

THE 10th 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 internationally, 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. In the meantime, a number of other jurisdictions and international organisations have followed this example. Currently **eleven**² **online marketplaces** are signatories of the Pledge, both large international and smaller regional players. They also committed and signed up for the Product Safety Pledge+³, a new and more extensive commitment framework. They are applying it from 1st December 2023.

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, including also on their quantitative figures by using the relevant Key Performance Indicators (KPIs).

This tenth progress report covers the period from **1 June 2023 to 30 November 2023**. This is the fourth progress report for which **all 11 signatories** provided data. A third-party aggregator combined their inputs. This is the last report under the Product Safety Pledge, given that signatories agreed to a revamped framework under the Product Safety Pledge+⁴, which they are applying from 1st December 2023.

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

It is important to underline that several signatories introduced new and/or upgraded policies that significantly improved the search **for similar/identical listings** that correspond to products indicated in governmental notices or in the alerts of the Safety Gate or other recall portals. As a result of their efforts, they were able to remove the problematic listings. Signatories also made efforts to carry out their follow up actions within the 2 days deadline reflected in the KPI. Two signatories mentioned that on some occasions they could identify thousands of listings based on one alert. The very high number of listings concerned by their follow ups are the main reason requiring in certain cases longer than 2 days to duly follow up the “identical/similar listings”.

Putting the below figures in context it is important to underline that **Pledge signatories improved their performance regarding the proactive identification of similar / identical listings**. In certain cases, signatories needed longer time for their identification and takedowns as explained above. This is also strongly reflected in the KPIs below. The Product Safety Pledge+ commitment framework already provides an improved mechanism for this issue.

It is also important to recall that the sheer number of product listings doesn't fully correspond to the number of dangerous products actually introduced into the European markets through the signatories' marketplaces:

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://commission.europa.eu/system/files/2023-03/Pledge%2B_final_new.pdf

⁴ https://commission.europa.eu/business-economy-euro/product-safety-and-requirements/product-safety/product-safety-pledge_en#product-safety-pledge-

these listings do not account for the actual available stock of products, they are often duplicated by each seller on several marketplaces (or even on each marketplace) and they do not reflect sales. For example, one concrete product can be listed several times on one marketplace by different sellers and at the same time it can also be listed on various marketplaces.

Moreover, when comparing the figures of this monitoring report to the previous one, both the higher number of governmental notices sent and the number of takedowns carried out within the reporting period covered by this report demonstrates that the Pledge mechanism is used more and more by all the relevant actors.

KPI 1:

- **87%** of identified product listings removed within two working days, based on governmental notices provided to the established single contact points.
 - Total number of governmental notices received: **2,107**
 - Number of identified listings removed following a governmental notice, including the one notified and similar ones: **57,672**
 - Number of identified listings (as defined above) removed within 2 working days following a governmental notice: **49,923**

KPI 2:

- **73%** 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: **3,386**
 - Number of identified listings following an alert on the EU Safety Gate or other databases: **80,928**
 - Number of identified listings removed within 2 working days following an alert on the EU Safety Gate or other databases: **58,595**

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):

- One signatory signalled that they **expanded their teams working on product safety issues.**
- All marketplaces confirmed that following their commitments they are regularly monitoring the **EU Safety Gate** (many on a daily basis) 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 and international recall pages. Increasingly more signatories confirmed that they also monitor other sources such as the: ACCC, UK, CPSC, Canadian and OECD⁵ Product safety websites. One signatory reported that it twice daily monitors over 43 websites, including Safety Gate and OECD.
- All signatories confirmed their **internal processes** linked to the takedown of listings of dangerous products. All signatories have established a single point of contact for authorities. Some even organised meetings with the authorities they work the most with.

⁵ <https://globalrecalls.oecd.org/#/>

- Many signatories reported on an implementing or improving a trusted flagger system they developed to allow for close cooperation with groups of stakeholders. This trusted flagger system allows for notifications to be treated automatically or to be prioritised. Sometimes, notifications by trusted flaggers are precautionarily removed until they are manually examined. Some signatories had already highlighted that thanks to their participation in **the second phase of the Product Safety Pledge Pilot Project** with participating consumer organisations (BEUC, Euroconsumers and ICRT) they have widened their trusted flaggers pool – now some more have reported on the same advancement.
- As regards the **two-day deadline** commitment for removing illegal product listings most signatories confirmed that they can comply with the vast majority of the requests in this timeframe. For the exceptional cases where this was not done, they provided further explanations.
- All signatories reported some progress regarding their internal solutions **allowing consumers to signal product safety concerns**. A few signatories reported that they have improved the customer reporting tool to further enable customers to have an easy mechanism to report in more detail safety concerns and illegal issues. One signatory report that their social media team also warns internally about illegal contents that have been reported on social networks.
- Regarding the **cooperation with authorities** a signatory raised the point that in a number of cases, the authorities asked to provide wide-ranging information on sellers and consumers. This information on the supply chain included, but was not limited to, information on manufacturers’ and sellers’ names, addresses, contact details, and the number of specific products sold on particular markets One signatory reported that if the seller does not respond to their request to contact the customer, they take the initiative to contact the customers themselves both by email and through push notifications in case the consumers have the relevant app installed on their phone.
- Signatories have carried out a number of **information and training activities**. Many signatories ensure that their sellers continuously receive updated information on applicable legislation. One signatory reported on tailoring their educational campaigns to sellers to new regulations or areas where they receive many alerts. Similarly, it was reported that authorities can include links in their sellers’ and buyers’ education messages and can also add their email address in the contact field in case they want to be contacted by the seller. Another signatory explained that they provide over 200 didactic articles in two languages, including pages dedicated to illegal/dangerous contents and information about our policies, and links to relevant regulatory texts for each category of products. A signatory regularly sends informational e-mails to all sellers on the most important regulatory changes.
- Several signatories voiced again their appreciation for being able to cooperate **with the SPEAC Project**⁶, to share contents relating to product safety and compliance with their Chinese sellers.
- Some signatories 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, 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. One signatory reported blocking up to 10.5 million listing based on such an algorithm, while another mentioned adding almost 100 images per month to their image library that checks for duplicated listings. Another signatory reported that when a product is removed from the marketplace (for security or any other reason), the involved seller receives an e-mail explaining the reason for removal.
- Regarding the **use of new technologies for product safety purposes**, almost all signatories reported on increasingly investing in and using AI solutions to that help them ensure the safety of products available on their platform. A few signatories are looking into working with image recognition tools to identify unsafe products.

⁶ <https://speac-project.eu/>

At the initiative of one of the signatories, all signatories agreed to be part of the **Pilot project** launched in September 2022 that stimulates cooperation **between consumer organisations** (BEUC, Euroconsumers and ICT) and **online marketplaces that are signatories of the Pledge**. Since October 2023, we are at the second phase of this Pilot. In the context of this Pilot, signatories received direct notifications of the test results carried out by consumer organisations, and were able to follow up on the products that were signalled as unsafe. At the same time, consumer organisations also notified the relevant market surveillance authorities. Several signatories highlighted the importance of opening this new communication channel allowing them to take into account the tests carried out by the consumer organisations. Many of them also showed openness to turn the Pilot into a more structured and permanent cooperation avenue once it can be adapted based on the evaluation of the Pilot and its lessons learned.

On the international level, some of the signatories reported being part of the other jurisdictions' product safety pledges that were inspired by the EU example.