



ERGP REPORT ON CORE INDICATORS FOR MONITORING THE EUROPEAN POSTAL MARKET

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1. EXECUTIVE SUMMARY

National Regulatory Authorities (NRAs) should have accurate and relevant information about the postal market and its developments to ensure that they perform properly their regulatory duties, specifically the obligations that arise from the Postal Services Directive¹.

The European Regulators Group for Postal Services (ERGP) believes it is important to provide information about the postal market developments in the ERGP Member countries, namely in the context of its task of assisting the European Commission regarding the development of the internal market for postal services and the consistent application of the regulatory framework for postal services.

In this context, ERGP has been working on the identification and collection of data on specific indicators to monitor the postal market, taking into account NRAs' powers to collect data and the level of implementation and collection of these indicators by the NRAs.

The objective of this report is to provide information about core indicators of the European postal market as well as to identify trends and the main market developments in the last recent years.

The report is based on the replies of the 33 ERGP members to a questionnaire requesting data for 2013, 2014, 2015 and 2016, complemented with information provided by the countries in previous ERGP questionnaires. Therefore, the conclusions of the report reflect data from 2008 to 2016.

As mentioned below, the report presents indicators for the following categories: (1) market outcomes, (2) market structure, (3) volumes, (4) revenues, (5) employment and (6) postal network.

Chapter 4.1 outlines the information about the market outcomes. The indicators selected for this section regarding letters are the prices for the 1st weight step of a domestic priority letter, a non-priority letter and an international priority letter sent within Europe. For the parcels, the indicators selected are the prices of a 2kg domestic priority parcel and of an international parcel sent within Europe to the cheapest zone.

Regarding the prices of the letters, the following conclusions should be highlighted:

- In 2016, the European average price for posting a domestic priority letter was €0.86, which represents a 9.4% annual price variation between 2008 and 2016. During this period, the highest price increase happened in the Southern countries (13.7% on average/each year).

¹ Directive 97/67/EC of the European Parliament and of the Council of 15 December 1997 on common rules for the development of the internal market of Community postal services and the improvement of quality of service modified by the Directive 2002/39/EC of 10 June 2002 and the Directive 2008/06/EC of 20 February 2008.



- For the non-priority domestic letter in 2016 the average price was €0.61, a 7.7% increase compared to the previous year.
- There is a different pricing policy amongst countries that offer both priority and non-priority letter service, with price differences varying from 237.5% (DK) to 7.7% (RO) between these two types of services.
- In 2016, the average price of an international letter sent within Europe was €1.16, an 13% increase compared with 2015.
- The international priority letter is, on average, about 54% more expensive than a domestic priority letter.

Regarding the prices of the parcels, the analysis showed that:

- In 2016, the European average price for posting a domestic parcel provided by the USP/incumbent was €6.09, a 3.1% annual nominal price variation between 2013 and 2016.
- The average price for posting an international parcel provided by the USP within Europe was €18.35. The average annual nominal price for the international parcel increased at a lower rate than that of the domestic parcel (0.4% each year between 2013 and 2016).
- The international priority parcel is, on average, about 200% more expensive than a domestic priority parcel.

Chapter 4.2 analyses the market structure indicators. Between 2013 and 2016, the number of active postal service providers (PSP) slightly increased, though this pattern was not the same in every country. Ireland had the highest percentage increase in 2016 (+67%), although this represents only an increase of 4 providers. In turn, Italy had the highest absolute increase (+259 operators).

Looking at both the Herfindahl-Hirschman index (HHI) and the number of PSP with more than 1% of the postal market, we can conclude that the European postal market is highly concentrated. There are also some signs of an emergence of competition in the European postal market, as there is a discreet increasing trend in the number of operators with more than 1% of the market share.

Moreover, the level of concentration of the market is higher in terms of volumes than revenues. It is worth mentioning that Eastern European countries have a lower level of market concentration than all the other countries.

Regarding universal service providers' (USP) market shares, the USPs continue to maintain high market shares for letters (85.4% on average for the volumes in 2016) and for the non-express market (91.7%). For the parcels and express segment, however, the USPs' volume market shares are much lower: 3.9% and 9.1%, on average, respectively, in 2016.



Chapter 4.3 examines indicators about postal volumes. For the countries which provided a consistent set of data between 2013 and 2016, the total number of objects decreased on average 2.3%/year. The fall in total volumes are due to the loss of letter volumes (-4.7% on average/year), which has not been compensated by the increase in the parcels volumes (23.6% on average/year). In the same period, the express volume has been also rising.

As letter volumes decline and parcel volumes increase, the proportion of total mail volume accounted for by parcels increases: in 2016 was 7.7% while in 2013 was 6.0%. The greater value of parcels is evident in the difference between the share that parcels have of total volume and the share on total revenue, being the latter proportion much higher for the latter.

The number of postal items per capita has a wide dispersion amongst the ERGP countries, and between geographical clusters, ranging from 45 in the Eastern countries to 184 in the Western countries. The total volume per capita decreased in all the clusters between 2013 and 2016.

Regarding revenues figures (chapter 6.4), for the countries that provided a consistent set of data from 2013 to 2016, total revenues increased on average 0.9% each year. This is driven by an increase in parcel revenues (5.6% each year on average), by the decrease of the letter revenues (-1.8% on average for each year), as well as the price increases over this period. Letters revenues are decreasing on average in all the clusters with the exception of the non- EU countries (4.9%). Parcels revenues are increasing in all the clusters, which is due to the increase of the volumes of this segment.

Chapter 4.5 of the report lays out indicators about the employment in the postal sector. Across all of the countries that were able to report data between 2008 and 2016, the total employment decreased 0.7% for that period. There has been a decline of 13.8% in the number of people employed by the USP across this period. For other postal services providers, there has been a 34.1% increase in the number of people employed. As a result, for these countries, the share of the USP employment on total postal employment decreased from 73% to 63% between 2008 and 2016.

As to the postal establishments' indicators (chapter 4.6), between 2008 and 2016 the total number of postal establishments increased on average 3.1% each year, as a result of an average increase of 0.6% each year of the number of USP establishments, while the number of postal establishments of the other postal providers increased 8.2% each year on average.

There has been a continued increase in the number of postal establishments operated by other postal service providers from 2008 to 2014, followed by a decrease between 2015 and 2016 that was mainly due to the decrease in the number of these establishments in Poland.



Looking at the parcel lockers, more than one third of the NRAs are collecting some data regarding the parcels lockers. Even if this collection is still limited, the number of parcel lockers is increasing, as expected. The number of parcels lockers increased significantly in some countries, especially the USP lockers in Spain and in Poland.



2. BACKGROUND

The NRAs should ensure compliance with the obligations arising from the Postal Directive, in particular by establishing monitoring and regulatory procedures to guarantee the provision of the universal service (US) – Art. 22 (2). The Postal Directive also foresees that NRAs should monitor the evolution of the postal market by collecting specific information in order to perform their regulatory tasks.

The Postal Directive gives NRAs powers to request information from postal service providers (PSP) in order to carry out their tasks (Article 22a), more specifically to ensure conformity with the provisions or decisions made in accordance with the Postal Directive and for clearly defined statistical purposes. Moreover, it states that, upon request, NRAs shall provide the European Commission with appropriate and relevant information necessary for it to carry out its tasks under the Postal Directive.

Thus, having accurate and comparable information about the postal market and its developments is essential for NRAs to ensure that they perform their regulatory duties. The supervision of market developments is of the utmost importance in the context of full market opening to ensure that it continues to benefit all users, both consumers and businesses. Monitoring the European postal market is also essential in order to guarantee the twofold regulatory objectives of protecting end-users and promoting the competition.

The ERGP believes it is important to provide information about the postal market developments in the ERGP Member countries and, in light of this, one of the ERGP's core tasks is to assist the European Commission in the development of the internal market for postal services and to the consistent application of the regulatory framework for postal services.

