



# Australian Product Safety Pledge

Annual report 2023–24

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The ACCC acknowledges the traditional owners and custodians of Country throughout Australia and recognises their continuing connection to the land, sea and community. We pay our respects to them and their cultures; and to their Elders past, present and future.

Australian Competition and Consumer Commission  
Land of the Ngunnawal people  
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# Executive summary

In 2023–24, signatories to the Australian Product Safety Pledge (the pledge) removed over 20,000 unsafe product listings from their online marketplaces as a result of consulting the ACCC Product Safety website, and other relevant information sources about recalled and unsafe products.

The signatories – AliExpress, Amazon Australia, Catch.com.au, eBay Australia and MyDeal.com.au – additionally removed over 3,000 unsafe product listings in response to regulatory take-down requests, an increase of over 300% from the previous reporting period.

The signatories reported they improved existing measures to identify and remove unsafe listings, including through the use of artificial intelligence to review product safety databases, automated programs that flag unsafe listings by keyword filters, and manual reviews by compliance teams. This was supported by new initiatives by the signatories to educate sellers to facilitate compliance with Australian product safety laws, and warn consumers about high-risk products, such as button batteries.

The ACCC is pleased to see some new initiatives reported under qualitative key performance indicators. However the ACCC is concerned that, in some cases, signatories are not responding to requests for information or to take effective action to address unsafe product listings in a timely manner. We have raised our concerns with the relevant signatories and expect to see improved performance in future to meet their commitments under the pledge.

While there has been an increase in unsafe product listings removed during the period, the ACCC continues to be concerned about the overall volume of unsafe products available for sale on online marketplaces, including on some signatory marketplaces. This includes products that do not meet mandatory safety standards, or that have been recalled, banned, or otherwise identified as unsafe in Australia or elsewhere.

Improving product safety online was an ACCC product safety priority in 2023–24, and continues to be a priority for 2024–25.<sup>1</sup>

More Australians are shopping online than ever before. Around 9.5 million households made an online purchase in 2023, with Australian consumers spending \$63.6 billion.<sup>2</sup> This was made up of purchases through the websites of brick-and-mortar stores, as well as through online marketplaces. Drivers for shopping online include convenience, with consumers also looking for discounts and price comparisons.<sup>3</sup> In 2023 a third of online shoppers increased their usage of online shopping due to rises in cost of living expenses.<sup>4</sup>

It is critical that initiatives designed to meet commitments under the pledge are effective at reducing the risk of unsafe products, so that consumers can have confidence that the products that they are purchasing on signatories' platforms are safe. In practice, this means that approaches to reduce the risk of serious injury, illness or death from unsafe products will incorporate active and robust seller vetting and listing compliance measures, and continuous monitoring and improvement of those measures, to ensure their effectiveness and that consumer confidence is well-placed.

With this in mind, the ACCC will be discussing options to improve product safety outcomes with signatories over the coming months. This may include opportunities to implement strengthened

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1 ACCC, [Product safety priorities](#), accessed 12 September 2024.

2 Australia Post, '[2024 Inside Australian online shopping: eCommerce industry report](#)', 2024, pp 2, 3 & 13, accessed 6 September 2024.

3 IAB Australia, '[Australian Ecommerce Report](#)', 2023, p 21, accessed 27 November 2024.

4 IAB Australia, '[Australian Ecommerce Report](#)', 2023, p 15, accessed 27 November 2024.

initiatives on particular platforms, as well as broader options to improve the effectiveness of pledge commitments and reporting to enable the ACCC to better compare performance between online platforms and over time.

With the growth in e-commerce markets, material investment in initiatives across online marketplaces to improve product safety online are critical.

The ACCC encourages all online marketplaces to take active and effective steps to mitigate the risks to consumers from unsafe products available on their platform. This includes proactive oversight, and initiatives aimed at blocking unsafe products at the pre-listing stage. A combination of seller vetting, education and sanctions to identify and address sellers at high risk of non-compliance, as well as measures to prevent unsafe product listing and re-listing practices is strongly encouraged.

Further, we encourage active engagement with compliance oversight and investment in new technologies, or the application of existing technologies, to improve product safety.

