

G20 International Conference on Consumer Policy

**- Emerging Challenges to
Consumer Policy in the Digital Age -**

**5 and 6 September 2019
Tokushima, Japan**



Panel 4: Dispute Resolution and Redress and New Technologies

- **Korea**
- **Brazil**
- **Portugal**
- **Russia**

G20 International Conference on Consumer Policy

The Korea's effort to facilitate effective dispute resolution and redress in the digital economy

 5 September 2019
Korea Consumer Agency



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1. Trends in online transactions of Korea



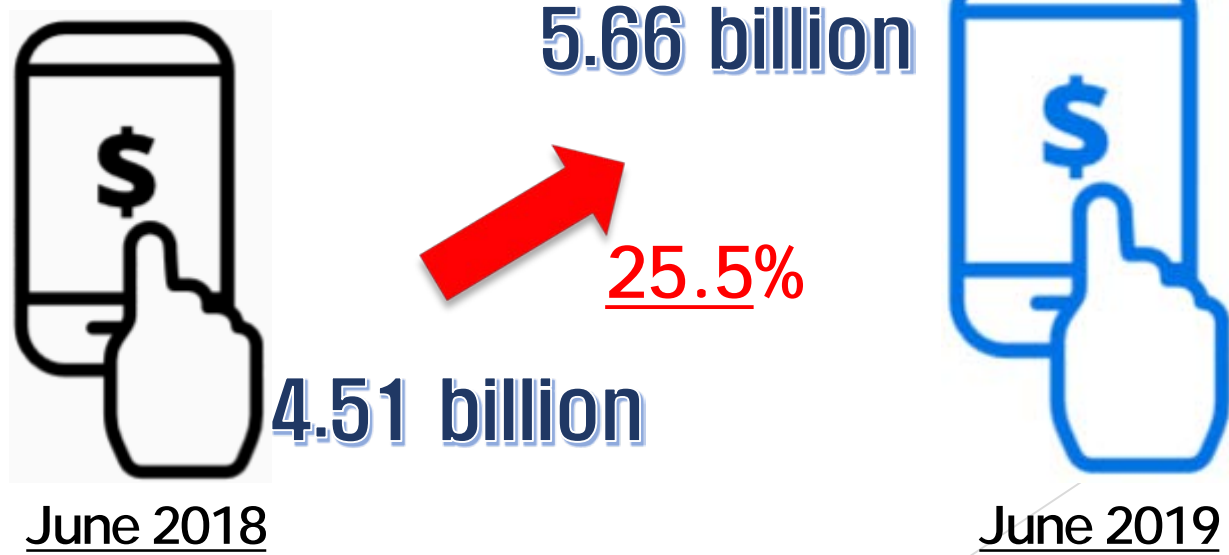
TOTAL
\$ 8.7billion

Online Shopping

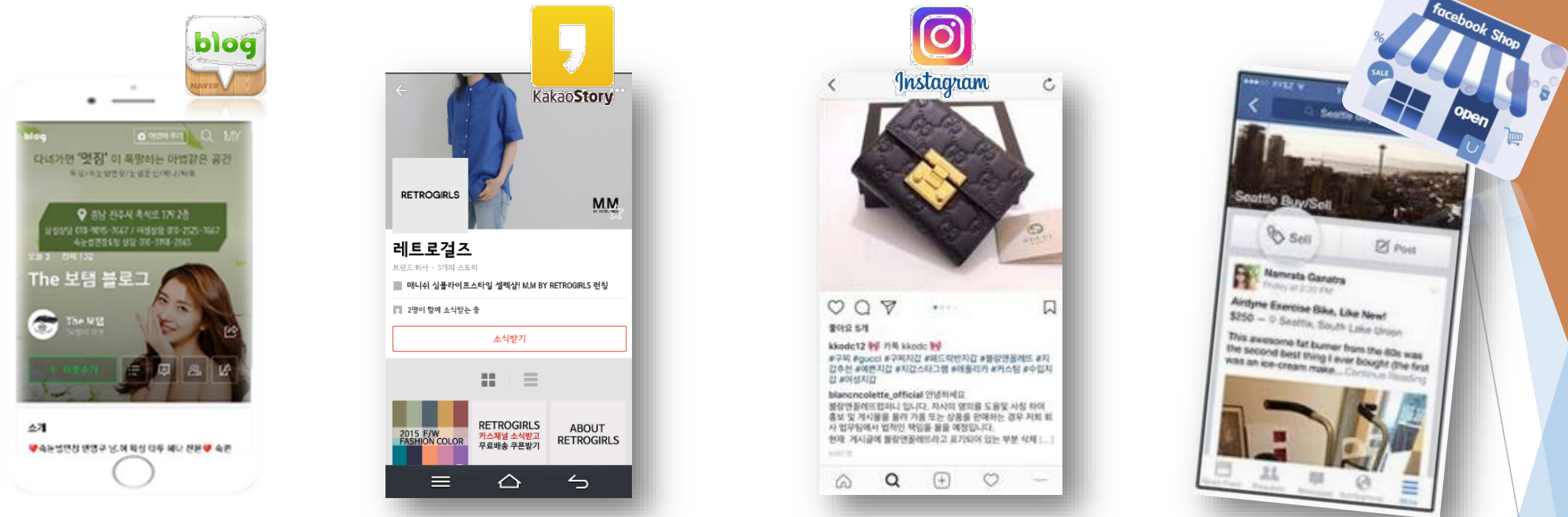
June 2019

				
1.2 billion (13.5%)	996 million (11.4%)	932 million (10.7%)	853 million (9.8%)	778 million (8.9%)
Travel & Transport	Appliances I.T device	Apparel	Grocery	Cosmetic

