Safety and conformity of products sold online: Market surveillance by DGCCRF

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"Conference on the safety of products sold online"

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Direction Générale de la Concurrence, de la Consommation et de la Répression des Fraudes Ministère de l'Economie et des Finances



The General Directorate for

Competition, Consumer Affairs and Fraud Control (DGCCRF): A national authority in charge of market surveillance on a large scale

- A wide array of responsibilities, including checking safety and conformity of non-food consumer products
- A wide scope of products

Market coverage & organisation

- Paris head office : regulation, planning, coordination, monitoring ...
- > 100 local offices (DDPP) : surveillance, inspections, follow-up on incidents
- Network of public laboratories
- 1 branch dedicated to e-commerce : Centre de Surveillance du Commerce Electronique – CSCE





Surveying the market on the Internet:

The Internet market in France

- Nearly 65 Billion € spent by French people over the Internet in 2015 (+14% compared to 2014)
- 9% spent on market places
- An average of 23 transactions per consumer per year (average transaction is 78€)
- The number of « French » commercial websites is > 180000

Key figures of Internet surveillance (2015)

- 10 450 websites have been verified
- For 32% of these websites, at least one noncompliance was found



1 - Internet controls as part of ordinary market surveillance

- □ Dealing with products already identified as unsafe (reaction)
- Looking for unsafe products on the market (proactive)





☐ Finding dangerous and non-compliant products (proactive controls)

Scanning the Internet has become a usual part of almost every control program, but it's usually only a preliminary step:

> Planning / Information gathering phase

→ Identify and locate the economic operators offering suspicious products prior to the control actions

> Action phase

- → Direct action can be taken towards the operator to rectify information problems on the website (unlawful sales conditions, mandatory information missing ...)
- → The core action of the safety controls is usually <u>left to the local units</u> who will use the info gathered by the CSCE to visit the operator, with an aim towards a physical control of the product



2 - "Stand-alone" compliance controls on the Internet

> Some checks can be done online:

Checking the appropriate safety warnings and safe use instructions



- A website selling a <u>toy</u> which is not for children under the age of 3 (ex. with small parts) should indicate the age category to avoid the toy being given to children too young

Checking visible safety characteristics (ex : bunk beds, lighters)

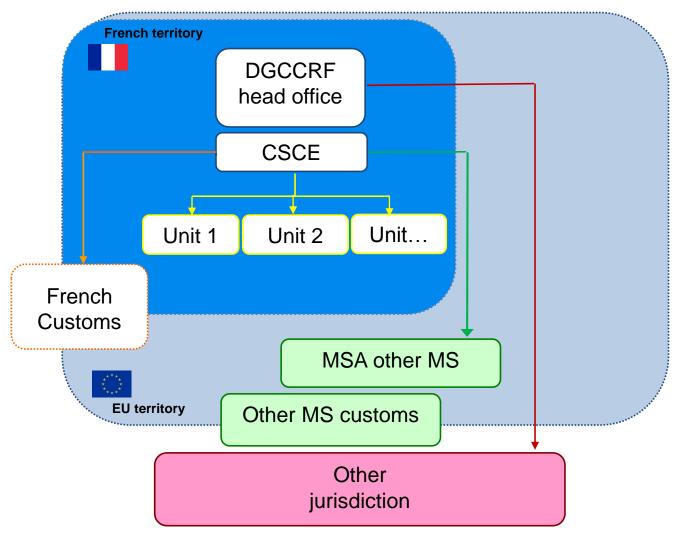
Way forward :

Online checks can be supplemented by the placing of an order like a regular customer, (without revealing it is for a MSA), to do a physical check of the product and, if appropriate, have it tested.

→ The CSCE and all DGCCRF inspectors are legally entitled to do "mystery shopping".



3 - The need for cooperation



1 : Economic operator is a distributor in France

2: Economic operator is an importer in France

3 : Economic operator is an importer in EU

4 : Economic operator is in a jurisdiction outside Europe





4 – Collaboration with stakeholders – challenges and ways forward

E-commerce specificity:

The existence of exhaustive client files allows recall measures to be efficiently communicated to customers, including cases when the product was sold through a third party marketplace.

E-commerce is growing fast and alerts are bound to become more and more frequent

- The clear identification of unique contact points dedicated to handle requests from EU regulatory/enforcement authorities is helpful
- Challenges remain regarding
 - ✓ Products not physically present in France or Europe (dropshipping)
 - ✓ Operators that arere abroad while the products are stored in an undisclosed location in France/Europe (fulfillment centers)
 - ✓ Limited ressources compared to a fast-growing market





Thank you for your attention

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