

Market surveillance for effective consumer protection in the EU

The role of Market Surveillance Authorities and their cooperation

The [original full study](#)¹ examines the role of market surveillance and its cross-border cooperation, taking into account key developments at EU and Member State level, as well as factors such as the rise of e-commerce and the COVID-19 pandemic. The main objectives of the study are structured around four main areas, starting with an analysis of the EU market surveillance framework, followed by the identification of key gaps and challenges in EU market surveillance, including the growth of e-commerce and product traceability concerns. Next, cross-border cooperation in market surveillance is examined, as well as the extent of cooperation with and among customs authorities from the perspective of external border control. The study concludes with a set of policy recommendations corresponding to the four main areas analysed in depth.

Check out the [original full study](#) by scanning this QR code



Background

Market surveillance activities are conducted to ensure that consumer protection laws and regulations are adhered to, and that goods sold in the internal market meet health, safety, and environmental standards. It is therefore a critical component of overall consumer protection. Effective market surveillance, especially in an environment where products and services can move across borders more seamlessly within the Single Market, requires a consistent and coherent approach among the Market Surveillance Authorities (MSAs) of all Member States and their respective customs authorities.



The governance of market surveillance in the EU has evolved in recent years, mainly due to the entry into force of the Market Surveillance Regulation (MSR)². These changes were motivated in part by inefficiencies and limitations in the existing framework, for example in identifying dangerous products and implementing product recalls, low availability of resources, as well as barriers limiting cooperation among MSAs at the national and cross-border level, and between customs authorities and MSAs. External factors, like the growth of e-commerce, have transformed the retail landscape and pose additional challenges for market surveillance.

Key findings and policy recommendations

The EU Market Surveillance Framework

The **MSR introduced organisational changes** to further **centralise market surveillance** at Member State level, including the creation of Single Liaison Offices (SL Os) and coordination mechanisms between national MSAs. This shift towards centralisation is a positive development. While MSAs believe that their activities and powers are generally sufficient, **certain challenges remain**: (1) uneven human and technical capacity of MSAs across Member States; and (2) being ill-equipped to ensure product compliance in response to e-commerce, despite new and strengthened powers via the MSR. Upcoming EU legislation (e.g. the General Product Safety Regulation³) may address many of these challenges. The following policy recommendations are proposed according to the above findings of this study:



- *Expand EU Testing Facilities and establish EU training centres to foster knowledge sharing.*
- *Strengthen digital market surveillance infrastructure and tools, e.g. digitisation of conformity documents.*

Gaps and Challenges in EU Market Surveillance

Online sales in the EU have increased significantly over recent years, a trend accelerated by the COVID-19 pandemic, which has pressured the resources available to MSAs and raised concerns over the safety of products sold via **e-commerce**, especially from third countries. The MSR aimed to address many of these issues with stricter rules to hold online vendors accountable, yet certain **challenges remain**, including the **traceability of products**, which is exacerbated by complex production and distribution chains. Difficulties in **identifying the responsible economic operator** under Article 4 of the MSR also undermines the traceability of products sold online. In response, the following policy recommendation is proposed:

- *More accountability for online marketplaces: require EU-based single contact points for follow-up by MSAs.*

Cross-border Cooperation between Market Surveillance Authorities

MSAs cooperate across borders through various mechanisms at EU level, including working bodies, sectoral expert groups, IT tools such as the Information and Communication System on Market Surveillance (ICSMS) and Safety Gate, and joint actions. **Cross-border cooperation between MSAs has improved** since entry into force of the MSR, attributed to SLOs, the EU Product Compliance Network, and additional ICSMS functionality, although substantive changes are limited. There are **persisting barriers** to effective **cross-border cooperation**, including different priorities and approaches between Member States, limitations of tools (e.g. ICSMS), and disparities in resource capacity between MSAs. Two policy recommendations are proposed in response:

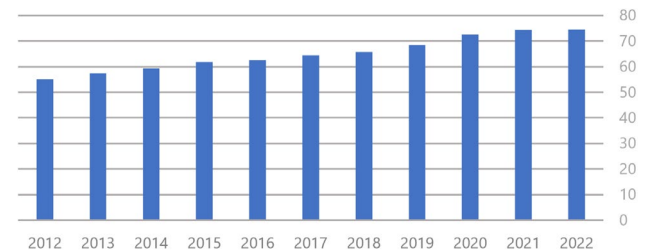
- *Integrate more Member States' national databases with the ICSMS platform API.*
- *Bolster joint actions and EU campaigns, targeting under-resourced MSAs to reduce cooperation barriers.*

Cooperation with and among Customs Authorities

Cooperation between customs authorities and national MSAs typically involves digital communication channels, operational collaboration on joint product inspections and checks, formal mutual assistance agreements, and shared training sessions to exchange expertise. The **MSR has improved the understanding of the roles of customs and MSAs**, yet coordination **barriers remain** between them, including different working methods and limited sectoral knowledge. Cooperation among customs' is curbed by resource constraints and the low quantity and quality of risk information form (RIF) messages. Two policy recommendations are proposed in response:

- *Leverage the EU Single Window Environment for Customs for better information sharing.*
- *Launch joint training initiatives for customs and MSA staff to clarify roles and responsibilities.*

Evolution of online sales in the EU, 2012-2022



Source: Eurostat[isoc_ec_ibuy]. Authors' own elaboration.

Note: For 2020, estimates are provided. For 2021, there is a break in the time series.

¹ Geraci, M., Carletti, G., Gasperini, M., Truc, M., Cantarelli, A., and Hassan, E., 2023, *Market surveillance for effective consumer protection in the EU: The role of Market Surveillance Authorities and their cross-border cooperation*, Publication for the committee on Internal Market and Consumer Protection (IMCO), Policy Department for Economic, Scientific and Quality of Life Policies, European Parliament, Luxembourg. Available at: [https://www.europarl.europa.eu/thinktank/en/document/IPOL_STU\(2023\)754190](https://www.europarl.europa.eu/thinktank/en/document/IPOL_STU(2023)754190).

² Regulation (EU) 2019/1020.

³ Regulation (EU) 2023/988.

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