# <u>Digital Single Market - Portability of</u> online content services

#### What is the objective of the Regulation?

The aim is to ensure that Europeans who buy or subscribe to films, sports broadcasts, music, e-books and games in their home Member State are able to access this content when they travel or stay temporarily in another EU country. The Regulation comes into force on 1 April 2018 in all EU Member States.

#### Who benefits from the new rules?

- Consumers who reside in the EU: new rules enable them to watch films or sporting events, listen to music, download e-books or play games when visiting or staying temporarily in other EU countries.
- Providers of online content services: they will be able to provide cross-border portability of online content to their subscribers without having to acquire licences for other territories where the subscribers stay temporarily.

The interests of right holders are safeguarded to avoid abuses.

Do providers have to offer the same service wherever the subscriber is travelling? How will it work for video-on-demand services like Netflix, which is active in more than one country in the EU?

Yes, providers of paid-for online content services (such as online movie, TV or music streaming services) have to provide their subscribers with the same service wherever the subscriber is in the EU. The service needs to be provided in the same way in other Member States, as in the Member State of residence. So for Netflix for example, you will have access to the same selection (or catalogue) anywhere in the EU, if you are temporarily abroad, just as if you were at home.

The new rules do not prevent service providers to offer additional options to their users when they are abroad, such as access to the content which is available in the country they travel in. Whether the service provider in question will allow or maintain access to the local content in addition to their obligation under the regulation will therefore depend entirely on the service provider.

## Is there a limitation in time? What will happen if a person lives in one country and works in another on a daily basis?

The portability regulation covers situations in which subscribers are temporarily abroad. This term is not defined in the Regulation. However, what is meant by this is to be present in a Member State other than the Member State of residence. It covers various scenarios including holidays and business trips.

The new rules do not set any limits for the use of the portability feature, as long as the user resides in another Member State. Service providers should inform their subscribers of the exact conditions of their portability offers. For example, if you live in Belgium and subscribe to a paid music streaming service there, you will have access to the same selection of music in other Member States, as at home in Belgium.

This portability of your online content will be available if you commute daily to other Member States, like France or Luxembourg for example.

### How will the content service providers verify the country of residence of their users?

The service provider will have to verify the subscriber's country of residence. This will be done at the conclusion and renewal of the contract.

Service providers will be able to verify the country of residence through different information provided by the subscriber. The Regulation provides for a closed list of such verification means to limit interference with consumers' privacy. The means listed include for example payment details, payment of a licence fee for broadcasting services, the existence of a contract for internet or telephone connection, IP checks or the subscriber's declaration of their address of residence. The service provider will be able to apply not more than two means of verification from this list. Any processing of personal data will have to be carried out in accordance with EU data protection rules.

#### Does the Regulation also apply to online services that are free of charge?

Providers of online content services that are free of charge are able to choose whether they want to benefit from these new rules. Once they opt-in and allow portability under the Regulation, all rules will apply to them in the same manner as for the paid services. This means that the subscribers will have to log-in to be able to access and use content when temporarily abroad, and service providers will have to verify the Member State of residence of the subscriber.

### How can a consumer know which online services provided free of charge have opted-in?

If providers of free of charge online content services decide to make use of the new portability rules, they are required to inform their subscribers about this decision prior to providing the service. Such information could, for example, be announced on the providers' websites.

#### Are public broadcasters covered? Can I watch BBC, Arte or other services?

Online content services covered by the Regulation may also include services offered by public broadcasters. The question whether a particular broadcaster is covered by the scope of the Regulation depends on whether the following conditions are fulfilled:

• Consumer can already access the services on different devices and not

- limited to a specific infrastructure only,
- The TV programmes are provided to subscribers whose Member State of residence is verified by the provider and,
- The online content services are either provided against payment or the provider has decided to make use of the new portability rules on a voluntary basis.

### Can I watch films from the broadcasters in another country online, such as movies from Spanish or Estonian TV in Belgium?

If a broadcaster of online content in your home Member State is covered by the new portability rules, you will be able to watch your content when you are temporarily abroad in another Member State.

On the contrary, accessing content that is offered in another Member State from your home country is not covered by the new portability rules. Consumers would, however, for certain TV and radio programmes benefit from the proposed Regulation on broadcasters' online transmissions and retransmissions of radio and TV programmes currently under negotiations. This will give the broadcasters and producers the additional choice to give cross-border access to more programmes (see <u>factsheet</u>).

#### Do you have examples of problems that the Regulation solves?

People travelling or staying temporarily in other EU countries have often faced restrictions: they can be cut off from their online content services or have only limited access. Many people — especially when they leave for short trips — will not find it convenient to buy a subscription to a local service, or may find that their favourite films and series are not available or only in a foreign language.

- A subscriber trying to watch films using his Home Box Office (HBO) Nordic account when on holiday in Italy sees a message saying that the service "is only available in Sweden, Norway, Denmark and Finland".
- A French user of the MyTF1 film and series service is not able to rent a new film while on business trip to the UK.

### Users may have been able to, for example, only view the content that they have already downloaded onto their portable device.

• Users of the Belgian film service Universciné must remember to download a film they have rented before leaving for a trip in another EU country. They are not able to use the Universciné streaming feature when away from their home country or download films when they are abroad.

These issues will be resolved by the new portability rules. The restrictions concerning the portability of subscriptions to online music services (like Spotify or Deezer) or e-books seem to be less significant. But restrictions in the future cannot be excluded, that is why today's rules are also important for such services.

Is the portability of sports online subscriptions covered by the new rules?

Yes, various online sports content services will be covered. This includes services where sports are part of a paid-for TV online content service (for example, streaming services such as Zattoo in Germany), or where sports are part of the overall online services package (for example Sky Go), as well as where a sports organiser sets up a dedicated online content service.

#### Will the service provider be able to charge for portability?

No, under the new rules, online content services will not be allowed to impose additional charges on subscribers for providing cross-border portability of their content.

### What are the new rules saying if a service provider starts to limit the titles of music, films or games available when travelling abroad?

Subscribers to paid-for online content services and free online content services that have opted-in will have the same access to these services when they travel as in their Member State. This means that when accessing the service in another Member State, it will be like at home: offering the same content on the same range and number of devices, and with the same range of functionalities.

Any action taken by a provider that would prevent subscribers from accessing or using the service while temporarily present in another Member State: for example, restrictions to the functionalities of the service are contrary to the Regulation. This means that the provider cannot limit the catalogues of music, films or TV series available when you travel to another Member State.

# Are the main providers of online content technically ready to apply the new Regulation from 1 April?

The Commission has been in close contact with the main providers of online content services (like platforms for TV shows, movies, music, sports, etc.) and has received positive feedback from them that the roll out of the new portability rules has been going smoothly and on time. Where service providers had encountered issues, we understood that they were in the process of overcoming them. The Commission has been monitoring closely the process and will continue to do so.

The regulation is binding for paid-for services. Providers of free content may opt in to benefit from the new rules, but do not have to do so. Some service providers have already announced to opt in (YLE in Finland, RTBF in Belgium), and the Commission expects that others will follow now that the new rules have become applicable.

#### For more information

#### **Factsheet**

#### Press Release

<u>Travel with your digital subscriptions: Joint statement by the European Commission, the European Parliament and the Bulgarian Presidency of the EU</u>