Finally, and recognising the rapid pace of change that comes with the digital transition, we encourage online marketplaces to actively and continually monitor, assess and improve the effectiveness of measures to reduce the risk of harm to consumers from unsafe products.

# Background

The Australian Product Safety Pledge is a voluntary initiative between the ACCC and online marketplaces. The pledge seeks to protect Australian consumers shopping online from product safety risks, by committing its signatories to a range of product safety related responsibilities that go beyond what is legally required of them. The ACCC launched the pledge on 23 November 2020.

The current signatories are AliExpress, Amazon Australia, Catch.com.au, eBay Australia, and MyDeal.com.au.

Under the pledge, the signatories have committed to 12 product safety related actions and to reporting annually on their performance, measured against 3 KPIs.

Each year the ACCC publishes the Australian Product Safety Pledge annual report which summarises the signatories' performance and outcomes over the previous financial year. This is the fourth annual report and covers the reporting period 1 July 2023–30 June 2024.

Performance and outcomes are based on information that is self-reported by the signatories. The ACCC has not independently verified the accuracy of signatories' self-reported data and information. Data is aggregated and de-identified in this report.

The pledge is voluntary, however the ACCC expects that signatories will use their best efforts to comply with their commitments, so that consumers can have confidence in the measures being taken to reduce the risk of harm from unsafe products on their platforms.

Adopting the pledge does not replace the need to ensure overall compliance with the *Competition and Consumer Act 2010* (Cth), including the Australian Consumer Law, or other relevant legislation. While the pledge is voluntary, it supplements business obligations under relevant legislation and does not prevent the ACCC or other regulatory authorities from taking enforcement action where appropriate.

The ACCC encourages all businesses operating as online marketplaces to protect consumers shopping online by adopting the pledge or otherwise implementing active and effective measures to reduce the risks of consumer harm from unsafe products on their platform.

Online marketplaces who are not pledge signatories are encouraged to find out more about the pledge commitments and how to become a signatory from the [ACCC Product Safety website](#).

# Key performance indicators

Under the pledge, signatories have committed to 12 product safety related actions measured against 3 KPIs. The KPIs are a combination of quantitative and qualitative measures which are intended to capture the effectiveness of signatories' actions to improve product safety on their online marketplaces.

## KPI 1 – Informed and responsive

Under KPI 1, signatories are required to report on the measures they are taking to find and respond to reports of potentially unsafe consumer products. KPI 1 incorporates pledge commitments 1–6.



1. Regularly consult the ACCC Product Safety website and other relevant sources for information on recalled/unsafe products. Take appropriate action on these products once they are identified.



2. Provide dedicated contact point(s) for Australian regulatory authorities to notify and request take-downs of recalled/unsafe products.



3. Remove identified unsafe product listings within 2 business days of the dedicated contact point(s) receiving take-down requests from Australian regulatory authorities. Inform authorities on the action that has been taken and any relevant outcomes.



4. Cooperate with Australian regulatory authorities in identifying, as far as possible, the supply chain of unsafe products by responding to data/information requests within 10 business days should relevant information not be publicly available.



5. Have an internal mechanism for processing data/information requests and take-downs of unsafe products.



6. Provide a clear pathway for consumers to notify the pledge signatory directly of unsafe product listings. Such notifications are treated according to signatory's processes and where responses to consumers are appropriate, they are given within 5 business days.
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## Signatories report mixed performance in proactively removing unsafe listings

Under KPI 1, the signatories are required to report the total number of listings removed from their online marketplace as a result of consulting a variety of product safety information sources, including the ACCC Product Safety website, and report the percentage of listings removed within 2 business days of finding the relevant information.<sup>5</sup>

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<sup>5</sup> Other information sources may include the [European Commission Safety Gate portal](#) and the [OECD Global Recalls portal](#).

The signatories collectively reported they removed over 20,000 listings from their online marketplaces as a result of proactively consulting a range of product safety information sources.<sup>6</sup> This figure represents less than 1% of combined listings available on the signatories' online marketplaces during the reporting period.<sup>7</sup>

Two signatories reported they had removed more than double the number of unsafe listings in 2023–24 compared with the previous reporting period, while 2 signatories reported they removed fewer unsafe listings.<sup>8</sup>

Aligning with the ACCC's expectations for good practice, one signatory reported that in addition to removing unsafe products at the time of identification, they have a dedicated team that undertakes reviews of products previously flagged by a regulator, to minimise the risk of unsafe products being re-listed.

