

Procedure file

Basic information		
INI - Own-initiative procedure	2013/2043(INI)	Procedure completed
Integrated parcel delivery market for the growth of e-commerce in the EU		
Subject 2.10 Free movement of goods 2.40 Free movement of services, freedom to provide 3.20.01 Air transport and air freight 3.20.05 Road transport: passengers and freight 3.20.07 Combined transport, multimodal transport 3.20.08 Urban transport 3.30.05 Electronic and mobile communications, personal communications 3.30.09 Postal services, parcel delivery services 3.30.25 International information networks and society, internet 3.45.02 Small and medium-sized enterprises (SME), craft industries 3.45.05 Business policy, e-commerce, after-sales service, commercial distribution 4.60.06 Consumers' economic and legal interests 4.60.08 Safety of products and services, product liability 5.05 Economic growth		

Key players			
European Parliament	Committee responsible		Rapporteur
	IMCO Internal Market and Consumer Protection		Appointed
			18/12/2012
			PPE ARIAS ECHEVERRÍA Pablo
			Shadow rapporteur
			S&D SEHNALOVÁ Olga
			ALDE CREUTZMANN Jürgen
			Vers/ALE RÜHLE Heide
			ECR BIELAN Adam
			EFD SALVINI Matteo
	Committee for opinion		Rapporteur for opinion
	ECON Economic and Monetary Affairs		Appointed
	EMPL Employment and Social Affairs		The committee decided not to give an opinion.
			13/03/2013
			S&D STEINRUCK Jutta
	ENVI Environment, Public Health and Food Safety		The committee decided not to give an opinion.
	ITRE Industry, Research and Energy		The committee decided not to give an opinion.
	TRAN Transport and Tourism		21/01/2013
			PPE DANTIN Michel
	CULT Culture and Education		The committee decided not to give an opinion.
	JURI Legal Affairs		The committee decided not to give an opinion.

European Commission	LIBE Civil Liberties, Justice and Home Affairs	The committee decided not to give an opinion.
	Commission DG Financial Stability, Financial Services and Capital Markets Union	Commissioner BARNIER Michel

Key events

29/11/2012	Non-legislative basic document published	COM(2012)0698	Summary
14/03/2013	Committee referral announced in Parliament		
17/12/2013	Vote in committee		
14/01/2014	Committee report tabled for plenary	A7-0024/2014	Summary
03/02/2014	Debate in Parliament		
04/02/2014	Results of vote in Parliament		
04/02/2014	Decision by Parliament	T7-0067/2014	Summary
04/02/2014	End of procedure in Parliament		

Technical information

Procedure reference	2013/2043(INI)
Procedure type	INI - Own-initiative procedure
Procedure subtype	Initiative
Legal basis	Rules of Procedure EP 54
Other legal basis	Rules of Procedure EP 159
Stage reached in procedure	Procedure completed
Committee dossier	IMCO/7/12134

Documentation gateway

Non-legislative basic document		COM(2012)0698	29/11/2012	EC	Summary
Committee draft report		PE516.736	26/07/2013	EP	
Amendments tabled in committee		PE519.457	14/10/2013	EP	
Committee opinion	TRAN	PE514.642	06/11/2013	EP	
Committee opinion	EMPL	PE514.874	26/11/2013	EP	
Committee report tabled for plenary, single reading		A7-0024/2014	14/01/2014	EP	Summary
Text adopted by Parliament, single reading		T7-0067/2014	04/02/2014	EP	Summary
Commission response to text adopted in plenary		SP(2014)414	18/06/2014	EC	

Integrated parcel delivery market for the growth of e-commerce in the EU

PURPOSE: to launch a consultation on the integrated parcel delivery market for the growth of e-commerce in the EU (Commission Green Paper).

BACKGROUND: according to estimations, the EU parcel market was estimated to be worth 42.4 billion in 2008.

Over the last 5 years, and due to the growth of e-commerce, the business to consumer segment of the parcel and packet markets has grown rapidly. Estimates of today's volumes indicate that this segment now represents between 20 % and 40% of total volumes in more mature e-commerce markets such as the United Kingdom. In the EU-27, only 9% of EU consumers and 18% of EU retailers use cross-border e-commerce. Cross-border delivery is considered to be an obstacle by 57% of retailers¹⁰, while 46.7% of consumers declare they worry about the delivery in cross-border transactions.

