

5th 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 is the first of its kind in the product safety area globally, 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. 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 fifth progress report covers the period from **1st December 2020 to 31st May 2021**. For this report, **nine signatories** were providing data: AliExpress, Allegro, Amazon, CDiscount, eBay, Rakuten France, Wish, eMag and bol.com. A third party combined their inputs. **Two** new companies, Etsy and Joom, also signed recently the Pledge, but as they joined in the middle of the reporting period, this report does not contain information concerning them.

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 in the way that signatories calculated the number of notifications and the corresponding KPIs. Therefore, signatories have committed to provide absolute numbers as detailed below. That allows for easier monitoring and comparability of the KPIs. This new way of collecting data and reporting, and the fact that now more signatories are covered by this progress report, explains the decrease in KPI 1 compared to the previous report.

KPI 1:

- 75% of identified product listings⁴ removed within two working days, based on governmental notices provided to the established single contact points.
 - Total number of governmental notices received: 2,732
 - Number of identified listings following a governmental notice, including the one notified and similar ones: 17,977
 - Number of identified listings (as defined above) removed within 2 working days following a governmental notice: 13,555

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/sites/info/files/3rd_progress_report_product_safety_pledge.pdf and https://ec.europa.eu/info/files/4th-progress-report-implementation-product-safety-pledge_en

⁴ The number of product listings is not indicative in terms of the actual number of dangerous products offered on marketplaces: duplicates can exist on the same platform and the same product can be offered on different marketplaces.

KPI 2:

- 97% of identified product listings removed within two working days found through the monitoring of public recall websites, such as the EU Safety Gate.
 - Number of detected alerts that link to a live listing available to customers on a marketplace taken from Safety Gate/RAPEX or other EU government databases of products available to EU customer: 885
 - Number of identified listings following an alert on Safety Gate/RAPEX or other databases: 28,534
 - Number of identified listings removed within 2 working days following an alert on Safety Gate/RAPEX or other databases: 27,717

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:

- **New signatories** reporting for the first time on their progress implementing the Product Safety Pledge have set up internal processes to comply with the commitments, including providing a single contact point for EU Member States authorities to notify dangerous products and setting up a notice and take-down procedure for dangerous products.
- One online marketplace has built and launched a **Regulatory Portal**, which empowers participating market surveillance authorities from around the globe to efficiently report listings offering non-compliant or illegal items, including unsafe products, for an automated and swift removal.
- Regarding the **cooperation with market surveillance authorities**, one marketplace proactively informed DG Just and a Member State authority of a trending compliance issue in relation to FFP2 respiratory masks being offered for sale as certified for children, a claim that has no regulatory basis. The marketplace suppressed all such masks claiming to be certified for children with no path for reinstatement. It also created rules to run proactively across its catalogue to restrict all such masks in the future. Another marketplace reported on specific requests of market surveillance authorities for the identification of the supply chain of dangerous products. In general, traceability problems remain a challenge for the control of dangerous products. On a separate note, one marketplace reported that often the governmental notices did not contain sufficient information allowing them to identify the products in question.
- Some signatories have carried out a number of **information and training activities**. One company has published information for their sellers about compliance to EU requirements and translated it into several languages. A number of marketplaces specifically referred to trainings under the EU-funded SPEAC project⁵, which allowed more than 20,000 sellers to attend the online trainings. Some marketplaces also publish regular newsletters including on product safety-related regulatory changes. Others have created dedicated webpages with product safety information, including links to relevant official pages, or provided their sellers with templates to reach out to consumers in case of product recalls. One marketplace has

⁵ <https://speac-project.eu/>

developed an e-learning system on their partner platform for new sellers and for existing sellers who have made a policy violation. This marketplace also included product safety-related topics into their on-boarding webinar.

- **Treatment of customer notices:** All companies have notification forms for customers to submit complaints regarding products. However, these forms often remain generic and not always user-friendly for customers, referring to “restricted or prohibited goods” and just giving the possibility to give further details of the problem in an open box or via a chat function. Some marketplaces now already include “dangerous products” as one of the default option in their forms, but this is still not a widely reported practice. However, one marketplace reported that all safety concerns notified by customers via its Customer Service channels (e-mail, phone, live chat) automatically trigger an internal investigation and, where appropriate, the product is removed from sale. This marketplace also uses customized technology to filter millions of daily customer reviews to identify safety concerns across all of its sales channels. This technology enables automatic detection of safety or incident related keywords (such as “hospitalised”, “burns”, “explosion”). Any issue detected by this means is classified by severity, product type and language, with the assessment of severity being based on an internal framework of historical safety investigation data and internal subject matter expertise, together with relevant external sources, to ensure that potential concerns are identified and acted upon as efficiently and effectively as possible. Issues of concern are investigated in accordance with internal processes, reviewed and, if appropriate, actioned within five working days. Another marketplace informed the Commission of their initiative to develop a “report button” internally for their colleagues, so that they can report unwanted listings to their moderation team. They are working on making this button available to customers as well.
- Some companies have taken measures to **prevent the reappearance of dangerous products**, 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 same items as previously removed listings. One marketplace also developed a penalty point system for repeat offenders.
- One marketplace now **informs sellers, whose offers were removed**, by an email notification, that their product was flagged either in the Safety Gate or by national authorities (this notification also contains the relevant links to Safety Gate and national web pages and a link to the marketplace’s customer service).
- Some of the signatories have **enhanced their cooperation with authorities regarding product recalls**. This includes the possibility to reach out to sellers and providing channels for authorities to directly contact affected customers.
- Regarding the **use of new technologies for product safety purposes**, one company has set up a detection tool to improve the identification of similar products based on Safety Gate alerts, through the detection tool based on pictures published on the Safety Gate website and a keyword system. Another company is now using cutting-edge image detection technologies to identify products containing illegal content or images, which has enabled them to identify and remove thousands of illegal products containing prohibited images. This technology allows the company to better identify at scale any product in its catalogue that matches images provided

on recall notifications, reducing its suppression lead time and improving accuracy compared to a manual review. This marketplace also continues to expand its monitoring scope for customer safety, adding 4 new websites to its EU/UK continuous recall monitoring: RappelConso (FR), OPSS (UK), Electrical Safety First (UK) and Recalls of Household Products (UK). Another signatory developed a new system to collect and review the background license/certification for high-risk product categories, which facilitated a more proactive product safety control approach. This online marketplace uses certain artificial intelligence tools to detect infringing products, including counterfeited products, some of which are also considered unsafe. Finally, another marketplace reported on the early-stage testing of a new algorithm-based technology that produces a 'digital fingerprint' for various forms of multimedia (including images) and allows them to identify other 'look-alike' listings.