

**Online Dispute Resolution Technologies** 

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# **Summary**

In 2020, Russia launched a project aimed at analyzing existing online dispute resolution (ODR) technologies in APEC economies. The premises for the project were both the trends that the economies faced including during the COVID-19 pandemic as well as the progress reached in APEC on boosting the ODR agenda.

Although MSMEs account for over 97% of APEC businesses they continue to face significant hurdles when it comes to access to justice in cross-border transactions. ABAC communications demonstrated that dispute resolution remains one of the main challenges for trading, while sustainability and growth of MSMEs is very much dependent on the culture of dispute resolution and the way they interact with their counterparties.

In order to build trust in e-commerce, providing sufficient instruments to solve complaints, contradictions, and disputes online, in 2019 APEC agreed to the APEC Collaborative Framework for ODR of Cross-Border B2B Disputes. The ultimate goal of the Framework is raising businesses' awareness of platforms offering online negotiation, mediation and arbitration in the APEC region and giving them an idea of how they may ensure the smooth online resolution of business-to-business claims, if any. One step towards such a goal is understanding what ODR solutions are currently in place, whether there is a favorable legal framework for their functioning and what are the obstacles for their further development and application.

The Summary Report offers an **overview of trends regarding ODR technologies' application** in the APEC region as well as provides more detailed economies' profiles based on the responses received to the survey conducted as part of the project.

## Introduction

The report is based on the responses received from eight member economies (40% of the 21 APEC economies), one more economy was taken into account based on data provided by the Russian Foreign Trade Academy of the Ministry of Economic Development of the Russian Federation (RFTA).

Information was received both from the economies, which have been showing a high degree of interest and motivation in online dispute resolution dynamic development in recent years, and from those who are still at the beginning stages of ODR implementation.

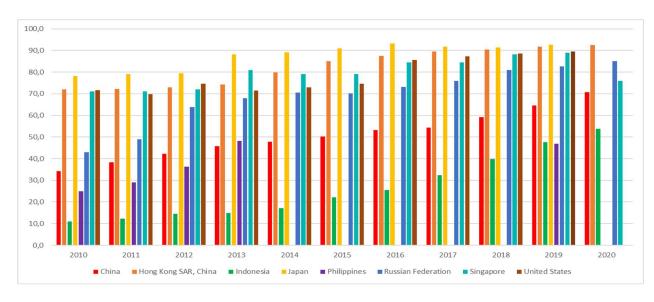
Although not all economies completed the questionnaires regarding the existing state of affairs in the field of ODR in the Asia-Pacific, the results of the survey and open source desk research allow us to draw some qualitative conclusions, which can be, to a greater or lesser extent, extrapolated to the rest of the world.

# I. Accessibility and inclusivity of ODR within APEC economies

Even though the region is home to world leading ODR providers, the uneven access to technical means and to the Internet in different economies obviously lowers the possibility of ODR as an inclusive method of dispute resolution. Analysis of the feedback from the economies and the data provided by World Bank show that there is a **strong connection between the level of Internet penetration and ODR development in the region**. For example, Indonesia and the Philippines, where the level of Internet infrastructure development is comparatively lower than other respondent economies, are at the early stage of the ODR mechanisms' and relevant service providers' development.

**Table 1. Individuals using internet by economy** (% of population)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
China	34,3	38,3	42,3	45,8	47,9	50,3	53,2	54,3	59,2	64,6	70,6
Hong Kong, China	72,0	72,2	72,9	74,2	79,9	84,9	87,5	89,4	90,5	91,7	92,4
Indonesia	10,9	12,3	14,5	14,9	17,1	22,1	25,4	32,3	39,9	47,7	53,7
Japan	78,2	79,1	79,5	88,2	89,1	91,1	93,2	91,7	91,3	92,7	-
The Philippines	25,0	29,0	36,2	48,1	-	-	-	-	-	46,9	-
Russian Federation	43,0	49,0	63,8	68,0	70,5	70,1	73,1	76,0	80,9	82,6	85,0
Singapore	71,0	71,0	72,0	80,9	79,0	79,0	84,5	84,5	88,2	88,9	75,9
United States	71,7	69,7	74,7	71,4	73,0	74,6	85,5	87,3	88,5	89,4	-



\*Source: data provided by World Bank

At the same time, the member economies who are considered to have a significant level of ODR development, namely China, Japan, Singapore, United States, show higher level of the Internet penetration (Table 1). From the point of accessibility, **low level of digital literacy** is also a significant **barrier to ODR development**. Ignoring these issues increases the risks of inequality in accessibility of ODR.

