

## **Report on Alternative Banking Dispute**

### **Resolution**

**as at 30.09.2017**

The **Alternative Banking Dispute Resolution Centre (ABDRC)** is an independent non-governmental apolitical, not-for-profit legal entity of public interest established under the Government Ordinance no. 38/2015 on alternative resolution of disputes between consumers and traders, which transposes at domestic level Directive 2013/11/EU on alternative dispute resolution for consumer disputes and amending Regulation (EC) no. 2006/2004 and Directive 2009/22/EC.

#### **In the first 9 months of 2017, the following were registered:**

- (approximately) 5,300 consumer requests by phone;
- 662 written applications:
  - 267 of the written applications were found compliant;
  - 381 were questions or requests for miscellaneous/general information to which the Procedural Secretariat replied in writing;
  - 14 non-compliant applications.

#### **Means of filing compliant applications:**

- 184 were filed by email;
- 46 were brought to, and registered by consumers with the office of ABDRC.
- 37 were mailed by consumers.

#### **Qualification of the 267 compliant applications:**

- 73 turned into casefiles (4 casefiles consolidated into 2 casefiles);
- 47 in screening phase (review of documents);
- 147 closed;

**Breakdown of the 73 casefiles managed under the conciliation procedure (71 casefiles further to the two consolidations):**

- 25 resolutions rendered;
- 15 reports issued (2 consolidated casefiles);
- 7 resolution notes served;
- 7 preliminary casefiles;
- 14 casefiles in phase of discussions/meetings with the parties (2 consolidated casefiles);
- 2 inadmissibility resolutions;
- 1 casefile in which the trader withdrew from the procedure.

**Sources of consumer information about ABDRC:**

- Banks 27% (loan agreements, replies to complaints, front-office employees, websites of banks, leaflets in bank agencies)
- National Consumer Protection Authority 21%
- Googling (Google, ABDRC website) 8%
- Media 7%
- Facebook 4%
- Acquaintances/friends 4%
- No answer 29%

**NOTE:**

Both the interest and awareness of the consumers of ABDRC have raised compared to last year. As regards the number of casefiles under review, the results of the first 9 months of 2017 are almost 50% better than for the entire 2016, according to the figure compared:

In 2016 (March - December), the following were registered:

- 235 compliant applications – 23.5 applications per month;
- 46 casefiles – 4.6 casefiles per month;
- 26 non-compliant applications – 2.6/month.

In the first 9 months of 2017, the following were registered:

- 267 applications – 30 applications per month;
- 73 casefiles – 8.1 casefiles per month;
- 14 non-compliant applications – 1.5/month.

**The applications received from consumers targeted the following types of claims:**

- removal and repayment of the risk/management fee charged for a loan;
- rescheduling/staging-out of the loan with reduction of the monthly instalment;
- reduction of the interest, and returning the amount resulted from the excessive increase in the interest rate, as perceived by consumers;
- reduction of the interest rate, reduction of the principal, and conversion of the loans in CHF into RON;
- removal of clauses qualified by consumers as abusive, as regards application of default interests;
- deregistration of entries in the Credit Register, etc.

**The main reasons for closing compliant applications, as claimed by traders:**

- the trader refused resolution of the dispute under ADR procedures for the following reasons:
  - pending court proceedings where a final solution/court judgment is expected;
  - all settlement efforts have already been exhausted (in the trader's opinion);
  - the agreement observes the legal provisions (in the trader's opinion);
  - amicable settlement between the consumer and the trader is being attempted;
  - several offers were made, but all have been turned down by the consumer (before approaching ABDRC);
  - forced execution procedures have already been initiated;
  - lack of substance (claimed by the trader) for the consumer's application;
  - no reasons provided.
- traders do not belong to the category of those the business of which is regulated by the National Bank of Romania pursuant to the Government Ordinance no. 38/2015 (assigned claims);
- claimants are not consumers, as defined in the Government Ordinance no. 21/1992;

