

Warsaw, 25 March 2020

Francois NUYTS CEO of Allego.pl

**Didier REYNDERS**Member of the European Commission IUSTICE

Char Commissave Regulars,

I hope this email finds you well, in these difficult days for so many Europeans.

I am reaching out to you today to explore how Allegro can help in our common struggle against the escalation of the COVID-19.

During our meeting in January, at the occasion of signing the Product Safety Pledge, I emphasized that Allegro is a consumer focused company and that we do everything through that prism. For that reason it was natural for us **to work in close cooperation with the Polish Office of Competition and Consumer Protection (OCCP)** from the beginning of the COVID-19 outbreak.

Allegro has already implemented a number of measures to protect consumers. We increased our efforts to protect them, including by taking down over 86,000 offers and blocking almost 1,000 accounts for offering products at extortionate prices or misleading consumers. This included deleting all the offers with references to COVID-19 to prevent predatory behaviour. Furthermore, in order to help consumers obtain goods they need without leaving their homes we took the decision to finance free deliveries for all goods bought on our platform within the so called Allegro SMART Program. The offer is with no guaranteed fees at the end and guaranteed that we will not up-sell anything at the end of the period. Since launch last week more than 500,000 consumers have taken advantage of this offer.

Being aware of the challenges that the economy faces we have also prepared a help package for our sellers. It includes extension of payment terms from 14 to 60 days, suspension of increases in fees that had been announced previously and cancellation of changes in fees that



were scheduled for announcement. Moreover, in order to encourage and facilitate the onboarding of new companies that to date have not functioned offline, we decided to waive fees for those businesses starting on-line.

We have also launched an **education campaign** to inform our users about relevant regulations adopted by the government and provided references to public institutions' official websites to fight desinformation.

In cooperation with the Polish Government (Office of Competition and Consumer Protection, health authorities and the Ministry of Digital Affairs) we are reflecting on further steps. We believe these exceptional circumstances require agility and creative thinking for companies like ours to help our economy and society weather the crisis.

I hope the measures described above will reply to your request from the letter of 23 March, for the list of measures that we have taken to protect consumers, including actions against illegal marketing campaigns.

For any further questions, please feel free to reach out to Ms Magdalena Piech, Allegro's Head of Regulatory Affairs, that you had the opportunity to meet (cc). Both as a European tech unicorn and the leader of the European Tech Alliance we would like to stress our availability to provide you support you may need in these difficult times.

Yours truly,

Francois Nuyts

For further questions please contact Magdalena Piech, Head of Regulatory Affairs at Allegro.pl magdalena.piech@allegro.pl; +48 516 967 793;

Point of contact for national authorities and the European Commission, as requested in the letter of 23 March 2020: pa\_ra@allegro.pl; tom.ruhan@allegro.pl



European Commission
Attn. Mr Didier Reynders
Member of the European Commission
Justice
Rue de la Loi, 200
B-1049 Brussels

Via email

Luxembourg, Friday March 27, 2020

Dear Mr. Reynders,

Thank you for your letter dated March 23, 2020. We are working hard to protect our customers and take quick and effective action against bad actors. There is no place for price gouging on Amazon and we do not tolerate attempts by bad actors to artificially raise prices or mislead customers on products customers need during a global health crisis. We comply with EU Consumer Protection Laws and the Member State Common Position is helpful as we continue to look at these issues.

Third-party sellers set prices and describe the products they sell in our stores. In the vast majority of cases, they offer our customers great products at competitive prices. Our long-standing Restricted Products<sup>1</sup> and Marketing Fair Pricing<sup>2</sup> policies strictly prohibit making illegal or unfounded marketing claims and charging excessive product prices. We are pro-actively monitoring our stores 24 hours a day, seven days a week, and are aggressively enforcing our policies to protect customers. We have removed hundreds of thousands of high-priced offers on in-demand supplies from our stores. We have also removed millions of products that make unsupported claims about coronavirus. We have suspended thousands of accounts of sellers who have engaged in price gouging. In addition, we are in contact with the national competition authorities across Europe and we are working with several Member State law enforcement authorities and Europol to prosecute the worst offenders. We will continue to assist all efforts to combat abuse in our stores.

