

**UN Trade and Development Webinar:
Advancing consumer dispute resolution in the digital age**

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Peru's Consumer Arbitration System

Presentation

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Peru's Consumer Arbitration System

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What is Consumer Arbitration?



It is a dispute resolution mechanism between consumers and traders through which a third party, called an arbitrator, resolves the dispute.

Characteristics of the Arbitration System



Voluntary



Free of charge



Simple



Binding



Fast



Confidential



Provides compensation



Free of fines

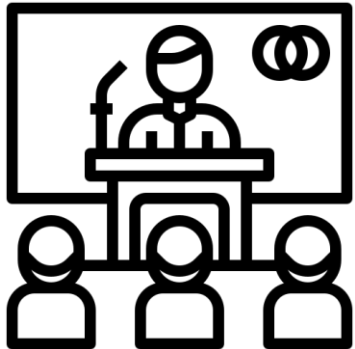


No payment of costs and expenses



Consumers can obtain compensation for damages, through a final decision and without appeals.

CASE STUDY:



The facts:

- An arbitration claim was filed against a trader domiciled abroad, but the effects of the consumer relationship occurred in the national territory.
- The claim was for (i) reimbursement of the money paid to purchase the tickets (US\$180) and (ii) payment of damages (US\$15).
- In other cases, notification, appearance and even compliance with the order itself would have been limited.
- The electronic notification to the Consumer Arbitration Board resulted in the appearance of the referred supplier, who replied to the claim and requested that it be declared unfounded.

The Outcome:

- The arbitrator found that the claim was well-founded and ordered the foreign supplier to pay the following in compensation US\$180 for air tickets and US\$15 in damages.
- Despite the appeals against the award - which were declared inadmissible - the respondent notified compliance with the award.
- This situation confirmed consumer arbitration as an effective and binding mechanism for resolving consumer disputes and marked an institutional milestone.

Final thoughts:

01 

It is crucial to reinforce cross-border dispute resolution frameworks that facilitate consumer redress.

02 

Consumer arbitration has proven to be an effective mechanism for cross-border dispute resolution, as compliance has been achieved despite restrictions on appearance and/or notification.

03 

The flexibility of consumer arbitration is a feature that any dispute resolution mechanism should have in order to continue the process and, above all, to resolve the substance of the dispute.



Thanks for your
attention

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