

Online Retailers Q&A: Are You Ready for ODR?

February 15, 2016

Part of the European Commission's Digital Single Market initiative is not only to encourage cross-border trade, but also cross-border alternative dispute resolution ("ADR") and today, (15 February 2016) after a five-week delay, it finally launches its European online dispute resolution ("ODR") platform.

Q1: What is it?

A1: An interactive, multilingual platform that it will allow consumers, traders and ADR providers to handle cross-border disputes. Basically, instead of going to court to settle a dispute with an online retailer, consumers can choose ADR and using the ODR platform will allow them to conduct everything online.

Q2: How does this affect online retailers?

A2: By 15 February 2016, all online traders who "intend to enter into online sales contracts or online service contracts with consumers" via their own website within the EU must provide its consumers with an "easily accessible" link to the European ODR platform, which should be located in a "prominent position".

Q3: Is that it?

A3: Not quite, as an online retailer you must:

- **Provide** customers with a contact e-mail address and a link to the platform;
- **Inform** consumers of the existence of platform and the possibility to use the platform;
- **Include** this information in your standard terms and conditions of sale and in any e-mails sent to customers which include a commercial offer; and
- **Check** whether you are obliged to use ADR, for example, as a member of a trade scheme.

Q4: What if you don't?

A4: Non-compliance could result in Trading Standards civil enforcement, which could escalate into a court order to comply. Failure to do so can result in an unlimited fine or up to two years in prison. The applicable legislation is the European Regulation on Online Dispute Resolution ("ERODR"). Member States will be responsible for laying down the rules on penalties applicable to infringements, which "shall be effective, proportionate and dissuasive". There are rumours of fines being implemented for non-compliance, but these remain rumours for now.

Q5: Where can you learn more?

A5: We've provided some useful links below, or contact one of the authors for additional information or assistance.

- [The Platform](#)
- [BIS guidance](#)
- [Trading Standards List of ADR approved bodies](#)
- [The Legislation](#)

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