Results of the survey similarly indicate that there is a **high interest in systematized and reliable information about successfully functioning ODR platforms**, despite the fact that this issue has long been in the public eye. All respondents, to a greater or lesser extent, pay attention to the need to inform and educate individuals and various professional groups about ODR. This is one of the defining elements in success and relevance of ODR. At the same time, the development of the digital infrastructure required for the ODR practical application is crucial for dissemination of knowledge on it.

# II. ODR legislative development within APEC economies

In China ODR is regulated by various laws including: the E-commerce Law, Electronic Signature Law; E-Commerce Model Specifications, Online Shopping Service Specification, and Opinions on Promoting the Regulated Development of E-Commerce issued by the Ministry of Commerce; Provisions of the Supreme People's Court on Several Issues concerning the Trial of Cases by Internet Courts, etc.

In the USA the Alternative Dispute Resolution Act of 1998 mandates that all federal courts undertake alternative dispute resolution programs, improve existing programs, and appoint judicial officers to supervise ADR procedures in court. The Uniform Mediation Act, completed in 2001, and edited in 2003, has been adopted in 13 states out of 50. Most of the states regulate arbitration and mediation based on local legal acts. Each state has its own regulation for mediation, ADR and ODR. The most advanced are Michigan and New Mexico, and it is applied less in other states, for example, New York.

By far, **legislation is the main challenge on the path of ODR development**. Today there is no legislation regulating ODR specifically in any of the economies. It is either completely absent in the legal field, or regulated indirectly through the legal framework governing **Alternative Dispute Resolution (ADR)**, consumer protection, etc. It is impossible to unambiguously answer the question whether this limited legal framework benefits ODR or it is an obstacle to its development. The answer depends on the legal culture and traditions of a particular society, the preconditions for development of the legal framework. In some economies, the development of the legal framework is probably preferable at early stages as an institutional nudge. Moreover, all the respondents emphasize the need for legislation in order to make ODR more reliable, and thus more widespread.

Article 72 of the Attorney Act of **Japan** provides that no person other than an attorney may engage in the business of handling arbitration matters, aiding in conciliation or acting as an intermediary in such matters, unless otherwise specified in other laws.

Moreover, some of the economies have regulations that directly hinder ODR. **The issue of validity, bindingness of agreements and decisions are to be dealt by legislators** in order to boost ODR development. Due to the growth of the Internet use, number of

transactions made online, widespread digitalization, and the consequences of the COVID-19 pandemic ODR may become more prevalent way of resolving disputes. It is crucial not to miss the opportunity and unveil the opportunities that can and should be provided by the ODR instruments as the most technologically advanced means of the ADR.

# III. COVID-19 impact on ODR development

During the current COVID-19 breakout, **Indonesia** started to hold arbitration proceedings online. Capital market disputes administered by the Indonesian Capital Market Arbitration Board (BAPMI), which traditionally take place offline, are currently held through teleconference.

**The American Arbitration Association** (AAA-ICDR) also conducts mediation and arbitration procedures via videoconferencing.

In response to the COVID-19 pandemic, the Courts in **Singapore** introduced the use of video and teleconferencing for the conduct of hearings. Outside of the Courts, the Singapore International Arbitration Centre (SIAC), the Singapore International Mediation Centre (SIMC) and the Singapore Mediation Centre (SMC) offer online arbitration and mediation. Maxwell Chambers, an alternative dispute resolution (ADR) hearing facility in Singapore, also provides virtual ADR hearings.

In the Philippines the Judiciary and certain regulatory agencies (e.g. Construction Industry Arbitration Commission and Intellectual Property Office) instituted the use of online hearings with the onset of COVID-19 pandemic.