In this context, and taking into account the importance of NRAs having information about the postal market, the ERGP has identified specific relevant indicators to monitor market developments, notably in the following main categories: market outcomes, market structure, volumes, revenues, employment, postal establishments and postal investment. These indicators were previously chosen by the ERGP based on their relevance² and the review of its implementation by the NRAs³.

With the objective of monitoring the market, this benchmarking report provides information about core indicators of the European postal market while also identifying trends and main market developments.

The report is structured as follows:

² ERGP (12) 32 Report on indicators to monitor the postal market.

³ ERGP (14) 25 Report on the implementation of the 2012 report on indicators to monitor the postal market.



- Chapter 3 presents the methodology used in the report.
- Chapter 4 describes the key core indicators, namely on market outcomes, market structure, volumes and revenues, employment and postal network indicators.
- Annex 1 outlines the scope of services, including the definition of postal services and the services included within the scope of the US.
- Annex 2 identifies the NRAs' powers to collect data on the postal market.



3. METHODOLOGY

A questionnaire requesting data for 2013, 2014, 2015 and 2016 was sent to all ERGP members and observers NRAs, having received 33 replies from the NRAs of the following countries: Austria, Belgium, Bulgaria, Croatia, Cyprus, The Czech Republic, Denmark, Estonia, Finland, France, Former Yugoslavia Republic of Macedonia (FYROM), Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Norway, Poland, Portugal, Romania, Serbia, Slovak Republic, Slovenia, Spain, Sweden, Switzerland, The Netherlands and The United Kingdom.

The current report is based on the analysis of the replies to the questionnaire as well as previous ERGP questionnaires, complemented by additional information provided by the NRAs. Therefore, the conclusions of the report reflect the data provided by the NRAs to the ERGP questionnaires, from 2008 to 2016⁴.

The data used in the report is already collected by NRAs and is publicly available⁵, which means that NRAs did not collect data specifically for the purposes of this exercise. As such, the definitions behind some indicators may not be exactly the same for all countries and any comparisons should take into consideration the countries' specific notes and the reference to the section on definitions⁶.

Moreover, in the benchmarking analysis one should also consider the powers of NRAs to collect data on the market, as this might affect the detail and the quality of the information provided, so a general overview of these powers is presented in the report.

With the objective of identifying geographical trends, a clusters' analysis was made for some indicators using the following clusters⁷:

- Western countries: AT, BE, DE, DK, FI, FR, IE, LU, NL, SE, UK;
- Southern countries: CY, EL, ES, IT, MT, PT;
- Eastern countries: BG, CZ, EE, HR, HU, LT, LV, PL, RO, SI, SK;
- Countries outside the European Union (EU): CH, FY, IS, NO, RS.

⁴ It was considered the data sent by the NRAs until 24 October 2017.

⁵ Only public data is included in the report, confidential figures are not presented in an individual form.

⁶ Specifically, it should be noted that countries define express postal services in a distinct way, being the main reason the inclusion (or not) of the courier in the scope of express services, so the comparisons about volumes and revenues of the express segment should be made taking this into consideration.

⁷ Classification used in previous ERGP reports and in some of the postal studies commissioned by the European Commission, namely the ones from WIK. This classification follows also postal usage clusters.



4. KEY CORE INDICATORS

This section identifies the main market outcomes in terms of prices of the postal services. On the one hand, it considers the prices of the domestic priority and non-priority letters and the price of posting a priority letter within Europe, for the first weight step. On the other hand, it identifies the prices of the domestic priority parcel and the price of posting an intra-community priority parcel to the closest neighbour country.

4.1 Market outcomes indicators

4.1.1 Letter price evolution in Europe

In 2016, the European average price for posting a domestic priority letter of 20 grams was €0.86, which represents a 9.4% annual nominal price increase between 2008 and 2016. The Southern countries had the highest annual nominal price increase in this period (13.7%), while the countries outside the EU had the lowest (4.4%).

Considering geographical clusters, we can see in the figure below that the upward trend in domestic priority letter prices continued in 2016. It is worth noting that the priority letter price increase in Italy⁸, from €0.80 in 2015 to €2.80 in 2016, has significantly impacted the Southern cluster's average. With Decision 396/15/CONS⁹, AGCOM has established new economic conditions and quality objectives, in line with the Stability Law 2015.

This intervention has been necessary to ensure the sustainability of the universal service burden, to adapt postal service levels to the changing needs of the service and the quality of the service, depending on the technical, economic and social context.

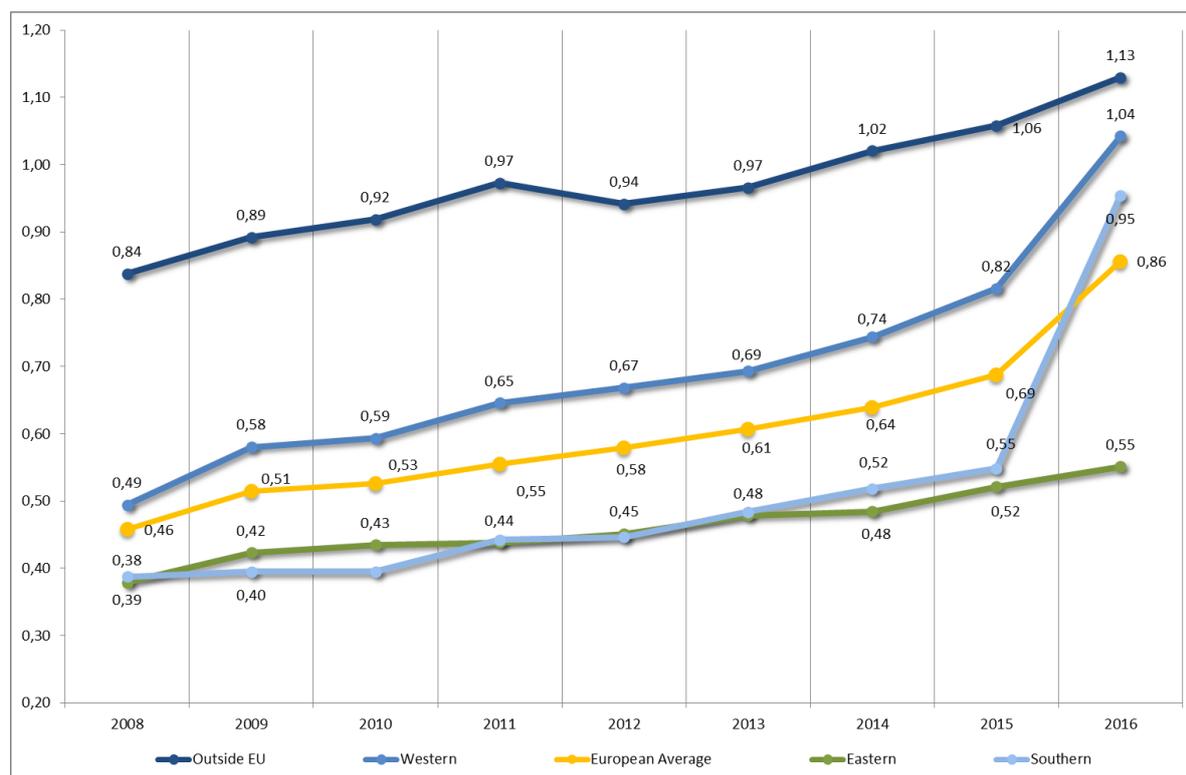
The sharp increase in price level of the Western cluster can be ascribed to the Denmark, where the domestic priority letter price went up from €1.34 in 2015 to €3.63 in 2016. The price increase is a reaction to the dramatically falling of Danish mail volume.

⁸ It is important to underline that the lowest weight range of the price of domestic priority mail in Italy, is from 0 to 100 gr, while other data refer to a range between 0 and 20 gr.