As noted last reporting period, one signatory continues to use artificial intelligence to monitor product safety databases to identify unsafe products, which is complemented by manual sweeps by staff.

Combined, the signatories reported they removed unsafe listings within 2 business days of consulting the relevant information sources 99.97% of the time, a similar result to the last reporting period (99.46%).<sup>9</sup>



## Signatories report 3-fold increase in removing unsafe listings in response to take-down requests

Under KPI 1, the signatories are required to report the number of listings removed in response to receiving a take-down request from an Australian regulatory authority,<sup>10</sup> and the percentage of listings removed within 2 business days after receiving the take-down request.

Combined, the signatories reported they received 76 take-down requests and removed over 3,000 listings (see Figure 1). This is an increase of over 300% of unsafe listings removed following a take-down request compared with the previous reporting period.

6 In the ACCC's Australian Product Safety pledge 2022–23 annual report, we reported that the signatories collectively removed over 22,000 unsafe listings as a result of consulting a range of product safety information sources. However, one signatory reported the number of unsafe listings proactively removed, as well as the number of listings prevented from being listed, inflating the aggregate figure reported under this KPI.

7 Based on information provided to the ACCC by the signatories.

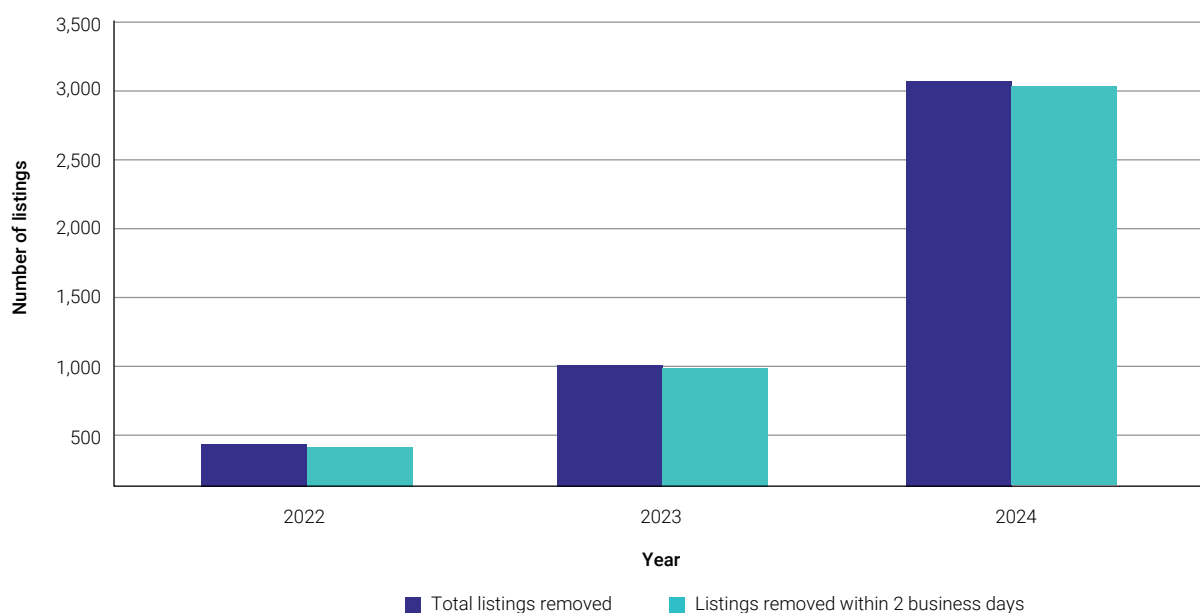
8 In the 2022–23 reporting period, one signatory reported the number of unsafe listings proactively removed, as well as the number of listings prevented from being listed, which inflated the figure. As a result, we are unable to compare their performance under KPI 1 between reporting periods.

9 Percentages are weighted averages.

10 Such as the ACCC or state & territory fair trading body.



**Figure 1: Unsafe listings removed in response to take-down requests**



Source: Information provided to the ACCC by the signatories.

