

## **An Integrated Approach To Improving Online Confidence**

by  
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### **I. Introduction**

The phenomenal success of the Internet is based on a simple principle: everyone speaks the same language there. This does not mean that all surfers have spontaneously started speaking English, Spanish or French, but that the language protocols used to communicate on the Internet are universally recognised. As a result, anyone possessing a minimum of computer equipment and software can gain access to the Internet. About twenty years ago the problem of exchanging electronic data was examined within a closed environment, EDI or Electronic Data Interchange. With the emergence of the Internet, the exchange of electronic data is being looked at in an open environment.

Another significant characteristic of the Internet is its origin. Set up for military purposes, its aim was to ensure the circulation of strategic information notwithstanding the destruction of part of the network. Subsequently used for civilian ends, the communication channels mushroomed and became sufficiently intelligent to be able to "route" information from one part of the network to another, depending on saturation. The path taken today by electronic data is random<sup>2</sup>. Nobody controls all the parameters making up the Internet. There are a number of bodies involved in regulating it<sup>3</sup>, but the Internet as such is not subject to any single authoritative entity..

In this open, decentralised communication space, the volume of exchanges of information is expanding exponentially as the range of economic, social, private and public activities, whether legal or illegal, are increasing. Increases in the number and variety of disputes are occurring along with this increasing activity. Some disputes concern liability in tort such as libel, unfair competition, fraud and dangerous information. Others relate to contractual liability such as disputes arising from transactions between traders or between traders and consumers.

Disputes arising in connection with Internet use share many special features: they may emerge in crossborder transactions in which there is no harmonisation of rights and obligations. This poses problems for Internet users who are torn between fascination for this mode of communication and fear of losing control over information.

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<sup>2</sup> See J.-M. DINANT, "Les traitements invisibles sur Internet" (Invisible dealings on the Internet), *Cahiers du CRID*, n°16, Bruylant, 1999, pp. 271-294, <http://www.droit.fundp.ac.be/crid/eclip/luxembourg.html>.

<sup>3</sup> It is possible to draw up a non-exhaustive list of the public and private bodies involved in regulating the Internet. Among the international organisations there are the following within the United Nations framework : UNICITRAL, the ITU, UNESCO, WIPO, the ILO, UNECE, ... Other such as the WTO, the ISO, the IEC and Interpol may also be mentioned. At regional level there is the EU, the Council of Europe, NAFTA, APEC, the OECD, the G7, the G8, ... A number of non-governmental organisations have some powers in this domain: W3C, ICANN, ISOC and industrial associations such as the ICC, GBDe, etc. The large number of such bodies and their lack of structure are not unconnected with the dilution of their powers.

The fundamental criteria of the applicable law are being challenged since it is so obvious that national law is not sufficient to deal with problems as a whole. Following a study on legal matters raised by the development of the Internet, the French *Conseil d'Etat* summarised very well the fundamental problem of regulating the Internet: "this space is not a natural space for the law. Law is applied territorially, and is based on behaviour, and homogenous and stable categories, all of which are absent in the case of the Internet".<sup>4</sup>

Given this, there is widespread eagerness on the part of Internet players to encourage the formation of a legal framework to improve confidence and guarantee the security of surfers. On the Internet, it takes the form of co-regulation, a compromise between too much State control and too much liberty.

Eurochambres<sup>5</sup> is pursuing an integrated regulation policy for the Internet. The European Association of Chambers of Commerce and Industry is completing European regulation with flexible tools that provide specific added-value to the new information technologies sector. This approach is aimed at preventing disputes by introducing a European code of conduct and a quality label. It comprises an out-of-court dispute settlement mechanism when disputes do arise.

Eurochambres' initiative forms part of a so-called self-regulation policy. It must not be perceived as a replacement for public measures but rather as a complementary solution to existing and evolving measures.

