European Union makes shopping without borders a reality

MEPs will vote today to make it easier for consumers to buy from, or access, a website based in another EU country. Through so-called geo-blocking practices (1) traders often prevent consumers of other EU countries purchasing products from their online shops. The new measure will enter into force later this year (2), forbidding discrimination of consumers based on their nationality or place of residence.

This is a very welcome step to help consumers benefit more from a borderless online marketplace. Consumers will finally have a right to participate in the EU’s Single Market without being treated differently just because of where they come from or live.

Unfortunately, copyright-protected products (e.g. e-books or music streaming services) and audiovisual content (e.g. films, sports and TV series) are excluded from the geo-blocking ban. However, the EU legislator decided to review this exemption in two-years’ time.

Under the new rules, traders will not be required to deliver the goods to consumers who live in a different country. Consequently, in order to fully benefit from the new rules, prices for shipping parcels across-borders must come down and it should be made easier to deliver to foreign customers.

Monique Goyens, Director General of BEUC, commented:

“Consumers will finally be able to compare prices and buy products throughout the EU. A consumer’s nationality or place of residence does not matter when shopping on the high street and the same should be true online.

“This legislation will bring the benefits of the Digital Single Market closer to consumers. The Single Market after all should benefit consumers as well as businesses.

“Unfortunately, EU legislators failed to tackle geo-blocking for audio-visual content like sports or films as well as music and e-books. So this law can only be a first step. Those services should be included when this law will be reviewed two years from now”.

END

(1) Examples of geo-blocking practices are the refusal to accept foreign bank cards, rerouting of foreign customers to websites in the customer’s country and the restriction of an online service (e.g. cloud storage) to customers living in the country of the trader.

(2) The Regulation will apply 9 months after publication in the European Union’s official journal.