The ACCC notes however, that in response to ACCC-issued take-down requests, there are differences in the actions taken by different signatories to protect consumers from unsafe products on their online marketplaces.

In line with the ACCC's expectations for good practice, some signatories remove not only the listings identified by the regulatory authority, but similar product listings identified in subsequent sweeps.

Other signatories, however, have responded narrowly to ACCC-issued take-down requests, including by removing some product listings but not undertaking additional checks for similarly non-compliant or unsafe products. Examples of these unsafe products include children's suction spinner toys, vehicle support stands, miniature motorbikes, inflatable infant and toddler beds, and products containing button batteries. Conducting thorough sweeps for products that did not meet mandatory standards or were otherwise unsafe is aligned with the primary commitment that the signatories have made under the Pledge: to protect Australian consumers shopping online from product safety risks.

Further, there have been cases where some signatories have not reported to the ACCC on the action taken when alerted to unsafe listings on their platforms, and have not responded to additional requests for information by the ACCC within 10 business days (as required by commitment 4 under the pledge).

The ACCC have raised our concerns with the relevant signatories and expect to see more proactive action taken in response to future take-down requests. In particular, the ACCC expects signatories to:

- undertake fulsome searches for relevant and similar product listings, and promptly remove listings (in support of commitment 3 under the pledge)
- undertake subsequent sweeps to identify and remove any re-listings of the unsafe products (in support of commitment 3 under the pledge)
- implement strong seller vetting and compliance measures to deter re-listings of unsafe products (in support of commitments 10 & 11 of the pledge)
- implement preventative measures to stop unsafe listings from being listed in the first place (in support of commitment 9 of the pledge)
- report back to the ACCC in a timely manner on the actions taken in response to take-down requests (in support of commitments 3 & 4 under the pledge).

## Most signatories respond to take-down requests promptly

The signatories collectively reported they removed unsafe listings within 2 business days 97.7% of the time in response to take-down requests, a similar result to the last reporting period (97.9%).<sup>11</sup>

To enable faster responses to take-down requests, one signatory reported they introduced an alert system whereby relevant staff are immediately notified of any emails received from the ACCC, eliminating the need for routine login switches between different email accounts. Another signatory administers a 'regulatory portal' that enables regulators (including the ACCC) to flag unsafe product listings for removal. The signatory reported that listings flagged through the regulatory portal are typically removed within hours.

However, one signatory was an outlier, reporting they removed unsafe listings within the 2-business day timeframe only when the listings related to a current Australian safety standard, or an ACCC product safety priority. This response is not consistent with commitment 3 under the pledge, which requires *all* unsafe product listings to be removed within 2 business days. The ACCC has raised concerns with this signatory about the timeliness of their responses to take-down requests and encourages all signatories to adopt the proactive actions listed above.

## KPI 2 – Empowering and trustworthy

Under KPI 2, signatories are required to report on how they promote product safety information to sellers and consumers, and support consumers to access remedies for recalled/unsafe products. KPI 2 incorporates pledge commitments 7 and 8.



7. Implement measures to facilitate sellers' compliance with Australian product safety laws. Share information with sellers on compliance training/guidance, including a link to the ACCC's 'Selling online' page on the ACCC Product Safety website.



8. Cooperate with Australian regulatory authorities and sellers to inform consumers about relevant recalls or corrective actions on unsafe products.

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Some signatories take additional measures to facilitate seller compliance, such as requiring evidence

As reported in previous years, most signatories do the following to facilitate seller compliance with Australian product safety laws:

- prompt sellers to confirm they will comply with all laws in seller agreements
- implement product safety policies
- establish seller portals as central information repositories
- communicate product safety information/updates via forums, bulletins, newsletters etc
- provide sellers with links to the ACCC Product Safety website and other resources about product safety laws and regulations
- pass on product safety alerts from the ACCC to relevant sellers, when requested by the ACCC.