⁹ <https://www.agcom.it/documents/10179/2209608/Delibera+396-15-CONS/2dfc1d52-435c-44ac-a30a-5f989c762989?version=1.0>



Figure 1 – Average prices of posting a domestic priority letter (20 grams) – euros



Notes:

1. Average Price for the countries that offer priority letter post service. ES, FY, RS are not included, since there is only one category of letter post without differentiation between 'priority' and 'non-priority' service.
2. Standard postal items provided by the USP/Incumbent at single piece tariff for typical residential customers.
3. First Class/Priority: For services to be delivered on the following working day (according to the service conditions published or informed by the PSP) – D+1. Corresponds to the service usually provided in the scope of the US.
4. Prices are in Euros, on 1 July of each year.
5. Prices for Italy is up to 100 gr.
6. Prices in SE and NO include 25% VAT.
7. The exchange rates of 2016 are used for currency conversions of the countries not using the Euro as national currency: Eurostat - Euro exchange rates - Annual data <http://ec.europa.eu/eurostat/tgm/table.do?tab=table&init=1&language=en&pcode=tec00033&plugin=1>
8. Awaiting data from EL, DK, NL, for which we used for 2016 the prices of 2015.
9. Clusters: Countries Outside the EU: CH, FY, IS, NO, RS
Western Countries: AT, BE, DE, DK, FI, FR, IE, LU, NL, SE, UK
Southern Countries: CY, EL, ES, IT, MT, PT
Eastern Countries: BG, CZ, EE, HR, HU, LT, LV, PL, RO, SI, SK

The average price of posting a 20 gram international letter within Europe in 2016 was €1.17, an 14% increase compared with the previous year. For the period of 2011 to 2016, this price increased €0.34, a 7% annual average increase, as is shown in the figure below.

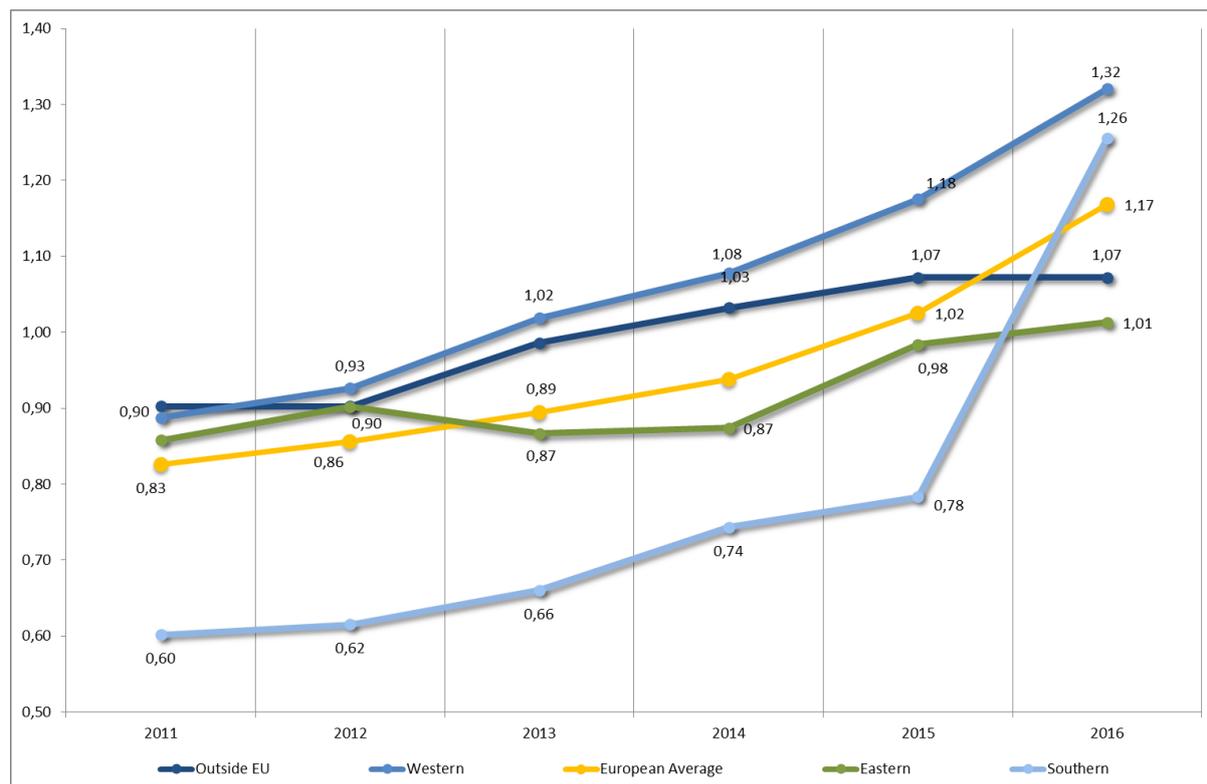
Similar to the previous graph, the sharp increase in the Southern cluster's price is due to the price increase in Italy from €0.95 in 2015 to €3.50 in 2016¹⁰.

¹⁰ It is important to underline that the lowest weight range of the price of international priority in Italy, is from 0 to 50 gr, while other data (except for Slovakia) refer to a range between 0 and 20 gr.



One might wonder why the average international priority letter price of the countries outside the EU is lower than the average domestic priority letter price for the same country cluster. This counterintuitive observation is due to the fact that FYROM and Serbia do not have a domestic priority letter service, driving the average for this cluster up for the remaining three countries (Switzerland, Iceland and Norway). If one were to only take the latter countries into consideration, the average international priority letter price would increase to €1.40 for 2016.

Figure 2 – Average price for posting a 20 gram international priority letter within Europe – euros



Notes:

1. Average Price for the 33 countries.
2. Standard postal items provided by the USP/Incumbent at single piece tariff for typical residential customers.
3. First Class/Priority: For services to be delivered on D+3 (according to the service conditions published or informed by the PSP). Corresponds to the service usually provided in the scope of the US.
4. Prices are in Euros, on 1 July of each year.
5. Prices for IT are up to 50 gr
6. Prices in SE and NO include 25% VAT.
7. Price in SI includes 22% VAT.
8. The exchange rates of 2016 are used for currency conversions of the countries not using the Euro as national currency: Eurostat - Euro exchange rates - Annual data <http://ec.europa.eu/eurostat/tgm/table.do?tab=table&init=1&language=en&pcode=tec00033&plugin=1>
9. Clusters:
 Countries Outside the EU: CH, FY, IS, NO, RS
 Western Countries: AT, BE, DE, DK, FI, FR, IE, LU, NL, SE, UK
 Southern Countries: CY, EL, ES, IT, MT, PT
 Eastern Countries: BG, CZ, EE, HR, HU, LT, LV, PL, RO, SI, SK

