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

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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 Commission's 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.