Joint statement by Vice-President Ansip, Commissioners Bieńkowska and Gabriel following the European Parliament's vote to end unjustified geoblocking

"The European Parliament voted to end unjustified discrimination when people shop online in the European Union. Banning unjustified geoblocking is great news for consumers in Europe.

Thanks to the European Parliament, another building block of the Digital Single Market has been put in place delivering concrete benefits to citizens and businesses. It is a great step forward for e-commerce in Europe.

We are encouraged that all EU institutions share a common vision on what the future of the Digital Single Market will look like.

From Christmas 2018, people will not have to worry about a website blocking or re-routing 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.

But this achievement does not stand alone to make e-commerce more comfortable and easier for consumers and businesses alike: it is an important piece of the puzzle together with more transparent and affordable cross-border parcel delivery prices, simpler value added tax rules for e-commerce and stronger consumer protection. We also call for an agreement on harmonised rules for the sale of digital content and online purchases. All these elements are crucial for creating a well-functioning and competitive Digital Single Market.

It is high time to step up efforts and conclude the pending legislative initiatives for making the European Digital Single Market a reality for all."

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 still refuse to sell to customers from another EU Member State or to offer equally advantageous prices in comparison with local clients.

The European Parliament, the Council and the Commission reached a political agreement to end unjustified geoblocking in November 2017. Today's plenary vote in the European Parliament will be followed by the adoption of the Regulation in a Council meeting in the coming weeks.

The Regulation will enter into force nine months after the day of publication in the Official Journal, which is planned for March 2018.

In addition to the end of unjustified geoblocking, EU citizens and businesses will benefit from several e-commerce legislations proposed by the Commission:

- The revised <u>Consumer Protection Cooperation</u> Regulation will improve the EU-wide cooperation mechanism for consumer protection. It entered into force on 16 January 2018 and will apply from 17 January 2020.
- The new VAT rules for electronic commerce, adopted in December 2017, will make it easier to collect VAT when consumers buy goods and services online. They will also make it much simpler for online businesses to comply with VAT obligations. Member States must now implement the new rules.
- Rules for more transparent and affordable cross-border parcel delivery prices. This will allow consumers and small e-retailers to buy and sell products and services online more easily and confidently across the EU. A political agreement was reached in December 2017. Formal approval of this regulation is still pending.
- The Digital Contracts <u>proposals</u> from December 2015 are currently under negotiation by co-legislators. These proposals aim at harmonising rules for the sale of digital content and online purchases for all 28 EU countries.
- New rules for broadcasters to obtain more easily the authorisations they need from right holders to transmit online programmes in other EU Member States. The proposal from September 2016 is currently under negotiation by co-legislators.

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