Blockchain and Online Dispute Resolution - Presentation

Submitted by: Doshisha University
Blockchain and ODR

APEC Workshop on the Use of Modern Technology for Dispute Resolution and Electronic Agreement Management

SELI Work Plan

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ODR (Online Dispute Resolution)

• = Online resolution of disputes
cf. resolution of online disputes

• e.g. UNCITRAL Technical Notes on Online Dispute Resolution (2017)
  Section V — ODR definitions, roles and responsibilities, and communications
  24. Online dispute resolution, or “ODR”, is a “mechanism for resolving disputes through the use of electronic communications and other information and communication technology”.

Online Transactions as a Main Target

• UNCITRAL Technical Notes on Online Dispute Resolution

  Section I — Introduction

  Purpose of the Technical Notes

  5. The Technical Notes are intended for use in disputes arising from cross-border low-value sales or service contracts concluded using electronic communications.

• Regulation (EU) No 524/2013 on Online Dispute Resolution for Consumer Disputes

  This Regulation shall apply to the out-of-court resolution of disputes ... stemming from online sales or service contracts ...
Consumer Protection

• UNCITRAL Technical Notes on Online Dispute Resolution
  Section IV — Scope of ODR process
  22. ... An ODR process may apply to disputes arising out of both a business-to-business as well as business-to-consumer transactions. cf. Regulation (EU) No 524/2013 does not cover B2B or C2C.

• International harmonization should steer clear consumer protection issues.
  – A major stumbling block.
  – Flattening world of online transactions.
Flattening World of Online Transactions

(still dominant) Hub-and-Spoke Model

(emerging) Sharing Economy Model

(future) Blockchain-Based P2P (Peer to Peer) Model
Hub-and-Spoke Model

(often powerful) Corporate Trader

Consumers
Sharing Economy Model

Matching platform

Consumers

(often powerful)
Corporate Trader

(often small)
Individual Traders
Definitions of “Consumers” and “Traders”

- e.g. Council Directive 93/13/EEC on unfair terms in consumer contracts
  Article 2 For the purposes of this Directive: ...
  (b)‘consumer’ means any natural person who ... is acting for purposes which are outside his trade, business or profession;
  (c)‘seller or supplier’ means any natural or legal person who ... is acting for purposes relating to his trade, business or profession ....

- e.g. Japanese Arbitration Act
Role of Sharing Economy Intermediaries

e.g. AirBnB Terms of Service

1.2 ... When Members make or accept a booking, they are entering into a contract directly with each other. Airbnb is not and does not become a party to ... any contractual relationship between Members ....

1.3 ... Airbnb ... does not guarantee (i) the existence, quality, safety, suitability, or legality of any Listings or Host Services .... ...

6.1 Airbnb may charge fees to Hosts ("Host Fees") and/or Guests ("Guest Fees") (collectively, "Service Fees") in consideration for the use of the Airbnb Platform.
Blockchain-facilitated P2P Model

- Consumer
- (often small) Individual Trader
- Consumer
- (often small) Individual Trader
Legislative Priority
ODR = Online Resolution of Disputes

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