The answers to your specific questions are as follows:

1. Actions undertaken to remove product listings associated with potentially misleading claims about the products' ability to prevent/cure COVID 19 pathologies

Over the years, Amazon has put in place a significant number of compliance measures and initiatives to protect customer safety and trust, which continuously operate. These measures include so-called "Restricted Products Rules" that actively identify and act on certain product listings based on available

 $<sup>^{1}\,\</sup>underline{\text{https://sellercentral.amazon.co.uk/gp/help/external/201743940?language=en }}\,\,\text{GB\&ld=AZUKSOAFooter}$ 

<sup>&</sup>lt;sup>2</sup>https://sellercentral.amazon.co.uk/gp/help/external/help.html?itemID=5TUVJKZHUVMN77V&language=en GB&ref=efph 5TUVJKZHUVMN77V\_relt 201995790



information in our stores, such as product titles and descriptions. Our Restricted Products Rules identify products for specific action. These actions can range from product listing removal to offer treatments, such as warnings or seller disqualifications. In our European stores, we run over ten thousand rules and manually review millions of product listings each year.

In this current crisis, to eradicate misleading claims, we have prioritized our system capacity and manual reviewers to search and prohibit the sale of products that make any reference to COVID-19 or any other known name variation.

We have suppressed millions of product listings across our EU stores for misleading COVID-19 claims. We continuously refine and improve our rule coverage. Rules run continuously.

#### 2. Excessive pricing

More than half of the products on Amazon are offered by third-party sellers who set their own prices. The overwhelming majority are honest sellers who offer Amazon customers a wide array of great products at competitive prices. Amazon has zero tolerance for price gouging and strictly prohibits sellers from exploiting an emergency by charging excessively high prices on products. We are issuing regular reminders to our sellers about these longstanding policies, and we are enforcing them aggressively to protect our customers.

We are constantly monitoring our stores for unfair prices and listings that make false claims in regards to COVID-19. We have dynamic, automated systems in place that locate and remove unfairly priced items. In addition, we have deployed a dedicated team that's working continuously to identify and investigate unfairly priced products that are now in high demand, such as protective masks and hand sanitizer. If we find a price that violates our policy, we remove the offer and take swift action against bad actors engaged in demonstrated misconduct, including suspending or terminating their selling accounts and referring them to law enforcement agencies for prosecution under relevant laws.

### 3. Pressure selling techniques

Pressure selling techniques are strictly prohibited on Amazon and all promotions in our stores are closely monitored. In an abundance of caution, we recently prohibited third-party sellers from doing any promotional deals on COVID-19 related products, including protective masks, hand sanitizers, protective gloves and fiction and non-fiction themed-products related to how specific viruses should be treated (e.g., SARS and MERS).

With respect to all of these issues, we promptly investigate any authority contact, and immediately remove non-compliant products. We then use this information to review, refine and improve our existing compliance and pricing mechanisms. If you find any potentially misleading Coronavirus claims or potentially excessive prices, please contact us at our <a href="mailto:covid19-eu-cooperation@amazon.com">covid19-eu-cooperation@amazon.com</a> alias, as communicated to your services earlier this week. In addition, where the European Commission and CPC network becomes aware of any trends (i.e. bad actors, key words), this feedback would be very helpful as we continue to adapt and refine our internal processes. We are keen to continue to work with the



European Commission and with Member States to tackle these challenges together, in the interest of all consumers.

We are available to provide further clarification on the matter and would be happy to schedule a call with your services to answer any questions.

Yours sincerely,

Amazon EU S.à r.l.

Docusigned by:

Xavier Garambois

1218338206ED48F...

Xavier Garambois Vice President EU Retail Microsoft European Government Affairs Rue Montoyer 51 B-1000 Brussels



Mr. Didier Reynders Commissioner for Justice European Commission Rue de la Loi 200 B-1049 Brussels

Brussels, 30 March 2020

Dear Commissioner Reynders, Dear Didier,

On behalf of CEO Satya Nadella I want to thank you for your letter of 24 March on steps the European Commission and the Consumer Protection Cooperation (CPC) Network are taking to address unfair commercial practices online that seek to exploit the COVID-19 crisis. We recognise the enormity of the challenges facing all of us today which is why the Commission's and your leadership is critical. Let me underline that Microsoft is committed to working closely with the European Commission as well as European governments to mitigate the impact of COVID-19.

Thank you also for alerting us of the most frequent and serious types of online scams and other unfair business practices relating to COVID-19 that European authorities are confronting. This responds to your request for information on steps that Microsoft is taking to address these and related types of unfair practices, and to present consumers with authoritative information about the COVID-19 crisis. Allow me to update you on a number of steps we have taken.

As an initial matter, Microsoft Advertising, which serves the ads displayed alongside Bing's algorithmic search results, has taken precautionary measures to block ads that are directly related to COVID-19, under Microsoft Advertising's Disallowed Content policy. That policy prohibits advertising on "sensitive" issues, and we are relying on that policy provision to prohibit all advertising that exploits COVID-19 for commercial gain, spreads misinformation, or that may pose a danger to user health or safety.