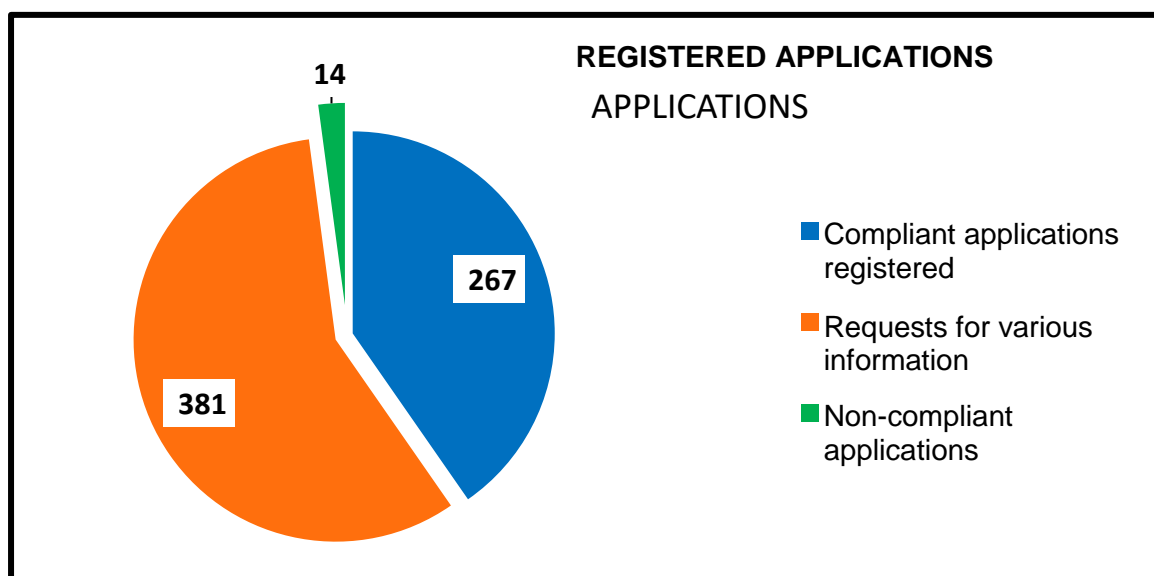
**ACTIONS TAKEN:**

- ABDRC continues to deploy efforts to provide the consumers of financial-banking and non-banking services with information:
  - Weekly, bi-monthly or monthly press releases term of the topics of interests and news. All these releases are posted on the website.
  - Communication via media channels and social networks:
  - TV interviews with conciliators and/or consumers, as well as with the Chair of the ABDRC's Steering Board, turned into news or video reports featured in TV news or specialized shows, in online media or written press;
  - Participation in economic TV shows;