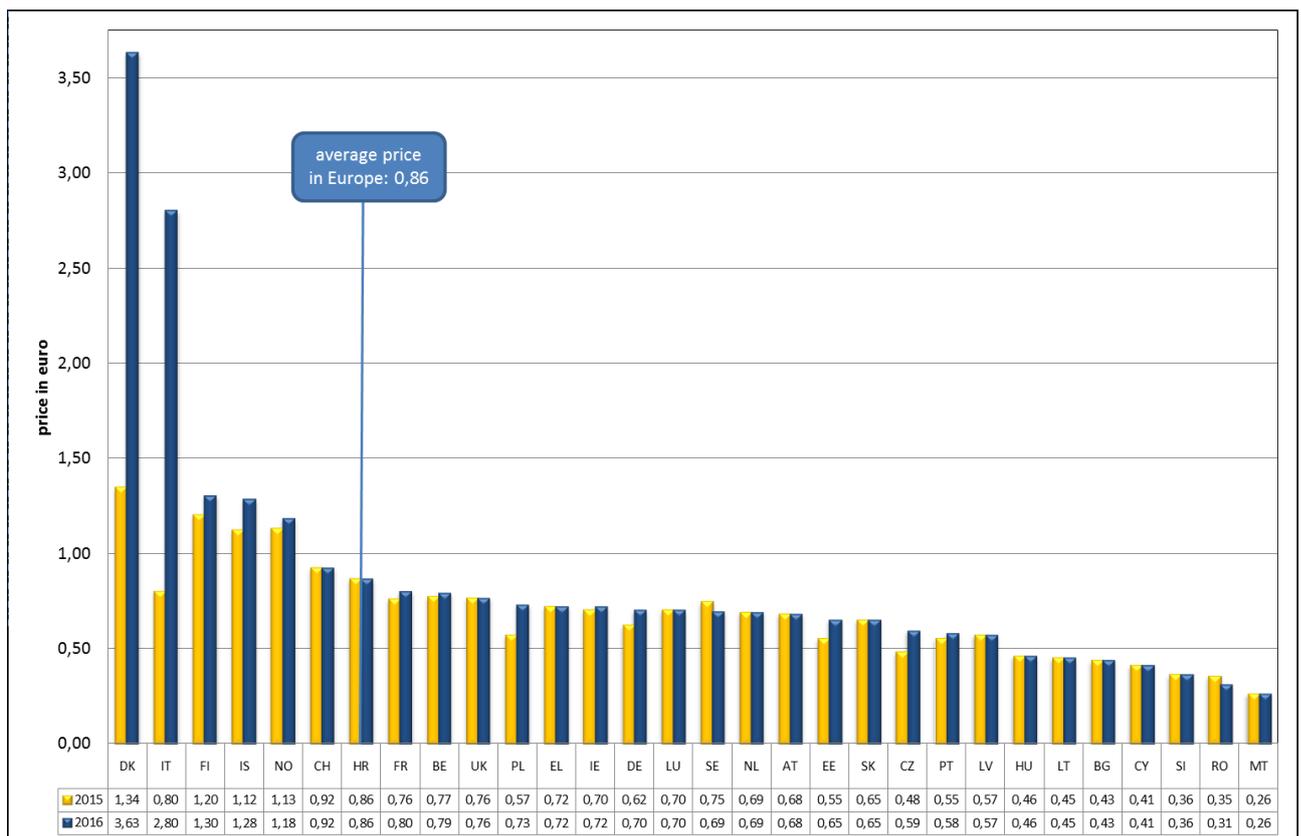


4.1.2 Domestic letter prices

In 2016, the average price in Europe for posting a domestic priority letter weighing less than 20 gr increased 25% compared to 2015, from €0.69 to €0.86. Denmark had the highest domestic priority letter price (€3.63) while Malta had the lowest (€0.26), as shown in the figure below. The highest increase was in Italy (nominal increase of €2.00)¹¹, while only Sweden and Romania showed a decreasing domestic priority letter price. In the Sweden, the decreasing price was due to the VAT exemption of basic postal products that came into force on April 1, 2016, whereas in Romania the decrease was because Romanian Post lowered prices to become more competitive.

Over the last eight years (2009-2016), Switzerland, Latvia and Lithuania have not changed the price of their domestic priority letter post.

Figure 3 – Price of Domestic Priority Letter of the 1st weight step in 2015 and 2016



Notes:

1. Average Price for the 30 countries that offer priority letter post service. ES, FY, RS are not included, since there is only one category of letter post without differentiation between ‘priority’ and ‘non-priority’ service.
2. Standard postal items provided by the USP/Incumbent at single piece tariff for typical residential customers.

¹¹ The weight limit increased from 20 gr in 2015 to 100 gr in 2016.

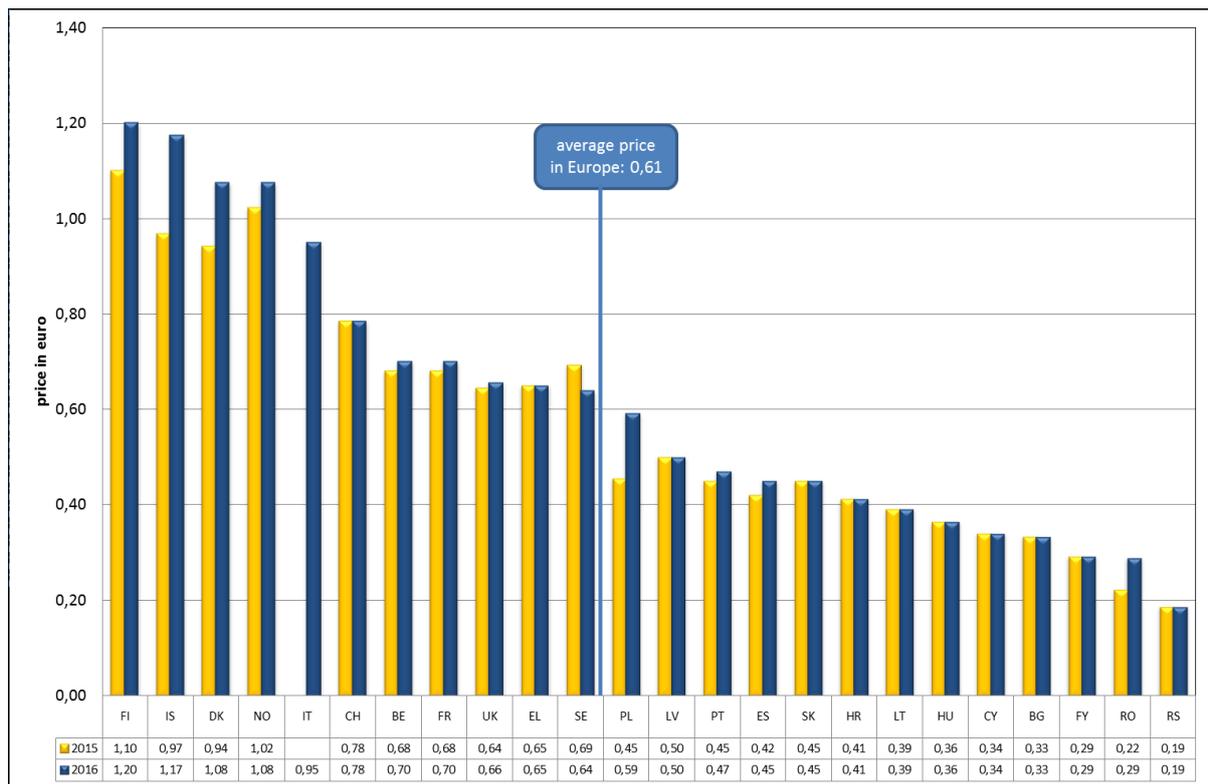


3. First Class/Priority: For services to be delivered on the following working day (according to the service conditions published or informed by the PSP). Corresponds to the service usually provided in the scope of the US.
4. Prices are in Euros, on 1 July of each year.
5. Prices in SE (2015 only) and NO include 25% VAT.
6. Prices for IT are up to 100 gr for the year (for 2015 this was up to 20 gr)
7. The exchange rates of 2016 are used for currency conversions of the countries not using the Euro as national currency: Eurostat - Euro exchange rates - Annual data
<http://ec.europa.eu/eurostat/tgm/table.do?tab=table&init=1&language=en&pcode=tec00033&plugin=1>

In 2016, the average price in Europe for posting a domestic non-priority standard letter was €0.61, a 7.7% increase compared to 2015 (€0.55). It should be highlighted that the following countries do not offer a non-priority service: Austria, Belgium¹², Czech Republic, Germany, Estonia, Ireland, Luxembourg, Malta, The Netherlands and Slovenia.

In 2016, Finland had the highest price (€1.20), and Serbia the lowest (€0.19). Over the last eight years (2009-2016), Switzerland and Lithuania are the only countries that have not changed the price of their non-priority letter service.

