



ANNUAL ACTIVITY REPORT TO THE COMPETITION AND CONSUMER PROTECTION COMMISSION (CCPC) FOR 2017

Pursuant to the European Union (Alternative Dispute
Resolution for Consumer Disputes) Regulations 2015

NetNeutrals EU

Abstract

05 January 2018

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1 Introduction

- 1.1 On 17th December 2015, NetNeutrals EU Ltd (“**NetNeutrals**”) was approved by the Competition and Consumer Protection Commission (“**CCPC**”), pursuant to the European Union (Alternative Dispute Resolution for Consumer Disputes) Regulations 2015, as an approved provider of alternative dispute resolution services (“**ADR**”).
- 1.2 NetNeutrals provides ADR in respect of unresolved disputes between consumers and suppliers in the following sectors:
 - Consumer Goods
 - Financial Services
 - General Consumer Services
 - Leisure Services
 - Postal services and electronic communications
 - Transport services
 - Travel and Timeshare
 - Landlord / Tenant

2 Complaints dealt with - Membership

- 2.1 NetNeutrals deals with complaints in relation to member traders who have signed up with NetNeutrals EU and non-members.
- 2.2 In relation to complaints received about non-members, NetNeutrals deals with such complaints where the non-member trader agrees to engage with NetNeutrals and abide by its scheme rules in relation to the particular complaint.

3 Statistics

- 3.1 Section 8.1 COMPLAINT STATISTICS contains raw data in relation to domestic and cross-border complaints.
- 3.2 NetNeutrals has specifically recorded complaints relating to:
 - 3.2.1 *Complaint types:*
 - Item / Service Not Received - this includes where the retailer states goods have been delivered and the consumer claims they haven't
 - Item / Service Not as Described
 - Late Delivery
 - Cancelled Transaction but payment taken
 - Incorrect Amount Charged including being Charged Twice
 - Fraudulent Transaction - this includes where breach of contract is claimed
 - Settlement agreed but Not Fulfilled
 - Other- this includes 'not fit for purpose' complaints, returns complaints where the complainant 'changed their mind' and complaints relating to 'pricing'.

3.2.2 *Goods/services categories:*

- Consumer Goods including Clothing, Electrical Goods etc.
- Computers and Communication including mobile phones, Laptops, tablets etc.
- Timeshare
- Transport services including car rental
- Construction – which includes complaints relating to DIY, Kitchen / Bathroom upgrades, extensions etc.
- Financial Services including Escrow payments.

4 Average length of ADR procedure

- 4.1 The average length of NetNeutrals ADR process has been 24 days (from the date, the complaint was received), during the period applicable to this report.

5 ADR procedures which were discontinued for operational reasons

- 5.1 NetNeutrals has no data to report here.

6 Compliance with ADR outcome percentages

Please tell us the percentage rate of compliance, if known, with the outcomes of the alternative dispute resolution procedure. (Please express compliance as a percentage relative to the number ADR procedures where an outcome has been achieved).

- 6.1 From the information provided (calculating on a pro-rata basis):
- Member compliance – 100%
 - Non-member compliance – 0%
 - Complainant compliance (where they accepted determination) – 100%

7 Co-operation with other ADR entities in relation to cross-border disputes

Please tell us

- *how you have co-operated, if at all, with any network of ADR entities which facilitates the resolution of cross-border disputes.*
- *how you have co-operated with a network of ADR entities for cross border disputes.*

- 7.1 NetNeutrals has been contacted by a number members of the European Consumer Network to assist them in resolving disputes.
- 7.2 NetNeutrals has received queries from ADR providers in Germany to assist them in contacting suppliers or asking would we take on the case.
- 7.3 NetNeutrals is actively exploring opportunities to co-operate with other ADR entities in relation to cross-border disputes. In 2017 it became a member of Travel_Net a cooperative of European ADR providers in the Travel Sector.

