



2010 (2012) – The EU Internal Postal Market



Dr. Robert Pochmarski, LL.M.(EUI)

European Commission

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*The views expressed herein do not necessarily reflect those of the DG Internal Market and Services or the Commission.

2010 (2012)

-the EU Internal Postal Market



EU postal services – facts and figures

- important for economic prosperity and social cohesion of Member States (**service of general economic interest**)
- **135 billion items** per year handled by European postal operators
- turnover of **€90 billion** or about **1%** of the EU's Gross Domestic Product (GDP)
- **5 million** people are employed in the postal sector (1,7 million of direct employment)

Where were we in 1992...and objectives...

- low quality of postal services
- no customer focus
- inefficient national postal operators
- divergent developments of universal postal service
- **need for higher quality**
- **need to create more choice (customer orientation)**
- **need to safeguard provision of Universal Postal Service – affordability and availability**
- **(cope with) rationalisation**
- **creation of the EU Internal Market for postal services based on a level playing field**

State of play 2010

The Evolution of the Postal Market since 1997

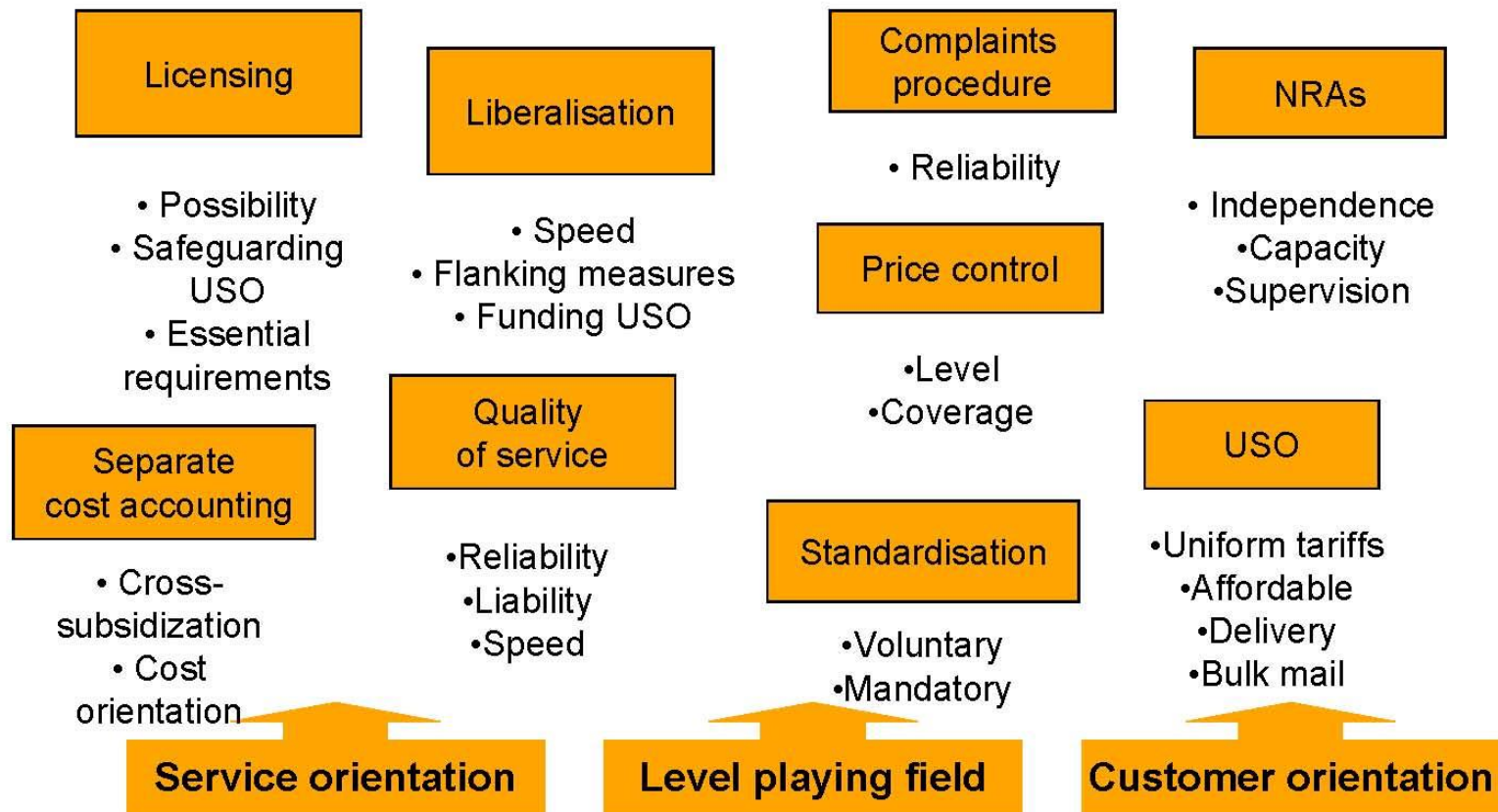
- (1) **Competition:** In all Member States incumbent postal operators still dominate the national letter post market; Perceptible end-to-end competition with market shares of around 10 percent has emerged in Germany, the Netherlands, Spain and Sweden;
- (2) **Universal Service:** Guaranteed and reliability and transit time performance have substantially improved and achieved levels above 90 percent (D+1) in more than half of the MSs;
- (3) **Choice:** Service offerings to business customers have substantially improved; customers get more value for money.

