

Electronic Freight Transport Information (COM(2018)0279)

Moving towards digitalization of freight transport documents in B2A

On 17 May 2018, the European Commission adopted a proposal for a Regulation on electronic freight transport information (eFTI proposal). Members of the European Express Association (EEA) are pleased to bring in their experience to address the technical and operational aspects of the proposed rules and contribute to the ongoing debate in the European Parliament and the Council.

The EEA welcomes the efforts which the Commission is making towards achieving an efficient, sustainable and innovative system for the exchange of freight transport information. Specifically, the EEA supports the overall objectives of fostering the use of electronic information and ensuring a uniform acceptance procedure by Member States' authorities. Nonetheless, this position paper wishes to draw attention to certain aspects that could jeopardise the expected beneficial effects of the proposal.

Scope of the proposal: extension to B2B and 'one-size-fits-all' approach should be avoided

1. The EEA welcomes the Commission's intention to target Business-to-Administration (B2A) information exchanges of freight related transport documents. Therefore, the EEA calls on the European Parliament and Council to avoid broadening the scope with a view to cover also Business-to-Business (B2B) exchanges of information. Expanding the scope might lead to potentially harmful divergences with existing paperless processes such as IATA's e-AWB, e-CMR, IMO or EMSW.
2. Article 1 refers to national legislation and the corresponding regulatory information requirements which are not yet defined but shall be listed in part B of Annex I - "only one year from the entry into force of this Regulation". Extending the scope to a non-existent list of national legislation while defining and creating the IT architecture beforehand will only lead to divergence and erroneous eFTI data set. Therefore, the subject matter should be duly determined prior to creating the IT environment.
3. In this context, it is also important to preserve the well-functioning systems of B2A digital exchanges currently in place. A 'grandfathering clause' should be introduced in the text of the eFTI Proposal to maintain existing processes in place, thereby preventing additional costs and unreasonable burden on all parties involved.
4. Furthermore, the EEA opposes a 'one-size-fits-all' approach which would not reflect the complex reality of each mode of transport. Such approach would in fact impede the considerable investments made by economic operators in adapting to the electronic mode-specific solutions currently in use.

5. Finally, given the complexity and peculiarity of the subject, the EEA recommends deleting any reference to aviation security in Annex I as the respective information has to be provided only during a physical (on site) visit and on an ad-hoc basis, therefore it does not fall under the scope of the Commission's initiative.

Economic impact of the eFTI system: existing satisfactory solutions for both the administrations and the businesses concerned should be relied on

6. The EEA appreciates the Commission's intention to cover all modes of transport and all operators. This being said, the EEA notes that the impact assessment of the proposal approximately estimates total compliance costs for private operators at EUR 4.4 billion. Most of this amount (more than EUR 3.5 billion) will weigh on small and medium enterprises (SMEs). In the adoption of delegated and implementing acts, the Commission should make sure to involve IT experts, both from the industry and Member States' authorities, in defining the necessary information and carefully ensure that the eFTI system is as cost effective as possible, hence preventing any cost escalation for both the public authorities and the private stakeholders concerned.
7. For this reason, the EEA reiterates that the Commission should put in place first the adequate processes and then the IT architecture that builds on existing effective solutions and well-functioning systems, not the other way around. Any deviation from present electronic processes or data formats would result in compliance costs for the whole freight transport sector, in particular for SMEs, and should be carefully weighed against the potential benefits of the proposed changes.

Implementing and delegated acts: increased precision is needed to provide more clarity to economic operators

8. The EEA regrets that significant items of the future Regulation are left to implementing and delegated acts which will not be developed before its final adoption. Thus, the EEA considers that the legal text of the proposal should be more precise on its essential aspects and the envisaged number of delegated and implementing acts should be significantly reduced accordingly. Postponing the definition of an important number of issues undermines legal certainty and predictability for economic operators. Furthermore, in doing so, the Commission does not consider the existing and well-functioning electronic processes that can be used as a concrete benchmark for the new system.
9. In conformity with the requirements set out in Article 290 and 291 TFEU, the essential elements of the text shall be defined in the Regulation itself and not be the subject of a delegation of power. Key concepts such as the format of the electronic freight transport information (eFTI) and the regulatory requirements for both eFTI service providers and platforms should be harmonized and more precisely defined.

10. In light of the important role that the eFTI platforms are expected to play, the text should better clarify how it intends to prevent the risk of information overload and duplication of data flow. Therefore, a “single point of access” should be provided towards the authorities. At the same time user-charged rates for eFTI platforms should be kept to a minimum level to incentivize SMEs to move digital rather than to discourage.

***The European Express Association (EEA)** is the representative organisation for the express industry in Europe. The industry specialises in time-definite, reliable transportation services for documents, parcels, and freight. It allows European business to rely on predictable, expeditious delivery of supplies, thereby enabling them to attain and maintain global competitiveness. The express industry employs over 250,000 people across the EU and supports a further 175,000 indirect jobs in Europe through the supply-chain. The express industry’s employees are widely spread across the EU.*