The [Commission's Communication on ecommerce and online services](#) identifies the delivery of goods purchased online as one of the top five priorities to boost e-commerce by 2015 and its importance has been reiterated by the Council of the European Union and the European Parliament in its [resolution](#) of 21 September 2010. Delivery is indeed critical as it has a substantial impact on facilitating e-commerce trade and is a key element for building trust between sellers and buyers.

A more appropriate design of the delivery chain for e-commerce in the EU would also have positive implications for a number of policy areas such as cohesion, employment, innovation, environment, competitiveness of European industry to promote investment in a European delivery network which faces intense competition in the international environment.

CONTENT: this Green Paper examines how the e-commerce and delivery markets in Europe are evolving, explores what is required for the creation of a Single Market for delivery, analyses the key challenges for the different actors, and highlights the opportunities for improving the delivery process to the benefits of citizens and businesses, in particular SMEs.

Based on an analysis of the existing regulatory and institutional framework, three main issues are considered instrumental in creating an integrated EU parcel delivery market :

- (1) Convenience: greater convenience and transparency for consumers. In this context, the Green Paper focuses on the following points:
 - greater consideration from the consumers point of view through the provisions of information: (i) on delivery options and modalities; (ii) on the quality/performance of delivery (e.g. performance indicators on the speed of delivery, the geographic coverage of the delivery operator, delays, damaged or lost items; (iii) trust labels (e.g. a certificate given by an industry association that the delivery process of an operator can be trusted);
 - better service and more safeguards: the Green Paper examines the need for a new universal service obligation to address the ubiquity, affordability and quality of parcel delivery services as well as ways to reply to concerns and consumer complaints as regards deliveries.
- (2) Controlling costs: consumers and e-retailers consider generally current price levels to be too high. By contrast, operators argue that they already work with low margins and that sustainable prices are necessary to ensure their long-term economic viability. There is a need to identify solutions to limit the impact on delivery prices of crossing border and to close the existing gap between the domestic and the cross-border price, where it is not objectively justified.

Consumers often perceive the choice of delivery solutions to be very limited due to the lack of transparency of the market, and the actual state or perceived state of competition on the market. Specific ex ante regulatory solutions could be envisaged to the benefit of consumers by making delivery markets competitive on a sustainable basis.

- (3) Improving interoperability along the delivery chain: more transparency and better partnerships are required in order to address the need of e-retailers, to better understand what constitutes best logistic and delivery practices and to effectively communicate the delivery options that are available to consumers. Successful partnership within and between these two sectors will be decisive for the future of ecommerce.

The Commission services have already launched a number of demonstration actions aiming to improve the competitiveness of the transport and logistics sector in Europe, through the smart use of information technologies and connect, in particular smaller enterprises to digital transport and logistics value chains.

All interested parties are invited to submit their views in response to the consultation at the latest by 15 February 2013. As a follow up to this Green Paper and on the basis of the responses received, the Commission will identify, in spring 2013, the set of actions to be taken to complete the single market for parcels.

Integrated parcel delivery market for the growth of e-commerce in the EU

The Committee on the Internal Market and Consumer Protection adopted the own-initiative report by Pablo ARIAS ECHEVERRÍA (EPP, ES) on an integrated parcel delivery market for the growth of e-commerce in the EU.

The report noted that e-commerce is a channel with enormous potential to combat the economic and financial crisis, strengthen the single market, and create economic growth and employment across the European Union. The [Commissions communication on e-commerce and online services](#) of January 2012 identified the delivery of goods purchased online as one of the top five priorities for boosting e-commerce by 2015, and its importance has been reiterated by the Council and by Parliament. The EU e-commerce market grew by over 20% in 2012 and cross-border e-commerce in particular is predicted to multiply by a factor of four.

Integrated delivery services in Europe: a pillar for the Digital Single Market: Members recalled that the parcel delivery market is undergoing radical transformations, with new providers entering the market, investment oriented towards innovation, and new services emerging. Therefore, efficient and reliable delivery services are a critical pillar of a real and effective digital single market, having a substantial impact in

terms of facilitating e-commerce and building trust between sellers and buyers. Delivery concerns (including product returns) and high delivery costs are the top two concerns of consumers in relation to online shopping, contributing to low consumer confidence in cross-border e-commerce.

Members noted cross-border weaknesses in competition between delivery operators in some Member States and deplored the lack of transparency on the pricing conditions and performance of the services concerned.

Putting consumer interests at the heart of the delivery process: Members considered more transparency and better and more readily comparable information on available delivery options, prices and conditions to be paramount for consumers, specifically with respect to the conditions under which consumer orders are shipped and the procedures to follow in case of damage to or loss of goods or delay in their delivery or return. They emphasised that it is necessary to promote measures aimed at ensuring consumer choice at the time of purchase.