Microsoft with its Bing search engine implements a sophisticated ranking process across all search results that focuses not only on relevance, but also on ensuring that high-authority sources of information rank higher in search results than low-authority sites. Bing is constantly refining its algorithms and the metrics it uses to measure them to prevent manipulation of its search results by bad actors, and to ensure that high-quality sites rank higher than low-quality ones. In response to the COVID-19 crisis, Bing has taken additional steps to promote access to trusted information on Bing and to combat fraud and misinformation. These steps include the following:



- In many markets, Bing is ensuring that Answers and/or helpful Public Service Announcements (PSAs) about COVID-19 will figure at the top of search results for a number of COVID-19-related search queries. The Answers provide up-to-date information and statistics on the current state of the pandemic, as well as information on symptoms, testing, treatment, and other issues based on data from authoritative sources such as the World Health Organization and relevant national health authorities.
- For many searches relating to COVID-19, Bing is also showing task panes in prominent places on the first page of search results (such as the top right-hand side of the page). These task panes provide users with credible, authoritative information about COVID-19, such as steps people can take to reduce the risk of catching or spreading the virus.
- Bing is also prioritizing results from trusted news sources when responding to search queries relating to COVID-19. For certain queries, Bing will point users to special COVID-19 "information hubs" on Microsoft News. The articles in these information hubs, currently available in 39 markets globally, are curated by the Microsoft News editorial team from news content sourced from over 4500 trusted news brands worldwide with which Microsoft has license agreements. These hubs also contain links to official tools and information sources on the crisis. A blog post from Bing and Microsoft News announcing the launch of these information hubs is available at <a href="https://blogs.bing.com/search/march-2020/Stay-informed-on-the-coronavirus-pandemic-with-Bing-and-Microsoft-News">https://blogs.bing.com/search/march-2020/Stay-informed-on-the-coronavirus-pandemic-with-Bing-and-Microsoft-News</a>. Our features to promote high authority content, which have launched with English versions and are now expanding to more and more features and more languages and markets, will continue to advance.
- For example, we have built a dedicated page which features maps, statistics, and news in currently 32 languages with global coverage: <a href="https://bing.com/covid">https://bing.com/covid</a>.
- Relatedly, Microsoft has a long-standing partnership with NewsGuard, a highly regarded news rating service, to provide a free plug-in for the Microsoft Edge web browser, as well as an opt-in news rating feature for the Edge mobile application on both iOS and Android. NewsGuard operates a coronavirus misinformation tracker that lists all of the news and information sites in France, Italy, Germany, the UK, and the United States that it has identified as publishing materially false information about the virus. When Edge users who have installed the plug-in navigate to these sites, a NewsGuard label appears warning the user that the information on the site is unreliable. Further information about the NewsGuard coronavirus misinformation tracker is available here:

https://www.newsguardtech.com/coronavirus-misinformation-tracking-center/.



We are taking similar measures on LinkedIn to present users with trusted and authoritative information. For instance, LinkedIn sends members in Europe a "European Daily Rundown" that links members to LinkedIn's official European page for the coronavirus. This page contains information and recent updates from verified and official sources, such as the European Centre for Disease Prevention and Control, the European Public Health Association, the European Commission, and local governments. The European Daily Rundown is distributed to members in all 27 EU Member States and has a reach of approximately 9.7 million members every day (Monday through Saturday). LinkedIn has local editions of the European Daily Rundown in French, Italian, Spanish, Dutch and German that also feature dedicated newsfeeds on the coronavirus. They are written and curated by a team of 18 experienced journalists based in 6 EU countries.

The measures outlined above represent only a small fraction of the efforts Microsoft is taking to help our customers, partners, employees, and the many communities in which we operate respond to the COVID-19 crisis. We have in this regard created a dedicated online resource that provides information and links to a wide range of Microsoft efforts and initiatives. That resource, entitled "Responding to COVID-19 together," is available at <a href="https://news.microsoft.com/covid-19-response/">https://news.microsoft.com/covid-19-response/</a>.

Please do not hesitate to reach out with any further questions. And let me also take this opportunity to personally thank you once again for delivering the keynote address at our recent Data Science & Law Forum in Brussels. I am grateful that you found time to share your perspectives and insights on the Commission's ongoing work on i.a. Artificial Intelligence and the European data strategy.