The pandemic had a dramatic impact on digital economy and e-commerce, as the majority of activities, including trade and retail, moved online. Against this backdrop, global Internet bandwidth rose by 35 per cent in 2020, the largest one-year increase since 2013. The boost that COVID-19 gave to e-commerce undoubtedly fostered ODR development, particularly within the scope of cross-border disputes. There is a clear tendency towards the increasing use of ODR as technological solutions incorporated into legal proceedings – Legal Tech. In a number of economies, there is a widespread practice of inclusion of ODRs in the operation of courts, creation of online courts and online private mediation systems.

eBRAM Centre has been engaged by the government of Hong Kong, China to provide ODR services under the COVID-19 ODR Scheme (Scheme). The Scheme was announced by Hong Kong, China in April 2020, which aims to provide speedy and cost-effective means for the general public and businesses in Hong Kong, China to resolve global and local COVID-19 related disputes of value not exceeding HK\$500,000 (\$64,000). It is in line with the APEC Framework and its Model Procedural Rules, with MSMEs as the major beneficiary. It is noteworthy that it is not limited to B2B disputes only. Under the Scheme, each party has to pay a very low fee of HK\$200 as a registration fee, and the fees for mediators and arbitrators are to be paid by the government of Hong Kong, China.

The ASEAN Committee of Consumer Protection (ACCP) is ultimately looking to develop **the ASEAN Online Dispute Resolution Network by 2025**. In addition to developing the guidelines, the committee has undertaken a pilot testing of the ACCP Online Complaints Function which is embedded in the ACCP website. The Function is expected to be launched in early 2022.

Based on the research, there is a **considerable number of successful ODR providers**, which are fully or partially subsidized or in any other way supported by the governments–a trend upheld during the pandemic. Meanwhile large corporations, due to their scale in various areas of the IT-based business, continued to retain leadership in the use of technology in dispute resolution.

There has also appeared a trend of incorporating **ODR into e-government services** and integrational associations' websites. It is considered to be a beneficial measure to promote ODR, as apart from drawing attention to ODR from a cross-border disputes perspective, it also provides more trust for ODR platforms.

# IV. ODR providers' overview

The desk-research analysis conducted by the authors of the report with the aim to dig deeper into the range of services offered by the ODR providers, which included more than 160 platforms, showed that **video conference** is a **prevailing technology in the sphere**<sup>1</sup>.

<sup>&</sup>lt;sup>1</sup> Analyzed sources: National Center for Technology and Dispute Resolution. Provider List. <a href="https://odr.info/provider-list/">https://odr.info/provider-list/</a>; Internet Corporation for Assigned Names and Numbers. List of Approved Dispute Resolution Service Providers.

The majority of the projects provide dispute resolution via web forms. However, there is a **considerable number of providers that still use email correspondence**.

On the other hand, there is the **pioneering minority of providers that implement AI and algorithms, blockchain, cloud and BigData** and other technologies in delivering dispute resolution (e.g. eBRAM, Modria, SmartSettle, CyberSettle, VitualCourthouse, BankroTech, Kleros, Aragon).

In fact, innovation turns out to be crucial for ODR making the latter more time and cost effective and thus attracting more stakeholders. It is recommended for economies' providers to implement Legal Tech to develop more inclusive and user-centric ODR. Considering legislative challenges, more Legal Tech solutions can be tested within regulatory sandboxes.

# V. ODR development perspectives

The questionnaire responses revealed general **absence of a centralized coordinating agent** (either governmental or non-governmental one), which would hold and share complete information about the ODR systems existing in the economy and their providers. There is no possibility of qualitative monitoring of the ODR services both at the level of individual economies and within the APEC region. In this regard, it may be helpful to come up with a proposal **to create or define in each economy a coordinating agent**, to which all information about the ODR would flow. The functions and the scale of powers of such authority is yet to be discussed as there is a possibility that a supervisory control body will not contribute to private initiative in the development of ODR, moreover, the assumption of this function by such agent in the lack of relevant expertise may be found destructive.

Another issue to address is **the absence of statistics on the ODR application by MSMEs**. According to the received feedback, either economies lack such statistics or regional MSMEs have no access to ODR at all, even though ODR is seen as a universal, less costly mechanism of dispute resolution. Combined with inadequate efforts to raise awareness of ODR, absence of publicly open statistical information causes business enterprises to doubt the integrity and the benefit of ODR. Therefore, it seems preferable **to appoint a coordinating agent** mentioned above, **supported by the relevant research institutes** to **conduct research** on this issue in the economies with soundly operating ODR providers.

All above mentioned only proves the dramatic significance of the APEC ODR Collaborative Framework for the development of ODR in the region. Spreading the knowledge and trust for the Legal Tech will result in greater confidence of MSMEs in e-commerce while encouraging providers to innovate and advance their services. Ultimately, this will boost the development of ODR within APEC economies.

