Online dispute resolution for consumer disputes (Regulation on consumer ODR)

2011/0374(COD) - 13/12/2017 - Follow-up document

The Commission presented a report on the functioning of the European Online Dispute Resolution platform established under Regulation (EU) No 524/2013 on online dispute resolution for consumer disputes.

The present communication complies with the obligation laid down in Article 21 of the ODR Regulation to report on the functioning of the ODR platform.

In particular, it details:

- the steps taken for the establishment of the ODR platform and provides the European Parliament and the Council with an **overview of its first year of operation;**
- the actions planned by the Commission to ensure the platform's continued proper functioning and to further enhance its contribution to the development of the Digital Single Market.

As a reminder, the ODR platform was launched in January 2016 and opened to the public on 15 February 2016. Its main aim is to facilitate the online resolution of disputes between consumers and traders over online transactions.

Implementation of the Alternative Dispute Resolution (ADR) Directive: the report stressed that Member States' compliance with the legal framework governing ADR/ODR is an essential condition for the functioning and effective operation of the ODR platform. To date, all Member States with the exception of Spain have communicated to the Commission that they have fully implemented the Directive on consumer ADR.

To date a significant number of ADR bodies have been registered on the platform showing that the system is fully operational: currently more than 300 ADR bodies from 26 Member States can be accessed through the platform. Moreover, all 28 Member States have designated their national ODR contact points to assist the users of the platform and inform consumers about their options to obtain redress.

On 1 July 2017, the ADR/ODR legislation became applicable to the EEA/EFTA States (Norway, Iceland and Lichtenstein).

It is important to stress that while there is **no obligation for traders to use ADR** in respect of individual consumer complaints, online traders are under an obligation to include a link to the ODR platform on their website. However, an analysis of traders' compliance with the obligation to provide an easily accessible link to the platform and their email address on their website shows encouraging results that can however be significantly improved. The results showed a compliance rate of 30% where the ODR link has been found on the web shops of e-commerce traders' established in the EU. The presence of the ODR link differs across countries, sectors and differently-sized web shops. The Commission will liaise with Member States to support them in the coming months to enhance traders' compliance in this regard.

Complaints lodged in its first year of implementation: during the 12 months covered by this report some 1.9 million people visited the platform. On average the website received over 160 000 unique

visitors per month, and more than 2 000 complaints were submitted per month on average. These data show that the platform has reached a **considerable level of coverage and uptake**; it also illustrates the significant awareness and interest the platform enjoys with EU consumers and business.

More than 24 000 complaints were submitted on the platform in its first year of operation. The most complained about sectors were consumer clothing and footwear (11.5%), airline tickets (8.5%), and information and communication technology goods (8%) which also represent the main e-commerce sectors in the EU. The main reasons why consumers complained were linked to problems with the **delivery of the goods** (21%), followed by non-conformity with the order (15%) and problems with defective goods (12%). 1/3 of complaints related to a cross-border issue.

Germany and UK, where the **proportion of e-shoppers is the highest** in EU, are the two countries where most complaints have been lodged and also where most traders concerned are located.

About 44% of the overall number of complaints was solved in successful bilateral negotiation between traders and consumers.

Conclusion: the platform's structural functionality and its impressive reach among consumers in its first year of operation is **very positive**. The platform's main functions work properly. The Commission will work with national authorities to **improve compliance** by traders with their obligation to link to the ODR platform on their website. It has also started to take action to encourage traders to cooperate more on the platform including by giving **feedback** when they solve the issues outside the platform. Communication activities to further promote the ODR platform amongst consumers and traders will be launched in 2017.