With my best regards,

Kind regards,

Casper Klynge

Vice President

European Government Affairs



Didier Reynders Commissioner for Justice and Consumers European Commission Rue de la Loi, 200 B-1049 Brussels

Bordeaux, 26 March 2020

Dear Commissioner,

In your 24<sup>th</sup> March letter you urged Cdiscount, as any online platform, to take actions against deceptive marketing techniques on the Internet exploiting consumers' anxiety

Let me assure you that we fully share your concerns and your views: we consider that, in this predicament, we more-than-ever owe our customers a safe environment and that we must, as everyone and every organization on their own scale, contribute to protect and support our fellow European citizens. This is the reason why we have been taking exceptional measures.

Since mid-February, we have implemented on our marketplace automatic filters and human monitoring in order to block any offer, sponsored content and advertising carrying unsupported medical claims, to control the authenticity of masks and the prices of hand sanitizers , then to suppress them according to French authorities' decisions.

We have formally informed the third-party sellers on our platform each step of the way, about unfair business practices and official price limitations and prohibitions.

Since the 4<sup>th</sup> of March, in order to prevent any scam or non-compliant product, we've been prohibiting the sale of masks and hand sanitizers on Cdiscount Marketplace.

As a result of these actions, we deleted about 500,000 offers in the past month, sent formal notices to 134 third-party sellers and suspended the accounts of 16 sellers who have chosen to ignore them.

Since February 27, any search on our Website from words related to Covid-19 leads to an information banner referring to the Website of the French Ministry of Health:

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	Prévention Coror	navirus		
Veuillez vous référer au <u>site d'in</u>	formation officiel du gouvern concernant l'épide		e information/	recommandation



 $Service\ client\ C discount: 1^{er}\ e-commerçant\ français\ \grave{a}\ obtenir\ la\ certification\ NF\ 345\ par\ l'AFNOR$ 



Since the beginning of the French containment, as an exceptional measure we have also been monitoring food and hygiene products very closely to prevent price inflation at the expense of our customers. As a result, we took down about 2,500 offers, and we informed third-party sellers this week that selling food and hygiene products will be momentarily restricted to sellers with a strong track record on these types of product, in order to avoid opportunistic newcomers.

All these actions are based on a combination of algorithms and human oversight, which requires time and dedication: due to the unprecedented and serious nature of the crisis, our teams are very much focused on this particular subject.

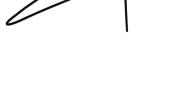
We are working in close cooperation with the French consumer protection authorities, to whom we send weekly reports. Indeed, France is by far our main market. As requested in your letter we've communicated to the Commission the same dedicated contact information we use to exchange with the French authorities, in order to be easily reached by any other national authority of the Consumer Protection Cooperation Network.

The guidelines issued by the CPC Network strengthen our legitimacy to enforce proactive actions during these unsettled times. They will also help us provide more clarity to third-party sellers on forbidden practices, especially on pressure selling techniques: we have not spotted such practices on our marketplace yet, but any infringement of this type might have been shut down by any other measure we have implemented to tackle Covid-19 related scams.

Rest assured that Cdiscount will remain fully mobilized during the whole crisis in cooperation with consumer protection authorities, as we've been for several weeks already. Cdiscount's team and I are at the Commission's and the CPC Network's entire disposal.

Yours sincerely,

Emmanuel Grenier Chief executive officer





# **FACEBOOK**

European Commission Didier Reynders, Commissioner for Justice and Consumers Rue de la Loi, 200 1000 Brussels Belgium

Menlo Park, 26 March 2020

Re: Ares (2020)1942651s

Dear Commissioner Reynders,

Thank you for your letter of 23 March 2020 regarding various illegal and unfair practices being carried out by traders in the context of the current COVID-19 outbreak.

Facebook shares your concerns and those of the CPC authorities that online platforms should remain a safe and secure environment for users. We work to remove harmful and illegal content, including of the type specifically outlined in the CPC Common Position. Whilst this is the case at all times, we appreciate that this is all the more important at present, given the tragic events unfolding around the world with regard to the outbreak of COVID-19.

As such, I am pleased to provide some further information below as to the measures Facebook is putting in place to address the issues raised in your letter.

# Measures Facebook is taking to combat deceptive and exploitative conduct during the Coronavirus epidemic

Facebook already has robust policies in place that prohibit exploitative or deceptive advertisements and sales of healthcare products and services, and we regularly remove content that violates these policies.

However, in light of the current extraordinary situation, we have recently updated our guidance to our content reviewers on how to apply our policies to COVID-19-related content, and we have announced a number of additional steps that we have taken in response to the current situation<sup>1</sup>. These steps include the temporary prohibition of the sale of certain products across our platforms entirely, so as to better protect our users from inflated prices and predatory behavior.

