

The Global E-Commerce ODR Proposal: Functional Case Flows



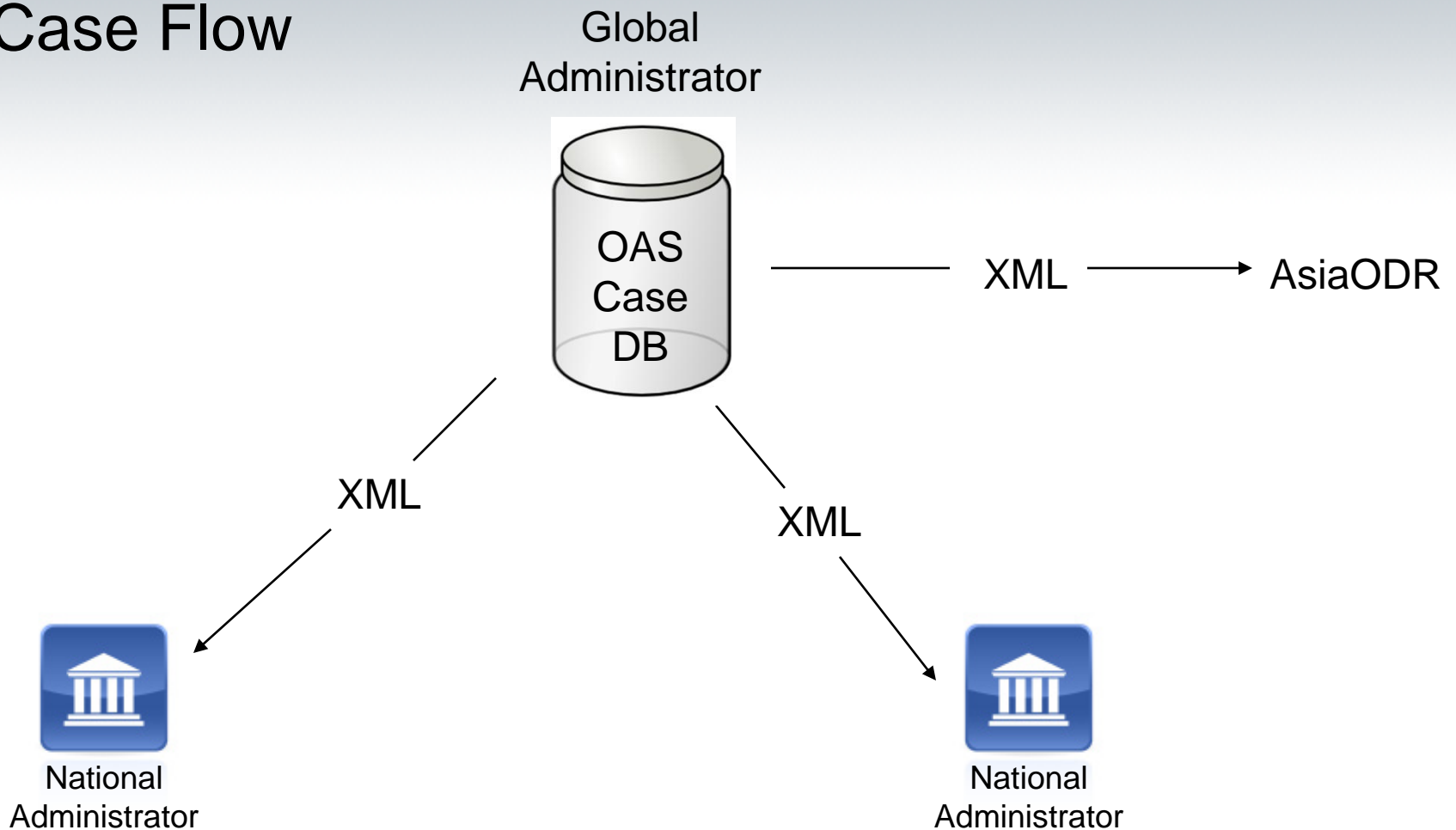
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Prague April 22, 2010

Origins of this Proposal

- We've had more than a decade of these discussions
- Several strong attempts have been made at building similar systems, but none have truly taken root
- This initiative represents the best chance we've ever had to make a system like this a reality – the time is now
- This design represents the state-of-the-art in terms of operational design and quality ODR practice

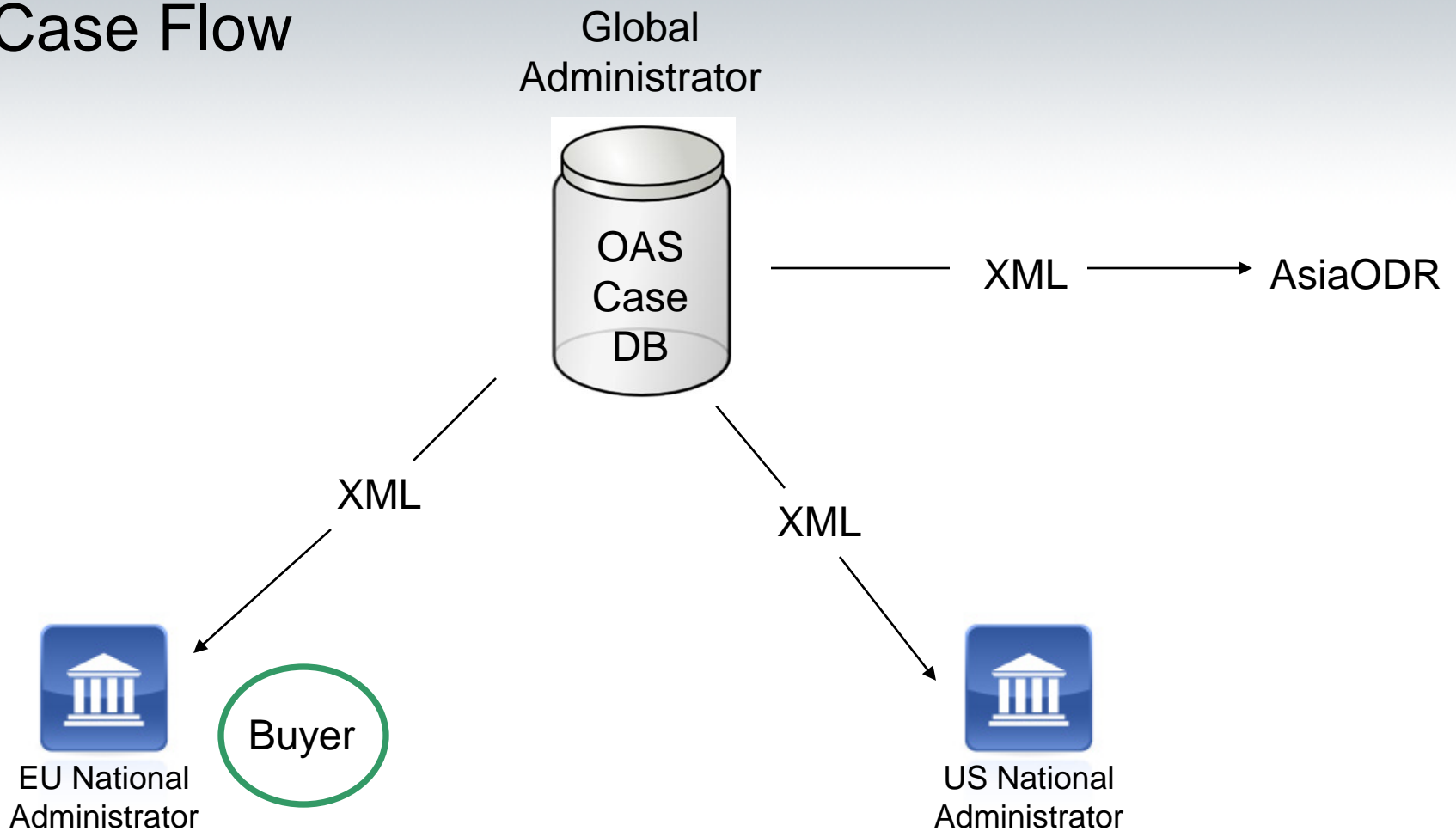
Case Flow

Case Flow



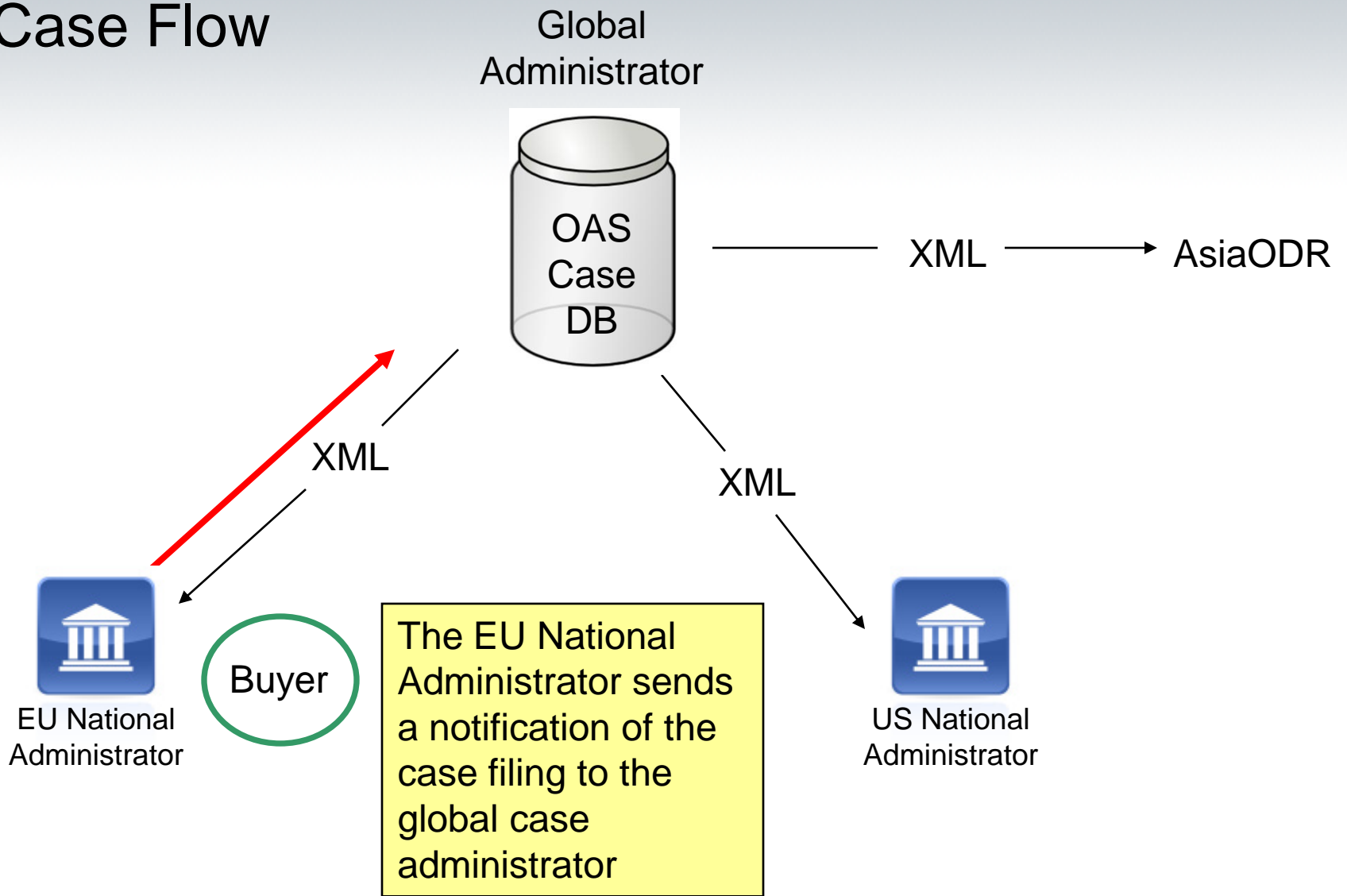
The overall structure is a central administrator, who maintains the global case database, and n ODR providers/national administrators, each approved by the global administrator

