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REPORT

on the implementation of the 2018 Geo-blocking Regulation in the digital single market (2023/2019(INI))

Committee on the Internal Market and Consumer Protection

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Sabine Verheyen, Committee on Culture and Education Karen Melchior, Committee on Legal Affairs

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EXPLANATORY STATEMENT - SUMMARY OF FACTS AND FINDINGS

1. Introduction.

This implementation report examines the implementation of the Geo-blocking Regulation (EU) 302/2018 (hereinafter "the Regulation") since its application on 3 December 2018. The Regulation was one of the measures of the Digital Single Market strategy adopted during the last Commission mandate 2014-2019 with a view to ensure better access conditions to goods and services for individuals and businesses.

The objective of this implementation report is to consider to what extent the Regulation has successfully contributed to the better integration of the internal market, resulting in better deals for consumers and more opportunities for business. Following the Commission's first evaluation report on its implementation, published in 2020, it is now time to plan for the next report on the evaluation of the regulation that, according to its review clause in Article 9, should be carried out and presented by the Commission in 2025.

2. Scope and objective of the Regulation .

The Regulation prohibits unjustified geographical restrictions in the sale of goods and services within the EU. It specifically addresses the problem of geo-blocking and unjustified discrimination of customers purely based on their nationality, place of residence or place of establishment, in order to facilitate access to cross-border offers within the internal market. In particular, Article 3 of the Regulation bans the blocking of access to websites and re-routing without the customer's prior consent. Article 4 of the Regulation defines specific situations when there can be no justified reason for geo-blocking and where customers from another Member State should be able to "shop-like-a-local". The Regulation does not however require traders to actively sell and deliver across borders. Article 5 of the Regulation includes a specific provision on non-discrimination as regards the range of means of payment accepted by traders.

The scope of the Regulation is aligned to the scope of the Services Directive, so that it does not apply to sectors such as audio-visual services, retail financial services, services in the field of transport or electronic communication services. In addition, Article 4 of the Regulation does not apply to non audio-visual electronically supplied services, whose main feature is the provision of access to and use of copyright protected works (such as e-books, music, games and software provided on-line). However, Article 9 lays down a review clause, setting out an obligation for the Commission to evaluate the Regulation on a regular basis, in particular by assessing its scope and whether it should also apply to electronically supplied services the main feature of which is the provision of access to and use of copyright protected works.

3. First short-term review of the Regulation .

Due to the COVID-19 crisis, the finalisation of the Commission's first review was delayed and the evaluation report published on 30 November 2020 (COM(2020)07661).

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¹ Report from the Commission to the European Parliament, the Council, the European Social and Economic Committee and the Committee of the Regions on the first short-term review of the Geo-blocking Regulation. RR\1287434EN.docx 3/33 PE749.206v02-00

The evaluation report analyses the first 18 months of implementation. It shows that there is a significant level of consumer awareness and that expectations are especially high for denial of cross-border deliveries, although this aspect is not covered by the Regulation. The report indicates some initial positive effects of the Regulation: for example, blocking access to websites or rerouting consumers to other websites has decreased. On the other hand, there have been significant delays in the empowerment of enforcement bodies by most Member States. Obstacles remain at the registration and payment stages. Improvements on these issues can be expected in the near term, notably once all the e-commerce measures of the digital-single-market strategy enter into force and legal predictability is increased. Nonetheless, further actions aimed at removal of barriers and easing burdens to provide cross-border services, especially parcel delivery services should be considered in order to realise full potential of the Single Market for consumers and businesses.

The report also considers the possible extension of the scope of the Geo-blocking Regulation, including with regard to copyright-protected content. The data presented in the report suggest that the effects of such an extension would vary by type of content, depending on the level of consumer demand and on the availability of content across the EU. As regards an extension to audio-visual content, it highlights potential benefits for consumers, notably in the availability of a wider choice of content across borders. 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.

The report is published together with a staff working document and studies² underpinning the analysis of the Commission. It does not contain specific suggestions or a concrete time-line to revise the Regulation. On audiovisual content in particular, the Commission has been engaged in a dialogue with stakeholders. The Commission will continue to monitor the impact of the Regulation on the basis of evidence collected and feedback from stakeholders, as well as implementation of DSM measures, and aimed at taking stock on progress in further reducing cross border barriers.

4. Findings.

As an important initiative of the Digital Single Market Strategy, the Regulation has now been in application for more than four years. While the 2020 Commission report showed some positive developments thanks to the implementation of the Regulation, there is still room for improvement. In the area of the Regulation's implementation, as stated by the Commission itself, there is a need for further evidence on the effectiveness, proportionality and dissuasiveness of the different enforcement measures at national level in the context of business-to-business transactions. Also, the Commission wanted to monitor closely the effectiveness of the large variation of minimum and maximum fines across and within Member States.

On the implementation so far, the Commission's findings show limited consumer awareness, but some initial positive effects. For example, blocking access/registration to websites – or rerouting consumers to other websites – has decreased. On the other hand, there have been significant delays in the empowerment of enforcement bodies by most Member States.

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² Commission staff working document and studies on Geo-blocking

Moreover, traders continue to be reluctant to offer cross-border delivery options, which is not part of the obligations currently imposed by the Regulation. Improvements on these issues should be expected in the near term, notably once all the e-commerce measures of the digital-single-market strategy enter into force and legal predictability is increased.

5. The Way forward.

On the feasibility to extend the scope of the Regulation, particularly for copyright protected content online, the data presented in the report suggest that the effects would vary by type of content, depending on the level of consumer demand and on the availability of content across the EU. For instance, the effects on consumer welfare of extending the scope of the Regulation to some services could even be negative, as prices may rise in certain Member States where these services are currently less expensive. The report identifies potential benefits, in particular for audiovisual content, the availability of which is often limited within national borders and access to which is often geo-blocked. However, the report also identifies possible challenges for investment in content production and implications for the overall sector ecosystem and welfare impact requiring further assessments. Overall, the effects of extending the scope of the Regulation would largely depend on copyright-licensing practices and on copyright-law considerations.

On audiovisual content in particular, the Commission has been engaged in a dialogue with stakeholders with a view to fostering circulation of quality content across the EU. A report on the outcomings and conclusions of this dialogue should be made public, and presented to the Parliament.

At this stage, it seems that the full effects of the Regulation will only become apparent with time, as enforcement is strengthened and other relevant (ecommerce) measures become applicable and the full impact of the Covid-19 crisis on the various sectors involved can be assessed. In the meantime, follow-up actions should focus on further monitoring and awareness-raising, while stepping up enforcement and guidance. Finally, certain shortcomings that became evident through recent years might require additional legislative action. Accordingly, another stock-taking exercise should be planned for the near future. The outcome of this monitoring will determine whether amendments to the Regulation on the extension of the scope or any other follow-up measures, including appropriate legislative intervention, are necessary to reach its full potential.

6. Rapporteur's position.

Taking the above points into account, the Rapporteur would like focus on the following main issues in this draft report.

Geo-blocking Regulation remains an essential law that strengthens the proper functioning of the Single Market. Consumers deserve to equally benefit from the availability of products and services across the entire EU. Given the limited scope of the Regulation, it might be challenging to address all the issues undermining 'shop like a local' principle. Therefore, it is necessary that the Commission and Member States analyse a broader legislative framework and potential changes that could ease access to cross-border transactions, mainly in the field of parcel delivery services. Similarly, additional action should be taken during the evaluation

to strengthen the right to 'passive sale', which in some cases is undermined by selective distribution and exclusive rights agreements. In the meantime, Member States need to fully apply and enforce the Geo-blocking Regulation without further delay, because only then a full-scale evaluation will be possible. They should also engage in greater cooperation within the CPC network.