In particular, we have banned both ads and commercial listings, such as those on Marketplace, for medical face masks, hand sanitizer, disinfectant wipes and COVID-19 test kits. This is intended to stop illegitimate sellers, including price-gougers, from seeking to

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<sup>&</sup>lt;sup>1</sup> https://about.fb.com/news/2020/03/coronavirus/

# **FACEBOOK**

exploit people's fear of COVID-19 to get them to pay higher prices, to stop promotion of products in deceptive or exploitative ways, and to remove content otherwise trying to exploit or capitalise on the current health crisis or contribute to public safety concerns by selling COVID-19-related products. We also prohibit people from making health or medical claims related to COVID-19 in product listings on commerce surfaces, including those listings that guarantee a product will prevent someone from contracting the virus. This ban applies across our services from advertising to organic content on Facebook, Marketplace and Instagram.

We are also putting in place additional measures to limit the spread of misinformation and false claims related to the COVID-19 and are removing as much of this content as we can. This includes claims related to false cures or prevention methods or claims that create confusion about health resources that are available. We will also block or restrict hashtags used to spread misinformation on Instagram.

We trust that this information is of assistance. To the extent that you require further information please do not hesitate to contact me.

Yours sincerely,

Monika Bickert VP, Public Policy



March 27, 2020 Rakuten Crimson House 1 Chome-14-1 Tamagawa Setagaya-ku, Tokyo 158-0094, Japan

Mr. Didier Reynders
European Commissioner for Justice and Consumers
Rue de la Loi, 200
1049 Brussels
Belgium

Dear Commissioner Reynders,

We acknowledge receipt of your important letter of March 23 concerning deceptive marketing techniques designed to take advantage of consumer fears stemming from the Covid-19 crisis.

At Rakuten, we share your concerns. Unfair marketing practices are unacceptable. We have no tolerance for merchants who sell fake cures or attempt to gouge consumers with high prices for essential safety kits.

The Rakuten Group offers a wide variety of more than 70 services for consumers and businesses with a focus on e-commerce, fintech and digital content. Our marketplaces in Europe are located in France and Germany.

Ever since we entered Europe, we have worked with the European Commission to fight counterfeits and keep products sold on our platform safe. We have signed the <u>Memorandum of Understanding on the sale of counterfeit goods via the internet</u> and were one of the four initial participants in your predecessor's ambitious <u>Product Safety Pledge</u>.

We aim to detect illegal content before it is listed on our platform. We deploy sophisticated software to detect the possible presence of counterfeits by tracking sellers who propose a high volume of well-known trademark items. We provide an easy one-click process for rights holders to report potential problems. We apply a notice and stay down principle, instead of just a mere notice and take down, making sure that violators do not reappear on our site. We have signed an agreement with French customs to exchange information.



# Special measures are being implemented to cope with the COVID-19 crisis

In France, we have been in contact with the French Government. On March 11, we met with the Secretary of State for Digital Affairs and the General Directorate for Competition Policy, Consumer Affairs and Fraud Control. Through technical and human intervention, we are making sure that only professional sellers offer hyrdro-alcoholic cleaning gels and that these sellers respect government-mandated prices. We are monitoring the sale of protective masks. For a while, we suspended the sale of masks to avoid price gouging and insure quality. Masks are now available, but only from few trusted professional sellers who are able to provide us with the appropriate documents. We have blocked any products that promise fake cures for COVID-19. Although some listings may still get through our net, we are adapting and improving our filtering tools on a daily basis and worked closely with the French authorities.

In Germany, we are taking similar proactive measures. We conduct regular checks through our Merchant Quality team. We carry out daily keyword checks to ensure compliance with our forbidden items list and forbid almost all health advertisements for food supplements. We are doing special checks for "corona" and "Covid-19" items, checking and taking down misleading claims. If customers or other sellers notice any illegal behavior, they are encouraged to click on a "Melden" link and report issues. Regular checks on prices are made and our monitoring helps indicate massively overpriced products. If we detect this type of misuse of our marketplace, we delete these items and if the merchant is not cooperative we cancel contracts and block these merchants.

Please be assured that we intent to redouble our efforts to make sure that our marketplaces help consumers in Europe receive critical products and supplies during this crisis – while not being scammed or put in danger. Thank you in advance for your consideration.

Yours sincerely,

Hiroshi Mikitani

Chairman, President and CEO

Rakuten, Inc.



ContextLogic Inc.

1 Sansome Street, 40<sup>th</sup> Floor
San Francisco, CA 94104

April 1, 2020

Dear Mr Reynders,

Thank you for your letter dated 23 March 2020.

I wanted to start by saying that we are fully supportive of your efforts to prevent any activity that exploits, intentionally or otherwise, consumer fear as it relates to the ongoing COVID-19 outbreak. Whilst we are all operating in uncharted territory, we feel strongly that we have a duty to our customers to remain a trusted source of reliable goods during these uncertain times.