State of play 2010

The Evolution of the Postal Market since 1997

- (4) EU Postal Reform has provided the framework for gradual market opening and set important incentives for the modernisation process of incumbent postal operators;
- (5) EU Postal Reform has safeguarded and even strengthened the role of postal services in the wider communication, advertising and transport markets during the last decade;
- (6) Further efforts are needed to safeguard the role of letter services while managing the integration of the digital and the physical postal world.

The regulatory toolbox



Regulatory Tool Box – universal service obligation

- **universal service requirements**

- provision of high quality postal service
- (at least) five times a week
- throughout the entire territory
- at the affordable price

- **obligation to provide universal service**

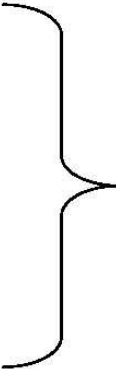
- attention on universal service and not on a provider
- different solutions to provide this service (e.g. designation, public procurement etc.)

Regulatory Tool Box – licensing regime and permitted conditions

- **designation of one or more universal service providers** - voluntary
- **individual licence for services within universal service (concept of inter-changeability)** - voluntary
 - to guarantee compliance with essential requirements
 - to ensure provision of the universal service
- **general authorization for services outside universal service area** - voluntary
 - to guarantee compliance with essential requirements

Regulatory Tool Box – licensing principles


- any conditions must be limited so as to avoid market entry barriers
 - protection of acquired rights
 - clear definition of essential requirements

 - any licence requirements and licence conditions should respect general principles of Community law
 - *transparency*
 - *necessity*
 - *non-discrimination*
 - *proportionality*
 - *objective justification*
- 
- Postal Directive***
- EC Treaty***

Regulatory Tool Box - access to the public postal network

- left to Member States by the Postal Directive to decide upon the system they may apply
- different solutions applied by Member States – from *ex ante* mandatory access to freely negotiated terms
- role of NRAs essential in both cases: (i) *ex ante* regime – **decision on access conditions**; (ii) mandatory regime – **decision in the case of a dispute**
- even if no *ex ante* obligation envisaged by the regulatory framework – application of competition law to market dominant players (e.g. *refusal to deal*)

Regulatory Tool Box – tariff and cost accounting principles

- **cost-orientation of prices to prevent abuse of significant market power**
- **incentives for efficient service provision – objective of high quality postal services**
- **possibility of a uniform tariff  public interest**
- **separation inside cost accounting (universal postal service and other services) – to prevent unlawful cross-subsidization**
- **terminal dues – (i) cost orientation, (ii) link to the quality of service and (iii) transparent and non-discriminatory application – to ensure high quality cross-border postal services**

Regulatory Tool Box – National Regulatory Authorities (competencies)