Case Flow

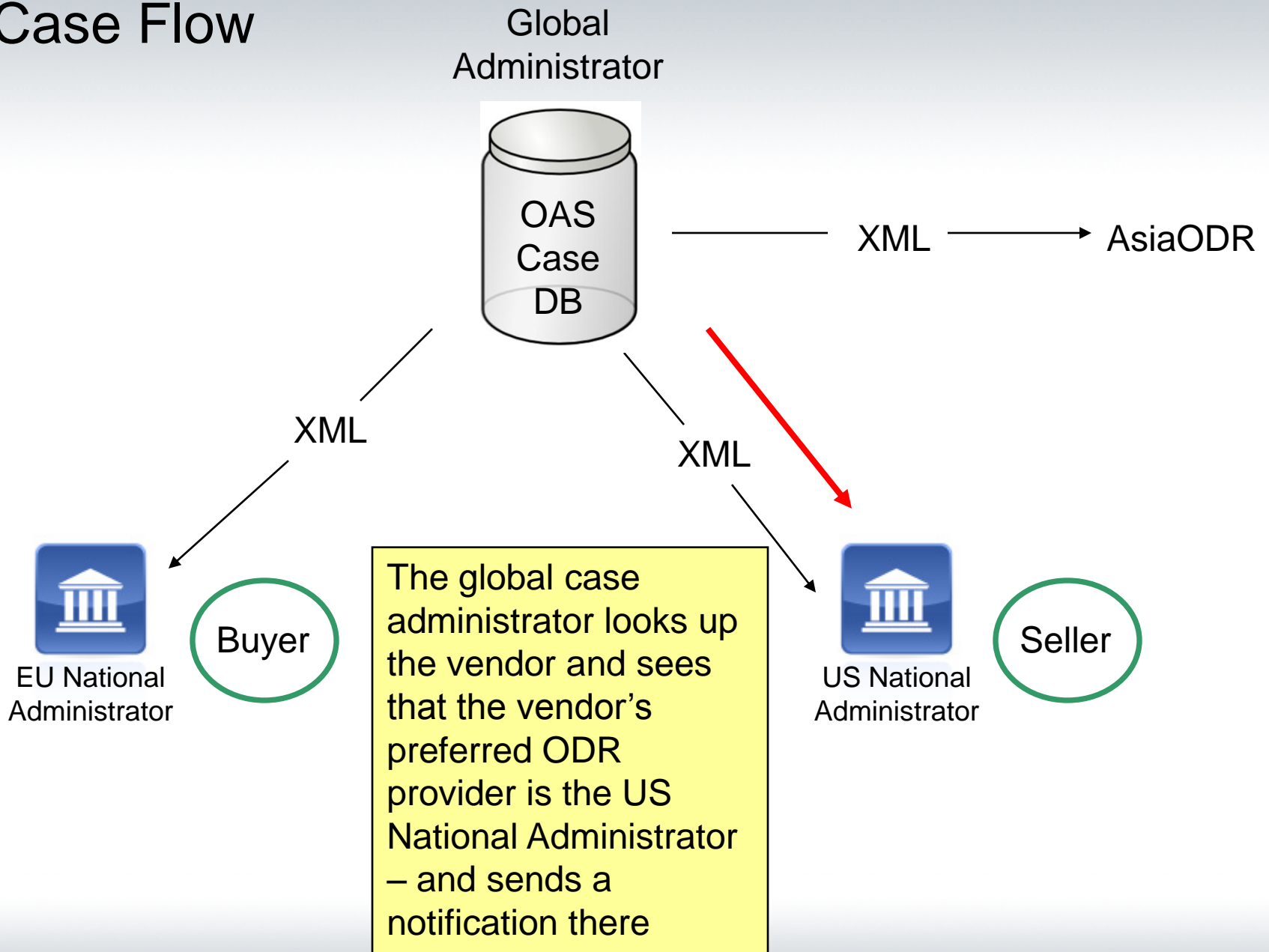


A buyer files a complaint with their local ODR provider/national administrator in the EU

