



Regulatory changes: Regulation on cross-border parcel delivery services and evolution of the universal service obligation

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Regulation on cross-border parcel delivery services

- Role of national postal regulatory authorities:
 - Better market oversight through provision of information from parcel delivery service providers
 - Identification of tariffs and affordability assessment





Article 4: Provision of information by parcel delivery service providers

- All parcel delivery service providers with 50+ employees or established in more than one MS to provide once (+ when changed):
 - basic company information: name, address, legal status, trade registration number, VAT identification number, contact person
 - characteristics of services provided (clearance, sorting, distribution, transport) and where possible a detailed description
 - general terms and conditions, including complaint procedures
- By 30/06 each year, information (from previous year) provided to NRAs:
 - annual turnover (breakdown domestic, cross-border incoming/outgoing)
 - number of persons working in parcel delivery services, including breakdown by employment status (full-time; part-time; temporary; self-employed)
 - annual parcel volume (breakdown domestic, cross-border incoming/outgoing)
 - names of subcontractors + any information held on characteristics





Article 5: Price Transparency across the EU

- All cross-border parcel delivery service providers with 50+ employees (potentially including subcontractors or 25+ employees) or established in more than 1 Member State required to give regulators tariffs for 15 products listed in the Annex (single piece prices with no discounts):
 - "letter" services containing goods: 500g, 1kg and 2kg
 - parcel services: 1kg, 2kg and 5kg
 - standard, registered and track and trace services
- Commission to publish these prices on a webpage





Article 6: Assessment of cross-border single piece tariffs by NRAs

- Identification by NRAs of tariffs that they consider necessary to assess of items in Annex subject to a USO
- Assessment in accordance with the principles of Article 12 of the Postal Services Directive and taking into account:
 - domestic tariffs in origin and destination
 - any uniform tariff
 - bilateral volumes & relevant costs (transport, service standards)
 - where possible or necessary: likely impact on individual and SME users, including in remote areas and users with disabilities; specific price regulation; abuses of dominant market position
- Commission will set out guidelines on methodology





Implementation timeline

- by September 2018: adoption of Implementing Act
- by December 2018: adoption of guidance
- by December 2018: preparation of dedicated webpages
- by 31 January 2019: operators provide tariff information to NRAs
- by 28 February 2019: NRAs submit tariff information to EC
- by 31 March 2019: publication of tariffs on EC's website
- by 30 June 2019: NRAs provide tariff assessments to EC
- by 30 June 2019: operators provide statistical information to NRAs
- by 30 July 2019: EC publishes (non confidential) tariff assessments
- by November 2019: EC notified of penalties
- May 2020: EC evaluation report (possibly accompanied by review)



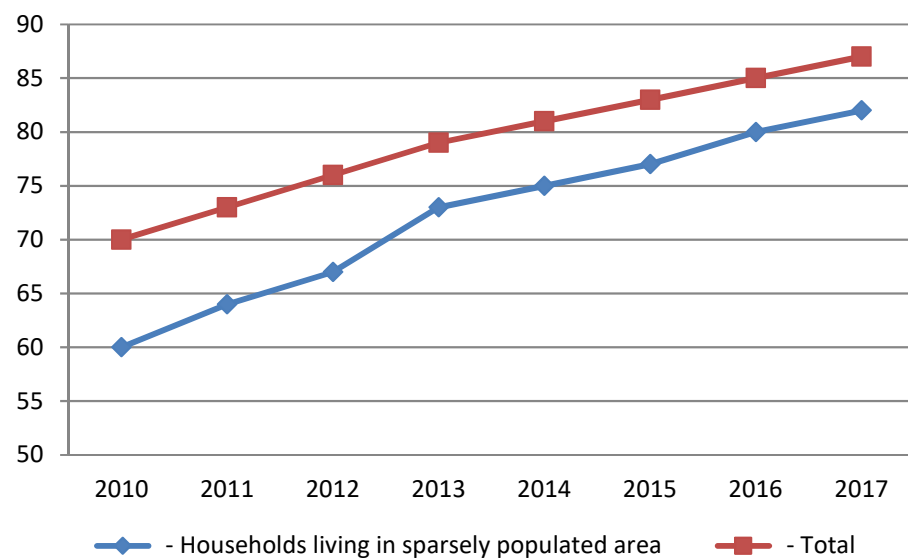
Minimum level of universal service obligation

