

International Product Safety Week

2020 edition Report

INTERNATIONAL PRODUCT SAFETY WEEK: 9, 10, 12 NOVEMBER 2020 Report

IPSW 2020: Global supply chains, global issues

Hundreds of experts from across the diverse sectors that make up the global product safety ecosystem were brought together by the European Commission's Directorate General for Justice and Consumers for International Product Safety Week (IPSW) 2020, which was held online for the first time due to the COVID-19 crisis.



In line with the fundamental principle behind IPSW's work – that international cooperation is a must to ensure the safety of products, no matter where they are manufactured or sold – the speakers addressed a rich and broad range of topics, from the challenges thrown up by the current pandemic, to more perennial issues such as traceability, product recalls, and the fast-evolving digital tools being created and utilised to help improve their effectiveness.

More than 500 people from 78 countries signed up for the biennial event, which hosted 23 speakers and welcomed participants with a range of expertise, including 27% from industry, 20% from EU/EEA authorities, 14% from authorities outside the EU/EEA, 6.6% from consumer organisations, and 2.5% from academia. The activities included panel discussions, interactive Q&As and polls, virtual networking and a workshop for regulators organised jointly with UNCTAD.

With the upcoming review of the EU's <u>General Product Safety Directive</u>, the Commission's <u>New Consumer Agenda</u>, new <u>OECD</u> product safety guidelines and recommendations, and wide-ranging developments across many jurisdictions, participants had plenty to discuss on the policy work being done to protect people in a world in which the behaviours and expectations of economic operators and consumers alike are changing rapidly and, most likely, permanently.

'Consumers expect safety and sustainability'

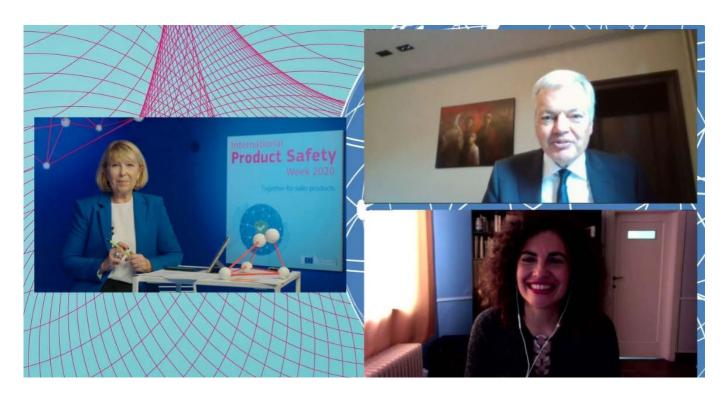
"I am so proud and honoured to welcome the heroes who every day work, fight and do their best to save lives", said **Pinuccia Contino**, Head of Unit, Product Safety and Rapid Alert System Unit at the Directorate General for Justice and Consumers (DG JUST), as she kicked off the week and introduced **Commissioner Didier Reynders** to make the opening keynote speech.

Reiterating the EU's "serious commitment to product safety", the Commissioner said the General Product Safety Directive (GPSD) had protected consumers from unsafe products in the EU for nearly two decades, and the EU-wide alert system had been in place for 16 years. But it's time the Directive is reviewed to meet the needs of today, he said, including covering "new risks brought about by new technologies and online selling", strengthening the enforcement powers of Member States in checking dangerous products arriving from outside the EU, and ensuring dangerous products can be effectively traced and recalled.

The COVID-19 crisis has been unique for its unpredictability, he said, comparing the recent work being done to protect consumers with the fairground game 'whack-a-mole'. Whilst it isn't certain which new consumer behaviours will endure beyond the crisis, we can be sure that "the digital era is upon us": "One of our main priorities, therefore, is to ensure that consumers are as safe online as they are offline," said the Commissioner.

He said the Commission's <u>Product Safety Pledge</u> is one example of online sellers showing their commitment to consumer safety, and welcomed two large online retailers to the fold, Bol.com (Netherlands) and eMAG (Romania), who had signed the Pledge the same day.

Ensuring consumer policy is fit for the digital age is one of the key priorities of the Commission's New Consumer Agenda, which was <u>launched</u> in the same week of IPSW. He added that it goes beyond the digital impact on product safety: "Consumers today not only expect safety from a product but sustainability too."



