



Digitalising and streamlining transport reporting obligations under the Third Mobility Package

KEY MESSAGES

1. To facilitate an efficient EU transport and logistics sector and smooth functioning of the single market it is essential that administrative burdens linked to reporting obligations in the transport sector are reduced. To this end, BusinessEurope welcomes the Commission's recent initiatives under the Third Mobility Package to streamline and digitalise reporting obligations for freight transport and ships making port calls in EU ports.
2. While the requirement for public authorities to accept electronic freight transport information (eFTI) will help shift to an electronic reporting environment, the scope of this regulation should not be extended to oblige operators to provide documentation electronically, nor should it cover any business-to-business information exchange.
3. Important elements under the eFTI proposal should be included in the regulation itself and not left to be defined at a later stage, such as the definition of the data sets and sub-sets, and rules on access to data and processing thereof for public authorities. Without this information it is at this stage not possible to anticipate the impact of the eFTI proposal.
4. The option for Member States to implement specific national reporting obligations for port calls should not be to the detriment of the proper functioning of the European Maritime Single Window environment (EMSWe).

CONTEXT

Technological developments are drastically changing the mobility landscape and have many potential benefits to offer this sector. In its 2017 Conclusions on the digitalisation of transport the Council called on the Commission to act to support more systematic use and acceptance of e-documents and the harmonised exchange of information and data in the logistics chain and to introduce a harmonised EMSWe to improve the efficiency



and attractiveness of the maritime transport sector.¹ This has led to two legislative proposals by the European Commission under the Third Mobility Package.

The European Commission acknowledges that information exchange in electronic format has the potential of improving the efficiency of transport, yet in the area of freight transport 99% of intra-EU transport operations at some stage still require the exchange of information in paper format.² According to the European Commission the cause for this shortcoming is twofold: (i) inconsistent legal obligations for national authorities to accept electronic documentation; and (ii) a fragmented digital environment. The proposal for a Regulation on electronic freight transport information seeks to address these shortcomings.

In the maritime transport sector reporting obligations linked to port calls present a significant administrative burden on maritime transport operators (around two million port calls take place on an annual basis in the EU). A digitalised, harmonized and interconnected EU-wide maritime reporting environment offers the potential to reduce the administrative burdens related to port calls for maritime transport operators and make this sector more efficient.

INTRODUCTION

BusinessEurope has consistently been calling for measures to ensure administrative burdens in the transport sector are minimalised as this will facilitate an efficient EU transport and logistics sector which is essential for the proper functioning of the single market. To this end we welcome that the European Commission under the Third Mobility Package has put forward legislative proposals which aim to streamline and digitalise various information reporting obligations for freight transport and ships making port calls in the EU.

Although significant initial investments need to be made by industry, streamlining and digitalising transport information reporting obligations can reduce costs and increase efficiencies on the long-run – benefits which will be passed on downstream through a vast amount of value chains. Furthermore, operations and enforcement by Member State authorities will become more efficient, faster, and more effective. The timely recording of data will also have positive knock-on effects as agencies immediately receive information and therefore any required further actions, such as initiating legal processes, invoicing or accident response procedures, happen faster and cheaper. With one-point entry, the margin of error is reduced and quality goes up. The smooth availability of data stimulates smooth processes.

In the sections below we provide our specific comments on the two legislative proposals introduced under the Third Mobility Package.

ELECTRONIC FREIGHT TRANSPORT INFORMATION

The lack of harmonised requirements for Member State authorities to accept freight transport reporting information submitted electronically has strongly affected the communication between businesses and national authorities (B2A). Due to the uncertainty many logistic and freight service providers refuse to use electronic transportation documents. BusinessEurope therefore appreciates the Commission's proposal to oblige national authorities to accept electronic freight transport information

¹ <http://data.consilium.europa.eu/doc/document/ST-15431-2017-INIT/en/pdf>

² <https://ec.europa.eu/transport/sites/transport/files/3rd-mobility-pack/swd20180183-ia-part1.pdf>

(eFTI) and harmonise the data set to be used to this end. Further, interfaces of eFTI platforms must ensure interoperability so the systems can communicate with each other providing at the same time a “Single Point of Access” towards the authorities.