## II. Codes of Conduct

### 1. Concept

Codes of conduct are sets of rules established in the context of a private initiative with a view to shaping the behaviour of the group of persons who established them. These codes vary widely and in fact they appeared before the Internet, for instance codes of ethics, codes of professional ethics, company regulations, and good practices standards..

The first codes of conduct relating to the Internet include the code on *Ethics and the Internet*, published in January 1989 by the Network Working Group of the ISOC. It contained basic rules on fair behaviour on the Internet. These rules, often implicit, were subsequently termed "Netiquette". This neologism, a combination of the English words "Net" (network) and "Etiquette" (morality), denotes a set of implicit rules addressed to Internet players<sup>6</sup>.

Codes of conduct relating to the Internet may cover various fields. Some are confined to a specific territorial area, for instance Webtrader<sup>7</sup>, which is a national code, applies exclusively to companies within a pre-defined area that have formally accepted it. This does not rule out wider territorial application since the code applies to users both within and outside this area. Other codes of conduct are limited to a specific area of law: protection of personal data, consumer protection. This is the case for the CNIL professional code of

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<sup>4</sup> French *Conseil d'Etat*, "Internet et les réseaux numériques" (Internet and digital networks), La Documentation française, Paris, 1998, p. 13.

<sup>5</sup> Eurochambres, established in 1958, is the European Association of Chambers of Commerce and Industry. It represents thirty-six national Chambers of Commerce and Industry and indirectly over 1500 local and regional Chambers. The indirect representative of over 15 000 000 companies, Eurochambres is currently the biggest association of businesses in Europe.

<sup>6</sup> For further information, consult: <http://www.albion.com/netiquette/>.

<sup>7</sup> [http://www.budget-net.com/webTraderSite/reseau\\_be.html](http://www.budget-net.com/webTraderSite/reseau_be.html).

ethics of direct marketing professionals concerning protection of personal data in France.<sup>8</sup> Other codes may cover certain sectors, for instance electronic commerce, public administrations, health care services, and advertising. The code of ethics of the Spanish Electronic Commerce Association covers the general electronic commerce sector.<sup>9</sup>

## **2. Eurochambres' Code of Conduct**

The Eurochambres code of conduct is the result of cooperation with FEDMA<sup>10</sup> and other representative organisations in the sector. It includes, among other things, relevant European regulations on electronic commerce, distance selling, privacy, and child protection. In so doing, it also complies with the international requirements proposed by the OECD<sup>11</sup> and the GBDe.<sup>12</sup>

The added-value which such a code provides is twofold: first, it collates, for educational purposes, all the European and international legislation applicable to the sector and disseminates it widely through its network. Second, the code of conduct comprises a dual mechanism aimed at improving the effectiveness of the standards it contains by means of prior controls in the context of its label, and by an a posteriori means of a dispute settlement procedure.

The Eurochambres code of conduct forms part of a purely voluntary approach. The only parties obliged to comply with it are the companies that have formally declared that they will apply it and its related mechanisms for protecting beneficiaries: the pre-labelling control and the dispute settlement mechanism. It can therefore be said that Eurochambres offers a solution that complements the public initiatives in the sector.

## **III. Labels**

### **1. Concept**

In everyday language, a label denotes any distinctive mark of quality of a product or service. This term originally applied in particular to agricultural products. For other products or services we normally speak of a "standard" or "quality certificate." In the context of the Web, a label bears witness to the compliance of a site, a product or a service with pre-defined quality and safety requirements.

Like codes of conduct, a label is a tool that promotes confidence. It permits the identification of markets enjoying increased security. Labels are also aimed at encouraging use of the Internet and at alleviating the non-tangible and remote aspects of Internet relations by offering in some cases a simple external reference and in others a real guarantee.

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<sup>8</sup> CNIL, professional code of ethics of direct marketing professionals regarding protection of personal data, 7 Dec. 1993, <http://www.cnil.fr/recherch/index.htm>.

<sup>9</sup> <http://www.aece.org/corporativo/sello-codi.htm>.

<sup>10</sup> FEDMA is the European Federation of Direct Marketing Associations.