MONDAY 9 NOVEMBER

PANEL: Keeping consumers safe in times of disruption: challenges & lessons learned

Nils Behrndt, Director for Consumers, European Commission; **Roger Charland**, Director General, Health Canada; **Thezi Mabuza**, Deputy Commissioner, National Consumer Commission, South Africa; **Eunsook Moon**, convener of Working Group of Product Safety in ISO/COPOLCO, former Director-General in Office of Prime Minister, South Korea.



The panel considered the challenges brought to product safety by the COVID-19 crisis, and also looked at what solutions have emerged. They discussed how regulators could learn to better cope with sudden changes – for example, there was an unexpected large-scale need for protective materials and products such as face masks and hand sanitisers, and these needed to travel across borders and be kept safe for consumers. The pandemic has also created the potential for some rogue traders and scam artists to abuse the public's anxieties and push services to consumers that are not adequate. Moreover, the daily operations of product safety professionals themselves has been disrupted by the COVID-19 restrictions.

Conclusions and common challenges

The speakers mentioned the following common challenges:

- regulatory gaps;
- o the need for stronger enforcement;
- o issues arising from online buying;
- o the daily need to invent new ways of working and doing so collaboratively;
- the appearance of new products/services and the risks this can bring for consumers;
- o the importance of developing new guidelines and systems for recalls;
- o the importance of educating consumers;
- and managing communications in a time of crisis.

When asked what their key takeaways were from the crisis, the panel members emphasised:

- o high-quality communication that achieves the 'buy in' of consumers;
- o the need for flexibility to adapt quickly within existing regulations;
- o cooperating with all stakeholders (e.g. with a coordinated response centre);
- o balancing the existing mandate of regulators with new challenges posed by the crisis.

Pinuccia Contino concluded that creativity, flexibility and the capacity to react quickly had emerged strongly as common themes, adding: "We will have learned a lot to make sure consumers are kept even safer in the future."



'Adapting the rules to the digital transformation'

Keynote speaker **Marion Walsmann**, MEP and rapporteur for the <u>IMCO</u> report on <u>'addressing product safety in the single market'</u>, said her work on this issue had underlined that greater efforts are needed to improve the safety of products and ensure a higher level of consumer protection. Existing rules should be adapted to take account of the digital transformation, for example to cater for new products embedded with emerging technologies such as artificial intelligence. Gaps in legislation must be closed, whilst avoiding over-regulation. Market surveillance should be enhanced, the responsibility of online marketplaces increased, and the effectiveness of recalls and traceability of products be improved, she has recommended.

PANEL: Trace and track – raising the bar for product traceability

Monique Goyens, Director General, BEUC; **Tim Lorenz**, Managing Director, Reer; **Francesca Poggiali**, Public Policy Director Europe, GS1; **Daniele Sartori**, Quality and compliance director, Artsana; **Yunsong Wang**, Deputy Director General of the Bureau of Quality and Development, State Administration for Market Regulation (SAMR).

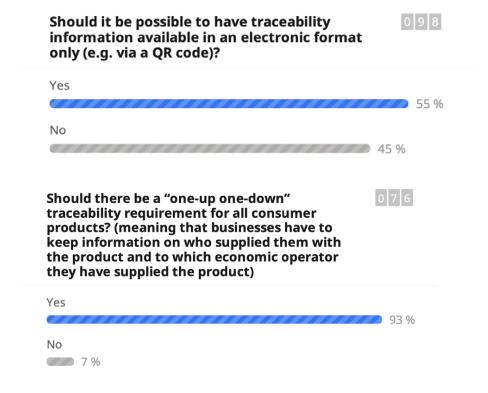


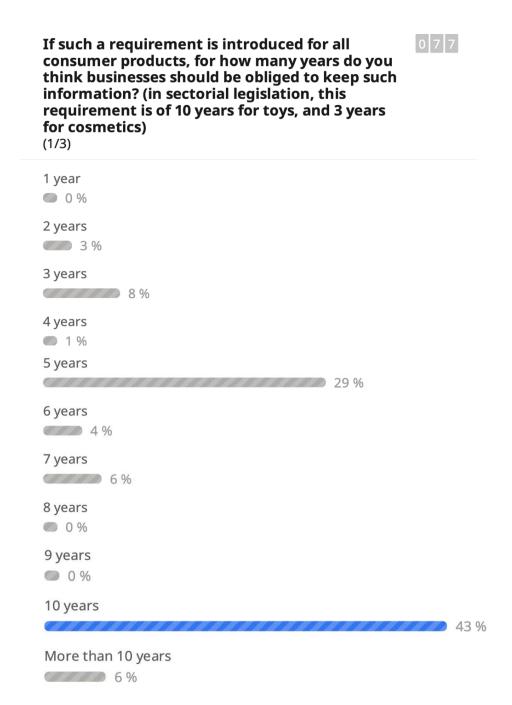
Opening the discussion, **Pinuccia Contino** said traceability was vitally important: "Supply chains have become global, so this is a global issue." Citing an example from the RAPEX system, she said more than

half of the products that had been identified as dangerous in the EU and produced in China could not be traced, despite cooperation from the Chinese authorities, because there was not enough traceability information available about the products. The European Commission is considering traceability as a topic to be addressed in the GPSD review.



