



# Association For Consumer Rights (Malta)

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## Resolution for ACR AGM 2017

### *Title of Resolution*

**Cross-border Parcel Delivery System**  
[COM(2016) 285 final - 2016/0149 (COD)]

### *Name of individual submitting the resolution*

**Grace Attard – ACR General secretary**

### *Background Information*

According to the European Commission, EU consumers and e-retailers do not take full advantage of the single market. In 2014, only 15% of consumers bought on-line from other EU Countries, although 44% did so in their own country; over three quarters 84% of online sales in 2014 came from the country in which the selling company was located

### *Justifications, reasons and current situations to be addressed*

Consumers and small businesses report that problems with parcel delivery in particular high prices, prevent them from selling to or buying from other member states. Research shows that the public cross-border prices charged by universal service providers are often three to five times higher than the domestic equivalent and that these differences cannot be explained by labour costs or other costs in the destination country. There is constant lack of information about the parcel delivery market, including available delivery services providers and prices

The e-commerce market is extremely varied. It is often dominated by several large e-retailers which generate a very large number of parcels every day and which are therefore very well equipped to negotiate tariffs and shipping conditions with parcel delivery operators, which are under pressure to agree to extremely advantageous “negotiated” tariffs and specific delivery conditions.

### *Proposals/Recommendations/Objectives*

**The objectives of the Regulation of the EU Commission on Cross-border Parcel Delivery Systems are:**

- Making the regulatory oversight of the parcels markets more effective and consistent
- Encouraging competition
- Increasing transparency of tariffs and terminal rates
  - a. Reduce unjustifiable tariff differences
  - b. Lower tariffs paid by individuals and small businesses in remote areas

- c. The publication of reference offers, and
- d. Assessment of the affordability of tariffs

However, Consumer organisations and other stakeholders think that this is not enough

- There is the need for clarification of the concept of affordable services of general economic interest
- Legislative measures to be introduced requiring Member States to define indicators to establish the affordability of these services
- Measures to provide access to efficient, affordable delivery solutions is of particular importance to SMEs and individual consumers especially those located in remote areas. The tariffs and the procedures for and quality of the physical delivery of goods ordered online, along with the conditions for potential return of the parcel, are among the factors which influence a consumer's decision to place an order online.
- The assessment provided for in this regulation so far has been confined to the tariffs for the shipping categories included in the public list of cross-border tariffs
- The Commission needs to provide other alternatives, for consumers and SMEs as the regulation under consideration addresses only a small section of the market, although this is essential for consumers and SMEs in remote areas without other alternatives. Studies have shown that in the total parcel delivery market, the share of universal service providers varies from 10% (Bulgaria, Spain, United Kingdom, Italy) to 25% (Czech Republic, Denmark, France, Estonia), while only a small percentage (5 to 10%) of these parcels are covered by universal service obligations.