

ONLINE PRODUCT SAFETY GUIDELINES

PREPARED FOR UNCTAD

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**CONSUMERS
INTERNATIONAL**



PRODUCT SAFETY: CORE TO CONSUMER PROTECTION & EMPOWERMENT



CONSUMER
EMPOWERMENT
& CONFIDENCE

MECHANISMS
FOR CONSUMER
PROTECTION &
ENFORCEMENT

CONSUMER
KNOWLEDGE &
INFORMATION

SUSTAINABILITY
FOR CONSUMERS

TECHNOLOGY
& INNOVATION
FOR PRODUCTS
CONSUMERS



**PRODUCT SAFETY:
AN ISSUE FOR
CONSUMER
ADVOCATES
EVERYWHERE**

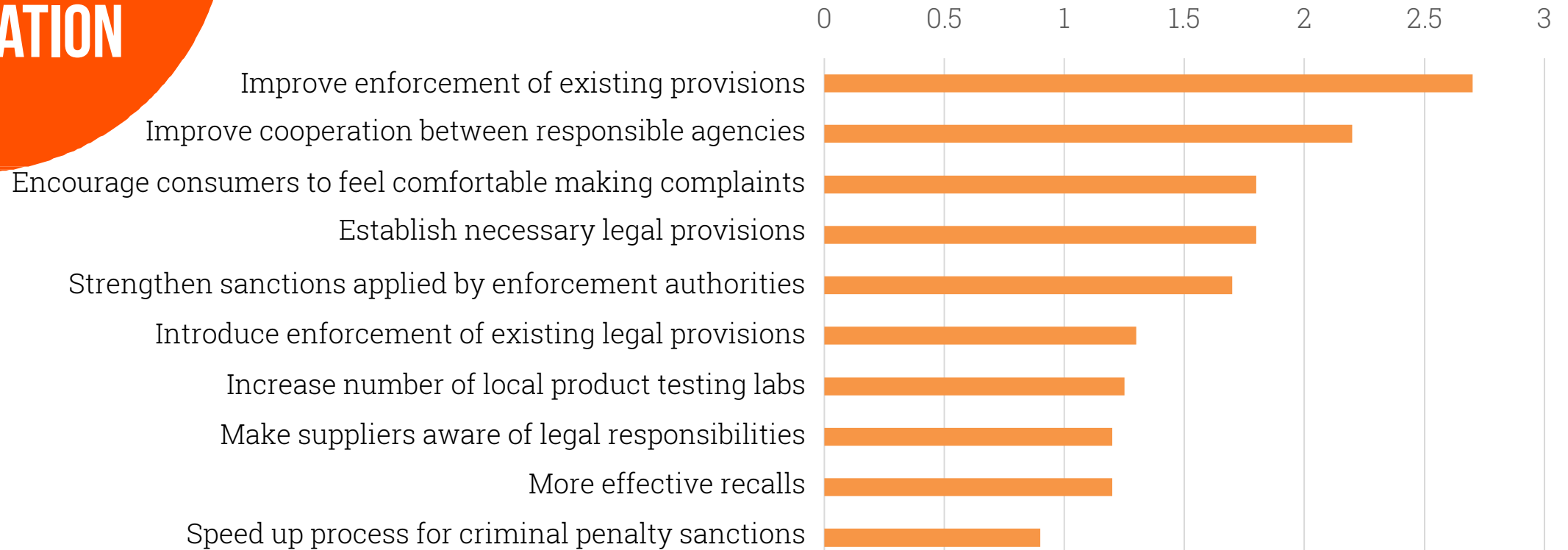
Which of the following consumer issues is your organisation currently working on?
(80 countries represented)

Consumer Issue	All	High income	Low income	Middle income
Food (security and safety)	77%	74%	79%	78%
Product safety	68%	71%	86%	62%
Financial services	64%	71%	57%	60%
Environment	63%	62%	57%	65%
Healthcare and medicine	58%	50%	64%	62%
Information and communication technologies	58%	67%	71%	49%
Digital rights/privacy	57%	79%	21%	51%
Retailing/marketing of household goods & services	55%	69%	43%	48%
Energy	51%	60%	64%	43%
Advertising	50%	64%	36%	43%
Counterfeit/fake products	49%	43%	57%	51%
Water	43%	31%	71%	45%
Trade	39%	38%	57%	35%
Mobility	35%	38%	36%	32%
Professional services (legal and medical)	33%	33%	29%	34%
Housing	32%	38%	43%	26%

Source: Consumers International Global Consumer Protection & Empowerment Expert Survey 2020

PRODUCT SAFETY: ENFORCEMENT, CO-OPERATION, INFORMATION

What are the priorities for improving product safety in your country?
(89 countries represented; Ranking of priorities)



Source: Consumers International Product Safety Survey 2019

ONLINE PRODUCT SAFETY: THE ISSUE

1.48BN
People shopping online in 2019¹

66%
Europe: Products unsafe in consumer advocacy independent tests²

15%
Japan: Share of all accidents caused by products purchased online³

48%
UK: toys purchased online deemed unsafe in independent test⁴



¹Simon Kemp, Digital 2019: Global digital overview, 2019; ²ICRT: safe products on online marketplaces, 2020 based on sample of 250 products across 18 categories; ³Ministry of Economy, Trade and Industry, 'Enhancing the impact of product recalls in the digital age, 2019; ⁴British Toy and Hobby Association, 2021 based on sample of 255 products bought online