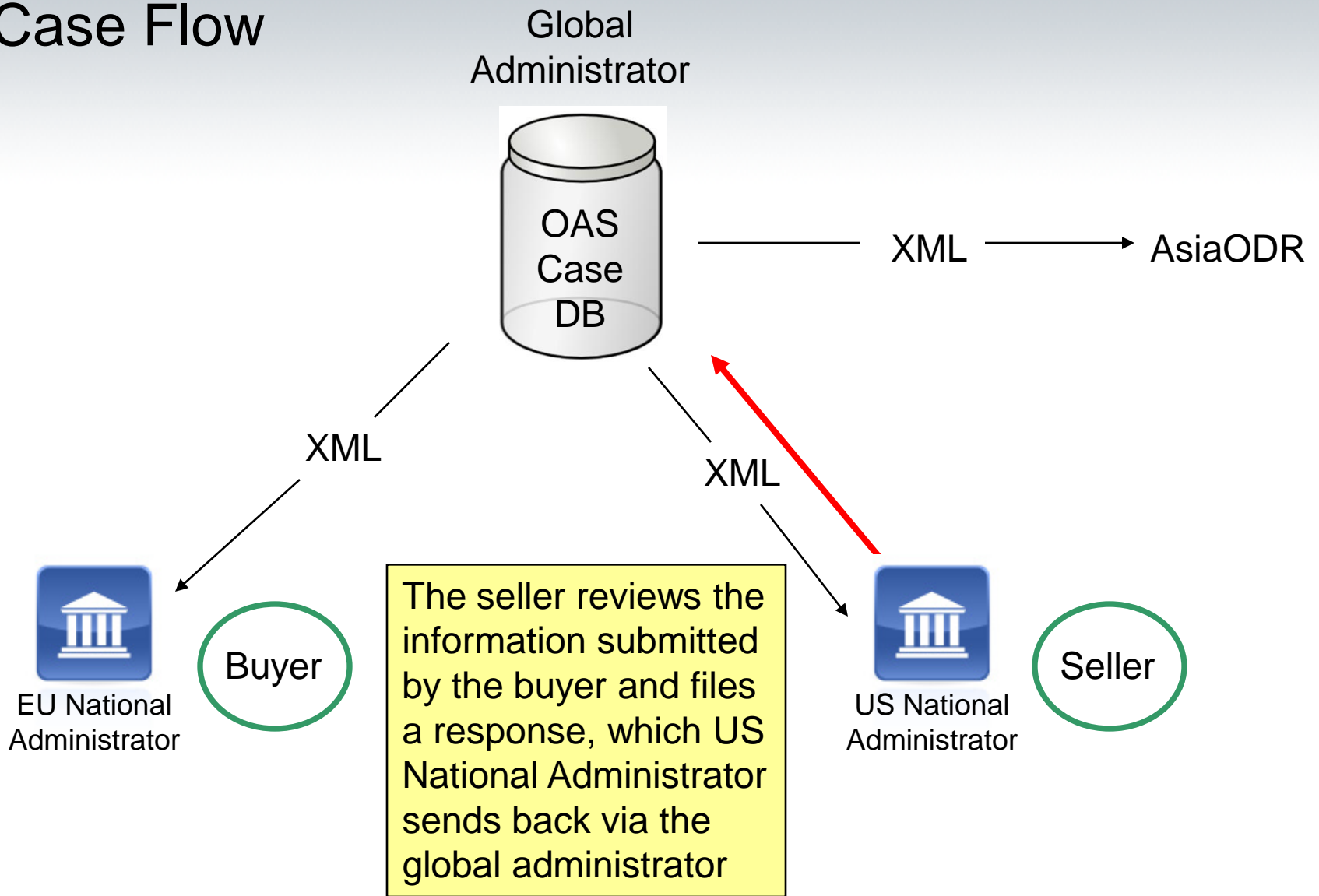
Case Flow



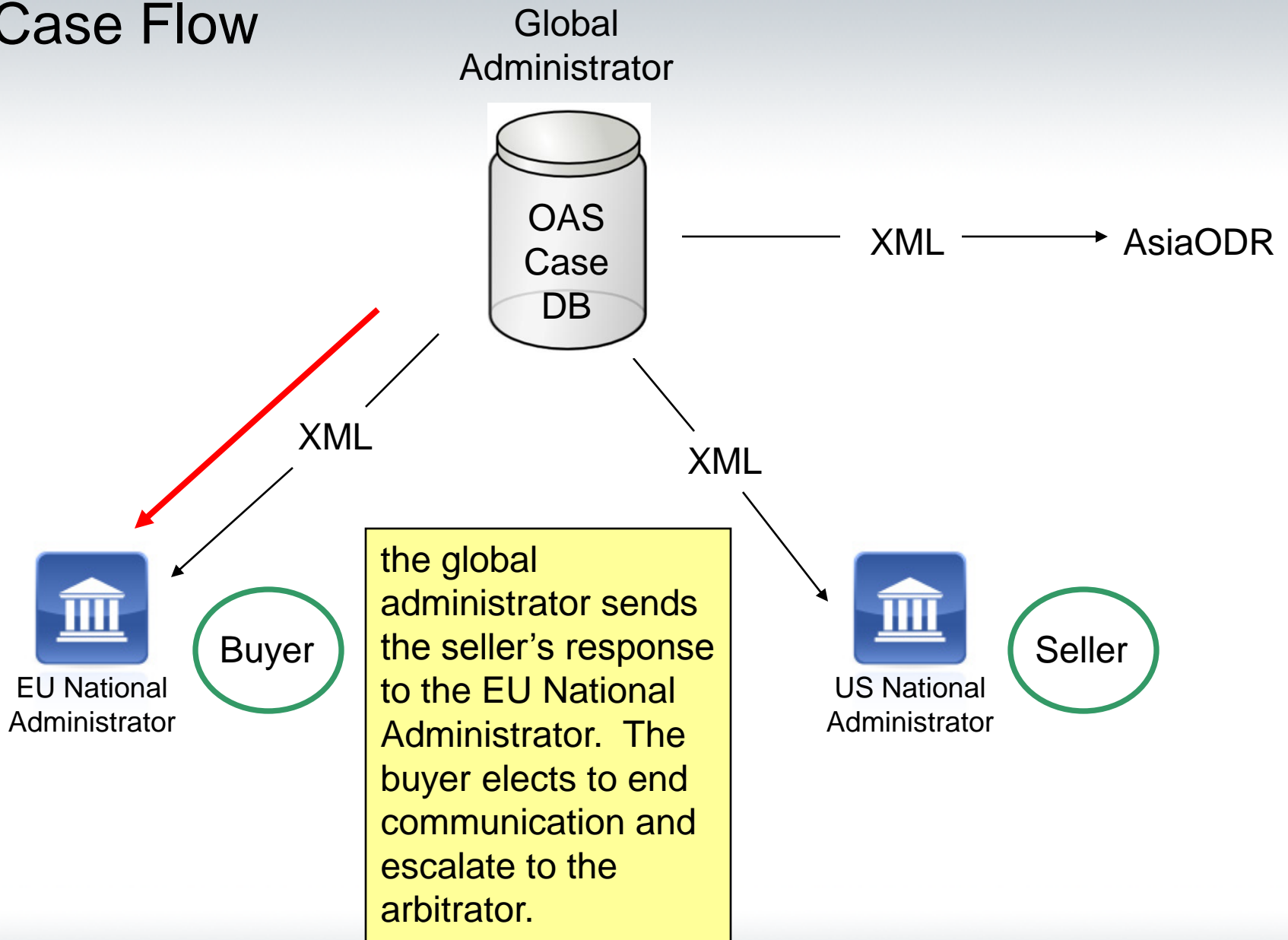
Case Flow



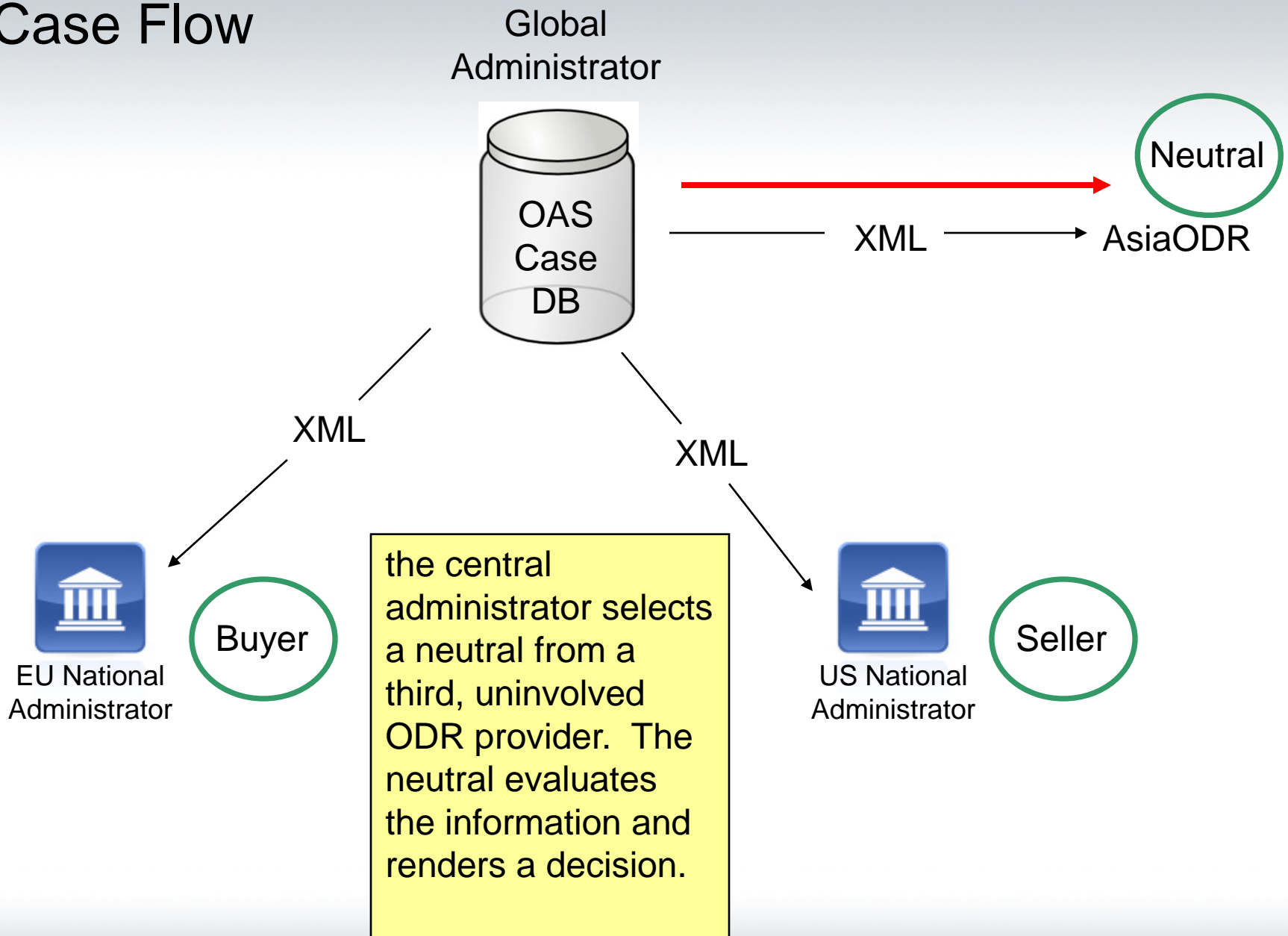
Case Flow



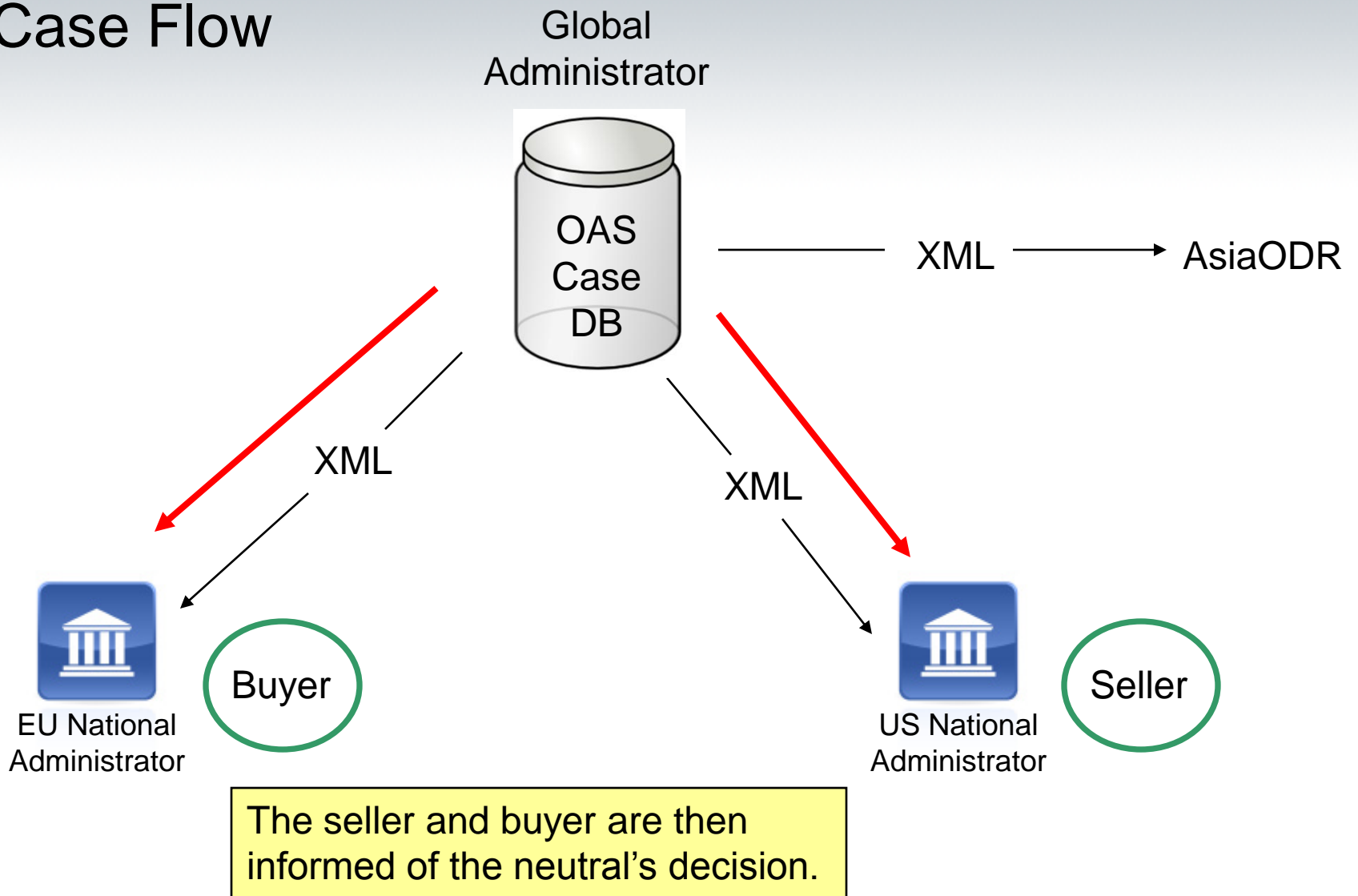
Case Flow