The regulation should not go any further by requiring economic operators concerned to submit information in electronic format, nor should its scope be broadened in any way to also cover the exchange of freight transport information between private operators (B2B). If certainty exists that electronic documents will be accepted by authorities throughout the EU, operators will be more inclined to make a natural shift towards electronic reporting. It is essential that operators are free to decide on this. Many factors will also come into play when making a cost-benefit analysis and may obstruct some operators from making the shift to electronic documents such as high implementation costs and the rate of user fees for eFTI platforms and service providers.

BusinessEurope is concerned that various important issues are currently left open for the Commission to define at a later stage through implementing and delegated acts. These omissions make it difficult to assess at this stage the impact that the Regulation will have. In particular we note the development of harmonised eFTI data sets and subsets, and the rules and procedures for authority’s access to data and the processing thereof (Article 7) which the Commission has delegated to itself. It is therefore currently not possible to determine which standard will be proposed and whether compatibility is guaranteed. The referral to delegated and implementing acts should thus be limited to the furthest extent possible, and the most important elements should be defined in the Regulation itself. Finally, where implementing and delegated acts are used as an instrument to establish some of the finer details, transparency and industry involvement in the process is key. IT experts from Member States authorities and industry stakeholders across transport modes should be involved as expert groups in defining the necessary information.

In the Commission’s impact assessment, the implementation costs for industry are estimated to be high (in the range of EUR 4.4.bn). Effective implementation is therefore vital so that businesses investing into new systems as a result of this regulation will be able to reap the benefits of a harmonised reporting landscape. In this light it also needs to be clarified what will happen to already existing electronic freight information reporting processes and IT-systems which operators have already invested in. For instance, Annex I brings aviation security documentation within the scope of the Regulation, however the referenced aviation security legislation – Regulation 2015/1998, Annex 6.3.2.6 points (a)-(g) – states that *“the documentation [...] shall be made available for inspection by the appropriate authority”*, meaning authorities may sometimes inquire these information items but only during a physical (on site) visit and on an ad-hoc basis. Economic operators do not have to provide the required information other than during such an inspection. Therefore, the specific reference related to aviation security should be deleted from the annex of this proposal as the referenced situation does not fall into the intended scope of the Commission’s proposal.

Article 4(1) specifies that information in human-readable format shall be made available on the screen of electronic devices owned by the economic operator concerned or by the competent authorities. BusinessEurope holds that these electronic devices should be used by and be in possession of the competent authorities. This would ensure that discussions on the certification and proper specification of those devices do not take place in day-to-day business operations between authorities and economic operators.

Finally, it is unclear whether the data storage and accessibility requirements under Article 9(1)(b) relate just to the eFTI platform itself, or whether they also concern the systems



of the economic operators and public authorities. This should be clarified in the regulation.

EUROPEAN MARITIME SINGLE WINDOW ENVIRONMENT

An important step towards e-documents in maritime transport was paved by the EU Reporting Formalities Directive 2010/65 (RFD), aiming to simplify and harmonise administrative procedures and reporting requirements for ships calling at EU ports. Normally, Member States should have implemented a 'National Single Window' (NSW) allowing electronic submission and reception of reporting formalities. It is therefore regrettable that paper-based systems continue to exist at port or national level (in parallel with digital systems) and various Member States have not complied with their requirements, meaning that there are even different systems in ports within the same country. As a result, the objectives of the RFD have not been reached.

In this light BusinessEurope strongly supports the objectives pursued by the Commission in its proposal to establish the EMSWe. The decision to base the EMSWe on the existing NSW is correct as this will avoid sunk costs arising from investments made for the NSW and will permit Member States to continue to build on their existing systems.

The proposal leaves open the option for specific national reporting obligations for port calls to be included into the EMSWe. Building upon the lessons learned from the RFD, it is of utmost importance that the specific national reporting obligations are indeed included in the EMSWe data set to the fullest extent possible and do not become an obstacle for the single market. The Commission should therefore closely monitor the implementation of this option and remain in continuous dialogue with Member States in order to help limit specific national measures. Article 4 which sets out the obligation for Member States to notify the Commission when it intends to introduce or amend a reporting obligation not yet included in the EMSWe data set is a welcome mechanism to ensure that the EMSWe data set remains up to date. Article 4 should prevent Member States from implementing such national measures until the Commission has come to a decision on the need to amend the EMSWe data set and should establish an appropriate timeframe for this.

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