In addition, the reliability of delivery services is crucial and it is essential to offer efficient systems that guarantee that parcels effectively reach the requested destination within a reasonable timeframe.

The report pointed out that the high cost of cross-border delivery or delivery to remote areas or the outermost regions is one of the main reasons for consumer dissatisfaction. More affordable delivery options for consumers and sellers, SMEs included, are imperative to ensure a genuinely single market. Geographical coverage and accessibility to universal service for delivery of parcels in rural and remote areas should be improved.

Members stressed the importance of consumers being properly informed on the applicable legislation in this sector. They proposed the creation of a European network of national problem-solving centres like Solvit would help reassure consumers, as would an alert system like RAPEX, which could warn consumers of sites found to be using fraudulent practices.

The Commission is called upon to:

- adopt EU guidelines on minimum standards for comparison websites, structured around the core principles of transparency, impartiality, quality, information and user-friendliness;
- draw up joint delivery service quality indicators, enabling consumers to compare different offers more accurately.

Creating a level playing field for SMEs: SMEs seeking business opportunities across the EU are confronted with higher costs, greater complexity and a lack of transparency when it comes to cross-border delivery. Prices for cross-border delivery are three to five times higher than domestic prices. Effective, simple and affordable delivery systems are a key driver of the sustainability of the business models of SMEs and their ability to supply products to customers.

Towards innovative and interoperable solutions for a truly European delivery market: the report highlighted the fragmentation of the European postal sector into national networks with poor interoperability and the lack of integration of road, rail and water transport.

In this regard, it called on the Commission to:

- continue to propose measures to encourage industry to improve interoperability and accelerate the roll-out of streamlined parcel dispatch and collection processes aimed at reducing costs, increasing economies of scale for delivery operators;
- explore further the potential of developing European standards to improve integrated tracking systems and to promote the quality, reliability and sustainability of integrated logistic services applied to electronic commerce;
- create platforms for cooperation and information exchange between delivery operators in order to promptly address the existing gaps in the EU delivery market in terms of innovation, flexibility, stock management, transport, collection and return of parcels, while respecting EU competition law, and discuss the possibility of infrastructure sharing by express and postal mail services to their mutual advantage;
- work together with business towards the adoption of European standards on addressing and labelling, as well as e-commerce-friendly letter-box standards;
- improve the interoperability of call-centres dedicated to consumer complaints;
- explore the possibilities of creating a Pan-European Trustmark for e-Commerce,

Monitoring market development and improving regulatory oversight: the report noted that that any legislative measures should be carefully assessed in advance in order to avoid impairing the dynamism of the parcel delivery market which should not be hampered by over-regulation.

The Commission is called upon to:

- monitor the development of the market carefully, in order to identify any areas of potential market failure where further action may become necessary in the future;
- ensure that the existing regulatory framework is fully transposed, implemented and enforced, with particular attention to the Postal Services Directive, EU competition law, the Directive on Alternative Dispute Resolution, and the Consumer Rights Directive, in particular as regards the formal requirements for distance contracts;
- submit the promised proposal on the introduction of a uniform VAT declaration as soon as possible;

Lastly, Members stressed that an optional European contract law for contracts between undertakings and consumers would result in perceptible simplification and encourage more SMEs to send parcels internationally.

Integrated parcel delivery market for the growth of e-commerce in the EU

The European Parliament adopted a resolution on an integrated parcel delivery market for the growth of e-commerce in the EU in response to a European Commission Green Paper on the issue.

Parliament underlined that e-commerce is a channel with enormous potential to combat the economic and financial crisis, strengthen the single market, and create economic growth and employment across the European Union. The [Commissions communication on e-commerce and online services](#) of January 2012 and its December 2013 communication [A roadmap for completing the single market for parcel delivery: Build trust in delivery services and encourage online sales](#), identified the delivery of goods purchased online as one of the top five priorities for boosting e-commerce by 2015, and its importance has been reiterated by the Council and by Parliament. The EU e-commerce market grew by over 20% in 2012 and cross-border e-commerce in particular is predicted to multiply by a factor of four.

Integrated delivery services in Europe: a pillar for the Digital Single Market: Parliament recalled that the parcel delivery market is undergoing radical transformations, with new providers entering the market, investment oriented towards innovation, and new services emerging. Therefore, efficient and reliable delivery services are a critical pillar of a real and effective digital single market, having a substantial impact in terms of facilitating e-commerce and building trust between sellers and buyers.

