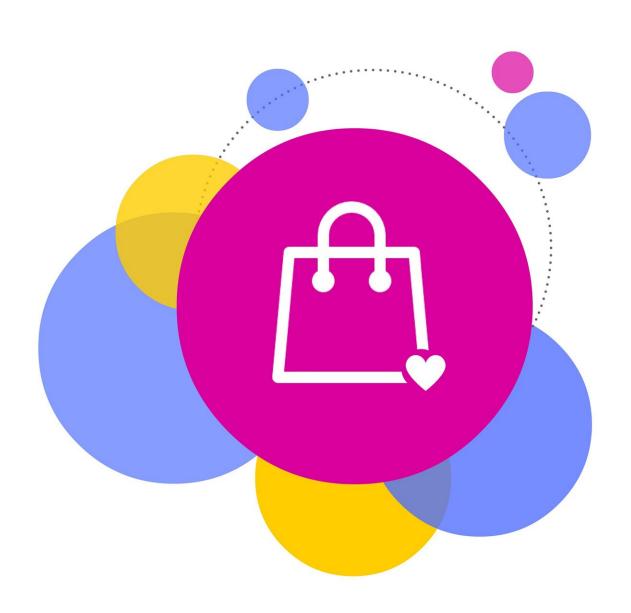


Chinese shopping app Temu faces stricter EU safety rules

May 31 2024





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Chinese shopping app Temu will have to comply with stringent new safety rules after Brussels on Friday added the company to its list of digital firms big enough to face curbs.

Temu is one of the fastest-growing apps in Europe despite only entering the EU market in April 2023, and has already faced fierce scrutiny from consumer groups over its practices.

The app joins fellow marketplaces AliExpress, Amazon, Shein and Zalando on a list of 24 "very large <u>online platforms</u>", which have more than 45 million monthly active users in the European Union.

From the end of September, four months after the designation, Temu will have to apply the tougher rules under the Digital Services Act (DSA), one of the EU's mammoth new laws regulating online platforms, the European Commission said in a statement.

This includes "the obligation to duly assess and mitigate any systemic risks stemming from their services, including the listing and sale of counterfeit goods", it said.

Other platforms targeted by DSA scrutiny include Snapchat, TikTok and YouTube.

Temu, the international version of China's shopping app Pinduoduo, said earlier this year it has on average around 75 million monthly active users in the 27-country EU.

Earlier this month, Europe's BEUC umbrella consumer rights group



accused Temu of violating the DSA by manipulating its users to make them spend more.

BEUC filed a complaint with the European Commission while 17 member organizations including in France, Germany and Spain did the same with national authorities, demanding a probe into Temu.

The platform has come under pressure beyond Europe including in South Korea where regulators are investigating it on suspicion of unfair practices including false advertising.

In a statement, Temu acknowledged being designated and said that "we are fully committed to adhering to the rules and regulations outlined by the DSA to ensure the safety, transparency, and protection of our users within the European Union".

EU means business

The EU has increasingly put tech titans in its sights with a fortified legal armory, launching a wave of probes into some of the world's most popular apps.

Under the DSA, the EU has launched investigations into Meta's Facebook and Instagram as well as TikTok, Elon Musk's X and Chinese retailer AliExpress.

The DSA stipulates that firms must prepare yearly risk assessments to evaluate what dangers the platforms may pose and how these must be mitigated to protect users.

Violations can be met with fines reaching as high as six percent of a platform's global turnover, or even a ban for serious and repeated violations.



Last month, the EU added Chinese-founded online retailer Shein to its list of platforms that must comply with the DSA's stricter rules.

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Citation: Chinese shopping app Temu faces stricter EU safety rules (2024, May 31) retrieved 17 July 2024 from https://techxplore.com/news/2024-05-chinese-app-temu-stricter-eu.html

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