e-CMR update

114th Session of SC.1, 16-18 October 2019
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2008 e-CMR

Objective

The 2008 Additional Protocol to the CMR (e-CMR) is the legal instrument which seeks to “modernize” the current system of paper consignment notes to electronic format.
2008 e-CMR: 17 -> 23 CPs
Statistics on e-CMR

- **Number of CMR/e-CMR notes used**
  - The Netherlands annual data
    - 40 million CMR *(TransFollow 2016 Report)*
  - Benelux annual data
    - 65 million consignment notes used *(IRU 2018 report)*
  - European Union annual data
    - 377 million CMR in cross border traffic *(TransFollow 2016 Report)*

- **Value of goods using CMR notes ??**
Estimated costs/benefits of e-CMR (1/2)

• **Economic benefits**

  - Time savings/Handling costs savings
    - Administrative hassle retrieval costs €15,00 per CMR note. *(TransFollow Case Report 2016)*
    - Full handling costs shall be 3-4x cheaper. *(IRU Case Report 2018)*

• **Environmental benefits**

  - Paper costs savings
    - 166,000 tress; 15,000 pallets of paper CMR’s; 600 trucks of paper CMR’s *(TransFollow Case Report 2016)*
Estimated costs/benefits of e-CMR (2/2)

• Estimated Costs

- Investment costs
  ➢ Setting-up such digital system may imply about 1,050 hours and one-off certification costs of about EUR 30,000 per Member State;
  ➢ Recurrent costs of about EUR 45,000 per year per Member State.

- Compliance/Enforcement costs for public administration
  ➢ A system to handle more than 1.5 billion documents a year could cost in the range of EUR 20 million annually.
  ➢ If divided proportionally between the authorities of all 28 EU MS, a system will cost slightly more than EUR 700,000 per Member State yearly.

(Source: Impact Assessment on electronic freight transport information- European Commission)
Challenges to operationalization

- Authenticity of electronic signature / Trustworthiness of digital documents
- Mistrust of private companies
- Old mindsets (Still need paper print out)
- Data privacy
- Dataset standardisation and interoperability
- Fragmented legal framework
Examples of digital transport documents/platforms (1/3)

• IMO’s electronic bills of lading

- The IMO, through the FAL Committee, has developed standardized documents that are recommended for use by all Contracting Governments, including:
  - IMO General Declaration;
  - Cargo Declaration;
  - Ship’s Stores Declaration;
  - Crew’s Effects Declaration;
  - Crew List - Passenger List;
  - Dangerous Goods.

- the FAL Convention also “encourages the use of a Single Window for data” to be provided by ships to local governments.

(Source: https://www.marineinsight.com/marine/imo-electronic-information-exchange-mandatory-for-ports-from-8-april-2019/)
Examples of digital transport documents/platforms (2/3)

- **Singapore Government’s Networked Trade Platform (NTP)**

  - The NTP aims to be a:
    - One-stop trade information management system linked to other platforms;
    - Next-generation platform offering a wide range of trade-related services
    - Open innovation platform allowing development of insights & new services with cross-industry data;
    - Document hub for digitisation at source that enables reuse of data to cut costs and streamline processes.

(Source: NTP fact sheet 2018)
Examples of digital transport documents/platforms (3/3)

- **AEOLIX: Living Lab 12**

  - The pilot experiment concretely deals with the process of checking and digitizing freight documents in Germany, Czech Republic, Serbia, Romania and Greece.
  
  - By using e-CMR for the trial, the transport operators across the five countries will be able to input electronically, store logistics information and exchange data, in real time via a mobile phone or tablet. TransFollow created the app and was involved in the trial.
  
  - Living Lab 12 reduce the average waiting time for trucks in the terminal by more than 70%, improving the trucks turnaround time and supply chain efficiency.

Observation

✓ Trend of digitalization of trade, logistics, and transport documents

✓ Some governments embracing digitalization holistically, others getting private sectors involved significantly or outsourcing

✓ There is always a role for government in digitalization, even if it is to establish/regulate data privacy legislation.
Next Steps

✓ ITC requested SC1, with the support of the secretariat, to:

➢ (a) prepare a paper detailing the research and other actions needed and/or recommended operations of e-CMR to be tabled at a future ITC session

   Informal group of experts could be established to undertake this task?

➢ (b) report back to Committee at its 82nd session on progress achieved

   SC1 to request secretariat to report and progress based on outcomes for this session?
Thank you

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