



## Commission proposes new e-commerce rules to help consumers and companies reap full benefit of Single Market

Brussels, 25 May 2016

**The European Commission today tabled a package of measures to allow consumers and companies to buy and sell products and services online more easily and confidently across the EU.**

Delivering on its [Digital Single Market](#) and [Single Market](#) strategies, the European Commission has presented a three-pronged plan to boost e-commerce by tackling geoblocking, making cross-border parcel delivery more affordable and efficient and promoting customer trust through better protection and enforcement.

Andrus **Ansip**, Vice-President for the Digital Single Market, said: *"All too often people are blocked from accessing the best offers when shopping online or decide not to buy cross-border because the delivery prices are too high or they are worried about how to claim their rights if something goes wrong. We want to solve the problems that are preventing consumers and businesses from fully enjoying the opportunities of buying and selling products and services online."*

Günther H. **Oettinger**, Commissioner for the Digital Economy and Society said: *"The geoblocking initiative strikes the right balance between consumers' interest to be able to shop online without borders and providing businesses with sufficient legal certainty. I am confident that our approach, taking due account of specificities of certain sectors, will give the right boost to cross-border e-commerce in the EU."*

Elżbieta **Bieńkowska**, Commissioner for Internal Market, Industry, Entrepreneurship and SMEs, added: *"Discrimination between EU consumers based on the objective to segment markets along national borders has no place in the Single Market. With clearer rules, better enforcement and more affordable cross-border parcel delivery, it will be easier for consumers and companies, especially SMEs, to make the most of the EU Single Market and the cross-border e-commerce."*

Vera **Jourová**, Commissioner for Justice, Consumers and Gender Equality, said: *"Too many people in Europe are hesitant to purchase online because they don't know their rights or think they are hard to enforce. I want consumers to buy online as confidently as they would offline. We will give teeth to consumer protection authorities to better enforce consumer rights online and crack down on fraudulent practices. Today's package is an important step to bring consumer protection up to speed with the online world and to give legal certainty to traders."*

Today's e-commerce package is composed of:

- A legislative proposal to address unjustified geoblocking and other forms of discrimination on the grounds of nationality, residence or establishment;
- A legislative proposal on cross-border parcel delivery services to increase the transparency of prices and improve regulatory oversight;
- A legislative proposal to strengthen enforcement of consumers' rights and guidance to clarify, among others, what qualifies as an unfair commercial practice in the digital world.

### **Preventing geoblocking and other forms of discrimination based on nationality or place of residence**

The Commission is proposing legislation to ensure that consumers seeking to buy products and services in another EU country, be it online or in person, are not discriminated against in terms of access to prices, sales or payment conditions, unless this is objectively justified for reasons such as VAT or certain public interest legal provisions.

When a consumer enters a shop in another EU country, the owner does not ask for the consumer's ID in order to accept a purchase or to adjust the price or conditions. But in the online world, all too often consumers are blocked from accessing offers in other countries for example by re-routing the consumer back to a country-specific website, or asking to pay with a debit or credit card from a certain country. Such discrimination has no place in the Single Market.

While the principle of non-discrimination is already established under the Services Directive and the Commission has applied it in services sectors such as car rental companies or amusement parks, companies and consumers alike will benefit from more legal certainty about which practices are allowed and which ones are not. The Regulation will provide this legal certainty and enforceability for products and services online or offline.

To avoid introducing disproportionate burden on companies, the Regulation does not impose an obligation to deliver across the EU and exempts small businesses that fall under a national VAT threshold from certain provisions.

### **Making cross-border parcel delivery more affordable and efficient**

The Regulation proposed today will increase price transparency and regulatory oversight of cross-border parcel delivery services so that consumers and retailers can benefit from affordable deliveries and convenient return options even to and from peripheral regions.

Consumers and small businesses complain that [problems with parcel delivery](#), in particular high delivery charges in cross-border shippings, prevent them from selling or buying more across the EU. Prices charged by postal operators to deliver a small parcel to another Member State are often up to 5 times higher than domestic prices, without a clear correlation to the actual costs.

The Regulation will foster competition by introducing greater price transparency. The Commission is not proposing a cap on delivery prices. Price regulation is only a means of last resort, where competition does not bring satisfactory results. The Commission will take stock of progress made in 2019 and assess if further measures are necessary.

The Regulation will give national postal regulators the data they need to monitor cross-border markets and check the affordability and cost-orientation of prices. It will also encourage competition by requiring transparent and non-discriminatory third-party access to cross-border parcel delivery services and infrastructure. The Commission will publish public listed prices of universal service providers to increase peer competition and tariff transparency.

The proposal complements self-regulatory initiatives taken by postal operators to improve the quality and convenience of cross-border parcel delivery services.

### **Increasing consumer trust in e-commerce**

The proposed revision of the Consumer Protection Cooperation Regulation will give more powers to national authorities to better enforce consumer rights. They will be able to:

- check if websites geo-block consumers or offer after-sales conditions not respecting EU rules (e.g. withdrawal rights);
- order the immediate take-down of websites hosting scams;
- request information from domain registrars and banks to detect the identity of the responsible trader.

In case of EU-wide breaches of consumer rights, the Commission will be able to coordinate common actions with national enforcement authorities to stop these practices. It will ensure a swifter protection of consumers, while saving time and resources for Member States and businesses.

The Commission is also publishing updated guidance on unfair commercial practices to respond among others to the challenges presented by the digital world. It clarifies the application of the Unfair Commercial Practices Directive. For instance, any online platform that qualifies as a "trader" and promotes or sells goods, services or digital content to consumers must make sure that its own commercial practices fully comply with EU consumer law. Platforms must state clearly that rules on unfair commercial practices do not apply to private persons selling goods, and search engines would be required to clearly distinguish paid placements from natural search results.

The revised Guidance also incorporates two sets of self-regulatory principles agreed among stakeholders: one will support comparison tools to better comply with the Directive and the other will help the enforcement of unfair commercial practices rules against misleading and unfounded environmental claims.

### **Background**

Today's e-commerce package complements [two legislative proposals on the supply of digital content and on online and other distance sales of goods](#) which the Commission proposed in December 2015, and the upcoming [VAT simplification](#) proposal planned for autumn 2016.

In parallel to the adoption of the e-commerce package, the Commission today presented updated [EU audiovisual rules and its approach to online platforms](#).

### **For more information**

[Questions and answers: Boosting e-commerce in the EU](#)

[Proposal for a Regulation on addressing unjustified geo-blocking and other forms of discrimination based on place of residence or establishment, or nationality within the Single Market](#)

[Proposal for a Regulation on cross-border parcel delivery services](#)

[Proposal for a revision of the Consumer Protection Cooperation Regulation](#)

[Guidance on the application of the Unfair Commercial Practices Directive](#)

IP/16/1887

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