Parliament also noted that delivery concerns (including product returns) and high delivery costs are the top two concerns of consumers in relation to online shopping, contributing to low consumer confidence in cross-border e-commerce. Parliament noted cross-border weaknesses in competition between delivery operators in some Member States and deplored the lack of transparency on the pricing conditions and performance of the services concerned.

Putting consumer interests at the heart of the delivery process: Parliament considered more transparency and better and more readily comparable information on available delivery options, prices and conditions to be paramount for consumers, specifically with respect to the conditions under which consumer orders are shipped and the procedures to follow in case of damage to or loss of goods or delay in their delivery or return. It emphasised that it is necessary to promote measures aimed at ensuring consumer choice at the time of purchase. In this regard, Parliament noted the significant gap between consumer expectations and the availability of convenient, innovative services such as relay points or parcel kiosks, or terminals, round-the-clock services available at any time, track-and-trace solutions, consumer-friendly delivery places and times, or easy return policies. It stressed that reliability of delivery services is crucial and that it is essential to offer efficient systems that guarantee that parcels effectively reach the requested destination within a reasonable timeframe.

The resolution pointed out that the high cost of cross-border delivery or delivery to remote areas or the outermost regions is one of the main reasons for consumer dissatisfaction. More affordable delivery options for consumers and sellers, SMEs included, are imperative to ensure a genuinely single market. Geographical coverage and accessibility to universal service for delivery of parcels in rural and remote areas should be improved.

Parliament also stressed the importance of consumers being properly informed on the applicable legislation in this sector. It proposed the creation of a European network of national problem-solving centres like Solvit would help reassure consumers, as would an alert system like RAPEX, which could warn consumers of sites found to be using fraudulent practices.

It called on the Commission to:

- adopt EU guidelines on minimum standards for comparison websites, structured around the core principles of transparency, impartiality, quality, information and user-friendliness;
- draw up joint delivery service quality indicators, enabling consumers to compare different offers more accurately;
- provide for a stable and coherent social dimension, where delivery services are subject to compliance with labour rights, terms of employment and remuneration.

Creating a level playing field for SMEs: Parliament emphasised that SMEs seeking business opportunities across the EU are confronted with higher costs, greater complexity and a lack of transparency when it comes to cross-border delivery. Prices for cross-border delivery are three to five times higher than domestic prices. Effective, simple and affordable delivery systems are a key driver of the sustainability of the business models of SMEs and their ability to supply products to customers.

Towards innovative and interoperable solutions for a truly European delivery market: the resolution highlighted the fragmentation of the European postal sector into national networks with poor interoperability and the lack of integration of road, rail and water transport.

In this regard, it called on the Commission to:

- continue to propose measures to encourage industry to improve interoperability and accelerate the roll-out of streamlined parcel dispatch and collection processes aimed at reducing costs, increasing economies of scale for delivery operators;
- explore further the potential of developing European standards to improve integrated tracking systems and to promote the quality, reliability and sustainability of integrated logistic services applied to electronic commerce;
- create platforms for cooperation and information exchange between delivery operators in order to promptly address the existing gaps in the EU delivery market in terms of innovation, flexibility, stock management, transport, collection and return of parcels, while respecting EU competition law, and discuss the possibility of infrastructure sharing by express and postal mail services to their mutual advantage;
- work together with business towards the adoption of European standards on addressing and labelling, as well as e-commerce-friendly letter-box standards;
- improve the interoperability of call-centres dedicated to consumer complaints;
- explore the possibilities of creating a Pan-European Trustmark for e-Commerce.

Parliament stressed that any new measures taken should be subject to EU data protection legislation.

Monitoring market development and improving regulatory oversight: the resolution noted that that any legislative measures should be carefully assessed in advance in order to avoid impairing the dynamism of the parcel delivery market which should not be hampered by over-regulation.

It called on the Commission to:

- monitor the development of the market carefully, in order to identify any areas of potential market failure where further action may become necessary in the future;
- ensure that the existing regulatory framework is fully transposed, implemented and enforced, with particular attention to the Postal Services Directive, EU competition law, the Directive on Alternative Dispute Resolution, and the Consumer Rights Directive, in particular as regards the formal requirements for distance contracts;
- submit the promised proposal on the introduction of a uniform VAT declaration as soon as possible.

Lastly, Parliament stressed that an optional European contract law for contracts between undertakings and consumers would result in perceptible simplification and encourage more SMEs to send parcels internationally. It therefore called on the Member States to pursue the current negotiations concerning the European Sales Law in a constructive spirit.