<sup>11</sup> Council of the OECD, Council Recommendations concerning guidelines governing consumer protection in the context of electronic commerce, 9 Dec. 1999

<http://www1.oecd.org/dsti/sti/it/consumer/prod/guidelines.htm>.

<sup>12</sup> GBDe Trustmark Working Group, *Trustmark Guidelines and Recommendations*, 25 Sept. 2000, [http://consumerconfidence.gbde.org/trust\\_rec.html](http://consumerconfidence.gbde.org/trust_rec.html).

Labels offer greater visibility to service providers. A company with a label may stand out from the plethora of Internet sites that exist. A label is also a commercial argument that may increase the sale of products and services. However, there are many national, European and international labels with the most diverse origins and fields of application. Without a standard, such a profusion of labels is confusing for potential beneficiaries.

In 1999, the British government asked the Alliance for Electronic Business as well as consumer organisations to find a solution to the anarchic development of such quality symbols which were giving rise to confusion. The result was the creation of a "standard label" supported by the British government, the industry and consumer organisations: TrustUK.<sup>13</sup> At European level, UNICE and BEUC are also endeavouring to promote a standard for European labels.<sup>14</sup> These label standardisation initiatives are only mildly successful, however. Labelling initiatives in the electronic commerce sector are too recent to permit the establishment of such structures, which lead to considerable administrative and financial costs for label providers.

## **2. The Eurochambres label and the Global Trustmark Alliance**

Eurochambres is planning to offer a European label based on its code of conduct and dispute settlement methods. The European label, intended to promote electronic commerce in a crossborder environment, will be offered by the network of Chambers of Commerce in Europe.

The label policy will indicate among other things that an on-line seller adheres to a set of rules concerning the resolution of disputes. In other words, when an on-line visitor sees the label logo displayed, he/she can have confidence that any future dispute will be handled in a fair, effective, transparent manner. The label holder commits to participate in the out-of-court (OC) settlement procedure and to respect its outcome.

The Eurochambres label is the most visible part of the Eurochambres trilogy: code of conduct, label and dispute resolution. It is also the only part that is actually marketable. The label, therefore, must contribute to the financing of the dispute settlement mechanism

The label will benefit from the Global Trustmark Alliance standard, which comprises leading global non-profit-making organisations in the development of Internet confidence. Founded by the BBBOnline,<sup>15</sup> Eurochambres and FEDMA, the Global Trustmark Alliance is poised to become a world alliance for the certification of web sites. Several Asian labelling initiatives, including those in Japan, Korea, Taiwan and Singapore, intend to join the Alliance.

The Global Trustmark Alliance aims to promote a quality image for electronic commerce as well as alternative compatible mechanisms for resolving disputes. This Alliance would have a "benchmark" code of conduct, essentially based on Organization of .. (OECD) guidelines, which will be a "floor" under members' national codes, and used as a basis for resolving cross border disputes. In addition, Alliance members will agree to cooperate with each other in resolving cross border disputes, and a global Alliance label will be co-branded with national labels and displayed by participating merchants. This, it is hoped, will provide for the good will and trust established and nurtured by national labelling programs to help benefit the Alliance label. This promises to be an effective way to build consumer trust in

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<sup>13</sup> <http://www.trustuk.org.uk/>.

<sup>14</sup> UNICE-BEUC, *e-confidence project*, <http://www.beuc.org/public/BeucAgreements/beucuniceen.pdf>.

<sup>15</sup> BBBOnline, which was one of the first if not the very first Internet labelling programs designed to promote consumer confidence, is providing labels to more than 14.000 web sites in the United States of America and Canada.

cross border e-commerce by offering a brand that can become well known outside the jurisdiction of any one trademark organization member.

#### **IV. Resolving disputes on the Internet - OnlineConfidence**

##### **1. Concept**

When a dispute arises as a result of using the Internet parties may have recourse to traditional courts. Parties may also turn to alternative mechanisms to settle disputes which are being developed online. Out-of-court settlement of disputes is a product of self-regulation, which enables the dispute to be handled outside of state control.

