

Act on the Protection of Consumers Who Use Digital Platforms for Shopping Outline

Problems such as **the distribution of unsafe products and difficulty in identifying sellers in resolving disputes** exist on **digital platforms for shopping** such as online malls. In response to this, a new Act was enacted **to ensure the cooperation of digital platform providers in optimizing transactions and promoting dispute resolution in relation to mail order sales**, and thereby to protect consumer interests.

(Passed on April 28, 2021, promulgated on May 10, 2021, enforced on May 1, 2022)

Content of the Act

(1) Obligation of Digital Platform Providers to Make Efforts (Article 3)

In order to contribute to the optimization of mail-order transactions conducted using digital platforms and the promotion of dispute resolution, digital platform providers are obligated to make efforts to implement and disclose an outline of the following measures listed in (i) to (iii) below (and the Prime Minister draws up guidelines for specific content).

- (i) Measures that enable **smooth communications** between consumers and sellers or equivalent persons
- (ii) Measures to **secure the appropriateness of representations of sales conditions, etc.** in response to complaints filed by consumers
- (iii) Measures to request that sellers or equivalent persons **provide information helpful for identifying them**

(2) Requests for Suspension of Use of Digital Platforms for Shopping (Article 4)

- If a representation substantially differs from the truth or is otherwise inappropriate with respect to important particulars (particulars helpful for judging the safety of the product) and the seller or equivalent person cannot be expected to correct that representation, the Prime Minister may **request that the digital platform provider suspend the seller's or equivalent person's use of that digital platform.**

(*) Exemption of digital platform provider liability for damages to sellers or equivalent persons caused in response to requests

(3) Right to Request Disclosure of Seller's or Equivalent Person's Information (Article 5)

- Establish **the right to request the disclosure of information on sellers or equivalent persons** as necessary when consumers make a claim for damages, etc.

(*) Consumers' request of disclosure made to digital platform providers. Not applicable if the amount of damages claimed for is less than a certain amount or the claim has been brought for an unjustifiable purpose

(4) Public-Private Council (Articles 6-9) / Reporting System (Article 10)

- **A public-private council** comprised of groups consisting of digital platform providers, consumer groups, relevant government agencies, etc. **will be organized** to exchange information such as **sharing the status of efforts.**
- Establishing of a **reporting system** in which **consumers, etc.** can report the risk of damage to consumers using digital platforms for shopping and request that the Prime Minister (Consumer Affairs Agency) take appropriate measures in response to this

* The review is to be made in the 3rd year of enforcement of this Act in light of the status of its enforcement and changes to economic and social conditions.