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RPP Research and Partnership Platform

Contribution

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UNCTAD

Escrow in E-commerce

UNCTAD RPP Programme:
Best Practices of Consumer Redress

SEVENTH MEETING
OF THE
**RESEARCH PARTNERSHIP
PLATFORM**
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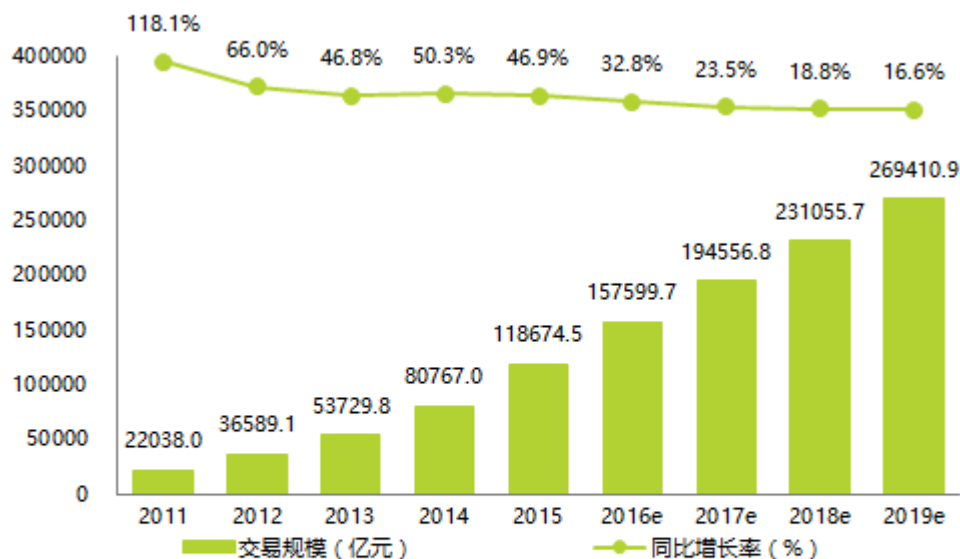
Consumers' concerns of distance transaction (comparing to vis-a-vis transaction)

- What should I do if there is no delivery after I paid the money?
- What should I do if I'm not happy with the commodity I received?
- Can I get my money back if I do not want to the commodity?
- Who can help me if the seller refuse to refund me ?

Practice in China: Third-party Payment Solution (第三方支付)

- — — parties of distance consumer contract choose the “Third-party Payment Mode” as a payment method, the amount will be deposited by the consumer with a third party to be kept until obtain the consumer’s grant after he received the goods without complaint, at which time it will be forwarded to the trader.

