



*European Economic and Social Committee*

**INT/727**  
**Parcel delivery**

Brussels, 10 July 2014

**OPINION**

of the  
European Economic and Social Committee  
on the

**Communication from the Commission – A roadmap for completing the single market for parcel  
delivery:**

**Build trust in delivery services and encourage online sales**

COM(2013) 886 final

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Rapporteur: **Daniela Rondinelli**

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On 16 December 2013, the European Commission decided to consult the European Economic and Social Committee, under Article 304 of the Treaty on the Functioning of the European Union, on the

*Communication from the Commission – A roadmap for completing the single market for parcel delivery – Build trust in delivery services and encourage online sales*  
COM(2013) 886 final.

The Section for the Single Market, Production and Consumption, which was responsible for preparing the Committee's work on the subject, adopted its opinion on 23 June 2014.

At its 500th plenary session, held on 9 and 10 July 2014 (meeting of 10 July), the European Economic and Social Committee adopted the following opinion by 107 votes to 2 with 6 abstentions.

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## **1. Conclusions and recommendations**

- 1.1 The European Economic and Social Committee (EESC) welcomes the roadmap for completing the single market in delivery of products sold online, which has great potential for growth and jobs. Efficient, reliable delivery services constitute an essential pillar for promoting e-commerce and strengthening trust between sellers and purchasers.
- 1.2 In the EESC's view, completing the single market in delivery services and closing the significant gap between expectations, protection and actual availability requires: shared responsibilities, tracking and tracing, and interoperability; access to the widest possible choice throughout the EU including the island territories; certainty of rights and responsibilities of those involved – particularly SMEs and consumers – especially as regards complaints and returns; simple and comparable data collection; and a strong social and educational dimension.
- 1.3 The EESC reiterates<sup>1</sup> that this objective ought to be based not just on voluntary agreements and codes, desirable though these are, but also on a minimum European regulatory framework, which can respond efficiently and in a flexible way to the unresolved shortcomings in the market which discourage consumers and SMEs to buy e-commerce, and can resolve the problems relating to:
- shared responsibility of operators along the entire online supply chain;
  - traceability of deliveries;
  - explicit compliance with the European rules on protection of personal data;

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<sup>1</sup> [OJ C 161, 6.6.2013, p. 60.](#)

- a clear choice between several delivery options;
- common definitions of concepts and full interoperability;
- access to a universal service at an affordable cost;
- collection of comparable and broken down statistical data, simplified for smaller operators;
- a requirement for uniform application of VAT procedures;
- mutual cross-border acceptance of network systems of the national problem solving centres and ODR/ADR systems<sup>2</sup>;
- the obligation to guarantee fair working conditions;
- transparency regarding the conditions and pricing of the service;
- continuing vocational training of staff;
- penalties for non-compliance with requirements relating to the RAPEX-IMI alert system<sup>3</sup>;
- creation of a European trust mark based on technical and regulatory standards, to be tasked to the CEN<sup>4</sup>, setting quality indicators;
- measures favouring small and medium-sized enterprises in terms of simplifying access to the market and to web platforms on a level playing field.

1.4 The EESC calls for the roadmap to give clear timescales and a set timetable for implementation, both of legislation and of self-regulation, to optimise levels of confidence amongst all the relevant stakeholders and, in particular, the European public, whilst fully respecting and protecting their reciprocal rights.

1.5 The EESC calls for the roadmap to provide for two additional measures: one on accessibility of the service at an affordable cost and another on the social dimension of the market.

1.6 The EESC recommends to the Commission, the EP and the Council that:

- a European regulatory framework should enable all operators in the sector to access the delivery market and ensure that particular attention be given to the issues surrounding universal service at an affordable cost, especially as regards remote, mountain, island and disadvantaged areas;
- the lack of a detailed, comparable statistical framework on the chain from the online order to the cross-border delivery of products be addressed with simplified procedures in accordance with the "one size fits all" principle;

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<sup>2</sup> ODR: online dispute resolution; ADR: alternative dispute resolution directive.