To better understand the scope of the Regulation, more transparency and awareness raising campaigns, in particular for traders and consumers, must to be launched. The Rapporteur is concerned that still price differences exists for cross-border customers and that cross-border customers are often not able to register on websites requiring registration, or pay for the requested service with their non-national credit cards. With exception of well justified cases, consumers should not be prevented from accessing offers available in other countries.

The Rapporteur regrets that contrary to the music, e-book, video games and software products and services, limited progress has been made in the audio-visual market to increase cross-catalogue availability. While audio-visual content is not in the scope of the Regulation, a possible inclusion of the sector was explicitly mentioned in the review clause as this sector continues to be recognised by consumers as presenting the most geo-blocking barriers. Nevertheless, the Rapporteur recognises the specific environment of the creative sector, linked to licensing agreements, copyright laws and risk sharing. It would be ideal to see the organic evolution of business models that recognize new consumer expectations, similar to the music industry. However, legislative measures should be envisaged if the sector itself does not deliver appropriate changes.

A holistic approach is needed to achieve the full-intended effects of the Regulation. Online traders, in particular small and micro enterprises, still face administrative obstacles (such as VAT registration requirements) and uncertainty about the consumer protection requirements applicable to cross-border sales. These issues may therefore dissuade traders from engaging more actively in cross-border selling. Possible synergies with other measures of the Digital Single Market strategy need to be fully assessed and extended, such as the changes in the areas of value added tax (VAT) for cross-border e-commerce or cross border parcel delivery services. Furthermore, the Rapporteur calls on the Commission to provide further guidance for Member States on the application of the Regulation and its relationship with the Services Directive.

The Rapporteur believes that it is crucial that the Commission continues analysing the effects to consumer and trader behaviour triggered by the COVID-19 pandemic that have not been sufficiently reflected in the 2020 Commission report.

MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

on the implementation of the 2018 Geo-blocking Regulation in the digital single market (2023/2019(INI))

The European Parliament,

- having regard to the Treaty on the Functioning of the European Union, and in particular Article 114 thereof,
- having regard to Regulation (EU) 2018/302¹ on addressing unjustified geo-blocking and other forms of discrimination based on customers' nationality, place of residence or place of establishment within the internal market (Geo-blocking Regulation),
- having regard to Directive 2006/123/EC of 12 December 2006 on services in the internal market²,
- having regard to Directive 2009/22/EC of 23 April 2009 on injunctions for the protection of consumers' interests³,
- having regard to Directive 2010/13/EU 10 March 2010 on the coordination of certain provisions laid down by law, regulation or administrative action in Member States concerning the provision of audiovisual media services⁴ (Audiovisual Media Services Directive),
- having regard to Directive (EU) 2019/789 of 17 April 2019 laying down rules on the exercise of copyright and related rights applicable to certain online transmissions of broadcasting organisations and retransmissions of television and radio programmes⁵,
- having regard to Regulation (EU) 2017/1128 of 14 June 2017 on cross-border portability of online content services in the internal market⁶,
- having regard to Regulation (EU) 2017/2394 of 12 December 2017 on cooperation between national authorities responsible for the enforcement of consumer protection laws⁷,
- having regard to Regulation (EU) 2021/782 of 29 April 2021 on rail passengers' rights

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¹ OJ L 60 I, 2.3.2018, p. 1.

² OJ L 376, 27.12.2006, p. 36.

³ OJ L 110, 1.5.2009, p. 30.

⁴ OJ L 95, 15.4.2010, p. 1.

⁵ OJ L 130, 17.5.2019, p. 82.

⁶ OJ L 168, 30.6.2017, p. 1.

⁷ OJ L 345, 27.12.2017, p. 1. RR\1287434EN.docx

- and obligations8,
- having regard to the Commission report of 30 November 2020 entitled 'First short-term review of the Geo-blocking Regulation' (COM(2020)0766) and the accompanying staff working document (SWD(2020)0294),
- having regard to the Commission study entitled 'The impacts of the extension of the scope of the geo-blocking regulation to audiovisual and non-audiovisual services giving access to copyright protected content', published in 2020,
- having regard to the Commission study entitled 'Mystery shopping survey on territorial restrictions and geo-blocking in the European Digital Single Market', published in May 2016,
- having regard to the Commission study entitled 'Flash Eurobarometer 477 on Accessing Content Online and Cross-border Portability of Online Content Services, Cross-border Access to Content Online, and Intra-EU Calls', published in 2019,
- having regard to the Commission study entitled 'Mystery Shopping Survey on territorial restrictions and geo-blocking in the European Digital Single Market', published in June 2020,
- having regard to Rule 54 of its Rules of Procedure, as well as Article 1(1)(e) of, and
 Annex 3 to, the decision of the Conference of Presidents of 12 December 2002 on the procedure for granting authorisation to draw up own-initiative reports,
- having regard to the opinions of the Committee on Culture and Education and the Committee on Legal Affairs,
- having regard to the report of the Committee on the Internal Market and Consumer Protection (A90000/2023),
- A. whereas the Geo-blocking Regulation aims to improve access to goods and services for customers and to prevent unjustified discrimination of customers in the single market by pursuing four specific objectives, namely improving transparency for customers by enabling access to websites or apps throughout the single market, preventing unjustified differences of treatment in access to goods and services for customers throughout the single market, improving public enforcement in relation to unjustified geo-blocking and any other discrimination based on the place of residence, establishment or nationality and increasing legal certainty for business for cross-border transactions;
- B. whereas the overall aim of the Geo-blocking Regulation is to ensure that economic actors treat EU customers (including consumers and other end-users) in the same manner, regardless of their geographical location, nationality or place of residence;
- C. whereas Parliament requested that the Commission carefully assess the possible inclusion of electronically supplied services whose main feature is the provision of

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⁸ OJ L 172, 17.5.2021, p. 1. PE749.206v02-00

access to and use of copyright protected works or other protected subject matter into the scope of the Geo-blocking Regulation; whereas the Commission was bound by Article 9 of the Geo-blocking Regulation, to perform such an evaluation by 23 March 2020; whereas the Commission's report on the first short-term review of the Geo-blocking Regulation stated that, as regards audiovisual content, a European consumer has on average access to only 14% of the films available online in the EU279, recalls that access varies greatly across Member States, as consumers in Greece have only access to 1.3% of all the titles available in all EU Member States, while consumers in Germany have access to 43.1% of all film titles available in all Member States;

- D. whereas the Parliament hold a plenary debate on the evaluation of Geoblocking Regulation in March 2021 during which the Commission was called to adopt a legislative proposal to include audiovisual services in the scope of the Geoblocking Regulation; whereas during this debate the Commission announced that it will engage with stakeholders in a dialogue to identify how to foster better circulation of such content across the Union and committed that it will take stock of the progress achieved by the end of 2022 and decide on the follow-up, assessing various options, including legislative interventions;
- E. whereas the number of consumers trying to access audiovisual content offered in other Member States are rising steadily; whereas therefore, the Commission would engage in dialogue with stakeholders with a view to fostering the circulation of quality content across the EU; whereas this dialogue is included as Action 7 in the Media and Audiovisual Action Plan¹⁰; whereas the audiovisual sector, which is of crucial importance for the EU at both economic and cultural level and vital for safeguarding the EU's cultural and linguistic diversity and media pluralism reminded the utmost importance of its territorial functioning during the stakeholder's dialogue;
- F. whereas citizens living in border regions or belonging to linguistic minorities are sometimes hindered from accessing content in their native languages due to geoblocking, which may limit their access to cultural content; whereas the growth of ondemand content and the changing consumption patterns of audiovisual content may initiate a rethinking of the Union's approach to content licensing;
- G. whereas the Member States faced challenges and delays in the process of transposing the Geo-blocking Regulation;
- H. whereas the Geo-blocking Regulation must be considered in the context of the overall e-commerce package of measures and in the light of other related legislation, in particular regarding cross-border parcel delivery services, the Consumer Protection Cooperation Regulation and the Directive on Audiovisual Media Services, and reinforces its impact to boost the potential for cross-border e-commerce in Europe, as a prerequisite for the full functioning of the digital single market;
- 1. Underlines the remaining untapped potential for cross-border economic activities that