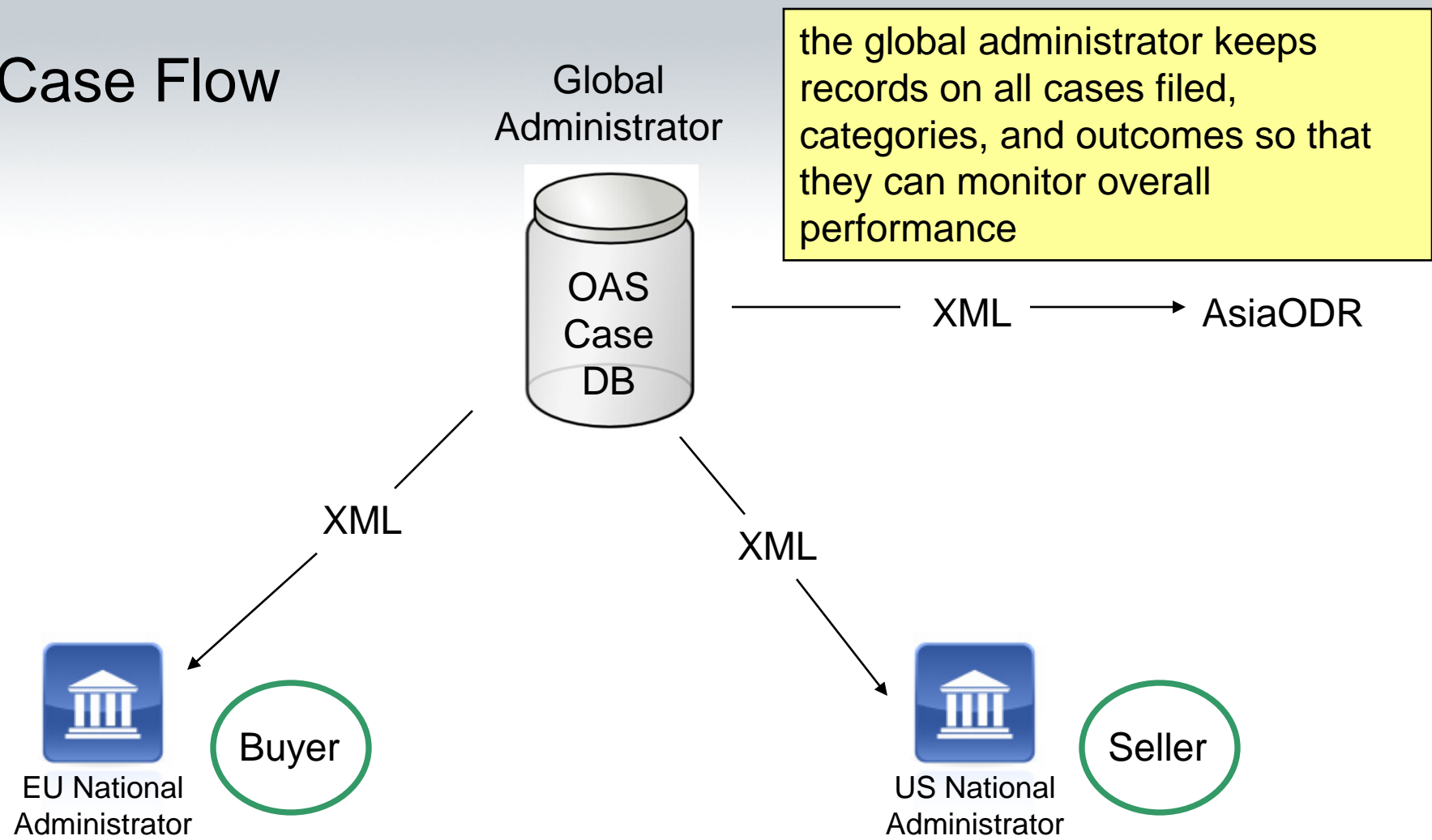
Case Flow



Case Flow



Case Flow



the global administrator keeps records on all cases filed, categories, and outcomes so that they can monitor overall performance

