



Raising standards for consumers



POSITION PAPER

ANEC views on European Cross Border delivery

EC public consultation "Initiative to enhance the affordability, quality & convenience of cross-border parcel delivery"

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Introduction

Based on ANEC experience in quality of postal services while representing consumer interests in CEN TC 331 'Postal Services', we responded to the questions of part IV of the survey in the [public consultation on cross-border parcel delivery "Initiative to enhance the affordability, quality and convenience of cross-border parcel delivery directed to representative organisations"](#). A clearer and more detailed version of our answers is reported below.

ANEC is currently carrying out a technical study to collect data on practical examples of consumer complaints in the consumer online services area, with special attention to cross border data. This is intended to provide ANEC representatives in the standardisation Technical Committees related to services standardisation with useful evidence for their work in defending consumer interests.

The final ANEC report is due in November 2015 and we will share the results with the services of the European Commission in charge of this consultation with a view to build on the data that will be collected on consumer experiences and areas for improvement in part II of the survey.

1. Affordability and regulatory oversight of the cross-border parcel delivery market

With a view to improve cross border parcel delivery, from a consumer perspective key aspects to be tackled are:

- **Clarity and transparency of information** (on price, returns policy and other procedures, delivery);
- **Effective tracking and tracing** of parcels;
- **Quality of delivery service:** timely and efficient delivery, to the correct address/person, without damages to the purchase;
- **Affordability and accessibility** of the services remain essential principles.

As regards **affordability: high delivery prices** and **return costs** are clear obstacles to cross-border e-commerce. ANEC members have advised that the cost of making some returns in cross-border items could dissuade consumers purchasing cross-border items. We are aware the Commission is collecting data on the cost of sending parcels and is finding large differences. For example, the cost of sending a parcel from Poland to Sweden is significantly lower than sending one from Sweden to Poland. This is confirmed by the [2014 WIK Consult Study](#), commissioned by the EC on better functioning delivery systems to support to the growth of e-commerce.

Flash Eurobarometer 413 'Companies engaged in online activities', published in May 2015, surveyed companies that have experience with selling online to other EU countries. At least 50% of companies found that delivery costs are too high when selling cross-border.

It is also found in studies commissioned by the European Commission on the issue that **customs duties** can make cross-border purchases more **expensive** for consumers living in certain Member States (FTI, Intra-community cross-border parcel delivery, December 2011).

The value-limit for goods to be subject to customs duty has not changed for many years, bringing it out of line with the growth in e-commerce. This lack of adjustment means that many more parcels than otherwise necessary are subject to customs scrutiny and subsequent payment from the consumer of a handling fee. This also seems to have a negative effect on online commerce.

National consumer organisations also register complaints about the **necessity for the end consumer (online buyer) to notify the online seller (and not the delivery operator) of a problem with delivery** (damage to a parcel etc.), the seller being responsible for the execution of the entire contract, including delivery.

Another issue experienced is the difference in treatment among parcel-delivery companies with regard to secrecy and **confidentiality of communication and delivery to other persons than the contracted consumer**, if the addressee is not present. Consumer protection is jeopardised as a result and parcel delivery companies that respect privacy of the addressee do not face a level playing field.

With regards to **transparency and quality of delivery services**, a [recent consumer survey in France](#) showed consumers mostly find the delivery being too time consuming, thus jeopardising the convenience of online purchases.

2. What regulatory response to address the current consumer issues

We welcome the [Digital Single Market strategy](#) includes harmonised EU rules on contracts and consumer protection when buying online. It is important to address the liability of postal operators versus consumers when these return products. While awaiting a legislative proposal to complement consumer rights directive in this area, we draw attention to the work done in the first phase of the implementation of the European Commission Mandate 517 'Mandate for the programming and development of horizontal service standards', the prioritised items for future standardisation can be of relevance.

We believe that there is also a need to enforce applicable existing legislation: Postal Services Directive, Directive on Alternative Dispute Resolution, regulation on Online dispute resolution, and Consumer Rights directive.

European standards can underpin legislation to provide guidance and support in the achievement of the relevant requirements.

We think consumers would be more likely to make cross-border purchases if more of them were aware they can make a **complaint** to an organisation in their own country about a business in another Member State (for example, through the [European Consumer Centres](#)). With a view to advertise this possibility more widely, it would be helpful if e-retailers could have this information on their websites.