## Conclusion

Overall, it appears that despite the remarkable progress made by the member economies, due to the novelty of the issue, **economies are on the verge of revealing the ODR potential**, with its full role and value yet to be discovered.

It should come as no surprise that there is **no unified, common definition of "online dispute resolution"**. This issue can be found challenging to resolve, due to constantly emerging new trends in the development of technologies, and ODR respectively. Moreover, ODR is not only the integration of information technology into the processes associated with the disputes resolution, but, first and foremost, it is a **paradigm change in the dispute resolution system**. It is assumed that technological solutions are to facilitate and improve the settlement process, thus becoming a new "fourth participant" in the dispute resolution process.

For that to happen, it is **crucial that member economies continue to raise awareness on successful ODR practices**, create effective legislation, and improve ODR-related infrastructure. In this context the APEC Collaborative Framework for Online Dispute Resolution and the Satellite Website launched under its guise come as a promising platform for accumulating ODR development principles and recommendations, reliable information regarding ODR providers' services and opportunities for further capacity building, including between ODR providers.

# **Annex: Economies' profiles**

# People's Republic of China

### **ODR** regulation

In China, notwithstanding the **absence of specific ODR law**, there are certain **relevant separate laws**, **regulations and judicial interpretations**. Additionally, the ODR practice is also subject to the general legal framework applicable to traditional dispute settlement. The separate laws appertaining to ODR include the E-commerce Law, Electronic Signature Law; E-Commerce Model Specifications, Online Shopping Service Specification, and Opinions on Promoting the Regulated Development of E-Commerce issued by the Ministry of Commerce; Provisions of the Supreme People's Court on Several Issues concerning the Trial of Cases by Internet Courts, etc. **General legal framework**: China's Civil Procedure Law, Arbitration Law, People's Mediation Law, etc. Currently, China's Ministry of Justice is working on the revision of the Arbitration Law, the regulation of Internet arbitration included therein.

# ODR providers development

The ODR platform has grown rapidly in China. Since 2017, China has initiated the establishment of ODR platforms with different characteristics, from central to local levels, in different provinces. Those platforms are operating online in over ten provinces and cities, either covering the whole province or the prefecture-level cities on a trial basis.

- **1. Internet Court.** China has established three Internet courts, namely, Hangzhou Internet Court, Beijing Internet Court and Guangzhou Internet Court. **2. Internet Arbitration**. In 2019, 31 arbitration commissions in China handled 205,544 arbitration cases online, accounting for 42.21% of the total cases economy wide. Guangzhou Arbitration Commission signed memoranda of cooperation with 14 overseas arbitration institutions to promote the mutual recognition of online arbitration technology and procedural standards.
- **3. Online Mediation.** Online mediation encompasses various types, such as online mediation platforms hosted by people's courts, industry associations, local competent authorities and internal mediation platforms of enterprises including the online mediation platform established by the Supreme People's Court, Economy-wide Platform of Consumer Dispute Resolution (www.12315.cn)of the consumers association, Zhejiang online dispute resolution platform, and Alibaba Chinese Website Transaction Dispute Resolution Rules, etc.

#### Areas of use

E-commerce disputes; Disputes arising from online financial transactions including P2P online lending and online insurance, etc.; Property disputes; Disputes over house leasing; Traffic disputes; Medical disputes; Disputes concerning intellectual property; Environmental disputes; Cross-border transaction disputes.

# Academic or other bodies

There are many academic institutions participating in the research of online dispute resolution in China, such as China Academy of Arbitration Law,

# specialized in ODR

Arbitration Research Institute of the Law School of University of International Business & Economics (UIBE), and the Arbitration Academy of China University of Political Science & Law, etc. Especially, UIBE and the Supreme People's Court has jointly established the International Commerce and Investment Arbitration Research Center. It is a leading academic institution in the field of ODR (including arbitration) research in China. Professor Shen Sibao is the Director, and professor Fu Jun is the executive director. In 2005, Professor Shen Sibao leads the research on a theoretical topic of ASEAN - China online arbitration. In 2016, Professor Fu Jun leads the CIETAC's annual scientific research project of Identification of Parties' Identity in Online Arbitration. Chen Jian, a doctor of law, professor and researcher, is currently the full-time standing deputy secretarygeneral of China Arbitration Law Research Association. Telephone: (86-10) 82217750; Fax: (86-10) 82217753; Email:caal china@126.com East China University of Political Science and Law has established an online dispute resolution laboratory and Yang Lifan, an associate professor at the School of Business, is the director. Yang Jianzheng, Professor of University of Shanghai for Science and Technology, who participated in the drafting of the United Nations Technical Notes on Online Dispute Resolution 11 times as the chief expert of the Chinese delegation, is one of the main drafters of the document.

