



Report of the 38th CERP plenary meeting Riga (Latvia) on 15 and 16 May 2008

List of participants

Chairmanship: Mr J.-L. Dutordoit (Belgium).

CERP members: Austria, Belarus, Belgium, Bulgaria, Croatia, Czech Republic, Denmark, Germany, Estonia, Finland, France, Grand Duchy of Luxembourg, Greece, Hungary, Ireland, Latvia, Lithuania, Malta, Norway, Poland, Portugal, Republic of Azerbaijan, Romania, Slovak Republic, Slovenia, Spain, Sweden, Switzerland, Turkey, the Ukraine and the United Kingdom. (Mandates received for Cyprus and the Netherlands).

CERP observers: Mr E. Dayan and Ms W.-J. Lee (UPU), Mr J. Reinbothe and Mr R. Pochmarski (European Commission), Mr A. Tempest (FEDMA), Mr B. Damiens (PostEurop).

Excused: Albania, Andorra, Bosnia-Herzegovina, Cyprus, the Former Yugoslav Republic of Macedonia, the Russian Federation, Georgia, Iceland, Italy, Liechtenstein, Monaco, Montenegro, the Netherlands, the Rep. of Moldova, San Marino, Serbia, the Vatican, EMOTA, EEA and the UNI.

Speakers invited: Mr B. Hoffman (Newaddress.ie) and Mr G. Crona (Svensk Adressändring AB).

Secretariat: Mr R. Lousbergh (Belgium).

Thursday 15 May

1. Welcome

Mr Edvins Karnitis, Commissioner of the Public Utilities Commission and Mr Janis Marsans, State Secretary from the Ministry of Transport and Communications, open the meeting with a welcoming speech.

The Chairman thanks the hosts for their hospitality and the excellent organisation of the meeting. He emphasises the importance of the meeting, which mainly focuses on the preparation of the UPU Congress in Geneva, the Postal Directive, the CERP elections and the organisation of the forum.

He bids the members welcome, particularly the observers: Mr E. Dayan, Director-General, and Ms W-J Lee (UPU), M. Damiens (PostEurop), Mr J. Reinbothe and Mr R. Pochmarski (European Commission) and Mr A. Tempest (FEDMA).

He asks for B. Aerts (the Netherlands) to be excused; he is unable to attend because of professional obligations for the Postal Act.

2. Approval of the agenda

The agenda is approved.

3. Approval of the report of the Baku plenary meeting on 5 and 6 December 2007

The draft report is approved, provided a small change is made in the third paragraph on page three of the English version, as suggested by the United Kingdom. The word "entrusted" does not reflect the same sense as the French version of the report. A better translation is called for. The English report will therefore be amended as follows: *"Thus, PostEurop should only submit to the PT UPU the proposals not subject to an opposition in principle from their ruling authorities"*.

4. Report of the CERP Steering Group meeting of 8 April 2008

The Chairman comments on Doc. 3.

The report is approved.

5. Report of the Contact Committee CERP/European Commission of 8 April 2008

The Chairman comments on Doc. 4.

The report is approved.

6. Speech given by Mr Edouard Dayan, Director-General of the UPU

The text of the speech given by Mr Dayan is attached to this report.

He reminds the meeting of the big challenges the UPU faces and of the developments regarding the Geneva Congress.

Mr Dayan thanks Mr Dutordoit for the excellent cooperation of CERP with the UPU during his entire mandate.

7. Evolution of the work of the CA and the POC of the UPU by the International Bureau (Ms Won-ja Lee)

Ms Lee (UPU) presents the latest evolutions of the work of the UPU.

The presentation of Ms Lee will be communicated by the Secretariat to the CERP members by e-mail a few days after the Plenary.

8. PT "UPU": proposals for the Geneva Congress

The coordinator, Ms M.-J. Filippini (France), presents the report on the PT's activities (Doc. 12).

