

The first 90 days after D-Day

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Moving towards the liberalisation of the postal market

Athens, 13 April 2011

Outline

- Progress of market opening and main barriers.
- European Regulatory Group for Post (ERGP).
- Conclusions.

Progress of liberalisation (on paper)

Member State	Notification/Date
<i>Austria</i>	Complete / 12.10.2009
<i>Belgium</i>	Complete / 04.01.2011
<i>Bulgaria</i>	Complete / 05.01.2011
<i>Denmark</i>	Complete/ 31.12.2010
<i>Estonia</i>	Complete / 31.12.2008
<i>Finland</i>	Adoption / 09.03.2011
<i>France</i>	Complete / 23.12.2010
<i>Germany</i>	Complete / 22.12.2010
<i>Ireland</i>	Absence
<i>Italy</i>	Absence
<i>Netherlands</i>	Complete / 25.06.2009
<i>Portugal</i>	Absence
<i>Slovenia</i>	Complete / 28.09.2009
<i>Spain</i>	Complete/10.01.2011
<i>Sweden</i>	Complete / 14.09.2010
<i>United Kingdom</i>	Partial / 17.12.2010

Transposition is merely a first step

- Moratorium on the 3rd Postal Directive => no, thank you.
- Liberalisation will not take off without potent NRAs => creation of ERGP.
- Postal Directives are flexible, but there are limits:
 - Raising rivals' cost strategies => infringement procedures
 - VAT exemption limited to USO products => infringement procedures
 - Regulators or cheerleaders? – infringement procedures
 - UPU terminal dues => clarify supremacy of EU law in intra-EU traffic

If you really want to give this industry a chance...

- Be open-minded about USO definition, designation and financing:
 - what do the consumers (really) want => a flurry of valuation studies
 - do not necessarily designate 1 PPO for 100 years => public procurement rules
 - establish products interchangeable with USO => compensation funds
- Evolve from communications to delivery industry:
 - (perceived) overpricing on cross-border parcels/packets => Commission study
 - artificial distinction with so called 'express' => rather think one industry
 - go forth and innovate: parcel terminals + embracing electronic communications

European Regulatory Group for Post (ERGP)

- Postal directives introduce merely a basic framework.
- Good practice from other utilities/regulated sectors.
- Postal liberalisation from now on largely in the hands of NRAs and NCAs.
- ERGP work programmed adopted on 1 December 2010:
 - WG1: cost allocation/price regulation
 - WG2: net cost of USO
 - WG3: end users/market monitoring
 - WG4: cross-border products
 - WG5: access

http://ec.europa.eu/internal_market/ergp/

Conclusions

- No 2011 big bang? Maybe because liberalisation came a decade too late?
- From electronic substitution to electronic synergies.
- Competitive advantage will likely come from innovations in customer convenience.
- The future is a parcel (also for the postal unit at the EC).

Further reading:

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