¹⁰ COM(2020)0784. RR\1287434EN.docx



⁹ COM(2020) 766 final

could be encouraged by the removal of remaining geo-blocking barriers in order to ensure the smooth functioning of the internal market and guarantee equal access of goods and services to all European citizens, regardless of their location, and the continued promotion of the free movement of products and services in line with the principles of the Geo-blocking Regulation; emphasizes the need for increased consumer awareness as many citizens are still not aware of the rules in place, resulting in reduced confidence in cross-border online shopping; calls for further actions aimed at the removal of unjustified barriers and easing burdens to provide cross-border services, to realize the full potential of the Single Market for consumers and businesses, and for improved enforcement of measures at the national level to ensure the effectiveness of the Geo-blocking Regulation;

- 2. Underlines the importance of the Geo-blocking Regulation in building a more robust, coherent, accessible and fair internal market without discriminations or any unjustified barriers for all citizens and businesses in the EU, regardless of their nationality, place of residence or establishment; stresses that further steps need to be taken to achieve the full potential of the Regulation, including by strengthening the legal framework supporting the cross-border exchange of goods and services;
- 3. Notes that the Commission published the first short-term review of the Geo-blocking Regulation' (COM(2020)0766) 7 months after the deadline set in the Regulation, recognises that this first review was conducted prior to the start of the COVID-19 pandemic, which means that changes to both consumer and trading behaviour triggered by the pandemic were therefore not reflected in the 2020 Commission report; recalls the changes in consumer habits and the rising preference for purchasing goods and services online that were additionally strengthened by the COVID-19 pandemic; acknowledges the surge in online activities, including e-commerce, digital services, and remote work, underscoring the need for a robust and inclusive digital single market that caters to these evolving consumer habits; underlines, therefore, the need to draw further conclusions based on the new data in this area, and to consider introducing complementary measures for reducing market fragmentation and unjustified barriers, also taking into account that 12 % of EU businesses¹¹ started or increased efforts to sell goods or services online due to the pandemic, and improve consumers rights and experience;, emphasizes the need for a comprehensive re-evaluation of the Geoblocking Regulation in the context of the accelerated digital transformation, including its effectiveness, taking into account the changes in consumers' and traders' behaviour triggered also by the COVID-19 pandemic;
- 4. Calls on the Member States to fully apply and enforce the Geo-blocking Regulation and to act decisively against entities that deprive consumers of all the benefits offered by the single market, also by securing proper enforcement tools and enhancing cross-border cooperation, including through a reinforced Consumer Protection Cooperation (CPC) network; urges the Commission to strengthen enforcement in order to avoid the fragmentation of the rules; calls on the Commission to facilitate this by assessing the different enforcement measures used to date by the Member States in order to determine

¹¹ Eurostat, 'Online sales efforts on the rise due to the pandemic', 11 April 2022.
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- which are most proportionate and effective and sharing this as a means of best practice, fostering a harmonized approach by the Member States;
- 5. Acknowledges the wide range of applicable minimum and maximum fines both across and within Member States; calls on the Commission to monitor more closely if such discrepancies could harm the effectiveness and harmonised application of the Regulation;
- 6. Emphasizes the need for a more robust data collection and analysis framework to better understand the impact and effectiveness of the Geo-blocking Regulation, including its effects on consumer behaviour and market dynamics; notes that the rapidly increasing digitalisation of trade in goods and services offers great opportunities to facilitate cross-border access and promote competition among different EU businesses to the benefit of consumers;
- 7. Acknowledges the need for further evidence on the effectiveness, proportionality and dissuasiveness of the different enforcement measures in the Member States in the context of business-to-business transactions; urges the Commission to conduct a comprehensive study on the impact of the Geo-blocking Regulation on business-to-business transactions, with a particular focus on small and medium-sized enterprises;
- 8. Notes that one third of all complaints received by responding competent authorities were not actually covered by the Regulation, including, among other things, copyright-protected content and insurance services, which shows that consumers perceive Geoblocking as particularly problematic in these areas; emphasizes the importance of considering the potential benefits of extending the scope of the Regulation to new areas and to introduce measures to improve awareness surrounding this Regulation and any other applicable legislation; calls on the Commission to assess whether failings in the enforcement of other applicable legislation could inadvertently give rise to complaints or issues relating to this regulation;
- 9. Notes that the blocking of access to online interfaces and rerouting were the most common grounds for complaint in most Member States; recalls that the new Consumer Protection Cooperation Regulation (EU) 2017/2394 is meant to reinforce the cooperation of the Consumer Protection Cooperation network as it provides for new procedures and reinforced mutual assistance and alert mechanisms; calls for an evaluation of the effectiveness of these new procedures and mechanisms, to step up efforts on coordination and for the development of strategies to address the most common grounds for complaint; emphasizes the need to increase efforts put in the awareness raising campaigns for both traders and consumers;
- 10. Recalls that the Geo-blocking regulation prohibits price discrimination based on the consumers nationality, place of residence or customers' place of establishment; calls on the Commission to continuously assess the impact of use of artificial intelligence, and its potential impact on customers awareness of geoblocking practices by, for example, making such practices less visible to consumers;
- 11. Recognises that certain price differences can still exist for cross-border customers, RR\1287434EN.docx 11/33 PE749.206v02-00

- which can be justified by factors such as different value added tax (VAT) rates and higher costs for cross-border delivery; believes, however, that consumers should not be blocked from accessing competitive offers made available across the single market by the same or other providers;
- 12. Acknowledges that practical, organisational and financial challenges could exist, especially for small and medium-sized enterprises, in relation to the introduction of the potential mandatory obligation for traders to deliver products to the consumer's country of residence; regrets that certain traders prohibit consumers from utilising selfcollection or self-organisation delivery methods in their terms and conditions, or refuse to ship products to transport companies specialising in cross-border parcel delivery, which conflicts with the principles of the Geo-blocking Regulation; stresses that delivery limitations in cross-border online sales still affect more than 50% of shopping attempts, frustrating consumer expectations; calls on the Commission and the Member States to take further steps to ease the access and operations of cross-border parcel delivery services; reminds that traders should not hinder third-party transport companies from enabling the cross-border delivery of products to consumers, particularly in instances where the trader does not provide such an option or when the traders prohibit self-collection at the store; calls, therefore, on the Commission to assess to which extent identifying affordable cross-border parcel delivery services is still an issue for online sellers; believes that the Commission should consider including even more explicit reference to those third party parcel delivery services in the Regulation; calls on the Commission and the Member States to take further steps to ease the access to and operations of cross-border parcel delivery services;
- 13. Acknowledges the need for further work on standardisation and interoperability and the importance to support the ongoing efforts to enhance the standardisation and overall quality of service within the realm of cross-border parcel delivery systems, and calls on the Commission to explore the further steps to support reduction of shipping costs in cross-border scenarios;
- 14. Notes the revision of the Vertical Block Exemption Regulation; calls on the Commission to ensure that selective distribution agreements and exclusive rights agreements are not abused, do not undermine the right of passive sale, limit the free flow of goods and services across national borders and do not prevent consumers from purchasing goods and services available in other Member States, and recommends a broader and more detailed analysis with a particular focus on the impact of these agreements on SMEs; in this context, calls on the Commission to properly assess the effectiveness of Article 6 of the Geoblocking Regulation on agreements on passive sales and consider potential additional measures to ensure that agreements restricting passive sales do not hamper competition, consumer choice and market diversity;
- 15. Takes note that persistent territorial supply constraints (TSCs) exist in some sectors in the EU, such as barriers imposed by private operators (suppliers) in the supply chain, which can affect retailers or wholesalers, and these may impede or limit the retailers' or wholesalers' ability to source goods in other EU countries than the one they are based in, and/or prevent them from distributing (i.e. reselling) goods to other EU countries

than the one in which they are based and that this may contribute to higher consumer prices; calls on the Commission to continue consultations with stakeholders across the Union, reiterates its call on the Commission to address the anti-competitive effect of territorial supply constraints (TSCs) with a view to achieving a fully functioning single market and its potential benefits for consumers;