ADR or Alternative Dispute Resolution has a number of advantages, but it is not devoid of risks, particularly when unequal parties are involved. It has recently been enshrined by the European legislator in the field of electronic commerce by being listed in two European recommendations<sup>16</sup>.

ADR is a relatively flexible concept. It is defined as comprising out-of-court dispute resolution procedures, alternatives to traditional in-court procedures. Sometimes it is called "Complementary" or "Adequate" Dispute Resolution.

A large number of institutions offer alternatives to judicial proceedings. In terms of origin, some procedures are the result of public initiatives at the national level (e.g. Consumer Complaint Boards in the Scandinavian countries) or at regional or local levels (e.g. the Arbitration Courts in Spain). Others are based on private initiatives (e.g. banking and insurance mediators and ombudsmen). From a functional point of view, some "award" decisions are binding (for instance the arbitration between tour operators and consumers in Belgium and in Ireland), while others simply make recommendations (e.g. the National Board for Consumer Complaints in Sweden) or arrange a contractual-style undertaking (e.g. the consumer dispute settlement commissions in France).

Because the various procedures have their own background and are influenced by their geographic and cultural origins, each one forms a specific mechanism for resolving disputes. While some may easily be identified in the traditional way as consisting of mediation, arbitration or negotiation, others defy such categorization. We described them as *sui generis* procedures, but they bear diverse names: summary arbitration proceeding, binding advice, intercession, conciliation, ombudsman, mediation-arbitration, arbitrage advice, fact-finding, neutral evaluation, rent-a-judge, summary trial, executive tribunal and mini-trial.

Arbitration is the "settling of a dispute by an authority (the arbitrator or arbitrators) that holds its powers as judge not because these are permanently delegated by the State or by an international institution, but as a result of agreement between the parties"<sup>17</sup>. The third party intervening in the procedure issues a binding ruling for the parties, who may not appeal to the courts except in relation to the implementation of the ruling. Mediation is a method of dispute settlement involving a third party to help the parties find a mutually acceptable solution. Negotiation or assisted negotiation is the least formal means of resolving disputes

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<sup>16</sup> Commission Recommendation 98/257/EC of 30 March 1998 concerning the principles applicable to the bodies responsible for out-of-court settlement of consumer disputes, OJEC, 17 April 1998, L 115, p.31-34, and Commission Recommendation 2001/310/EC of 4 April 2001 concerning the principles for out-of-court bodies involved in the consensual resolution of consumer disputes, OJEC, 19 April 2001, L 109/56.

<sup>17</sup> G. CORNU, "Vocabulaire juridique", P.U.F., Paris, 1987, p. 61.

out of court; it does not necessarily involve a third party and the result is the agreement reached by the parties.

One example of a *sui generis* procedure in the field of information technologies is the UDRP procedure (Uniform Dispute Resolution Policy) recently devised by the ICANN in relation to domain names. This is not really arbitration since it does not prevent the parties from initiating proceedings before the courts. It is not a mediation procedure either, since the decision issued by the third party (the "panelist") is binding on the parties.

## **2. Origin of OnlineConfidence**

European Chambers of Commerce have a keen interest in on-line dispute resolution for a number of reasons. First, the provision of on-line dispute mechanisms will encourage more confidence by consumers and SMEs (small and medium sized enterprises), thereby stimulating e-commerce activities. Second, many European Chambers already offer arbitration, mediation or conciliation services and such expertise can be put to effective use in an Internet-based environment.

The service of OnlineConfidence fits well in the wider strategy that European Chambers of Commerce are creating trust and confidence in e-commerce. For example, see the seal programmes set up by Chamber, which certify the credentials of on-line companies<sup>18</sup>, the creation of a digital certificate infrastructure in many of the EU countries, and the creation of the ChamberSign system<sup>19</sup>.

