

Electronic documents for freight transport

This briefing is one in a series of 'implementation appraisals', produced by the European Parliamentary Research Service (EPRS), on the operation of existing EU legislation in practice. Each briefing focuses on a specific EU law which is likely to be amended or reviewed, as foreseen in the European Commission's annual work programme. 'Implementation appraisals' aim at providing a succinct overview of publicly available material on the implementation, application and effectiveness to date of specific EU law, drawing on input from EU institutions and bodies, as well as external organisations. They are provided by the Ex-Post Evaluation Unit of EPRS, to assist parliamentary committees in their consideration of new European Commission proposals, once tabled.

SUMMARY

The large majority of freight transport operations within the EU still require the use of paper documents. Electronic documentation in freight transport is used only in some Member States that base their decision on international public law, namely the Additional Protocol to the United Nations Convention for the carriage of goods concerning the electronic consignment note. Only 12 EU Member States have ratified or acceded to this protocol. Despite the international public law provisions calling for digital documentation in transport of goods, the lack of European legislation limits practical application of this rule. This is mainly visible in cross-border and multimodal transport of goods. Two main problems linked with the electronic documents for freight transport have been identified: (1) acceptance of e-documentation by all Member States and their authorities and (2) lack of generally applicable and binding rules on electronic transport documents.

The European Parliament has also underlined on various occasions the need for use of electronic documentation in freight transport. The European Commission is expected to launch an initiative aimed at leveraging the potential of digitalisation in the transport sector through fostering the recognition of freight transport documents in an electronic form by authorities and/or commercial partners in the second quarter of 2018.

Background

In the October 2017 presentation of its [work programme 2018](#) (CWP 2018), the European Commission announced in [Annex II](#) a list of legislative initiatives under REFIT planned for adoption in 2018.¹ One of these initiatives should 'aim at leveraging the potential of digitalisation in the transport sector through fostering the recognition of freight transport documents in an electronic form by authorities and /or commercial partners, and their wider use by transport operators'. However, no European legal rule (regulation or directive) exists that would explicitly cover this particular issue. The Commission's initiative, although included in the REFIT section of the CWP 2018, will be an entirely new piece of EU legislation or a non-legislative policy instrument.²

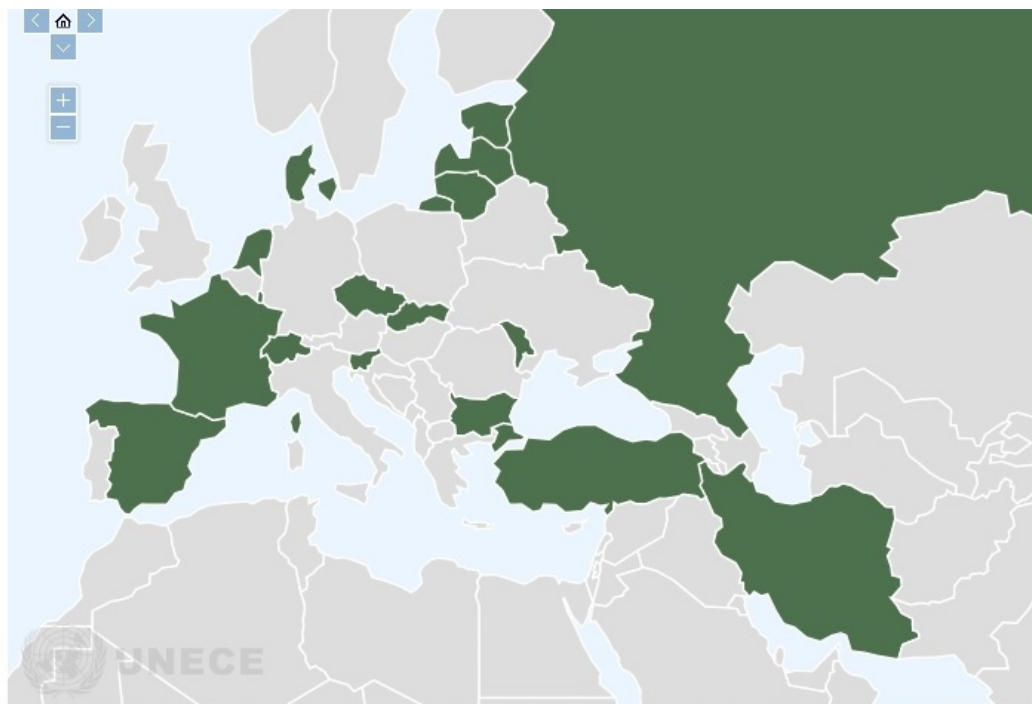
According to the European Commission, the term 'transport document' can be understood as (1) documents serving as 'contract of carriage for the goods being transported', and (2) 'other freight documents', such as certificates or declarations (e.g. certificate of origin). The Commission's initiative is to cover only the first type of documents, i.e. the contract of carriage documents.³