Transparency of information: Retailers' websites need to include clear and comparable information on delivery price, complaint handling and track and trace options. Standardisation of pre-contractual information would also be useful to increase transparency and comparability of the services.

Track and tracing: with a view to improve track and tracing of parcels to also allow more certain delivery times, we draw attention to the work done in CEN TC 331 (see below).

Cooling-off period: When using his/her right of return, the consumer should be in the same position as before making the purchase. It should be avoided that under

application of consumer sales legislation, when using his right of return, the consumer is burdened with the responsibility for any accidental damage or deterioration of the good during the return transport. This new instance of insecurity on part of the consumer could also lead to a reduction in the use of e-commerce.

The requirements set in the [European Parliament resolution on an integrated parcel delivery market for the growth of e-commerce in the EU](#) adopted in February 2014, addresses consumer concerns defended by ANEC, especially on **more transparent and comparable information on available delivery options, prices and conditions for shipping, procedures for damage, loss of goods or delay and return; difficulties for cross-border deliveries and importance of accessibility to universal services.**

We draw attention especially to following requirements of the EP resolution to the Commission as particularly relevant in the area of standardisation:

- *[..]European Commission to adopt EU guidelines on minimum standards for comparison websites, structured around the core principles of transparency, accessibility, impartiality, quality, information and user-friendliness;*
- *...Commission, in cooperation with the industry and consumer organisations, to draw up joint delivery service quality indicators, enabling consumers to compare different offers more accurately;*
- *to explore further the potential of developing European standards to improve integrated tracking systems and to promote the quality, reliability and sustainability of integrated logistics services applied to electronic commerce;*
- *work together with business towards the adoption of European standards on addressing and labelling, as well as e-commerce-friendly letter-box standards.*

We trust these recommendations will be taken on board.

Moreover, the [2014 WIK Consult Study](#) identified a need to develop a methodology to measure transit time of cross-border parcels in Europe.

ANEC has been involved for several years in the **European standardisation committee CEN TC 331 'Postal Services'** with a view to defend consumer interests and achieve quality of postal services in the standards developed initially in support of the implementation of the Postal services directive and, more recently, with a view to the growth of e-commerce. We recently participated in drafting a standard on **'Postal Services method for measurement of parcel transit time for cross-border parcels within the European Union and EFTA using Tracking and Tracing'** which meets a need the WIK study identified. This is currently out for formal vote and we are relatively confident the standard will be adopted by National Standards Bodies. However, we are concerned that the many privatised postal operators involved in delivering e-commerce parcels do not consider standards to be

relevant to them and are unaware of them, let alone use them. It would be helpful if the Commission could promote the use of this standard, once it is adopted, among all relevant postal operators.

Another CEN TC 331 standard that should be taken into account and used by operators is **CEN/TS 6819 Postal Services technical features of parcel boxes, prevention of damage to postal items.**

Further to achieving the above requirements, it is also important that there is proper enforcement of the [new legislation on Alternative Dispute Resolution and Online Dispute Resolution](#) to be implemented by Member States as of July 2015. This is needed to address the lack of effective redress that constitutes an obstacle to cross-border e-commerce. To facilitate the achievement of this purpose, we also suggest taking into account the ISO 10002 and ISO 10003 standards on complaints handling and dispute resolution.

Finally, we are concerned that the [2014 WIK Consult Study](#) identified a need for action to be taken on **e-commerce trust marks**. This said that there were already rather too many in the cross-border sector and that there is more than one such trust mark in many Member States. We think it is important that one trust mark is developed at the European level to avoid consumer confusion and inspire consumer trust. This must of course require independent third party certification.

Conclusions

ANEC counts that the consumer concerns in the parcel delivery market can soon be addressed, with the suggested mix of tools, to achieve harmonised EU rules on contracts and common consumer protection when buying online. We stress the need to keep key consumer principles at the heart of the policy to achieve efficient & effective parcel delivery: affordability, accessibility & transparency of information.

About ANEC

ANEC is the European consumer voice in standardisation, defending consumer interests in the processes of technical standardisation and conformity assessment, as well as related legislation and public policies.

ANEC was established in 1995 as an international non-profit association under Belgian law and is open to the representation of national consumer organisations in 33 countries.

ANEC is funded by the European Union and EFTA, with national consumer organisations contributing in kind. Its Secretariat is based in Brussels.



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