Council of the European Union

Brussels, 6 November 2025
(OR. en)

11778/25
ADD 1

Interinstitutional File:
2023/0376 (COD)

CONSOM 147
MI 560
JUSTCIV 137
COMPET 762
DIGIT 150
CODEC 1051

DRAFT STATEMENT OF THE COUNCIL'S REASONS

Subject:	Position of the Council at first reading with a view to the adoption of a DIRECTIVE OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL amending Directive 2013/11/EU on alternative dispute resolution for consumer disputes and amending Directives (EU) 2015/2302, (EU) 2019/2161 and (EU) 2020/1828 following the discontinuation of the European Online Dispute Resolution Platform - Draft Statement of the Council's reasons

I. INTRODUCTION

1. On 17 October 2023, the Commission submitted to the Council and the European Parliament a proposal for a Directive of the European Parliament and of the Council amending Directive 2013/11/EU on alternative dispute resolution for consumer disputes[1].

2. The proposal is based on Article 114 of the Treaty on the Functioning of the European Union (TFEU) (ordinary legislative procedure).

3. The European Economic and Social Committee delivered its opinion on 14 February 2024.[2]

4. In the European Parliament, the Committee on the Internal Market and Consumer Protection (IMCO) has the lead responsibility. The European Parliament adopted its first-reading position[3] at the plenary session on 13 March 2024.

5. The proposal and the relevant impact assessment were presented at the meeting of the Working Party on Consumer Protection and Information on 28 November 2023, under the Spanish Presidency. The Working Party continued the examination of the proposal in 17 additional meetings under the Belgian, Hungarian and Polish Presidencies.

---

1 Doc. 14434/23 + ADD 1-5.
2 Doc. 6964/24.
3 Doc. 10620/24.

6. At its meeting on 25 September 2024, the Permanent Representative Committee granted the Presidency a mandate[4] to enter into negotiations with the European Parliament. On that basis, negotiations took place with the European Parliament and the Commission with a view to an early second reading agreement.

7. The political trilogues were held on 20 February, 19 May and 26 June 2025. The co-legislators reached an overall provisional agreement in the last trilogue.

8. On 16 July 2025, the Permanent Representatives Committee analysed the final compromise text and confirmed the agreement.[5]

9. On 25 September 2025, the European Parliament's IMCO Committee voted in favour of the agreed text. On 2 October 2025, the Chair of the IMCO Committee addressed a letter to the Committee of Permanent Representatives stating that, should the Council transmit to the European Parliament its position as agreed, subject to legal-linguistic review, she will recommend to the Plenary that the Council's position be accepted without amendments at Parliament's second reading. The text annexed to the letter corresponds to the text supported by the Committee of Permanent Representatives on 16 July 2025.

II. OBJECTIVE

10. The objective of the proposal is to make the alternative dispute resolution (ADR) framework fit to digital markets, enhance the use of ADR in cross-border disputes and simplify ADR procedures to the benefit of all actors. Additionally, the proposal seeks to rationalise reporting obligations and reduce administrative burden.

---

4 Doc. 13398/24.
5 Doc. 11293/25.

III. ANALYSIS OF THE COUNCIL'S POSITION AT FIRST READING

11. The Council's position at first reading contains the following main elements, on which an agreement has been found between the co-legislators:

12. The extension of the **material scope** is limited to disputes stemming from contractual situations but including the stages preceding the conclusion of the contract (such as advertising and information provision) and following the termination of the contract (such as the use of digital content). The proposed extension of the scope to disputes stemming from non-contractual obligations has been deleted.

13. The extension of the **geographical scope** to third-country traders is conditional on: i) a joint request for the ADR procedure by the trader and the consumer and ii) the trader directing its activity towards consumers in the EU. Member States may set additional conditions for the participation of third-country traders in ADR procedures.

14. The **definitions** are adapted to reflect the modified scope of the ADR Directive. A definition for the third-country trader dispute is introduced.

15. Traders have a **duty to reply** to a request by an ADR entity within a period of 20 working days whether they agree to participate in the ADR process or not. In the case of complex disputes or exceptional circumstances this period can be extended to 30 working days. Following the expiry of the deadline, the ADR entity can consider the absence of a reply as the refusal of the trader to participate and may close the case. The consequences of the failure to reply will be set in the national legislation. Furthermore, traders are exempted from the duty to reply where in accordance with the national legislation the trader's participation is mandatory, or the ADR outcomes can be reached without the trader's consent to participate, or the trader has already committed to participate in ADR procedures.

16. An obligation is introduced for Member States to have in place **measures to promote the participation of traders and consumers in ADR procedures**. When designing and implementing these measures, Member States should pay particular attention to sectors with low level of trader participation and high number of consumer complaints, such as transport or tourism, especially in field of air passenger rights. Alternatively, Member States may introduce mandatory participation in those sectors.

17. A new provision stipulates that consumers must be informed in advance when **automated means** are used in ADR decision-making processes.

18. **Unfair commercial practices and terms** have been included in the practices on which the ADR entities are to mutually exchange information with the competent authorities in the case of repeated consumers' complaints. In addition, ADR entities are obliged to make the competent authorities' contact information publicly available.

19. Certain **reporting requirements** have been simplified: ADR entities are obliged to publish their activity reports every two years instead of annually and they are no longer required to report on their cooperation within ADR networks. On the other hand, it has been agreed to maintain the reporting requirements regarding i) the effectiveness of ADR networks, ii) the training provided to staff and iii) the assessment of how ADR entities intend to improve their performance.

20. The co-legislators have agreed to include an obligation for **competent authorities** to carry out the **necessary checks** to monitor compliance with the requirements of this Directive. A horizontal recital clarifies that ADR entities, competent authorities and ADR contact points should have the sufficient human, material and financial **resources** and that Member States can determine the appropriate forms of funding for this purpose.

21. The date of **transposition** of the Directive has been set at 26 months after its entry into force and the date of **application** 6 months later, at 32 months after the entry into force of the Directive.

IV. CONCLUSIONS

22. The Council's position supports the aim of the Commission proposal and fully reflects the compromise reached in the negotiations between the Council and the European Parliament, with the support of the Commission.

23. The Council therefore believes that its position at first reading is a balanced representation of the outcome of the negotiations and that, once adopted, the Directive will contribute to facilitating dispute resolution as well as improving consumer awareness and trader participation, thus further improving consumer protection.