



**Business  
Guide**

# Geo-blocking

**WHAT YOU NEED TO KNOW**

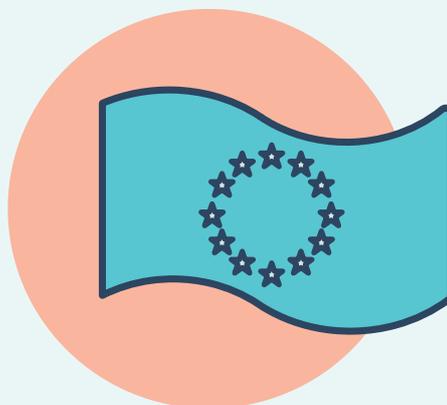


# Geo-blocking

## Who we are and what we do

The Competition and Consumer Protection Commission (CCPC) is an independent statutory body with a dual mandate to enforce competition and consumer protection law in Ireland.

The CCPC's mission is to use our statutory powers, knowledge and skills to promote competition and enhance consumer welfare. Our ultimate aim is for open and competitive markets where consumers are protected and businesses actively compete.



## What is Geo-blocking?

Geo-blocking refers to practices used by online traders to restrict online cross-border sales based on nationality, residence or place of establishment.

Geo-blocking practices include: denying access to websites from other Member States, and/or situations where access to a website is granted, but the consumer from abroad is prevented from finalising the purchase or is asked to pay with a debit or credit card from a certain country.

'Geo-discrimination' also takes place when buying goods and services off-line, e.g. when consumers are physically present at the trader's location but are either prevented from accessing a product or service, or they are offered different conditions due to their nationality or residence.

## What is the Geo-blocking Regulation?

Regulation (EU) 2018/302 ('Geo-blocking Regulation') aims to provide consumers and businesses within the EU's internal market with more opportunities. It addresses the problem of some consumers not being able to buy goods and services from traders located in a different Member State because of their nationality, place of residence or place of establishment.

The Regulation provides for an obligation to treat EU consumers in the same manner when they are in the same situation.

**This guide provides guidance in relation to business-to-consumer (B2C) transactions only and does not constitute legal advice. While we have made every effort to ensure that the information contained in this guidance document is accurate and reliable, the CCPC is not responsible for any errors or omissions, or for the results obtained from the use of this information. All traders are directed to the Regulation itself for more detailed particulars as to their obligations under these provisions.**

## In what circumstances does the Geo-blocking Regulation apply?

Article 4 of the Regulation sets out the circumstances where there can be no justified reason for Geo-blocking or other forms of discrimination based on nationality, residence or establishment.

In the following situations, consumers from another Member State must have the same access and possibility to acquire goods and services as local consumers. These situations are as follows:

### ► **Sale of goods without delivery outside the area served by the trader**

A consumer buys goods from a trader who does not deliver to the consumer's Member State. Such consumers are entitled to pick up their order from the premises where the trader offers this service to local consumers, or have their order delivered to an address where the trader offers delivery to local consumers.

#### **Example**

*An Irish consumer wants to buy a camera and finds the best deal on a German website, however it only offers delivery/pick-up points in Germany or collection at the trader's premises. The consumer is entitled to order the goods and collect them at the trader's premises or have them delivered to another address/pick-up point in Germany, just like any German consumer.*

### ► **Sale of electronically supplied services**

A consumer wants to access and buy an electronically-supplied service, e.g. cloud services, data warehousing, or website hosting, from a trader established in another Member State. Such consumers are entitled to do so in the same way as local consumers.

#### **Example**

*An Irish consumer wants to buy anti-virus software from a Spanish company. She will have access and can buy this service at the same conditions as the Spanish consumers, i.e. without having to pay a different net price (i.e. excluding VAT), compared to a Spanish consumer.*

### ► **Sale of services provided in a specific physical location**

A consumer buys a service that is supplied on the trader's premises or in a physical location where the trader operates, where the premises or the location are in another Member State than in that of the consumer. This category covers services such as concert tickets, accommodation or car hire. In this situation, the consumer is entitled to be treated in the same way as nationals/residents of the country of the trader.