Accessibility	One clearance from the letter boxes and one delivery to the home or premises on each applicable day
Access Points	Member States ensure that the density of the points of contact and of the access points takes account of the needs of users
Frequency of delivery/clearance	One clearance and one delivery to the home or premises not less than five working days per week
Time of delivery	No minimum requirement – Member States have discretion to specify the delivery time
Transit Time	Member States ensure that standards on transit times are set, published and adhered to
Scope of the Universal Services	Universal Service Obligations in relation to access points as well as the provision of certain postal items
Pricing	Products within the Universal Service should be affordable, cost-oriented and give incentives for an efficient universal service provision

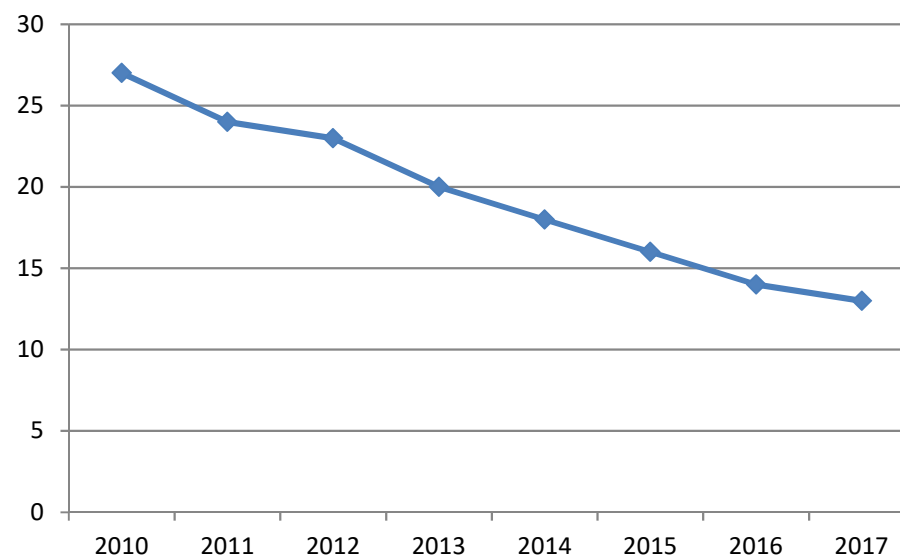


An evolving communication market

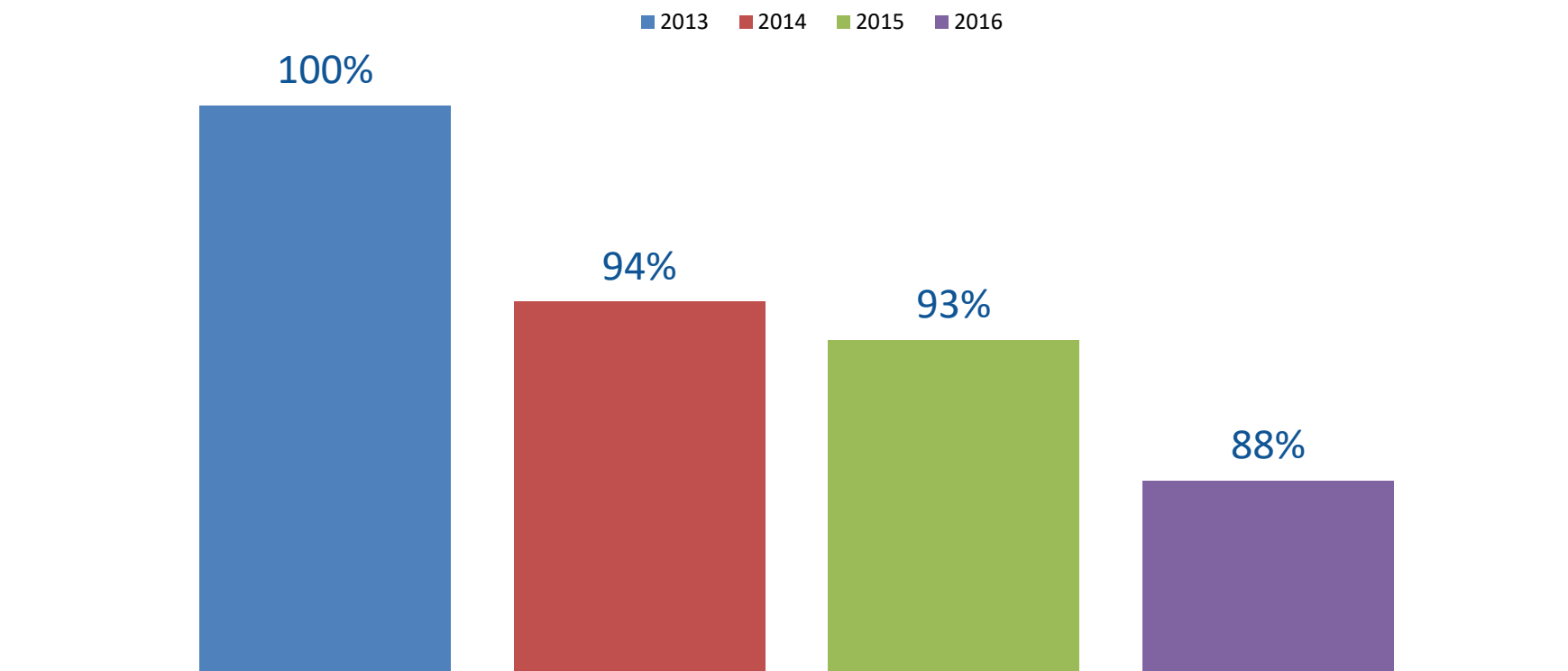
Internet access in
percentage of households
(EU average, source Eurostat)