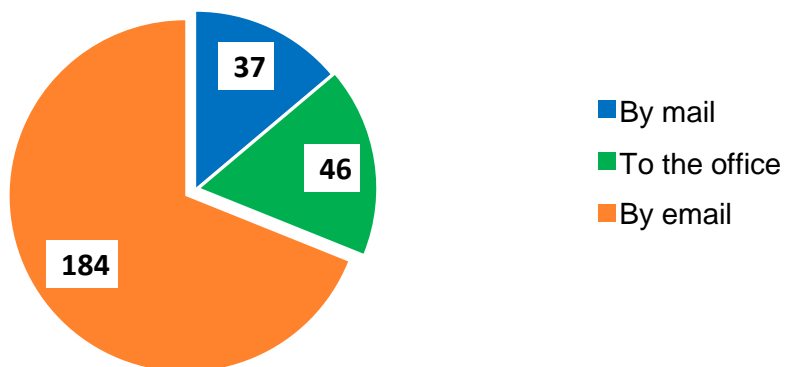
- Posts on the Facebook page;
  - Dedicated YouTube channel;
  - ABDRC presentation video played on TV screens in the branches of the commercial banks and the National TV Station, as message of public interest, during the months March - June 2017;
  - 3 information video materials - project implemented in cooperation with Piraeus Bank: materials to be used on the e-learning platform of the bank/in webinars to inform the employees in the banking system. These video materials will be made available to all traders ABDRC tries to reach out to.
- Joint actions with our partners to make known the alternative dispute resolution activity, by attending actions/conferences:
    - 24 February, Bucharest – Conference in the Parliament Palace/Legal, Discipline and Immunity Commission: together with SAL-FIN of FSA and CASAL;
    - 9 March, Bucharest – meeting held with the members of real estate owner associations in the Capital City;
    - 17 March, Braşov – meeting held with the members of real estate owner associations in Braşov, in the Aula of Transilvania University;
    - 6 March, Constanţa – meeting held with the members of real estate owner associations in the premises of the Prefect’s Office;
    - 12 May, Târgu Mureş – Annual conference of all Romanian real estate owner organizations;
    - 27 July, Craiova – meeting held with the members of the real estate owner associations;
    - 19 September, Râmnicu Vâlcea – meeting held with the members of the real estate owner associations;
    - 6 October, Bucharest – meeting held with the members of real estate owner associations in the Capital City;
- Actions to promote ABDRC:
    - On 23 May, in Cluj-Napoca, ABDRC participated in the NBR Academica Seminar held by the National Bank of Romania in collaboration with Babeş Bolyai University;
    - In May 2017, a campaign intended to promote the Center was run in the means of public transportation in Bucharest: 5 RATB buses serving the lines 104, 335, 232, 282, 137 were branded for one month;
    - We continued to pursue establishment of partnerships with different institutions, such as: TVR, Sal-Fin/ASF, Liga Habitat, Casa Plus, CASAL, Finzoom.ro, AURSF;
    - Leaflets were left directly in mailboxes in apartment buildings in a number of areas in Bucharest;
    - TRASEEPEMUNTE.RO blog accepted to display the logo of ABDRC free-of-charge on their website.
    - Participation with speakers in press conferences:
      - Sinaia, 15 September;
      - **Bucharest, 5 October – conference organized by ABDRC and the Faculty of Law;**

- Bucharest, 10 October - conference organized by ICCR.
- We had our national conference on 5 October, organized by ABDRC in cooperation with the Faculty of Law, under the umbrella topic “**Alternative financial and banking dispute resolution**”, where the key speakers were the Governor of the National Bank of Romania, Mr. Mugur Isărescu, together with 200 other guests: The speakers of this conference were:
  - Alexandru Păunescu, Director of Legal Directorate, the National Bank of Romania, and Chair of the ABDRC’s Steering Board;
  - Professor Flavius-Antoni Baiaș Ph.D, Dean of the Faculty of Law, University of Bucharest;
  - Professor Valeriu Stoica Ph.D, Faculty of Law, University of Bucharest;
  - Professor Traian Briciu Ph.D, Faculty of Law, University of Bucharest;
  - Nela Petrișor, judge, High Court of Cassation and Justice;
  - Professor Lucian BERCEA Ph.D, Dean of the Faculty of Law, Universitatea de Vest of Timișoara;
  - Lecturer Cristian Pîrvulescu Ph.D, Dean of the Faculty of Political Sciences, SNSPA.
- In the months to come, steps will be taken to reach out not only to the consumers of Bucharest, but also of the other large cities of the country, in the trains operated by CHR or private operators, in the subway and airport waiting areas where TV screens are placed.
- We have in pipeline an ABDRC awareness marathon - short presentations on the work of ABDRC delivered directly in the offices of companies, before employees, in particular in Bucharest and, to the extent possible, across the country, as well as in Universities (replicating the model in Cluj).

**Statistical information Q1+Q2+Q3 2017:**



**MEANS OF FILING THE APPLICATIONS  
30.09.2016**



**COMPLIANT APPLICATIONS  
30.09.2016**