No single set of electronic documents exists that could or should be used during freight transport.⁴ Very general rules applicable to **the content and character of transport documents** are set in [Council Regulation No 11/1960](#) concerning the abolition of discrimination in transport rates and conditions, in the implementation of Article 79 (3) of the Treaty establishing the European Economic Community. This regulation applies to the carriage of all goods and is not limited to road freight transport. It is only applicable to those parts of a goods' journey that take place within the EU. The contents and character of transport documents are set out in Article 6 of the regulation. This provision requires transport documents to include specific details for each consignment of goods within the EU, including identification of consignor; nature and weight of the goods; place and date of acceptance of goods; place at which they are to be delivered; route to be taken and frontier crossing points. The regulation requires that the transport documents are made in duplicate and are numbered. One copy accompanies the goods, while the carrier is obliged to retain the other copy for a period of two years. Carriers are responsible for proper preparation of transport documents.⁵ Although the regulation does not specify that transport documents have to be in paper form, from the wording of its provisions and from the date of its adoption, it can safely be assumed that the regulation refers to transport documents in paper form.

Specialised horizontally applicable and cross-sectoral EU rules dealing with digital exchange of information or dealing with transport⁶ do not include specific provisions on digital documents applicable to freight transport. In addition, [Regulation \(EC\) No 1072/2009](#), for example, on common rules for access to the international road haulage market, does not include a rule requiring an application of electronic documents in freight road transport.⁷ Although this regulation lays down general rules applicable to access to the market in international carriage of goods by road for hire or reward, it does not specify the rules on documentation required while carrying out the transport.⁸ Nonetheless, in recital 18, the regulation requires that Member States' enforcement authorities have access to data from consignment notes while performing control of cabotage operations.

Unlike European law, **rules of international public law** cover the issue of electronic documents in freight transport more specifically. The [United Nations Convention for the carriage of goods](#) (CMR, 1956), acceded to or ratified by all EU Member States, inter alia requires its parties to prepare a CMR consignment note. The Convention applies to contracts for carriage of goods by road in vehicles for reward when the place of taking over of the goods and the place designated for delivery, are situated in two different countries, of which at least one is a contracting country of the convention (Article 1). All EU Member States have signed, accessed or ratified the Convention. The Convention sets general requirements for consignment notes, i.e. a document carried as a proof of receipt of consignment for delivery. The consignment note should contain details such as specific information about the shipped goods and information allowing identification of transporting and receiving parties. Until recently, consignment notes existed in paper form only. This changed in 2008, when the [Additional Protocol to the CMR concerning the electronic consignment note](#) (e-CMR) was signed. The protocol requires that the electronic consignment note is authenticated by the parties to the contract of carriage by means of electronic signature that insures a link with this consignment note (Article 3). The electronic consignment note should include the same content as its paper version. At present only 12 Member States have ratified or acceded to the protocol.⁹

Figure 1 – Parties to the Additional Protocol to the CMR concerning the electronic consignment note (e-CMR)



Additional Protocol to the CMR concerning the electronic consignment note (e-CMR)

17 Contracting Parties:

Bulgaria, Czech Republic, Denmark, Estonia, France, Iran (Islamic Republic of), Latvia, Lithuania, Luxembourg, Netherlands, Republic of Moldova, Russian Federation, Slovakia, Slovenia, Spain, Switzerland, Turkey.

Source: UNECE, [Additional Protocol to the CMR concerning the electronic consignment note \(e-CMR\)](#), 2018.

