

2<sup>nd</sup> World Conference On Business, Economics And Management- WCBEM 2013

## Alternative Dispute Resolution Systems across the European Union, Iceland and Norway

Laine Fogh Knudsen<sup>a</sup>\*, Signe Balina<sup>b</sup>

<sup>a</sup>University of Latvia, Faculty of Economics and Management, Aspazijas blvd. 5, Riga, LV 1050, Latvia

<sup>b</sup>University of Latvia, Faculty of Economics and Management, Aspazijas blvd. 5, Riga, LV 1050, Latvia

---

### Abstract

Alternative dispute resolution schemes (ADR) have been developed differently across the EU. It is difficult to determine which of the countries have developed the most successful schemes. Therefore the aim of this article is to summarize different organizational aspects of ADR schemes across the EU, to determine similarities across different countries and to define them in specific systems. Defining these schemes in systems will not only help to evaluate and compare ADR schemes and their success between different countries but will help also professionals, governments and other stakeholders to develop more effective ADR schemes across the EU, Iceland and Norway.

© 2014 The Authors. Published by Elsevier Ltd. Open access under [CC BY-NC-ND license](https://creativecommons.org/licenses/by-nc-nd/4.0/).  
Selection and peer review under responsibility of Organizing Committee of BEM 2013.

*Keywords:* Alternative dispute resolution, consumer cross-border protection;

---

### 1. Introduction

The European Commission (hereafter *the EC*) considers that improving consumer confidence in online cross-border shopping by taking appropriate policy action could provide a major boost to economic growth in Europe, because empowered and confident consumers can drive forward the European economy. Empowered consumers who can rely on a robust framework ensuring their safety, information, education, rights, means of redress and enforcement, can actively participate in the market and make it work for them by exercising their power of choice and by having their rights properly enforced. (EUR-Lex, 2011; European Commission, 2012)

Therefore the EC has established different means to ensure a high level of consumer protection all over the European Union (hereafter *the EU*) and *alternative dispute resolution* (hereafter *ADR*) schemes is considered and promoted as one of the most effective consumer complaint solution methods. ADR schemes are known as out-of-court mechanisms, which have been developed across Europe to help citizens who have a dispute, but who have been unable to reach an agreement directly with the trader. ADR schemes usually use a third party such as an arbitrator, mediator or an ombudsman to help the consumer and the trader to reach an amicable settlement. The advantages of ADR schemes are that they offer more flexibility; they are cheaper, quicker and more informal than

---

\* Corresponding Author: Laine Fogh Knudsen. Tel.: +371 29865951  
E-mail address: [lainefoghknudsen@gmail.com](mailto:lainefoghknudsen@gmail.com)

going to court, and by means of ADR schemes the needs of both consumers and professionals can be met better. (EUR-Lex, 2007; European Commission, 2011)

In Europe some of the ADR methods have been used already in ancient period. While in some European countries ADR schemes have a long and successful history of development, but in others they are novelty. The diverse levels of country development, culture and traditions, politics, the economy and other factors have determined that ADR schemes have evolved differently in each of the EU Member States. (The Lawyers & Jurists, 2012)

In 2009 it was concluded by the EC that there were 750 ADR schemes available in the EU for resolution of consumer complaints. (European Commission, 2009) Although this author's research in 2012 revealed that the number of ADR organizations in the EU is less than 750 (Knudsen, 2012), the number of ADR schemes still is high and it is difficult to determine which of the countries have developed these schemes most successfully, because literature do not provide a summary nor comparisons of various organizational aspects of ADR schemes nor their performance. Thus it makes it difficult to analyse the efficiency of ADR mechanism practices chosen by countries, which are used for resolution of consumer national and consumer cross-border complaints, as well as to elaborate on their future development.

Therefore, the purpose of this article is to summarize various organizational principles of ADR schemes resolving consumer disputes in all EU countries, Iceland and Norway, to define their common and distinctive features and to detect if there are common functioning patterns of consumer ADR organizations available in different countries.

## **2. Methods**

The author of the article has used empirical, quantitative and qualitative research perspectives and used primary and secondary data (European Commission, 2006; European Commission, 2007; European Commission, 2009; European Consumer Centre Denmark, 2009; European Parliament, 2011; Nordic Council of Ministers, 2002; Reilly, 2004; Rozdeicze, 2006). ADR schemes were chosen for summarizing and comparing organizational principles mostly by using categories of classification of consumer ADR organizations (Knudsen, 2011). Those were: number of ADRs in country, notification type and number of notified ADR schemes under the EC Recommendations 98/257/EC and 2001/310/EC, organization type, funding type, geographical competence, sectorial competence, legislative procedural type, character of decision, character of trader participation, type of procedural communication, origin of the complaint, limitations of value the of dispute and participation fee. When analysing the results, statistical and analytical methods were used.

## **3. Findings and Results**

After comparing various organizational principles, it was concluded that it is possible to find common features and operating principles for ADR organizations in the field of consumer dispute resolution in different countries, as well as include them in certain contexts. The analysis of different aspects of consumer ADR schemes' operational principles within each country revealed that evident similarities can be identified within geographical and sectorial competences, which were accompanied in some cases with similarities in organizational and funding types as well as procedural types. Overall ADR organizations' principles throughout the EU, Iceland and Norway can be characterized by seven systems. For better understanding of the characteristic features of each system, one must consider how the system works.

### *3.1. Sectorial System*

The sectorial system is characterized by ADR organizations with national competence, which is developed to deal with consumer disputes only in certain sectors such as insurance, banking services, tourism services, postal services etc. Such systems have the advantages that case handlers are experts in their sector and have knowledge about peculiarities of the sector, which helps to assess and to determine the most appropriate legislation for specific disputes and make competent decisions. One of the weaknesses of this system is that the ADR entities may be funded entirely by traders, which can threaten the impartiality of the decisions. Another disadvantage of this system

متن کامل مقاله

دریافت فوری ←

**ISI**Articles

مرجع مقالات تخصصی ایران

- ✓ امکان دانلود نسخه تمام متن مقالات انگلیسی
- ✓ امکان دانلود نسخه ترجمه شده مقالات
- ✓ پذیرش سفارش ترجمه تخصصی
- ✓ امکان جستجو در آرشیو جامعی از صدها موضوع و هزاران مقاله
- ✓ امکان دانلود رایگان ۲ صفحه اول هر مقاله
- ✓ امکان پرداخت اینترنتی با کلیه کارت های عضو شتاب
- ✓ دانلود فوری مقاله پس از پرداخت آنلاین
- ✓ پشتیبانی کامل خرید با بهره مندی از سیستم هوشمند رهگیری سفارشات