Figure 4 – Price of Domestic Non-Priority Letter of the 1st weight step in 2015 and 2016



Notes:

1. Average Price for the 24 countries that offer non-priority letter post service. Non-priority letter post service is not applicable in AT, CZ, DE, EE, IE, MT, NL, LU and SI.
2. Standard postal items provided by the USP/Incumbent at single piece tariff for typical residential customers.

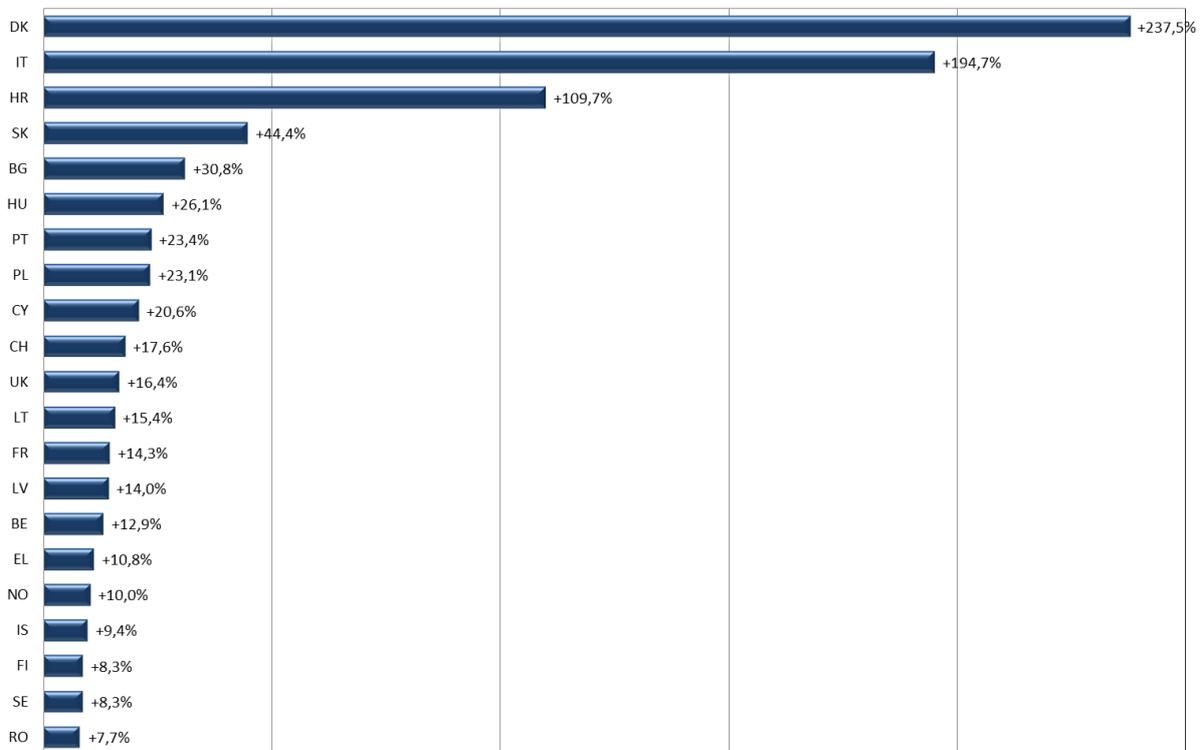
¹² BE has a non-priority letter service but it is only available to professional users. Residential users do not have this option.



3. Second Class/Non-Priority: For services to be delivered on D+3 (according to the service conditions published or informed by the PSP). Corresponds to the service usually provided in the scope of the US.
4. BE, FR and LT have a delivery speed of D+2.
5. ES has only one category of letters. It does not make a distinction between prior and non-prior letters.
6. Prices are in Euros, on 1 July of each year.
7. Price in SE includes 25% VAT for 2015 only.
8. The exchange rates of 2016 are used for currency conversions of the countries not using the Euro as national currency: Eurostat - Euro exchange rates - Annual data
<http://ec.europa.eu/eurostat/tgm/table.do?tab=table&init=1&language=en&pcode=tec00033&plugin=1>

There is a different pricing policy amongst countries that offer both priority and non-priority letter post service. Worth mentioning are the cases of Denmark and Romania, the former being the country with the highest price difference in 2016 between priority and non-priority letters (238%) and the latter with the lowest price difference in 2016 (8%).

Figure 5 – Price difference between priority and non-priority domestic letters in 2016 (%)

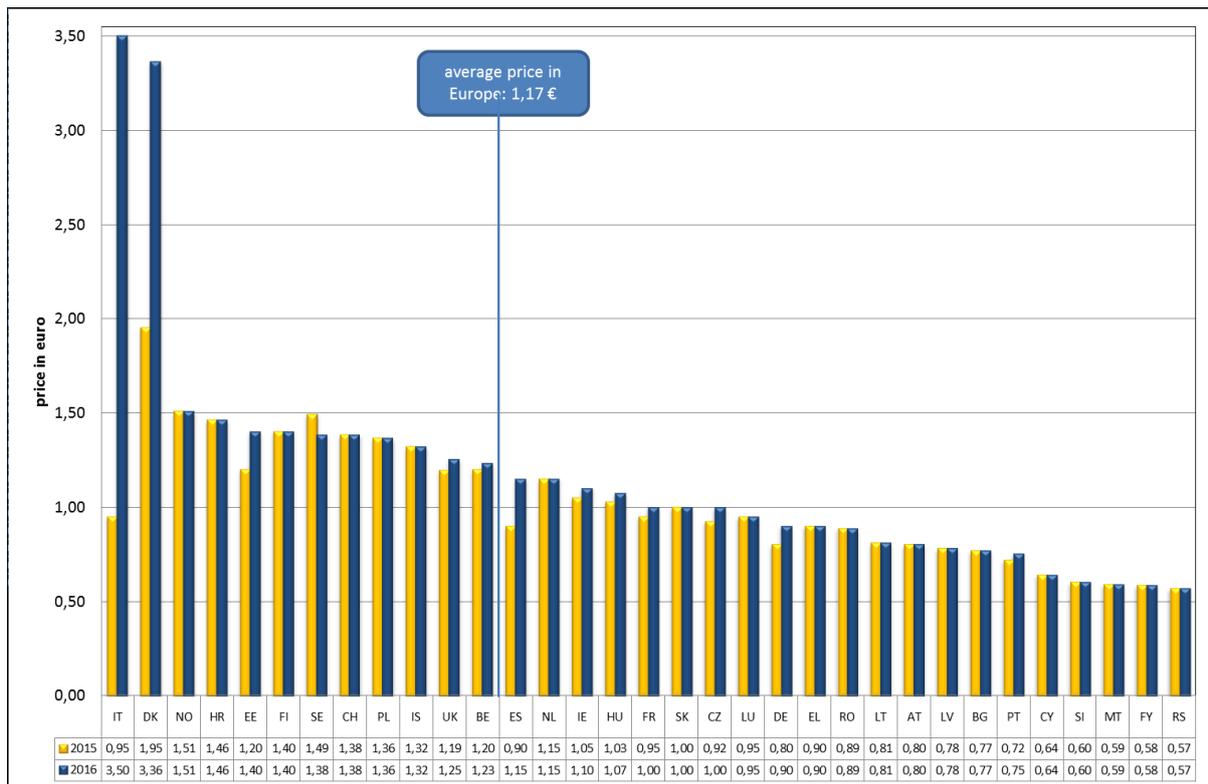


4.1.3 International letter prices

In 2016, the average European price for posting a letter weighing less than 20 gr from one country to another EU country was €1.17. As compared to 2015 (€1.02), this represents a price increase of 14%. While Italy showed the highest price (€3.50) in 2016, Serbia had the lowest (€0.57). It is worth noting that Sweden is the only country with a decreasing international letter price due to the VAT exemption from April 1, 2016.