Despite the lack of general EU rules on electronic documents for freight transport, digitalisation of transport and logistics is linked to two of the Juncker Commission priorities: [jobs, growth and investment](#) and a [digital single market](#). According to the Commission, digitalisation can have a positive impact on various areas of transport, such as improving transport management, exchange of information and cost-efficiency.¹⁰

To take the digital agenda in transport further, the European Commission launched the [Digital Transport and Logistics Forum](#) (DTLF) on 1 July 2015.¹¹ The DTLF has a subgroup on e-transport documents,¹² which intends to promote and facilitate the use of transport documents in an electronic format (point 1, [Mandate](#)).¹³ The DTLF provides advice and technical expertise to the Commission when preparing legislative proposals and policy initiatives in the field of digitalisation of transport and logistics. During its fourth plenary meeting in 2016, the DTLF recommended the Commission 'actively support the digitalisation of road transport operations by encouraging European Member States to adopt the eCMR Protocol'.¹⁴ It also called for development of a standard for the eCMR, mainly to support the interoperability of different eCMR solutions.

EU-level reports, evaluations and studies

European Commission implementation reports and studies

European Commission inception impact assessment on electronic documents for freight transport (May 2017)

According to the [inception impact assessment](#), the large majority of freight transport operations within the EU still uses paper documents, often in parallel to electronic information. The document notes that this issue is outstanding in multimodal and cross-border transport. Furthermore, there are administrative costs for private and public stakeholders linked to a lack of digitalisation. The inception impact assessment identifies two problem drivers: (1) limited recognition of the legal equivalence of electronic transport documents by Member States and their authorities; and (2) development of various incompatible and mode-specific/country-specific models or standards for electronic documents. These problem drivers should be tackled in a new initiative the main goal of which is to foster electronic exchange of information along the transport and logistic chains, especially regarding multimodal and cross-border transport operations. In achieving this, the new initiative should improve transport operation reliability, cost-efficiency, and competition, as well as the quality of services. The inception impact assessment proposes several non-legislative and legislative measures for tackling these problem drivers.

European Commission final report on fact-finding studies in support of the development of an EU strategy for freight transport logistics (January 2015)

The Commission's [final report](#)¹⁵ provided an overview of the scope, functioning and performance of the EU freight transport logistics sector, and included reviews of existing EU policies. The report noted the significant contribution of the EU freight transport logistics sector to the EU economy mainly in the form of jobs generated and the added value of the sector. It enumerated three problem areas leading to an ineffective and inefficient use of transport modes: (1) continuous rise in costs; (2) external environmental effects; and (3) quality and quantity of relevant staff. With regard to the first problem, the report noted that the interoperability between transport modes needs to be improved, while administrative barriers need to be removed. The report also discussed inter alia the use of a single transport (paperless) document, which according to its authors, would have various positive impacts on administrative costs, predictability and the speed of administrative proceedings, logistics costs and compliance costs. The report provided general recommendations to develop new mid- and long-term logistics policies.

Other Commission communications and documents

Various communications from the Commission noted its intention to deal with the issue of digitalisation of freight transport. For instance, the [communication on the EU e-government action plan 2016-2020](#) (April 2016), confirmed, among other things, that the Commission was working on the digitalisation of transport documents for all modes of transport and the promotion of their acceptance by public authorities. The target date for this action was set for 2018. Digitalisation of transport, as a particular action, can support improvements in the effectiveness of the EU single market. In the [communication on a digital single market strategy for Europe](#) (May 2015), the Commission noted that digitalisation offers opportunities in various sectors, including transport. The issue of digitalisation of transport was also raised in the [communication on the freight transport logistics action plan](#) (2007). The communication noted the intention to develop a roadmap for the implementation of e-freight.¹⁶ The Commission also intended to examine the establishment of a single transport document for all transport modes and promote its use in electronic format. The communication also noted that the information and communication technologies can contribute to co-modality. However, the Commission noted several points, including data security and privacy issues, that needed to be taken into account in this regard.