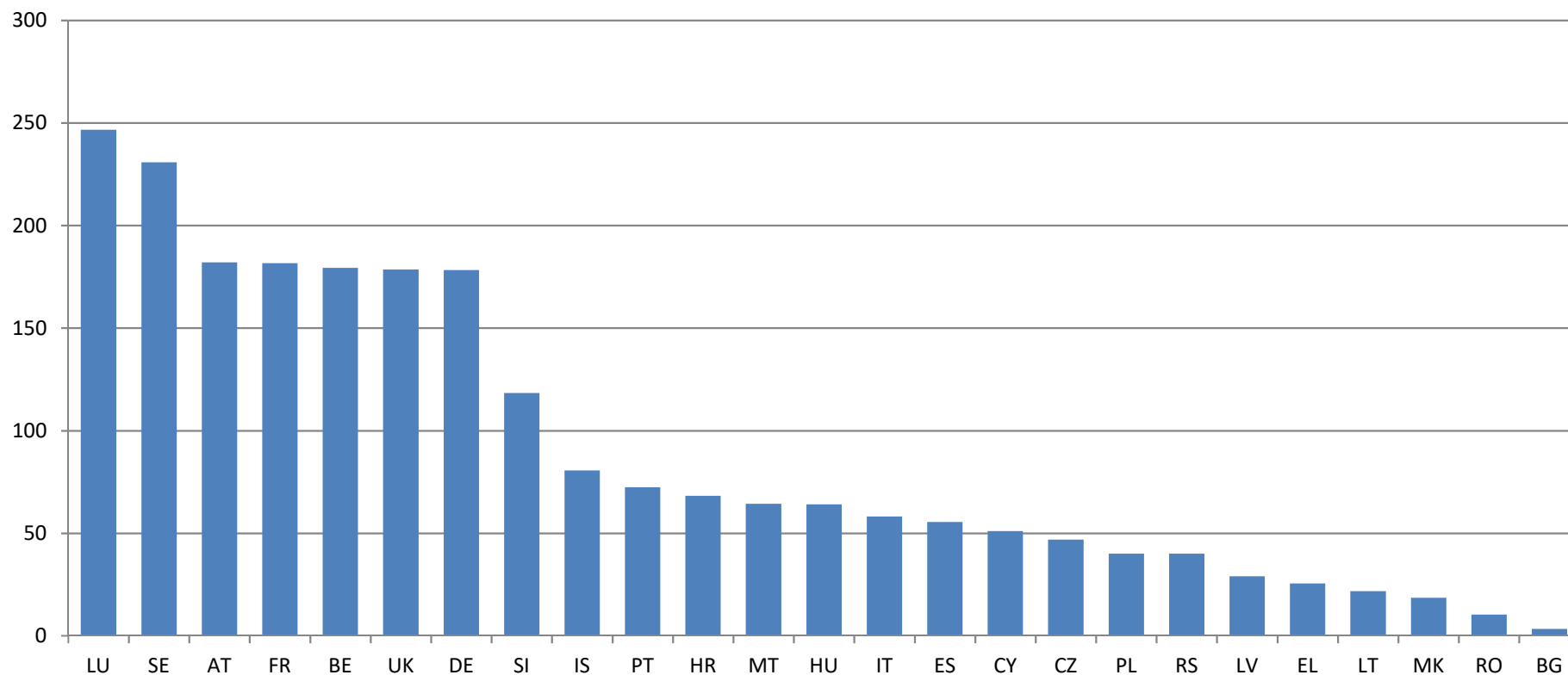
Individuals who have never
used the internet
(EU average, source Eurostat)



