

Protect consumers: Enforce EU standards and rules on all actors, including those of Asian origin

#### **Consumers**



#### Misleading tactics to pressure consumers into making purchases:

It is common to encounter phrases implying false scarcity ("Almost sold out"), urgency ("Hurry up!"), and popularity ("More than [...] users already have this product in their shopping cart"). These tactics are intended to create a sense of urgency and persuade consumers to buy quickly.

**Dark pricing practices:** Pricing practices lack transparency and violate consumer protection rules. First, Consumers are unable to perceive the percentage of price reductions, nor can they compare discounted prices with the lowest prices from the previous 30 days. Second, prices displayed are not necessarily reflecting what consumers pay at the end of the process. These deceptive presentations undermine fair competition and mislead consumers.

**Product safety:** Experience demonstrated that many products commercialised are not in line with EU's product safety requirements. Consumers are not provided with sufficient information regarding the product and how to use it. Even more, children are put at risk since many toys are not meeting the EU qualitative standards.

**Potential fake reviews:** There is uncertainty regarding whether reviews originate from genuine consumers who have bought the product and how the verification of reviews is conducted. This ambiguity raises concerns about the authenticity and reliability of the reviews.

### Green Agenda



Low-quality imports challenges EU's sustainable ambition: While Europe is transitioning to a circular economy, promoting repair and the durability of products, imports from Asia often have little resale value, carrying significant environmental impacts from their production and shipment to Europe.

## **Economic**



Race against time; fast-fashion giants vs. European tech in regulatory compliance: Some ultra-fast-fashion and fast-consuming platforms and sellers invest heavily in marketing to expand their market share, often ignoring EU and local laws (e.g., consumers, product safety or environment laws). This allows them to establish a strong market position before regulators can act, placing European tech companies that comply with regulations at a disadvantage and causing them to lose revenue.

**EU customs threshold favours imports:** Asian platforms benefit from the lack of EU custom duty on single parcels valued below 150 EUR. This threshold results in fewer conformity checks at EU borders and provides a significant cost advantage, incentivizing fraudulent practices such as undervaluing items or splitting orders into multiple parcels to stay below the 150 EUR threshold.

# 3 STEPS TO ENSURE FAIR COMPETITION AND ENFORCE EXISTING EU RULES

01

**Consistent application of existing rules:** All EU and local rules - consumer protection, product safety, internal market, environmental, and market surveillance laws - should be applied consistently to all companies operating in Europe offering products or services to EU citizens, regardless of their origin. This promotes a level playing field for European companies to compete and grow.

02

Foster collaboration and avoid working in isolation: It is essential to foster cooperation among various levels of authority within Member States, as well as among different Member States and at the EU level. This collaboration is crucial to achieving consistent enforcement of rules across the board and enhancing regulatory effectiveness.

03

Ensure fair and equal tax levy treatment for parcels sent directly to EU consumers: To ensure equitable competition of EU and third country businesses addressing EU consumers, products need to be subject to the same taxes, levies, duties and customs controls procedures as European B2B import.

Empower consumers by enforcing EU standards and rules on all actors, including those from Asia.