



ONLINE DISPUTE RESOLUTION FACTSHEET

BACKGROUND

Online Dispute Resolution (ODR) refers to the facilitation of dispute resolution using online technology, for sales that have been made online.

The European Commission was tasked with assisting both customers and firms selling online, in resolving issues that come from online trade. Primarily, this initiative is aimed at assisting in sales disputes where the customer and firm are based in different countries within the EU. The aim is to have a central pan-European website, where the customer or firm would be able to log its complaint and, the service would put them in touch with the relevant authority, such as the Financial Ombudsman Service (FOS).

The link below provides more information from the European Commission on settling consumer disputes:

http://ec.europa.eu/consumers/solving_consumer_disputes/docs/adr-odr.factsheet_web.pdf

THE ODR PLATFORM

With effect from 15 February 2016, the European Commission set up an online platform referred to as the ODR platform. This enables customers who have a complaint about a product or service purchased online to submit the complaint via the online platform.

This applies to all firms that make online sales, whether via a website or simply via email.

WHAT DO YOU NEED TO DO?

- Provide a link on your website to the ODR Platform <https://webgate.ec.europa.eu/odr/main/index.cfm?event=main.home.show&lng=EN>
- In addition, all online traders must state their email address on their website (an online contact form that does not show the email address is not sufficient to meet this requirement).

This information is expected to be shown alongside your existing complaints procedure or, where the FOS website link is located.

You may wish to use the following wording after you have explained to customers about the FOS:

“We are also required to inform you of the availability of the Online Dispute Resolution Platform to assist you if we are unable to resolve your complaint. However, this service will refer your complaint to the Financial Ombudsman Service, so you may instead wish to contact them directly. More information is available on their website:

<https://webgate.ec.europa.eu/odr/main/index.cfm?event=main.home.show&lng=EN>

You should also provide a link to the ODR platform in all marketing materials (but not social media).

This is not an FCA edict, so you are subject to the Chartered Trading Standards Institute for non-compliance. They will work with firms who are found not to be complying with these requirements.

If you are uncertain as to whether this applies to your firm, you should make contact with your Risk & Compliance Consultant or the Compliance Helpdesk on 0344 346 1342 or email compliance@brokernetwork.co.uk

If this does apply to your firm, you should ensure your website is updated. For Members whose website is hosted by Broker Network, please contact the Marketing Team for assistance bdigitalmarketing@brokernetwork.co.uk

Q&A

Q1

What does the abbreviation ODR refer to?

ODR is an abbreviation of Online Dispute Resolution

Q2

Which firms does the ODR apply to?

All firms that make online sales whether via website or simply via email

Q3

Where should the link to the ODR platform be displayed?

This is expected to be shown alongside your existing complaints procedure or where the FOS website link is located.

Q4

Where else should the ODR platform link be shown?

On all marketing email but not social media.

Q5

Who created the ODR Platform and when did this come into force?

The European Commission set up the ODR and came into effect on 15 February 2016.