OnlineConfidence<sup>20</sup> (OC) is a dispute resolution project launched in January 2001 by Eurochambres and a set of European Chambers of Commerce<sup>21</sup> and co-financed by the European Commission TEN-Telecom programme. At first, the project focused on research and development of legal, technical and organisational issues. Subsequently, the project model underwent a market validation test and a business plan has been drawn with the objective to set up a self-sustaining system.

## **3. OnlineConfidence scope of application**

OnlineConfidence aims to give buyers (both businesses and consumers) access to an out of court process which is effective, transparent, independent, fair, at low cost and which respects the legal rights of all concerned. This applies to B2B and B2C disputes deriving from on-line activities (e.g. purchases made via the Web). OnlineConfidence has a broad scope as it covers disputes among professionals and between professionals and consumers. The procedure is essentially geared to disputes arising from a commercial transaction involving a product or service obtained via telecommunications networks. Nevertheless it will be possible for parties to have recourse to OnlineConfidence procedures, by mutual agreement, for disputes arising from traditional commercial transactions.

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<sup>18</sup> See among others the ChamberSeal initiative set up by Chambers of Commerce of Ireland (<http://www.chamberseal.com/>); TrustInfo initiative set up by Chambers of Commerce and Industry of Paris (<http://www.trustinfor.org/>); Chamber-Trust initiative set up by the Belgian Federation of Chambers of Commerce and Industry (<http://www.chamber-trust.be>).

<sup>19</sup> Chambersign is a consortium of Chambers from 10 countries establishing mutual recognition of digital certificates (<http://www.chambersign.com>).

<sup>20</sup> <http://www.onlineconfidence.org>.

<sup>21</sup> OnlineConfidence comprises the German, Belgian, Spanish, Italian and Swedish Chambers of Commerce as well as Eurochambres.

#### **4. OnlineConfidence procedure**

The OnlineConfidence procedure is a completely online ADR procedure. The parties use the Internet to communicate and reach a settlement. During the first stage, the procedure is fully automated. This is the negotiating stage, during which the parties may reach an agreement that is binding. Otherwise, they may ask for the intervention of an evaluator, an impartial, independent expert who will give his opinion on the dispute.

OC is designed primarily to help parties reach a negotiated settlement through discussions online (Direct Negotiation). The normal timeframe for the negotiation is 10 days. If the parties are successful and reach an agreement, the case will be settled and thereafter terminated by the system.

Should the negotiation not lead to a settlement and should the claimant still wish to continue, then the OnlineConfidence system offers a second step: the Evaluation. During the Evaluation, a neutral third party, the OC Evaluator, will review the facts of the case, as presented by the buyer and the seller, and within 15 days submit a specific solution for the dispute in form of an Advice.

The Advice marks the end of the OnlineConfidence dispute resolution procedure. It is binding for the seller if he/she committed previously to be bound by the result and up to a maximum of 5000 Euro. This commitment is included in the code of conduct promoted by Eurochambres and also in a model clause proposed to sellers. The Advice does not prevent either party from submitting the dispute to public court or any other form of dispute resolution as agreed between the parties. Rules governing any statute of limitations depend exclusively on national laws and parties are advised that filing a claim with OnlineConfidence does not replace any such rules or laws.

OnlineConfidence has focused in particular on the questions of independence, transparency, legality, effectiveness and liberty. To protect against arbitrariness, OnlineConfidence will be financed indirectly by its labelling programme and the evaluators will be approved by a committee consisting of representatives of consumers and of professionals. Transparency will be ensured by providing clear, comprehensive information on the services, the evaluators and the rules of operation. In addition, an annual report will be produced concerning OnlineConfidence. Effectiveness of the procedure is guaranteed by the tight deadlines, ease of use and limited costs. Incentives are also available to encourage enforcement of the results of the procedure. The parties are free to call upon OnlineConfidence. Moreover, professionals can, at the request of consumers, and prior to the emergence of disputes, take part in OnlineConfidence procedures. Lastly, the parties have the right, in any case, to initiate proceedings before the courts.

