EU questions Shein, Temu over consumer protection

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The EU wants Shein and Temu to provide information by July 12.

The EU on Friday demanded wildly popular shopping platforms Shein and Temu explain what action they are taking to protect consumers, including children.
The query was made under the EU's breakthrough law known as the Digital Services Act (DSA) that forces platforms to do more to tackle the sale of illegal and harmful goods.

The European Commission said it wants to know what action the Chinese-founded platforms have taken to make sure users can notify them about illegal products.

It also wants to know how Shein and Temu are complying with rules regarding online interfaces to avoid "dark patterns", the practice of tricking users into making unwanted purchases or opting-in to certain settings without their knowledge.

The commission added it wants more information about how they are guaranteeing the transparency of their recommender systems—algorithms used by platforms to push more personalized content—and the ease with which sellers can be traced.

Both companies must provide the information by July 12.

Shein said it was "working to promptly address" the demand for information.

"We share the commission's goal of ensuring that consumers in the EU can shop online with peace of mind, and we will continue working closely with the commission," a Shein spokesperson said.

Temu said it was "cooperating fully" with the EU. "We'd also like to reiterate that we are fully committed to complying with all applicable laws and regulations in the markets where we operate," a Temu spokesperson said.

The commission said its request for information was also based on a
complaint submitted by consumer organizations.

In May, Europe's BEUC umbrella consumer rights group filed a complaint against Temu with the European Commission, accusing the app of using "manipulative techniques".

Both platforms have a sizable European user base.

Shein, a Chinese-founded company which is headquartered in Singapore, has said it has around 108 million monthly active users in the 27-nation EU.

Temu only arrived in Europe last year and has said it has on average around 75 million monthly active users in the bloc.

Shein and Temu also recently joined fellow marketplaces AliExpress, Amazon and Zalando on a list of 24 "very large online platforms" facing stricter safety rules under the DSA, which have more than 45 million monthly active users in the European Union.

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