Mobile Shopping



2. New Business models & Transactions

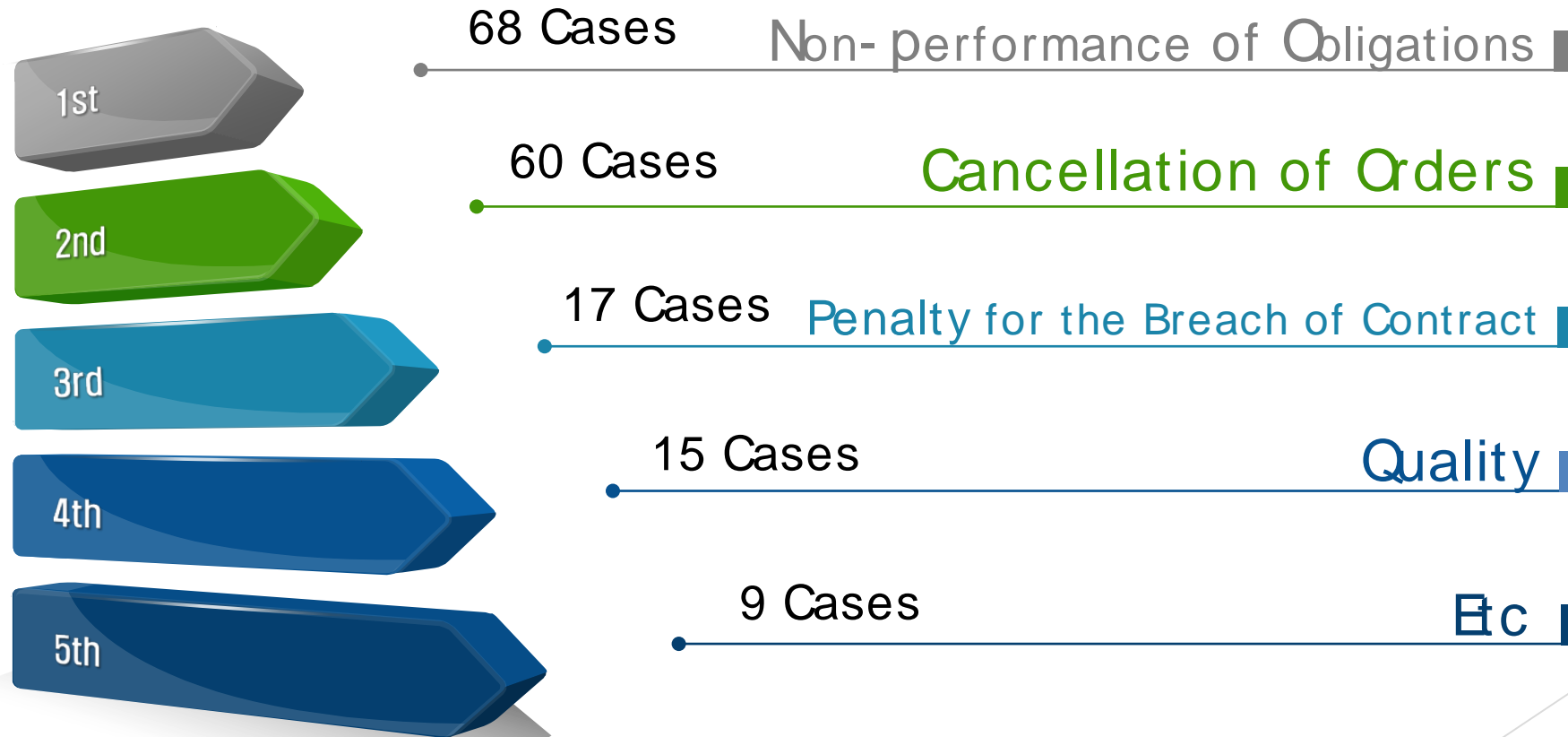


❖ The volume of Consumers' Complaints Regarding Purchases done through Social Media

Subdividing	2016	2017		2018	
			Compared to the same time last year		Compared to the same time last year
Consumer Complaints	1,135	1,319	6.2% ↗	1,479	2.1% ↗

3. The current state of redress cases

❖ Redress Cases over past 3 years (2016~2018)



TOTAL : 169 cases

4. Survey on the Commercial Exchange in SNS Market



8 April 2019

~

26 April 2019

❖ Survey Target

: The sellers who place indications or advertises on Social Media platforms(below) to take orders.

- (Domestic) NAVER Blog, Cafe, Band & KaKao Story
- (Foreign) FaceBook, Instagram

❖ Check-List

- ① Provision of information on seller's identity
- ② Transaction terms (method & date to supply goods)
- ③ Consumer's right to cancel an order
- ④ Procedures for exchange, return & refund

4. Survey on the Commercial Exchange in SNS Market

❖ Obligation of Service Provider on E-commerce

(Act On The Consumer Protection in Electronic Commerce, Etc)

❖ Notify the followings in an appropriate manner

- **Requirements and procedures for exchange, return and guarantee of the goods**
- **Matters concerning compensation for damage, settlement of complaints and resolution of disputes between consumers and business operators**

❖ Reporting, etc., by Mail Order Distributors

- **Trade name, address and telephone number**
- **E- mail address, Internet domain name and location of host server computers**

4. Survey on the Commercial Exchange in SNS Market

❖ Result !!

- Among these targets(Domestic 266, Foreign 145), none of them was 100% legitimate.

