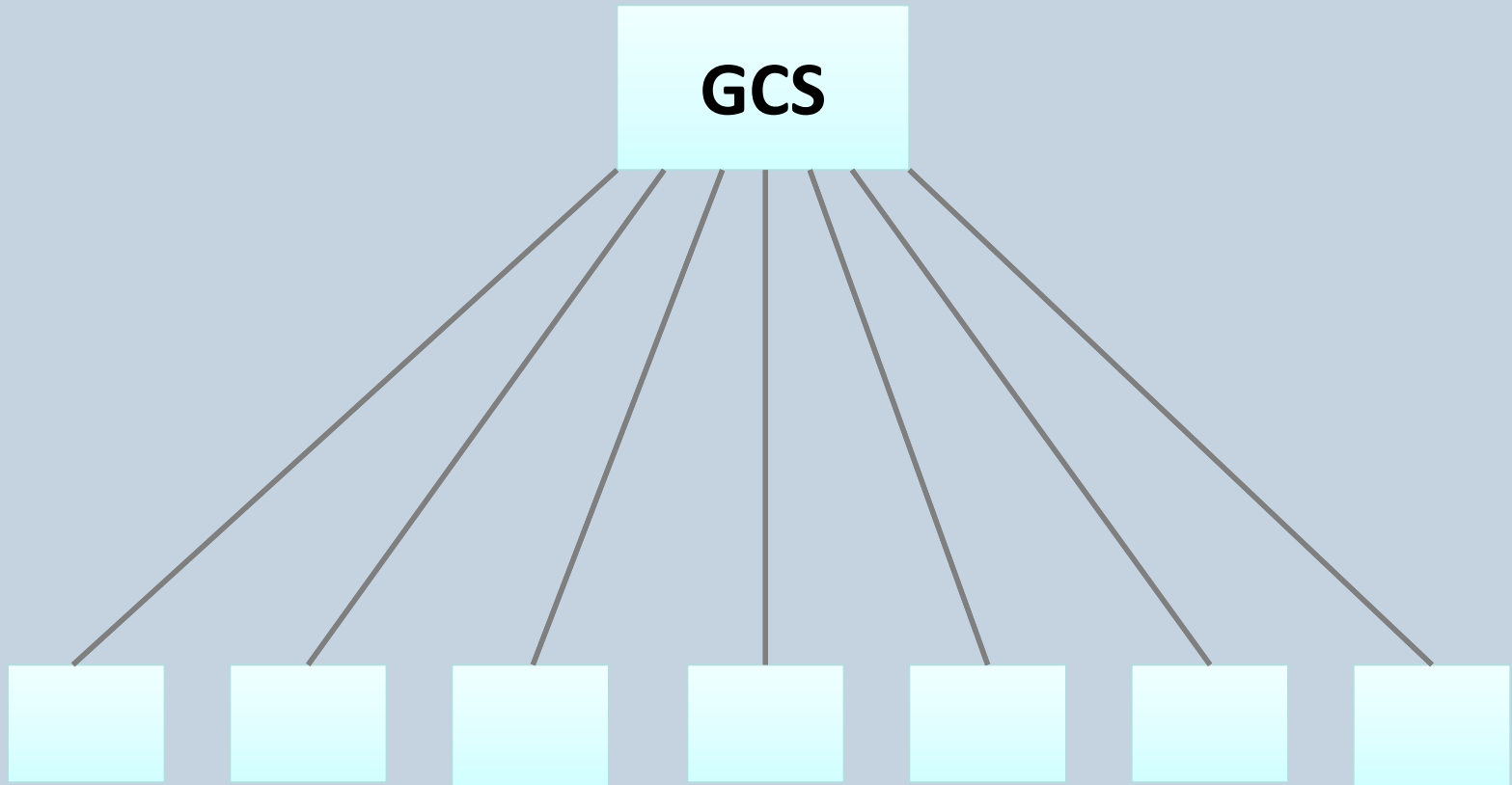
Techniques: an escalating pyramid



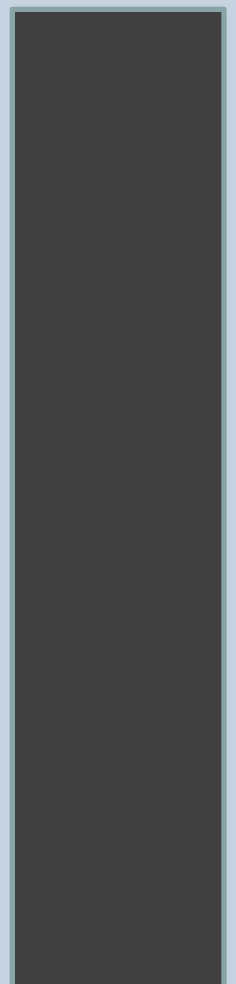
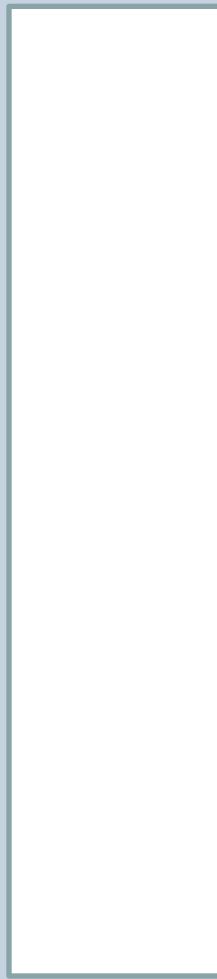
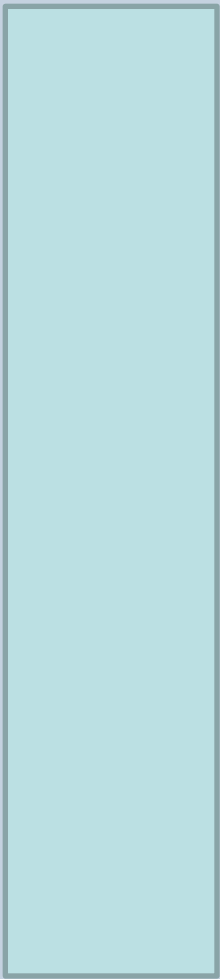