From the consumers' perspective, **Monique Goyens** said new challenges are emerging with the increasingly global and online market, while authorities have reduced resources in terms of both budget and skillsets. With an increasing number of connected products "you need geeks in the market surveillance authorities and I'm not sure that all of them have that", she said, and called for traceability to be reviewed and improved in the GPSD. She said BEUC had a particular concern over the lack of traceability of products sold directly to consumers via online platforms where the sellers are outside the EU, including, but not limited to, China.





Conclusions: maximising traceability

Having discussed the principles and methods of product traceability in their respective fields, the panellists highlighted the most important factors, including:

- o the urgent need to upgrade the traceability of products sold online;
- o a common language for identification, allowing data to be easily used for public purposes;
- o a risk-based and transparent approach;
- o in some cases, the dynamic marking of each individual product.

Pinuccia Contino said several principles had reinforced the first panel discussion, including the need for cooperation and effective IT systems. Referring to a point made by Mr **Wang** on the use of academic research on traceability in China, she said there was perhaps a "missing link" with academia in Europe, which could help in finding the "fit for purpose, sustainable, technological, easy consumer-friendly solutions" that were being discussed.

TUESDAY 10 NOVEMBER

Day two of IPSW focused on how to effectively and efficiently recall dangerous products from consumers, with sessions that addressed international efforts to make recalls more effective and examples of best practices.

'We must work together to protect consumers'

Opening the day's sessions, **Salla Saastamoinen**, Acting Director-General at DG JUST, said increasing the effectiveness of product recalls is a clear priority for the European Commission: "To prevent harm, it's crucial that dangerous products are removed from consumers' homes as quickly and efficiently as possible," she said. This year, the Commission launched a large-scale behavioural study to see how recalls could be better communicated to consumers and better organised. Early results show that a lot more could be done to make recalls more visible and transparent, and less burdensome, for consumers. She also highlighted that "global answers are a must to maximise our product safety efforts," welcoming the new OECD policy guidance on recalls.



PANEL: International efforts to make recalls more effective

Neville Matthew, Australian Competition and Consumer Commission, Chair of OECD working party on consumer product safety; **Anna Jassem**, Policy officer, Product Safety and Rapid Alert System, European Commission; **Mathieu Veulemans**, Head of Section, Product Supervision, Norwegian Environment Agency; **Rasmus Weber**, German Federal Motor Transport Authority (KBA).



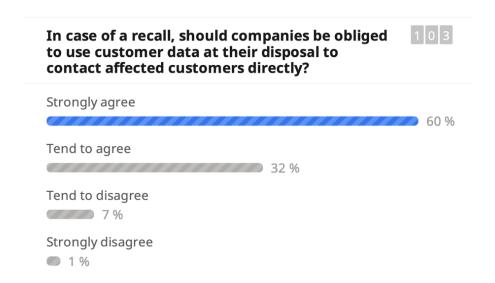
Regulators from all around the world shared their recent policy and research initiatives to increase recall effectiveness. **Neville Matthew** said recalls "appear to be trending upwards globally and are becoming a more important issue to regulators, businesses and consumers" but consumer response rates remain low. A discussion about how to improve recall communication and procedure for consumers included early results from an EU study, presented by **Anna Jassem**. **Mathieu Veulemans** outlined Norway's best practices in recall communication. **Rasmus Weber** explained that recalls can be 100% effective in the motor vehicle sector, due to mandatory vehicle registration and well-established recall processes.

The panel discussed whether companies could be obliged to use customer data at their disposal to contact affected customers directly. Concerns were raised that many organisations are wary of data protection laws and consumers can be cautious about giving away personal data. **Orsolya Csorba**, Deputy Head of Unit, Product Safety and Rapid Alert System at DG JUST, said they were working on a recall guidance and that the topic would also be included in the GPSD review.

