



New EU Regulation on Geo-blocking: impacts all online retailers selling within the EU

As part of the EU Commission's strategy for a Digital Single Market (DSM), the EU Commission wants to make it easier for online shoppers to buy goods and services (e.g. hotel bookings, car rentals, music festivals or leisure park tickets) from other EU countries.

Under new EU rules on geo-blocking, which come into force on 3 December 2018, online traders will have to treat online customers from another EU country in the same way as a local customer, e.g. by allowing them to benefit from the same domestic prices and terms. Blocking or rerouting customers from another Member State will be banned.

The Regulation 2018/302 that goes back to Commission proposal published on 25 May 2016 (COM(2016) 289). It will take immediate effect on national level. No implementation is required.

Why do businesses need to take note?

In principle, any online traders offering goods or services within the EU will be affected, although there are certain exemptions including in particular for copyright works and audio-visual services. Even B2B trade is covered if the receiving party is an end-user.

Businesses with country-specific versions of a website will need to consider whether any differences in pricing or terms and conditions can be justified under the new rules. Any practices relating to any type of website blocking or rerouting, depending on the customer's (1) nationality, (2) place of residence or (3) place of establishment, will need to be reviewed.

We have tracked the progress of the EU proposal for an anti-geoblocking regulation very closely, and are advising various clients on the impact of the proposed Regulation on their business. For further detail, please visit our blog <u>Global</u> <u>Media & Communication Watch.</u>

To discuss how we can help with your online sales strategy or whether differences in terms or pricing are justified under the new Regulation, contact:



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