< Overall Result of the Survey >

(unit : number of companies)

subdividing	Domestic	Foreign
Obey	-	-
Disobey	266(100%)	145(100%)
Total	266(100%)	145(100%)

5. Countermeasures

1



**Consultative
Committee**

2



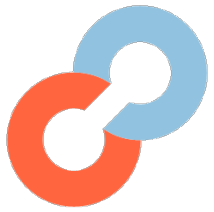
**Compliance
Program**

3



**Providing information
And education**

**Effective Dispute Resolution
and Redress System**



한국소비자원

Korea Consumer Agency

– The End –

E-Mail : thlee05@kca.go.kr

ONLINE DISPUTE RESOLUTION (ODR) IN BRAZIL

The *Consumidor.gov.br* platform

5-6 September, Tokushima, Japan

SENACON/MJSP

National Secretariat for Consumer Affairs
Ministry of Justice and Public Security

MINISTÉRIO DA
JUSTIÇA E
SEGURANÇA PÚBLICA





Consumidor.gov.br is a public alternative consumer dispute resolution platform that allows direct dialogue between consumers and companies to solve consumption conflicts over the internet.



 **consumidor.gov.br**

Empowerment, Transparency and Competitiveness

- 1) The service allows **direct communication** among consumers and providers for troubleshooting consumption disputes;
- 2) It provides **essential information to the government** to develop and implement public policies for consumer protection;
- 3) It encourages **competitiveness** in the market by improving products, services and quality of customer service.



How does it work?

Focus on Trust and Dialog

The **consumer** registers the complaint;

The **company** answers;

The **consumer** evaluates it - citizen empowerment;

All **actors** monitor

It's free, public and transparent!

Voluntary participation and commitment with
the solution

SLOGAN: “It's yours. It's easy. Take part.”

- Less information asymmetry
- Problems solved in less than 10 days
- Positive marketing
- Seal (in development):