#### **ODR** providers

China International Economic and Trade Arbitration Commission <a href="http://www.cietac.org.cn/">http://www.cietac.org.cn/</a>

Beijing Arbitration Commission (Beijing International Arbitration Center) <a href="http://www.bjac.org.cn/">http://www.bjac.org.cn/</a>

Hangzhou Arbitration Commission <a href="http://www.hzhac.org/">http://www.hzhac.org/</a> Guangzhou Arbitration Commission <a href="https://www.gzac.org/">https://www.gzac.org/</a>

Some of the organizations have provided questionnaires as attached. We have relatively mature technology providers, such as Beijing Zhizhong Technology Co., Ltd. (contact email: zhangtianwei@fanyuzeli.com) and Beiming Software Co., Ltd. (contactfff email: <a href="mailto:guowenli@bmsoft.com.cn">guowenli@bmsoft.com.cn</a>)

## Main obstacles for ODR within the Economy

- 1. Public awareness.
- 2. Data protection.
- 3. The validity of ODR arbitration agreement under the New York Convention.

# Hong Kong, China

#### **ODR** regulation

The legal framework in Hong Kong, China for alternative dispute resolution (e.g. **the Arbitration Ordinance** (Cap. 609 of the Laws of Hong Kong) and the **Mediation Ordinance** (Cap. 620 of the Laws of Hong Kong) https://www.elegislation.gov.hk/hk/cap620). Further, Hong Kong, China has opted into the APEC Collaborative Framework for Online Dispute Resolution of Cross-Border Business-to-Business Disputes in April 2020 (APEC Framework).

# ODR providers development

ODR has been used by traditional alternative dispute resolution providers such as for the resolution of internet domain name disputes. More recently, eBRAM International Online Dispute Resolution Centre Limited (eBRAM Centre) has **developed an online platform** to provide cross-border ODR services and a set of ODR rules in line with the APEC Framework and its Model Procedural Rules. More details of eBRAM's APEC ODR Platform. Rules and Panel of Neutrals can be found at <a href="https://www.ebram.org/apec odr.html">https://www.ebram.org/apec odr.html</a>. It is expected that eBRAM Centre will soon provide a one stop shop offering an online platform to facilitate the provision of cross-border one-stop dispute resolution services, as well as deal-making services, to enterprises worldwide. Recently, the outbreak of COVID-19 has posed significant challenges globally and we expect that there would likely be an upsurge of disputes arising from or relating to COVID-19. eBRAM Centre has been engaged by the government of Hong Kong, China to provide ODR services under the COVID-19 ODR Scheme (Scheme). The Scheme was announced by Hong Kong, China in April 2020, which aims to provide speedy and cost-effective means for the general public and businesses in Hong Kong, China to resolve global and local COVID-19 related disputes of value not exceeding HK\$500,000. It is in line with the APEC Framework and its Model Procedural Rules, with MSMEs as the major beneficiary (without limiting to B2B disputes only). Under the Scheme, each party only has to pay a very low fee of HK\$200 as a registration fee, and the fees for mediators and arbitrators will be paid by the Hong Kong, China government. The Scheme, together with the online platform, was launched by eBRAM Centre on 29 June 2020. In the first year of the online platform's operation, eBRAM Centre will focus on providing ODR services for cases under the Scheme. More details of the Scheme can be found at https://www.ebram.org/covid 19 odr.html.

#### Areas of use

Under the Scheme, ODR services will be provided to private parties involved in COVID-19 related disputes of various nature, including disputes arising from B2B transactions. More details of the Scheme can be found at https://www.ebram.org/covid\_19\_odr.html.