<sup>3</sup> IMI: Internal Market Information System.

<sup>4</sup> European Committee for Standardisation.

- an open, common architecture be created based on shared definitions with the agreement of all stakeholders, especially SMEs, for the interoperable management of interactive, user-friendly web platforms, under the supervision of the European Commission (EC);
- clear guidance be given on EU financial instruments relating to: technological research and innovation; the environment and climate, energy and transport; new professions and training; cohesion, territory and small businesses;
- sufficient support be given to SMEs in implementing the roadmap by putting in place tangible measures and appropriate funding to promote their participation in e-commerce on a level playing field;
- in the spirit of the Small Business Act, work be done on regulations that address the issues faced by SMEs throughout the transport and logistics sector, with input from their representative bodies;
- a mandate be given to the CEN, as a matter of the utmost urgency, to draw up standards for quality indicators for a European security and quality mark for delivery services. This would ensure quality and reliability, sustainability and social and security guarantees;
- a sound, consistent social dimension be put in place that can guarantee broad European social dialogue; access to appropriate vocational training measures; decent pay and working conditions; and the elimination of insecure and undeclared work, which is particularly prevalent in outsourced "last mile" tasks.

1.7 The EESC calls on the EC to present – with the support of EUROFOUND – a biennial report on employment and working conditions in the sector, on the conditions for consumers and operators along the entire chain, and their prospects for development, to be submitted to the EESC, the Parliament (EP), the Council and the social partners.

## 2. **From the Green Paper to the roadmap**

2.1 In Europe, e-commerce is a potential driver of economic growth and rising employment estimated at over 10% between 2013 and 2016<sup>5</sup>. 45% of EU citizens have made online purchases in the last 12 months and have confirmed that the majority of problems arose from deliveries or delays in delivery<sup>6</sup>.

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<sup>5</sup> MEMO-13-1151, EC.

<sup>6</sup> *Special Eurobarometer 398 Internal Market survey* – October 2013.

- 2.2 The EC has identified<sup>7</sup> the "main obstacles to the Digital Single Market and [...] an action plan to remove them", but "10% of people [...] do not buy online<sup>8</sup> because they are concerned about the cost of delivery services, in particular cross-border delivery, and about service quality".
- 2.3 In its opinion on the Green Paper<sup>9</sup>, the EESC asked for a directive to be drawn up to define a joint regime for online sellers, tracking and tracing of deliveries, the obligation to offer a choice of delivery options, a European network of national problem solving centres, the obligation to provide fair working conditions, and transparency regarding conditions and prices.
- 2.4 Following the debate on the Green Paper, the communication on the roadmap for completing the single market in parcel delivery for online sales was published in December 2013<sup>10</sup>.
- 2.5 According to recent worldwide surveys<sup>11</sup>, the most difficult issues affecting the development of business-to-consumer (B2C) e-commerce are:
- the impossibility of immediately knowing the delivery options and having certainty of the total cost of the online purchase;
  - the lack of updates on the status of packages and their traceability;
  - long delivery times and/or a lack of specification/flexibility of delivery times;
  - the management of returns and exchanges, which is complicated and expensive;
  - deficiencies in customer service involving real-time contact with a person.
- 2.6 The EC states that there is still a lack of "relevant market data on domestic and cross-border parcel flows from all postal service providers active on the B2C and B2B parcel markets, including intermediaries, consolidators and alternative operators"<sup>12</sup>.
- 2.7 Various studies confirm that "the potential for anticompetitive behaviour appears higher is [sic] some segments of the postal sector than in others so that particular regulatory vigilance may be more appropriate in, for example, [...] business to consumer (B2C) markets compared to business to business services (B2B); cross-border services compared [to] domestic postal services"<sup>13</sup>.

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<sup>7</sup> COM(2011) 942 final, 11.1.2012.

<sup>8</sup> Eurostat, Household survey 2009.