#### **Example**

*An Irish family visits a French theme park and wants to take advantage of family discounted tickets. The Irish family will be able to buy the tickets in the same way as French families.*

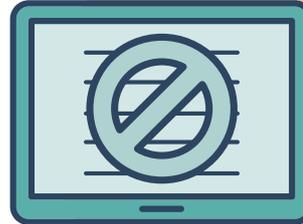
In the above cases Geo-blocking, or other forms of geographically-based differential treatment, are only possible where an EU or national legal requirement obliges the trader to block access to the goods or services offered. E.g. online services related to non-audiovisual works protected by copyright (such as e-books, video games, music and software).

## Access to websites

The Geo-blocking Regulation bans traders from blocking access to websites and re-routing without a consumer's prior consent. This also applies to non-audiovisual services that are supplied electronically, e.g. e-books, music, games and software. The Regulation also prohibits blocking access to online interfaces or re-routing based on where the means of payment was issued. This increases price transparency by allowing consumers to access different national websites.

### Example

*An Irish consumer wants to access the Italian version of an online clothing store's website. Even though she types in the URL of the Italian site, she gets redirected to the Irish site. The Regulation will require that a consumer explicitly gives consent before being redirected.. Even if the consumer gives consent to the redirection, the original version she sought to visit should remain accessible.*



## Non-discrimination in payments

While traders are free to accept whatever payment means they want, the Regulation prohibits traders from discriminating within the range of payments they accept. This covers situations where payment methods are treated differently as a result of a consumer's nationality, place of residence or place of establishment, the location of the payment account, the place of establishment of the payment services provider, or the place of issue of the payment instrument.

### Example

*An Irish trader accepts a certain brand of credit card and direct bank transfers for purchases on its website. However, the trader has refused payments made with a credit card from the same brand issued in Austria and credit transfers from Austrian banks. The Geo-blocking Regulation will now prohibit this practice.*

**Differential treatment is prohibited if the following three conditions are met:**

- Payments are made by means of electronic transactions by credit transfer, direct debit or a card-based payment instrument within the same brand and category;
- Authentication requirements are fulfilled; and
- The payments are in a currency that the trader accepts.

This provision should be understood against the background of the 2012 Single Euro Payments Area (SEPA) Regulation, which stipulates that, when shopping abroad, consumers can use their debit card to make payments in euro as they would in their home country.



# Q&As

## Does the Regulation cover both online and offline sales?

Yes, both online and offline sales are covered.

### Example

*Tickets for a theme park can be bought in advance online or on the day at the entrance. In both cases, the Geo-blocking Regulation prohibits the application of different general conditions depending on the consumer's nationality or residence.*

## What if I only sell within my own country?

The Geo-blocking Regulation does not apply to a situation where a trader only sells within a single Member State, once all of the elements relevant to the transaction are confined to that Member State. The Regulation only applies when the transaction has a cross-border element.

### Example

*An Irish consumer, resident in the country wants to buy a book from the Irish version website of a bookstore established in Ireland, that does not sell outside of the country. The Regulation does not apply in this case. There is no cross-border element.*



## Which sectors are not covered by the Geo-blocking Regulation?

- Transport services. EU transport legislation already explicitly prohibits discrimination of the type at issue here for three types of transport: air flight tickets, bus and coach transport, and waterborne transport. There are similar proposals for rail passengers' rights and obligations. However, travel packages and linked travel arrangements are covered by the Regulation.
- Financial services/Retail financial services, including payment services, are excluded from the Regulation.
- Audiovisual services, including services the principle purpose of which is the provision of access to broadcasts of sports events and which are provided on the basis of exclusive territorial licenses, are excluded from the scope of the Regulation.
- Gambling services.



## In what countries does the Geo-blocking Regulation apply?

The Regulation applies to all traders offering their goods or services to consumers in the EU, regardless of whether they are established in the EU or in a non-EU country. Traders established in non-EU countries that operate in the EU are subject to this Regulation. The Regulation applies to the provision of goods or services to EU nationals or residents in all EU Member States. As a result, non-EU nationals who have their residence in the EU will also benefit from the Regulation within the EU.