Academic or other bodies specialized in ODR

eBRAM Centre (<a href="https://www.ebram.org/apec odr.html">https://www.ebram.org/apec odr.html</a>);

Department of Justice, Hong Kong, China is also supporting the private sector's initiative of developing an online deal-making and dispute resolution platform

**ODR** providers

eBRAM International Online Dispute Resolution Centre

Main obstacles for ODR within the Economy Lack of awareness of ODR among businesses.

# Japan

ODR regulation	There is <b>no regulation</b> focusing on ODR.
	As a <b>related regulation, Article 72 of the Attorney Act</b> provides that no person other than an attorney may engage in the business of handling arbitration matters, aiding in conciliation or acting as an intermediary in such matters, unless otherwise specified in other laws. As such an exception, the Act on Promotion of Use of Alternative Dispute Resolution provides that persons who carry out private dispute resolution services on regular basis may obtain certification by the Minister of Justice for their services.
ODR providers development	ODR is new in Japan. Some ODR service providers are about to start their business but not yet.
Areas of use	<ol> <li>CCJ: cross-border e-commerce on B2C cases.</li> <li>Teuchi: Low value disputes occur due to COVID-19 and disputes between landlord/tenant.</li> </ol>
Academic or other bodies specialized in ODR	Japan Association for Online Dispute Resolution
ODR providers	N/A
Main obstacles for ODR within the Economy	Ambiguity of the relationship with Article 72 of the Attorney Act and lack of financial resource for the initial investment.

## Indonesia

## **ODR** regulation

The government of Indonesia does not a legal framework specific for ODR, although implementation of ODR can be seen in several regulations, as follows:

- 1. Act No.30 of 1999 on Arbitration and Alternative Dispute Resolutions. No.138, TLN No.3872; and The Indonesian Arbitration Law regulates arbitration and ADR in general, and there is no mention of ODR. However, general practice has shown that ODR can be implemented to some extent (e.g. correspondence and submission via email; more recently, online hearings via video apps). While this is not explicitly regulated, the respective arbitral rules provide the arbitrators with general leeway for conducting proceedings as efficiently as possible.
- 2. Law No.11 of 2009 on Information and Electronic Transactions as Amended by Law., No.19 of 2016., No.251., TLN No.5952. This law does not explicitly regulate ODR; at best, it simply provides a framework for electronic means to be admitted as evidence in legal proceedings.
- **3. PERMA 3 of 2018** as amended by PERMA 1 of 2019 on the implementation of E-Court System. Nonetheless, given the fact that e-commerce transactions and Fintech are currently experiencing a phase of rapid growth in Indonesia, a range of hurdles still impede the full enforcement of ODRs, in particular, there is no single law under the Indonesian legal framework that clearly explains ODRs. Public resentment of online agencies is therefore high, largely because many Indonesian communities are still traditional and conventional in nature. Lastly, the online infrastructure of the economy is still far from adequate.

# ODR providers development

**The ODR system** is commonly known as a dispute settlement forum for E-commerce, financial technology, commercial disputes, and consumer protection disputes. However, there is nowhere near widespread accessibility within Indonesia to adequate coverage of this system. Thus, legislation with regards to ODR is still not available. It must be noted that **according to Law No. 30/1999 regarding Arbitration and Alternative Dispute Resolution**, any dispute is encouraged to be settled by the parties face-to-face within 14 days and the decision must be in a form of a written agreement. This has been stipulated by Art. 6 (2) of the Law. Thus, by that virtue, ODR this far has not been regularly adopted nor used. Nonetheless, during the current Covid-19 breakout, arbitration proceedings have started to be held online. A capital market dispute administered by BAPMI, which originally takes place offline, is currently held online through teleconference.

Areas of use

N/A

Academic or other bodies specialized in ODR

N/A

#### **ODR** providers

Currently, in general, there is no particular ODR provider both in B2B and B2C disputes. Courts have their own ODR vendors, who are responsible for establishing an integrated system. Therefore, every arbitration agency has its own procedure with respect to the implementation of the ODR.

# Main obstacles for ODR within the Economy

Absence of the legislation. ODR is not considered as a "safe" environment for solving disputes due to the lack of online institutions and the law that governs itself. Thus, ODR is lacking in both its development and surely its implementation in the business world. This is further enhanced by the fact that many Indonesians are still technologically illiterate.

