



EUROPEAN  
REGULATORS GROUP  
FOR POSTAL SERVICES

# ERGP 2023 Direction and Priorities

9<sup>th</sup> Annual Copenhagen Economics Postal & Delivery Conference

Copenhagen  
8 May 2023

**Petros Galides**  
**ERGP Chair 2023**

# Evolution of the Postal Sector



Postal Services have essentially served over time as a means of delivering written documents



5500 years ago

- Start of writing, Mesopotamia (clay tokens)

- throughout the state territory
- **550BC** Persia-China-India-Rome **1<sup>st</sup> Century**

established a modern postal system in Paris

precursor of Postcode System

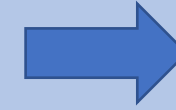
- **2000**: Copennagen Economics Founded
- **2010**: ERGP Created

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# Current Scene

## Rise of e-commerce

- Importance of delivery of goods rapidly increasing, nationally and cross-border
- Online platforms and new business models



## Diminishing traditional mail

- Importance of postal items as a means of written communication is diminishing
- E-substitution
- Digitalization



## Delivery of physical goods will predominate

Perhaps the most radical transformation in the history of postal services

Would, in a sense, mean the end of postal services, if postal operators not adapt.

Definitions and the regulatory framework need to adapt to provide a level playing field



# European Union Policies

- EU Digital Agenda
- EC “A Europe Fit for the Digital Age” strategy
- The “EU Green Deal”

are an integral part of the current scene

# ERGP 2023 Pursuits

Considering the medium- and long-term challenges and developments, and the **potential review of the regulatory framework**:

- Ensure that the **work of the ERGP corresponds to the needs and the trends of the postal sector and users**
- Continue providing proactive and forward-looking **support and ad-hoc advice to the European Commission**
- Further elaborate on the future **universal service needs**, based on the **MS current practices** in terms of universal service obligations and recent **studies on users' needs**
- Consider **new possible approaches regarding the universal service**, taking into account changing **user needs** and consequential changes in the **cost structure of letters and parcels**
- Ensure **availability of delivery services to all users**, a high **quality of service** and better **consumer protection and complaints handling**

# ERGP 2023 Pursuits - continued

- Consider **new possible approaches to empower end-users**
- Examine good practices and collect knowledge on **environmental management and sustainability in the postal sector**, including the **possible role of NRAs**
- Further explore the **regulatory framework and the future role of regulators**
- Continue stressing the **importance and urgency of the revision of the Regulatory Framework** - we welcome Commission's announcement of a study on the future of the European postal sector, including possible future regulatory changes – due 2Q 2024
- Enhance **engagement with European Institutions and stakeholders**
- Further strengthen ERGP's position as a reference in terms of knowledge of the postal sector
- Examine **ERGP future**, evolution, strategy and organisation

# ERGP 2023-2025 Three Strategic Pillars

- Revisiting of the postal sector and its regulatory framework in the light of environmental sustainability and digitalization
- Promotion of a competitive single EU postal market in the context of rising e-commerce deliveries
- Empowerment of end-users and ensuring a user-oriented universal service

# ERGP Work Programme 2023 Deliverables

- **Strategic Pillar I - Revisiting the postal sector and its regulatory framework in the light of environmental sustainability and digitalization**
  - Report on the powers of the NRAs
  - Report on the future needs of the USO
  - Report on the effects of modernisation/adaptations of the universal service
  - Report on practices for environmental sustainability in the postal sector
- **Strategic Pillar II - Promotion of a competitive single EU postal market in the context of rising e-commerce deliveries**
  - Report on exploring the sustainability of the USO
  - Report on core postal indicators
  - Report on the application and implementation of the Cross-Border Parcel Regulation
- **Strategic Pillar III - Empowering end-users and ensuring user-oriented Universal Service**
  - Report on Quality of Service, consumer protection and complaints handling



# ERGP 2023 Workshops and Stakeholder Forum

- Workshops
  - The Future Postal Regulatory Framework
  - Consumer Awareness of Environmental Sustainability in the Postal Sector
- Stakeholder Forum
  - The Future of Letter Mail and how the balance vs Parcels is expected to develop

## ERGP Future

- Look into the Future of ERGP: its Evolution, Future Strategy, Organisation, Institutional Role and Status

# Future Regulation



## Need forward looking perspective

The future regulatory framework needs to adapt to a digital world and to correspond to the contemporary, developing needs of users and ensure fair competition and environmental sustainability



## Fundamental principle when evaluating regulatory intervention:

- Whether a proper functioning of markets and competition will sufficiently provide the services required by users and protect competition, society, workers and the environment **OR**
- Whether regulatory intervention is necessary to protect users, competition, society, workers and the environment given new players and business models

# Universal Service

## Minimum Set of the US



### Define

At European level - Provide Harmonized Rules  
But  
Flexibility to Member States and NRAs according to the principle of subsidiarity, to address national specificities, circumstances and market development



### Check

- If market forces do not guarantee availability of a minimum set of services to all users, e.g., citizens in remote or rural areas and vulnerable users, then ...



### ... Act

- Designate USP

# US Sustainability *threatened by decline in letter volumes - Member States adapt the USO*



## Cost Reduction



Some MS or NRAs allow for modifications in quality and scope or content of the US, like reducing the

- number of collection and delivery days,
- number of postal outlets,

thus bringing the US more in line with

- changing consumer needs and
- commercially optimal service provision



Frequency delivery obligation should be reviewed in response to consumer needs to avoid imposing an unnecessary burden on USPs

# The Future Regulatory Framework needs to:

## Adapt

- Adapt to the development of a competitive market, new players and business models, and new user needs



## Protect

- Continue protecting users relying on post as a means of communication and for the delivery of goods, and protecting competition, society, workers and the environment



## Adopt

- Adopt clear and more harmonized rules on consumer protection



## Recognise

Recognise that the shift from sender-oriented to receiver-oriented service provision calls for a continued and increased attention to safeguarding consumer needs and interests



# **ERGP Work**

**Work Programme 2023 Deliverables**

**Workshops and Stakeholder Forum**

**Revisiting of the  
Postal sector and its regulatory framework  
and  
ERGP Future**

**Thank  
you**



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