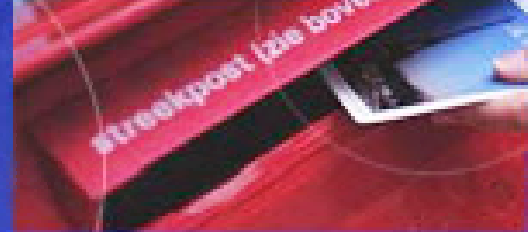


**EETT Conference**  
**The new Regulatory Framework Development**

# **The EU dimension**

**Fernando Toledano**  
**European Commission**  
**DG Internal Market**



## Outline

- **The Community postal regulatory framework**
- **The application of the Community postal regulation**
- **The international arena**
- **Regulating for the future, a strategic view**



# **The Community postal regulatory framework : building blocks for reaching a moving target**



## Postal Services

# The Community postal policy - an evolutionary process

Reference document	Main content
<p data-bbox="281 748 468 839"><b>97/67/EC Directive</b></p>	<p data-bbox="696 501 1001 544"><b>Key definitions</b></p> <ul data-bbox="792 558 1176 636" style="list-style-type: none"><li>Minimum universal service</li><li>Maximum reserveable area</li></ul> <p data-bbox="696 654 1763 696"><b>Universal Service and the Universal Service Provider</b></p> <ul data-bbox="792 711 1386 882" style="list-style-type: none"><li>Quality of service requirements</li><li>Principle of tariffs geared to cost</li><li>Accounting principles, separated accounts</li><li>Consumers protection issues</li></ul> <p data-bbox="696 899 1188 942"><b>Regulatory environment</b></p> <ul data-bbox="792 956 1587 1079" style="list-style-type: none"><li>Separate regulation/operation</li><li>General authorisations and Licensing systems (possible)</li><li>Compensation fund (possible)</li></ul>
<p data-bbox="262 1108 487 1199"><b>2002/39/EC Directive</b></p>	<p data-bbox="696 1108 1816 1150"><b>Further market opening from 01/01/2003 and 01/01/2006</b></p> <p data-bbox="696 1158 1252 1200"><b>Additional regulatory measures</b></p> <p data-bbox="696 1208 1283 1250"><b>Process for next step in 2009</b></p>



## Postal Services

### Mandatory Harmonisation

### Optional Harmonisation

**Core framework**  
(I.e. principles and boundaries  
to be applied)

**Environment framework**  
(I.e. only principles apply)

**Tools available**  
(& related principles applying)

- Universal service
- Quality of service for cross-border mail
- Maximum reservable area

- Tariffs geared to costs
- Accounting systems
- Separation regulator/operators
- Quality of service (domestic mail)

- General authorisations & licensing systems
- Compensation fund



## Integrating postal regulation into common regulatory trends

<b>Applying Competition law</b>	<b>The transition from monopolies to an open market</b> (abuses of dominant position, state aids,
<b>Services of general interest</b>	<b>Commission Green paper, Communication with results of the consultation, White paper</b>
<b>VAT</b>	<b>Proposal for Council Directive on applying VAT on postal services</b> (all postal services to be applied VAT with possibility to apply reduced rate on standard services)
<b>Public procurement</b>	<b>EP and Council Directive</b> (postal services to move away from the general system into the "Utilities Directive", exemption in case of market opening and effective competition)
<b>Technical standardisation</b>	<b>2nd mandate to European Standardisation Committee - CEN</b> <b>Decision by the Committee of the Directive</b>



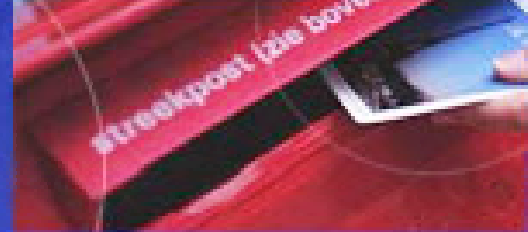
## The postal services in the enlarged Union :

- No derogations to the *acquis*, but Poland
- Always some remaining transposition issues
- Some (potentially) important application issues