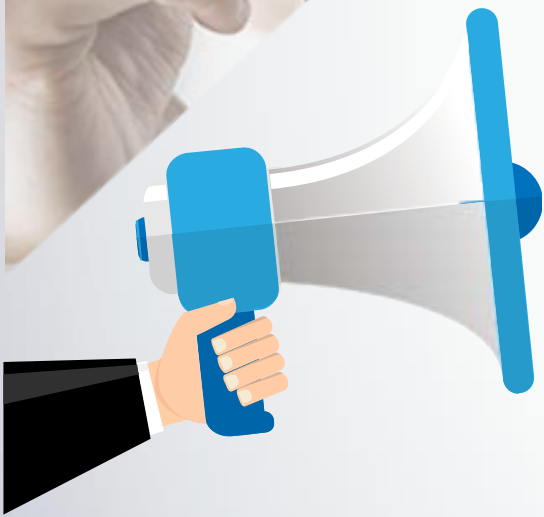




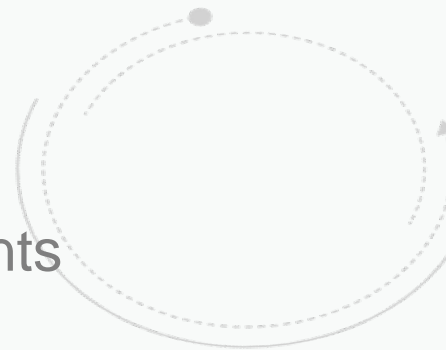
Results



NUMBERS of the Platform



2 million
concluded complaints



Received for
538
companies
registered

Period: June, 2014 – June, 2019



consumidor.gov.br



in Numbers 2018

81%

Complaint Resolution index



99,3%

Answered
Complaints



6,7 days

Average Answer Time



609k

Concluded Complaints

*In 2018

** 357k: from January to June 2019

3,3

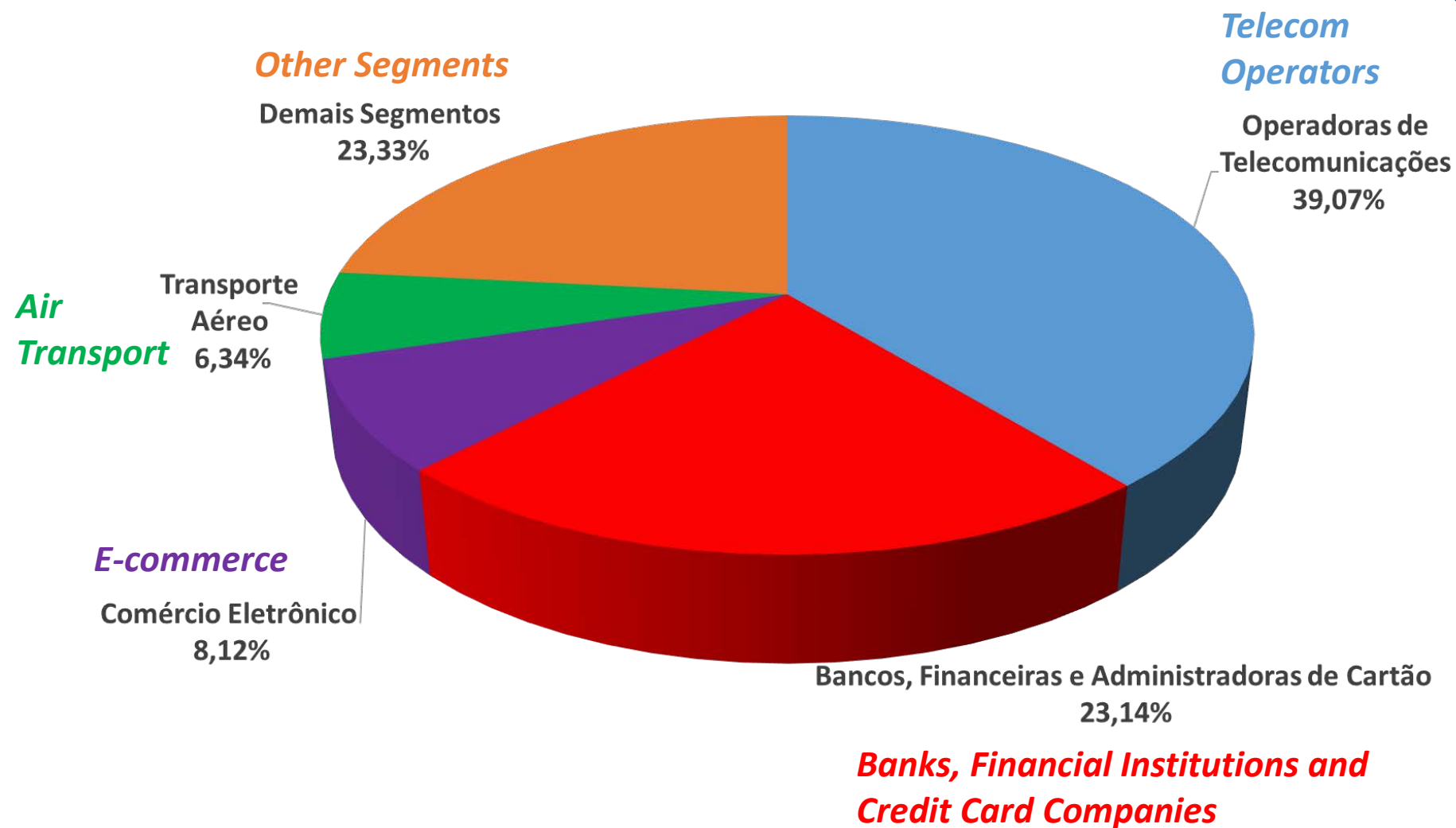


Average Consumer
Evaluation





Percentage of complains by Area



*From January to July of 2019

Thank You!

Obrigado!

Arigatō!
ありがとう



consumidor.gov.br

É seu. É fácil. Participe.





G20 International Conference on Consumer Policy

Panel 4: Dispute Resolution and Redress and New Technologies

Ana Catarina FONSECA

The Electronic Complaints Book

**Consumer Directorate-General
PORTUGAL**



Consumer Directorate General - PORTUGAL

Central body | Ministry of Economy

Consumer Policy - Among duties/functions:

- Legislation;
- Consumer Information;
- Awareness campaigns;
- Enforcement;
- Representation of Portuguese Consumers Interests before European Union;
- Coordination of the Portuguese “Consumer Protection System” (...)



Portuguese Sidewalks, Lisbon

Coordination of the Portuguese “Consumer Protection System”

Public and private Entities – Enforcers, Regulators, Consumers and Business associations, ADR, Municipalities *etc.*

Dialogue | common initiatives for consumers

COOPERATION – key word



COOPERATION – key word

Implementation
NEW DIGITAL PLATFORM

“Electronic Complaints Book”



Livro de Reclamações Complaints Book

Reclamante (Name)

Destinatário (To)

FOLHA DE RECLAMAÇÃO | COMPLAINT FORM

Triplicado (3 Copies)

Atenção (Attention)

Use caneta esferográfica e escreva com letra legível de forma concisa e objetiva (Use a ball-point pen and write legibly, concisely and objectively)

1. Identificação do fornecedor do bem/prestador do serviço contra o qual é feita a reclamação (Identification of the product/supplier/service provider against whom the complaint is filed)

a) Nome do Fornecedor do bem/prestador do serviço (Name of the product/supplier/service provider)

b) Morada (Address)

2. Identificação do reclamante (Identification of the complainant)

a) Nome (Name)

b) Morada (Address)

c) Nacionalidade (Nationality)

d) Tel (Telephone)

e) Passaporte ou BI (Identity card)

f) E-mail

3. Motivo da reclamação (Cause of complaint)

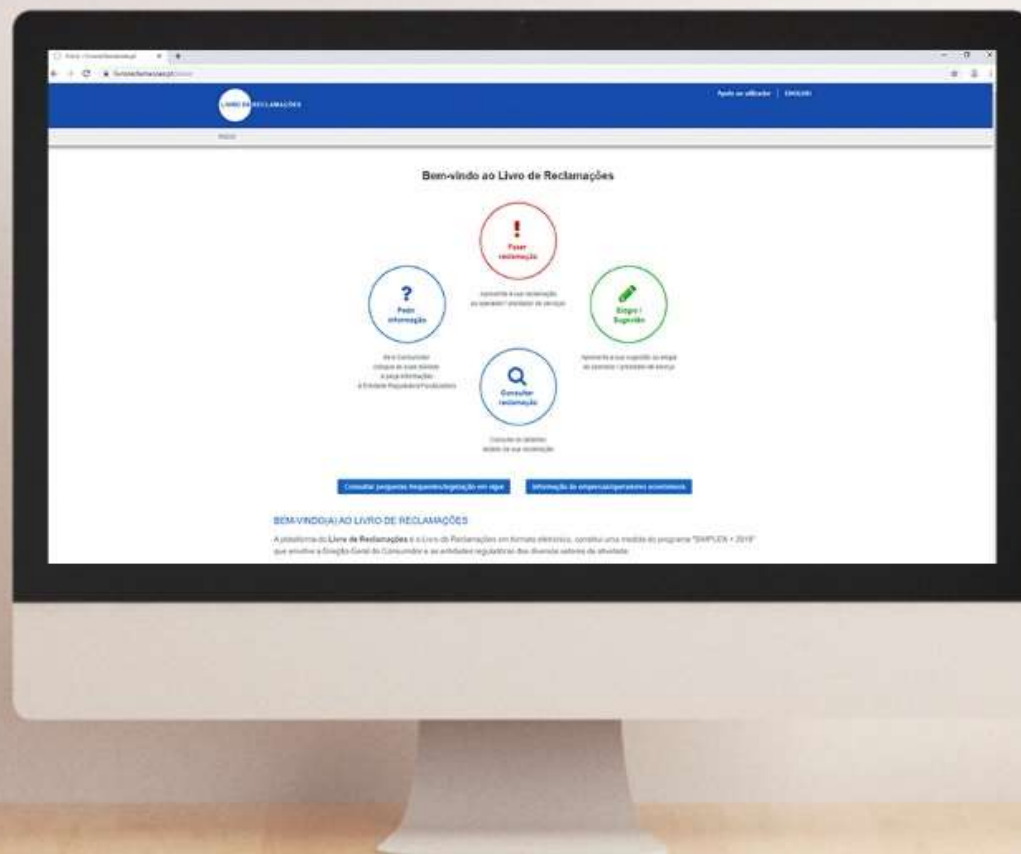
Data (Date)

