Eco2city First Player to Embrace European Harmonised Parcel Label for More Sustainable and Efficient Last-mile Delivery

Eco2city is a Dutch non-governmental organisation (NGO) that supports cities all over Europe in their effort to achieve efficient and zero emission city logistics. As part of this goal, Eco2city has become the first player in Europe to implement GS1's Harmonised Parcel Label, recognizing its ability to positively impact the future of last-mile delivery.

Efficiency and Sustainability

Ecommerce Europe and GS1's joint blue paper, *The Business Case for the Harmonised Parcel Label,* states that "E-commerce is fundamentally changing postal and parcel markets". However, "… the current parcel streams are ill-fitted to accommodate this". The sharing of data between players involved in a delivery is crucial to improving the efficiency and sustainability of last mile delivery. The Harmonised Parcel Label and its globally unique parcel identifier will help answer the future demands of all stakeholders in the delivery service industry, including customers, manufacturers, retailers, integrators, e-fulfilment companies, carriers, parcel collection/return points and the government.

New Players for a Sustainable Delivery Process

Traditionally, a delivery would be made from an online retailer or manufacturer to the receiver by one carrier. To optimise the delivery process, the chain has been expanded to include city logistics operators, such as the Dutch operators Goederenhub and Binnenstadservice**.** These operators consolidate shipments from different carriers to a central hub to meet special requirements of local city authorities such as limited access to certain areas (e.g. restrictions due to physical access, time of day deliveries are permitted, environmental rules/fuel type) and special needs for an efficient receiving process (fewer deliveries during the day).

Eco2city's Birgit Hendriks and Max Prudon said, "We specifically concentrate on hubs as plenty of carriers are already available. The loading and unloading locations provide the opportunity for optimal choices at both ends of the chain. Transportation of goods from the shipper to the hub can be done more efficiently and new possibilities for last-mile consolidation are appearing."

Installation of outer city area hubs is especially attractive for cities with narrow streets, air quality problems or complex traffic situations. For this reason, Hendriks and Prudon see opportunities for other cities that have sustainability high on their agendas.

GS1 Harmonised Parcel Label

City logistics operators need to be knowledgeable of and able to use a wide variety of systems; they need to "speak the language" of various carriers as well as shippers who make their own deliveries. This creates complexity, a risk for error and unnecessary cost in the delivery chain. To solve these problems, Eco2city actively promotes the widely applicable GS1 Harmonised Parcel Label in day-to-day commercial logistical processes."

Eco2city supports city logistics operators with a system that can tap into various carrier specific identification systems, as well as the standard GS1 Serial Shipping Container Code on the European Harmonised Parcel Label, to facilitate shipping to the parcel's destination. Implementing the label enables city logistics operators to give their customers an option to use this as a standard solution and thus helping to reduce costs while keeping track of their parcels.

According to Hendriks and Prudon, the Eco2city initiative and European Harmonised Parcel Label would lead to an optimal solution for every transport segment within a chain. A retailer who selects the Eco2city set-up starts off with generating a label, for each box, pallet or roll container. "They share the data with us using an upload, either manually or using EDI. This information is joined with the parcel or roll container when it is scanned by us on arrival. At the hub, roll containers are divided into separate shipments and these 'parcels' can be assigned and distributed across various delivery rounds."

Enforcing GS1 Harmonised Parcel Label Use

Hendriks and Prudon feel that "the concept of what we have developed is grand" and feel this is just the beginning. So far, four hubs have been connected: Den Bosch, Maastricht, Nijmegen and Enschede and more are planned for 2018. At least six new shipping companies will use the new platform. Hendriks and Prudon would welcome further action by the authorities; they "could start operating more sustainably and enforce changes in logistics behaviour while appealing for the use of the GS1 Harmonised Parcel Label." There are many possibilities, including encouraging consolidated deliveries and imposing "interoperability requirements on shipping companies in tender projects".

The Future of Last-mile Delivery

Eco2city's Birgit Hendriks and Max Prudon say they are still in discussions but recognize that the opportunities for the future of last-mile delivery are "huge". Implementing the GS1 Harmonised Parcel Label has the "potential to result in considerable gains in sustainability, especially in the area of e-commerce." It would help solve the problem of current ill-fitted parcel streams by enabling the sharing data between players, providing much needed support to all stakeholders in today's delivery service industry.

Players in the delivery chain who are interested in learning more about how they can benefit from using the Harmonised Parcel Label can contact: Frits van den Bos, project lead last mile delivery for GS1 in Europe, frits.vandenbos@gs1.nl, +31650654722 or Jaco Voorspuij Senior Manager Transport and Logistics at GS1 Global Office, jaco.voorspuij@gs1.org, +32497587986.

Eco2city

The NGO Eco2city aims at supporting cities all over Europe to achieve efficient and zero emission city logistics. Eco2city has been working in this field since the foundation in 2008. Today Eco2city is the driving force behind the Citylogisticsnetwork.eu, is a consultancy NGO for several European cities and acts as a partner in research projects. For more information, visit www.eco2city.eu.

GS1 in Europe

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