19 countries have communicated their position on "batches" 1 and 2, which represents 39.5% of the CERP member countries. Other batches will follow in the coming weeks. There are two priorities for CERP: the reform of the UPU and the Acts of the Union.

Mrs Filippini presented the first orientations arising from the work of the PT "UPU" and from the first contributions received from the CERP members.

The next meetings of the PT will take place in Lisbon on 28 May and in Paris on 24 June.

The CERP Chairman thanks France for the work done by the PT and for the considerable efforts made during the last few weeks to obtain the comments from the countries.

9. European regulatory matters (European Commission): implementation of the Directives, Third Postal Directive, statistics, SGI Directive

The European Commission representatives give two presentations: "Creating the competitive postal market in Europe - The third Postal Directive and beyond" and "Directive 2008/6/EC and Directive 2006/123/EC".

The Commission also mentions that the website is being updated. At first, the consolidated text of the Directive will appear in three languages (English, French and German). The other languages will follow.

The presentations will be communicated by the Secretariat to the CERP members by e-mail a few days after the Plenary.

10. Relations between CEPT/EC/UPU (Consultation - Approval of doc. 5)

The Chairman describes the circumstances in which this CEPT consultation has been launched and asks to approve the draft of the informal answer from CERP to the CEPT questionnaire of February 2008. He points out that in establishing the answer efforts have been made to be neutral. Everybody knows that CEPT is an organisation structured into two entities, but its activities essentially focus on telecoms. This document explains the CERP point of view about a split-up of the two entities (telecoms and post). It draws the attention to the fact that organisations and associations that are not a member of CEPT have been consulted.

Slovakia stresses the neutrality and wisdom contained in the letter.

Norway points out that in its opinion there is no question of changing the "pillars" of CEPT and that no proposal to change the organisation of CEPT has been submitted.

Three proposals concerning the chairmanship are made and a decision will be taken in Malta in June 2008:

- either a status quo;
- or an ECC/CERP co-chairmanship;
- or an alternating chairmanship.

Germany points out that the neutral draft letter of CERP is a reaction to the questionnaire sent by CEPT. During the Malta Plenary the suggestion could be made to continue the collaboration with the telecoms sector.

France endorse the draft letter.

Portugal, although having no problem with the content of the letter, as it was in accordance with the Portuguese Administration's response to CEPT Task Force questionnaire, would have preferred that the CERP chairmanship had consulted members of CERP about the letter before sending it.

Switzerland and the United Kingdom would prefer a more substantial answer to be given to CEPT, which does not give the impression of being confronted with a fait accompli. It is better to have two solidary bodies instead of separated ones.

After this exchange of views it appears that new CEPT documents have been circulating since 30 April 2008 and that only a small number of participants have received them. Therefore, the CERP Secretariat will forward those documents to all the CERP members on Monday 19 May.

Thus it is proposed to wait for the CEPT Plenary in Malta before giving a reaction.

11. Forum: "Change of address in a competitive environment"

Presentations are given by:

- Mr Göran Crona, the Managing Director of Svensk Adressändring AB (Swedish Change of Address Ltd), a company jointly owned by Posten AB and CityMail AB and responsible for managing the system for change of address and forwarding of mail;
- Mr A. Tempest (FEDMA) about a better exchange of information on change of address;
- Mr B. Hoffman, Director, NewAddress.ie Ltd (Ireland).

The presentations will be communicated by the Secretariat to the CERP members by e-mail a few days after the Plenary.

These presentations are followed by a large exchange of views.

Friday 16 May

12. Speech given by the Chairman

Before the election procedures the (outgoing) Chairman, Mr Dutordoit, would like to take stock of his nine-year chairmanship, from 1999 to 2008.

He hopes he has contributed to creating a good working and cooperating environment within CERP and to stimulating the development of projects and reflections in the WGs and PTs.

He has made efforts to stay in touch with the group, to remain neutral vis-à-vis their respective countries, to try to reach a consensus, to facilitate relations between the members and to develop a vision for the future of the sector.

