

EuroCommerce finds geoblocking regulation balanced but looks for further clarity for online retailers

EuroCommerce Director-General Christian Verschueren has pressed for the EU to take forward **completing the Digital Single Market** as a matter of urgency. With the Commission issuing its e-commerce package today, he underlined the importance of creating a vibrant digital market for revitalising the EU economy:

*"Europe needs to take full advantage of the opportunities digital technology and a market of 500 million consumers can offer in catching up and overtaking its global competitors. E-Commerce is already happening and growing quickly across Europe. But this growth is not matched in cross-border sales, with a few notable exceptions such as the UK retail market. The digital single market can only work if the many national barriers holding up the **single market, whether online or offline**, are overcome. That is why we are calling upon member states and the European Parliament to support the Commission's objective of pushing forward the Digital Single Market, and to take seriously the need for fully harmonised rules to allow the potential of the single market to be realised."*

EuroCommerce welcomed as a first step a proposal for more transparency in pricing of **parcel delivery** to address the excessive costs of sending parcels abroad, which act as a brake on cross-border e-commerce. We also support a proposal on **enforcement of EU consumer rules**, although with concerns over whether some of the sanctions proposed are proportionate. The set of principles on **comparison websites** is an initiative we have already endorsed, as a help to consumers seeking the best deal online.

Of direct interest to the retail and wholesale sector is the **geoblocking** proposal. This requires retailers to allow consumers unrestricted access to their websites and to sell to them regardless of where they live, but it does not require them to deliver outside their home market. EuroCommerce was pleased that the Commission had taken on board a number of its concerns and welcomed the clarification that traders selling, but not delivering cross-border, would be able to do so under the law of their home state.

Christian Verschueren concluded: *"99% of retailers are SMEs. These are the very traders who can benefit most from cross-border e-commerce. The proposal as it stands resolves a longstanding uncertainty, and makes it clear that traders are not forced to deliver everywhere or explain their business decisions. Some other areas not clarified, including questions around the acceptance of different payment methods, how to charge and administer VAT, and unintended actions that could be seen by courts as targeted marketing, could nonetheless act as a strong disincentive to SMEs selling to foreign customers. This cannot be what the Commission wanted, and we will seek to work with them, member states and the European Parliament to help build up a package that overcomes some of these difficulties – in the interests of consumers and traders."*

EuroCommerce's remaining reservations centre around whether the proposal might end up leaving consumers confused about why retailers could not deliver products. Equally, SMEs running webshops may be deterred from expanding across Europe because of the risk of facing consumer claims or other compliance obligations under differing laws in 27 other member states.

~ENDS~

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EuroCommerce

EuroCommerce is the principal European organisation representing the retail and wholesale sector. It embraces national associations in 31 countries and 5.4 million companies, both leading multinational retailers such as Carrefour, Ikea, Metro and Tesco and many small family operations. Retail and wholesale provide a link between producers and 500 million European consumers over a billion times a day. It generates 1 in 7 jobs, providing a varied career for 29 million Europeans, many of them young people. It also supports millions of further jobs throughout the supply chain, from small local suppliers to international businesses. EuroCommerce is the recognised European social partner for the retail and wholesale sector. <http://www.eurocommerce.eu>