Prior to you contacting us this week, we had already put in place a number of measures to mitigate against some of the issues highlighted in your note. We are constantly re-assessing how best to optimize these measures to ensure we are reacting appropriately throughout this evolving crisis. Some of the measures deployed to date include:

#### **User education**

In light of the ongoing and growing concerns around COVID-19, we have created a dedicated Coronavirus section on our app and website that features FAQs and links to recent information about the crisis (www.wish.com/coronavirus). Within this section, we have set out what users should do if they encounter listings on the platform that appear to be excessively priced or feature misleading claims.

#### **Merchant education**

We recently sent out a COVID-19 communication to our merchants to remind them of our policies that specifically make unsubstantiated, exaggerated or unverifiable claims regarding the products they are selling, particularly where they relate to products that are more relevant during the COVID-19 crisis. All of our Merchant Policies are publicly available to view online at: <a href="https://merchant.wish.com/policy/home">https://merchant.wish.com/policy/home</a>. In addition, we have updated our merchant facing policy FAQs with text that brings to light our additional efforts during this time, and specifically addresses the topics of false advertising. Where we have evidence that a merchant continues to circumvent our policies, we will look to apply sanctions that range from spot fines through to expulsion from the platform. Updates to the False Advertising FAQ are publicly available to view at: <a href="https://merchant.wish.com/policy/inappropriate-reasons/25">https://merchant.wish.com/policy/inappropriate-reasons/25</a>.



#### **New regulations in France**

We have taken action to limit the presentation of listings for products directly relevant to COVID-19 (such as hand sanitizers, face masks/respirators, and air purifiers) to consumers in France and elsewhere. In addition, we have recently updated our merchants with regards to the new regulations in France that apply a price cap on hand sanitizers. Within this communication, we have shared links to the new regulations, along with accompanying FAQs on the topic. We have informed our merchants that any listings that breach this regulation will be violating our Merchant Terms.

# Additional enforcement efforts

- **COVID-19 tests:** We have blocked all COVID-19 tests from the platform and continue to deploy reactive measures to remove any new listings of similar nature.
- **Facebook and Google ads:** We are supportive of and complying with all Facebook and Google restrictions applied to COVID-19 related ads.
- **Report abuse:** We are and will continue to react to any reports that come in via our report abuse or brand protection channels and take any appropriate action.

We are confident that the measures outlined above will act as an effective means of discouraging exploitative activity on our platform. As the crisis continues to unfold, we will be constantly reassessing our methods to ensure they are as robust as they can be.

To conclude, whilst the vast majority of the merchants that use our platform are respected partners, we do recognise there are a small number of 'bad actors' who are trying to exploit the crisis. Rest assured, we are as determined as you are to limit this activity and ensure our platform remains a safe haven for our users during their time of need.

We very much look forward to maintaining an open dialogue with you and your partner Consumer Protection Authorities over the coming weeks.

Yours sincerely,

Sen Holy

Sean Hanley

Senior Counsel, Product Privacy and Regulatory Affairs



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Commissioner Didier Reynders EUROPEAN COMMISSION JUSTICE Rue de la Loi, 200 1049 Brussels BELGIUM

2 April 2020

Dear Commissioner Reynders,

I refer to the letter dated 24 March addressed to our CEO Mr. Guru Gowrappan.

Verizon Media, the parent company of Yahoo, HuffPost, AOL and TechCrunch, is focused on making a positive impact on society during this challenging time. We are committed to providing our users with information they can trust and keeping our platforms safe from malicious actors who may seek to take advantage of the COVID-19 crisis.

We have carefully monitored the COVID-19 public health emergency and are scrutinizing all ads with an increased focus on sensitivity to public health guidance and risks. Our Ad Policies prohibit ads that claim that any medicine, surgical treatment, or device can prevent or cure coronavirus. Our automated systems flag high-risk ads for manual review and those that violate policy, including COVID-19-related ads, are blocked.

We recognize that our 900 million users across the globe rely on us to deliver accurate, reliable news and information. To this end, we have created a coronavirus hub, covid19.yahoo.com, across the Yahoo ecosystem (News, Finance, Sports, Lifestyle & Entertainment), that includes news in real-time about the pandemic across the globe. There is specific content for specific markets, including France (<a href="fr.yahoo.com/topics/liste-coronavirus-france">fr.yahoo.com/topics/liste-coronavirus-france</a>), Italy (<a href="mailto:it.yahoo.com/topics/coronavirus">it.yahoo.com/topics/coronavirus</a>), Germany (<a href="mailto:de.yahoo.com/topics/coronavirus">de.yahoo.com/topics/coronavirus</a>), Spain (<a href="mailto:es.yahoo.com/topics/coronavirus">es.yahoo.com/topics/coronavirus</a>) and the UK (<a href="mailto:uk.yahoo.com/topics/coronavirus-news">uk.yahoo.com/topics/coronavirus</a>). We are also producing more mental health-focused content across our brands.

