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COMMISSION STAFF WORKING DOCUMENT

Accompanying document to the

**Proposal for a
REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL
amending Regulation No 11 concerning the abolition of discrimination in transport rates
and conditions, in implementation of Article 79 (3) of the Treaty establishing the
European Economic Community and Regulation (EC) No 852/2004 of the European
Parliament and the Council on the hygiene of foodstuffs**

**Impact Assessment
(Regulation 11 Transport document)**

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Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL amending Regulation No 11 concerning the abolition of discrimination in transport rates and conditions, in implementation of Article 79 (3) of the Treaty establishing the European Economic Community and Regulation (EC) No 852/2004 of the European Parliament and the Council on the hygiene of foodstuffs

Impact Assessment (Regulation 11 Transport document)

1. PROBLEM DEFINITION

This regulation was introduced in 1960 and requires carriers of goods across EU borders to provide certain information on tariffs, agreements, price deals and transport conditions. These requirements stem from a time when intra-EU transport was heavily regulated and significant information obligations were required to comply with the rules in force. With liberalisation of goods transport, many of these information requirements are no longer needed. Indeed, in the area of transport by road some of the information obligations still in existence go beyond the provisions of the UN Convention on the Contract for the International Carriage of Goods by Road and the information that is normally provided in consignment notes.

In concrete terms, the Regulation requires the following information to be available on board of the vehicles:

- name and address of the consignor;
- nature and weight of the goods;
- place and date of acceptance of the goods for transport;
- place at which the goods are to be delivered;
- route to be taken, or distance to be travelled;
- frontier crossing points.

Furthermore, the Regulation requires the following information to be kept on the premises of the carriers:

- transport charges, any other charges and any rebates or other factors affecting the transport rates and conditions.

The first four bullet points concern information that is useful and essential but which also appears on other documentation such as, for example, consignment notes that normally accompany the goods when being transported. The fourth and fifth bullet points are neither useful nor essential anymore. Finally, the information currently required on transport charges is nowadays available from the carrier's accounting system wherefore the current Regulation may lead to duplication.

A rough estimate of the number of transport operators affected by the current requirements is more than 300.000 businesses. Of these approximately 100 are rail operators, 7.000 inland waterway operators and 300.000 road freight carriers. It should be added that a substantial number of these operators are SMEs for whom unnecessary administrative obligations can be particularly burdensome. According to estimates available from Member States that have already carried out national Administrative Burden measurements, the current outdated requirements produce an annual administrative cost of approximately EUR 160 million¹.

The issue of subsidiarity and the need for EU level action was addressed when the initial legislation was introduced. Moreover, in order to modify the existing legislation it is of course necessary that it is dealt with at the EU level.

2. OBJECTIVES

The main objective is to contribute to the Lisbon strategy for growth and jobs, in particular by putting in place a more conducive environment for business. The operational objective in this case is to ensure that obsolete reporting requirements are removed and to avoid duplication so that the freight transport sector can become more efficient. A further objective is to ensure that useful information continues to be available to users. This includes information concerning the involved parties and the goods that is normally also found on other documents such as consignment notes.

As the objectives are about reducing the administrative burden on business and the improvement of EU competitiveness, while preserving levels of protection, they are fully consistent with the Lisbon strategy and the Sustainable Development strategy.

3. POLICY OPTIONS

Option 1 No-Policy Change

Option 2 Abolishing the obligation to provide information on routes, distances, rates and other transport conditions, and facilitating the use of information available from other sources such as consignment notes and the carriers accounting system to ensure the continued availability of needed information.

¹ Figures from the measurement of administrative burdens in The Netherlands have been extrapolated to the EU-level based on the relative percentage of GDP (World Bank data, 2005) and the country distribution list developed by Kox (2005) in order to correct the extrapolated figures according to different estimated levels of administrative burdens in different Member States.

4. ANALYSIS OF OPTIONS

Option 1

Under this option all current information obligations would remain in place. Carriers would still have to provide information that is neither useful nor essential anymore, and it would be difficult for carriers to use other sources to provide the information required (e.g. through consignment notes and accounting systems).

Option 2

Certain information obligations in the Regulation no longer serve the purpose of the original regulation. The requirements stem from a time when intra-EU transport was heavily regulated and significant information obligations were required to comply with the rules in force. With liberalisation of goods transport, these information requirements are outdated and their removal will, as such, not have a negative impact on consumers or competition.

This option envisages that the following information will still be available to interested parties, but may be made more easily available from other sources such as consignment notes and the carriers' accounting systems:

- name and address of the consignor;
- nature and weight of the goods;
- place and date of acceptance of the goods for transport;
- place at which the goods are to be delivered;
- transport charges, any other charges and any rebates or other factors affecting the transport rates and conditions.

The following information is no longer essential and will no longer be required:

- route to be taken, or distance to be travelled;
- frontier crossing points.

Carriers normally bring a consignment note when transporting goods across borders, including information on the first four bullet points. In these cases, there will be no need for the carriers to fill out and carry a separate document. Information on transport charges will continue to be available via the carriers' accounting systems. As a consequence, there will be no need for carriers to fill out and keep separate forms.

There is no demand or use for the pieces of information related to the routes and the border crossing points. Therefore, the requirement for the carrier to have them available when transporting the goods can be abolished without that leading to any potential negative impacts in the form of loss of valuable information to anyone when the goods are being transported. Furthermore, the information obligations are adjusted so the remaining requirements stay within the information already required elsewhere, e.g. by the UN Convention on the Contract for the International Carriage of Goods by Road and the normally available consignment notes. At the same time it is stressed that businesses will not have to provide the remaining information requirements on separate forms. According to the estimates presented above, the cost reduction potential is in the region of EUR 160 million.

5. COMPARING THE OPTIONS

Option 2 allows costs savings and productivity benefits to be utilised while the same level of essential information continues to be available. Estimates of the potential cost savings suggest that they may be in the region of EUR 160 million. Option 2 is therefore the preferred option.

6. MONITORING AND EVALUATION

As part of the Administrative Burden reduction exercise in addition to the current rough estimate based on the Dutch data further analysis regarding the contribution this proposal makes towards the overall target of 25% will be undertaken.