

## Press Release

Brussels, 10 May 2022

## The European Commission has published today the new <u>Vertical</u> Block Exemption Regulation ('VBER') and its Vertical Guidelines

The new rules are on the one hand narrowing the scope of the safe harbour regarding dual distribution, that is, where a supplier sells its goods or services through independent distributors but also directly to end customers, and parity obligations, that is, obligations which require a seller to offer the same or better conditions to its counter-party as those offered on third-party sales channels, such as other platforms, and/or on the seller's direct sales channels, like its website. In other words, certain aspects of dual distribution and certain types of parity obligations will no longer be exempted under the new VBER but must instead be assessed individually under Article 101 TFEU.

On the other hand, the rules are enlarging the scope regarding certain restrictions of a buyer's ability to actively approach individual customers, i.e. active sales, and certain practices relating to online sales, namely the ability to charge the same distributor different wholesale prices for products to be sold online and offline and the ability to impose different criteria for online and offline sales in selective distribution systems. These restrictions are now exempted under the new VBER, provided all other conditions for the exemption are met.

The Vertical Guidelines are providing detailed guidance on a number of topics, such as dual distribution, exchange of information, dual pricing and the very important topic of agency agreements which gave rise to two CECRA's press releases ("Non genuine agency contracts are potentially an anti-competitive practice" & "Obligations to be respected when choosing an agent contract").

The Commission believes that these new rules, which come into force on 1 June 2022 and will be valid till 31 May 2034, are simpler and clearer.

CECRA, together with all its members, has started examining thoroughly these new rules and will comment them very soon.

For more information

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CECRA, established in 1983, is the European federation bringing together national professional associations, which represent the interests of motor trade and repair businesses and European Dealer Councils. CECRA represents on a European scale 336,720 motor trade and repair businesses. Together they employ 2.9 million people.