Global Administrator



OAS Case DB

XML

AsiaODR

XML

XML



EU National Administrator



Buyer



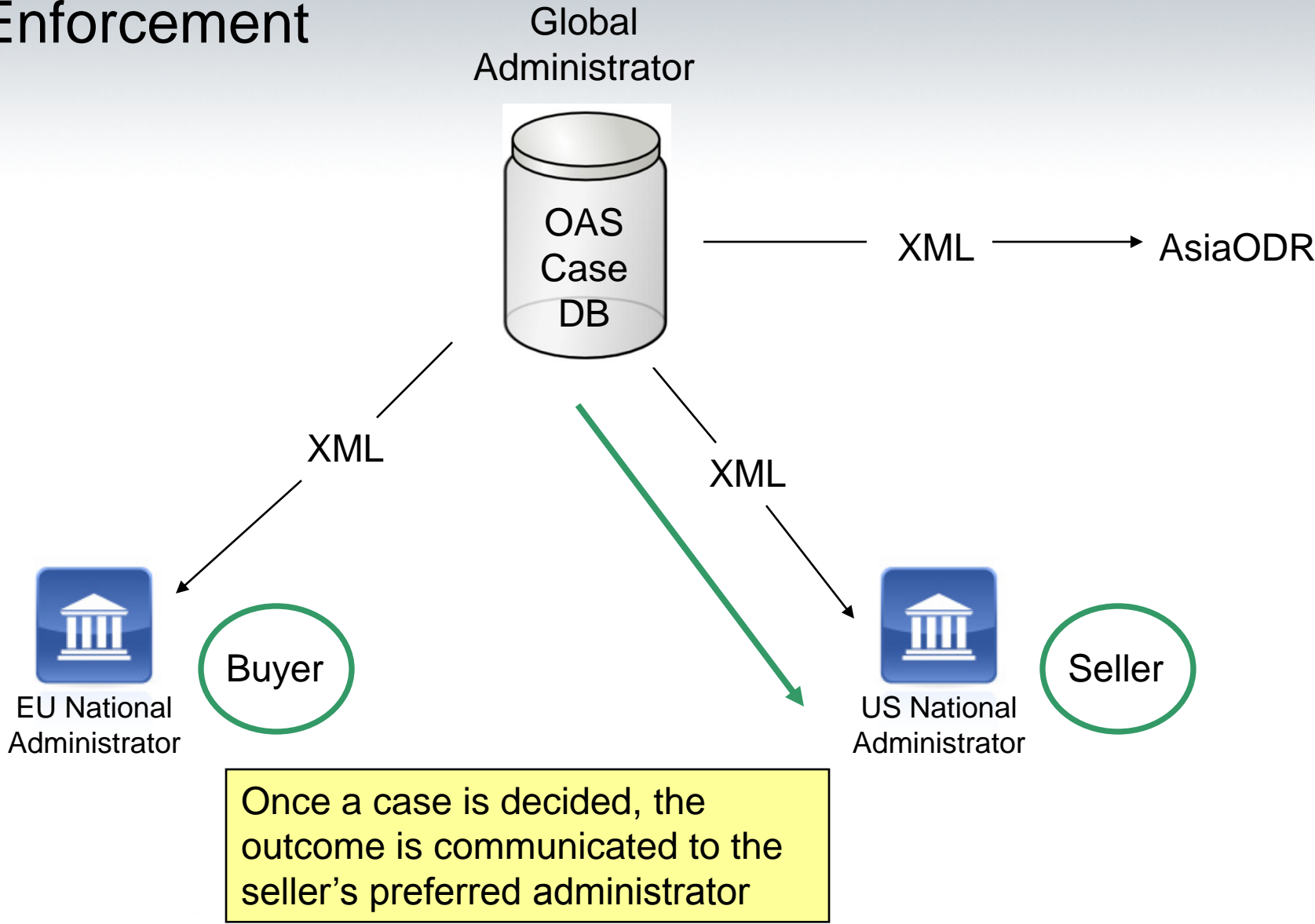
US National Administrator



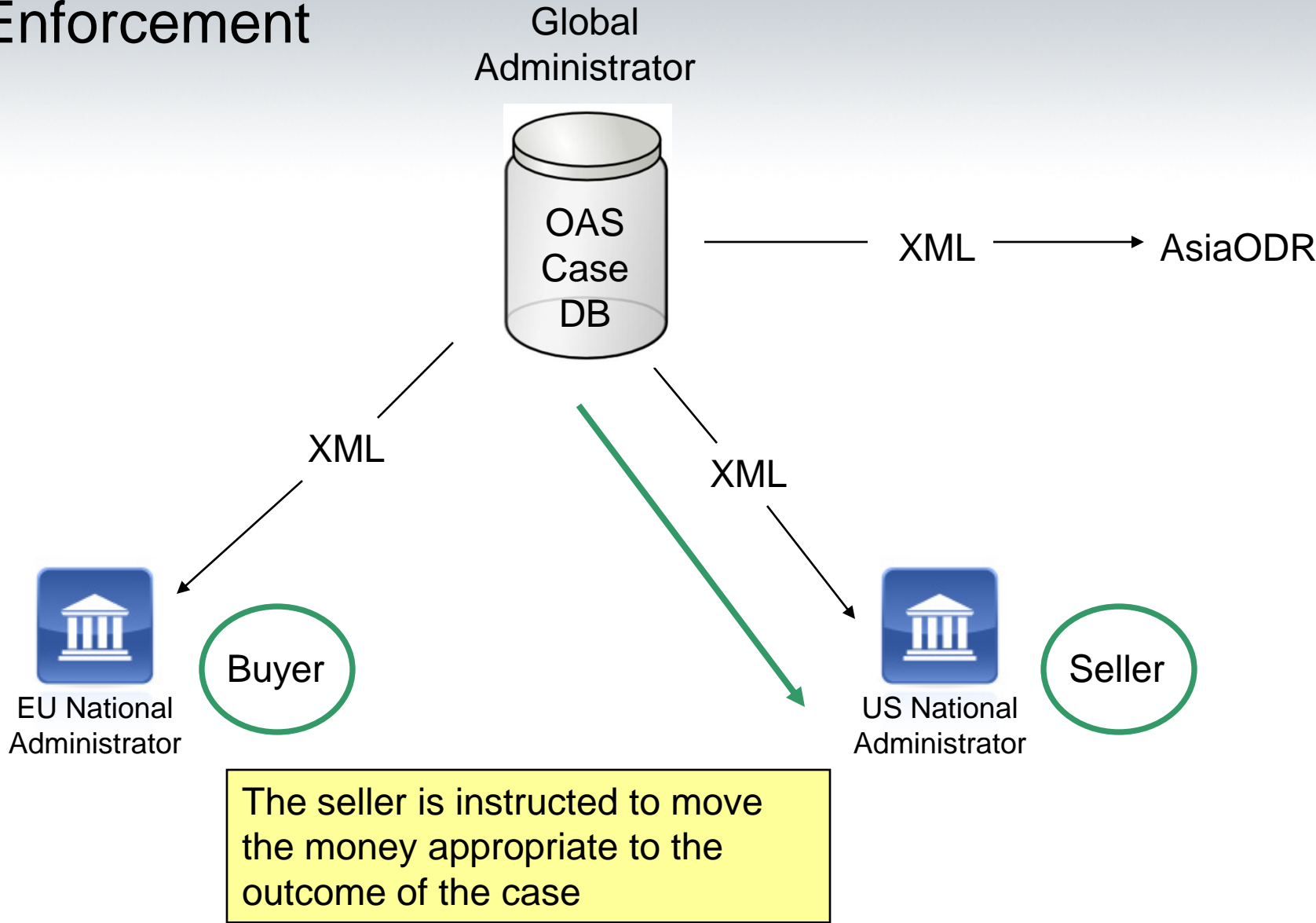
Seller

Enforcement

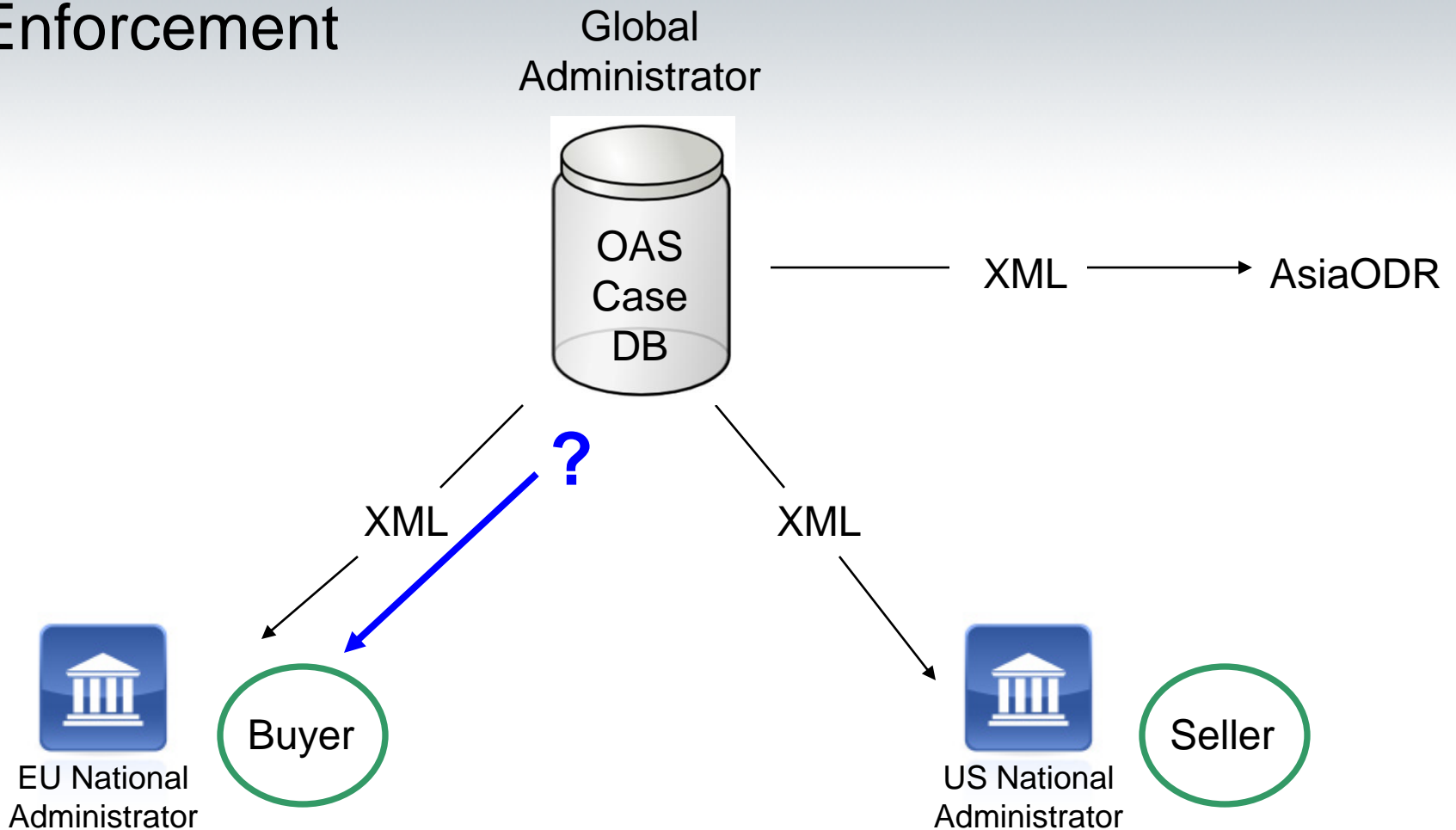
Enforcement



Enforcement

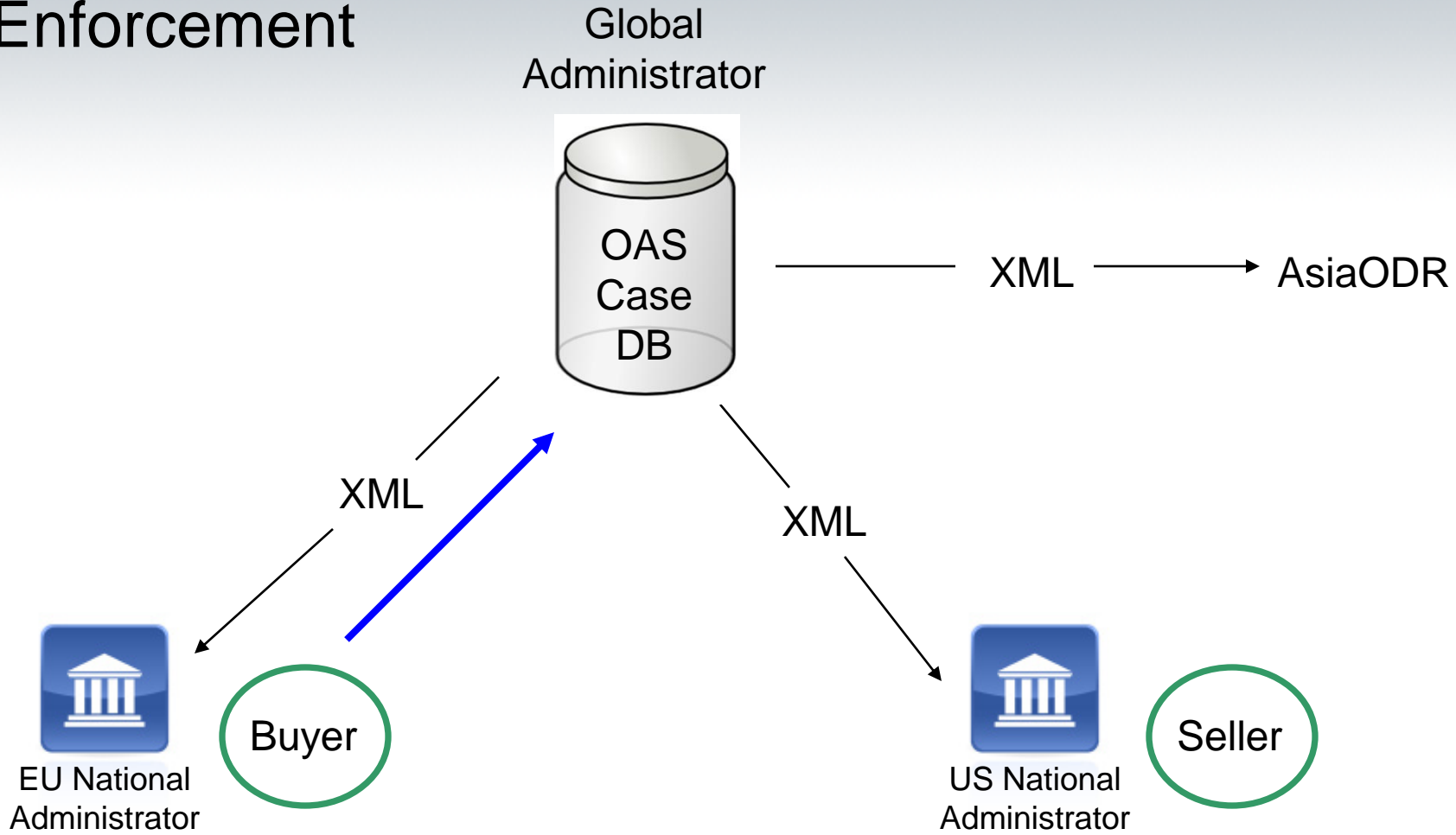


Enforcement



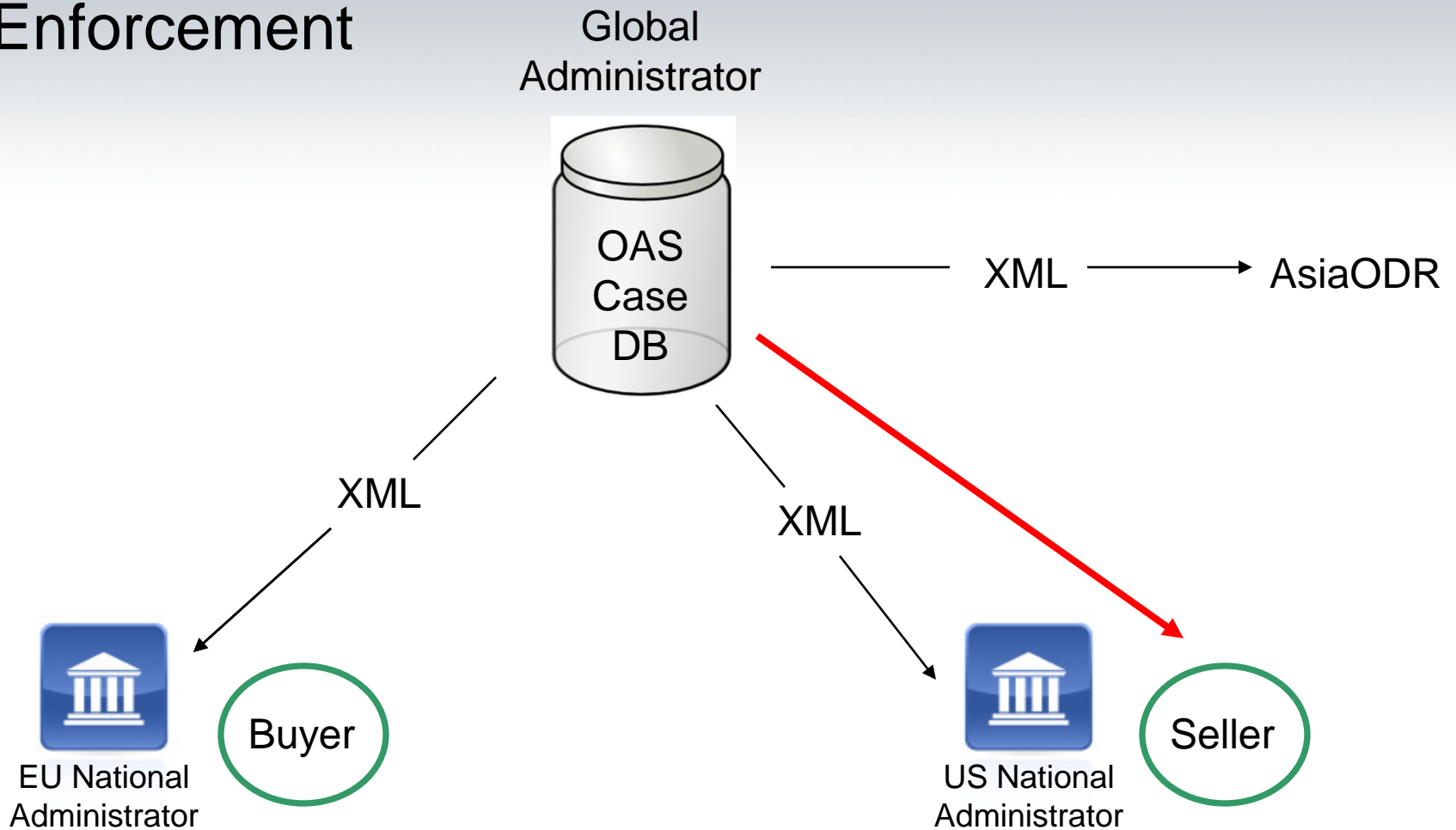