# The Philippines

#### **ODR** regulation

There is no existing Philippine law specifically governing ODR, apart from Republic Act No. 9285 governing ADR in the economy. Nevertheless, the Department of Trade and Industry (DTI) has taken steps to establish a National Online Alternative Dispute Resolution System for the economy. Moreover, the Judiciary has existing ADR rules which are applicable to ODR in court.

# ODR providers development

ODR, in terms of online/virtual proceedings, has long been practiced for **international and domestic commercial arbitration** administered by private institutions. Government, the Judiciary and certain regulatory agencies (e.g. Construction Industry Arbitration Commission and Intellectual Property Office) instituted the use of online hearings with the onset of COVID-19 pandemic.

#### Areas of use

ODR is currently used for all judicial and regulatory proceedings (e.g. construction industry, intellectual property), as well as private sector commercial arbitration.

# Academic or other bodies specialized in ODR

The DTI specifically spearheads and studies ODR in the areas of consumer protection, e-commerce and B2B. The agency website is www.dti.gov.ph.

## **ODR** providers

The following are among the private ADR provider organizations known to administer ODR (including B2B disputes) using available online video conferencing technologies:

- 1. Philippine Dispute Resolution Center, Inc. –arbitration (<a href="https://www.pdrci.org/">https://www.pdrci.org/</a>)
- 2. Philippine International Center for Conflict Resolution arbitration (https://piccr.com.ph/)
- 3. Conflict Resolution Group Foundation Inc. mediation/arbitration (https://www.coregroup.org.ph/) 4. National Center for Mediation mediation (https://www.ncmmediators.org/)

## Main obstacles for ODR within the Economy

The main obstacles for this is the lack of enabling legal/policy framework, and the high cost of commercial ADR administered by private providers

## **Russian Federation**

#### **ODR** regulation

- 1) The Federal Law of the Russian Federation No. 193-FZ "On Alternative Mediated Dispute Resolution Procedure (Mediation Procedure)" of 27 July 2010. <a href="http://www.consultant.ru/document/cons">http://www.consultant.ru/document/cons</a> doc LAW 103038/ the link in Russian.
- 2) A bill regulating ODR with amendments to the Federal Law "On Protection of Consumer Rights" and the Federal Law "On an Alternative Dispute Resolution Procedure with the Participation of a Mediator" was submitted to the Parliament. The document was developed as part of the formation of a system for pre-trial settlement of disputes on consumer rights protection and the development of the institution of independent examination of the quality of goods and services. Pre-trial disputes, according to the bill, will be regulated through the e-government "Gosuslugi" service.

# ODR providers development

In Russia, ODR is **at the stage of development and implementation**. The initiative to promote this method of dispute resolution comes mainly from public and government organizations. Based on the observations of subject matter experts, Russian companies rarely turn to ODR, preferring to use more traditional methods of dealing with consumer complaints. Most of them are handled manually, where consumers can apply through feedback and suggestion systems, as well as contact centers and hotlines. At the same time, the COVID-19 pandemic stimulated ODR implementation in courts. From 18 March to 20 April 2020, more than 2 mln cases and relevant materials were proceeded by the courts, based on the recommendation to the courts to suspend personal meetings in the courts in order to prevent the spread of COVID-19.

#### Areas of use

At the moment, ODR is mostly applied in e-commerce and in the settlement of arbitration proceedings. ODR is used for the dispute settlement at the road traffic accident through the public electronic services platform (cases worth RUB 100 – 400 thousand or USD 1300 – 5250, when there is no third party injured at the accident. This is one of the 25 public "Super services", which are to be implemented by 2024, called "Online Europrotocol."

# Academic or other bodies specialized in ODR

The Arbitration Association (the link in English: https://arbitration.ru/en/). Scientific and Methodological Center for Mediation and Law (the link in Russian: https://mediacia.com/). Federal Institute of Mediation (the link in English: http://en.fedim.ru/).

#### **ODR** providers

In Russia, there are several online services that offer solutions in the field of ODR, among which are: 1) dogovor.emediator.ru – a service for the online resolution of commercial disputes; 2) debetok.ru – an online service for the recovery of accounts receivable.

## Main obstacles for ODR within the Economy

As noted earlier, for the active development of ODR in the B2B sector, a full-fledged legal framework is needed, which is currently under development in Russia.In addition, it seems reasonable to raise awareness among businesses and consumers of the benefits of ODR in Russia. This should be done with the help of relevant ministries, such as the Russian Ministry of Justice and Rospotrebnadzor, with the help of interested public organizations, as well as interested businesses and scholars.