The [2011 white paper on transport](#) included an initiative leading to the creation of an appropriate framework to allow for real-time tracking of goods, ensuring intermodal liability, and promoting clean freight transport. In point 7 of Annex I to the white paper, the Commission set out its intention to create and deploy a single transport document in electronic form (electronic waybill). The [staff working document](#) accompanying the 2011 white paper noted inter alia a possible reduction of costs of multimodal transport through simplification of 'freight and transport information exchange'. The document draws a vision of 'a paper-free, electronic flow of information associating the physical flow of goods with a paperless trail' allowing an automatic 'exchange of content-related data for regulatory or commercial purpose' (p. 50). The staff working document also noted that use of different transport documents by different transport modes created administrative costs in multimodal transport. It promoted the creation of a single transport document for the carriage of goods in any mode.

European Parliament positions / MEPs' questions

European Parliament resolutions

Parliament has underlined the need for a greater digitalisation of freight transport on various occasions. For example, in a resolution of 24 November 2016 on [new opportunities for small transport businesses](#), including collaborative business models, Parliament underlined that 'in a context of growing urbanisation, transport needs to be organised in increasingly integrated, digitalised and multimodal ways' (point 10). In a resolution of 25 October 2016 on [improving the connection and accessibility of the transport infrastructure in Central and Eastern Europe](#), Parliament noted the opportunities that can be provided by digitalisation regarding performance of the whole logistic chain 'including making data available for all stakeholders (sharing data) for the development of new services and practices' (point 8). In a resolution of 19 January 2016 on [Towards a Digital Single Market Act](#), Parliament called on the Commission to support digitalisation of industry in all sectors including transport.

Furthermore, in a resolution of 19 January 2017 on [logistics in the EU and multimodal transport in the new TEN-T corridors](#), Parliament raised the issue of a need of electronic documents in freight transport directly. Here, Parliament called on the Commission to report back on the 'conclusions and measures taken in the Digital Transport and Logistics Forum in order to further support digitalisation of freight transport and logistic' (point 16). The Commission was also urged 'to propose a digital framework for electronic information exchange and transport management in multimodal transport (e-freight) with a view to facilitating a simplified, paperless, seamless, transparent, secured and trusted information flow between businesses, customers and authorities, building on established services' by the end of 2017 (point 19). The Commission was also called upon to ensure a harmonised application of e-transport documents. Member States were requested 'to accept electronic transport documents in general, and to ratify and apply the e-CMR protocol without delay' (point 20). In this context, Parliament underlined the importance of innovation in transport including digital freight letters 'enabling more efficient transport and logistics solutions'.

In its [follow-up](#) document to this resolution (SP(2017)205), the Commission noted that the positive impacts of digitalisation in transport and logistics include efficiency and lowering costs. It also mentioned that digitalisation creates new opportunities for business. Furthermore, the Commission described the work of DTLF more generally, but did not react to the Parliament's specific comments.

Written questions

The topic of electronic documents in freight transport has attracted only a limited number of Members' questions. The following questions present the most visible examples from the latest parliamentary term.

[Written question by Asim Ademov \(EPP, Bulgaria\)](#), 16 January 2018

The Member asked whether the Commission intended to fully implement the application of digitalised electronic documents in all transport modes. The Member also inquired about the mandatory character of such an application and potential incentives to encourage adoption. He also asked about the electronic format used for such transport documents.

[Answer from Violeta Bulc on behalf of the Commission](#), 21 February 2018

The Commissioner informed the Member that the Commission had launched an impact assessment to identify the barriers to the wider use of electronic means in transport of goods within the EU in May 2017. Furthermore, the Commission had undertaken several consultation activities and commissioned a study of this issue. The Commissioner also informed the Member of the Commission's efforts to draft an impact assessment report, and that a decision to proceed with policy proposals might be taken in spring 2018.

[Written question by Philippe De Backer \(ALDE, Belgium\)](#), 21 November 2014

The Member directed the Commission's attention to the existence of the e-CMR Protocol, noting that by the time of this question only a small number of Member States had ratified the protocol calling for electronic documents for freight transport. In this regard he asked whether the Commission was aware of the problem and the potential economic damage linked to the lack of ratification and inquired whether the Commission intended to encourage ratification.