After a certain period of time (7 days) the buyer's ODR provider checks with the buyer to ensure the money has been received

Enforcement



If the buyer indicates the money has not yet been received, the global administrator is notified

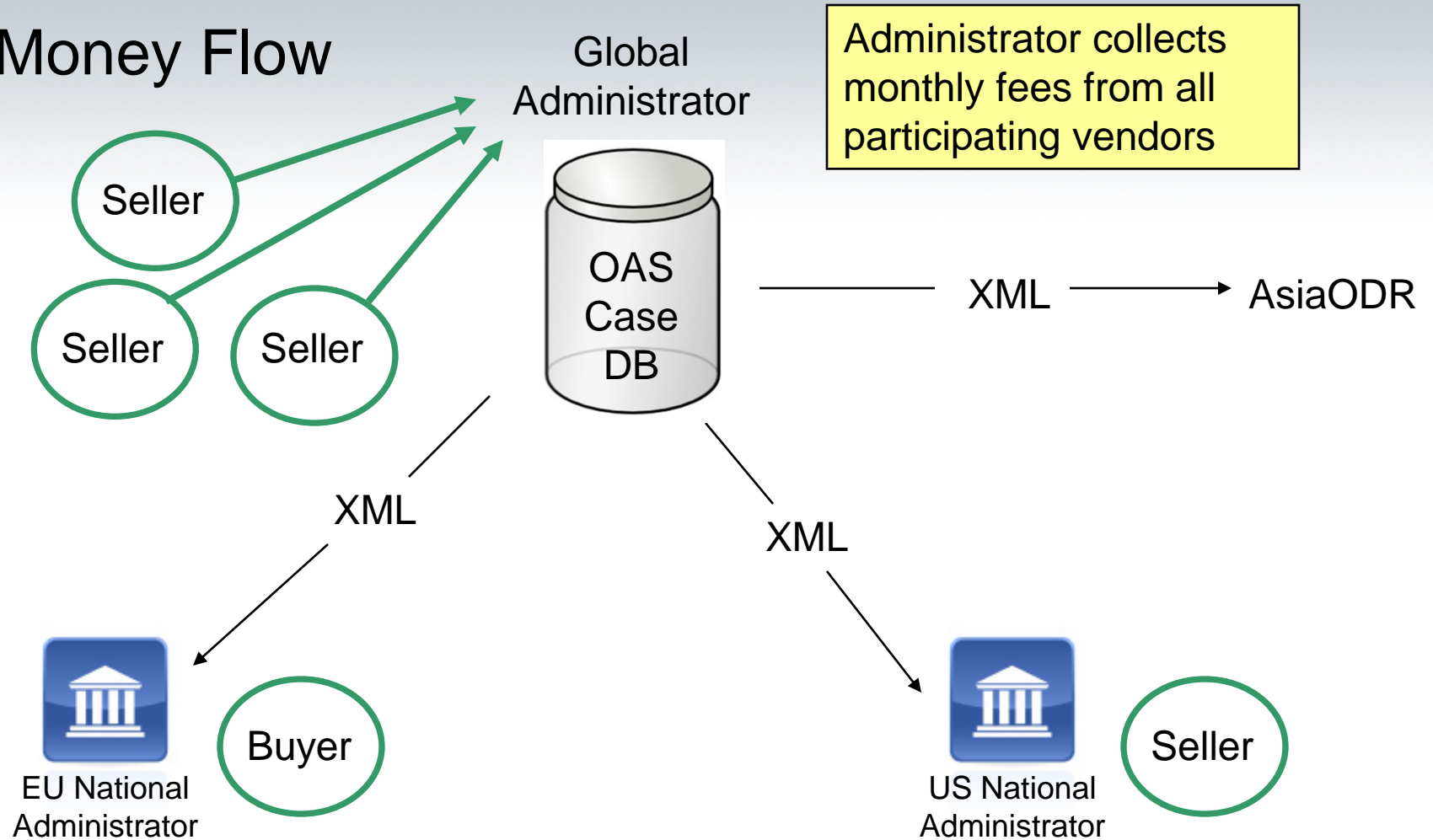
Enforcement



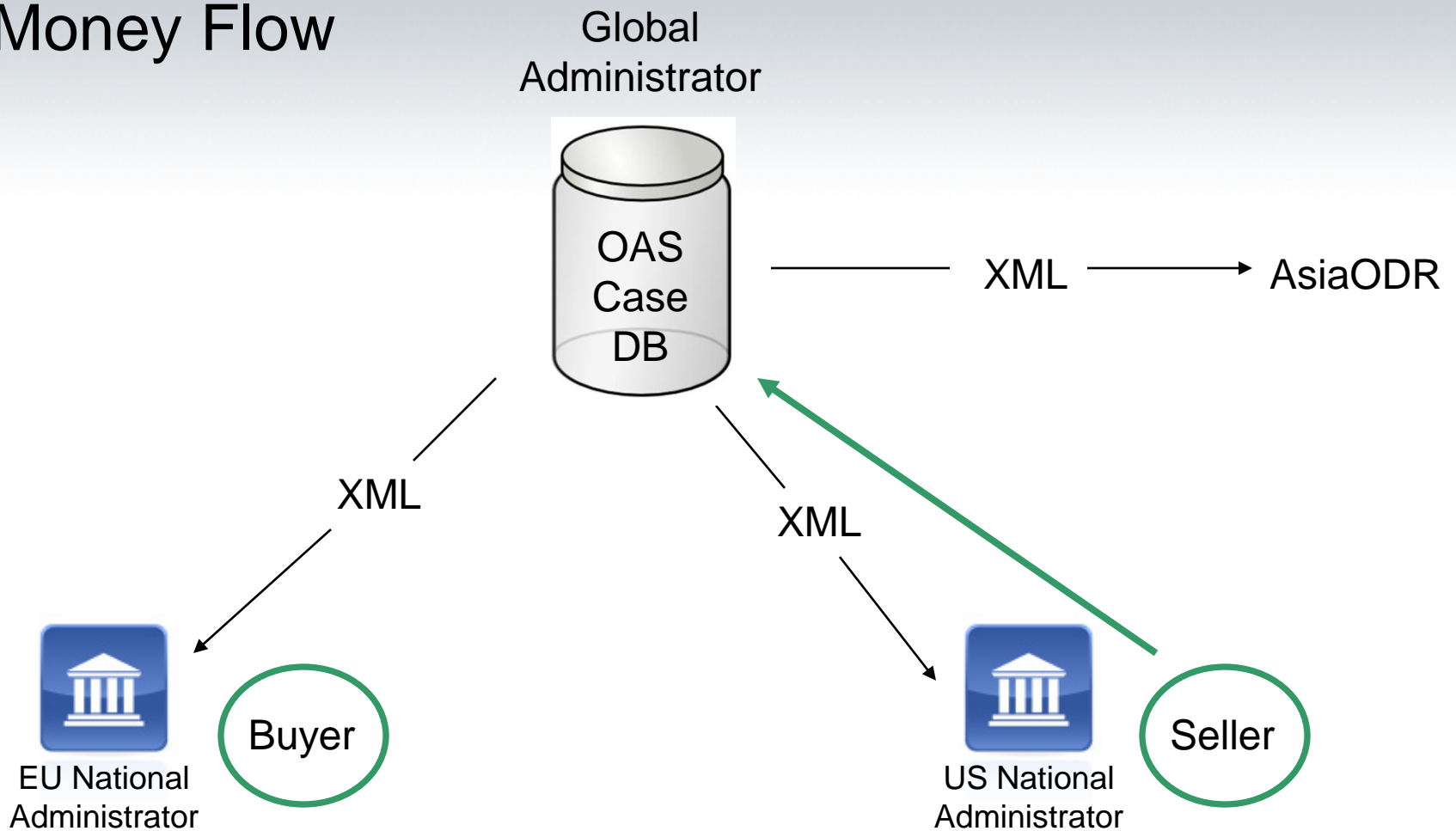
The global administrator then works with the seller's preferred ODR administrator to enforce the outcome through other channels

