



Mr Alex Dieke
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Department: Communications, Postal Services & Logistics
Rhöndorfer Str. 68
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Germany

Cc Mr David Stubbs, European Commission

Brussels, 17 March 2004

Re: WIK Study on developments of the EU Postal Sector

Dear Mr Dieke,

I am writing to you in my position of President of the Free and Fair Post Initiative (FFPI) to express its views on the developments of the postal sector in the EU with the aim to contribute to the Study that you are carrying out on behalf of the European Commission. We have participated with interest in the workshop of 4 February 2004 and appreciated your explanations. However, we have decided not to respond to the on-line questionnaire, since we consider that it will be more appropriate for the members of the FFPI to express their individual positions and perceptions by answering your questions independently.

The FFPI considers the elaboration of this survey as a crucial step in the development of the debate on postal liberalisation in the EU and the further regulation of the sector, and is glad to have the opportunity to contribute to the process in order to ensure that the views and the concerns of the users of postal services are taken in consideration.

The FFPI is a 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. Through its membership, which includes industry and trade associations, business mailers, publishers, postal and express operators, the FFPI currently represents more than 7,1 million companies. Our 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.

We are convinced that the liberalisation process initiated in the EU is triggering and will bring a new and better environment for both users and market players. As highlighted in the Commission Report of November 2002 on the impact of the Postal Directive, liberalisation of the postal sector improves consumer choice while working as a catalyst for modernisation of the industry. In addition, recent research concerning the overall employment levels in the sector demonstrates that liberalisation has not jeopardised employment, on the contrary. It is also demonstrated that quality of service has been maintained and in some cases improved. These are all elements that should be taken



into consideration by the Commission when assessing the impact of the Directive and the perspectives for the future.

Despite the decisions of some Member States to move faster than the EU towards open postal markets, some countries have chosen to keep outbound cross-border mail within the reserved area. And even in those countries where liberalisation has taken a faster pace, markets are still largely dominated by the incumbents and possibilities for smaller alternative operators remain too limited. Unfortunately, regulatory practices still vary significantly between Member States, and this problem becomes even more relevant and worrying in view of the entry of ten new member States. This regulatory asymmetry, and the consequent increasing number of infringement and competition cases at both Member State and EU levels need to be tackled with urgency.

Furthermore, despite of the challenge of substitution effects due to the technology progress, we believe that mail volumes will remain considerable in the EU and that in order to boost such an important services sector more competition is needed in the market. The Postal Directive adopted in 2002 sets a roadmap for further liberalisation that we wish will become true soon.

I hope that the considerations above will be taken into account in the formulation of the Study's conclusions and remain at your disposal for any clarifications you might need.

Yours sincerely,

Philippe Bodson