[Answer from Violeta Bulc on behalf of the Commission](#), 9 January 2015

The Commissioner noted the Commission was aware of the unsatisfactory ratification of the protocol. According to the Commission, this led to 'a limited use of e-consignment notes, and more generally to a limited use of electronic documents for freight transport and logistics activities in general'. This obstacle, according to the Commission, limited the use of the eFreight initiative and other linked initiatives, such as eCustoms. In this regard the Commission intended to proceed with initiatives facilitating the use of electronic documents in freight transport.

Council of the European Union

In December 2017, the Council adopted its [conclusions on the digitalisation of transport](#). It noted the importance of the digitalisation of transport and logistics for the EU's economy and competitiveness. Among other things, the Council called for continuation of the Digital Transport and Logistics Forum. The Council called on the Commission to develop, in cooperation with Member States and stakeholders, a comprehensive and multimodal digitalisation strategy for the transport sector (point 17). Furthermore, the Council emphasised the need for rapid accession by the Member States to e-CMR. The Commission was also called upon to carry out a follow up to the review of the [Reporting Formalities Directive 2010/65/EU](#) and introduce the e-Manifest (point 22), as well as 'to apply the "digital by default" and "once only" principles when developing new enabling or evaluating existing legislation' (point 23). These principles were introduced in the EU eGovernment action plan 2016-2020 ([COM\(2016\)179 final](#)). The 'digital by default' principle requires public administrations to deliver services digitally as the preferred option. The 'once only' principle requires public administrations to ensure that stakeholders provide the same items of information to a public administration once only.

European Commission stakeholder consultation

Between 25 October 2017 and 18 January 2018, the Commission carried out a [public consultation](#) on electronic documents for freight carriage. Although the questionnaire and the responses are published, a report in which the Commission would assess the received responses has not as yet been published (April 2018).

Stakeholders

Between 18 May 2017 and 15 June 2017, stakeholders were able to provide a feedback to the European Commission's [inception impact assessment](#) on electronic documents for freight transport. During this period, the Commission received eight pieces of feedback from different stakeholders, including NGOs (2), business associations (5) and a public authority (1). In their feedback, the stakeholders generally supported a full recognition of electronic documents in the EU road freight transport and called upon Member States to ratify the e-CMR Protocol. Furthermore, they noted the various benefits of electronic documents, including reducing the administrative burden, a positive impact on the environment, and the possibility to handle electronic documents in real time. They also called for a further dialogue with stakeholders. Nonetheless, some stakeholders raised various issues linked to an exclusive use of electronic documents, such as the questionability of electronic documents in international (outside-EU) transport, a possibility to forge such electronic documents, or a lack of national laws in Member States allowing the use of such documents.

Apart from the positions of the stakeholders presented on the Commission's website, it is possible to find various stakeholders' opinions adopted or presented regarding the electronic documentation for freight transport. For instance, the International Road Transport Union (IRU) and the Association of European Vehicle Logistics (ECG) called, in their [joint statement](#) of 2017, on all European countries to ratify or accede to the e-CMR. In its 2017 [position paper on digitalisation in transport and logistics](#), the European Association for Forwarding, Transport, Logistics and Customs Services (CLECAT) argued that, in order to operate on a 100 % digital basis, two options need to be tackled: (1) legal acceptance by authorities of data provided digitally; and (2) legal encouragement or enforcement of the interoperability between these authorities. It also noted that the Commission's actions should not be simply 'about replacing paper documents with electronic equivalents', but about an exchange of data in 'a future-proof manner'. The European Logistics Platform in its [press release](#) (2015), called for a 'paperless supply chain environment for international and national transport'.

OTHER SOURCES OF REFERENCES

Pape, M. [Goods vehicles hired without drivers](#), EPRS, European Parliament, February 2018.

Ratcliff, C. [Common transport policy: overview](#), Directorate-General for Internal Policies of the Union, Directorate for Structural and Cohesion Policies, European Parliament, February 2018.

Remáč, M. [Multimodal and Combined Freight Transport](#), implementation appraisal, EPRS, European Parliament, July 2017.

Scordamaglia, D. [Rail freight in the EU: Developing a tool for more sustainable transport](#), EPRS, European Parliament, April 2017.