- 16. Deplores the fact that some unjustified obstacles persist with regard to registration and payment methods online; recalls that these obstacles result in cross-border customers often not being able to register on websites requiring registration, or pay for the requested service without presenting data such as a local address or specific national payment method, also where it is required together with a national phone number, thus diminishing the objective of the Regulation to 'shop like a local'; calls on the Commission to cooperate with Member States and stakeholders to address these obstacles and to conduct a comprehensive analysis with the aim of proposing measures to eliminate them, in line with the principles of the Services Directive (2006/123/EC), ensuring that the principles of the Geo-blocking Regulation are fully implemented for the benefit of consumers and customers;
- 17. Recalls that, according to Article 1(5) of the Regulation, it should not affect copyright law; emphasises that Parliament requested, in line with the review clause of the Regulation, that the Commission assess whether the Regulation should also apply to electronically supplied services whose main feature is the provision of access to and use of copyright protected works or other protected subject matter, including the selling of copyright protected works or protected subject matter in an intangible form, provided that the trader has the requisite rights for the relevant territories¹²; recalls the findings of the first short-term review of the Geo-blocking Regulation stating that increased offer of audiovisual works, also in reply to unsolicited requests from individual consumers without requiring additional licenses, would foster cross-border demand for audiovisual content, ultimately boosting cultural diversity and the spreading of content to new audiences across borders, and therefore, requires further analysis;
- 18. Considers that more should be done to ensure the circulation and availability of works and programmes in the EU, including existing and new cinema and audiovisual content, thereby reflecting the richness and diversity of culture in Europe across borders; recognises in this regard the utmost importance of supporting European co-productions, dubbing or subtitling in the 24 official EU languages, and the international dissemination of works; calls on the Commission to suggest, in partnership with the industry, an initiative for ensuring that European award-winning films, such as the LUX Audience Award winners, are available across the EU;
- 19. Welcomes the progress made in terms of the cross-catalogue availability of music, e-book, video game and software products and services, both in subscription and transaction-based models; recalls that geo-blocking in the book sector does not constitute a concern for the vast majority of consumers; regrets the limited improvements regarding the cross-catalogue availability of audiovisual content and live

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¹² European Commission, 'Study on the impacts of the extension of the scope of the geo-blocking regulation to audiovisual and non-audiovisual services giving access to copyright protected content', 2020.

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- sports events, which contribute to consumers' perception that the audiovisual services sector is applying the highest level of geo-blocking; acknowledges the particular negative effect of geo-blocking practices on citizens living in cross-border regions or belonging to linguistic minorities;
- 20. Notes the popularity of different tools among consumers used to avoid geo-blocking restrictions, including tools providing access to unauthorized copyright content, especially for audiovisual content; considers it important to recognise that the steady modernisation and adaptation of the audiovisual services sector including existing business models, to new consumer expectations, also in terms of affordability, flexibility and quality of content offered, might be more effective than undermining the effective use of such tools;
- 21. Recognises that two Regulations already constitute an exception to territorial exclusivity of the audiovisual sector, namely Regulation (EU) 2017/1128 providing the portability of a subscription to an online content service across Member States, and Directive (EU) 2019/789 providing access to news and current affairs programmes and fully financed own productions of the broadcasting organisation across the European Union, believes that in particular the Portability Regulation¹³ delivered substantial benefits to consumers who expect to receive continued access to their services when they are temporarily present in another Member State; notes the Commission's Report on the application of Regulation (EU) 2017/1128 on cross-border portability of online content services in the internal market from June 2022, which elaborates that the legal fiction set out in Article 4 of that Regulation has allowed the territorial constraints of copyright and related rights to be overcome without any significant revenue loss for rightholders; asks the Commission to assess the possibility of applying a similar approach in the Geoblocking Regulation;
- 22. Welcomes that the Commission finally launched the stakeholder dialogue on the access to and the availability of audiovisual content across the EU as announced in the first short-term review of the Geo-blocking Regulation and in the Media and Audiovisual Action Plan from December 2020; recalls that the purpose of the dialogue was to establish specific measures to improve cross-border access to and availability of audiovisual content and to define specific targets in that regard; regrets that until this date, the stakeholder dialogue did not provide a clear roadmap outlining the detailed steps to improve the access to and the availability of audiovisual content across borders;
- 23. Emphasises that further actions are needed to meet consumers expectations concerning the cross-catalogue availability of and cross-border access to sports events via streaming services, such as market-led industry initiatives and partnerships to drive further and increase access to and availability of content across the EU; calls, therefore, on the Commission and the Member States to carefully assess all options that will reduce the unjustified and discriminatory geo-blocking barriers for access to audiovisual services and sports events while taking into account the potential impact on current business models and the available financing of the creative sector; points out that the

¹³ Regulation (EU) 2017/1128 of 14 June 2017 on cross-border portability of online content services in the internal market, OJ L 168, 30.6.2017, p.1.

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financing of audiovisual and cinematographic works involves very large investments; calls on the Commission to present the Parliament with the detailed outcome of its stakeholder dialogue on possibly extending the scope of the Geo-blocking Regulation to audiovisual content, including concrete steps and specific targets to improve access to and availability of audiovisual content across borders, thereby reflecting the richness and diversity of culture in Europe;

- In this context, calls on the Commission to propose tangible solutions that will allow 24. consumers, in particular citizens living in cross-border regions or belonging to linguistic minorities, legal access to varying cross-catalogue content across borders; recalls the obligation for the Commission to report on the evaluation of the Geoblocking Regulation, and recommends to accompany it with a comprehensive revision of the Geoblocking Regulation by 2025 the latest, with a particular view on an inclusion of audiovisual services in the scope of the Regulation; while acknowledging the need for further assessment of the potential impact on the overall dynamics of the audiovisual sector ensuring sustainable business models for economic operators; recommends that due to its complexity related to, among others, the diversity of content, providers, business models, consumers' preferences, licensing models and complex value chains, the Commission should consider a gradual approach, targeting specific type and distribution models of the audiovisual sector one-by-one, and gather additional evidence before further steps are taken; while assuring realistic timeframes for any potential changes that will allow providers of audiovisual services to adapt their business models properly to the new rules and ensuring the preservation of cultural diversity and quality of content;
- 25. Recalls the importance of supporting a policy of European co-productions, reflecting the richness and diversity of European culture, and the importance of strengthening the international distribution of works; calls on the Commission to fund a selection of emblematic European films to be made available online in all countries and languages via the Creative Europe MEDIA programme; calls on the Commission to fund more projects for dubbing and subtitling audiovisual works through the MEDIA programme, and to work towards improving access to cinematic heritage works; is concerned that geoblocking also occurs in regard to the audiovisual productions funded or co-funded by the EU MEDIA programme and is of the opinion that whenever EU funds are involved in the financing of audiovisual content, no EU citizen should be deprived of access to it;
- 26. Notes that online music services (streaming or on-demand) are widely available across the EU, and that most of the major music streaming services are available in all EU Member States, mirroring the increasing consumer interest in cross-border access to music; is concerned that obstacles persist for consumers when accessing music streaming services in another Member State, in particular regarding the automatic change of applicable conditions or acceptance of payment method;
- 27. Calls on the Commission and Member States to continue to harmonise relevant legislation and propose to utilise the mutual recognition principle as part of the digital single market strategy in order to reduce risks and costs for traders operating cross-

border and incentivise more traders to deliver goods or services cross-border;