2011-2019年中国第三方互联网支付交易规模



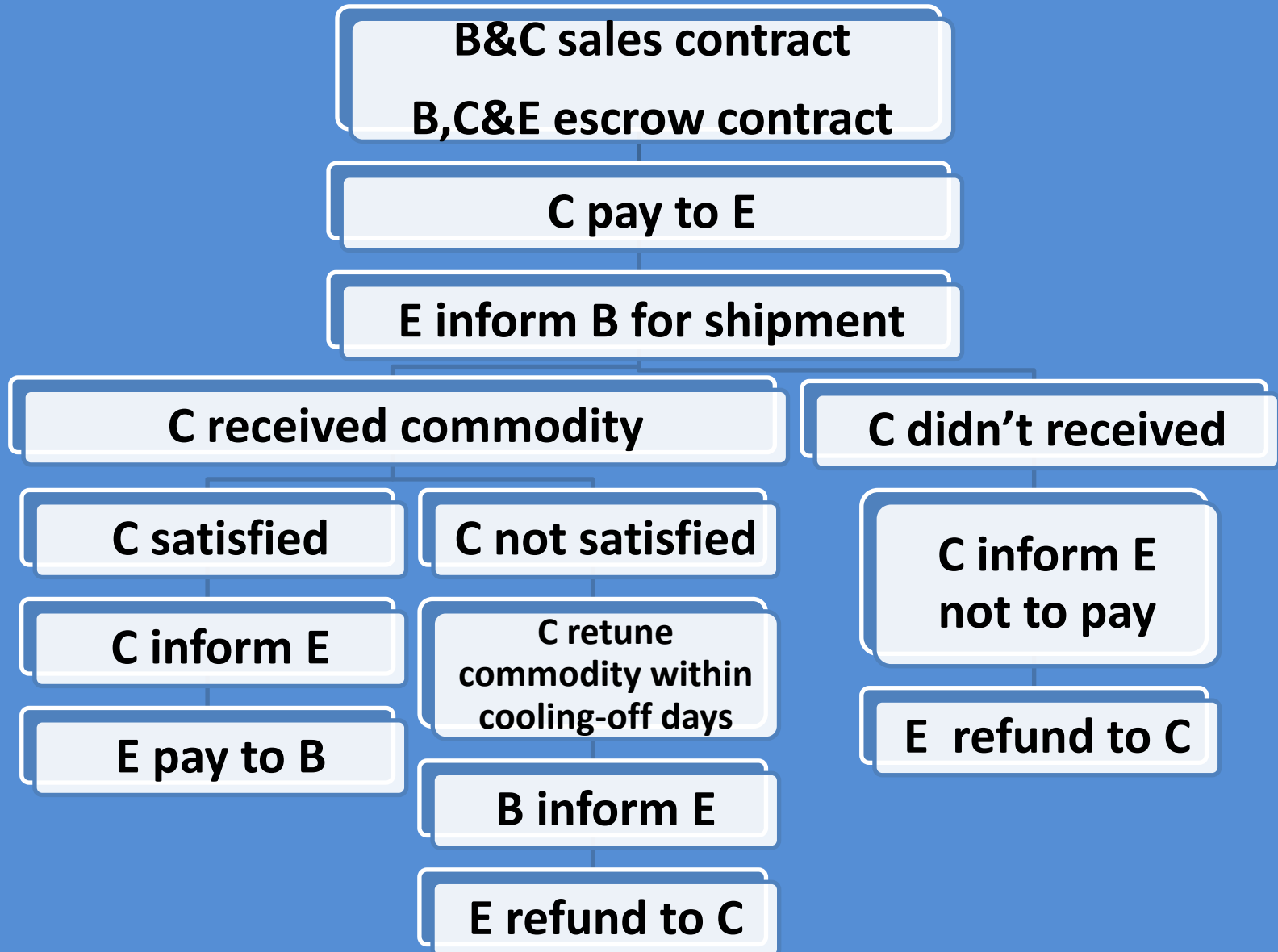
注释：1.互联网支付是指客户通过台式电脑、便携式电脑等设备，依托互联网发起支付指令，实现货币资金转移的行为；2.统计企业中不含银行、银联，仅指规模以上非金融机构支付企业；3.艾瑞根据最新掌握的市场情况，对历史数据进行修正。

来源：综合企业及专家访谈，根据艾瑞统计模型核算。

Escrow (托付)

