

June 2025**Competition and consumer protection**

Global Online Dispute Resolution for Consumers: An UNCTAD technical cooperation proposal

Title and Summary

Title: Fair, Fast, and Accessible: Delivering Online Dispute Resolution for Consumers through UNCTAD-led Technical Cooperation.

Summary: In an era of unprecedented digital commerce growth, consumers still face significant obstacles when seeking redress, especially across borders. [Despite e-commerce sales soaring to USD 27 trillion in 2022, cross-border business-to-consumer transactions account for only 23% of total e-commerce](#), whereas consumption usually represents 60% of GDP. This gap is largely due to a lack of trust in redress systems as consumer don't have anyone to turn to if things go wrong. Online dispute resolution is an effective way to address this challenge. This proposal outlines a new UNCTAD technical cooperation project aimed at developing a global, open-source, online dispute resolution (ODR) for consumers. Through legal, institutional, and technical assistance, the project will support member States in building fair, efficient, and accessible ODR systems. Aligned with the [UN Guidelines for Consumer Protection](#), the initiative builds on UNCTAD's proven track record and responds directly to mandates issued in the [Declaration on cross-border dispute resolution](#), as welcomed by UNCTAD's Intergovernmental group of experts on consumer protection law and policy in 2024.





Why do we need this project?

Context

Cross-border consumer trust remains fragile. Despite exponential growth in global e-commerce, consumers face significant barriers in seeking redress from foreign businesses. UNCTAD research confirms that the lack of accessible and enforceable remedies inhibits global consumer participation. In 2024, UNCTAD's member States adopted a Declaration urging action on cross-border dispute resolution, requesting UNCTAD to present implementation modalities.

Challenges

Key challenges to effective consumer dispute resolution systems include:

- Inadequate financial and human resources;
- Slow, complex procedures;
- Fragmented sectoral coverage;
- Limited business participation and compliance;
- Low consumer awareness and cross-border coordination;
- Lack of enforceability, especially across-borders.

Business engagement remains a persistent issue. In the EU, business participation in alternative dispute resolution mechanisms hovered at 32.6% in 2019, with only 28% of businesses complying with EU ODR Platform requirements. Many refuse to respond to consumer complaints.

Yet, good practices exist. Brazil's consumidor.gov.br platform incentivizes business participation through public performance rankings, achieving high user satisfaction and diverting hundreds of thousands of disputes from litigation. Portugal mandates disclosure of available ODR bodies and employs a legally binding Complaints Book mechanism.

Why now?

The [2024 UNCTAD Declaration on cross-border dispute resolution and redress for consumers](#) reaffirms the urgency of developing scalable, interoperable solutions. It calls on governments, businesses, and civil society to strengthen consumer dispute resolution systems and requests UNCTAD to identify practical support mechanisms. With proven experience and global reach, UNCTAD is ideally placed to deliver a timely, coordinated response.



UNCTAD's comparative advantage

- The project needs a trusted international organization to facilitate cross-border dispute resolution;
- The UN mandate on consumer protection (UN Guidelines for Consumer Protection);
- Two decades of technical cooperation expertise in consumer protection;
- Piloted ODR for consumers in Indonesia and Thailand (2020-2022);
- Implemented a technical cooperation program in Latin America (COMPAL), with ODR for consumer components (2015-2018);
- Produced foundational research on consumer dispute resolution and redress, emerging technologies in ODR systems and consumer trust in the digital economy:
 - [Consumer Dispute Resolution in the World](#) (2024);
 - [Report on national framework for consumer dispute resolution in cross-border e-commerce in Thailand](#) (2024);
 - [Technology and the Future of Online Dispute Resolution Platforms for Consumer Protection Agencies](#) (2023);
 - [Consumer trust in the digital economy: The case for online dispute resolution](#) (2021).

UNCTAD has documented global best practices worldwide, built world-class expertise and developed trusted partnerships with national authorities, regional organizations, and multilateral bodies.

Objectives of the project

Overall goal:

Develop an open-source ODR platform to protect consumers, promote inclusive digital markets, and reduce government costs—ensuring long-term impact by enabling public institutions to sustain and fund the system beyond the project.

Specific objectives:

- Develop an open-source ODR for consumers platform;
- Support the development/enhancement of national ODR for consumers' mechanisms;
- Build institutional capacity to use and maintain the ODR;
- Facilitate regional knowledge exchange.



System features:

- Two-pronged approach: assisted negotiation (pre-mediation) followed by government-hosted mediation;
- Business agreement to participate in ODR and performance rankings;
- MOUs among participating countries to facilitate enforceability;
- Support for law and policy reform;
- Government staff training, business guidance and consumer information and education;
- UNCTAD guarantees data privacy and security.

Proposed activities

Component	Activities
Assessment and diagnostic	Legal and institutional reviews; stakeholder mapping and needs analysis.
Technological development	Open-source, agile software development for: consumer registration and authentication, company registration and lookup modules, claim entry and submission module; pre-mediation; mediation, archival and data access permissions, search and reporting, system-level integration with other ODR systems; data privacy and security
Capacity-building and technical assistance	National & regional training workshops; technical advice for ODR systems; support for digitalization of consumer complaints and existing dispute platforms.
Knowledge exchange and policy dialogue	Peer-to-peer learning forums; cross-border, regional and international consultations; policy briefs and good practice guides; support for MOUs (among participating countries and between them and participating businesses)
Monitoring, Evaluation and Learning	ODR indicators and benchmarks; annual progress reports and impact evaluations; preparation for second phase and roll-out



Expected outcomes and impact

Short-term outcomes:

- Pilot open-source, interoperable, scalable software;
- Enhanced capacity of institutions and stakeholders;
- Improved legal and procedural frameworks;
- Strengthened regional and international cooperation.

Long-term impact:

- Increased consumer trust and market fairness;
- Enhanced access to justice for consumers;
- Greater digital economy participation by vulnerable populations;
- Better and more efficient use of public resources;
- Tangible contribution to SDGs 9 (Industry, innovation and infrastructure); 10 (Reduced inequalities); and 12 (Responsible consumption and production).

Stakeholders and beneficiaries

- Consumers, particularly in developing and least developed countries with limited access to online dispute resolution;
- Businesses, especially MSMEs from developing and least developed countries operating in the digital economy;
- Civil society and consumer associations;
- National consumer protection authorities;
- ADR/ODR bodies;
- Judicial and quasi-judicial institutions.



Budget estimate

(for 3-year initial pre-mediation phase)

Item	Amount (USD)
Staff Costs	500,000
Consultants	700,000
Staff Travel	64,000
Contractual Services	80,000
General Operating Expenses	0
Grants and Contributions	0
Evaluation (3%)	48,000
PSC (13%)	208,000
Total	1,600,000

Call to action

The need for effective consumer dispute resolution mechanisms has never been greater. Trust is the foundation of inclusive digital trade, and trust is built when consumers know that fair, efficient redress is only a click away. UNCTAD is ready to partner with member States and donors to deliver a scalable, secure, and rights-based ODR platform.

UNCTAD calls on the international community to:

- Endorse this initiative at the 9th United Nations Conference on Competition and Consumer Protection;
- Provide financial and political support for its implementation;
- Collaborate in building a future where cross-border consumer protection is not the exception, but the global standard.

Together, we can create a more inclusive, fair, and trusted digital marketplace for all.

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