

Commission publishes its short-term review of the Geo-blocking Regulation

Today, the European Commission published the conclusions of its first short-term review of the 2018 Geo-blocking Regulation, which prohibits unjustified geographical restrictions in the sale of goods and services within the EU. This review includes the Commission report and the accompanying Staff Working Document (SWD).



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Commissioner for Internal Market Thierry **Breton** said:

The pandemic has shown to which extent we rely on digital technologies across all EU countries and that cross-border access to goods and services online should be without any barriers or friction for European consumers, regardless of their location, residence, or nationality. This first review of the Geo-blocking Regulation already shows first positive results. We will further monitor its effects and discuss with stakeholders, notably in the context of the Media and Audio-visual Action Plan to ensure the industry can scale up and reach new audiences, and consumers can fully enjoy the diversity of goods and services in the different EU Member States.

The report analyses the first 18 months of implementation of the current Regulation, which has been applicable since December 2018, as well as the possible effects of the extension of its scope,

including with regard to copyright-protected content services.

The report's main conclusions on its first period of implementation are that:

- Consumer awareness is good – 50% of consumers were aware of the new rules surveyed after just 3 months following the entry into force of the rules, but also expressed they wanted further information.
- The role of competent assistance and enforcement bodies of Member States is key to ensure the compliance of traders, with a high rate (above 50%) of amicable solutions being reached once traders were made aware of issues.
- A number of important geo-blocking obstacles have diminished; for example, there has been a stark reduction in barriers caused by **location requirements**, from 26.9% down to 14% of approximately 9000 websites surveyed. Such restrictions prevent users from attempting to register to foreign websites due to a postal address in another Member State, and is important because registration is a key stage of the online shopping process. A further decrease in restrictions that users faced when trying to access websites cross-border was reported (e.g. users were denied access or automatically rerouted), the remainder of which was residual (only 0.2% of websites blocking access).
- Even though the Regulation does not oblige traders to deliver cross-border, the increased **access to cross-border websites** provided by the Geo-blocking Regulation nevertheless increased the amount of purchases with delivery in the country of the customer (an increase of 1.6% in EU27 compared to 2015). One third of the approximately 9000 surveyed websites offered cross-border delivery.
- Other internal market measures, including administrative tools to facilitate compliance with cross-border VAT in e-commerce, which will enter into force from July 2021, and the harmonisation of consumer protection rules, which will enter into force in 2022, still need to materialise entirely before the full effects of the Geo-blocking Regulation can be observed. Therefore, the Commission will continue to monitor the application of the current Regulation, also through the Consumer Protection Cooperation Network, as well as these internal market initiatives. The Commission will also continue to raise awareness, notably through the European Consumer Centres.

Possible extension of the scope of the Geo-blocking Regulation

The report also considers the possible extension of the scope of the legislation, including with regard to copyright-protected content (such as audio-visual, music, e-books and games). It highlights potential benefits for all consumers in Europe, notably in the availability of a wider choice of content across borders if the Regulation were to be extended to cover audio-visual content. The Report also identifies the potential impact that such an extension of the scope would have on the overall dynamics of the audio-visual sector, but concludes that it needs to be further assessed.

Today, audio-visual online services extensively use geo-blocking and significant differences exist among the audio-visual catalogues available across the EU.

- An extensive analysis of the availability of films through audio-visual online services in Member States shows that, on average, a European consumer only has access to 14% of the films available online in the EU27. There are significant variations by country, as for example, viewers in Greece have access only to 1.3% of the films available online in the EU, while those in Germany have access to 43.1%.
- The number of consumers trying to access audio-visual content offered in other Member States

almost doubled between 2015 and 2019 (from 5% to 9%). This is particularly high in younger age ranges, and it is the highest amongst content services. A 2019 Eurobarometer confirmed that there is interest in gaining access to audio-visual content offered in different Member States.

For these reasons, the Commission will launch a stakeholder dialogue with the audiovisual sector in order to discuss concrete ways to foster the circulation of, and improve consumers' access to audiovisual content across the EU, before considering any follow-up measures. This dialogue will be part of the measures covered by the upcoming Media and Audiovisual Action Plan, in order to support the transformation of the audiovisual industry and allow European market players to scale up and reach new audiences. Increased access and circulation of audiovisual content will benefit an increasing demand across-borders, including in border regions and with linguistic minorities.

Regarding other online content services partially covered by the current Regulation (such as access to music, e-books or videogames), the Report concludes that a further extension of the scope would not necessarily bring substantial benefits to consumers in terms of choice of content, as the catalogues offered are rather homogeneous (in many instances beyond 90%) among Member States. The Report also highlights potential impacts on the price of services in certain Member States.

The Commission will also continue monitoring data and evidence related to the application of the Geo-blocking Regulation and invites all stakeholders and citizens to provide feedback on the Report and the accompanying evidence, also in view of the possible long-term effects of the COVID-19 on cross-border commerce. You can send your input to the email address CNECT GBR REPORT

More information

- Commission report - Staff Working Document part 1 - part 2
- Geoblocking Regulation
- Supporting studies providing some of the data gathering and the analysis:
 - the Mystery Shopping Survey on territorial restrictions and geo-blocking in the European Digital Single Market (Ipsos et al)
 - the Study on the impacts of the extension of the scope of the regulation to audiovisual and non-audiovisual services giving access to copyright protected content (VVA et al)
 - Broocks, A., N. Duch-Brown, E. Gómez-Herrera and B. Martens (2020), Geo-blocking: A literature review and new evidence in online audio-visual services, JRC Digital Economy Working Paper 2020-01 (.pdf)

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