Figure 6 – Average price for posting an international priority letter of 20 gr within Europe in 2015 and 2016



Notes:

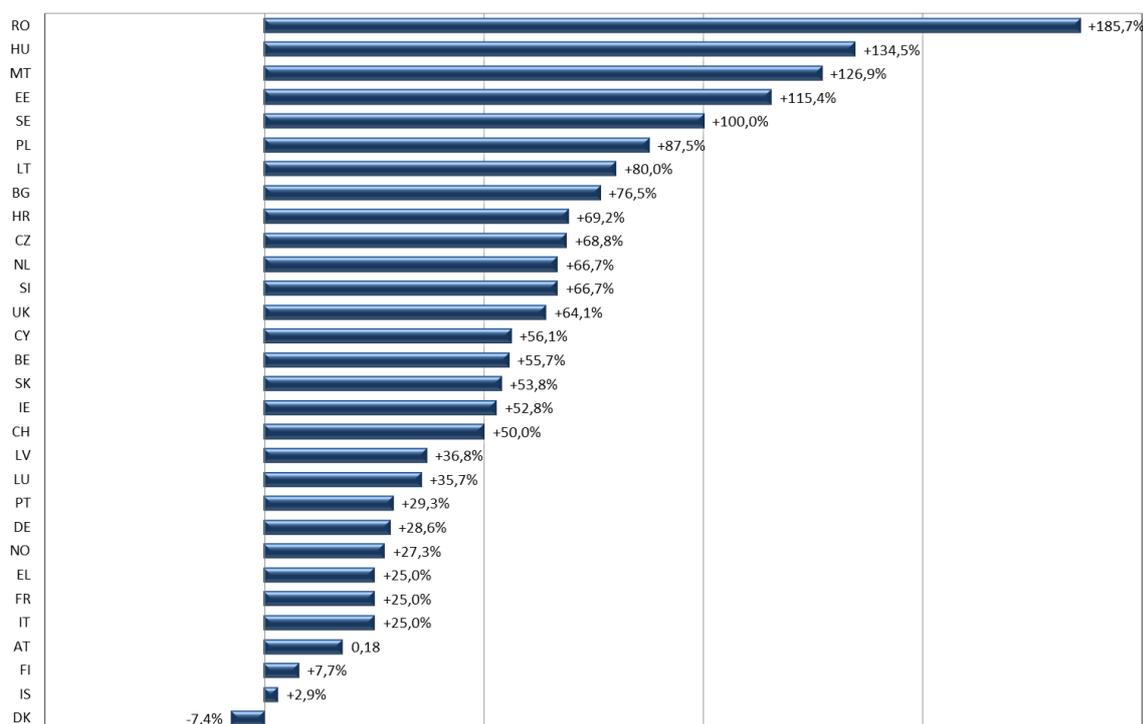
1. Average Price for the 33 countries.
2. Standard postal items provided by the USP/Incumbent at single piece tariff for typical residential customers.
3. First Class/Priority: For services to be delivered on D+3 (according to the service conditions published or informed by the PSP). Corresponds to the service usually provided in the scope of the US.
4. Prices are in Euros, on 1 July of each year.
5. Prices in SE (2015 only) and NO include 25% VAT.
6. Price in SI includes 22% VAT.
7. The exchange rates of 2016 are used for currency conversions of the countries not using the Euro as national currency: Eurostat - Euro exchange rates - Annual data
<http://ec.europa.eu/eurostat/tgm/table.do?tab=table&init=1&language=en&pcode=tec00033&plugin=1>

Looking at the price difference between international priority letter post and domestic priority letter post, we can see that Romania is a clear outlier with an international priority letter price that is over 1.9 times higher than the domestic priority letter price. When looking at the other countries, the international priority letter is, on average, about 54% more expensive than a domestic priority letter.

Furthermore, it is remarkable that Denmark is the only country where a domestic priority letter (costing €3.63) is more expensive than an international priority letter (costing €3.36).



Figure 7 – Price difference between international priority and domestic priority letters in 2016 (%)



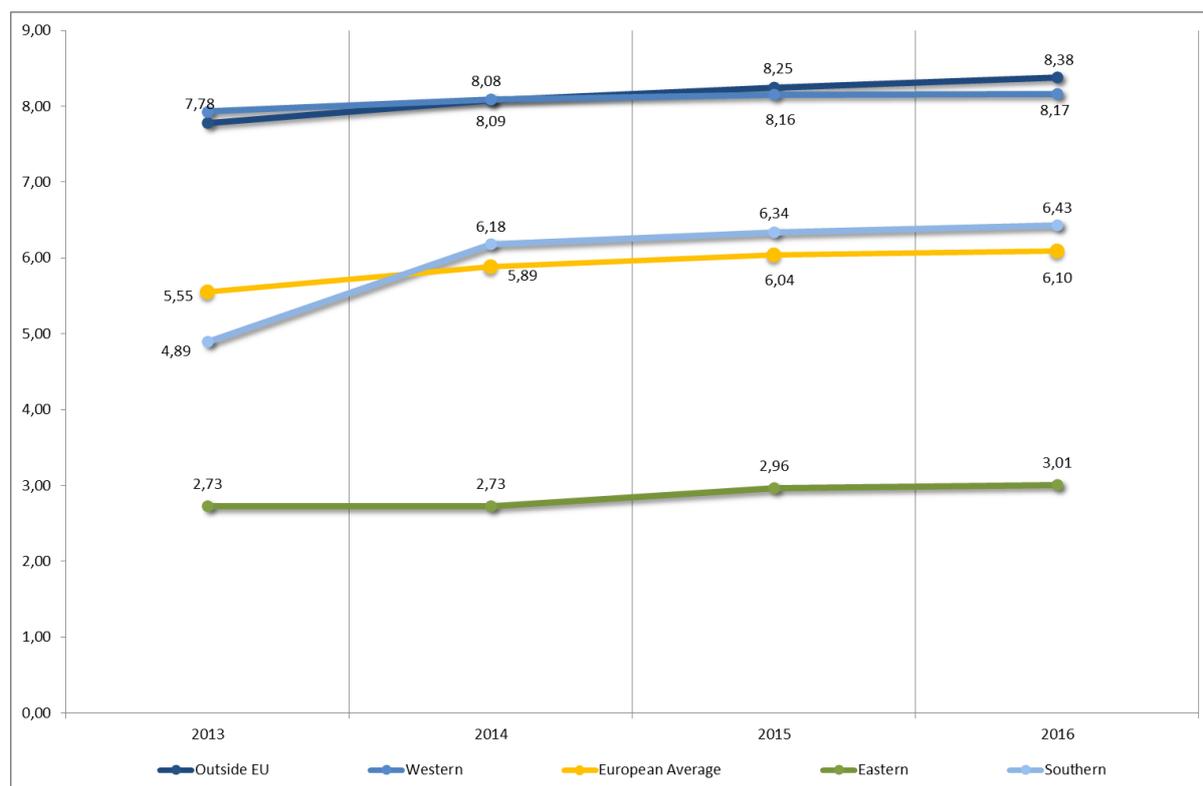
4.1.4 Parcel price evolution in Europe

In 2016, the European average price for posting a domestic parcel provided by the USP/incumbent was €6.10, which represents a 3.2% annual nominal price increase between 2013 and 2016. Considering geographical clusters, during this period, the cluster of countries outside the EU had the highest price for posting a domestic parcel. The rather sharp increase in Southern Europe, as shown in the figure below, is due to the price increase of Malta, going from €2.93 in 2013 to €9.00 in 2014¹³.

¹³ It should be noted that the Maltese tariffs for local parcels had not been updated since 1997 and hence they were not cost-oriented. The abovementioned review in prices was made in the context of a whole tariff rebalancing exercise across various products falling within the universal postal service, the objective being to ensure its medium to long-term sustainability.