- 28. Calls on the Commission to continue monitoring the market developments on customers' access to offers in the single market with particular focus on the impact of geo-blocking practices on transport, financial, health services and telecommunication, including to end the blocking of services provided by mobile network operators in border regions in the EU, and the potential benefits of their inclusion in the Regulation; emphasizes that the Commission should consider the specific characteristics and regulatory frameworks of these sectors when analysing the potential extension of the Regulation to these sectors, to ensure that any proposed changes are feasible and beneficial; urges the Commission to engage in a comprehensive consultation process with stakeholders in these sectors, as well as consumer representatives and academia, to gather insights and feedback on the potential extension of the Regulation to these services;
- 29. Calls on the Member States and the Commission to regularly update and complement the figures on complaints received by the national enforcement bodies in order to better identify possible areas of concern for consumers; stresses that, in this context, conducting regular mystery shopping exercises and a comparison with the 2015 and 2019 mystery shopping exercises could help identify persisting problems;
- 30. Urges for a full assessment of possible synergies with other measures of the digital single market strategy, such as the changes in the area of VAT for cross-border ecommerce that entered into force on 1 July 2021 and are supposed to reduce compliance costs for traders with cross-border operations and, hence, encourage more traders to deliver goods or services cross-border, and Regulation (EU) 2018/644¹⁴ on cross-border parcel delivery services that should help increase the transparency of cross-border tariffs;
- 31. Calls on the Member States to step up their efforts to fully apply the Regulation and to engage in greater cooperation within the Consumer Protection Cooperation network;
- 32. Instructs its President to forward this resolution to the Council and the Commission.

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¹⁴ Regulation (EU) 2018/644 of 18 April 2018 on cross-border parcel delivery services, OJ L 112, 2.5.2018, p.

OPINION OF THE COMMITTEE ON CULTURE AND EDUCATION

for the Committee on the Internal Market and Consumer Protection

on the implementation of the 2018 Geo-blocking Regulation in the digital single market (2023/2019(INI))

Rapporteur for opinion (*): Sabine Verheyen

(*) Associated committee – Rule 57 of the Rules of Procedure

SUGGESTIONS

The Committee on Culture and Education calls on the Committee on the Internal Market and Consumer Protection, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

- 1. Recalls the crucial importance of the film and audiovisual sector as well as other creative sectors with copyright-protected online content for the EU at both an economic and cultural level, and considers these sectors vital for safeguarding the EU's cultural and linguistic diversity and media pluralism; points out that the European film and audiovisual sector has been disrupted and suffered revenue losses as a result of the COVID-19 pandemic;
- 2. Welcomes the findings of this evaluation report, which confirms that extending the scope of the regulation to copyright-protected online content would not bring substantial benefits to consumers in terms of choice of content and would have negative consequences in terms of cost and pluralism of content offers;
- 3. Emphasises that investments in the production, distribution and exhibition of films is a high-risk enterprise and that this investment is safeguarded through the ability to secure exclusivity of the film on a territorial basis;
- 4. Notes that the film and audiovisual sector has a broad range of stakeholders that include many small and medium-sized enterprises (SMEs), encompassing a large number of highly innovative and creative independent production companies, film distribution companies and cinemas that produce, distribute and showcase a wide variety of content across the EU;
- 5. Emphasises the pragmatic and constant adaptation of the film and audiovisual sector in Europe to the cultural and economic realities of a Union comprising 27 countries, with diverse national and regional cultures, habits, market conditions and audience demand, that require tailored approaches to content development, production and distribution;

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- 6. Emphasises the key financing principles of the film and audiovisual sector, notably copyright and the indispensable territorial and exclusive allocation of licensing rights and contractual freedom, and notes that the film value chain is a closely connected ecosystem; stresses that what happens online also has an impact on what happens offline; recalls that time exclusivity and territorial exclusivity are strongly interlinked;
- 7. Stresses that the dialogue on the availability of works, initiated by the Commission within the framework of the media and audiovisual action plan, has not yet led to concrete progress; recalls the Commission's report confirming that access to the titles available in each EU Member State varies widely;
- 8. Welcomes, in this regard, the Commission's first short-term review of Regulation (EU) 2018/302¹ (the Geo-blocking Regulation) which upholds the continued exclusion of audiovisual services from the scope of the regulation;
- 9. Welcomes the Council conclusions of 30 November 2021 and 4 April 2022, which underline the importance of territorial exclusivity and exclusive licensing for the sustainability of the audiovisual sector;
- 10. Reiterates the fact that exclusive territorial licensing currently ensures the sustainable financing of films and audiovisual content, and contributes to ensuring both content and cultural diversity, pluralism, and a wide range of distribution business models, which ultimately benefit EU consumers;
- 11. Highlights the achievements of Regulation (EU) 2017/1128 on cross-border portability of online content services in the internal market², which allows subscribers to access and use online content services that are lawfully provided in their Member State of residence when they are temporarily present in another Member State, while not disturbing the value chain of audiovisual producers; recalls the role of portability in improving accessibility to film and audiovisual content when European residents travel abroad and calls for further assessment of its effectiveness and concrete application in the light of the fast evolving consumption habits and market trends in the sector;
- 12. Emphasises that the current system of territorial exclusivity in sport helps maintain content quality and supply, as well as offering sustainability to the organisers of sporting events, while ensuring the financing of grassroots sports and investment in talent promotion;
- 13. Considers that the inclusion of audiovisual services in the scope of the Geo-blocking Regulation would result in a significant loss of revenue, putting investment in new content at risk, while eroding contractual freedom and reducing cultural diversity in content production, distribution, promotion and exhibition; emphasises that such an

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¹ Regulation (EU) 2018/302 of the European Parliament and of the Council of 28 February 2018 on addressing unjustified geo-blocking and other forms of discrimination based on customers' nationality, place of residence or place of establishment within the internal market and amending Regulations (EC) No 2006/2004 and (EU) 2017/2394 and Directive 2009/22/EC (OJ L 60I, 2.3.2018, p. 1).

² Regulation (EU) 2017/1128 of the European Parliament and of the Council of 14 June 2017 on cross-border portability of online content services in the internal market (OJ L 168, 30.6.2017, p. 1). PE749.206v02-00 18/33 RR\1287434EN.docx

- inclusion would result in fewer distribution channels, ultimately driving up prices for consumers;
- 14. Stresses that territorial licensing allows distributors and cinema operators more flexibility to work together to create markets for content in their respective territories, such as through differed cinema releases while also ensuring compliance with national rules on media chronology as well as targeted marketing efforts taking into account cultural and linguistic specificities;
- 15. Highlights that recent European Audiovisual Observatory data proves the market is delivering an increasing number of European films to audiences across Europe; recognises that this surge in availability proves that the business model of territorial exclusivity ensures an abundance of films and that the continued exclusion of audiovisual services from the scope of the regulation remains fit for purpose;
- 16. Highlights that such an inclusion could trigger a chain of negative effects for the creation, financing, production, distribution, promotion and exploitation of films and audiovisual content in the mid to long term, thus potentially damaging cultural diversity and a whole value chain that relies entirely on the principle of territoriality;
- 17. Recalls that, as indicated by the Commission report of November 2020 on the first short-term review of the Geo-blocking Regulation, geo-blocking in the book sector does not constitute a concern for the vast majority of consumers, and the inclusion of ebooks in the scope of the Regulation would result in a loss of revenue, putting investment in new content at risk, while also eroding contractual freedom, reducing cultural diversity, accentuating the monopoly of the few dominant market players while pushing many SMEs out of the market, undermining alternative or independent offers and therefore bringing virtually no benefit to consumers;
- 18. Considers that the inclusion of music services in the scope of the Geo-blocking Regulation would result in a significant loss of revenue, putting investment in new content at risk, while eroding contractual freedom, reducing cultural diversity in both content production and distribution and resulting in higher prices for consumers;
- 19. Considers that such an inclusion may, in particular, lead to price harmonisation that is prejudicial to the consumers, as it may cause pricing increases in countries where territorial exclusivity enables content to be offered at a price point aligned with consumer purchasing powers;
- 20. Considers that more should be done to ensure the circulation and availability of works and programmes in the EU, including existing and new cinema and audiovisual content, thereby reflecting the richness and diversity of culture in Europe across borders; recognises in this regard the utmost importance of supporting European co-productions, dubbing or subtitling in the 24 official EU languages, and the international dissemination of works; calls on the Commission to suggest, in partnership with the industry, an initiative for ensuring that European award-winning films, such as the LUX Audience Award winners, are available across the EU, and that broader catalogue are made available on video-on-demand services across borders so as to generate further

return on investment in several domestic markets;