Assinatura (Signature)

Assinatura do reclamante (Signature of the complainant)

NOTA: Este formulário é fornecido em triplicado e deve ser entregue ao fornecedor do bem/prestador do serviço.

NOTA: De acordo com a legislação em vigor, este formulário constitui parte integrante do livro e não pode ser separado.



Consultar perguntas frequentes/ajuda em vídeo

Informação de empresas operadoras económicas

BEM-VINDO(A) AO LIVRO DE RECLAMAÇÕES

A plataforma do Livro de Reclamações é o Livro de Reclamações em formato eletrónico, constitui uma modalidade do programa "SIMPLES + 2019" que envolve a Comissão Geral do Consumidor e as entidades reguladoras dos diversos setores da atividade.

Electronic complaints book – new digital tool

- Gathers and connects all Competent Enforcement Authorities and all Economic Operators;
- Consumers submit complaints, present information request and compliments, check the state of complaints;

Disputes occurred online and offline

Portuguese Sidewalks, Parque das Nações, Lisbon



Electronic complaints book – Implementation – TO SUCCEED...

Two phases as established by the legislation (Decree-Law)

1st phase

July 2017 – July 2018

All essential public services

2nd phase

Since July 2018

All economic sectors (retail, services, transport, financial services, construction, health, social services, insurance, tourism ...)



Electronic complaints book – Implementation

21 Competent Authorities connected

> 200 000 traders registered

> 1 000 000 users

110 955 complaints

80 086 information requests



Portuguese Sidewalks - acronyms of 16th century ,
Póvoa de Varzim.

Portuguese Sidewalks - Municipality Square of Lisbon.



Connect the Alternative Dispute Resolution Bodies (ADR) to the electronic complaints Book

Law no 63/2019, August 16 – Mandatory Arbitration in case of consumer disputes under € 5000 .



The Electronic Complaints Book facilitates

- Consumer complaints' handling by public authorities and businesses;
- Transparency;
- Speed;
- Consumer Dispute Resolution.

どうもありがとう
Dōmo arigatō
Thank you

ana.catarina@dg.consumidor.pt

Ana Catarina FONSECA

Portuguese Sidewalks – Rosa dos ventos, Azores.





**Federal Service for Surveillance on Consumer Rights Protection and Human Wellbeing
(Rospotrebnadzor)**

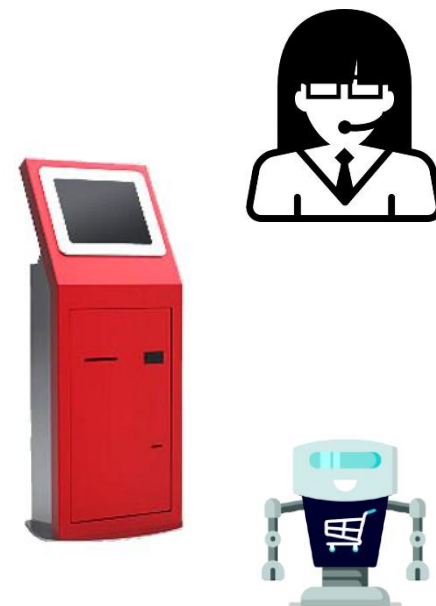
Development of information services for consumers

2018

**Adoption of Law on online financial ombudsman
(mandatory pre-trial dispute settlement in the field of
insurance and other financial services)**

**Federal Single 24/7 telephone hotline for consumers
Interactive help line for consumers**

Robot lawyer specializing on consumer rights protection



2019

Online Dispute Resolution (goods and services)

2019 – development of legal environment (laws)

2020 – appearance of the first ODR-platform

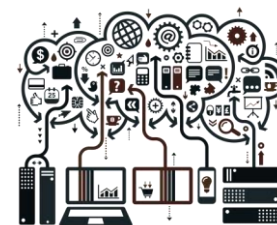
2020
2023

Development of digital platform (portal) for consumers

2019 – Concept and technical design specification

2020 – Launch of mobile app

2023 – Digital Super Service “Consumer Protection Online”



- 3 years online
- More than 1 million visitors
- 75 000 informational materials



25 thousand materials on products that are not in compliance with mandatory requirements

