EUROPEAN COMMISSION



Brussels, 30.11.2016 *C*(2016) 7774 final

Mr Erik Christensen
Chairman of the European
Affairs Committee
Folketing
Christiansborg
DK – 1240 Copenhagen
DENMARK

Dear Chair,

The Commission would like to thank the European Affairs Committee of the Folketing for its letter on the Commission's proposal for a Regulation 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 {COM(2016) 289 final}.

The proposal addresses restrictions to cross-border sales which traders apply, particularly but not exclusively, through the use of technology, and offers a targeted response to the problem of geo-blocking that is affecting more and more customers in Member States who are interested in shopping cross-border.

The Commission welcomes the Committee's broad support for the Commission initiative and would like to point out that the proposal forms part of a broader package of ambitious measures designed to create a Digital Single Market and to unlock the full potential of the Single Market, as announced in the Commission's Digital Single Market Strategy¹ and Single Market Strategy². In response to these strategies, the European Council called for swift progress in removing barriers to e-Commerce, including unjustified geo-blocking, in its conclusions of 28 June 2016³.

As regards the Committee's question regarding languages, the intention of the proposal as set out in Article 3(4) is that traders shall provide a clear justification in the language of the online interface that the customer originally sought to access. This means indeed, that under the proposal, the justification would not have to be given in additional languages.

¹ COM(2015) 192 final.

² COM(2015) 550 final.

³ EUCO 26/16

Regarding the consumer legislation applicable, this depends on the Rome I Regulation⁴ or, in the case of Denmark, the Rome Convention⁵ determining the applicable law. This means in case of business to consumer relations that one would have to look at the overall activity of a trader to determine whether he/she directed his/her business to the Member State of residence of a consumer. Article 1(5) of the proposal adds that compliance with this Regulation shall not be construed as implying that a trader directs his or her activities to that Member State.

Concerning rules for online and offline sales, it is indeed the intention of the proposal not to create generally different legal regimes for the two situations.

Finally with regard to compliance with product-related laws, this depends on where they were placed on the market by the trader. Article 4(1) of the proposal provides for a "shop like a local" concept where the goods are not delivered across borders to the customer. Rather, he has them delivered within the Member State of the trader's establishment or picks them up in that Member State. Therefore, the trader only places the product on the market as he/she has done before and not on the market of the customer's Member State. Like in the physical world, the notion of "shop like a local" includes the acceptance by the customer to be treated like the local, i.e. domestic customers in the trader's Member State.

The points made in this reply are based on the initial proposal presented by the Commission, which is currently in the legislative process involving both the European Parliament and the Council, in which the Danish government is represented.

The Commission hopes that these clarifications address the issues raised by the Committee and looks forward to continuing our political dialogue in the future.

Yours faithfully,

Frans Timmermans First Vice-President Andrus Ansip Vice-President

⁴ Regulation (EC) No. 593/2008

⁵ Convention 80/934/ECC