



*Since the launch of the FFPI in October 2000, I have engaged in numerous actions towards key stakeholders in the postal sector in order to promote a more open and fair postal market in the European Union. When looking at the past six months, I have mixed feelings.*

*On the one hand, there have been positive developments, in particular with regard to the Commission decision on the Deutsche Post abuse of dominant position case which defined a set of important guidelines that now apply to the whole industry. On the other hand, the outcome of the first reading of the European Parliament on the proposed new Directive and the lack of progress in the Council of Ministers are disappointing developments.*

*At the EU Summit in Stockholm (23-24 March 2001), the EU leaders urged the Council of Ministers and the European Parliament to adopt the Directive before the end of 2001. More therefore needs to be done in the coming weeks and months to convince EU decision makers of the benefits of a postal market open to full competition. This is why I will continue to meet key stakeholders at conferences, seminars, bilateral meetings etc. and to make the FFPI more visible.*

*Both the FFPI secretariat and myself have informed you regularly on the most important developments regarding the postal sector as well as on the actions we have undertaken. However, I felt that it would be appropriate to publish a newsletter four times a year to keep you abreast of our activities. I hope that you will find it useful, and would welcome your comments, should you have any. Please let us know if you wish this newsletter to be sent to some of your colleagues or friends.*

*Philippe Bodson, President*

## Open letter on Postal Liberalisation

Wall Street Journal – 21 Dec 2000

The Wall Street Journal published an open letter from Phillippe Bodson on 21 December, a day before the ministers of the member states met in Brussels. The letter stressed the importance of the original Lisbon commitments on postal liberalisation. It also highlighted the pressure put by a handful of interest groups on decision makers to retreat from these commitments, resulting in a competing proposal, adopted by the European Parliament, that provides no clear timetable for reform. In his letter P. Bodson said:

*"How this meeting turns out will speak volumes about the EU's determination to actually modernise the European economy, rather than merely promise to do so".*

Had the Council adopted such a proposal, it would have meant a blow in the face of all the supporters of our initiative. Fortunately there was a blocking minority that was able to prevent this disaster from happening.

*"Absent a clear framework for EU-wide liberalisation, market changes will provoke an accelerated transition beyond anyone's control. Last week, Internal Market Commissioner Frits Bolkestein noted that if the EU does not modernise its rules and provide clearer definitions of what it expects, the course of events could be determined through litigation, not legislation".*

A number of complaints against incumbent postal operators for breaches of EU competition rules have already been raised. Although the FFPI is in favour of a clear and efficient ruling on these complaints, we would be equally pleased to see legislation that will bring gradual and controlled opening of the market.

## FFPI meets Cabinet of Commissioner Monti

On January 22, P. Bodson met with representatives of the Cabinet of Commissioner Monti. The objective of the meeting was to clarify the FFPI's views on competition and litigation with regards to unfair competition in the postal market. P. Bodson highlighted that the members of the FFPI have serious concerns about the competitive disadvantages in the market and urged the Commission to take swift decisions to provide for a more level playing field. The Commission representatives were sympathetic to these concerns and asked the FFPI to act as a facilitator, channeling complaints from its members. It was decided that a dialogue between the Commission and the FFPI is to be maintained.

*If you have specific concerns, please do not hesitate to contact us. We will ensure that they are taken on board by the Commission.*

## FFPI in European Report

14 February 2001

The magazine European Report published on 14 February a long article dedicated to the efforts made by the FFPI. Hereafter are some highlights from this article:

The pro-liberalisation Free and Fair Post Initiative (FFPI) on 8 February urged Member States to reaffirm their commitment to postal liberalisation at the Stockholm European Council on 23 and 24 March. The priority for the FFPI is that the Member States agree on a final date for full liberalisation, at the latest 2007 - something over which many are dragging their heels. Meanwhile, the Swedish EU Presidency is treading extremely cautiously with this political hot potato. It is unlikely to be discussed at ministerial level until the Telecommunications Council on 27/28 June.

In the synthesis report, which was adopted on 7 February and submitted to the Stockholm Council in March, the European Commission included postal liberalisation as one of its ten priorities for action. The FFPI, which is supported by European retail and employer associations representing 7.1 million companies, welcomed the Commission's report. The report is meant as a reminder to the Member States of the commitments they undertook at the March 2000 Lisbon Council.

As well as calling for a final date, FFPI President Philippe Bodson maintained that the acceleration of postal liberalisation must be accompanied by a more efficient and effective competition policy. He pointed out that the Commission needs *"to find the strength to oppose limited national interests in order to put consumers first"*. And public postal operators, he warned, *"cannot stay isolated in their ivory towers"*.

## FFPI participates in Conference on Postal Services, Liberalisation and EC Competition Law

The Universities of Liege, Brussels and Gent organised a seminar on Postal Services, Liberalisation and EC Competition law in Brussels on 21 February. This excellent seminar provided a good insight into the various aspects of the postal liberalisation process in Europe. Mr Toledano, Head of Unit, Postal Services, DG Internal Market provided an update on the revision of the current directive 97/67/EC. His presentation was

followed by a variety of notes on issues such as abuse of market power, access to the network, state aid and cross subsidisation. The afternoon sessions continued with an update on strategic alliances and mergers in the postal sector, seen from a legal viewpoint.

A panel discussion on liberalisation of postal services followed. Phillippe Bodson participated in this discussion, clarifying the user perspective. Other panel members included Alastair Tempest (FEDMA), Dominique Forest (BEUC), Frank Wilod Versprille (Dutch Post Office TPG) and Bernard Damies (Belgian Post Office). The representatives from the two postal operators stated that it is important to have a clear horizon for postal liberalisation. Mr Wilod Versprille stressed that liberalisation should be reached by 2007 the latest, to support innovation in the sector. Mr Damies emphasised the social aspects of the changes needed at the Belgian Post Office and indicated that this would take up to five years. As a response to the latter statement, Mr Bodson remarked that in that case liberalisation could be a reality in 2006.

More information on the seminar can be obtained via e-mail at: [ieje@ulg.ac.be](mailto:ieje@ulg.ac.be)

### Meeting with Paul Waterschoot, Director in charge of postal services, E. C.

P. Bodson met P. Waterschoot on March, 5. The discussion was very open and friendly. Hereafter are the main points that were discussed:

P. Waterschoot noted that it is difficult to find a way out of the current situation with regard to the proposed Directive, in part because the member states are so divided in their opinion. However, he feels that there will soon be an opportunity to make progress on the file.

P. Bodson argued that the main objective of the pro-liberalisation supporters should be to secure a final date for the full liberalisation, as this will create the dynamics that is needed to force public postal operators to change.

## Speaking platforms

The FFPI has been invited to participate at the following events:

- **15 May** – UK Mail summit and 12th World Mail & Express Conference & Exhibition. London. Topic: "Why Deregulate". Other speakers include Alan Johnson, Minister of Competitiveness and Peter Carr, Consumer Council for Postal Services.
- **16 May** – European Posts: Liberalisation and public service, between myths and realities. Strasbourg. Other speakers include Nicole Fontaine, President of the European Parliament, Frits Bolkestein and Michel Barnier, European Commissioners. Topic: "The role of the "Free and Fair Post Initiative". Brussels.
- **19 June** – Postal Services Liberalisation in the EU – threat or opportunity? Brussels. Other speakers include Paul Waterschoot, the European Commission and Giles Chichester, Member of the European Parliament.

Do not hesitate to contact the FFPI for more information about these events