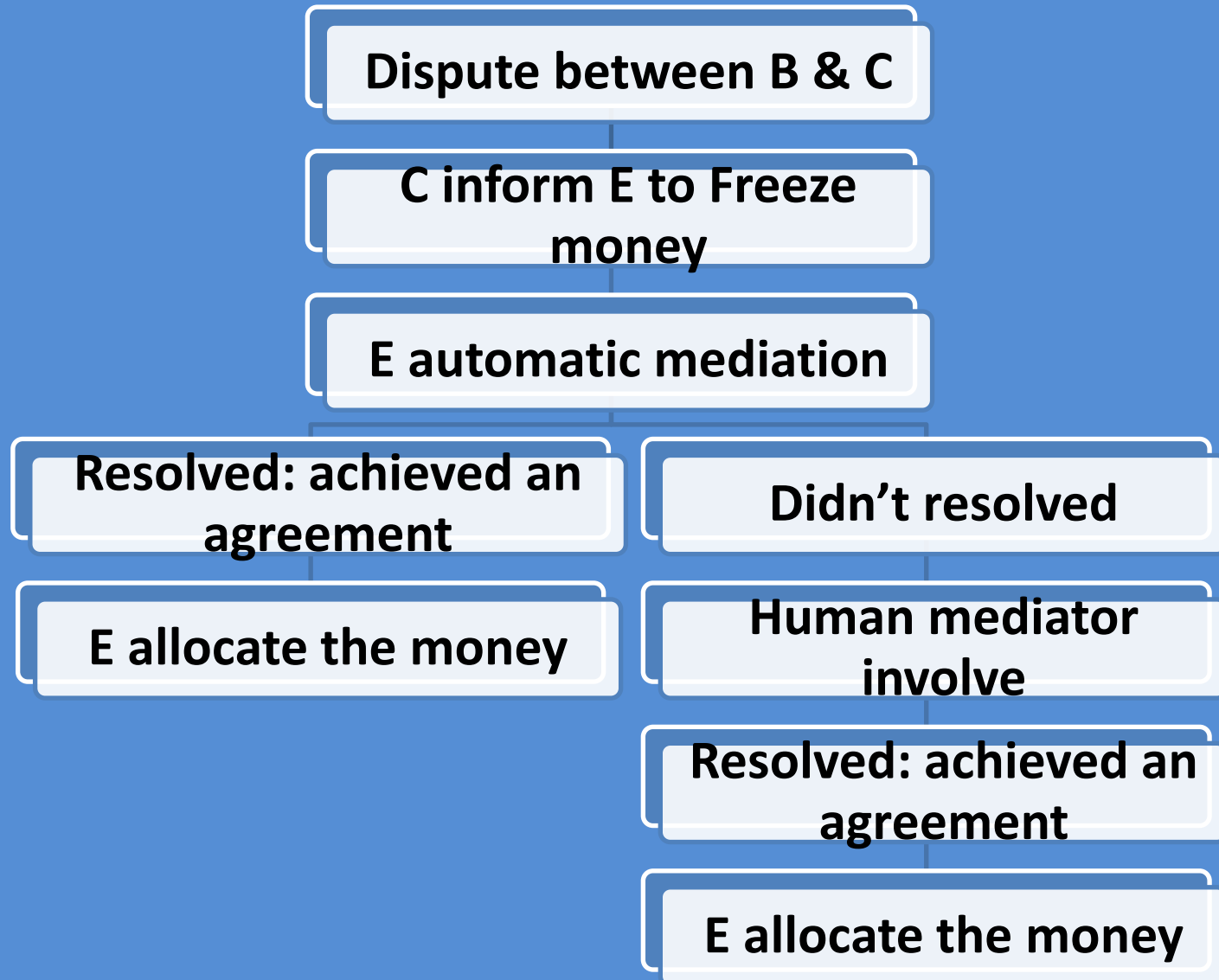
Black's Law Dictionary (8th ed 2004)

- ---- “A legal document or property delivered by a promisor to a third party to be held by the third party for a given amount of time or until the occurrence of a condition, at which time the third party is to hand over the document or property to the promisee.”



Functions of the Escrow in E-commerce?

- Constitute the payments
- Guarantee the transactions
- ODR (Online Dispute Resolution)



criteria of effective consumer redress body

- fair
- accessible
- rapid
- low-cost (no-cost)

Extra Merits of Escrow ODR

- Evidence gathering
- Enforcement
- Funding



Consumer Protection in E-commerce

OECD Recommendation

41. Governments and stakeholders should work together to develop minimum levels of consumer protection for e-commerce payments, regardless of the payment mechanism used. Such protection should include regulatory or industry-led limitations on consumer liability for unauthorised or fraudulent charges, as well as chargeback mechanisms, when appropriate. The development of other payment arrangements that may enhance consumer confidence in e-commerce, **such as escrow services, should also be encouraged.**

Thank you.