More than 23 thousand judicial act on consumer protection claims

20 thousand federal and regional news

More than 7,5 thousand answers to consumer questions

2,5 thousand analytical materials

360 information leaflets and guides

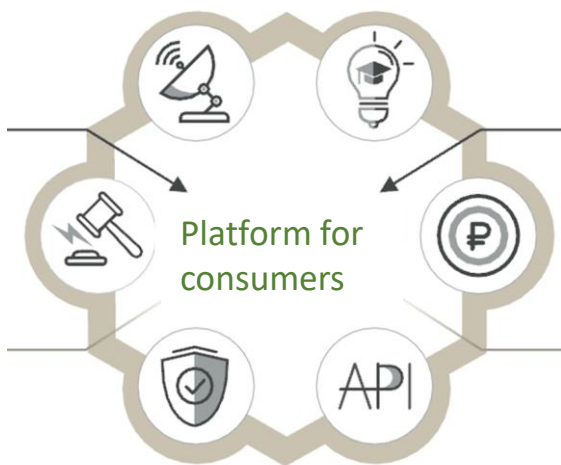
Challenges

- **Content** development (knowledge data base expansion)
- Launch of mobile app
- Improvement of **efficiency of search** for necessary information
- Increase web-site traffic, launching **interactive** assistance elements (Chabot, AI-based assistant, step-by-step instructions, voting on current issues)
- Creation of personal accounts and **personification** of recommended content (based on interests and search history)
- Taking into account **location** of consumer for search and providing required information

- Goals:**
- Trusted environment (consumer – business-operator)
 - Mitigation of risks for consumers, cost reduction

Examples of Digital Services

- Step-by-step virtual consultant (what should I do if flight is canceled/insurance is imposed/etc., how to change product)
- Search for unsafe products by specific category and location of consumer (mattresses, children's plush toys)
- Digital Services for Disabled (voice query and voice answerback for sight-impaired person)
- Starting dispute resolution with business-operator (directly or by redirecting to specialized platform)
- Participation in surveys (assessment of digital literacy, satisfaction with taxi services, Do you know your rights?)
- News aggregator (new legislation, product recall, opinion of court)
- «Alert button» (generation of “risk map” of defective, unsafe products and services, for selective risk-oriented control)



BASIC RIGHTS OF THE CONSUMER

1. Право на качество и безопасность товаров и услуг
2. Право на заявление претензии и ее быстрое рассмотрение
3. Право на компенсацию за нарушение прав потребителя
4. Право на рассмотрение спора по месту жительства
5. Освобождение от уплаты госпошлины при подаче иска
6. Право на просвещение и образование



Answers to the main questions

how to terminate the contract



В большинстве случаев расторжение договора не гарантирует 100% возврат средств.

Договор может быть расторгнут в любое время, но 100% возврат стоимости по



Не возвращенная часть средств должна быть подтверждена

По общему правилу потребителю должна быть возвращена вся стоимость



При особых обстоятельствах требовать расторжения договора может и турист и продавец тура

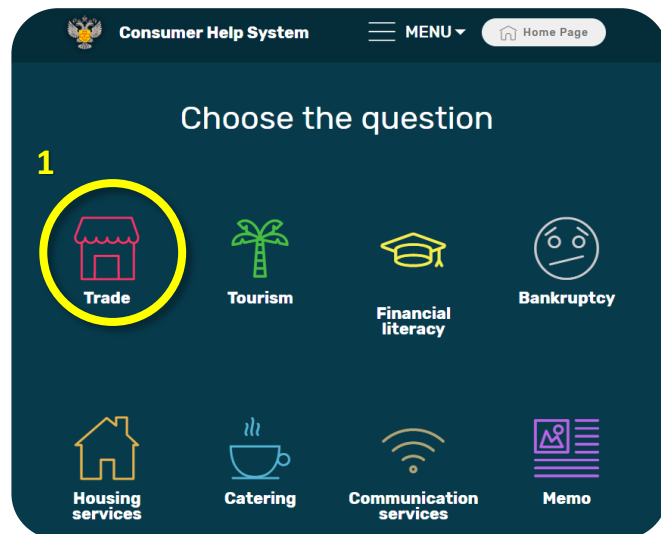
К этим обстоятельствам относятся:



Если есть угроза жизни, здоровью, имуществу туриста - возвращается полная стоимость путевки

При возникновении угрозы безопасности жизни, здоровья, имущества потребителя он

2 clicks to answer consumer question



Since 2015, more than 300,000 lawsuits are submitted by consumers to courts annually (1 lawsuit for 150 cars)

June 2019 - first stage of online dispute resolution carried out by financial ombudsman was launched (for now it addresses dispute settlement in the field of compulsory insurance for drivers)

- Submission of 80% of documents is carried out through personal account on website
 - Applicant has to submit claim to insurance company
 - Procedure is always free for consumer
 - Costs for online dispute settlement are paid by financial companies that lost in dispute settlement
 - Consumer has the right to appeal to court if he does not agree with rendered decision
-
- 40 % of applications are related to disagreement with amount of insurance payout
 - 30% - denial of insurance payout
 - 21% - violation of payment deadlines
 - Average amount of claims is 3 000 \$
 - 50% of claims made in July 2019 are satisfied



In 2019, drafting of law on online dispute resolution in the field of trade in goods and services will be finalized

- Any company (non-profit organization or business-operator, including sellers and aggregators) can set up online platform for dispute resolution
- Data on online platform is entered in public register. After that platform obtains official status
- Sellers and/or service providers if participate in dispute resolution through online platform in good faith are exempted from court fines (50% of all payments made to consumers)
- Online platforms will have to disclose information about their work
- Platform that abuse consumers' trust can be closed down by Federal Service for Surveillance on Consumer Rights Protection and Human Wellbeing (Rospotrebnadzor)

The first robot lawyer for people

Unlike other software assistants, a robot lawyer consult people autonomously.

Legal advice in milliseconds

It takes a few hours for a human lawyer to provide a detailed legal advice. Fedor makes it in a flash.