## Does the Geo-blocking Regulation impose an obligation to sell and deliver across the EU?

No. The Regulation does not impose an obligation on traders to sell or deliver across the E.U. It defines specific situations where consumers cannot be denied access to the goods or services of the trader for reasons relating to their nationality, residence or establishment.

## Does the Geo-blocking Regulation only apply to B2C situations or does it include B2B transactions?

The Regulation applies to business-to-consumer (B2C) and business-to-business (B2B) transactions. In business to business transactions the Regulation applies on the basis of general conditions of access (i.e. they are not individually negotiated) and when the transaction is for the sole purpose of end use (i.e. made without the intention to re-sell, transform, process, rent or subcontract).



### Example

*An Irish law firm is looking for a new provider for back-up and cloud storage services and has found an offer from an Estonian provider. This transaction would be covered by the Geo-blocking Regulation.*

## Does the Geo-blocking Regulation impose an obligation to set up pick-up points?

No, the Regulation does not impose an obligation on traders to set up pick-up points for their goods in other countries. However, where this option is available in the trader's general conditions of access, consumers from other Member States should be able to access it regardless of their nationality, residence or establishment.

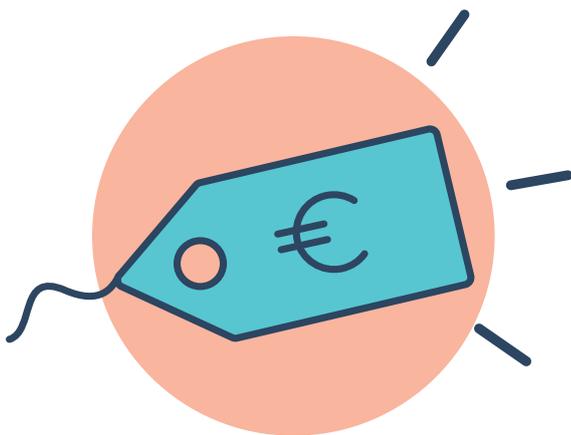
### Example

*A trader who only delivers in the UK or provides collection at pick-up points in the UK cannot be obliged to set up pick-up points in Ireland to serve Irish consumers. The latter, however, will be able to collect their goods by themselves or by designated persons/providers at UK pick-up points.*



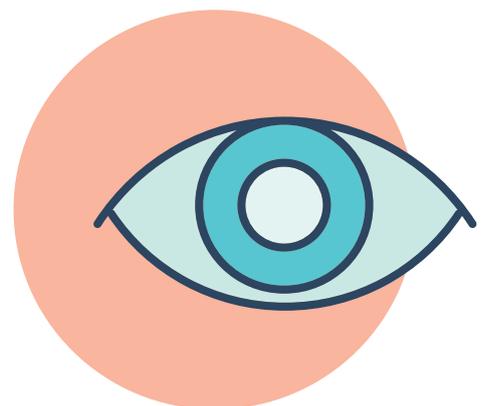
## Is it possible for traders to differentiate their offers across different points of sales or websites in the EU, including with different delivery options?

The Regulation does not affect the right of traders to freely design their prices and websites across the EU and carry their marketing activities. In the situations covered, the Regulation essentially obliges traders to treat EU consumers in the same manner when they are in the same situation (i.e. where they are willing to accept the general conditions of access, including delivery options, provided for on a given website or point of sale), regardless of their nationality, place of residence or place of establishment. Under the Regulation, traders are free to have sales, promotions or other types of price campaigns on their selected e-commerce websites, as long as they act in a non-discriminatory way.



## What bodies are responsible for dealing with the Geo-blocking Regulation?

The European Consumer Centre Ireland is the designated body responsible for providing practical assistance to consumers in the case of a dispute between a consumer and trader arising from the application of the Regulation. The CCPC is the designated body responsible for adequate and effective enforcement of B2C issues. For B2B issues, businesses should seek legal advice, as actions on all B2B matters will be addressed by the appropriate Courts.





## CONTACT DETAILS

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