



Press Release

EU study calls for bringing down barriers in the postal sector

The FFPI welcomes the study on main developments in the postal sector

Brussels, 17 October 2008 - The Free and Fair Post Initiative (FFPI) welcomed the publication of the final results of the study¹ commissioned by DG Internal Market as regards the main developments of the postal sector in relation to the application of the Postal Directive². The FFPI believes that the report undertaken by Ecorys constitutes a good analysis of the sector and the challenges and opportunities it faces, and supports the consultants' recommendations for further action, particularly as regards the strengthening of National Regulatory Authorities (NRA).

The report provides for a realistic overview of the regulatory, economic, consumer and employment dimensions of the European postal sector and includes country-specific analysis. The FFPI is concerned about the barriers to competition in the postal sector which are still existing across EU countries and the slow pace of member States' liberalisation processes as registered by the report. The study mirrors what the FFPI has repeatedly denounced when it points out that little has been done to date to bring down the obstacles that new entrants have to face in a number of EU countries, such as the VAT exemption for the incumbent, restricted access to letterboxes, licensing requirements, special labour agreements, etc.

The FFPI also shares the views expressed by the customers who contributed to the study in their call for full market opening, fair access to the delivery network of the incumbent and the recognition of the benefits of liberalisation in terms of more choice, better quality and lower prices of postal services. Despite the gradual liberalisation, customers feel that Postal Operators are still acting as monopolists and are not customer oriented, the study highlights.

Moreover, postal users are concerned that the low level of transparency of cost data and accounting of National Postal Operators for postal services within the Universal Service Obligation (USO) and with the current ability of some Regulators to provide a clear assessment of whether prices are geared to costs and to regulate tariffs in a way that stimulates Operators to improve efficiency.

Following the publication of the results, the President of the FFPI, Philippe Bodson commented: *"Postal users join Ecorys in recommending to national regulatory authorities to stay vigilant and ensure that the Postal Directives are fully and correctly implemented and that the development of effective competition should not be hampered by national measures which go against the Postal Directives and against users and consumers' wishes. We congratulate Ecorys and are confident that the Commission will take the conclusions of the study into the utmost consideration for the elaboration of its report to the Council and the Parliament due at the end of the year"*.

Note to the editor:

The Free and Fair Post Initiative (FFPI) is a unique European initiative that brings together users and competitors of the public postal operators who strongly believe in the benefit of a liberalised and more competitive postal market. The FFPI key objectives are to secure full liberalisation of postal services that should be in 2009 at the latest and a fair playing field in the postal sector to prevent public postal monopolies to turn into private ones.

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¹ Main developments in the postal sector (2006-2008), Ecorys - September 2008