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Questions: improving interoperability - interconnection

17) Better interconnection:

- a) Could logistics platforms⁶⁷ for groups of operators better meet the needs of e-retailers? If yes, how?
- b) Could an industry task force⁶⁸ contribute to promoting innovation and increasing the use of new technologies to facilitate greater level of interconnection? If so, how?
- c) Should the processes used to return goods (both domestically and cross border) be improved? If so, how?
- d) Are interoperability requirements and the promotion of new technologies difficult for SMEs operating in the delivery chain? What actions could help mitigate such difficulties?
- e) What are (if any) the main three actions which could improve interoperability across EU borders for moving goods ordered on line⁶⁹? What could be done to improve the situation in the short term, what initiatives could be taken in the medium to long term? Also what needs to be done to improve interoperability at the international level?

6. Governance for an integrated European parcel delivery market

The future landscape of European e-commerce will be shaped notably by the delivery capacities and networks which will be put in place in the near future. These changes and their impact on the e-commerce sector need to be monitored, and efforts to promote an efficient and sustainable European delivery environment for e-commerce orders should be coordinated.

Action 2: Improve information for e-retailers on the delivery services available to them

While taking into account potential synergies with existing structures and related initiatives such as e.g. the eFreight initiative of the Commission²¹,

Delivery operators and e-retailers should (jointly):

- develop a shared definition of basic concepts and features of delivery services that are based on consumer needs rather than on logistical processes. This could cover areas such as parcel dimensions (size, weight), period of delivery (speed), or additional services offered (e.g. in terms of tracking, insurance cover, etc.), and would help both e-retailers and consumers to compare offers and make informed choices.
- ensure better access to information for e-retailers at national and cross-border level. Information shall include: delivery solutions available in EU Member States in terms of delivery periods (speed), tariffs, return features, general conditions of access to these services, etc.). It should include the services provided by all relevant operators, including alternative delivery operators, consolidators, parcel brokers and other intermediaries, etc. This objective could be achieved inter alia by:
 - web comparison tools (on prices and/or service features);
 - platforms (web portals), providing e-retailers with access to publicly available information, featuring a minimum set of data and information as identified above.

Presentation tools should be open and available to all e-retailers, and any delivery operator or intermediary should be allowed to present its services through this tool based on non-discriminatory access conditions. These tools should take the consumer dimension into account.

Towards innovative, interoperable solutions for a truly European delivery market

The rapporteur is of the opinion that in order to respond to the needs of consumers and businesses alike, it is vital to encourage the development of interoperable and cost effective solutions. Logistics operators and delivery service providers must be encouraged to accelerate the roll-out of existing innovative solutions and the development of new ones. Whilst respecting the principles of competition policy, the Commission should encourage industry to cooperate in putting forward a catalogue of measures to boost the development of a truly integrated European delivery market based on more streamlined, efficient processes that help reduce cost and increase quality. This catalogue of measures should cover the following aspects:

- track-and-trace: facilitate industry collaboration on cross-border integrated tracking systems
- easy collection and return solutions, especially cross-border
- labelling
- interoperability of call centres for consumer complaints
- information platform on available delivery services to increase transparency for SMEs and consumers

2.2. Affordable high-quality cross-border parcel delivery

Affordable, high-quality cross-border delivery services can build consumer trust in cross-border online sales. Stakeholders complain about a lack of transparency, the excessive costs of small shipments and the lack of inter-operability between the different operators typically involved in a cross-border shipment and the resulting lack of convenience for the final consumer.

- For companies that currently do not sell online but are trying to do so, 62% say the fact that delivery costs are too high is a problem.
- Listed tariffs for cross-border parcel delivery charged by national postal operators are estimated to be two to five times higher than domestic prices.

The high prices and inefficiency of parcel delivery should not be an obstacle to cross-border online commerce. A self-regulation exercise by industry will report to the Commission in June 2015. This exercise is concentrated on quality and interoperability aspects like "track and trace" and faster delivery of parcels but does not cover the price dimension or regulatory oversight. The Commission will assess action taken by industry and launch complementary measures to improve price transparency for European deliveries, including for prices of small shipments, and to enhance regulatory oversight of the cross-border parcel markets to ensure

² COM(2011) 635, 2011/0284/COD

³ Regulation (EC) No 2006/2004

well-functioning cross-border delivery. The Commission will assess the need for additional measures after a period of two years from adoption of these measures, taking due account of progress made.