ONLINE PRODUCT SAFETY: SELECT SYSTEMIC CHALLENGES

21%

UK consumers aware of marketplace responsibility in ecommerce¹

40%

Countries with no online product safety agreement

27%

Countries co-operating on product safety regulations

38%

Countries cooperating internationally on cross-border product safety cases

20%

Countries with ADR and redress mechanism for Ecommerce

8%

Online platforms with standardized form to share information

12%

Online platform with dedicated contact point

<10%

Countries with requirements to remove unsafe products if notified

GLOBAL GUIDELINES FOR ONLINE PRODUCT SAFETY



GLOBAL GUIDELINES: FRAMEWORK FOR JOINT ACTION



Overarching principles

- Safety
- Responsibility
- Information



Government actions

- National regulation
- Cross-border co-operation



Online marketplace actions

- Compliance & accountability
- Preventing unsafe entry
- Identifying and removing unsafe products
- information



Complaints & redress mechanisms

- Provided by businesses
- Provided or mandated by government or through co-regulation



Consumer information & education

GLOBAL GUIDELINES FOR ONLINE PRODUCT SAFETY



OVERARCHING PRINCIPLES

- **Do not harm** consumer safety and health.
- **Safety online** is no less important than in other forms of commerce.
- Comply with **local safety regulations**
- **Responsibility**
- **Consistency.** Consumers should not face increased product safety risks because of the country in which they live.

"... Product safety, labeling and disclosure requirements that existed in the physical world are poorly translated into e-commerce and digital transactions. We need this global framework to keep unsafe consumer products being sold on e commerce channels. ..." **Consumers Korea**

GLOBAL GUIDELINES FOR ONLINE PRODUCT SAFETY



NATIONAL GOVERNMENTS

In national markets

- Regulation
- Enforcement
- National product safety databases
- Enforce regulation that prevents unsafe products from entering the country.
- Consultation and engagement
- Certification

Internationally

- International agreements
- Information sharing
- International regulations and guidelines
- Notify the authorities

"... We would also like to see OPSS in the UK having a more robust role in enforcement, by supporting local authorities' enforcers and to ensure they provide an effective market surveillance framework, informed by timely risk assessments that are based on independent expert advice. ..." Which? UK

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ONLINE MARKETPLACES (1/2)

Compliance and accountability

- Compliance on safety
- Collaboration with authorities
- Open to scrutiny

Preventing unsafe products from entering the market

- Take all actions to ensure safety
- Verification of products; auditing
- Seller training
- Checks on safety certificates

Removing unsafe products from the market

- Monitoring
- Channel to receive updates
- Training
- Communication between actors
- Communication to consumers
- Prevention of reappearance of unsafe products
- Proactive alerts to authorities

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ONLINE MARKETPLACES (2/2)

Provision of information about the product

- Information pre-transaction
- Channels post-transaction
- Include certification; as well as necessary warnings about safe use, allergens, the minimum legal or recommended age of the user, etc.
- Information should be accessible

Provision of information about the seller/importer/marketplace

- Details of business and legal representative in country
- Information about contractual partner including contact details
- Indication of country of origin, name and address of manufacturer
- Verification of information
- All information and terms & conditions of any self-regulatory or co-regulatory scheme they use to ensure the safety of products sold online.
- About liabilities and responsibilities in accessible format

"... Many products are found without describing origin of country. Therefore traceability mechanism and compliance with consumer product safety requirements on border trade should be enforced. ..." Myanmar Consumers Union

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COMPLAINTS AND REDRESS MECHANISMS

Provided by businesses

- Redress
- Internal complaints handling
- Membership of ADR and ODR schemes
- Complaint & redress mechanisms via the original forum through which sale was made
- Complaints free of charge for consumers
- Accessible information for complaint and redress mechanisms

Provided or mandated by government or co-regulation

- Dispute resolution schemes
- Ensure that ODR and ADR schemes are available for free or at an affordable rate

"... What I would like to add as a key message for product safety as far as consumer protection is concern, is the need for effective redress mechanisms for consumer to be able to hold their providers accountable in case of breach of their rights to safety goods and services. ..." **Gambian Consumer Protection Association**

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CONSUMER INFORMATION AND EDUCATION

- **Flow of information** to consumers by businesses and governments
- Consumer awareness through the provision of **education and training**
- A **product safety compliance rating** showing ability of the sellers and marketplaces to provide safe products.

"... The language barrier is still a major obstacle for Japanese consumers wishing to make a complaint about a foreign produced product bought online ..." **Japan Consumer Network**

WHAT NEXT?

Communication efforts (e.g., translation into Japanese)

Exploration in national and regional contexts

Deep dive into specific questions

Continued efforts by individual consumer advocates: How can we better connect consumer advocates and government leaders to exchange information and ensure consumer agency?

Information campaigns about product safety to consumers

Exchange at international level with marketplace players

Can the Guidelines provide a global basis for discussion and action across all stakeholders?

THANK YOU