He wants to thank all the stakeholders, namely the CERP members and the countries that have hosted plenaries and meetings, the members of the Steering Group, the Secretary, Mr René Lousbergh, and the observers for their contributions. He gives special thanks to Mr Dayan of the UPU, Mr Reinbothe of the European Commission and Mr Damiens of PostEurop.

As to UPU matters he hopes he has made coordination possible between the CERP members at the Beijing and Bucharest Congresses. He has gone all out for the "Nairobi Postal Strategy" with the purpose of raising the awareness of ministries and regulators.

As for the relations with the European Commission he has seen to it that the gradual liberalisation of the market can take place smoothly and stresses the role of CERP in the Third Directive.

In connection with CERP he has made efforts to guarantee the smooth organisation of the plenaries, the activities and to launch a number of initiatives ("Economic Matters" WG, Good regulatory practices Committee, Forum ...). He mentions a number of concrete accomplishments and documents drawn up.

He wishes the future Chairman and Vice-Chairmen the best of luck.

Finally he thanks CERP for the past nine beautiful years and wishes the members the best professionally and privately.

13. Elections of the Chairman and Vice-Chairmen

After having verified the quorum (member countries present and mandates: total of 33 including two mandates) the **United Kingdom** (chairing the Elections Committee) gives details about the candidatures and tokens of support received.

- Mr U. Dammann (Germany) is a candidate for the function of Chairman;
- Mr John Hearn is a candidate for being re-elected as Vice-Chairman;
- Mr M. Noguet has been proposed for the function of Vice-Chairman.

The three candidates are elected by general consent (31 countries present).

The new Chairman and Vice-Chairmen thank the Elections Committee, composed of Mr Higginson (United Kingdom), Ms Kocjancic (Slovenia) and Mr Hamidov (Azerbaijan).

The new Chairman U. Dammann and Ms P. Schmitz (Germany) also thank Jean-Luc Dutordoit and René Lousbergh for the work accomplished over the past nine years. M. Dammann says that the activities of the Working Groups and Project Teams will be continued. The meeting documents will be drawn up in French and in English, as before.

Mr Damiens (PostEurop) thanks Jean-Luc Dutordoit for the years of cooperation, openness and dialogue and wishes for the new Chairmanship to continue in the same spirit.

As for the Working Groups and Project Teams the following persons stay on or are designated:

WG “Supervision/Market Data”	Mr Joost Callaert (Belgium)
<i>PT “Statistics”</i>	Ms Catherine Gallet-Rybak (France)
<i>PT “Relation with consumers”</i>	Mr Tobias Katschmann (Germany)
WG “Economics”	Mr Michel Noguét (Switzerland). A new coordinator is invited to present himself.
<i>PT “Universal Service and its Financing”</i>	Mr Lars Forslund (Sweden)
<i>PT “Cost accounting and Price control systems”</i>	Temporarily Mr Ulrich Dammann (Germany). A new coordinator is looked for.
WG “Policy Issues”	Mr Bert Aerts (The Netherlands) and Mr Egil Thorstensen (Norway)
<i>PT “UPU”</i>	Ms Marie-José Filippini (France) – <i>until the end of the UPU Congress in Geneva</i>
<i>PT “NRAs”</i>	Ms Denise Bagge (United Kingdom)
<i>PT “Sustainable development”</i>	Mr Jean-Luc Dutordoit (Belgium)

14. Reports/information/agenda of the meetings or presentations of the Working Groups and the Project Teams

- 13.1 WG “Supervision/Market Data” + PT “Statistics”

Germany and France describe respectively docs. 6 and 7. The reports are approved.

- 13.2 WG “Economics” + PT “US and its financing” + PT “Cost accounting & price control systems”

Switzerland describes Doc. 9. The report is approved.

- 13.3 WG “Policy Issues” + PT “NRAs” + PT “UPU”

In the absence of Mr B. Aerts, Mr Thorstensen describes Doc. 10 and Ireland presents the activities of the PT “NRAs” in the absence of a Postcomm delegate. The reports are approved.