Table 1 – Council Regulation 11/1960

Entry into force	Article 6 applicable to content of transport documents entered into force on 1 July 1961 (Article 7(1) Regulation).
Planned dates for review	The regulation does not include any review clause.
Timeline for new amending legislative proposal	The initiative aimed at leveraging the potential of digitalisation in the transport sector through fostering the recognition of freight transport documents in an electronic form by authorities and/or commercial partners, and their wider use by transport operators is presumed in Annex 2 of the Commission work programme 2018 . The European Commission intends to submit its proposal in the second quarter of 2018.

ENDNOTES

¹ The Commission's Regulatory Fitness and Performance ([REFIT](#)) programme intends to ensure that EU legislation delivers results for citizens and businesses effectively, efficiently and at minimum cost.

² Despite the lack of existing European legislation, this briefing is published as announced in M. Remáč, [Implementation appraisals following the Commission Work Programme 2018](#), EPRS, November 2017.

³ See, the European Commission's [public consultation](#) survey on electronic documents for freight carriage (2017).

⁴ Transport can generally be divided into two main thematic groups; transport of passengers (passenger transport) and transport of goods (freight transport). The various transport modes include road transport, rail transport, air transport, maritime transport and inland waterways. In this regard see European Commission, [Transport modes](#), 2018.

⁵ The regulation does not apply, for example to the carriage of goods within a Member State over a distance which in total does not exceed one hundred kilometres or to the carriage of goods between Member States for a distance which in total does not exceed 30 kilometres (Article 8, Regulation 11/1960).

⁶ e.g., [Regulation \(EU\) No 910/2014](#) on electronic identification and trust services for electronic transactions in the internal market, [Regulation \(EU\) No 952/2013](#) on the Union Customs Code or [Commission Regulation \(EU\) No 1305/2014](#) on the technical specification for interoperability relating to the telematics applications for freight subsystem of the rail system.

⁷ However some special norms (legal acts) deal with documentation for transport of specialised commodities, such as waste. See for example [Regulation \(EC\) No 1013/2006](#) of 14 June 2006 on shipments of waste (Article 26).

⁸ In the case of this regulation, see for example, A. Dinu, L. Schrefler, [Access to the occupation of road transport operator and to the international road haulage market](#), EPRS, March 2017.

⁹ The protocol was originally signed by eight parties: Belgium, Latvia, Lithuania, the Netherlands, Finland and Sweden. Latvia, Lithuania and the Netherlands also ratified the Protocol, while Belgium, Finland and Sweden have not yet ratified. Between 2010 and 2017, Bulgaria, the Czech Republic, Denmark, Estonia, France, Luxembourg, Slovakia, Slovenia and Spain acceded to the protocol.

¹⁰ European Commission, Digitalisation of Transport and Logistics and the Digital Transport and Logistics Forum, 2018.

¹¹ See, European Commission [Decision setting-up an expert group on Digital Transport and Logistics](#) (C(2015) 2259 final).

¹² This subgroup prepares a report 'towards paperless transport' that should be approved in June 2018.

¹³ The subgroup on e-transport organised an online survey on freight transport documents and an online survey on road vehicle documents. Both surveys were published on the [DTLF website](#) and were open until September 2017. So far, the DTLF has not published any report or evaluation of the surveys (April 2018).

¹⁴ [Meeting minutes](#), DTLF, 2016, p. 4.

¹⁵ The report was outsourced by the European Commission and written by Ecorys, Fraunhofer, TCI, Prognos and AUEB-RC/TRANSLOG in the course of 2014.

¹⁶ Between 2010 and 2013, the Commission funded a [project on European e-freight capabilities for co-modal transport – e-Freight](#). The project denoted 'a vision of paperless freight transport processes where an electronic flow of information is linked to the physical flow of goods'. Its objectives were to strengthen the internal market; to improve creation of a more dynamic business environment and to promote sustainable development. Furthermore, between July 2015 and June 2018, the Commission, funded through the Connecting Europe Facility (CEF) funded a project on [e-Freight Implementation Action](#), aimed at strengthening the implementation of e-Freight. This programme concentrates on core ports in Italy, Portugal and Poland, along three core network corridors.

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