

**E-shoppers **warned****  
after electrical goods  
fail safety tests

The Guardian, 27/11/19

**Online sellers **'hotbed'****  
for dangerous items  
experts warn

BBC News, 29/11/21

An investigation found **'potentially deadly'**  
products like exploding hairdryers sold on the  
'Wild West' of Amazon, Wish, and eBay

Business Insider, 27/11/19

**'Potentially deadly'** electricals  
available on Amazon and eBay,  
safety charity investigation finds

The Telegraph, 27/11/19

**Online marketplaces **'rife'****  
with **'unsafe'** chargers, travel  
adaptors and power banks

Wales Online, 3/9/19

# **Online Marketplaces – The Need for Better Regulation**

**Briefing for Members of the Senedd**

## About Electrical Safety First

Electrical Safety First (ESF) is the UK charity committed to reducing deaths, injuries, and fires caused by electricity in the home. We do this by campaigning on behalf of consumers to improve safety regulations and by raising awareness of the electrical safety risks in the home.

### The Issue

Online marketplaces are not subject to the same regulations as stores/shops on the high street. Specifically, online marketplaces are not recognised as actors in the supply chain – and so, product safety legislation, such as the Consumer Protection Act 1987, does not apply to these platforms<sup>i</sup>. As a result, online marketplaces have no responsibility for ensuring the safety of the products sold by sellers on their platforms.

This has resulted in online marketplaces being a hotbed for unsafe and non-compliant products. Indeed, investigations by Electrical Safety First have consistently found unsafe electrical products being listed on platforms such as *eBay*, *Amazon Marketplace*, and *Facebook Marketplace*. For instance:

- Ⓔ One investigation undertaken by ESF found that 93% of sampled electrical products sold on online marketplaces were unsafe<sup>ii</sup>.
- Ⓔ ESF has repeatedly found **recalled white goods** being sold on online marketplaces, including *Facebook Marketplace* and *eBay*<sup>iii</sup>. This included recalled tumble dryers and washing machines that have been recalled due to the **risk of overheating**<sup>iv</sup>, and are, therefore, a fire risk.
- Ⓔ ESF identified nearly 60 unsafe and non-compliant e-scooter and e-bike chargers<sup>v</sup>. Given that e-scooters and e-bikes use lithium-ion batteries, which are **highly explosive**, the use of these chargers presents a **significant fire risk to consumers**<sup>vi</sup>. Indeed, Wales Online has reported on an increase in the number of e-scooter and e-bike fires<sup>vii</sup>.
- Ⓔ A recent investigation by ESF found that unsafe energy saving devices were being listed on the online marketplace, *eBay*<sup>viii</sup>. These products claimed to save consumers money, but **did not meet safety standards** – and, as a result, were placing consumers and their homes at risk.
- Ⓔ Another investigation by ESF found that **unsafe chargers and plug adaptors** were being sold on **social commerce sites**, such as *Instagram Marketplace* and *Facebook Marketplace*<sup>ix</sup>.

**Online marketplaces have no responsibility for ensuring the safety of products sold on their platforms.**

The breadth of evidence of unsafe and non-compliant products being sold on online marketplaces demonstrates that this is a **systemic issue**. Online marketplaces need better regulation – and this is recognised by the UK Government itself.

The Chief Executive of the Office for Product Safety and Standards (OPSS), Graham Russell has himself said: “**there is too much evidence of non-compliant products being sold by third-party sellers [on online marketplaces]**”<sup>x</sup>. But nothing has been done to address this issue.

### The Growing Problem

This is a growing issue for two inter-related reasons:

- Ⓔ Firstly, online marketplaces are becoming increasingly prevalent. This is particularly due to the rise of social commerce, i.e., where social media platforms have begun to operate online marketplaces. This includes *Facebook Marketplace*, *Instagram Marketplace*, and, more recently, *TikTok Shop*. Furthermore, new features such as *Checkout in Instagram* and *Live Shopping* that aims to encourage consumers to use social commerce sites.
- Ⓔ Separately, consumers are increasingly reliant on online shopping, given the convenience and cost savings that online platforms can offer. This is further supported by the growth of m-commerce, where consumers are able to shop on their mobile phones. Indeed, data from the Office for National Statistics shows that, between February 2020 and January 2022, there has been a 28% increase in the proportion of online sales<sup>xi</sup>. Online shopping now makes up 25.3% of all retail sales<sup>xii</sup>.



## In Wales Specifically

### Case studies

- ⓔ The tragic **death of Swansea resident, Linda Merron**, was caused by an unsafe electrical product bought on eBay. Linda's death demonstrates the very real consequences of vulnerable consumers buying unsafe products from online marketplaces<sup>xiii</sup>.
- ⓔ Separately, in 2020, a **fire in the Kent's family home in Ruddlan** was caused by a laptop charger bought on an online marketplace<sup>xiv</sup>.

