

## **Foreword**

In recent years, a number of consumer product safety authorities, including the Australian Competition and Consumer Commission, the European Commission, the Korea Fair Trade Commission, and Korea Consumer Agency,<sup>3</sup> have established product safety pledges with a number of online marketplaces to better protect consumers from the risk of unsafe products on those marketplaces.

The OECD Working Party on Consumer Product Safety (WPCPS) under the OECD Committee on Consumer Policy has developed this Communiqué to encourage the development of further such pledges at domestic and regional levels, and to identify the key commitments for inclusion in any such pledges.

This Communiqué was approved by the WPCPS on 30 April 2021 for public release during the OECD's international consumer conference The Consumer Marketplace of the Future on 16 June 2021.

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## Communiqué of the OECD Working Party on Consumer Product Safety on enhancing consumer product safety on online marketplaces with product safety pledges

Online marketplaces offer consumers a range of benefits, including greater seller and product choice, often at competitive prices. However, the availability of unsafe products offered by third party sellers through online marketplaces<sup>4</sup> continues to present serious risks to consumers globally.

To address this issue, in recent years, some consumer product safety authorities have established product safety pledges<sup>5</sup> with a number of online marketplaces.

These initiatives can assist jurisdictions in implementing the OECD Recommendation on Consumer Product Safety [OECD/LEGAL/0459] adopted in July 2020, which calls on Adherents to work with businesses, including online marketplaces, in a transparent and inclusive manner, to promote and implement effective policy frameworks relating to consumer product safety.

To encourage the development of additional and consistent pledges worldwide, on 16 June 2021, during the OECD's international conference on The Consumer Marketplace of the Future,<sup>6</sup> the OECD Working Party on Consumer Product Safety called for online marketplaces and consumer product safety authorities to consider incorporating the following key commitments from marketplaces in any domestic pledges:

Detecting and preventing the sale of unsafe products by setting up processes and mechanisms to identify banned, non-compliant or recalled products on the online marketplace.

These processes and mechanisms include:

- regularly consulting government product safety websites and other relevant sources
- ii. establishing systems to prevent re-listing of such products following removal from the online marketplace, and
- iii. re-assessing and improving such processes and mechanisms over time (e.g. considering possible enhancements through the use of new technologies).

Co-operating with consumer product safety authorities to identify the supply chain of unsafe products, including affected groups of consumers, and removing the corresponding listings.

Such co-operation includes:

- establishing a clear contact point for government requests and notifications
- removing identified listings for unsafe products within a short timeframe agreed with the relevant consumer product safety authority, 7 and
- iii. responding to information requests in a reasonable time should relevant information not be publicly available.

Raising consumer product safety awareness amongst third party sellers by implementing measures to facilitate third party sellers' compliance with relevant product safety laws.

These measures include regularly sharing product safety information, such as links to government product safety websites, the OECD GlobalRecalls portal<sup>8</sup> and other relevant consumer product recall databases.

**Empowering consumers on product safety issues** by providing them with a pathway to report unsafe product listings to the online marketplace and informing them about relevant recalls or corrective actions on unsafe products in co-operation with consumer product safety authorities and third party sellers.

## Notes

- <sup>1</sup> The Australian Competition and Consumer Commission's product safety pledge was first established in November 2020. Online marketplaces that have signed the pledge include AliExpress, Amazon Australia, Catch.com.au and eBay Australia. For more information, see: https://www.productsafety.gov.au/productsafety-laws/compliance-surveillance/australian-productsafetypledge#:~:text=The%20Australian%20Product%20Safety%20Pledge%20is%20a%20voluntarv%20i nitiative%20which,measured%20against%20key%20performance%20indicators.
- <sup>2</sup> The European Commission's product safety pledge was first established in June 2018. Online marketplaces that have signed the pledge include AliExpress, Allegro, Amazon, bol.com, Cdiscount, eBay, eMag, Etsy, Joom, Wish and Rakuten France. For more information, see: https://ec.europa.eu/info/business-economyeuro/product-safety-and-requirements/product-safety/product-safety-pledge en
- <sup>3</sup> The Korea Fair Trade Commission and Korea Consumer Agency's product safety pledge was first established in April 2021. Online marketplaces that have signed the pledge include Naver, 11st Street, Ebay Korea, Interpark and Coupang. For more information, https://www.kca.go.kr/home/sub.do?menukey=6081&mode=view&no=1003121241 (in Korean).
- <sup>4</sup> In the context of WPCPS work, 'online marketplace' refers generally to a type of online platform that facilitates e-commerce transactions between third party sellers and consumers (B2C) and/or between consumers (C2C). When online platforms sell products directly to consumers, they are no longer considered a marketplace but an online retailer in relation to those particular transactions and will generally have particular legal obligations in relation to the safety of those products.
- <sup>5</sup> In the context of WPCPS work, product safety pledges generally refer to overarching voluntary commitments to improve consumer product safety open to all online marketplaces offering goods from third party sellers. Such pledges go beyond the online marketplaces' legal obligations.
- Information on the OECD conference, held on 15-17 June 2021, is available at: https://www.oecd.org/digital/consumer/conference-consumer-marketplace-of-the-future/.
- <sup>7</sup> Both the ACCC and EC's pledges specify a takedown period of two business days (from receiving the request).
- <sup>8</sup> The OECD *GlobalRecalls* portal is at: https://globalrecalls.oecd.org/#/.

www.oecd.org/sti/digital/consumer

https://globalrecalls.oecd.org

https://oe.cd/digital-economy-papers



