7th PROGRESS REPORT ON THE IMPLEMENTATION OF THE PRODUCT SAFETY PLEDGE

Introduction

The conclusion of the **Product Safety Pledge**¹ was facilitated by the European Commission with the objective of increasing the safety of products sold online by third-party sellers via online marketplaces. This initiative, which was the first of its kind in the product safety area, sets out specific voluntary actions in 12 different areas that go beyond what is already established in EU legislation and to which online marketplaces can pledge to. Currently **eleven**² **online marketplaces** are signatories of the Pledge, both large international and smaller regional players.

As part of the Pledge, the signatories have committed to report to the European Commission every six months on the measures taken to implement the Product Safety Pledge, with the inclusion of Key Performance Indicators (KPIs).

This seventh progress report covers the period from 1 December 2021 to 31 May 2022. This is the second progress report for which all 11 signatories provided data. A third party aggregator combined their inputs.

Quantitative Report: Key Performance Indicators (KPIs) on the removal of listings of dangerous products

As explained in the previous progress reports³, some divergences became apparent on how signatories calculated the number of notifications and the corresponding KPIs. Therefore, signatories have committed to provide absolute numbers as detailed below in aggregate terms. That allows for easier monitoring of the performance of the Pledge and comparability of the KPIs.

KPI 1:

- 98% of identified product listings removed within two working days, based on governmental notices provided to the established single contact points. *This is a significant improvement compared to the previous reporting period.*
 - Total number of governmental notices received: 2.315, which shows an increase in the activity of national market surveillance authorities compared to previous reporting.
 - Number of identified listings removed following a governmental notice, including the one notified and similar ones: 159.784
 - Number of identified listings (as defined above) removed within 2 working days following a governmental notice: 156.807

¹ https://ec.europa.eu/info/business-economy-euro/product-safety-and-requirements/product-safety/product-safety-pledge_en

² Allegro, AliExpress, Amazon, bol.com, CDiscount, eBay, EMAG, Etsy, Joom, Rakuten France and Wish

³ https://ec.europa.eu/info/business-economy-euro/product-safety-and-requirements/product-safety/product-safety-pledge_en#documents

KPI 2:

- 98% of identified product listings removed within two working days found through the monitoring of public recall websites, such as the EU Safety Gate. *This demonstrates a continued high level performance of the Pledge mechanism.*
 - Number of detected alerts that link to a live listing available to customers on a marketplace taken from the EU Safety Gate or other EU government databases of products available to EU customers: 2.482
 - Number of identified listings following an alert on the EU Safety Gate or other databases: 37.720
 - Number of identified listings removed within 2 working days following an alert on the EU Safety Gate or other databases: 37.052

Qualitative Report on the actions taken on the 12 points contained in the Pledge

During the monitoring period, the following **progress and new actions** were reported by the signatories (focusing on the main improvements):

- All marketplaces confirmed that they are regularly monitoring the EU **Safety Gate** and follow up on identified listings that are affected by the measures notified. Almost all signatories have also established similar practices in relation to a number of national recall pages, for example RappelConso⁴ or the dedicated web pages of The Office of Competition and Consumer Protection in Poland⁵. Some signatories also reported on following international recall portals, with one company reporting that it continually assesses the scope of its non-EU monitoring to ensure customer safety, updating its list of monitored websites to reflect, for example, changes to non-EU recall portal domains.
- Several signatories raised the importance to have complete information in the recall or
 governmental notices in order to be able to proactively take steps or to identify associated
 listings. In any case, most signatories reported that they have increased their efforts to identify
 "related relevant listings" to those reported via the Safety Gate or via governmental notices.
 Several signatories also appreciated the developments of the reporting of the Safety Gate.
- All signatories confirmed their **internal processes** linked to the takedown of listings of dangerous products. Some signatories also reported on a specific trusted flagger system they developed to allow for close cooperation with new groups of stakeholders. One company announced that it has expanded their dedicated Product Safety team to allow for a more proactive attitude in the interest of consumers. As regards the **two days deadline** commitment all signatories confirmed that they can comply with the vast majority of the requests in this timeframe, while one signatory signalled certain difficulties given the higher volume they experienced in this reporting period. Another signatory announced that it has improved its mechanisms to react within 1 working day of governmental notices made to the single contact point, to remove identified listings offering unsafe product for sale in the EU.
- All signatories reported on certain progress regarding their internal solutions allowing
 consumers to signal product safety concerns. Some signatories indicated that they centralised
 their previous solutions to make it more user friendly for consumers, some created a

