INFORMATIVE NOTE

TECHNOLOGY AND PRIVACY

Mandatory arbitration and mediation for consumer disputes

Law 63/2019 of 16 August amends the provisions of article 14 of Law no. 24/96 of 31 July, which approved the rules on consumer protection. It introduces one significant change: if the consumer expressly opts for it, consumer disputes with a low economic value can be subject to **necessary arbitration or mediation.**

Under the previous rules, the use of alternative means of dispute resolution, such as arbitration and mediation, was subject to the agreement of both parties to the dispute. With this change, consumers can force companies to use these dispute resolution mechanisms.

The concept of "low economic value" means values up to the limit of the subject matter jurisdiction of the courts of first instance, that is, conflicts up to €5,000.00 (five thousand euros).

In addition, the legislature has made it possible to dispense the prior payment of the court fee, which will be calculated at the end. It also makes it possible for the consumer to have recourse to legal aid.

It is expected that this change in the law, which comes into force on 15 September, will generate a greater number of consumer disputes.

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