<sup>9</sup> [OJ C 161, 6.6.2013, p.60.](#)

<sup>10</sup> COM(2013) 886 final.

<sup>11</sup> UPS worldwide study, *Pulse of the Online Shopper*, 2013.

<sup>12</sup> COM(2013) 886 final.

<sup>13</sup> WIK Consult Final Report 8/2013.

2.8 The EESC is pleased that a significant proportion of the problems raised in its opinion on the Green Paper have been taken up. The Council<sup>14</sup> and the EP<sup>15</sup>, too, have called upon the Commission to identify the current barriers to cross-border parcel delivery services and to adopt appropriate measures to address them, and the European Parliament has also called<sup>16</sup> for accessible, affordable, efficient, and high-quality delivery services and for platforms for cooperation and information exchange between delivery operators with rapid, low-cost dispute and complaint handling.

### 3. General comments

3.1 The EESC considers important to restore SMEs' and online consumers' trust with interoperable networks and systems for rapid, low-cost management systems within an appropriate framework of regulation and self-regulation accepted by all operators in the chain to have a free and open internal market, avoiding any unnecessary overregulation. Therefore it calls for the roadmap to be implemented within a clear timescale according to a set timetable of 18-months foreseen.

3.2 The EESC considers that the EU should complete the single market in parcel delivery in such a way as to ensure speed, quality, reliability and affordability for consumers, workers and all operators, including SMEs in the e-commerce, transport and logistics sectors, thus putting right the current deficiencies and anomalies in the single market.

3.3 However, the EESC expected that the Communication would also make specific reference to the situation of geographically challenged regions such as islands, outermost regions and mountains, since the Committee understands that these regions pose specific challenges difficult to overcome, particularly due to economic feasibilities: a truly complete single market for parcel delivery can be achieved only if these regions are given due consideration and action is taken accordingly.

3.4 The EESC considers that, in essence, the framework of the actions proposed is based exclusively on voluntary self-regulation, on the rules governing national postal services, on the action of the European Regulators Group of Postal Services and on principles of proper implementation of existing European law without setting out a unified framework for all operators and without stipulating precise deadlines within the specified 18 months.

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<sup>14</sup> Competitiveness Council – conclusions on governance of the single market and the digital single market, 30.5.2012.

<sup>15</sup> EP resolutions 4.2.2014 [2013/2043\(INI\)](#), 11.12.2012 and 4.7.2013.

<sup>16</sup> EP resolution dated 4.2.2014.

- 3.5 The EESC notes that the roadmap does not yet make provision, alongside self-regulation processes, for the need for **a directive** – already requested by the EESC<sup>17</sup> – that could **fully, consistently and completely** meet the requirements of completing the single market in cross-border parcel delivery for all operators in the sector.
- 3.6 The EESC considers that the EU must provide a European solution in the form of promoting self-regulation and regulation to address unresolved problems in the market and to protect consumers and SMEs (B2B) relating to:
- **joint and several responsibility of all operators along the online supply chain** towards purchasers;
  - a requirement for **full traceability of deliveries**;
  - explicit compliance with rules on security and on **protection of personal data** in accordance with Directive 95/46/EC;
  - the obligation to offer consumers the choice of **several delivery options**;
  - the obligation to have common definitions of concepts and full **interoperability**;
  - the requirement to provide a **universal service at an affordable cost to all free market operators**, taking into account the relevant laws, including the Postal Directives and other relevant EU laws;
  - collection of comparable and broken down **statistical data**;
  - a requirement for uniform application of VAT procedures;
  - **mutual cross-border acceptance** of network systems of the national problem solving centres and ODR/ADR systems;
  - the obligation to guarantee **fair working conditions**;
  - an obligation for **transparency regarding the conditions and pricing of the service**;
  - obligation for continuous **vocational training** of staff to ensure **professionalism** when faced with new technology being introduced into the sector;
  - **penalties** for non-compliance with obligations detected via a RAPEX-IMI alert system, and penalties based on quality indicators;
  - **measures to help SMEs** in terms of cutting red tape and of market access and participation in the joint creation of shared applications, new technologies, and web portals and platforms.
- 3.7 Although the proposals refer to compatibility with the 2014-2020 EU financial framework, the EESC considers that the roadmap cannot omit explicit guidance on **relevant EU financial instruments** for:

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See [footnote 1](#).