Additionally, Yahoo Search has dedicated content for Coronavirus-related search terms and elevates authoritative content; we have donated advertising notably to the World Health Organization; and Verizon Media is partnering with industry peers to combat fraud and misinformation about the virus.

Yours sincerely,

John C. Andrews

John Andrews VP - EMEA Legal Verizon Media EMEA Limited **Didier Reynders** 

Member

**European Commission** 

Brussels, 25th March 2020

Re: measures to tackle false or misleading advertisements related to Covid-19 on AliExpress

Dear Commissioner,

We understand the importance of action at European and national level to tackle false or misleading advertisements that claim to prevent, treat or cure COVID-19.

As a marketplace AliExpress enables buyers and sellers to place, accept, conclude, manage and fulfill orders globally. We care deeply about the governance of our platform and strive to continuously improve to ensure the safest possible experience for consumers and businesses. Platform governance is an evolving process which requires the continued cooperation and information exchange between government agencies and marketplaces to make any new measures a success. We therefore cooperate with public authorities and government agencies in good faith, to review the practices of sellers who list products on AliExpress, and to put in place a range of additional measures on our platforms.

We will continue to evaluate these practices and measures in this area, and appreciate the opportunity to share the following comments with you.

Among the key measures that AliExpress has implemented to prevent the sale of products that are advertised to treat, prevent or cure COVID-19 to EU countries, we are removing or blocking product listings having keywords related to COVID-19, and blocking such keywords from buyers' search functionality to the extent appropriate. In addition, we are also removing products whose effects, to our knowledge, are scientifically unproven or unknown. Furthermore, we are also monitoring the pricing of certain sensitive and relevant product categories, such as masks.

Since the circumstances are rapidly evolving, AliExpress is actively monitoring the situation and adjusting the measures we are taking very frequently.

On another score, as signatory of the EU Product Safety Pledge, AliExpress provides specific single contact points for EU Member State authorities for the notifications on dangerous products and for the facilitation of communication on product safety issues, which are being routinely handled by our platform governance team.

We hope that the above proves useful and remain at your disposal to discuss this further.

Yours sincerely,

Annalisa Barbagallo

Head of Government relations - Europe

Alibaba Group





Mr. Didier Reynders
Commissioner for Justice
European Commission
Rue de la Loi 200
1049 Brussels

Brussels, 26 March 2020

Re: eBay / COVID-19 / Measures protecting consumers online

Dear Commissioner,

On behalf of Scott Schenkel, thank you for your letter inquiring about eBay's measures to protect consumers in the face of COVID19-related fraudulent and misleading practices online. These practices are not acceptable, especially at this critical and unprecedented time. eBay is taking a series of actions to protect consumers.

Please find below a detailed description of our response.

# Adapting policies / Maintaining legitimate trade in essential products

eBay prohibits price gouging of COVID-19-related items under its <u>Disaster and Tragedy Policy</u>, which disallows the sale of items that attempt to profit from human tragedy or suffering. eBay has also introduced a new <u>Price Gouging Policy</u> to address the COVID-19 situation. The ability for customers to report price gouging has been improved with a dedicated page for price gouging and a separate 'price gouging' option in the "report this item" tool.

We have introduced a global policy allowing only a small number of white-listed sellers to offer masks and hand sanitizers. Global restrictions have also been put in place on the sale of baby formula and milk, toilet paper, tampons, baby wipes and nappies with only business sellers allowed to sell such products. In addition, we prohibit the use of the auction format for these categories (only fixed price allowed).

If any of the approved sellers are found breaching our policies, including the Price Gouging Policy, the listings will be removed and action will be taken against the seller's account, ranging from temporary to permanent account suspension. We are reminding sellers of their obligations via e-mails.



We are posting the following information on the site on the page dedicated to our business sellers:

- Health claims and misuse of keywords: titles and item descriptions containing health claims and misusing terms such as "Coronavirus", "Covid-19", 'Virus", "epidemic" are prohibited.
- Prices inflated over prevailing market value: listings that attempt to profit from tragedies and disasters (such as the Coronavirus outbreak) are prohibited.
- Laws and Regulations: as this is a fast changing situation, we advise sellers to always check local laws, regulations and guidelines when listing. We will continue to monitor the situation globally and provide further updates as necessary.