Some signatories complement these initiatives with seller videos and training. This reporting period, one signatory created a video for sellers about requirements when listing button or coin batteries

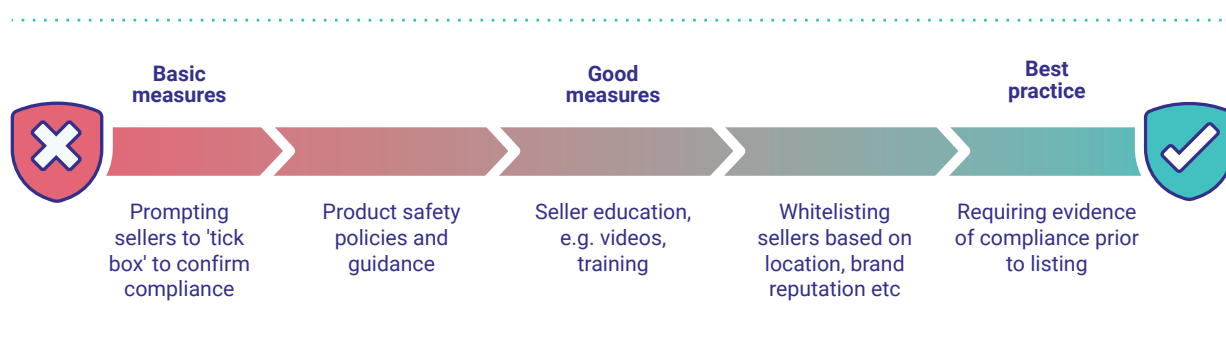
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<sup>11</sup> Percentages are weighted averages.

or products containing these batteries. Another signatory reported they host quarterly webinars for sellers in the Asia Pacific region that want to sell to other markets including Australia. The ACCC understands these webinars cover a number of topics, including product safety.

Aligning with the ACCC’s expectations for good practice (see Figure 2), some signatories reported that for certain high-risk products, they require sellers to provide proof of compliance, such as test reports demonstrating compliance with a particular Australian safety standard. Relevant products include infant sleep products, fidget spinners and bath toys. If sellers do not provide this information within a set timeframe, or if the information does not demonstrate compliance, the signatories remove the relevant listings. One signatory reported they take a conservative approach and delist products they suspect of non-compliance until the seller provides proof of compliance.

**Figure 2: Spectrum of approaches to facilitating compliance with Australian product safety laws**



For products subject to a safety standard, and products identified as high risk (for example, based on contact from regulators), it is good practice for signatories to require sellers to submit test reports from an accredited testing agency to demonstrate evidence of compliance prior to listing. This will significantly reduce the risk of harm to consumers. Implementing more preventive and proactive measures will additionally reduce the investment by signatories to have to identify and remove unsafe products after the fact, and to contact customers and sellers that have purchased and sold unsafe products.

In this reporting period, some signatories reported that they incorporated into policy and guidance that sellers must comply with the button and coin batteries information and safety standards.<sup>12</sup> For example, one signatory introduced a requirement that listings within the 'Toys' category of their online marketplace must include a warning message within the listing description.<sup>13</sup> This is a positive development, however, such initiatives are passive in nature and they must be supplemented by active compliance requirements and oversight by signatories, together with the use of sanctions for non-compliance, to ensure effectiveness.

One signatory took the additional step of adding a warning message on the webpage of all listings of, or containing, button and coin batteries, using key search terms to determine which listings the warning message would appear on.<sup>14</sup> The ACCC understands that the warning message displays irrespective of whether the seller has taken steps to ensure the product is compliant.

12 Information on the 4 mandatory standards relating to button and coin batteries can be found on ACCC Product Safety, [Button and coin batteries mandatory standards](#).

13 This was introduced from September 2024, after the 2023–24 reporting period.

14 For example, 'button batteries', 'watch batteries', 'glow party supplies', 'party & holiday DIY decoration'.

## **Signatories implement some changes in communicating with consumers**

This reporting period, most signatories maintained their approaches to communicating with sellers and customers about recalled products, and in supporting customers to access refunds or other remedies.

In the event of a recall, 3 signatories reported that they contact customers directly to warn them they have purchased a recalled product. The other signatories typically notify sellers instead of customers, with one signatory reporting they request evidence from sellers that customer-contact has occurred.

