

Geo-blocking and other forms of discrimination based on customers' nationality, place of residence or place of establishment within the internal market

2016/0152(COD) - 06/02/2018 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 557 votes to 89 with 33 abstentions, a legislative resolution on the proposal for a regulation of the European Parliament and of the Council on addressing geo-blocking and other forms of discrimination based on customers' nationality, place of residence or place of establishment within the internal market and amending Regulation (EC) No 2006/2004 and Directive 2009/22/EC.

Parliament's position adopted in first reading following the ordinary legislative procedure amended the Commission proposal as follows:

Objective and scope of the Regulation: the Regulation aims to **prevent unjustified geo-blocking** by preventing discrimination based on nationality, place of residence or even the temporary location of customers in cross-border transactions between a trader and a customer relating to the sale of goods and services in the Union. It does not apply to situations that are purely internal to a Member State where all the relevant elements of the transaction are confined to a single Member State.

Access to online interfaces: traders should **not redirect a customer**, for reasons related to nationality, place of residence or place of establishment, to a version of the trader's online interface that is different from the interface to which the customer initially wanted access unless the customer has **expressly consented to this effect**.

The prohibitions on geo-blocking shall not apply where the blocking or limitation of access, or the redirection is necessary in order to ensure compliance with a legal requirement laid down in Union law, or in the laws of a Member State in accordance with Union law, to which the trader's activities are subject.

In such instances, the trader shall provide a **clear and specific explanation** to customers in the language of the online interface that the customer initially sought to access, on why blocking or restricting access or redirection is necessary.

Access to goods or services: a trader shall not apply discriminatory conditions, where the customer seeks to:

- **buy goods** that are delivered to a location in a Member State to which the trader offers delivery in the general conditions of access or those goods are collected at a location agreed upon between the trader and the customer in a Member State in which the trader offers such an option;
- **receive electronically supplied services from the trader**, other than services the main feature of which is the use of copyright protected works, including the selling of copyright protected works or protected subject matter in an intangible form ;
- **receive services from a trader, other than electronically supplied services**, in a physical location within the territory of a Member State where the trader operates.

This prohibition shall not prevent traders from offering goods and services in different Member States or to certain groups of customers by offering targeted offers and different general conditions of access, including by setting up interfaces by country. However, in such situations, traders should always treat their customers in a non-discriminatory way when the latter want to take advantage of these offers and these general conditions of access.

Non-discrimination for reasons related to payment: a trader shall not apply, within the range of means of payment accepted by the trader, discriminatory conditions for payment transactions **for reasons connected with the place of issue of the payment instrument in the Union**, where:

- the payment transaction is made through an electronic transaction by credit transfer, direct debit or a card-based payment instrument within the same payment brand and category ;
- authentication requirements are fulfilled
- the payment transactions are in a currency that the trader accepts.

However, traders remain free to charge **non-discriminatory charges** for the use of a payment instrument, in accordance with Union law.

Review: the European Commission should evaluate within two years of the entry into force of the Regulation whether the prohibition on geo-blocking should not be extended to **include copyrighted content as well as transport and audio-visual services**, which are also excluded from the scope of the Regulation.