



# **Proposal for a Regulation on Cross-border Parcel Delivery Services**

**CERP Plenary 1 June 2017**

**Sarah Barracclough**

**European Commission, DG GROW E2**

# Postal Services Directive

## (97/67/EC as amended by 2002/39/EC and 2008/6/EC)

- **Universal service obligation** must include as a minimum:
  - Postal items up to 2kg (letters and **packets**)
  - Postal packages up to 10kg (**parcels**)
  - Registered and insured items
  - National and **cross-border services**. (Article 3.)
- **Tariffs** for the universal service obligation must be **affordable, cost-oriented, transparent and non-discriminatory**. (Article 12.)
- Member States shall **encourage** their universal service providers to have **terminal dues** which are fixed in relation to **costs**; related to the quality of services; and are **transparent and non-discriminatory**. (Article 13)

# Postal Services Directive

## (97/67/EC as amended by 2002/39/EC and 2008/6/EC)

- **All postal service providers** must provide **information** to national regulators:
  - To ensure **conformity** with the Directive
  - For clearly defined **statistical purposes**. (Article 22a).
- **All postal service providers** must establish procedures dealing with users **complaints**. (Article 19).

- **COSME parcel price comparison website**
- **Standardisation request to European Committee for Standardisation (CEN)**
- **Trustmarks**
- **Interconnect programme**
- **Online dispute resolution platform**
- **Consumer Rights Directive**



- High delivery costs (27%), followed by high return costs (24%), are **consumers** greatest concern when shopping online cross-border.
- 27% **companies** selling online find delivery costs a major problem; a further 24% find them a minor problem.
  - 41% companies trying to sell online find delivery costs a major problem.
- Over 50% of **small firms** find high delivery prices a problem.
- **Around 50% of the difference between cross-border and domestic prices cannot be explained by clear cost factors.**

## ***Why a Regulation?***

- **Self-regulation/guidance** (i.e. the Roadmap) has not lead to improvements in affordability or regulatory oversight.
- **No consensus that Postal Services Directive needs amending:**
  - **European Commission:** implementation report, Nov 2015
  - **Council:** Presidency's conclusions, April 2016
  - **European Parliament:** resolution on the application of the Postal Services Directive ("Ferber Report") September 2016

## ***Article 3, Provision of information, requires all parcel delivery service providers to submit basic information to national regulatory authorities***

- All parcel delivery service providers with 50 or more employees, or established in more than one Member State, will have to provide:
  - Basic company information and type of services provided.
  - Annual turnover.
  - Number of persons working for them.
  - Annual parcel volumes.
- Implementing act will establish form to standardise information collection.