One signatory reported that in this reporting period, they automated the process of identifying customers that have purchased a recalled product stating that when a product is recalled, the signatory removes relevant listings on their online marketplace, automatically identifies orders shipped to Australia in the past 6 months, then contacts relevant customers via email and, app push notification. The ACCC considers this approach is broadly appropriate but urges signatories to contact all customers/sellers in the event they have bought/sold a recalled product, rather than limiting this to a 6-month period.

In this reporting period, one signatory set up a new recall and product safety alert page in their customers' accounts, enabling customers to see if any products they have previously purchased are impacted by a recall.

In addition to communicating with customers about recalls, in this reporting period one signatory implemented 3 webpage banners to communicate broader product safety warnings to consumers. The banners include warnings about button batteries and e-bikes, and link to ACCC Product Safety webpages with further information on these topics.

The ACCC observes however, that these banners only appear when searching within discrete product categories, and in some cases do not appear prominently when users are viewing product listings, or when users search for relevant products. The ACCC has sought, but was unable to be provided with, further information about consumer engagement with banners.

The ACCC supports the use of a range of strategies for communicating product safety information to consumers, including direct to consumer information, banners and warnings. To support these actions, the ACCC encourages signatories to implement processes to regularly assess how effective these communication approaches are. This includes collating data on the number of 'views' and 'clicks' from users to inform and implement improvements over time, and sharing these with the ACCC as part of their pledge reporting.

## KPI 3 – Proactive and innovative

Under KPI 3, signatories are required to report on how they prevent, detect and remove unsafe products, deter non-compliance, and innovate to improve product safety processes and initiatives. KPI 3 incorporates pledge commitments 9–12.



9. Set up processes aimed at preventing or restricting the sale of banned, non-compliant and recalled products as appropriate.



10. Put in place reasonable measures to act against repeat offenders selling unsafe products, including in cooperation with Australian regulatory authorities.



11. Take measures aimed at preventing the reappearance of unsafe product listings already removed.



12. Explore the potential use of new technologies and innovation to improve the detection and removal of unsafe products.

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### Signatories modify processes to identify, flag and prevent unsafe listings

Signatories implemented a range of measures to prevent, detect and remove unsafe listings from their online marketplaces. As previously reported, a common approach is the use of ‘gating rules’ e.g. keyword filters to identify, flag, and prevent certain product listings or sellers. The signatories reported modifications and improvements to gating rules this reporting period.

One signatory expanded their banned products filter by implementing a ‘compliance scheduler’, which automatically runs a daily search of new listings. The program identifies products which are subject to a mandatory standard or ban, or otherwise restricted in the signatory’s product safety policy based on key terms in the listing description, e.g. the terms ‘button battery’. The program also restricts sellers that are flagged as high-risk from listing certain products, or selling products in certain categories, e.g. overseas sellers selling products in the category ‘health and wellbeing’.

The signatory advised that they generally take around 24 hours for the program to review listings and notify staff, during which time the potentially unsafe listings remain live. However, the signatory advised they are working towards enhancing the program to block listings at the pre-listing stage, with staff to allow listings by exception after manual review.

In contrast, another signatory reported that its gating rules prevent unsafe products from going live at the pre-listing stage. The signatory explained that as the listings are not imported into their system, they are unable to report the number of listings rejected through this process.

Another signatory reported that globally, their product safety filter algorithms blocked 32.6 million listing attempts in 2023. The signatory did not provide figures for the Australian market.

The ACCC urges all signatories to invest in improving measures that identify and block unsafe products in the pre-listing stage to mitigate the risk that consumers are able to purchase unsafe products at any time. This includes investments in new technologies solutions, or application of existing technologies in use for other purposes, including machine learning, artificial intelligence and image recognition, to improve product safety online. It is also critical that signatories assess how effective these measures are, including recording relevant data, such as the number of unsafe

product listings prevented from going live, and the number of unsafe product listings identified and removed subsequently, as a result of these measures. This information is crucial for signatories to inform and implement improvements over time.

## **Some signatories take a stronger approach to vetting sellers and products**

One signatory reported their default position is not to allow any international sellers on their online marketplaces, with allowances made by exception, e.g. only for highly reputable brands from regions considered low-risk.