- technological R&I (Horizon 2020, the Galileo and ISA programmes and the Digital Agenda) for interoperability, traceability and security;
- environment and climate, energy and transport (seventh environment action programme, the 2030 Energy and Climate Framework, and the *EU Transport GHG: Routes to 2050 II* programme) with regard to the impact of the last mile;
- SMEs: with EIB support for innovative businesses, the COSME programme and all the European resources available for competitiveness on an equal footing with other operators;
- territorial cohesion: (new structural funds programming period 2014-2030 and support for island, rural and outermost regions);
- employment and training (*Agenda for new skills and jobs*; the European Consumer Agenda – Boosting confidence and growth; Erasmus Plus 2014-2020; Education and Training).

3.8 The EESC recommends that the EC proceed with mandating the CEN to draw up European technical and regulatory standards with the full involvement of all interested parties, particularly SMEs and consumers. It also considers that **indicators for a European security and quality mark** for delivery services should be drawn up so as to ensure quality and reliability, sustainability and social and security guarantees.

#### 4. **Specific comments**

4.1 The EESC sees the need to provide for two further actions in relation to guaranteeing accessibility and to the social dimension of the market.

##### 4.1.1 **Action – Affordable market access and availability**

4.1.1.1 The EESC requests that the award of the quality mark should include a requirement to guarantee affordable market access and availability in all of the EU. The EESC is disappointed to see that the peripheral areas and islands have not been given specific consideration and therefore expects the new regulation to cover the target of geographic vulnerability in the e-commerce market because a substantial percentage of European citizens lives in these areas.

4.1.1.2 The EESC considers that **all operators** should be given full access to information bodies and resources used in supplying parcel delivery services to protect the interests of users and/or to promote effective competition.



4.1.1.3 The EESC asks that the Commission review the *1998 Notice* on the application of competition rules to the sector in the light of regulatory and market developments that affect cross-border services and standard costs, towards more liberal and cost-oriented policies<sup>18</sup>, in accordance with the provisions of Protocol No 26 appended to the Treaty of Lisbon, particularly with regard to universal access to and affordability of services of general economic interest.

#### 4.1.2 **Action – The social dimension of the market**

4.1.2.1 The EESC calls for a sound and consistent social dimension that is capable, in combination with the innovation efforts made by the industry, of providing high quality skilled jobs, not least by ensuring access to suitable opportunities for basic and further training.

4.1.2.2 The EESC reiterates the need for fair and decent pay and working conditions so as to eliminate insecure and undeclared work, particularly in outsourced "last mile" tasks. It stresses the terms of Regulation (EU) 1071/2009 on access to the profession, of Decision 2009/992/EU and of Regulation (EU) no 1213/2010, which establish a definition of "employment relationship" that enables action to be taken against bogus self-employment, as recalled in a recent EESC opinion<sup>19</sup>.

4.1.2.3 The Committee recommends the establishment of an enlarged sectoral European social dialogue involving the representative social partners of the sectors involved in the entire chain of online sales and parcel delivery (commercial, postal, transport and logistics) to deal with issues relating to employment and working conditions, the prospects for development, innovation, and optimisation of human resources.

4.1.2.4 The EC should draw up, with the support of EUROFOUND, a biennial report on employment and working conditions in the sector and the prospects for development, to be submitted to the EESC, the EP, the Council and the social partners.

#### 4.2 **Action 1: Information for consumers on the characteristics and costs of delivery and return**

4.2.1 The EESC considers that voluntary codes of conduct and the sharing of best practices are complementary avenues that can be pursued at EU level only if they are drawn up and accepted by all the parties involved in the e-retailing market and within the context of an EU regulatory framework governing all the issues raised by the cross-border delivery of online products so as to protect consumers, small operators and SMEs on an equal footing and without placing unsustainable burdens on them.