Figure 8 – Average prices of posting a 2 kg domestic parcel provided by the USP/incumbent – euros



Notes:

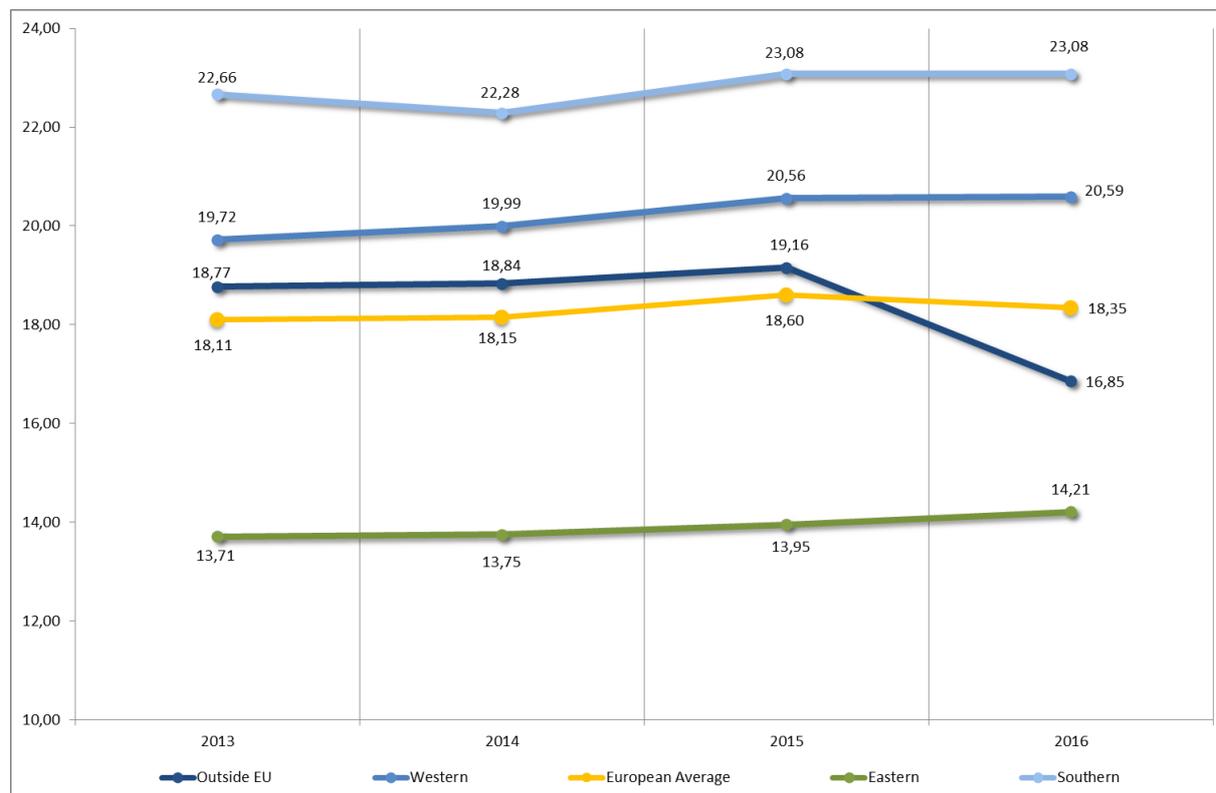
1. Average Price for the 33 countries.
2. Standard postal items provided by the USP/Incumbent at single piece tariff for typical residential customers.
3. First Class/Priority: For services to be delivered on D+3 (according to the service conditions published or informed by the PSP). Corresponds to the service usually provided in the scope of the US.
4. BE, MT and UK have a delivery speed of D+1. FR and HU have a delivery speed of D+2. LT has a delivery speed of D+4.
5. Prices are in Euros, on 1 July of each year.
6. MT: The 9 EUR parcel tariff is a flat rate for any weight between 2kg and 20kg.
7. Prices in SE (until 2015) and NO include 25% VAT.
8. The exchange rates of 2016 are used for currency conversions of the countries not using the Euro as national currency: Eurostat - Euro exchange rates - Annual data
<http://ec.europa.eu/eurostat/tgm/table.do?tab=table&init=1&language=en&pcode=tec00033&plugin=1>
9. Clusters:
 - Countries Outside the EU: CH, FY, IS, NO, RS
 - Western Countries: AT, BE, DE, DK, FI, FR, IE, LU, NL, SE, UK
 - Southern Countries: CY, EL, ES, IT, MT, PT
 - Eastern Countries: BG, CZ, EE, HR, HU, LT, LV, PL, RO, SI, SK

In 2016, the average price for posting an international parcel provided by the USP/incumbent within Europe was €18.35, which represents a 0.4% annual nominal price variation between 2013 and 2016. This small increasing trend can be observed for each of the clusters in the figure below, except for the Outside EU-cluster. Here, the Norwegian price decrease explains the trend break.

Furthermore, it is worth noting that, opposite to the domestic parcel, Southern Europe has the highest average price for posting a 2kg international parcel, as shown in the figure below.



Figure 9 – Average prices for posting a 2kg international parcel provided by the USP/incumbent to the closest neighbouring country within Europe – euros



Notes:

1. Average Price for the 33 countries.
2. Standard postal items provided by the USP/Incumbent at single piece tariff for typical residential customers.
3. First Class/Priority: For services to be delivered on D+5 (according to the service conditions published or informed by the PSP). Corresponds to the service usually provided in the scope of the US. For Malta is D+3. FR has a delivery speed of D+3 to D+5.
4. Prices are in Euros, on 1 July of each year.
5. Price in SE (until 2015) includes 25% VAT.
6. The exchange rates of 2016 are used for currency conversions of the countries not using the Euro as national currency: Eurostat - Euro exchange rates - Annual data
<http://ec.europa.eu/eurostat/tgm/table.do?tab=table&init=1&language=en&pcode=tec00033&plugin=1>
7. Clusters: Countries Outside the EU: CH, FY, IS, NO, RS
Western Countries: AT, BE, DE, DK, FI, FR, IE, LU, NL, SE, UK
Southern Countries: CY, EL, ES, IT, MT, PT
Eastern Countries: BG, CZ, EE, HR, HU, LT, LV, PL, RO, SI, SK

