Digital Single Market: New EU rules allow Europeans to shop online without borders

On 3rd of December 2018 the new regulation proposed by the European Commission in May 2016 to end unjustified geoblocking online will enter into force. Europeans will not have to worry about a website blocking or rerouting them just because they, or their credit card, come from a different country. Wherever they are in the EU, they will be able to access goods and services online.

On this occasion, Vice-President for the Digital Single Market Andrus **Ansip**, Commissioner in charge of Internal Market, Industry, Entrepreneurship and SMEs Elżbieta **Bieńkowska**, Commissioner for Justice, Consumers and Gender Equality Věra **Jourová**, and Commissioner in charge of the Digital Economy and Society Mariya **Gabriel** said:

"In 2015, 63% of the websites did not let shoppers buy from another EU country. As a result, nearly two-thirds of consumers who wanted to shop online abroad were prevented from doing so. On 3rd of December we are putting an end to this practice. We want a Europe without barriers, and this also means removing barriers to online shopping.

Together with the end of roaming charges, the new rules on data protection and the possibility for citizens to travel with their online content, the end of unjustified geoblocking is another essential initiative that makes the Digital Single Market a reality for all, delivering concrete benefits to citizens and businesses.

The new rules will enable consumers to have a wider choice of products at competitive prices and consequently better deals. At the same time businesses will see their customer base expand across borders and enjoy lower transaction and administrative costs. The Regulation is also part of a wider EU effort to boost e-commerce in the Single Market, which includes measures to better protect consumers online, ensure more affordable cross-border parcel delivery and simplify VAT rules to make it easier to buy and sell goods online.

We now call on all Member States to ensure an effective implementation of these rules and do all that is in their power so that effective enforcement of the Regulation takes place as of Day One. We also call for an agreement on harmonised rules for the sale of digital goods and services and online purchases. All these elements are crucial for creating a well-functioning and competitive Digital Single Market."

Next steps

Member States are in charge of the enforcement of the Regulation and need to

put in place the necessary structures to ensure a smooth start to its application. In particular, Member States must designate bodies entrusted with its enforcement and bodies which will provide practical assistance to consumers. In addition, Member States must set out effective, proportionate and dissuasive measures applicable to infringements of the Regulation. The Commission will conduct a first review of the Geo-blocking Regulation by March 2020. This assessment will cover the possible extension of the nondiscrimination principle in accessing goods and services to non-audiovisual electronically supplied services whose main feature is copyright protected content, such as e-books, music, games and software. The Commission will also carefully analyse whether in other sectors, such as services in the field of transport and audio-visual services, any remaining unjustified restrictions based on nationality, place of residence or place of establishment should be eliminated.

Background

Consumers and businesses — especially SMEs — show an increasing interest in shopping and selling across the EU. Online sales of products are growing by 22% per year. However, frequently traders refused to sell to customers from another EU Member State or to offer equally advantageous prices in comparison with local clients.

The <u>Regulation (EU) 2018/302 ("Geo-blocking Regulation")</u> which enters into force on 3 December aims to provide consumers and businesses within the EU's internal market with more opportunities. In particular, it addresses the problem of some customers not being able to buy goods and services from traders located in a different Member State, even at the same conditions as locals, only because of their nationality, place of residence or place of establishment. In 2015, a Commission survey found that only 37% of websites actually allowed cross-border customers to reach the final step before completing the purchase by entering payment details.

The Geoblocking Regulation is part of <u>a wider set of measures aimed at</u> <u>boosting e-commerce</u> in the Single Market, such as the revised <u>Consumer</u> <u>Protection Cooperation Regulation</u>, the <u>new rules on cross border parcel</u> <u>delivery services</u>, the <u>new rules for digital contracts</u>, and the <u>new VAT rules</u> <u>for electronic commerce</u>.

For more information

Factsheet on how you can make the most out of eCommerce in the EU as a consumer

<u>Short guide</u> on the geoblocking rules for online sellers <u>Questions and answers</u> on geo-blocking with information for national authorities enforcing the new rules and practical assistance to consumers <u>Political agreement</u> to end unjustified geoblocking <u>Political agreement</u> to make cross-border parcel delivery more affordable <u>Political agreement</u> on simpler and more efficient VAT rules for online companies