# **Singapore**

## **ODR** regulation

ODR operates within the same legal framework and legislation which governs dispute resolution mechanisms such as arbitration, mediation and litigation. In this regard, legislation such as the Supreme Court of Judicature Act, and State Courts Act, provide that the Supreme Court of Singapore (comprising the High Court and Court of Appeal) may conduct the hearing of any matter through electronic means such as live video link. Other legislation such as the Small Claims Tribunal Act also allow the Small Claims Tribunal to conduct its proceedings via electronic means such as telephone or videophone.

# ODR providers development

Parties can use **the Integrated Electronic Litigation System (eLitigation)** to file cases in the State Courts and Supreme Courts. eLitigation leverages content management systems and e-form technology to offer law firms and court users a single access point for commencement and active management of case files throughout the litigation process. It also provides functionalities and related services that streamline the litigation process, thereby helping to improve efficiency and enhance access to justice.

The State Courts' Community Justice and Tribunals System offers electronic services to Court Users, for the Small Claims Tribunals, Community Disputes Resolution Tribunals, and Employment Claims Tribunals. Court users can access guided online forms for claims, counterclaims and other applications, as well as upload attachments / supporting documents for their cases. It provides a neutral online platform for negotiation and mediation of disputes, enabling parties to settle disputed monetary claims as early as possible without the need to come to Court. In response to the COVID-19 pandemic, the Courts introduced the use of video and teleconferencing for the conduct of hearings.

Outside of the Courts, the Singapore International Arbitration Centre (SIAC), the Singapore International Mediation Centre (SIMC) and the Singapore Mediation Centre (SMC) offer online arbitration and mediation. Maxwell Chambers, an alternative dispute resolution (ADR) hearing facility in Singapore, also provides virtual ADR hearings.

## Areas of use

The Community Justice and Tribunals System can be used to file cases with the Small Claims Tribunals, Community Disputes Resolution Tribunals, and Employment Claims Tribunals.

# Academic or other bodies specialized in ODR

N/A

#### **ODR** providers

The SIAC, SIMC and SMC offer online arbitration and mediation respectively for commercial disputes.

## Main obstacles for ODR within the Economy

Low awareness of and lack of familiarity with ODR are some of the key obstacles for the development and implementation of ODR.

# **Chinese Taipei**

ODR regulation	N/A
ODR providers development	N/A
Areas of use	N/A
Academic or other bodies specialized in ODR	Chung-Hua Institution for Economic Research (CIER), the Science & Technology Law Institute (STLI)
ODR providers	N/A
Main obstacles for ODR within the Economy	Cross-border recognition and enforcement of foreign arbitral awards may be challenging since Chinese Taipei is not in the list of parties to the New York Convention.

# **United States\***

ODR regulation	The Alternative Dispute Resolution Act of 1998 mandates that all federal
	courts undertake ADR programs, improve existing programs, and appoint judicial officers to supervise ADR procedures.
	<b>The Uniform Mediation Act</b> , approved in 2001, and edited in 2003, has been adopted in 13 states out of 50. Most states have their own regulations governing ADR, including arbitration and mediation. Each state has its own regulation for mediation, ADR and ODR. The most advanced are Michigan and New Mexico, and it is applied less in other states, for example, New York.
ODR providers development	The USA was one of the first economies to develop the ODR systems. Some significant early adopters were the major e-commerce platforms, such as eBay for resolving the e-commerce issues between the sellers and buyers on the platform. ODR has also been applied in the spheres like healthcare, social media, and employment, and is increasingly being used for certain types of civil disputes in state courts. By the end of 2019, 66 websites on ODR in courts were available in 12 states. As of the end of 2020 there were more than 50 ODR initiatives undergoing in the civil court systems of different levels in the USA.
Areas of use	E-commerce, healthcare, social media, employment, tax payment and courts.
Academic or other bodies specialized in ODR	The National Center for Technology & Dispute Resolution (the link in English: <a href="http://odr.info/about/">http://odr.info/about/</a> ).
ODR providers	CyberSettle, Modria, PayPal, SmartSettle, TRUSTe, eBay.
Main obstacles for ODR within	N/A

the Economy

<sup>\*</sup>The data on the economy was collected from open sources.