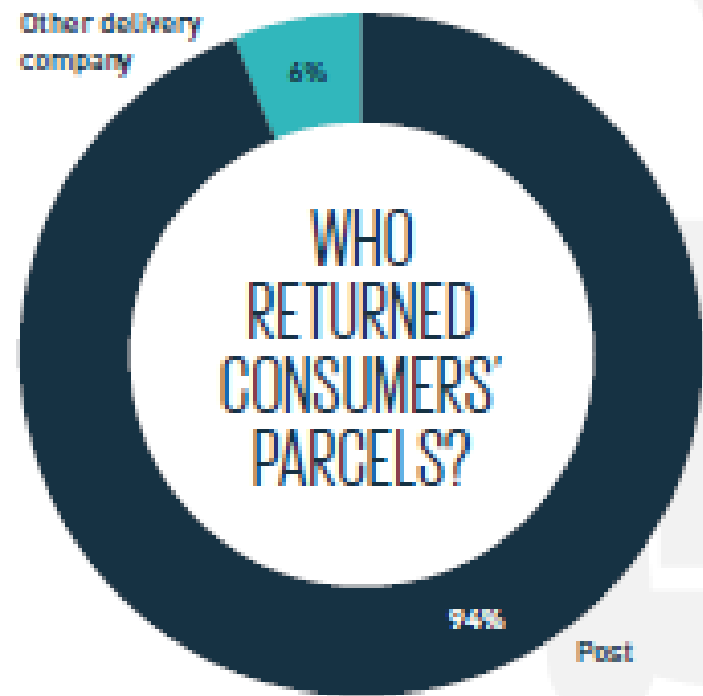
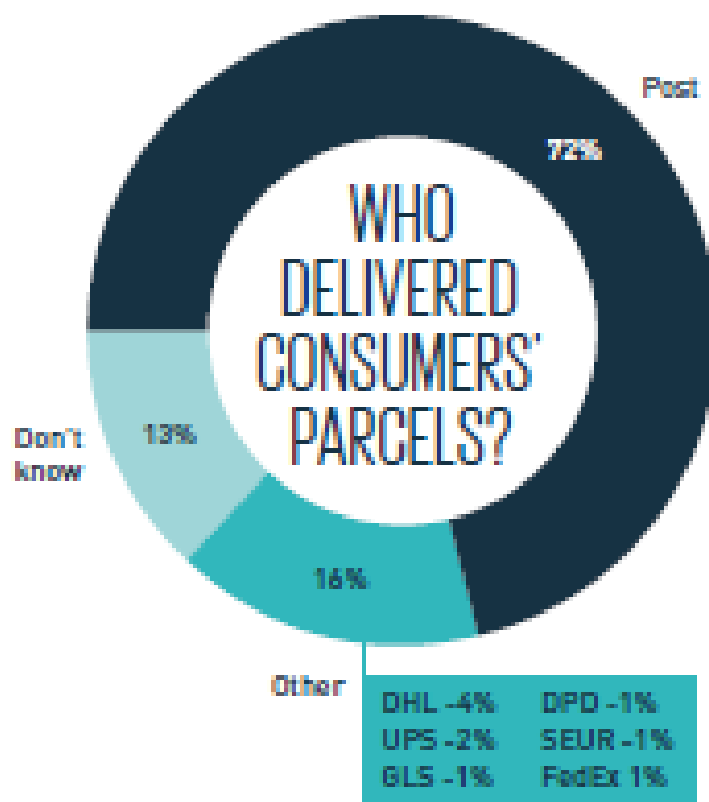
***Article 4, Transparency of tariffs and terminal rates, will make prices for basic services more easily comparable across the EU***

- Universal service providers will be required to give regulators prices for 15 products listed in an Annex.
- Commission will publish these prices on a webpage as a transparency measure and to enable comparison across the EU.
- Information on terminal rates will be required to assess affordability.



***Article 5, Assessing affordability of tariffs, will require regulators to check whether universal service providers' basic cross-border parcel services are affordable, taking cost-factors into account***

- Regulators will be required to check the affordability of prices for the 15 items listed in the Annex.
- If, and only if, prices do not seem affordable, regulators will be able to request additional explanatory information as justification.
- The assessments will be published with any confidential commercial data removed.



Source: IPC

***Article 6, Transparent and non-discriminatory cross-border access, will give third party access to multilateral agreements to encourage competition***

- 2013 Roadmap for Completing the Single Market for Parcel Delivery called for open standards and infrastructure and non-discriminatory access.
- Access will help new market entrants who do not have sufficient scale and scope of their services to develop cross-border delivery networks themselves.
- Making better use of existing networks should lower universal service providers fixed costs and benefit consumers in more remote areas.

## ***Next Steps***



*Council of the European Union*  
Telecoms Council: 9 June 2017

### *European Parliament*

IMCO vote: 30 May 2017

TRAN vote: 11 July 2017

Plenary: September 2017



# Market developments



# ***Ongoing market monitoring***

- **EC postal statistics**
- **EC "Main Development Study" postal sector (2013-2017)**
  - Market developments
  - Competitive landscape
  - Employment and environmental development
  - Developments in the universal service
- **EC "Pilot project" parcel delivery**
  - Comprehensive understanding parcel markets
  - Regulatory developments
  - User's needs
  - Recommendation on additional action

# **Thank you!**

**Further information:**  
**[https://ec.europa.eu/growth/sectors/  
postal-services\\_en](https://ec.europa.eu/growth/sectors/postal-services_en)**