Fedor helps thousands of people

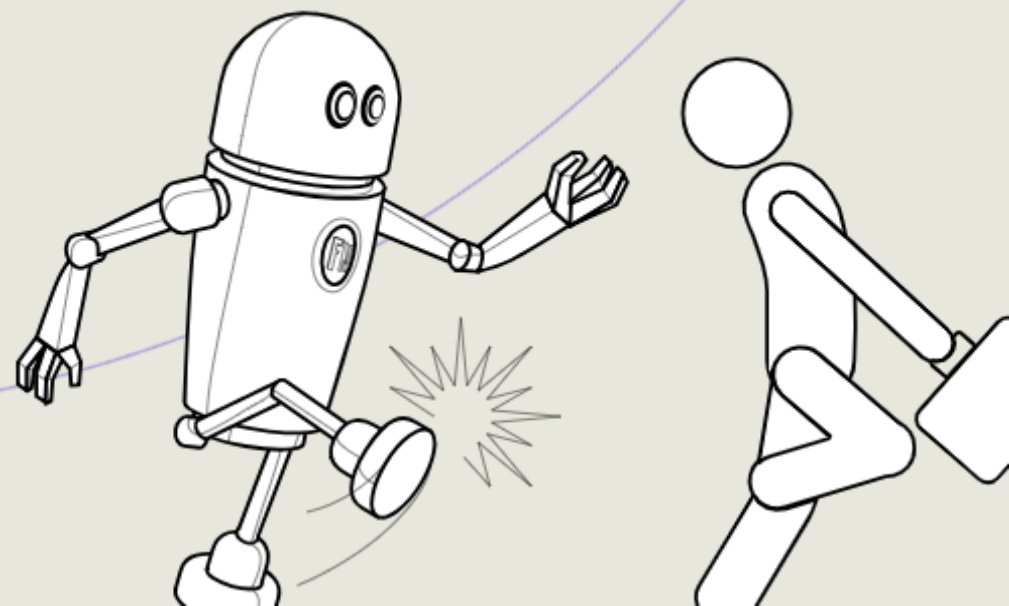
Fedor is already working in Russia and he can operate in any country of the world, regardless of the language or legislation system.



Ask Teodor спроси Фёдора
[Teodor.ai](https://teodor.ai)

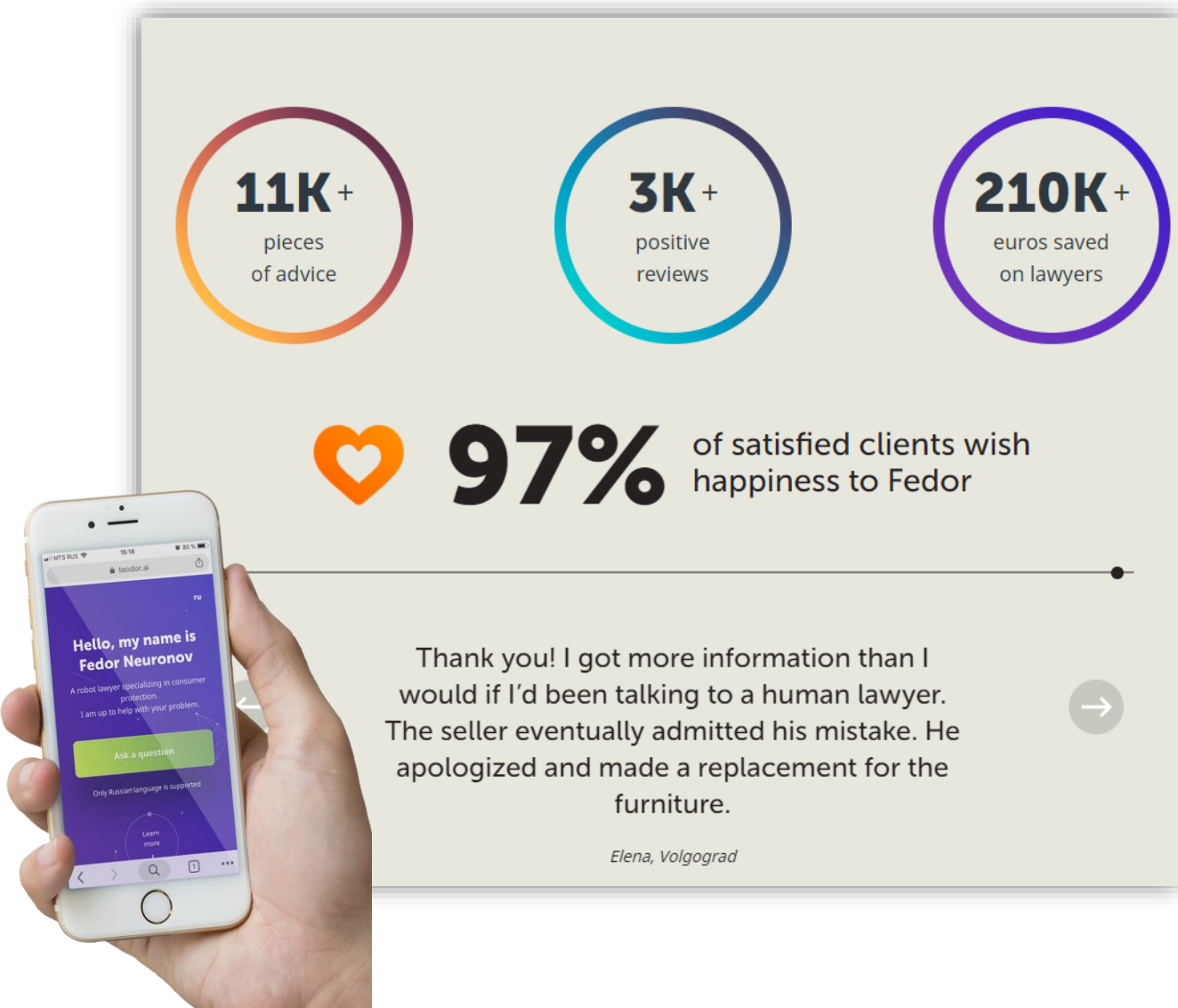
Watch video

<https://www.youtube.com/watch?v=FYMmCrBP9lc>



9

Robot Lawyer Specializing on Consumer Rights Protection Pravved.ru



That's how
we created a
robot

2011-2015

Big data

3 000 000
questions

We have created and developed the largest legal marketplace in Russia and have accumulated more than 3 000 000 consultations.