Money Flow

Money Flow

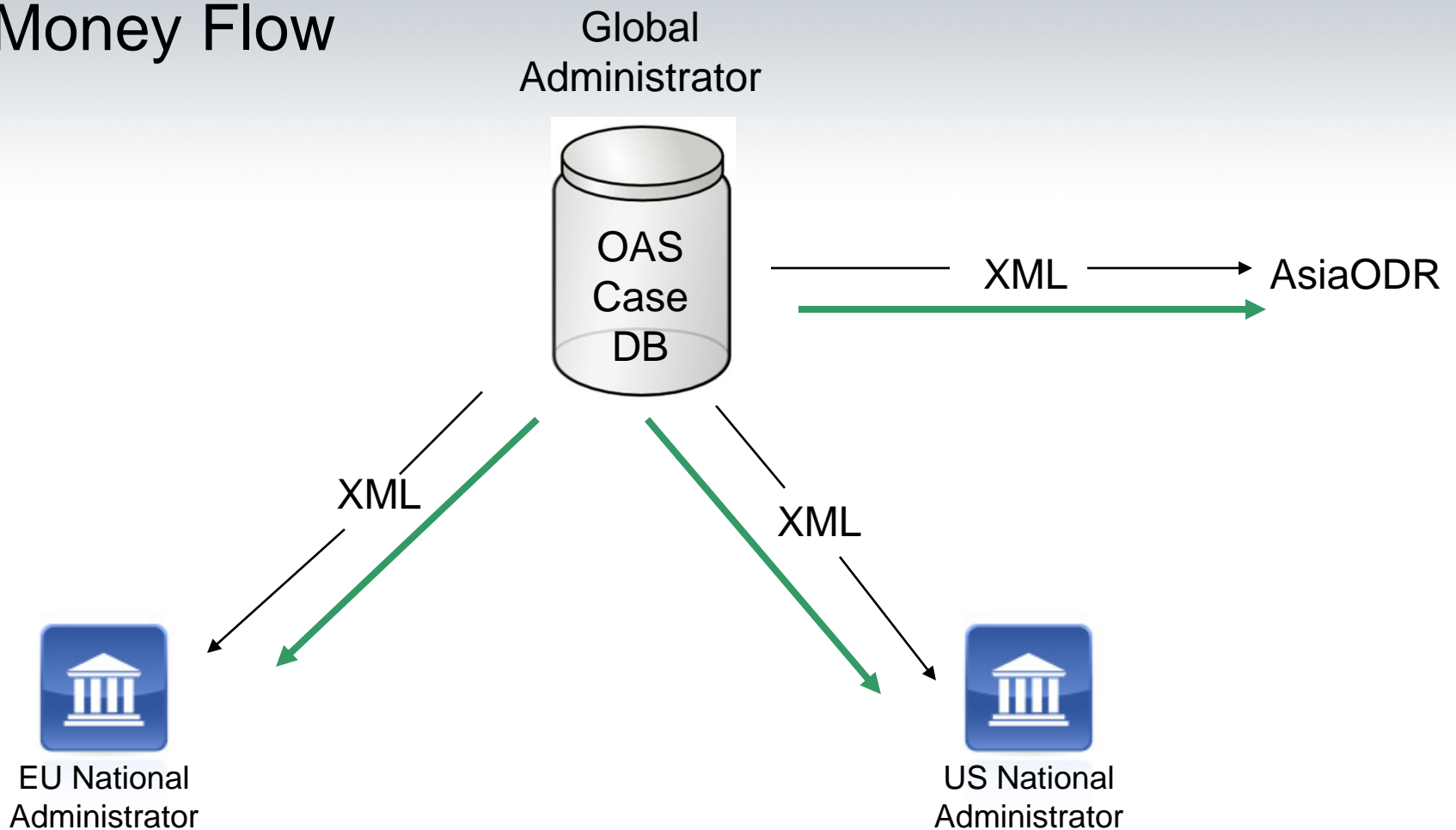


Money Flow



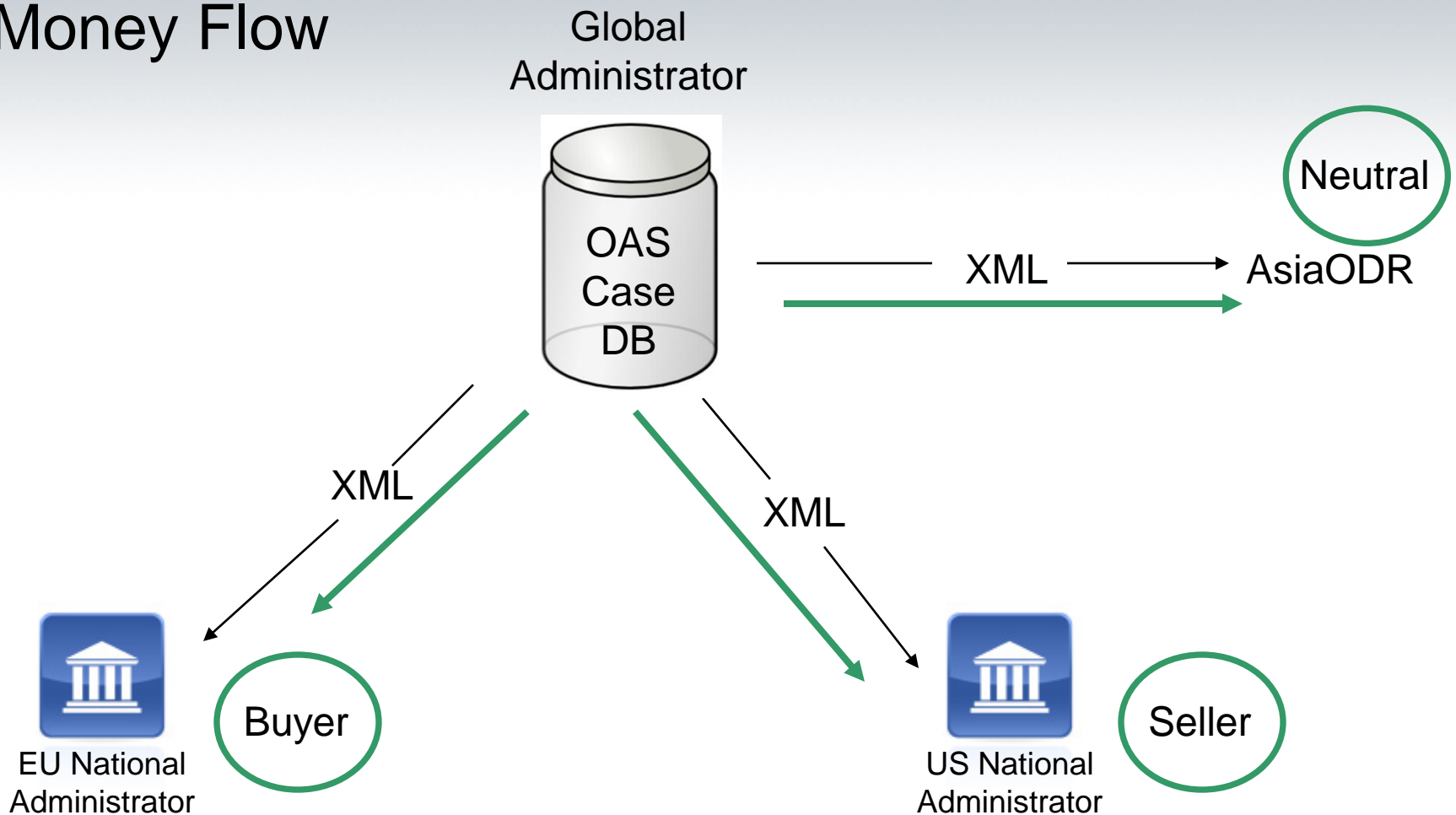
Sellers pay a small fee to the global administrator for each case filed against them

Money Flow



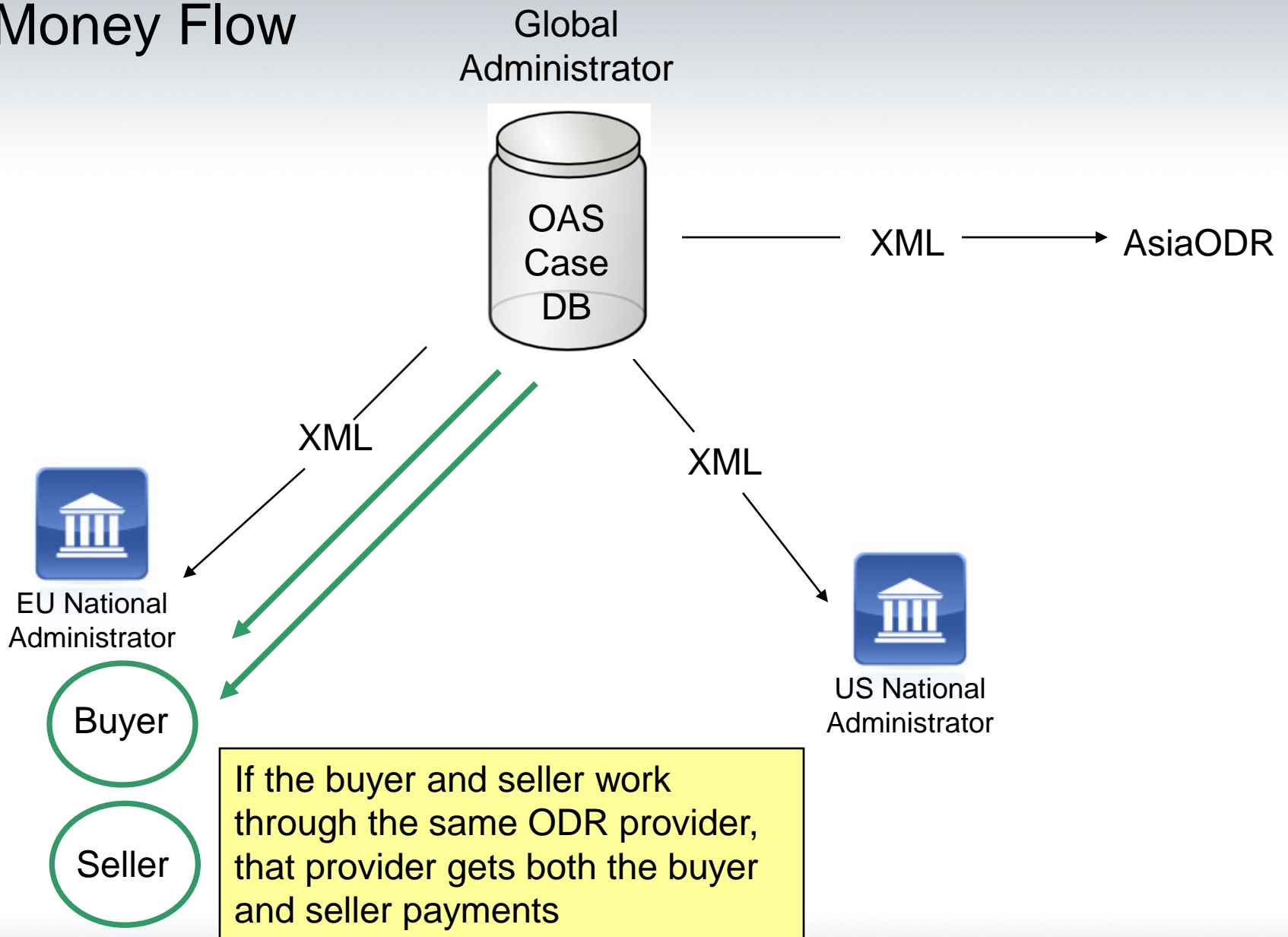
Every approved ODR administrator receives a monthly payment from the global administrator

