

MEDIA RELEASE

Congress gets closer to meaningful consumer protection from e-commerce fraud

SHOP SAFE Act Brings Greater Transparency and Accountability to Online Marketplaces

Washington, DC, January 28, 2022 – Today, the Transnational Alliance to Combat Illicit Trade (TRACIT) endorsed the U.S. House of Representatives inclusion of both the SHOP SAFE Act and the INFORM Consumers Act in the proposed amendment to the America Competes in Manufacturing, Pre-Eminence in Technology, and Economic Strength Act (America Competes Act).

"Without the SHOP SAFE Act, American consumers are at risk from fake, illicit and stolen products available online," stated Jeffrey Hardy, Director-General of TRACIT. "At a time when most American households are shopping online, SHOP SAFE delivers consumer protection from fraud."

The SHOP SAFE Act will establish better and uniform rules for secure and safe conduct of e-commerce in the United States. This will immediately require Internet sellers to play by the same rules that have governed American business and safe-guarded American consumers for more than a century.

At its core, the Act holds online marketplaces accountable for screening third-party sellers, disclosing more information about the seller to online shoppers, removing counterfeit and stolen product listings, and barring bad actors from selling on their platforms – consumer and small business protections that have all been missing for far too long.

In its support of SHOP SAFE, TRACIT echoed the US Department of Homeland Security's views that illicit goods trafficked to American consumers by e-commerce platforms and online third-party marketplaces threaten public health and safety, as well as national security. This illicit activity impacts American innovation and erodes the competitiveness of U.S. manufacturers and workers.

"It's time that online sellers start complying with the same, long-established federal health and safety regulations that govern all commercial transactions," said Hardy. "American consumers—and every American household shopping online—are entitled to a shopping experience that is safe and secure from fraud."

Concurrently, TRACIT supports the inclusion and passage of the INFORM Consumers Act (H.R. 5502/S.936). INFORM introduces complimentary improvements in e-commerce rules that will immediately reduce unsafe and fraudulent consumer goods from being available and sold online to unsuspecting customers.

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<u>About TRACIT:</u> The Transnational Alliance to Combat Illicit Trade (<u>TRACIT</u>) is an independent, private sector initiative to mitigate the economic and social damages of illicit trade by strengthening government enforcement mechanisms and mobilizing businesses across industry sectors most impacted by illicit trade.