- 21. Calls on the Commission to initiate work on the discoverability of European works online and to examine the role, impact and transparency of recommender algorithms in the cultural sector;
- 22. Notes that providing support for subtitling and dubbing content increases not only its demand and availability in different countries, but also its accessibility; draws attention to the increase in European content that is being delivered to audiences across Europe, and calls for further investment from the Member States and the sector;
- 23. Recalls the importance of Article 7 of Directive 2010/13/EU³ (Audiovisual Media Services Directive), and stresses that the accessibility of content should be understood based on its complete scope; calls for the reinforcement of its application, including for hearing impaired and visually impaired people, ensuring access to the audiovisual content is inclusive and available to all European citizens;
- 24. Supports the fostering of European culture and diversity of content, which ultimately benefit European consumers;
- 25. Recalls the unique nature of the experiences provided by the cinema sector, and in this context the value of theatrical releases, and calls on the Member States to support the continuation of their use, while keeping up with the changing habits and consumption patterns of citizens;
- 26. Reiterates the need for investment to anticipate further market changes, foster the emergence of new formats, and strengthen the presence of diverse offers from EU companies online.

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³ Directive 2010/13/EU of the European Parliament and of the Council of 10 March 2010 on the coordination of certain provisions laid down by law, regulation or administrative action in Member States concerning the provision of audiovisual media services (Audiovisual Media Services Directive) (OJ L 95, 15.4.2010, p. 1). PE749.206v02-00 20/33 RR\1287434EN.docx

INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION

Date adopted	18.7.2023
Result of final vote	+: 23 -: 3 0: 2
Members present for the final vote	Asim Ademov, Christine Anderson, Andrea Bocskor, Ilana Cicurel, Laurence Farreng, Tomasz Frankowski, Romeo Franz, Sylvie Guillaume, Hannes Heide, Irena Joveva, Petra Kammerevert, Niyazi Kizilyürek, Predrag Fred Matić, Martina Michels, Niklas Nienass, Peter Pollák, Marcos Ros Sempere, Massimiliano Smeriglio, Michaela Šojdrová, Sabine Verheyen,
Substitutes present for the final vote	Isabella Adinolfi, Ibán García Del Blanco, Rob Rooken, Marc
Substitutes under Rule 209(7) present for the final vote	Angel Dzhambazki, Erik Marquardt

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FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

23	+
ECR	Angel Dzhambazki, Rob Rooken
ID	Christine Anderson
NI	Marc Tarabella
PPE	Asim Ademov, Isabella Adinolfi, Tomasz Frankowski, Peter Pollák, Michaela Šojdrová, Sabine Verheyen, Theodoros Zagorakis, Milan Zver
Renew	Ilana Cicurel, Laurence Farreng, Irena Joveva
S&D	Ibán García Del Blanco, Sylvie Guillaume, Hannes Heide, Predrag Fred Matić, Marcos Ros Sempere, Massimiliano Smeriglio
The Left	Niyazi Kizilyürek, Martina Michels

3	-
Verts/ALE	Romeo Franz, Erik Marquardt, Niklas Nienass

2	0
NI	Andrea Bocskor
S&D	Petra Kammerevert

Key to symbols:

+ : in favour- : against0 : abstention

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OPINION OF THE COMMITTEE ON LEGAL AFFAIRS

for the Committee on the Internal Market and Consumer Protection

on implementation of the 2018 Geo-blocking Regulation in the digital single market (2023/2019(INI))

Rapporteur for opinion: Karen Melchior

SUGGESTIONS

The Committee on Legal Affairs calls on the Committee on the Internal Market and Consumer Protection, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

- having regard to the Commission report of 30 November 2020 on the first short-term review of the Geo-blocking Regulation (COM(2020)0766),
- having regard to its resolution of 13 November 2018 on minimum standards for minorities in the EU¹,
- having regard to the European Citizens' Initiative entitled 'Minority SafePack one
 million signatures for diversity in Europe', and to the European Parliament resolution of
 17 December 2020 thereon²,
- having regard to Regulation (EU) 2018/302 of the European Parliament and of the Council of 28 February 2018 on addressing unjustified geo-blocking and other forms of discrimination based on customers' nationality, place of residence or place of establishment within the internal market and amending Regulations (EC) No 2006/2004 and (EU) 2017/2394 and Directive 2009/22/EC³ (the Geo-blocking Regulation),
- A. whereas the Geo-blocking Regulation does not address geo-blocking of digital media content; whereas the Regulation mandates a review to assess whether its scope should be expanded to electronic services whose main feature is the provision of access to and use of works or other subject matter protected by copyright and provided on the basis of exclusive territorial licences, including services for which the principle purpose is the provision of e-books, music or video games, access to broadcasts of sports events, and

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¹ OJ C 363, 28.10.2020, p. 13.

² OJ C 445, 29.10.2021, p. 70.

³ OJ L 60I , 2.3.2018, p. 1. RR\1287434EN.docx

- cinematographic services, whatever their mode of production, distribution, or transmission, as well as radio broadcasting⁴;
- B. whereas the audiovisual sector is of crucial importance for the EU at both economic and cultural level; whereas this sector is vital for safeguarding the EU's cultural and linguistic diversity and media pluralism;
- C. whereas the audiovisual sector is comprised of many highly innovative and creative independent production and distribution companies of diverse sizes, including micro-, small and medium-sized enterprises, that produce, distribute and showcase a wide variety of content; whereas in 2019, the EU audiovisual sector employed an estimate 490 000 people⁵;
- D. whereas audiovisual services and services linked to copyright-protected content or works in an intangible form, such as music streaming services and e-books, were excluded from the scope of the Geo-blocking Regulation; whereas this exclusion is subject to a review by the Commission; whereas other services such as financial, transport, healthcare and social services were also excluded;
- E. whereas exclusive territorial licencing currently ensures the sustainable financing of films and audiovisual content and contributes to ensuring both content diversity and cultural pluralism, as well as a wide range of distribution business models;
- F. whereas the Commission's review shows that European consumers only have access to a small proportion of the total content made available online in the Union; whereas the number of consumers trying to access digital media content offered in other Member States is growing rapidly and a third of citizens have expressed interest in doing so; whereas barriers to access to digital media content cannot all be solved by the Portability Regulation⁶, due to the delineated scope of the latter;
- G. whereas, in recent years, the EU has facilitated access to audiovisual content across borders by addressing certain copyright-related obstacles to the distribution of content by enacting the Portability Regulation, which allows consumers to continue accessing their paid-for subscription service when travelling in the EU, as well as with the Online Television and Radio Programmes Directive⁷, which facilitates the cross-border

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⁴ The Geo-blocking Regulation does not apply to the activities referred to in Article 2(2) of Directive 2006/123/ EC.

⁵ According to the May 2023 European Media Industry Outlook, employment in production represented 42 % of audiovisual employment, broadcasters accounted for 34 % (including on news services as well as infrastructure/technical work), cinemas 13 %, post-production 7 % and distribution 3 %. The 2011-2019 period experienced an increase in production in the EU following the rise of streaming platforms. TV employment increased by more than 25 % over the same period.