Netherlands Model



UK and Germany Model



Implementation

- Verification that transposition is correct
- But ongoing issues and opportunities
 - Improvements in design/operation of ADR
 - Fill gaps in coverage
 - Review the ADR landscape
- Lessons from implementation in Member States
 - Germany: Federal or Regional?
 - Nordics: concern over timescales
 - Netherlands: concern over pricing of residual
 - Portugal: national geographical coverage
 - UK: concern over new ADRs
 - Several: concern over filling gaps
- This is only one step forward: Need to take a long-term view – but maintain momentum

Maintaining Technical Competence and Trust

- Quality, standards and training
- Audit and verification
- Need for international standards and links
- Need for excellent governance and transparency, to maintain a high level of trust
- Need for high quality supervision by competent authority: need for international links (learning from the medical devices issues with notified bodies)

Maximising Outputs and Utility

- Extending coverage: voluntary or mandatory?
- Maximising visibility of ADR
- Maximising accessibility of ADR
- The role of Consumer DR: dispute resolution or market regulation?
- Arbitration, mediation, or Ombudsmen?

Changes to CDR landscape

Benchmarking, best practices and techniques, improvements

Innovation

- Every system
- B2B

Regulators outsource complaints,
eg most UK regulators; Civil Aviation Authority in 2015

- Focus
- Increased consumer attraction

CDR schemes covering multiple Member States, eg FOS

- Outsourcing expertise

International expansion:

- Global ODR providers
- Bilateral eg EU-China

Vertical expansion

- UN Business and Human Rights, and CSR, in commercial chains

ADR as market regulation

The Five Functions of CDR:

1. Consumer information and advice
2. Dispute resolution: individual and collective
3. Capture and Aggregation of data
4. Feedback of information
 - identification of issues and trends
 - publication
5. Pressure on market behaviour;
 - NB Dir 2013/11 art 17

Ability of ADR Models to deliver possible Outcomes

Objective	Arbitration	Ombudsman
Advice to consumers	x/√	√
Dispute resolution	√	√
Feeding back aggregated data on market trading conditions	x	√
Direct affect on traders' operations	x	√

The example of another PPI

1. Ombudsman identifies a number of similar claims – a trend
2. Ombudsman publishes information on complaints activity
3. Reactions:
 1. Traders' ability to correct
 2. Consumers' buying choices, switching
 3. Competitive response
 4. Media/market comment
 5. Regulatory scrutiny
4. Redress: regulatory power/agreement + ombudsman

Implications for the CDR landscape

1. CDRs must be visible, attractive, trustworthy, have sectoral expertise
2. If the object is to collect comprehensive market data, there can only be one (or a few, linked) CDRs, because there must be a concise, unified, visible, easily memorable structure
3. Similar procedures, or justified differences
4. Linkage between CDRs
5. Single portal, like Belgium
6. Move to a Consumer Ombudsman model:
 1. Migrate sectoral arbitration ADRs to Ombudsman
 2. Outsource Regulators' complaints Departments

Implications for justice systems

1. Unified approach to complaints against public services (public sector Ombudsman)
2. Expand ADR:
 - Improved response to healthcare complaints and personal injury compensation
 - Resolution of employment, family, etc disputes
3. Cross-border CDRs
4. Implications for court systems



FPS Economy, S.M.E.s, Self-employed and Energy



	Consumer protection	Enterprises & Self-employed	Statistics & Analyses	About the FPS Economy
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» Consumer disputes

» Belmed

» What is it?

» Frequently asked questions

» Legislation

» Tips

» Complaints

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Belmed

What is it?

- » Follow the guide
- » Who can help you in the sector in which you encounter a problem?
- » (Extrajudicial) alternative settlement options

Frequently asked questions

Legislation

Tips

You are a private individual and you have a problem with a tradesman...
You are a tradesman and you have a problem with a consumer...

And you want to solve your problem quickly and at a lower cost.

You have come to the right place! Belmed will help you find a solution to your dispute.

Belmed: sectors concerned

If your problem is connected to energy, to travel, to financial services, to second-hand cars, to furniture, to the building sector or if you are confronted with a cross-border dispute.

Then you can [make a request for mediation](#).

Success stories



Have a look at [some agreements](#) already got in some sectors.

Online services

» [Belmed – Online Mediation](#)

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