Another signatory introduced a prohibition on the sale of second-hand products, citing challenges in being able to verify whether second-hand products pose safety risks to Australian consumers. The signatory implemented the ban using a keyword filter, using terms such as 'refurbished', 'second-hand' and 'used'.

The ACCC notes there are alternative approaches to managing risks arising from the sale of second-hand products online. The ACCC is looking at providing guidance for consumers and businesses on mitigating product safety risk when buying and selling second-hand products online.

## **The ACCC urges signatories to enforce strong compliance measures**

All signatories have processes in place to respond to seller non-compliance in their product safety policies. However, only some signatories appear to have policies that clearly set out the penalties that will be applied for certain conduct. Responses range from issuing warnings and seller education for minor breaches, escalating to temporary and permanent suspensions for repeat non-compliance, such as relisting unsafe products.

The ACCC urges the signatories to invest in improving measures to prevent, detect and remove relistings promptly. These measures must be complemented by clear compliance and enforcement processes, and strong sanctions to respond to, and deter, non-compliance. For sellers with a history of non-compliance, signatories should adopt an active posture in overseeing the compliance of listings, particularly for high-risk products. This includes requiring sellers to submit evidence of compliance prior to listings going live. As noted above, one signatory already takes this approach.

# Looking ahead

## **The ACCC urges signatories to take more proactive action to protect consumers from product safety risks online**

The ACCC acknowledges the actions the signatories have taken to meet commitments under the pledge and is pleased to see improvements in some measures reported for 2023–24.

The signatories have reported a range of measures aimed at reducing the number of unsafe products listed on their online marketplaces. The ACCC observes however that a large volume of unsafe products continue to be available for sale on online marketplaces, including those of some pledge signatories; this includes products that do not meet mandatory safety standards, have been recalled, banned or otherwise identified as unsafe in Australia or elsewhere. This suggests that there is an opportunity to further enhance existing measures, or implement additional initiatives and stronger oversight by online marketplaces to effectively protect consumers from unsafe products online.

Some signatories have in place strong pre-listing and supplier vetting controls and communicate with the ACCC in a timely manner about their actions. However, the ACCC is concerned that others are yet to implement effective pre-listing measures despite the technological tools at their disposal.

To meet current pledge commitments and protect consumers from product safety risks online, the ACCC urges signatories to:

1. Invest in more effective measures, particularly aimed at blocking unsafe products at the pre-listing stage.
2. Implement stronger seller vetting and compliance measures, including the effective use of sanctions, to stop unsafe product re-listings.
3. Continuously evolve their technology including signatories' approach to risk mitigation.
4. Invest in new technologies, or prioritise the application of existing technologies being utilised on platforms for other purposes (such as machine learning, artificial intelligence, and image recognition), to improve consumer product safety outcomes online.

The ACCC expects the signatories to prioritise implementation of an approach to product safety measures which appropriately balances the use of technological solutions and active compliance approaches. This should ensure that product safety risk mitigation measures effectively address the risk of unsafe products on their platforms, having regard to the number of listings hosted, the location and profile of source suppliers, and the characteristics of the products being listed.

Critically, all risk mitigation measures must be complemented by processes to continually monitor, assess and improve the effectiveness of measures, including through data analysis, to assess effectiveness and inform consideration of opportunities for further improvement.

Importantly, initiatives designed to meet commitments under the pledge must be effective at reducing the risk of unsafe products, so that consumers can have confidence that the products that they are purchasing on signatory platforms are safe.

The ACCC will continue to work with the signatories to get a better understanding of their approaches to meeting pledge commitments, and the challenges to improving consumer product safety on their online marketplaces.

## **The ACCC is working to strengthen product safety online**

Strengthening product safety online remains a product safety priority for the ACCC in 2024–25.

With this in mind, the ACCC will be discussing options to improve product safety outcomes with signatories over the coming months. This may include opportunities to implement strengthened initiatives on particular platforms, and consideration of broader options to improve the effectiveness of pledge commitments. This may also include KPI data and information reporting refinements to enable the ACCC to better compare performance between online platforms, and performance over time.

The ACCC will also continue to engage with other online marketplaces to take active steps to promote product safety on their platforms, work with these marketplaces to ensure that product safety risks are addressed promptly, and encourage these businesses implement active and effective compliance measures to protect consumers.