#### **5. OnlineConfidence system**

The technical development of OnlineConfidence is being performed by Infocamere<sup>23</sup> and by Consorzio Pisa Ricerche.<sup>24</sup> The OnlineConfidence (OC) dispute resolution system takes full advantage of the interactive communication offered by Internet. To start the dispute

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<sup>23</sup> Infocamere is the information services company of the Italian Chambers of Commerce, <http://www.infocamere.it/>

<sup>24</sup> Consorzio Pisa Ricerche is a non profit making institution that groups Academic and Research Institutions, Public bodies and industries, <http://meta.cpr.it/>

resolution procedure, a buyer fills out an online Claim Form. In the form, the buyer is asked to identify the problem encountered as a result of the purchase, and to propose a solution. The OnlineConfidence system invites the other party to access the website and to read the proposal for solution. Buyer and seller freely exchange messages, both structured proposals and free-text, and they receive e-mail alerts to inform them of new messages. At any time both parties can view the claim status on the website. The users of the dispute settlement system are offered a digital certificate that identifies them during the process. It enhances the security and the privacy of the data exchanged by the parties and the third party. A minimum of information is sent to the parties by email in order to avoid security holes and privacy breaches.

The OC system is based on Open Source software modules and runs on the Linux operative system, as such, it requires few, inexpensive software licences.

## **6. OnlineConfidence organisational model**

OnlineConfidence is establishing a structure that has a number of central elements, but is mostly decentralised throughout the EU. The common set of rules to be applied throughout Europe and to which e-traders are invited to subscribe is set up centrally. The document management software and the co-ordination of the dispute resolution process itself are both centralised.

However, the new service is promoted and delivered through a decentralised network. The service is promoted through the 1,500 Chambers of Commerce, which are members of Eurochambres. And, when disputes arise, OC uses evaluators drawn from arbitration/mediation centres set up by Chambers of Commerce, as well as from other sources.

## **7. OnlineConfidence implementation plan**

In September 2003 the pilot OC system will be tested by the public. OnlineConfidence services will rely on the networks of four national Chamber associations: Belgium, Germany, Italy and Spain. The services have been translated in the five working languages of OC. Other national Chamber associations are expected to join the initiative very rapidly. OnlineConfidence appears to be a natural evolution of Chambers services as far as Chambers have been dealing with ADR for years.

## **8. Regulatory requirements**

### **8.1. Existing pre-regulatory framework**

In International and European contexts there are some rules relating to out-of-court dispute settlement<sup>25</sup>. In Europe, Recommendation 98/257/CE and Recommendation 2001/310/EC set up general principles applicable to third party bodies responsible for out-of-court consumer dispute resolution procedures.<sup>26</sup> The scope of Recommendation 98/257/CE is

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<sup>25</sup> Among others, the E-commerce Directive, 2000/31/CE, *J.O.C.E.*, 17 July 2000; Council Resolution of 25 May 2000 on a Community-wide network of national bodies for the extra-judicial settlement of consumer disputes, JO C 155 06.06.2000 p.1; U.S. Department of Commerce et U.S. Federal Trade Commission, *Alternative Dispute Resolution for Consumer Transactions in a Borderless Online Marketplace*, November 2000, <http://www.ftc.gov/bcp/altdisresolution/summary.htm>.

<sup>26</sup> See the Communication from the Commission (COM(1998)198) on "the out-of-court settlement of consumer disputes" and the Commission recommendation (98/257/CE) on the principles applicable to the bodies responsible

limited to procedures which, no matter what they are called, lead to the settlement of a dispute through the active intervention of a third party, who proposes or imposes a solution. This Recommendation promotes the principles of independence, transparency, adversarial, effectiveness, legality, liberty and representation.

