E-commerce: ending unjustified geo-blocking across the EU

MEPs beefed up rules to ensure that buyers of goods or services from another EU country are treated like local customers in a committee vote on Tuesday.

The draft law defines specific situations in which geo-blocking will not be allowed. This means that online sellers will not be able to discriminate against consumers elsewhere in the EU with regard to general terms and conditions, including prices, on the basis of their nationality, place of residence or even their temporary location, MEPs added.

Treating EU buyers abroad like locals

Without paying more, buyers from another EU country than the trader would be able to:

• buy goods (e.g. household appliances, clothes) even when the trader does not deliver them in the consumer’s member state of residence, if there is an option to collect the goods at an agreed location in another EU country (the proposal does not introduce an obligation to deliver across the EU),
• receive online from the trader services not protected by copyright, such as cloud services, firewalls, data warehousing, website hosting,
• (added by MEPs) receive e-books, e-music, games or software (i.e. non-audiovisual copyrighted content) if the trader has the right or a licence to use such content for the countries concerned, and
• make a booking outside the consumer’s place of residence (e.g. hotel stays, sports events, car rental, music festivals or leisure park tickets).

Automatic re-routing to another website without the consumer’s prior consent would also be banned, except if an EU or national provision, e.g. related with minors, would make it necessary.

Movies and football matches not covered for now

Sectors such as audiovisual services (including broadcasts of sports events provided on the basis of exclusive territorial licenses), or financial, transport, electronic communication or healthcare services are excluded from the scope of the draft regulation for the time being. However, the EU Commission must assess within three years of its entry into force whether they should be covered in the future, added the committee.

Quote

“Our work aims at a gradual opening of the European market for consumers and for traders by giving them clear rules. Consumers will have better access to goods and services online and for traders it will be less burdensome to sell to consumers from different member states”, said Internal Market and Consumer Protection Committee rapporteur Róża Thun (EPP, PL).

Next steps

The committee’s vote gives its negotiating team, led by Ms Thun, a mandate to start three-way talks (trilogues) with the Council and the Commission, with a view to reaching an agreement on the final law. The mandate was approved by 31 votes to 2, with 1 abstention.
Facts

• In an inquiry into the e-commerce sector, 38% of the responding retailers selling consumer goods and 68% of digital content providers replied that they geo-block consumers located in other EU member states.

Further information

• Audiovisual material for professionals: http://audiovisual.europarl.europa.eu/geo-blocking

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