Change in letter mail volumes 2013-2016



Domestic letter mail volume per capita in 2016



excluded : countries requiring confidentiality





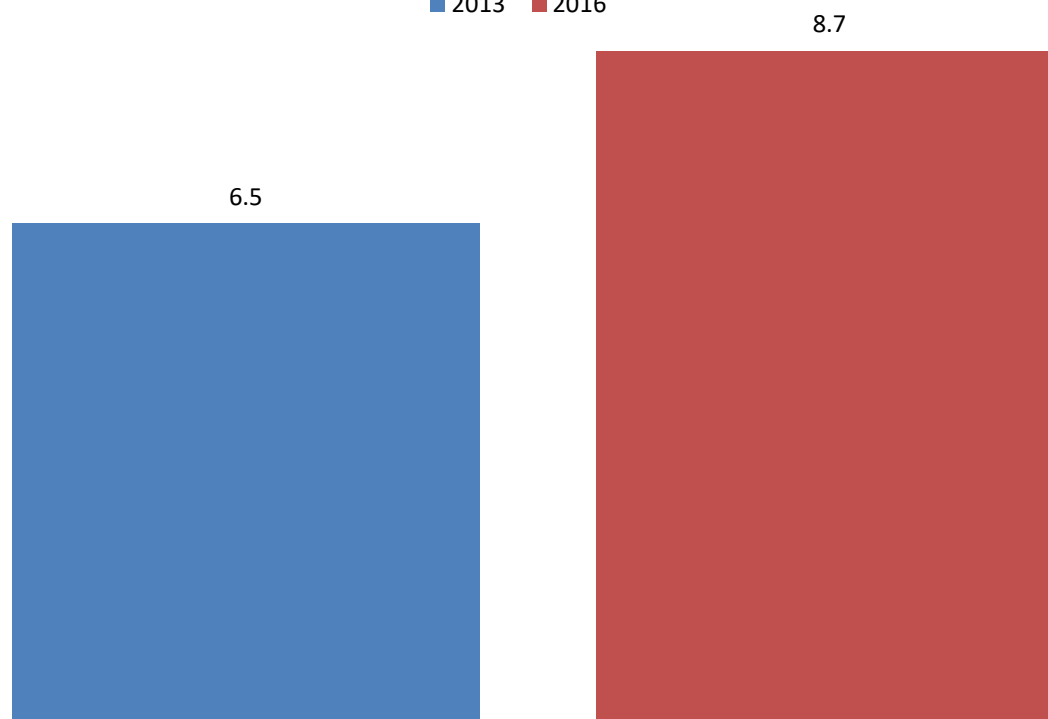
Evolution of the universal service obligation at national level

- 3 examples mitigating the letter volume decline:
 - **Italy**: reduced letter delivery frequency in rural areas
 - **Finland**: reduced letter delivery frequency in urban areas
 - **Denmark**: reduced letter delivery frequency everywhere



Domestic parcel services per capita (simple average)

■ 2013 ■ 2016





Three sets of questions

- What postal services will tomorrow's users need?
- What postal services will be provided by market forces?
- What regulatory framework will be needed?