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<sup>18</sup> Common position EU & US in the Doha Round – WTO, 2006.

<sup>19</sup> [OJ C 161, 6.6.2013, p. 14.](#)

#### **4.3 Action 2: Information for e-retailers on delivery services**

- 4.3.1 The drafting of joint definitions of basic service concepts by delivery operators and online retailers without consumer and SME representatives risks overlooking important points for consumer choice and limiting the range of possible options.
- 4.3.2 The EESC asks that, jointly with all interested parties, a shared open interactive architecture following the example of the e-freight project<sup>20</sup> be established.
- 4.3.3 The Committee asks the Commission to make sure that the proper management of the web platforms is monitored on the basis of objective, predefined consumer-friendly criteria as part of the regulatory framework requested by the EESC.

#### **4.4 Action 3: Transparency of delivery markets, integrated services and quality standards**

- 4.4.1 The lack of a detailed, comparable statistical framework on the chain of transactions and interested parties from the online order to the cross-border delivery of products should be addressed by means of the acquisition by customs, postal and tax authorities and by the commercial sector of relevant, homogeneous and comparable data on cross-border flows of parcels amongst all service providers in the market place, on universal service provision, on returns and the makeup of complaints.
- 4.4.2 The collection of data should take place in accordance with the "one size fits all" principle without bureaucratic burdens and duplication. The EC should examine the appropriateness and costs of fixed-fee, low cost insurance for transnational deliveries connected with the award of a European quality mark.

#### **4.5 Action 4: Interoperability of parcel delivery operations**

- 4.5.1 It is appropriate that delivery operators and online retailers develop on a voluntary basis solutions to link information systems and open interfaces with an efficient, affordable system of deliveries and returns for the "last mile".
- 4.5.2 However, the EESC considers that such developments should take place on the basis of predefined interoperability criteria within a common regulatory framework.

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The e-freight project 2010-2014 within the EU's seventh framework programme for research, with 31 partners from 14 European countries, aims to network all those involved in logistics via user-friendly interactive web platforms. Recommendations included: "The EU Commission should issue a Directive or similar as soon as possible which secures that the interface to National Single Windows that are put to use from now on are using the Common Reporting Schema (CRS), developed in e-freight, as the input format."

#### 4.6 **Action 5: Enhance consumer protection**

- 4.6.1 The EESC supports the initiative of mandating the CEN with standardisation and of giving guidance to the Member States on the full and uniform implementation of Directive 2011/83/EU to encourage greater use of alternative dispute resolution mechanisms under the scope of the ADR directive 2013/11/EU.
- 4.6.2 The EESC considers it insufficient that resolving the issue of complaints should be based solely on the idea that "Delivery operators, e-retailers and consumer associations should jointly ensure better co-operation with regard to complaint handling and consumer protection systems." The Committee considers such cooperation to be a good thing provided that it takes place within a common regulatory framework.

Brussels, 10 July 2014

The President  
of the  
European Economic and Social Committee

Henri Malosse

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**N.B.:** Appendix overleaf.

**APPENDIX**  
**to the**  
**OPINION**  
**of the European Economic and Social Committee**

The following amendment, which received at least a quarter of the votes cast, was rejected during the discussions (Rule 39(2) of the Rules of Procedure):

**Point 1.6**

Amend as follows:

*1.6 The EESC recommends to the Commission, the EP and the Council that:*

- *~~a~~ the European regulatory framework, including the Postal Directives, ~~should enable all operators in the sector~~ guarantees ~~to~~ access to the delivery market and guarantees ~~ensure~~ that particular attention be given to the issues surrounding universal service at an affordable cost, especially as regards remote, mountain, island and disadvantaged areas;.*

**Outcome of the vote:**

For:	35
Against:	67
Abstentions:	10

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