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⁴ https://rappel.conso.gouv.fr/

⁵ http://publikacje.uokik.gov.pl/hermes3 pub/Rejestr.ashx?Typ=ProduktNiebezpieczny

mechanism that prioritises consumer notices, and one signatory specifically indicated that they introduced specific internal deadlines for handling these notices. One signatory also reported on developing an online chat allowing for consumers to signal product safety issues as well. Another company also set up a dedicated web page where consumers can find detailed data on the Product Safety Pledge initiative and other relevant information.

- One signatory reported on a specific cooperation with authorities on specific product groups, such as non-compliant furnaces/heating devices or decoders. Another signatory similarly cooperates on products considered as pharmaceutical or doping products, or products linked to the COVID-19 pandemic.
- A third signatory reported an example of highly precautionary cooperation with authorities on a specific product type following an unsubstantiated allegation of a safety incident involving a product for infants. Even though repeated contact with the person who made the allegation failed to elicit any further information about the incident, the signatory contacted EU regulators to trigger a voluntary product recall for the product in question and all equivalent product types, which resulted in the regulators issuing public recall notifications on Safety Gate. The signatory also advised all customers who purchased either the product in question or equivalent products not to use them, provided a refund for returns and suppressed all similar infant products worldwide while it investigated the issue.
- Signatories have carried out a number of **information and training activities**. Some companies provided specific educational activities focusing on categories of products, such as on cosmetics, button batteries or on Plastic Food Contact Materials. One company updated its Seller/Vendor "help" content to provide information on risks and voluntary best practice specifications concerning button batteries (and products containing them), in order to raise awareness of the risks associated with button and coin batteries (and products containing them) and to help its partners demonstrate compliance with the EU General Product Safety Directive. Another company continued its micro e-learning regarding Product Safety (with a focus on CE-markings), and developed a relevant whitepaper available both for new sellers and for existing sellers. Another company sent regularly informational e-mails to all its sellers on the most important regulatory changes. A signatory also introduced several product compliance service providers to its sellers, mainly helping them to comply with EU/UK regulations. Another company introduced an 'Announcements from the European Commission' section within its Help Centre.
- Several signatories voiced again their appreciation for being able to cooperate with the SPEAC Project⁶, to share contents relating to product safety and compliance (CE-marking, toys regulation, etc.) with their non-European sellers. Videos edited by SPEAC are shared by e-mail and available on the help pages of the seller zone. SPEAC regularly provides additional videos we promptly put online.
- Some companies have taken new measures to prevent the reappearance of dangerous products, and against repeat offenders, which include, but are not limited to, a penalty system for repeated offenders, the blocking of keywords and risk search engine/system analytics, to ensure that products that have been removed would not be searchable and/or purchasable again by the relevant consumers in question even if the products are re-listed on the platform. Other marketplaces also use filtering mechanisms aiming to prevent new listings offering the

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⁶ https://speac-project.eu/

- same items as previously removed listings. Some marketplace also developed a penalty point system for repeat offenders and one signatory reported on a specific fine they impose. Some signatories reported on concrete number of sellers who were prohibited from their interfaces after repeated infringements.
- Regarding the use of new technologies for product safety purposes, one company reported on its new system to collect and review the background license/certification for specific product categories. Another company reported on the use of certain artificial intelligence tools to detect non-compliant products, which includes counterfeited products. Furthermore, this company also developed new artificial intelligence tools to detect products, which were not listed under the right category (with the result that the license/certification control under the right category could not be carried out). Some companies have further improved their detection tools to improve the identification of similar products based on Safety Gate alerts, through the detection tools based on pictures published on the Safety Gate website and a keyword system. One signatory specifically highlighted its use of a rules based filtering systems combined with manual review where necessary, which allowed proactive removal of a high number of problematic listings.