



Department for
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& Industrial Strategy

Lord Henley

Parliamentary Under-Secretary of State

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Dear Bill,

RE: 9611/16: Proposal for a Regulation of the European Parliament and of the European Council on addressing geoblocking and other forms of discrimination based on customers' nationality, place of residence or place of establishment within the internal market and amending regulation (EC) No 2006/2004 and Directive 2009/22/EC

Further to Lord Prior's letter of 27 June, I am writing to update you on progress made and ask that this file be cleared by the House of Commons European Scrutiny Committee to enable the UK to vote in favour of the proposal.

As set out in previous correspondence, the proposed Geoblocking Regulation seeks to ensure that customers purchasing certain products and services across borders within the Single Market (online or in person) are not discriminated against on the basis of their nationality or place of residence. Discriminatory practices covered include differential access to prices, sales or payment conditions.

As you know, there has been significant progress in 2017 on getting this proposal agreed in trilogues, thanks, in large part, to the efforts of the Maltese and Estonian Presidencies. As highlighted in Lord Prior's letter of 27 June, the major substantial issue left to be resolved between the European Parliament and Council concerns the scope of the Regulation, specifically whether it should include non-audiovisual, digital services which provide access to copyright-protected works, such as eBooks and online music services. The European Parliament wants these

services included, whereas the Council's position was to exclude them. If these services are included in scope, the proposal would prevent a retailer holding the copyright for a particular service in several territories from distinguishing between consumers in those territories.

The Estonian Presidency is working to agree a compromise before the end of the calendar year. While the non-audiovisual scope issue is not a red line for the UK, we welcome the Estonian's efforts to secure a compromise. As set out in previous correspondence from my predecessor, our main concern is to keep audiovisual copyright services out of scope.

We will continue to play an active role in these negotiations to ensure that UK objectives are met. Based on the current momentum, it is possible that an agreement may be finalised in November.

I will, of course, keep you updated on any progress on this file.

I am copying this letter to Lord Boswell, Chair of the House of Lords European Union Committee, Les Saunders (DExEU) and Briony Thompson (BEIS).

A handwritten signature in black ink, appearing to read 'Henley', with a stylized flourish at the end.

OLIVER HENLEY