

19 September 2011

**FINDING BALANCED ALTERNATIVES: PROMOTING ALTERNATIVE
DISPUTE RESOLUTION (ADR) MECHANISMS IN THE EU**

19 SEPTEMBER 2011

CONCLUDING REMARKS

PHILIPPE DE BUCK, DIRECTOR GENERAL, BUSINESSEUROPE

Madam Vice-President, Ladies and Gentlemen,

It is an honour for me to close today's fruitful event gathering representatives of European Commission, businesses and consumers.

The case of consumer confidence and redress

Why did we organise this seminar today?

Consumer redress is in the agenda of the European Institutions for some years now.

BUSINESSEUROPE has been an active partner in this debate.

We are looking for better ways to provide consumers with effective redress. We believe that, in this particularly difficult economic context, the stress should be placed on solutions that are more pragmatic and brings a lower cost to society.

Madam Vice-President: we have been asking for many years for better coordination within the Commission on this issue and are pleased to see your efforts in that direction.

We are also pleased to hear you once again reiterating your support for alternative dispute as a means to provide European consumers/citizens with better and more efficient redress.

Increasing consumers' confidence will stimulate more consumption which is a driver for job creation and a strong economy.

Consumer confidence also impacts on the expansion of the internet powered economy which, fully developed, could represent an increase of EU GDP of 4% by 2020 (500 billion EUR).

This endeavour cannot be accomplished without adequate and effective enforcement of rights and obligations between consumers and traders.

We believe that Alternative Dispute Resolution (ADRs) is the way forward.

Alternative Dispute Resolution (ADRs) as a means to provide effective redress

As we have witnessed here today, through the many interventions, alternative dispute:

- saves time: often a solution can be found in a matter of months, even weeks (while bringing a lawsuit can take years).
- saves money: When cases are resolved through ADR, the parties may save in attorney fees, court costs, and experts' fees.
- increases control over the process and the outcome: In ADR, parties typically play a greater role in shaping both the process and its outcome. It encourages creative solutions that better suits the parties' objectives.
- preserves relationships: ADR can be a less adversarial and hostile way to resolve a dispute.
- can be adapted to deal with mass claims as we have seen with the presentation of the Amcham's ADR brochure.

To use the words of Mr Armand (CEO L'Oréal-France and Chair of MEDEF's Consumption Committee) '*ADRs are a **win win solution** for both businesses and consumers*'

Room for improvement

- We acknowledge that there is still work to be done in terms of creating awareness and more coverage of ADRs, in particular in the online environment.
- There is a **role to play for**:
 - **European institutions and national public institutions**: we look forward to the future Commission's proposals on alternative dispute;
 - **BUSINESSEUROPE and Amcham**: already engaged to encourage their members to keep supporting and developing ADRs. MEDEF's initiative in France is a clear best practice and we are encouraging our members to follow this example.
- However, one should not lose sight of what already exists at European level in terms of dispute resolution (e.g. European Consumer Centers Network, Financial Dispute Resolution Network) and try to improve and promote it.
- There are also available ADR initiatives dealing with the online world complex problems.

Conclusion

With today's seminar we wanted to provide a platform to discuss ways on how to deliver the full potential of ADRs.

In my view this goal was achieved.

Madam Vice-President: we hope we can continue to work hand-in-hand with your cabinet and Directorate-General on this issue.

Together we can help making the internal market the key instrument to put Europe back on the growth track.