- **broad competencies and obligations in applying the regulatory framework**
 - ensuring high quality postal services – **monitoring and supervision**
 - issuing licences where this option is applied – **market monitoring**
 - dealing with complaints procedures - **supervision**
 - supervising cost orientation of tariffs - **supervision**
 - foster competition – an instrument
 - statistical data collection – **market monitoring**

State of play – April 2010

FMO April 2010

FMO 31/12/2010

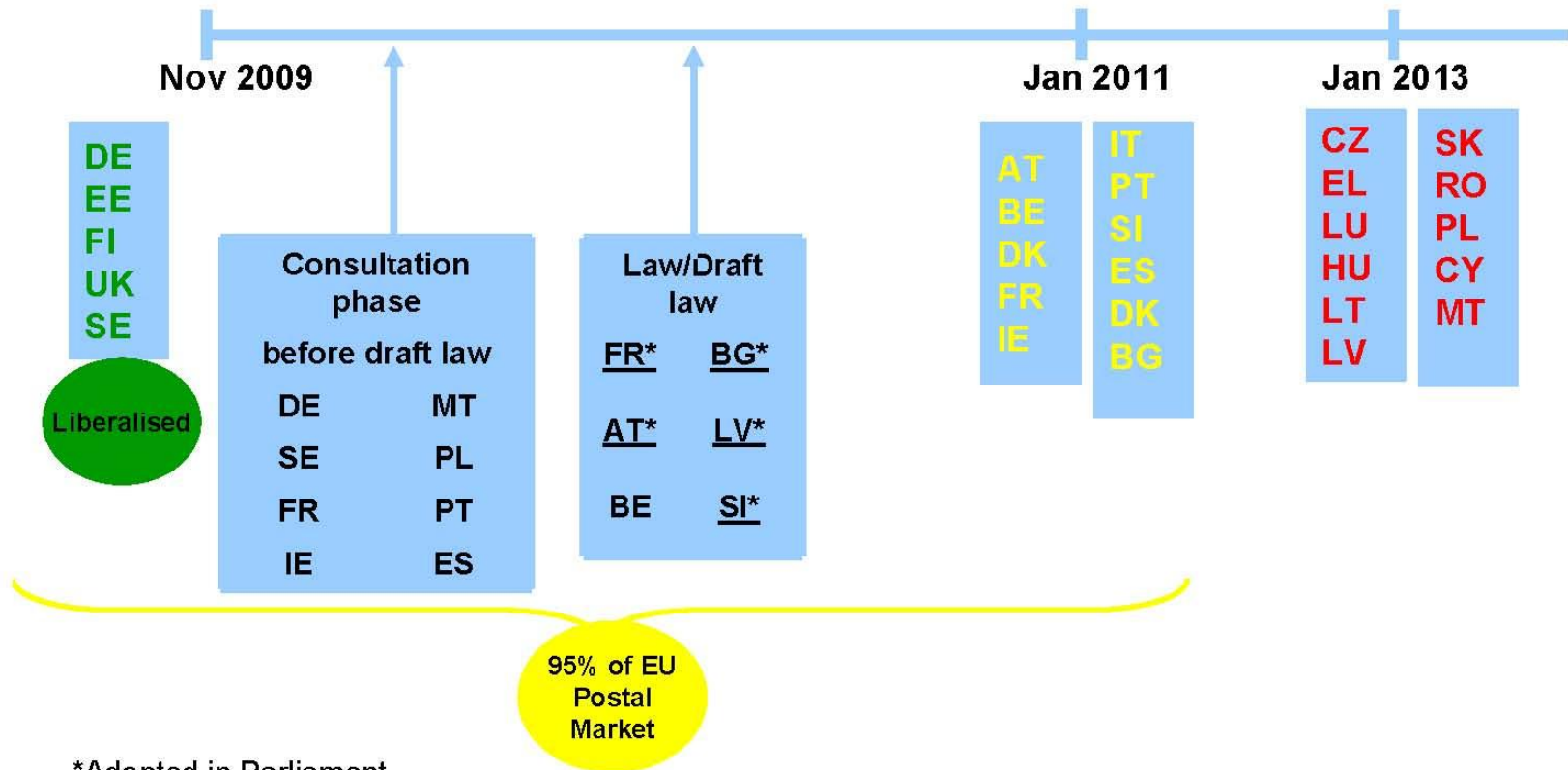
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Quelle:

www.europa.eu



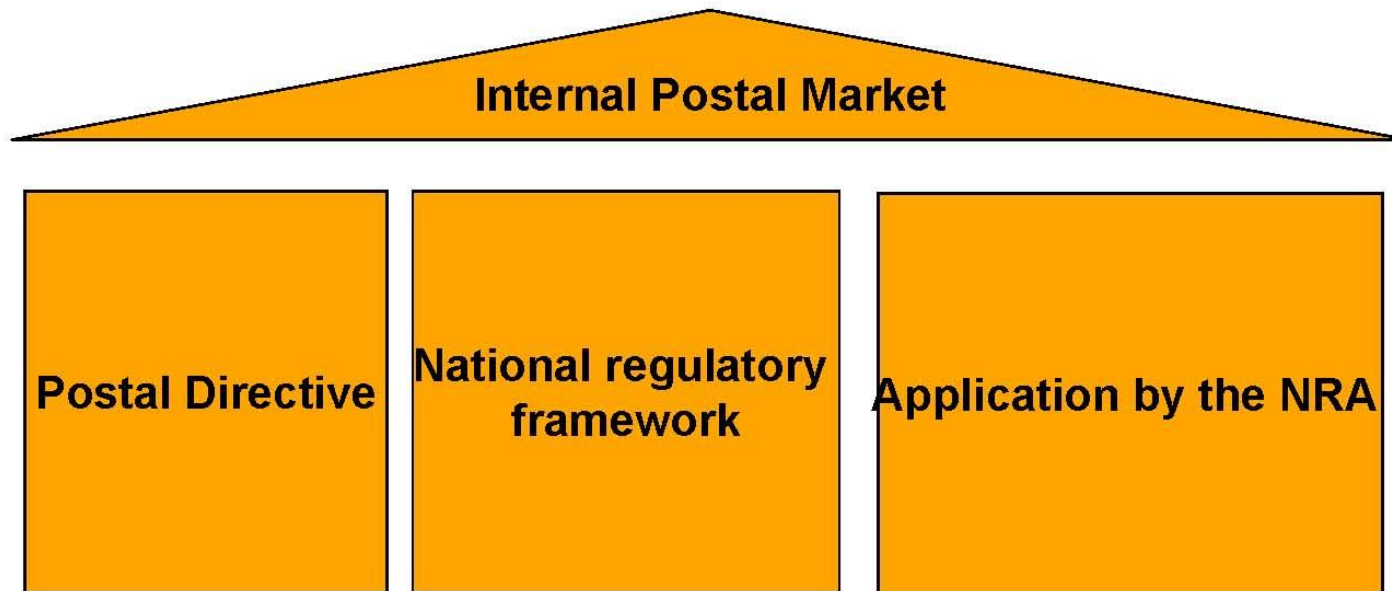
State of play - Timetable



State of play 2010

- Three groups of Member States with different stages of transposition are a risk for (one) Internal Market;
- ➡ Legislation is necessary, but not self-sufficient regulatory implementation is fundamental;
- Development of competition in the market is still slow and there are players leaving the market;
- Economic downturn, falling volumes and e-substitution require an answer.

Application of the regulatory framework



Best Regulatory Practice

Develop best postal regulatory practices:

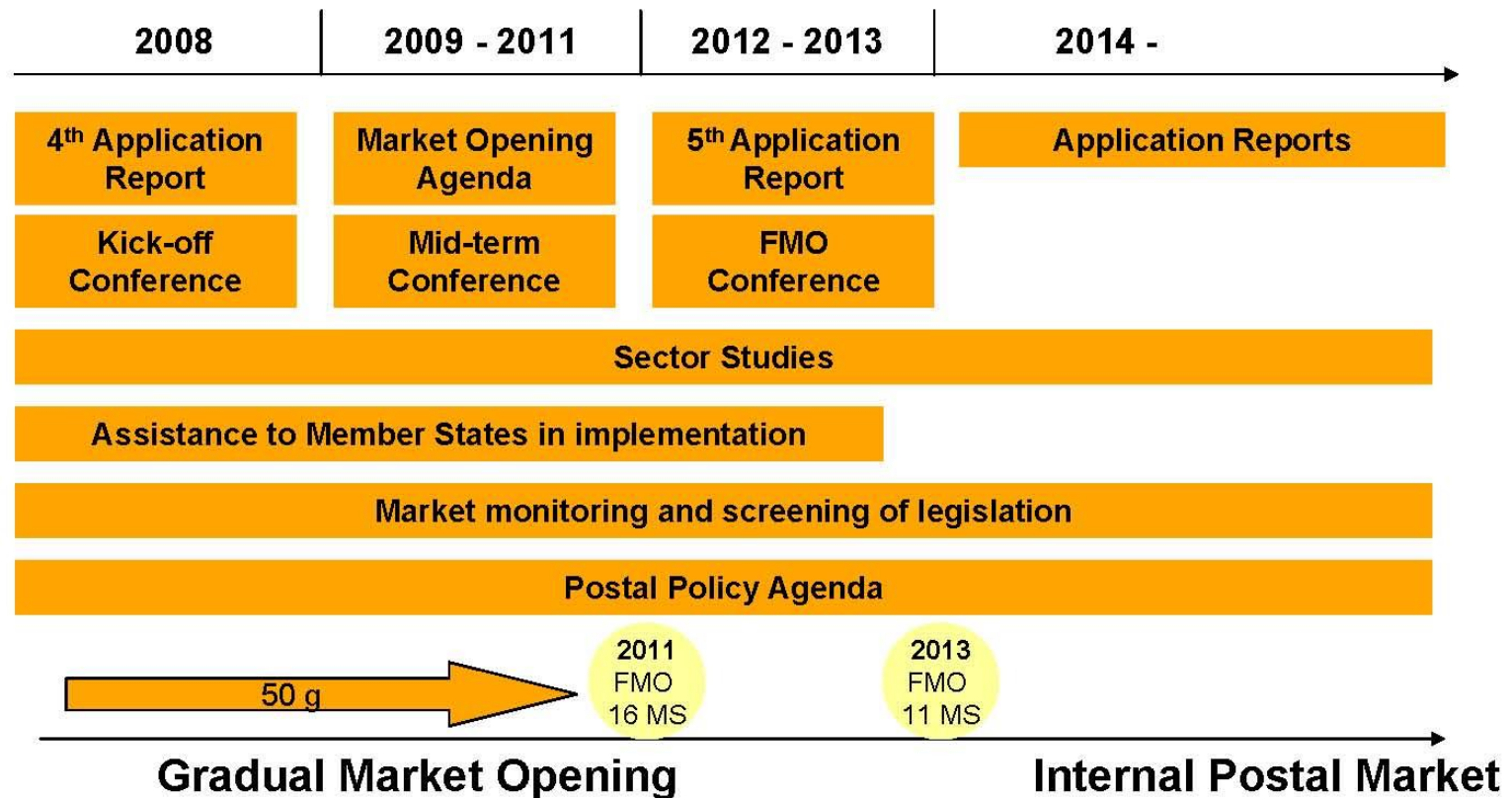
- PDC Working Groups (9 so far);
- Bilateral Meetings;
- Conferences (Valencia April 2010);
- Independent NRAs;
- Cooperation needs to be further enhanced (ERGP).

Best Regulatory Practice

Enhancing cooperation:

- In order to guarantee coherence and consistence in the Internal Market;
- In relation to the intra-Community provision of postal services;
- For intra-Community complaints and redress procedures.

Activities 2009/10 and beyond



Activities 2009/10 and beyond

- further bilateral meetings with Member States;
- intensified screening of Member States' postal legislation, markets and regulatory practice;
- Mid-Term Conference Valencia (29/30 April 2010);
- Studies (main developments 2008-10; external dimension).



Activities 2009/10 and beyond



- continued multilateral meetings with Member States through the Postal Directive Committee and its Working Groups;
- Action of and coordination amongst NRAs and with the European Commission is essential – ERGP.

Further information:



Website of the European Commission, Directorate
General for Internal Market and Services, **Postal Markets
Unit:**

http://ec.europa.eu/internal_market/post/index_en.htm