⁶ Regulation (EU) 2017/1128 of the European Parliament and of the Council of 14 June 2017 on cross-border portability of online content services in the internal market (OJ L 168, 30.6.2017, p. 1).

⁷ Directive (EU) 2019/789 of the European Parliament and of the Council of 17 April 2019 laying down rules on the exercise of copyright and related rights applicable to certain online transmissions of broadcasting organisations and retransmissions of television and radio programmes, and amending Council Directive 93/83/ EEC (OJ L 130, 17.5.2019, p. 82).

accessibility of certain television programmes on broadcasters' online services, and which has not had an appropriate evaluation to date; whereas in a report on the application of the Portability Regulation issued in June 2022, the Commission's services identified and investigated compliance issues by some video-on-demand platforms; whereas no feedback on this key investigation has been provided to Parliament, leaving the sector without information on its remaining space to manoeuvre to increase cross-border access to more content online;

- H. whereas in its resolution of 17 February 2022 on tackling non-tariff and non-tax barriers in the single market⁸, Parliament recalled that, despite the Geo-blocking Regulation, certain obstacles persist, particularly in the provision of audiovisual services and content, and that these issues manifest as reduced consumer confidence in cross-border online shopping within the digital single market;
- I. whereas the Portability Regulation allows consumers who have purchased digital media content or subscribed to digital media content services in their own EU Member State to access their content and paid subscriptions when temporarily staying in another EU Member State; whereas currently, a permanent change of residence entails the renegotiation of the provision of such services with the service provider that operates in the new country of residence, despite the consumer having lawfully acquired the right of access and use in their Member State of origin, due to geo-blocking;
- J. whereas the single market comprises an area without internal borders, based, inter alia, on the free movement of persons and services; whereas, to this end, it is necessary to ensure that citizens who have purchased digital media content in their Member State of residence can also access and use that content when they are temporarily present in another Member State, for example when on holiday, when traveling for private or professional reasons or when studying abroad;
- K. whereas citizens living in border regions or belonging to linguistic minorities are often prevented from accessing the vast majority of content in their native languages, due to geo-blocking; whereas efforts to improve the situation by public broadcasters and through the Online Television and Radio Programmes Directive only permit limited access to current affairs programmes, meaning access to and enjoyment of the vast majority of cultural content by linguistic minorities and citizens living in border regions remains heavily limited;
- L. whereas in its resolution of 13 November 2018 on minimum standards for minorities in the EU, Parliament called on the Commission and the Member States to take into account national and ethnic minorities when licensing media services and encouraged the Commission to create the necessary legal and regulatory conditions to ensure the freedom to provide access to, transmit and receive audiovisual content in regions where minorities live; whereas the 'Minority SafePack' European Citizens' Initiative proposed an amendment ensuring freedom of service and freedom of reception of audiovisual content in those regions where minorities live and called for these issues to be addressed through the development of a unitary European copyright regime that will lead to the

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⁸ OJ C 342, 6.9.2022, p. 212. RR\1287434EN.docx

abolition of licencing barriers within the Union; whereas in its resolution of 17 December 2020, Parliament expressed its support for the 'Minority SafePack' European Citizens' Initiative and welcomed the Commission's plan to engage in a dialogue with stakeholders on audiovisual content as part of its media and audiovisual action plan, on the basis of the Commission's detailed stock-taking on the Geo-blocking Regulation, and stressed the need to ensure that minority language concerns are taken into consideration in future regulations;

- M. whereas Directive 2006/123/EC excludes from its scope 'audiovisual services, including cinematographic services, whatever their mode of production, distribution and transmission'9, in compliance with Article 167 of the Treaty on the Functioning of the European Union;
- N. whereas the Commission organised a stakeholder dialogue with minority and consumer protection groups and with the audiovisual sector to discuss concrete ways to foster the circulation of and improve consumers' access to audiovisual content across the EU; whereas this dialogue showed how diverse the sector is, but no agreement was reached; whereas during the dialogue, all trade organisations from the audiovisual sector underlined the importance of territorial licencing;
- O. whereas piracy of audiovisual content, including live content, harms the audiovisual sector, including the cultural, creative and sport sectors; whereas Parliament has consistently called for a specific legislative proposal building on the Digital Services Act¹⁰ and other EU legislation to address piracy; whereas the Commission has issued a recommendation to counter online piracy; whereas, however, recommendations have a non-binding nature and, therefore, produce meagre results;
- P. whereas persistent barriers to accessing digital media content, such as price, fragmentation, geo-blocking and the unavailability of dubbing or subtitles can lead people to make use of illegal distribution methods to access content; whereas improving legal access to digital content would enhance citizen trust in digital services and ensure greater legal certainty for users and rights holders alike;
- Q. whereas the audiovisual sector's lack of action to address the long-standing issues for linguistic minorities underlines the need for a strong tailored response;
- R. whereas Article 3 of Regulation (EU) 2021/818 establishing the Creative Europe Programme (2021 to 2027)¹¹ states that one of the programme's objectives is to 'safeguard, develop and promote European cultural and linguistic diversity and heritage'; whereas the MEDIA strand of the programme seeks to improve access to

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⁹ Article 2(2)(g) of Directive 2006/123/EC of the European Parliament and of the Council of 12 December 2006 on services in the internal market (OJ L 376, 27.12.2006, p. 36).

¹⁰ Regulation (EU) 2022/2065 of the European Parliament and of the Council of 19 October 2022 on a Single Market For Digital Services and amending Directive 2000/31/EC (OJ L 277, 27.10.2022, p. 1).

¹¹ Regulation (EU) 2021/818 of the European Parliament and of the Council of 20 May 2021 establishing the Creative Europe Programme (2021 to 2027) and repealing Regulation (EU) No 1295/2013 (OJ L 189, 28.5.2021, p. 34).

- dubbing and subtitling in order to increase the distribution of European cultural programmes throughout the Union;
- S. whereas while television remains Europeans' preferred service for films and series, its role is shrinking, in particular among younger consumers, in favour of on-demand content; whereas the shrinking role of television and radio should prompt the EU to consider how it can support the creative industries faced with these changes, including potential changes to their business models, in order to ensure both the economic viability of the audiovisual sector and consumers' access to content, as well as in view of enhancing citizen trust in digital services and ensuring legal certainty; whereas the legal solutions to facilitate pan-European licensing of copyrighted content offered by the Online Television and Radio Programmes Directive are restricted to broadcasting and therefore cannot address the entire scope of content licensing and access issues in the digital environment;
- T. whereas the Commission's 2020 short-term review of the 2018 Geo-blocking Regulation highlights that expanding the Geo-blocking Regulation could trigger growth in pan-EU exclusive licencing and thus reduce unjustified geo-blocking, notably to sports events online; whereas however, the Commission review states that changes to the scope of the Regulation would need further assessment, so the review maintains the excluded status of audiovisual services;
- U. whereas geo-blocking in the book sector does not constitute a concern for the vast majority of consumers;
- 1. Stresses the crucial importance of all copyright-protected online content services for the EU, at both economic and cultural level, and considers that these services contribute to safeguarding the EU's cultural and linguistic diversity and media pluralism;
- 2. Recognises that territorial licencing will likely remain the primary model for content distribution and licencing in the short and medium term, but underlines that exceptions to this model can be justified in certain cases to improve cross-border access to and availability of audiovisual content in the EU for linguistic minorities, highlights that this entails audiovisual content licences being geographically expanded to include the nationally defined territory of the recognised linguistic minority of the neighbouring country where the same language is spoken, without calling into question the territoriality principle in general;
- 3. Calls on the Commission, in line with the Better Regulation guidelines, to rapidly create the legal and regulatory conditions to guarantee the freedom to provide digital media content services and to ensure the dissemination and reception of digital media content from regions where minorities live, so that they can watch and listen to content in their mother tongue without geo-blocking of this content if it is broadcast or provided from another country;
- 4. Highlights the benefits of the Portability Regulation, in particular for citizens residing temporarily in another Member State; calls for further assessment of the concrete implementation and effectiveness of the Portability Regulation in the light of the fast

evolving consumption habits and market trends in the sector;