In addition, we have implemented measures to educate all users, buyers and sellers, about Covid-19. Users searching for certain coronavirus-related terms on our site are now shown informational banners with links to relevant government websites.

#### Enforcement of our policies / Adapting our tools to ever-changing trends

The actions of some unscrupulous sellers to capitalise on the COVID-19 crisis are entirely unacceptable. As of today, we have removed almost 500,000 listings and suspended hundreds of sellers. Sweeps across the sites are being run 24/7 to this end.

eBay uses a rules-based filtering system with algorithms that identify and block prohibited items in parallel with around-the-clock manual reviews of listings by our customer service agents. They remove all listings for certain masks and sanitizers (except for those offered by whitelisted sellers), listings for test kits, listings for other products with inflated prices, listings for products making false health claims or listings, particularly from consumer sellers, that are offering products containing paracetamol.

Since the end of February, eBay has deployed numerous additional block filter algorithms that are dedicated to coronavirus-related items only. Given the fast moving situation, these filters are constantly being reviewed and updated as needed to take into account users attempting to circumvent them.

Our security team is also constantly reviewing listings that have not been automatically blocked by our filters to have them promptly removed. This allows us to identify new trends and use those findings to make appropriate updates to the filters. We also receive reports from a variety of sources, including government agencies, media outlets and eBay users through the report item link available on each listing. With the Coronavirus crisis situation, we have strengthened our monitoring and enforcement team and more than doubled its size.

The Covid-19 situation remains fast moving and the unique nature of the eBay marketplace with its combination of private and business sellers creates ongoing compliance challenges, as supply and demand for products continually shifts. As the situation continues to evolve almost daily, our policies are also under constant review and we are doing what we can to ensure that eBay remains a fair and trusted place to buy and sell goods.



## **Thoughts on Addressing the Situation Going Forward**

As we see happening at national level, the EU Institutions might consider setting up or facilitating a public-private sector task force to address this challenge. It would be particularly helpful if we could exchange intelligence about trends. It would be useful having a shared understanding from the consumer protection authorities, consumer organisations, and other players, such as the retail sector, regarding what items or categories of goods are likely to be subject to demand next, so that eBay and other online platforms can prepare appropriately.

We share your concerns about protecting consumers from price gouging and other forms of COVID-19 related fraud and hope the information provided above demonstrates our strong commitment to preventing such activity on eBay.

We will be delighted to work with your services to address any additional concerns as this unfortunate situation continues to evolve.

Yours sincerely,

Stefan Krawczyk

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c.c. - Executive Vice President Margrethe Vestager

- Vice President Věra Jourová

- Commissioner Thierry Breton

#### **eBay COVID-19 Response Contact Information:**

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eBay is taking a series of measures to protect consumers across the EU in the face of COVID-19 related fraudulent and misleading practices.

# Adapting policies / Maintaining legitimate trade in essential products

- eBay prohibits price gouging of COVID-19-related items under its Disaster and Tragedy Policy and has also introduced a new Price Gouging Policy to address the COVID-19 situation; customers can now report price gouging in the "report this item" tool.
- A new global policy is now allowing only a small number of white-listed sellers to
  offer masks and hand sanitizers. Global restrictions have also been put in place on
  the sale of baby formula and milk, toilet paper, tampons, baby wipes and nappies
  with only business sellers allowed to sell such products.
- The following information is posted on the site on the page dedicated to our business sellers:
  - Health claims and misuse of keywords: titles and item descriptions containing health claims and misusing terms such as "Coronavirus", "Covid-19", 'Virus", "epidemic" are prohibited.
  - Prices inflated over prevailing market value: listings that attempt to profit from tragedies and disasters (such as the Coronavirus outbreak) are prohibited.
  - o **Laws and Regulations**: as this is a fast-changing situation, we advise sellers to always check local laws, regulations and guidelines when listing. We will continue to monitor the situation globally and provide further updates as necessary.

#### Enforcement of our policies / Adapting our tools to ever-changing trends

- A rules-based filtering system with algorithms identifies and blocks prohibited items;
- A team of customer service agents dedicated to round-the-clock manual reviews to remove any listings not caught by our tools.
- As of today, our intervention has led to the following results:
  - o We have removed more than 600.000 listings;
  - Our price gouging block filters blocked 4.5 million listings;
  - Over 2700 sellers have been suspended, temporarily or definitively.

As the situation continues to evolve almost daily, our policies are also under constant review and we are doing what we can to ensure that eBay remains a fair and trusted place to buy and sell goods.

Please see this <u>link</u> that also explains eBay's measures.