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COMMISSION STAFF WORKING DOCUMENT
EXECUTIVE SUMMARY OF THE IMPACT ASSESSMENT

Accompanying the document

Proposal for a Regulation of the European Parliament and of the Council

on electronic freight transport information

{COM(2018) 279 final} - {SEC(2018) 231 final} - {SWD(2018) 183 final}

Executive Summary Sheet
Impact assessment on a Proposal for a Regulation on electronic communication of freight transport information and documentation
A. Need for action
Why? What is the problem being addressed?
A low and varying degree of acceptance by Member States' authorities of information or documents communicated electronically by businesses, when provided as evidence of compliance with regulatory conditions for the transport of goods, makes the majority of economic operators to prefer using paper documents. This results in lost economic potential, due to inefficiencies.
What is this initiative expected to achieve?
To enable wider use of digital technologies for fulfilling regulatory information requirements in current legislation applicable to the transport of goods in the EU, in all transport modes. Administrative burden for logistics operators will be reduced, and multimodal transport facilitated. Overall net benefits are projected at about EUR 27 billion over 2018-2040*.
What is the value added of action at the EU level?
Unilateral initiatives by Member States may increase the level of digitalisation of regulatory information exchange, but their effect will be limited in the absence of similar action across the borders. Unilateral initiatives may also fragment further the current legal and technical framework, and increase complexity for EU businesses.
B. Solutions
What legislative and non-legislative policy options have been considered? Is there a preferred choice or not? Why?
<p>Four policy options have been considered, which differ on the material scope of the intervention, namely the range of freight transport documents and regulatory information covered by the obligation of acceptance by authorities, and on the regulatory strength of the different measures.</p> <p>Two policy options, options 3 and 4, proved most effective in achieving the policy objectives. These options include a wide scope of regulatory information and relatively more, and better specified, binding requirements related to the acceptance of electronic information. The preferred option is option 3, which takes account of stakeholders' preference for avoiding a one-size-fits-all approach.</p>
Who supports which option?
A majority of stakeholders support a wider scope of regulatory intervention in terms of both: (a) the documentation/information covered by the obligation of acceptance for authorities; and (b) the degree of specification of binding requirements to ensure interoperability of IT solutions used. However, stakeholders in the rail and aviation sectors do not favour new technical standards or one-size-fits-all solutions, as proposed in option 4.
C. Impacts of the preferred option
What are the benefits of the preferred option (if any, otherwise main ones)?
<p>The industry is expected to make savings worth EUR 20-27 billion over 2018-2040*, thanks to the reduction in administrative costs. This is equivalent to 75-102 million work hours saved yearly.</p> <p>Positive environmental impacts are expected due to a decrease in road transport's modal share. In cumulative terms, CO2 emissions savings are estimated to be cut by more than 1,300 thousand tonnes over 2018-2040*, equivalent to EUR 74 million in external costs savings. Congestion costs are projected to be reduced by almost EUR 300 million* over the same period. In addition, with an average of 1-5 copies of each document per shipment not printed anymore, about 2-8 billion sheets of paper would be saved, or the equivalent of 180-900 thousand trees annually.</p>

What are the costs of the preferred option (if any, otherwise main ones)?

Costs for public authorities are estimated at about EUR 268 million over 2018-2040*, of which EUR 17 million related to the certification of solution providers, and EUR 251 million to enforcement. National authorities will be expected to invest in new IT systems, or to adjust existing ones.

For businesses, compliance costs are expected to be in the range of EUR 4.4 billion.

Employment impacts can be slightly negative in case personnel is made redundant by reduced document management activities. This will be offset by overall sector growth. Greater demand for IT solutions and systems is likely to bring more opportunities for IT providers, leading to an increase in high-skilled employment.

Slight negative externalities may occur from the increase of air pollution from waterborne transport, estimated at about 41 million over 2018-2040*.

How will businesses, SMEs and micro-enterprises be affected?

Businesses, including SMEs, will have a choice on how fast to digitalise their paper-based processes. The certainty that electronic documents/information can be accepted will encourage digitalisation. One-off investments are expected to bring savings already within the first year, thanks to reduced time spent on regulatory compliance reporting activities and improved overall business efficiency. Road transport operators, about 99% of which are SMEs, are expected to benefit of about 60% of all industry administrative costs savings.

Will there be significant impacts on national budgets and administrations?

National administrations will be expected to invest in new IT systems, or to adjust the existing ones. These costs are unlikely to be significant. At the same time, the EUR 268 million enforcement-related spending will lead to better enforcement and savings on everyday costs for businesses.

Will there be other significant impacts?

Shipment of freight across borders and between modes is expected to become easier and cheaper. This may translate into faster delivery times and lower prices for consumers. For transport operators, operational cost savings would be about EUR 12 billion over 2018-2040*.

D. Follow-up**When will the policy be reviewed?**

An evaluation of the policy will be undertaken within 5 years from the start date of application of the basic legal act. Monitoring of the implementation will take the form of collecting information from the Member States on a two-yearly basis.

* Relative to the baseline, i.e. compared to a scenario where no policy intervention at EU level is made.