2016

Labeling

200 000
questions

30 lawyers manually labeled over 200 000 questions in several branches of law

2017

Algorithms
AI

We trained neural network that understands a clients' problem. We also developed user interviewing system to clarify the details and provide more specific answers.

2017

october • β-release

2018

The first

Robot lawyer

The launch of Fedor Neuronov, the first robot lawyer.



10 Russian initiatives for G20 to create environment of trust for global digital economy

Determination of priority areas for global cooperation

Conducting study on practicabilities for development of unified approaches and mechanisms for consumer protection

Global project on enhancing digital literacy and expansion of access to digital economy

Creation of single information portal for consumers as a basis for confident use of international platforms and services.

Recognition of the need to develop global standards that meet new realities of digital economy

Adopt Joint Declaration of G20 on consumer protection under Saudi Arabian Presidency in 2020

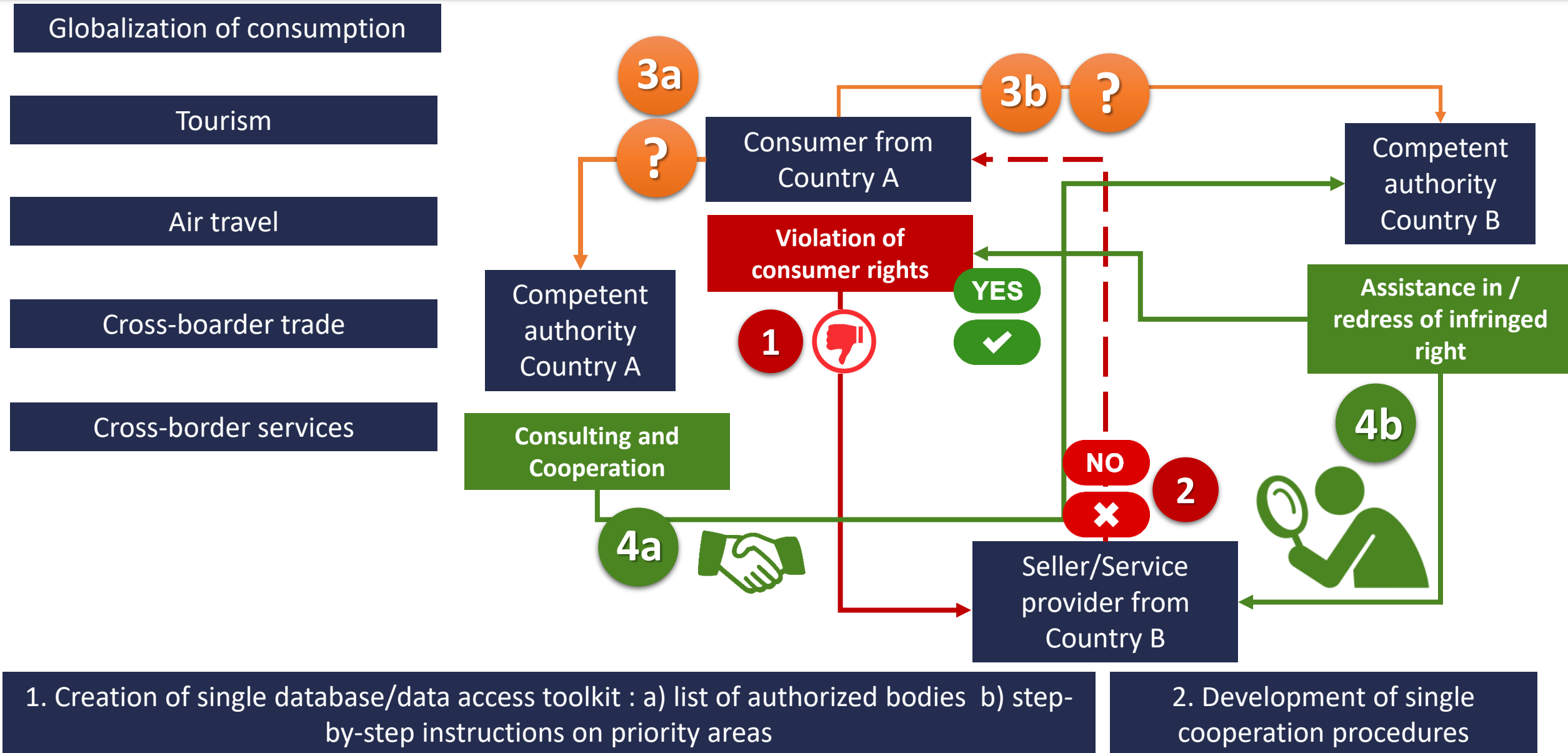
Practical initiatives:

Enhancing **consumer digital literacy**
(and expanding access to digital economy)

Consumer Information Portal

Study (carried out in partnership with OECD and/or UNCTAD) on current state and practicability of shaping **unified approaches and mechanisms** for international cooperation on consumer protection in (cross-border) e-commerce

11 Russian initiatives for G20 to create environment of trust for global digital economy





消費者庁

Consumer Affairs Agency Government of Japan