

Cross-border parcel delivery

As part of efforts to boost e-commerce and to make online shopping easier for consumers, the European Commission has proposed a regulation on cross-border parcel delivery services. It aims to improve transparency and increase regulatory oversight of the cross-border parcel delivery sector, in order to foster competition and reduce delivery prices. Trilogue negotiations led to a provisional agreement on the proposal in December 2017, which needs to be confirmed in a vote during the March plenary session.

Background

Prices for cross-border parcel delivery can be up to [five times](#) higher than domestic rates, although the actual labour and other costs cannot always explain this difference. According to the 2017 [Consumer Conditions Scoreboard](#), about a third of retailers with experience of cross-border online sales say that high delivery costs are an important obstacle to cross-border e-commerce. This was also one of the top e-commerce concerns of consumers, mentioned by 27 % of participants in a 2016 [survey](#) for the Commission. Estimates by the [Joint Research Centre](#) show that with lower delivery costs cross-border e-commerce in the EU would grow by 4.3 percentage points, and the number of companies selling online across borders would increase by 6.2 percentage points.

European Commission proposal

Unlike in the case of roaming charges, the Commission has not proposed a cap on cross-border parcel delivery prices, but aims to foster competition through greater transparency of prices and improved monitoring of parcel delivery sector. According to the [proposal](#) (May 2016), all parcel service providers would provide information on their operations and services to the national regulatory authorities, while universal service providers would also be required to submit their prices for national authorities to assess. Providers would be asked to justify those prices assessed as 'unaffordable'. To exert additional pressure, the national authorities would report unaffordable prices to the Commission and to national competition bodies.

European Parliament position

Parliament's Committee on Transport and Tourism (TRAN) adopted its [report](#) on 12 October 2017. It would require the disclosure of prices from all service providers, but suggested to reduce the obligations of the national authorities, which could choose to assess prices if they deemed it necessary. Providers would also be required to make more information available to consumers.

After two rounds of trilogue negotiations, the co-legislators [reached an agreement](#) on the proposal in December 2017. Under the [agreed text](#), every year all cross-border parcel delivery providers would provide their national authorities with their publicly available tariffs for a set of cross-border parcel delivery services (with exemptions for small companies). The prices would be published on a dedicated website run by the Commission, to allow consumers and small businesses, who do not have enough bargaining power to negotiate reduced tariffs, to look for the best deals. The national authorities would be required to objectively assess tariffs 'subject to universal service obligation' that they consider to be 'unreasonably high'. The Commission would determine the methodology for the assessment, and results would also be published on the website. The first-reading plenary vote on the agreed text is scheduled for the March plenary session.

First-reading report: [2016/0149\(COD\)](#); Committee responsible: TRAN; Rapporteur: Lucy Anderson (S&D, UK). See also our ['EU Legislation in Progress'](#) briefing.