The Commission will launch measures in the first half of 2016 to improve price transparency and enhance regulatory oversight of parcel delivery.

Preliminary conclusions

1. Information platform on delivery services

Need?	There is a need for more neutral and transparent information on service availability, pricing and service levels to support decision making at SME e-retailers using transportation services for national and cross-border trading. Existing query tools are either superficial or limited to specific parcel operators, destinations, or product types.
Target group?	Small e-retailers, retailers planning to become e-retailers, SME e-retailers who are confronted with demand from abroad or expand to markets abroad. Most e-retailers unlikely to use information platform themselves but prefer advice on logistics from agents/intermediaries. Neutral platforms could improve services & expand EU coverage of such agents.
Existing initiatives?	No single, open access capability has been found that supports SMEs on services across all of the EU. Services by intermediaries accessible only by members, and only in some MS. In some MS: free online tools for calculating shipping cost.
Stakeholders?	Delivery companies (source), e-commerce and SME associations, intermediaries, consumer protection groups, public administrations (EU, Member States).
Valuable content?	Delivery: "Which (cross-border) shipment arrangements are on offer?": Suppliers in all MS, types of products/services, terms and conditions, all origins/all destinations for delivery/returns, transit times, insurance list prices, currencies accepted, restricted goods, tracking capabilities etc. Possibly add list prices.
Technically feasible?	Necessary technologies for provision, management, querying and presentation of data sets exist. The data required are available but are not open or cross comparable.
Key issues?	No sustainable business model to date, high cost to compile data about services, lack of standard definitions, high industry fragmentation. Closed data sets/proprietary APIs. Data availability appears as the most important challenge.
Study position	Study considers three options: <ol style="list-style-type: none"> 1) Establish transparency requirements for standardised information from all delivery operators ("open data"). Expect market to compile data sets and develop/market applications and services to shippers. 2) Website with a basic price calculator. 3) Development of a comprehensive information platform for all Member States, organised and funded by Commission. #1 (open data) most relevant option. Options might be also seen as modules that can be realised step-by-step if an option proves to be insufficient (start with lightest option #1).

Preliminary conclusions

2. E-commerce scoreboard on delivery and price performance

Need?	Scoreboards provide analysis of the performance of some aspect or a market or process environment. Useful for politics to monitor market performance. In addition, SME e-retailers could be given more information on export e-commerce markets in the EU.
Target group?	Policy makers and public affairs community. E-retailers that want information on export markets.
Existing initiatives?	Various sector, national, EU and third party reporting on e-commerce and delivery markets. Authors include associations, consultants, administrations etc. Incomplete and comparable only at highest levels due to differing standards and purposes.
Stakeholders?	NRAs and other administrations (EU + MS level), delivery companies, associations, intermediaries, consumer protection groups, trust mark providers, national statistical offices, Eurostat, international statistics (UN, WTO, IMF...) etc
Valuable content?	E-retailers: „How feasible is it to become a successful e-retailer in this country?“. Politics: “How well does e-commerce market in EU MS perform?” Scoreboard could serve both purposes in order to ensure relevance to market players. Content could include: general e-commerce market data, relevant payment services, goods sold most online, relevant marketplaces, usual conventions of delivery, (PoD/IoD), proficiency and quality level of delivery services, typical/average performance levels of delivery companies, typical return rates, product categories, volume of shipment, indications for average price level, typical/average transit times reported complaints, develop an “overall e-commerce score” for each Member State.
Technically feasible?	Necessary technologies for provision, management, querying and presentation of all the data sets above data exist. Some data sets required are available but are not open or cross comparable, and not available for all MS.
Key issues?	Lack of standard definitions and descriptions for the data elements. High industry fragmentation, closed data sets. Variable data availability from suppliers, e-commerce associations, NRAs, statistical offices, research institutes etc.
Study position	Any such capability would be ideally a EU managed project to ensure quality of data, participation of stakeholders, compliance, fairness and transparency. Scoreboard should be updated regularly (annually or bi-annually). Ensure sector participation, e.g. cooperate with associations.



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