What 3 words come to your mind if you think of an ideal recall announcement?



sense of urgency point of sale structurehonest product risk next steps refund short picture dangerous, risk. call to action pictures urgent Safety Recall Actionable contact Simple Cleareasy to act on Action remedy solution what to do clarity include pictures product name riks posed name visual honesty concise danger IoT transparency to the point simplicity notification danger, important, injury



Conclusions: getting recalls right

Panellists agreed the most important points to get recalls right included:

- o an earnest and transparent approach by businesses to getting the product back;
- o setting goals for recall returns and backing them with concrete actions to achieve them;
- taking as much care with recall campaigns as with the marketing designed to sell the product, including consideration of how to reach the target audience;
- o and simplifying the procedure for consumers.

PANEL: Best practices in product recalls

Paul Hide, Chief Executive, AMDEA; **Lauren Bell**, CEO, Whystle product safety and recall app; **Nancy A. Cowles**, Executive Director, Kids In Danger, United States; **Sami Gabriel**, Distinguished Engineer, Vodafone Group; **Olivier Prentout**, La Compagnie Rochelaise du Logiciel Spread & Cole.

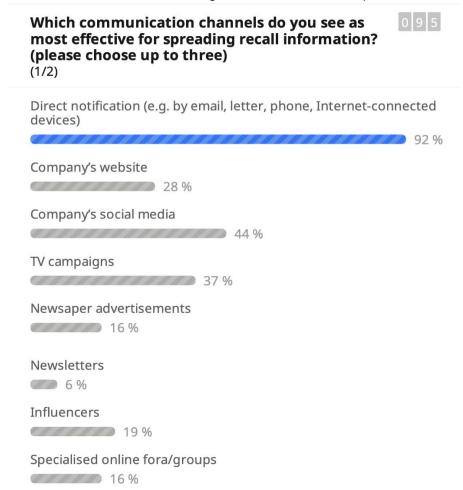


Panellists from a range of commercial and non-profit settings gave examples of their best practices to improve recall effectiveness. Solutions ranged from an app that creates personalised product safety alerts, to an industry-wide web portal facilitating product registrations, to an electronic chip that can be embedded into virtually any product – such as domestic white goods or consumer electronics – and delivers a recall notice directly to the device or even shuts it down in extreme cases.

Conclusions: ultimately we are trying to avoid harm and save lives

The speakers said the most important factors for product recalls were:

- o reaching all affected users, including through direct notification;
- o getting recall information to users that is fast, easy and personalised;
- o requiring that companies give a robust response, which will force them come up with innovative solutions;
- o and collaboration among all actors in the recall process.



THURSDAY 12 NOVEMBER

WORKSHOP: Kick-starting consumer product safety – a worthwhile endeavour (in partnership with UNCTAD)

The workshop aimed to identify the needs of countries with product safety frameworks still in development, and to discuss the building blocks required to boost consumer safety. The speakers, who represented regulatory bodies, shared experiences in policymaking and institutional design, legal revision, awareness-raising and stakeholder participation, with a view to supporting policy reform and international cooperation.

'The EU experience is relevant for all over the world'

Alexandra Jour-Schroeder, Acting Deputy Director General, DG JUST and Teresa Moreira, UNCTAD's Head of Competition and Consumer Policies, in their opening remarks, presented the points of view of the European Commission and UNCTAD who jointly organised this workshop, moderated by Pinuccia Contino and Cathy Smith. The enlightening workshop, open to regulators only, confirmed that there is the need and desire for more international cooperation on product safety, sharing knowledge and expertise and seeking solutions on a global scale.

PANEL: Identifying the needs of least developed countries

Daouda Ouedraogo, Permanent Secretary of the 'Commission Nationale de la Concurrence et de la Consommation', Burkina Faso; **Chilufy Sampa**, Executive Director, Competition and Consumer Protection Commission, Zambia; **Meselech Wodajo Gawo**, Deputy Director General of FDRE Trade Competition and Consumer Protection Authority, Ethiopia.

The panellists described the legal and regulatory measures that had been taken in their countries to protect consumers, as well as setting out where the challenges lie.

PANEL: Fundamentals in implementing consumer product safety

Eva Sinkovic, Policy Officer/Team Leader, DG JUST; **Rada Markovic**, Assistant Director of the Administration for Inspection, Montenegro; **Thyme Burdon**, Project Manager, OECD Committee on Consumer Policy and Working Party on Consumer Product Safety.

The speakers examined the basic principles behind building an effective framework to protect consumers from unsafe products.