Money Flow

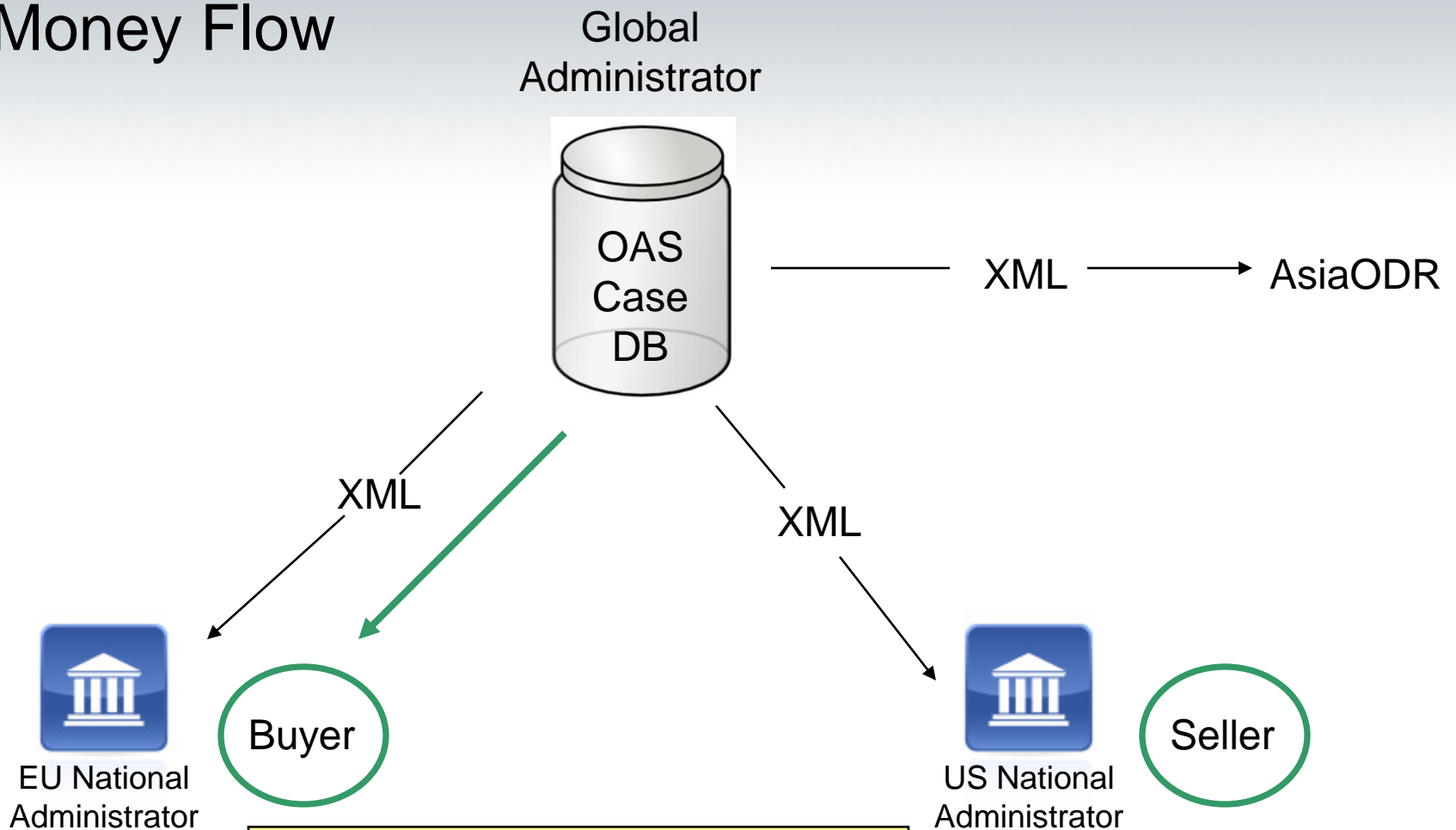


Once a case is closed, the global administrator forwards payment to both the buyer and the seller's ODR administrator and the ODR administrator that provided the neutral

Money Flow



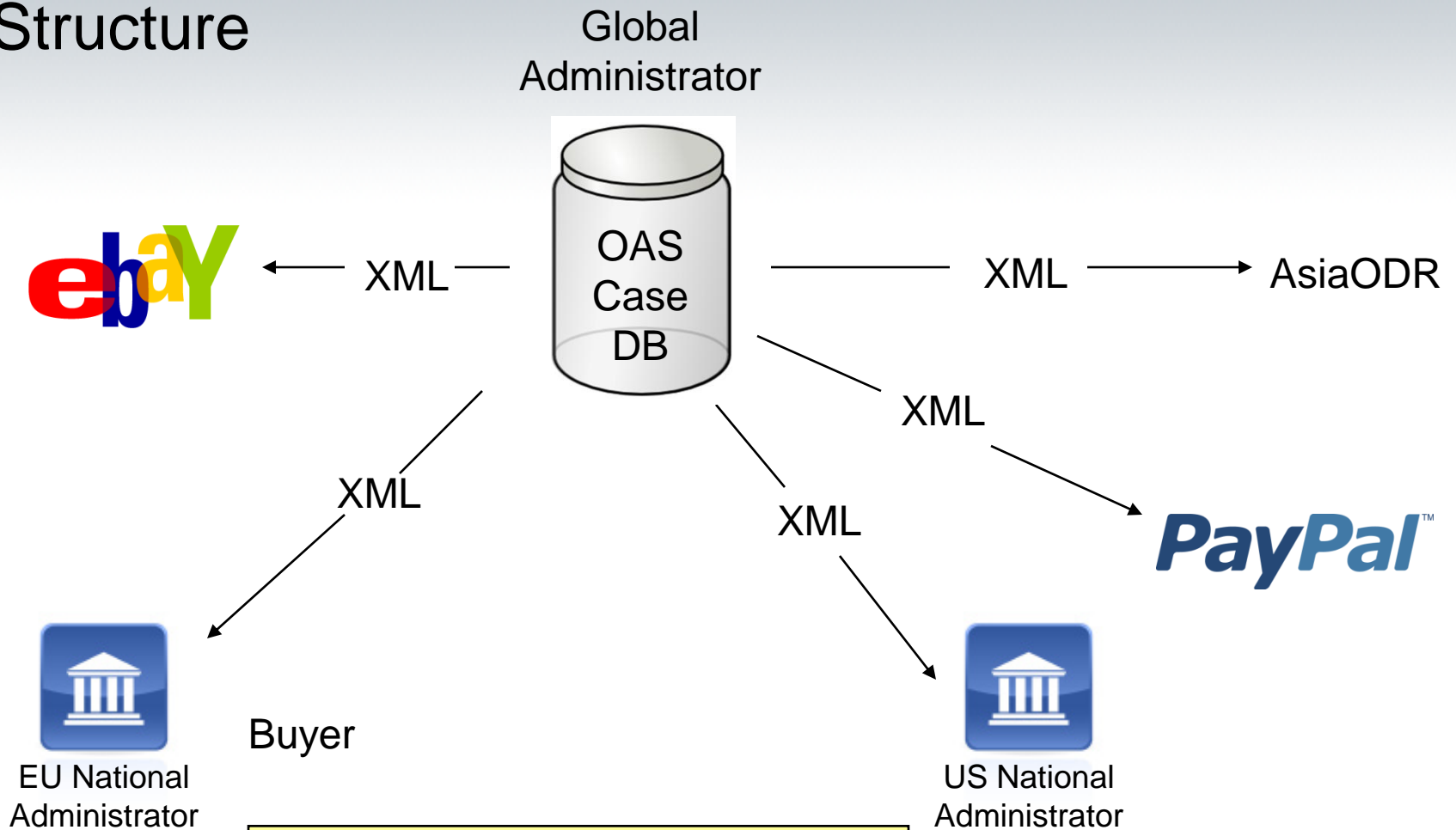
Money Flow



If the seller does not pay in response to an award against them, the global administrator may elect to pay the buyer directly from collected dues

Structure

Structure



Businesses and payment channels may also integrate into the system and represent their sellers directly

Conclusions

- Current justice systems are not an option for cross border, small value, high volume claims
- The barriers are not just legal – they're practical
- Courts will never handle these volumes
- There is a clear global consensus around the best approach: online dispute resolution
- We in Europe can and should be front-runners in resolving multi-linguality; Asia will look at Europe for solution of this issue

Conclusions (2)

- We have initiated a Global Working Group to:
 - Fully develop an implementation plan
 - Gather input from global stakeholders
 - Secure support from online businesses, NGOs, and national consumer protection authorities
- We will present our final recommendation at an ICANN-hosted conference in Vancouver at the end of this year