



Online Dispute Resolution

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Why in News

Recently, the **NITI Aayog**, in association with **Agami and Omidyar Network India**, brought together key stakeholders in a virtual meeting for **advancing Online Dispute Resolution** (ODR) in India.

Key Points

- Senior judges of the **Supreme Court**, secretaries from key government ministries, leaders of the industry, legal experts and general counsels of leading enterprises **participated** in it.
- The **common theme** of the meeting was a **multi-stakeholder agreement to work collaboratively to ensure efforts are taken to scale ODR in India**.
- **Online Dispute Resolution:**
 - It is the resolution of disputes, particularly small and medium-value cases, using digital technology and techniques of **Alternate Dispute Resolution** (ADR), such as negotiation, mediation and arbitration.
 - It utilises **information technology** to carry out ADR.
 - The information management and communication tools in ODR may apply to all or part of the proceedings and also have an impact on the methods by which the disputes are being solved.

- **ODR in India**
 - The **United Nations Commission on International Trade Law** (UNCITRAL) adopted the UNCITRAL Model Law on International Commercial Arbitration in 1985 and the UNCITRAL Conciliation Rules in 1980.
 - The **United Nations General Assembly** (UNGA) has recommended the use of the said Model Law and Rules in cases where a dispute arises in the context of international commercial relations and the parties seek an amicable settlement of that dispute by recourse to conciliation.
 - India has also incorporated these uniform principles of ADR in the **Arbitration and Conciliation Act, 1996** which has been amended several times.
 - The Arbitration Act provides for ADR mechanisms like arbitration, conciliations, etc. for national and international stakeholders.
- **Advantages of ODR:**
 - Convenient, accurate, time-saving and cost-saving.
 - Provides more, efficient, effective, scalable and collaborative mechanisms of containment and resolution.
- **Significance:**
 - It will set into motion the **use of technology** towards efficient and affordable access to justice, **especially in post-pandemic times**.
 - During the ongoing **Covid-19 pandemic**, the **target** is to look into Covid-related disputes (most notably in lending, credit, property, commerce and retail) through ODR, which is an important **part of the economic revival**.
 - In the coming time, ODR could be the mechanism that helps with **achieving expedient resolution**.
- **Challenges:**
 - While arbitration was intended as an alternative to going to court for certain kinds of disputes, that mechanism itself has become **cumbersome and often expensive**.
 - **Lack of enough arbitrators** and **building trust** among consumers.
 - Deal with **people who are not used to the digital ecosystem**.
- **Suggestions:**
 - **Private ODR and ADR providers need to be added in the system** to ensure that online resolution can reach different industries, locations and parts of the country and also support the public institutions.
 - Making ODR or ADR voluntary will defeat the purpose so it should be made **mandatory** (for specified categories) and it should **cover about three sessions** so that parties don't feel that it's a mere formality.
 - **More recognition** should be given to the online redressal processes so that its idea reaches people and they can use these online processes.

- There needs to be a **fundamental change in the mindset** to separate the idea of justice from the place called, court.
- Multi-stakeholder exercises need to be undertaken to help achieve this in a sustainable, efficient and collaborative manner for the transformation of justice delivery across various facets.
- The **future will be a hybrid model** that combines the best of the real and the virtual world. People need to reimagine the whole process of justice delivery to work in the hybrid system.

Source: PIB