

24.02.2020

Unsafe products on online marketplaces



Unsafe products on online marketplaces

In the last decade, online marketplaces have increasingly become the shopping venue of choice for European consumers. The reasons are simple: online shopping delivers competitive prices, a large selection of products and convenient methods of delivery. Yet despite these advantages, even the most renowned platforms are often guilty of selling unsafe products to consumers.

Research and testing conducted throughout 2019 by Euroconsumers (together with Consumentenbond, Which, Stiftung Warentest and Forbrugerrådet Tænk) found that two thirds of all products ordered online were unsafe and therefore illegal. The study found that platforms such as *AliExpress*, *Wish*, *eBay*, *LightInTheBox* and *Amazon* offered faulty products such as childrens' toys with toxic chemicals, phone chargers prone to melting and non-compliant clothing apparel.

Our test results

Euroconsumers, together with four other consumer organisations, conducted the research between January 2019 and January 2020.

250 products from 18 different categories including children's toys, smoke alarms, children's clothing apparel, make-up and USB chargers were ordered, examined and then tested in laboratories.

- **Out of 12 USB chargers, 12 powerbanks and 12 adaptors (36), 26 products were inflammable**
- **In 9 out of 29 children's toys, illegal quantities of phthalates were found (up to 200 times the legal limit)**
- **All ordered smoke and carbon monoxide alarms (11) failed the test.**
 - **None of them recognised a lethal amount of smoke/Carbon monoxide**
 - **4 of the CO alarms did not respect the standard requirements (they were too quiet)**
- **14 out of the 16 ordered children's apparel did not respect European standards, i.e the size of laces were too long which can cause accidents for children.**
- **7 out of 10 teeth-whitening products had a quantity of hydrogen peroxide exceeding the European limit (14 to 70 times the legal limit)**

To make matters worse, consumers are often unaware that they risk buying unsafe products. Most consumers believe that online platforms make sure that the products sold on their websites are safe, that they remove unsafe products from sale and notify customers when something goes wrong. This is unfortunately not always the case.

By presenting themselves as mere intermediaries, e-Commerce platforms often exploit a legal loophole that exempts them from any liability regarding the safety of the products they offer. Instead, the responsibility falls on the original supplier. In fact, e-Commerce platforms are



solely required to ‘expeditiously’ remove unsafe products from their catalogues when informed of it. While it is true that some marketplaces do have voluntary commitments on product safety, these are largely reactive. Meaning they only act after unsafe products are put up for sale on their websites. Moreover, these voluntary engagements are often limited in scope and vary significantly depending on the company.

Euroconsumers’ research clearly shows that consumers are not sufficiently protected against unsafe products sold on e-Commerce platforms. On the one hand online marketplaces fail to prevent unsafe products from going on sale and to remove them timely when already on sale. On the other hand authorities fail to deliver appropriate oversight and effective enforcement.

What needs to change?

Our demands:

- **More liability**
- **More agility**
- **More control and enforcement**

1. **Online platforms need to ensure that all products sold on their sites are safe.**

At this time, e-Commerce platforms are not required to ensure that products on their websites respect the same safety requirements as producers, importers and distributors. They are merely intermediaries, while suppliers are ultimately responsible for ensuring that their products are safe.

This does not only leave consumers vulnerable. Current legislation also fails to recognise the role of marketplaces as the primary interface for consumers with the technical and commercial ability to hold their suppliers to account for consumer safety. As mentioned above, there is a large body of evidence that shows that online platforms harm consumers, and fail to protect them from potential risks.

Clearly the current legislative framework is not sufficiently dissuasive. Also the voluntary efforts made by some marketplaces are not effective enough. Hence, a more proactive approach is needed. Online marketplaces should be held responsible for ensuring product safety. This will encourage them to make sure that their suppliers comply with product safety obligations (e.g. by enhancing their checks before including sellers on their sites).

2. Unsafe products need to be taken off swiftly and kept that way

Under the current legislation, when informed of harmful products, online platforms are required to remove said products ‘expeditiously’. However, there is no time limit specified for what is “expeditious”. In the past few years, online platforms have been taking advantage of this ambiguous notion. Unsafe products are often only removed days or even weeks after being identified, to sometimes reappear again (sometimes under a new name) shortly after.

Online marketplaces should be required to remove unsafe products 24 hours after they are identified. Platforms should also be required to inform consumers of safety issues, ensure effective recalls and prevent unsafe products from being listed again.

3. Need for strong independent oversight and effective enforcement

Public authorities currently lack the necessary means to effectively tackle the presence of harmful products on online platforms. Confronted with the massive boom in e-Commerce, they are often unable to keep pace. This must change. Strong oversight and effective enforcement are crucial to challenge websites based in and outside the EU.

Public bodies should be given the necessary tools to monitor online content and to ensure that only safe products are sold on online platforms. They should be equipped with the appropriate resources, skills and intelligence to police online marketplaces when consumers are put at risk. Additionally, It is crucial that platforms and public bodies collaborate. Platforms should swiftly remove illegal content when prompted by authorities. Likewise, online marketplaces should inform the relevant public bodies when unlawful products appear on their catalogues.

Euroconsumers as partner for regulators, authorities and online marketplaces

Not only do the vast amount of unsafe products sold on online marketplaces create tangible problems for consumers. The presence of unsafe products on online marketplaces also erodes consumers' trust; a crucial element without which platforms can scarcely survive. Consumers need reassurance in order to trust websites or online marketplaces. It goes without saying that if out of a sample of 250 products 2 out of 3 products turn out to be unsafe, consumers cannot be expected to trust that online shopping is a safe way to make their purchases.

Euroconsumers is fully committed to address this situation by ensuring that:

- European lawmakers strive for strong and future-proof legislation (addressing the legislative gaps in the e-Commerce directive, General Product Safety Legislation, product liability rules... but also tackling the issue within the WTO trade talks).
- Public authorities are given the adequate tools to effectively safeguard consumer rights.
- That global marketplaces fully embrace consumer protection as an enabler for a strong e-Commerce. Euroconsumers is ready to collaborate with all willing partners to guarantee product safety and trust for consumers.

Every regulator, authority or online marketplace that wants to contribute to the protection of consumers online will find a strong partner in Euroconsumers.

Gathering five national consumer organisations and giving voice to a total of more than 1.5 million people, Euroconsumers is the world's leading consumer cluster in terms of innovative information, personalised services and defence of consumer's rights. Our organisations work closely with BEUC and Consumers International to ensure safe, fair and honest relations between consumers, businesses and public authorities.

