

eFTI Regulation: a proposal to be endorsed

UIRR supports the principle to oblige authorities to accept regulatory freight transport information in electronic format

The European Commission has published a proposal for a Regulation on electronic freight transport information (eFTI) on 17 May 2018 (https://ec.europa.eu/info/law/better-regulation/initiatives/ares-2017-2546864_en). The purpose of the envisaged legislation is to oblige authorities in Member States to accept freight transport-related regulatory information from businesses in yet to be defined electronic formats.

The proposal addresses an aspect of digitalisation in European freight logistics that promises productivity enhancements and a reduction of transmission errors. It promises also some benefits for the economy and the environment. The Intermodal sector therefore **endorses the proposal in principle and is prepared to actively collaborate in the further development of the Regulation and, subsequently, the delegated acts** defined in the Regulation.

The paper documentation of transport chains constitutes an expense burden as high as 10-15% of the total cost of the operation. A substantial portion of this cost may be saved through eFTI, while the performance of administrative functions and of enforcement actions could simultaneously be improved. Considering, however, the projected compliance costs for businesses, the legislative procedure should not be taken lightly: according to the Commission, the **compliance costs**, i.e. the adaptation of the processes and the IT environment, are expected to be in the range of €4.4 billion. The change from a paper- to a fully electronic-based forwarding of transport-related regulatory information will also incur enormous costs for the intermodal industry. The implementation of eFTI must therefore yield concrete benefits for the businesses involved.

To fulfil these objectives, the Regulation must ensure a simplification and a standardisation of the means how transport-related information shall be conveyed to authorities electronically. The commitment of Member States must be obtained to implement these within their authorities having to apply the Regulation. The risk of permitting Member States to implement a solution that is only “partially harmonised”, and therefore not compliant with a single Europe-wide standard, must be prevented. ERTMS and TAF-TSI are negative examples in this regard. The European intermodal sector wants to avoid the emergence of fragmented and costly solutions with an undesirable delay. Ideally the eFTI Regulation should help to reduce any complexity in the supply chains and to improve the competitiveness of freight transport services.

The progress of implementation must be closely followed up to ensure that businesses, engaging in the investments required by the need to comply, will be in the position to reap the benefits predicted in the EU Commission’s impact assessment.

The contents and the timeliness of adopting the delegated acts authorised within the Regulation are of utmost importance. This places pressure on the Commission and the various stakeholder groups for the drafting, and on the Member States for the adoption of these indispensable pieces of implementing legislation.

Annex: Components of the proposed eFTI Regulation

The main points of the Regulation:

- a) **Scope:** establishing the legal framework for the electronic communication of *regulatory information* related to the transportation of goods within the European Union, including the obligation for authorities to accept the digital submission of this information
- b) **Formats:** the information should in principle be delivered in a *machine-readable format*. Only upon the specific request of an authority would a *human-readable format* be developed.
- c) **Information flows:** through certified *eFTI Platforms*, and if need be by a certified *eFTI Service Provider*.
- d) **Confidentiality and security:** strict measures prescribed to ensure the confidentiality of commercial information.
- e) **Implementing and Delegated Acts:**
 - (i) **Common eFTI data set:** to reflect on regulatory information requirements including corresponding definitions for each data element.
 - (ii) **Common procedures and detailed rules:** technical specifications and conditions for authorities to access the eFTI Platforms and to process the information therein.
 - (iii) **eFTI Platforms:** detailed rules regarding the functional requirements of eFTI Platforms, including their certification.
 - (iv) **eFTI Service Providers:** requirements for eFTI Service Providers, including their certification.
- f) **Implementation:** regular reporting obligation of the Member States towards the European Commission on the number of their authorities that have implemented the measures needed for them to access and process the information made available by the economic players concerned. The Regulation shall apply latest four years from its entry into force.