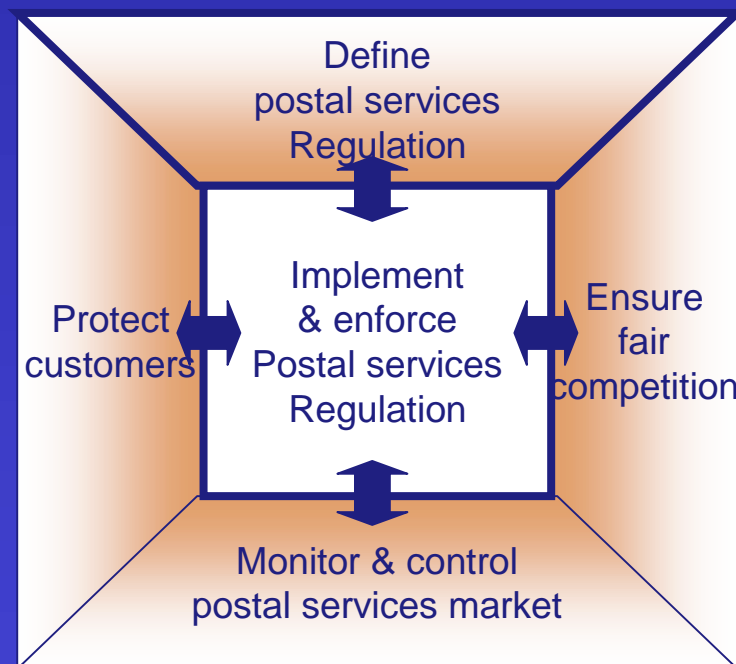


# Applying the Community postal regulation





- **National Regulatory Authorities have a pivotal role**  
in co-operation with other national bodies



### Implementing & enforcing national regulation

- **Enforce universal service obligation**
- **Control Universal Service Provider**
  - Monitor quality of service
  - Complaints & redress procedures
  - Transparency of accounts
  - Price control
- **Implement market access conditions**
  - Enforce reserved area
  - Authorisations
  - Licensing within universal service
  - Access to postal network
  - Compensation fund



## **The non-universal services in the Postal Directive :**

- can not be reserved (price limit, Article 7)**
- general authorisations are possible (Article 9.1)**
- can not be subject to individual licenses (Article 9.2)**



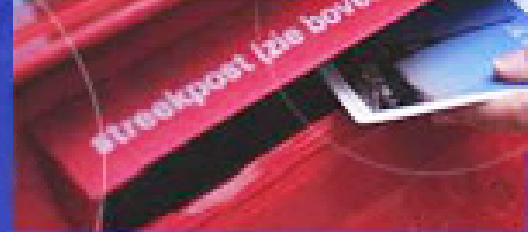
## **Evolving regulatory environment : consolidating change**

- **From transposition to detailed regulation – universal service definition, licensing**
- **Increasing role of NRAs – price control, access, quality of service monitoring**
- **Impact of scale and pace of introduction of competition**



# The broader picture / international arena: a growing interdependency





## International arena: the key issues at stake

- **Bilateral agreements**
- **WTO / Doha Round – The EU three pillars**
  - New classification, offer and request, reference paper
- **UPU and the Bucharest Congress**
  - Similar solutions to similar problems ?



**Regulating for the future :  
how to move to the next EU 2009 step?  
(the need for a strategic view)**



## **Main issues to consider in developing a strategy :**

- **Market developments**
  - Overall growth, market segmentation and consolidation, pressure for greater efficiency, rebalancing offer & demand sides
- **Regulatory developments**
  - Continuous analysis of the regulatory evolutions (S, UK, D, NL...), determine what level of harmonisation is required
- **Lessons to be learned from previous steps**
  - Regulate for the future, avoid regulatory capture
- **First and foremost, regulate for the customer**
  - Customers should make their voices heard, develop scenarios which integrate customer needs, promote partnership among market actors



***Thank you for your attention***



***For more information:***

***Check:*** [http://europa.eu.int/comm/internal\\_market/post/index\\_en.htm](http://europa.eu.int/comm/internal_market/post/index_en.htm)

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