

Information release

European authorities require Temu to comply with consumer rights

The European Consumer Protection Cooperation Network (CPC Network) has detected potential fake discounts, pressure selling or gamification of purchases, among others.

Madrid, 18 November 2024. The European Consumer Protection Cooperation Network ([CPC Network](#)) has sent a notice to the online trading platform Temu warning that it has detected a wide range of commercial practices that could infringe EU consumer protection rules. This action has been developed in cooperation with the European Commission's team in charge of the formal proceedings against Temu under the Digital Services Act (DSA), thus ensuring the complementarity of the two processes. It aims to ensure a safe and reliable online environment in which the rights of European consumers are respected.

Among the practices identified were various commercial techniques that may mislead consumers or unduly influence their purchasing decisions. The CPC Network is also investigating whether Temu complies with the specific information obligations of online marketplaces under existing consumer legislation.

Some key elements identified:

- **False discounts.** The false impression is given that products are offered at a discount when in fact there is no discount.
- **Pressure selling:** Use of tactics that may include false claims about limited stocks of products or false purchase deadlines to pressure consumers to perform their purchase.
- **Gamification of purchases:** Consumers are forced to play 'roulette of fortune' to access the online marketplace, while the company hides essential information about the terms of use linked to the game.
- **Lack of or misleading information** about consumers' legal rights to return products and receive refunds and failure to inform consumers in advance that their order must reach a certain minimum value before they can complete their purchase.
- **Fake reviews.** The company does not provide adequate information on how it ensures the authenticity of the reviews posted on its website, so there could be fake reviews.
- **Hidden contact details.** Difficult for consumers to easily find contact details to contact Temu in case of questions or complaints.

Likewise, the CPC Network has requested information from the online sales platform to determine whether it is complying with other obligations under EU consumer protection legislation such as:

- ✓ Clearly disclosing whether the seller of a product is a trader or not;
- ✓ Ensuring that product ratings, reviews and ratings are not presented in a misleading way;
- ✓ That price reductions are correctly advertised and calculated;
- ✓ That any environmental claims are accurate and substantiated.

Temu now has one month to respond and propose commitments on how it will address the problems identified. Depending on its response, the CPC Network may enter into a dialogue with the company and, if it fails to respond, the European authorities may take enforcement action to ensure compliance.

About the CPC network

National authorities of each Member State are responsible for the enforcement of EU consumer protection legislation. In order to protect consumers when they shop across national borders, Regulation (EC) 2006/2004 on Consumer Protection Cooperation established the [CPC network](#) of competent public authorities to address these issues in a coordinated manner. To this end, each EU country must designate at least one competent authority to enforce EU law ([List of CPC single contact points and competent authorities](#)).

The CPC Network is made up of, among others, the Directorate General for Consumer Affairs of the Spanish Government, and its investigations are coordinated by the European Commission.

Source of information: [Ministerio de Derechos Sociales, Consumo y Agenda 2030](#).