- 5. Recognises that barriers to access still exist for EU citizens who decide to take advantage of freedom of movement and permanently move to another Member State; calls on the Commission to investigate ways of granting citizens access to the public media platforms of the Member State whose citizenship they hold, regardless of where they reside, starting with further dialogue with relevant stakeholders and all interested parties, including representatives of consumers, citizens and young people;
- 6. Calls on the Commission to initiate research on the discoverability of European works online in order to reflect on the role and transparency of recommender algorithms in the cultural sector and to propose courses of action, notably in terms of standardisation, metadata provision, interoperability and tools to facilitate public access;
- 7. Calls on the Commission to guarantee citizens' long-term access to the digital media content they themselves have purchased, regardless of where that content was purchased; recalls that, currently, the system of exclusive territorial licencing ensures the sustainable financing of films and audiovisual content, and is crucial to ensuring both content diversity and a wide range of distribution business models;
- 8. Recalls the importance of supporting policies to encourage European co-productions, reflecting the richness and diversity of European culture, and recalls the importance of strengthening the international distribution of works;
- 9. Calls on the Commission to work closely with telecoms operators to ensure an appropriate and accessible digital infrastructure enabling citizens to access public media platforms with the appropriate quality and speed; considers the importance of respecting the principles of privacy and data security in all measures relating to ensuring access to, and the right to use, public media platforms to be an essential factor, and urges the Commission to ensure that those principles are respected;
- 10. Calls on the Commission to propose legislation obliging commercial providers of digital media content operating in multiple Member States to allow Union citizens to purchase access to the catalogue of the Member State of their choice;
- 11. Calls on the Commission to propose legislation that ensures that the content in which digital media service providers invest is fully protected; calls on the Commission to ensure that the implementation of the Recommendation on combating online piracy of sports events and other live content is thoroughly and adequately assessed; urges the Commission to pursue legislation addressing online piracy of live content should the effects of the Recommendation be inadequate to protect the affected sectors;
- 12. Calls on the Commission, in the meantime, to implement measures obliging commercial providers of digital media content operating in multiple Member States to provide data to the Audiovisual European Observatory and the rights holders on the work they have online and on their audience to better identify the availability of works by legal means;
- 13. Calls on the Commission, under the MEDIA strand of the Creative Europe programme,



- to finance more projects for dubbing and subtitling audiovisual works, and to investigate making a variety of European productions available throughout the Union;
- Recalls that the Geo-blocking Regulation allows consumers access to online content services in other Member States if the service provider holds the rights for their territories;
- 15. Calls on the Commission to improve the monitoring of the Member States' implementation of the Geo-blocking Regulation;
- 16. Recognises the importance of the music and audiovisual sectors for the Union's economy, and highlights the involvement of an extensive number of micro-, small and medium-sized enterprises in audiovisual and music production; stresses that, when considering future legislation concerning these sectors, the Commission should ensure that all proposals safeguard their economic viability, foster cultural diversity in content production and promote investment in new content;
- 17. Considers that, when preparing legislation concerning the distribution of audiovisual content, music and e-books, the Commission should carefully consider the impact on availability and price of content.

INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION

Date adopted	24.10.2023
Result of final vote	+: 11 -: 10 0: 3
Members present for the final vote	Pascal Arimont, Geoffroy Didier, Ibán García Del Blanco, Pierre Karleskind, Gilles Lebreton, Maria-Manuel Leitão-Marques, Sabrina Pignedoli, Jiří Pospíšil, Franco Roberti, Raffaele Stancanelli, Adrián Vázquez Lázara, Axel Voss, Marion Walsmann
Substitutes present for the final vote	Alessandra Basso, Caterina Chinnici, Heidi Hautala, Antonius Manders, Catharina Rinzema, Kosma Złotowski
Substitutes under Rule 209(7) present for the final vote	Clara Aguilera, Andrus Ansip, Estrella Durá Ferrandis, Katrin Langensiepen, Anne-Sophie Pelletier

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VOTE FINAL PAR APPEL NOMINAL EN COMMISSION SAISIE POUR AVIS

11	+
ECR	Raffaele Stancanelli, Kosma Złotowski
NI	Sabrina Pignedoli
PPE	Pascal Arimont, Caterina Chinnici, Antonius Manders, Jiří Pospíšil, Axel Voss, Marion Walsmann
Renew	Andrus Ansip, Catharina Rinzema

10	-
ID	Gilles Lebreton
PPE	Geoffroy Didier
S&D	Clara Aguilera, Estrella Durá Ferrandis, Ibán García Del Blanco, Maria-Manuel Leitão-Marques, Franco Roberti
The Left	Anne-Sophie Pelletier
Verts/ALE	Heidi Hautala, Katrin Langensiepen

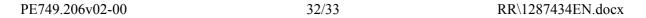
3	0
ID	Alessandra Basso
Renew	Pierre Karleskind, Adrián Vázquez Lázara

Légende des signes utilisés:

+ : pour- : contre0 : abstention

INFORMATION ON ADOPTION IN COMMITTEE RESPONSIBLE

Date adopted	25.10.2023
Result of final vote	+: 33 -: 4 0: 3
Members present for the final vote	Alex Agius Saliba, Andrus Ansip, Pablo Arias Echeverría, Laura Ballarín Cereza, Alessandra Basso, Brando Benifei, Adam Bielan, Biljana Borzan, Vlad-Marius Botoş, Anna Cavazzini, Dita Charanzová, Deirdre Clune, Maria Grapini, Svenja Hahn, Eugen Jurzyca, Arba Kokalari, Marcel Kolaja, Kateřina Konečná, Andrey Kovatchev, Maria-Manuel Leitão-Marques, Antonius Manders, Leszek Miller, Anne-Sophie Pelletier, Miroslav Radačovský, René Repasi, Christel Schaldemose, Andreas Schwab, Tomislav Sokol, Ivan Štefanec, Róża Thun und Hohenstein, Tom Vandenkendelaere, Kim Van Sparrentak, Marion Walsmann
Substitutes present for the final vote	Geoffroy Didier, Malte Gallée, Claude Gruffat, Catharina Rinzema, Dominik Tarczyński, Stéphanie Yon-Courtin
Substitutes under Rule 209(7) present for the final vote	Eric Minardi



FINAL VOTE BY ROLL CALL IN COMMITTEE RESPONSIBLE

33	+
ECR	Adam Bielan, Eugen Jurzyca, Dominik Tarczyński
NI	Miroslav Radačovský
PPE	Pablo Arias Echeverría, Deirdre Clune, Arba Kokalari, Andrey Kovatchev, Antonius Manders, Andreas Schwab, Tomislav Sokol, Ivan Štefanec, Tom Vandenkendelaere, Marion Walsmann
Renew	Andrus Ansip, Vlad-Marius Botoş, Dita Charanzová, Svenja Hahn, Catharina Rinzema, Róża Thun und Hohenstein, Stéphanie Yon-Courtin
S&D	Alex Agius Saliba, Laura Ballarín Cereza, Brando Benifei, Biljana Borzan, Maria Grapini, Maria-Manuel Leitão-Marques, Leszek Miller
Verts/ALE	Anna Cavazzini, Malte Gallée, Claude Gruffat, Marcel Kolaja, Kim Van Sparrentak

4	-
ID	Eric Minardi
PPE	Geoffroy Didier
The Left	Kateřina Konečná, Anne-Sophie Pelletier

3	0
ID	Alessandra Basso
S&D	René Repasi, Christel Schaldemose

Key to symbols:

+ : in favour- : against0 : abstention

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