15. Report of the “Good regulatory practices” Committee of 14 May 2008 (afternoon)

Mr P. Lukomski (Poland) thanks all the countries that took part in the Committee and describes the main lines of the meeting held on 14 May in the afternoon :

- “Fully liberalized Postal Market in Germany – What happened in the first 20 weeks?” presented by Tobias Katschmann from Bundesnetzagentur;
- “The accounting and economic implications of the EU’s new Postal Directive” presented by John Hearn – Vice-Chairman of CERP;
- “Price cap methodology in France” – Presentation of ARCEP – the French Regulatory Authority;
- “Universal service in Latvian postal sector – multisectoral approach” presented by prof. Edvins Karnitis – the PUC Commissioner.

These presentations will be sent to the CERP members.

Mr Dutordoit thanks Mr P Lukomski for the work done in the last few years.

16. Website of CERP - Information

Germany, which manages the site, says an update is planned for soon. The members are invited to check their data on the website and to update them if need be, preferably before the end of May. That way the site will be updated in the course of June.

17. Exchange of information

Austria says that the group tasked with the operation of the independent regulator is delayed.

Ireland(interpretation problem)

Lithuania points out that the Lithuanian postal market is regarded as a highly competitive environment especially in the segments of parcels and courier services.

The increasing competition on the postal and courier services market is manifested by the stable growth of the market share of new providers of postal and courier services: evaluating the market according to the revenues, in 2006 the incumbent operator had some more than 50 per cent of postal and courier market share, in 2007 the market share of incumbent operator decreased till 45 percent.

According to revenues of 2007 universal postal services provider still-takes nearly all (98 percent) the postal services market, and approximately 8 percent of courier services market.

According to the postal items, in 2007 universal postal services provider takes 84 percent of outgoing and incoming correspondence market. Other postal and courier postal service providers take 93 percent of outgoing parcels and 79 percent of incoming parcels market.

In 2007 81 providers of postal and courier services operated on the postal and courier services market (in 2006 this number was 78).

The Communications Regulatory Authority of the Republic of Lithuania have proposed the amendments to the Postal Law regarding economical sanctions to the postal and courier service providers In the case of violations of the Postal Law or other legal acts. Currently these amendments are under the discussion. The aim of the proposal is to define appropriate and proportional sanctions for big, intentional and repeated violations that can have important influence on the market, for example the violations of reserved area or the obligation on the provision of the universal postal service.

Lithuania decided to present his candidacy for the Members to the Council of Administration of the Universal Postal Union (UPU) for the elections during the 24-th UPU Congress.

Therefore on behalf of the Administration of Lithuania, the support of Lithuania to the Members of the UPU Council is asked.

Belarus points out that a review of the existing Postal Act is being prepared. That review will relate to the scope of the US, its financing, and access in the sense of the liberalisation of the postal service, but taking into account the experience gained in the EU countries. Also, a regulatory body is being established.

Switzerland announces that the government has decided to fully liberalise the postal services by April 2012.

Romania lets the meeting know that Parliament amended the Postal Act in 2007. For instance, the operator charged with the US is allowed to raise its tariffs without any intervention from the regulator. The scope of the licensing and authorisations system has been extended to express services and special delivery. Also a monitoring of the process of service quality evaluation is planned.

The United Kingdom explains that Royal Mail represents the United Kingdom at the Congress with an obligation to vote and to support. The Ministry will also attend the Congress.

18. Next meetings

- Autumn 2008: in Greece, Athens, from 8 to 10 October 2008;
- Spring 2009: in Luxemburg, dates to be fixed;
- Autumn 2009: from 18 to 20 November in Monaco.

19. AOB

The new Chairman, U. Dammann, wishes to have a meeting of the Steering Group before the UPU Congress in Geneva. He will confer with his colleagues.

16 May 2008,

R. LOUSBERGH
CERP Secretariat

J.-L. DUTORDOIT
Outgoing CERP Chairman