

Incentives for Effective Consumer Redress in the EU

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1. Brief summary of what the research is about.	With the goal of increasing trust in e-commerce, especially in cross-border low-value transactions, the EU and the UN are bringing forward regulatory initiatives that promote the use of Online Dispute Resolution (ODR). ODR provides electronic access to informal non-judicial redress methods commonly referred to as Alternative Dispute Resolution (ADR), such as mediation, arbitration and ombudsman schemes. Although ODR is nearly always the only feasible option for settling typically low-value consumer complaints arising from e-commerce, it has been underused because most ADR schemes have not yet streamlined their processes online and the participation of businesses in these schemes remains voluntary in many economic sectors. This project evaluates the main consumer ADR schemes operating in Italy, Spain and the UK. These schemes are currently adapting their processes to the European legislation and to a society progressively interacting in the digital sphere. Qualitative research based on interviews will be conducted with stakeholders representing ADR schemes, technology intermediaries, consumers, businesses, and policy makers in order to extract and contrast best practices that will inform existing ADR schemes, which will soon be legally required to process complaints online. This project critically analyses the following four research questions: (i) how the selected traditional ADR schemes are implementing ODR technology; and incorporate key built-in incentives in their system	

	design that, inter alia, (ii) increase access to redress processes while discouraging unmeritorious claims; (iii) facilitate voluntary compliance of final outcomes; and (iv) encourage traders to tackle causes of complaints as well as consequences.
2. What are the research questions?	RQ1. What adjustments are necessary for national ADR mechanisms to process online complaints, particularly those that arise in e-commerce settings? RQ2. How can ADR schemes implement in practice a balance between improved access to redress and the discouragement of unmeritorious claims? RQ3. How should ADR schemes incentivise traders to tackle causes of complaints as well as consequences? RQ4. How can ADR schemes promote extrajudicial compliance of final resolutions?
3. What, if any, outputs so far?	“Online Dispute resolution for Businesses – Embedding Online Dispute Resolution in the Civil Justice System of the EU” in <i>Online Dispute Resolution: An International Business Approach to Solving Consumer Complaints</i> (Author House, 2015) forthcoming. “European Union’s Initiatives on ADR and ODR” 21 (2015) <i>Computer and Telecommunications Law Review</i> forthcoming. “Enforcing EU Consumer Policy More Effectively: A Three-Pronged Approach” in S. Drake and M. Smith in <i>Effective Enforcement of EU Law and Policy</i> (Edward Elgar, 2015) forthcoming. “The Impact of EU Law in the ADR Landscape in Italy, Spain and the UK: Time for Change or Missed Opportunity?” 16(2) (2015) <i>ERA Forum</i> 125–147.
4. What outputs are planned?	Monograph: <i>The Law of Consumer Redress in an Evolving Digital Market: Upgrading from Alternative to Online Dispute Resolution</i> (Cambridge University Press, 2016) forthcoming.

	Edited book: The New Regulatory Framework for Consumer Dispute Resolution (Oxford University Press, 2016) forthcoming.
5. What is the anticipated impact?	This project will have the following key beneficiaries: • Stakeholders within the civil justice system: ombudsmen, arbitrators, mediators, ADR schemes, lawyers, public enforcement bodies and courts. • Policy-makers within the EC, the governments of the Member States, and public accreditation agencies that monitor ADR schemes. • Researchers in the field of consumer redress and the general public (i.e. consumers and businesses). The findings of how consumer redress schemes operate in Italy, Spain and the UK in light of the new ADR Directive can provide key comparisons based on the benchmark set by the minimum harmonization required by the ADR Directive. It aims to help to elucidate what works best in terms of providing access to redress for consumers and refer cases to the most appropriate dispute resolution mechanism, including when necessary courts and public enforcement agencies. This project also aims to inform law reform and to propose refinements or revisions to policy guidance in light of the evidence provided by the empirical findings.
6. Comments / additional information / requests for data or input from the broader administrative justice community	