8 ANNUAL ACTIVITY REPORT - PART 1

8.1 COMPLAINT STATISTICS

Please tell us the total number of 'domestic' and 'cross-border' disputes you have received in the last year as well as the types of complaints to which the domestic disputes and cross-border disputes relate (Provide us with data using whatever categorisation system you use for 'types' of dispute. For example, you may have major and sub categories in relation to the 'types' of goods and services in dispute, such as; Electrical goods (Major), with televisions, laptops etc.

Dispute type	Number of complaints (Domestic)			Number of complaints (Cross-border)			Totals
	Accepted	Rejected	Received	Accepted	Rejected	Received	
INCORRECT AMOUNT CHARGED	1		1	1		1	2
Consumer Goods	1		1	1		1	2
ITEM/SERVICE NOT AS DESCRIBED	2	8	10	1		1	11
Consumer Goods	1	6	7				7
General Consumer Services				1		1	1
Education	1		1				1
Financial Services		1	1				1
Transport services		1	1				1
ITEM/SERVICE NOT RECEIVED	4	2	6		1	1	7
Consumer Goods	4	2	6		1	1	7
OTHER	1		1				1
Consumer Goods	1		1				1
FRAUDULENT TRANSACTION	3		3	2		2	5
Consumer Goods				1		1	1
General Consumer Services	1		1	1		1	2
Financial Services	1		1				1
Leisure Services	1		1				1
TOTALS	11	10	21	4	1	5	26

9 ANNUAL ACTIVITY REPORT - PART 2

9.1 PROBLEMS ENCOUNTERED

Please tell us about any systematic or significant problems that occur frequently and lead to disputes between consumers and traders of which you have become aware due to your operations. In addition, tell us about any recommendations you may have as to how these problems could be avoided or resolved in future. (Your recommendation should be based on the objective of raising traders' standards and to facilitate the exchange of information and best practices).

SYSTEMATIC OR SIGNIFICANT PROBLEMS THAT OCCUR FREQUENTLY	HOW CAN THESE PROBLEMS BE AVOIDED OR RESOLVED IN FUTURE?
<p>1. Consumers wrongly informed in relation to their rights and what agency they should contact.</p>	<p>More needs to be done to educate the consumer on the role of ADR. Further information flyers etc.</p>
<p>2. Consumers failing to complain to the retailer/trader first before either coming to NetNeutrals</p>	<p>Promotion of best complaint practice to consumers. In relation to the EU ODR platform this needs to filter complaints where the consumer has bypassed the retailer at the start of the complaint form. Proof of contacting trader must be supplied e.g. case number or correspondence that went unanswered.</p>
<p>3. Retailers/traders failing to engage with ADR, this leads to time spent contacting traders who have no intention of engaging.</p>	<p>Whilst a number of retailers/traders have engaged with NetNeutrals there are still brands that will not engage, especially multinationals. All online traders should give a contact point for ODR so that ADR providers can contact them. To make ADR fully successful it should be made mandatory or at least declared that they will not engage. If they will not engage they should be compelled to record this with their National Body.</p>
<p>4. Role of regulators, Citizen / Consumer advice agencies and dispute handling bodies</p>	<p>Role of other agencies in handling disputes needs to be clarified, are they advisory, dispute handling, and do they handled cross border disputes in multiple languages. Further information flyers etc. should be available.</p>

9.2 REASONS FOR REFUSAL TO ACCEPT COMPLAINTS AND STATISTICS

Please tell us the total number of disputes which you have refused to deal with. In addition, a breakdown of the percentage share of each of the permitted grounds on which you have declined to consider such disputes (if any).

Grounds for dispute refused.	Total number of disputes refused to deal with.	Percentage of total.
(a) failure to contact trader first		
(b) Complaint frivolous / vexatious		
(c) Dispute previously considered by another ADR provider or court		
(d) Value of claim falls below threshold		
(e) Complainant has submitted complaint outside specified time period	1	3.8%
(f) Dealing with the dispute would seriously impair the effective operation of NetNeutrals		
(g) Trader non-member and refused to engage	23	88.5%
TOTAL	24	92.3%