Recommendation 2001/310/EC lays down principles for any third party body offering procedures that attempt to resolve a dispute by bringing the parties together to convince them to find a solution by common consent. However, the Recommendation is not intended to cover customer complaint mechanisms operated by a business and conducted directly with the consumer or to such mechanisms carrying out such services operated by or on behalf of the business. This Recommendation promotes the principles of impartiality, transparency, effectiveness and fairness.

Despite the existence of a number of rules, the regulatory framework is far from being completed. Most of the rules are voluntary or have a relatively weak impact.<sup>27</sup> More recently, the European Commission has issued a Green Paper on alternative dispute resolution in Civil and Commercial Law<sup>28</sup> and envisages setting up an accreditation framework for alternative dispute resolution in business to consumer relations. In addition, several business and consumer associations have drafted complementary principles applicable to out-of-court dispute settlement.<sup>29</sup>

## V. Conclusion

Global e-commerce has been clearly identified as a potential new source of disputes. The direct consequence of this fact is the appearance of lack of trust of the buyer, which has significant implications on the worldwide market in general and on Europe in particular. Therefore European Chambers of Commerce set up an integrated approach of online confidence.

While initially concentrating on establishing the system in Europe, Eurochambres also seeks to ensure the OnlineConfidence service is applicable in the US and elsewhere, through the negotiation of reciprocal arrangements with similar system providers in those regions. The creation of the Global Trustmark Alliance is an excellent opportunity to look for a globally interoperable system.

Sustainable labelling organisation and dispute resolution initiatives are not numerous, in fact they are practically non-existent. They must be equipped with essential guarantees to ensure their credibility, which is extremely costly. Their success is dependent on their visibility, and their visibility is in turn dependent on the number of professionals using them.

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for out-of-court settlement of consumer disputes; the Communication from the Commission (COM(2001) 161 final) on "widening consumer access to alternative dispute resolution" and the Commission Recommendation (2001/310/EC) on the principles for out-of-court bodies involved in the consensual resolution of consumer disputes.

<sup>27</sup> Except among others for the Convention on the Recognition and Enforcement of Foreign Arbitral Awards done at New York, 10 June 1958.

<sup>28</sup> European Commission, Green Paper on alternative dispute resolution in Civil and commercial law, COM(2002) 196 final, Brussels, 19.04.2002.

<sup>29</sup> Alternative Dispute Resolution and e-Confidence, Recommendations, 24 August 2000, [http://consumerconfidence.gbde.org/adr\\_rec.html](http://consumerconfidence.gbde.org/adr_rec.html); Trans Atlantic Consumer Dialogue, Alternative Dispute Resolution in the Context of Electronic Commerce, February, 2000, <http://www.tacd.org/papers/ecommerce/Ecom-12-00.rtf>; Consumers International, *Disputes in Cyberspace - online dispute resolution for consumers in crossborder disputes - Executive summary, conclusions, recommendations and summaries of online alternative dispute resolution services*, December, 2000 and *Update of online dispute resolution for consumers in cross-border disputes*, December 2001, [http://www.consumersinternational.org/campaigns/electronic/update\\_disputes\\_in\\_cyberspace\\_2001.pdf](http://www.consumersinternational.org/campaigns/electronic/update_disputes_in_cyberspace_2001.pdf).

The electronic commerce market in Europe is developing slowly, and it is often difficult to get it to bear additional costs. Given this, it is not easy to do without public financing without being very imaginative.

The Eurochambres approach takes into account the high level principles issued by the European Commission. However, Eurochambres urges caution concerning the creation of an accreditation process. First, the market is too weak to bear the costs of an accreditation structure. Second, it is not immediately apparent what benefits would flow to those offering services in the marketplace from such an accreditation process. The cost benefit ratio is unproven.

Lastly, it is clear from the sociological point of view that alternative dispute resolution is not yet very popular in Europe. The European authorities recently committed themselves to ADR by launching the EEJ-NET and FIN-NET networks. Associations of professionals and consumers are also becoming increasingly active. It is a safe bet that the World Summit on the Information Society in December 2003 will provide additional momentum.