### Investigations

- ⓔ A snapshot investigation by ESF found non-compliant products being sold on online marketplace, eBay<sup>xv</sup>. This included in locations such as **Cardiff** and **South Wales**<sup>xvi</sup>. These products, such as hair straighteners and travel adaptors failed to meet safety standards or had plugs that were not compliant for use in the UK<sup>xvii</sup>. As a result, these products represent a significant risk of electric shock or fire – and should not be available for sale in the UK. ESF has reported these products to eBay.

**Online shopping makes up over a 1/4 of all retail sales.**

**In a test, 93% of electrical products sold on online marketplaces were unsafe.**

## What We Want to See Happen

Online marketplaces make substantial profits from the sale of products on their platforms. However, they have no responsibility for ensuring the safety of these products. To protect consumers, this needs to change.

Online marketplaces should be recognised as actors in the supply chain and should have responsibilities to ensure the safety of products sold on their platforms<sup>xviii</sup>. This should include preventing the sale of unsafe goods and

where unsafe and recalled products are listed, removing these products. In addition, online marketplaces should have improved verification and complaints processes, and should inform buyers when they are buying from third parties<sup>xix</sup>. Collectively, these measures would improve the safety of online marketplaces – ensuring that buyers can buy with confidence but also that sellers and online marketplaces are clear on their obligations too.

## What We Want to See in Wales

In Scotland, the Scottish Parliament enacted the Consumer Scotland Act 2020, which established Consumer Scotland<sup>xx</sup>. Consumer Scotland exists to provide consumer advocacy and advice with a view to reducing harm to consumers in Scotland<sup>xxi</sup>. One of Consumer Scotland's key roles is researching and investigating key issues<sup>xxii</sup>.

Similarly, in Northern Ireland, the General Consumer Council (Northern Ireland) Order 1984 established the Northern Ireland Consumer Council<sup>xxiii</sup>. One of the Consumer Council's key roles is undertaking best practice research to identify and quantify emerging risks to ensure consumers are protected<sup>xxiv</sup>.

There is, however, no analogous body in Wales. The Welsh Government should consider establishing a separate consumer body dedicated to reducing consumer harm and providing advocacy and advice on behalf of consumers. This should include work on product safety – including the sale of goods on online marketplaces, improving recalls and product registration and other product safety issues, such as the increasing sale of second-hand goods.

## How You Can Help

You can help by **scheduling questions, motions and debates in the Senedd**, asking official questions of the Welsh Government or party colleagues, and ensuring that the Senedd is doing all it can to support the need for improved regulation of online marketplaces.

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- i <https://www.electricalsafetyfirst.org.uk/media/hnilnac4/online-marketplaces-the-need-for-change.pdf>
- ii <https://www.electricalsafetyfirst.org.uk/media/vvwdtpjo/online-marketplaces-the-evidence-and-impact.pdf>
- iii <https://www.electricalsafetyfirst.org.uk/media/vvwdtpjo/online-marketplaces-the-evidence-and-impact.pdf>
- iv Ibid.
- v <https://www.bbc.co.uk/news/technology-62751274>
- vi Ibid.
- vii <https://www.walesonline.co.uk/news/uk-news/man-lucky-alive-after-e-24418675>
- viii <https://www.electricalsafetyfirst.org.uk/media-centre/press-releases/2022/04/a-costly-saving-highly-dangerous-energy-saving-devices-put-consumers-at-risk-of-fire-as-cost-of-living-crisis-bites/>
- ix <https://www.electricalsafetyfirst.org.uk/media/vvwdtpjo/online-marketplaces-the-evidence-and-impact.pdf>
- x <https://www.gov.uk/government/news/government-issues-online-sales-product-safety-message>
- xi <https://www.ons.gov.uk/businessindustryandtrade/retailindustry/bulletins/retailsales/january2022#online-retail>
- xii Ibid.
- xiii <https://www.bbc.co.uk/news/uk-wales-south-west-wales-32046682>
- xiv <https://www.bbc.co.uk/news/uk-wales-55128757>
- xv Investigation undertaken by ESF's Technical Team in August 2022.
- xvi Ibid.
- xvii Ibid.
- xviii <https://www.electricalsafetyfirst.org.uk/media/hnilnac4/online-marketplaces-the-need-for-change.pdf>
- xix Ibid.
- xx <https://www.parliament.scot/bills-and-laws/bills/consumer-scotland-bill>
- xxi Ibid.
- xxii Ibid.
- xxiii <https://www.consumercouncil.org.uk/about-us/who-we-are/what-we-do>
- xxiv Ibid.



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