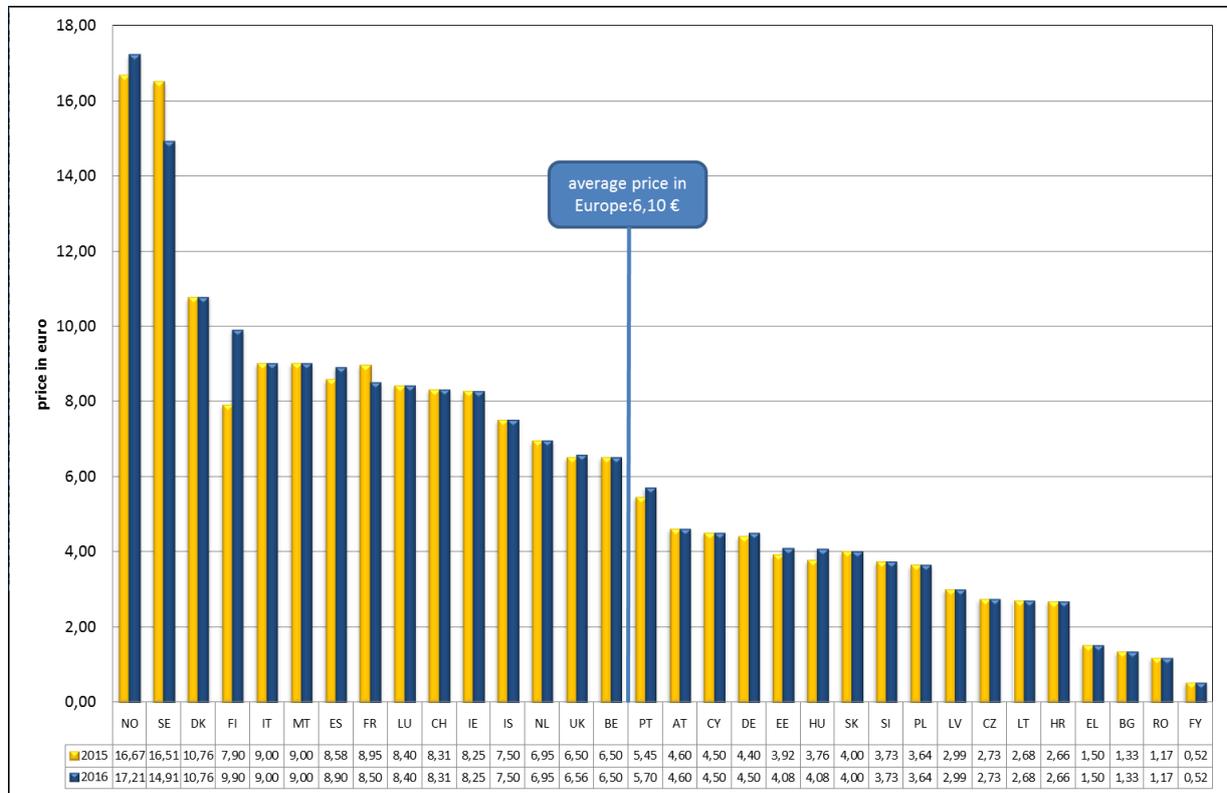
4.1.5 Domestic priority parcel prices

In 2016, Norway had the highest price for posting a domestic 2 kg priority parcel (€17.21) while FYROM had the lowest (€0.52), as shown in the figure below, which indicates a very wide range of prices for the same product. It is worth noting that the price has decreased in Sweden and France. In Sweden, the decreasing price was due to the VAT exemption of basic postal products that came into force on April 1, 2016, whereas in France, prices were adjusted to the to market needs.



Moreover, it is worth mentioning that over the last four years (2013-2016), Switzerland, Bulgaria, Croatia, Romania, FYROM, Italy, Latvia, Sweden and Slovenia have not increased the price of the domestic priority parcel post.

Figure 10 – Price of posting a domestic 2 kg priority parcel in 2015 and 2016



Notes:

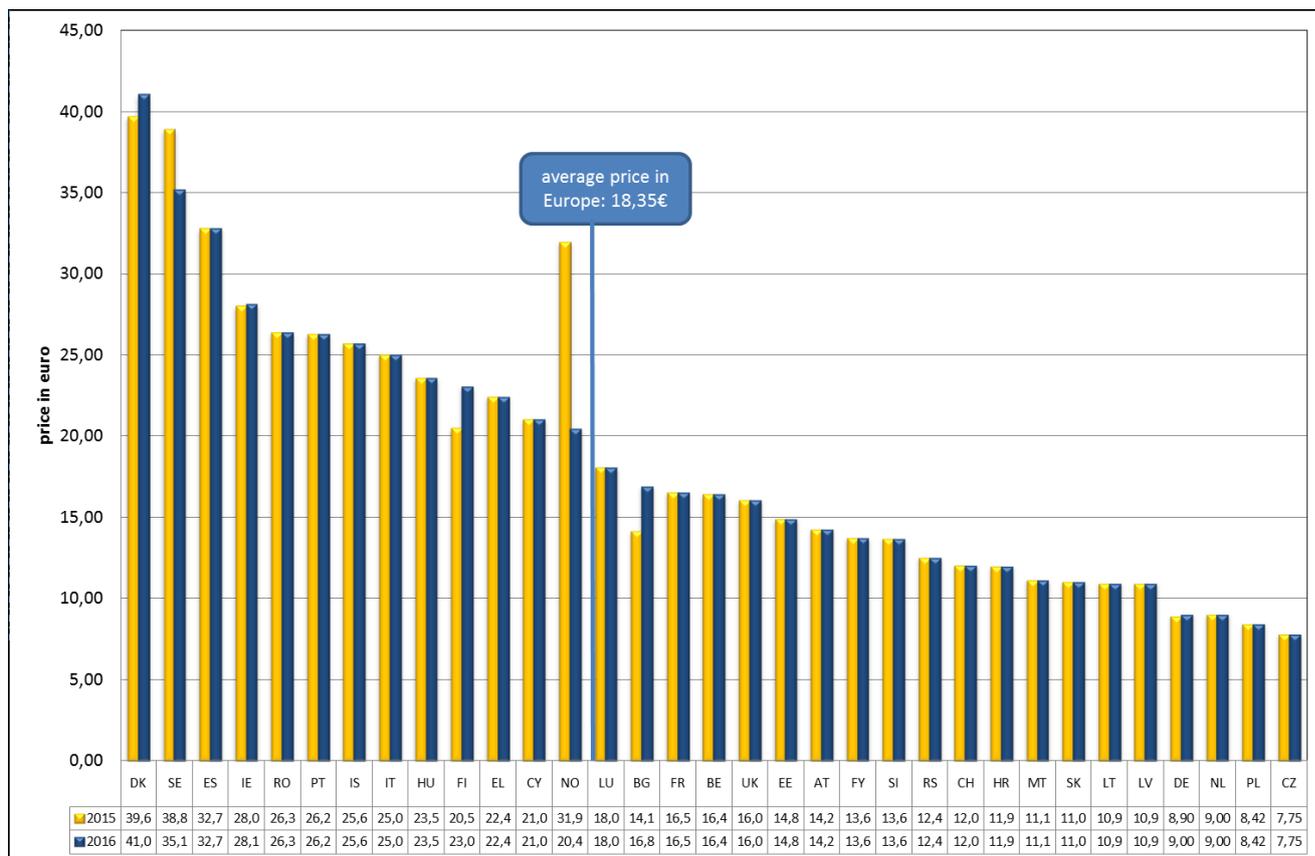
1. Average Price for the 32 countries that offer priority parcel post service.
2. Standard postal items provided by the USP/Incumbent at single piece tariff for typical residential customers.
3. First Class/Priority: For services to be delivered on D+3 (according to the service conditions published or informed by the PSP). Corresponds to the service usually provided in the scope of the US.
4. BE, MT and UK have a delivery speed of D+1. FR and HU have a delivery speed of D+2. LT has a delivery speed of D+4.
5. Prices are in Euros, on 1 July of each year.
6. Prices in SE and NO include 25% VAT.
7. The exchange rates of 2016 are used for currency conversions of the countries not using the Euro as national currency: Eurostat - Euro exchange rates - Annual data
<http://ec.europa.eu/eurostat/tgm/table.do?tab=table&init=1&language=en&pcode=tec00033&plugin=1>

4.1.6 International priority parcel prices

In 2016, the average European price for posting an international priority parcel weighting 2 kg to the cheapest zone within Europe was €19.04, which represents a price increase of 1.7% compared to 2015. As can be observed in the figure below, Denmark had the highest price (€41), in 2016, while Czech Republic had the lowest (€7.75). Worth noting is that in Sweden and Norway the price has, in contrast to the other countries, decreased in 2016.



Figure 11 – Price of posting a 2 kg international parcel provided by the USP/incumbent within Europe (cheapest zone)¹⁴ in 2015 and 2016



Notes:

1. Average Price for the 33 countries that offer an international priority parcel post service.
2. Standard postal items provided by the USP/Incumbent at single piece tariff for typical residential customers.
3. First Class/Priority: For services to be delivered on D+5 (according to the service conditions published or informed by the PSP). Corresponds to the service usually provided in the scope of the US.
4. FR has a delivery speed of D+3 to D+5.
5. Prices are in Euros, on 1 July of each year.
6. Price in SE includes 25% VAT.
7. The exchange rates of 2016 are used for currency conversions of the countries not using the Euro as national currency: Eurostat - Euro exchange rates - Annual data
<http://ec.europa.eu/eurostat/tgm/table.do?tab=table&init=1&language=en&pcode=tec00033&plugin=1>

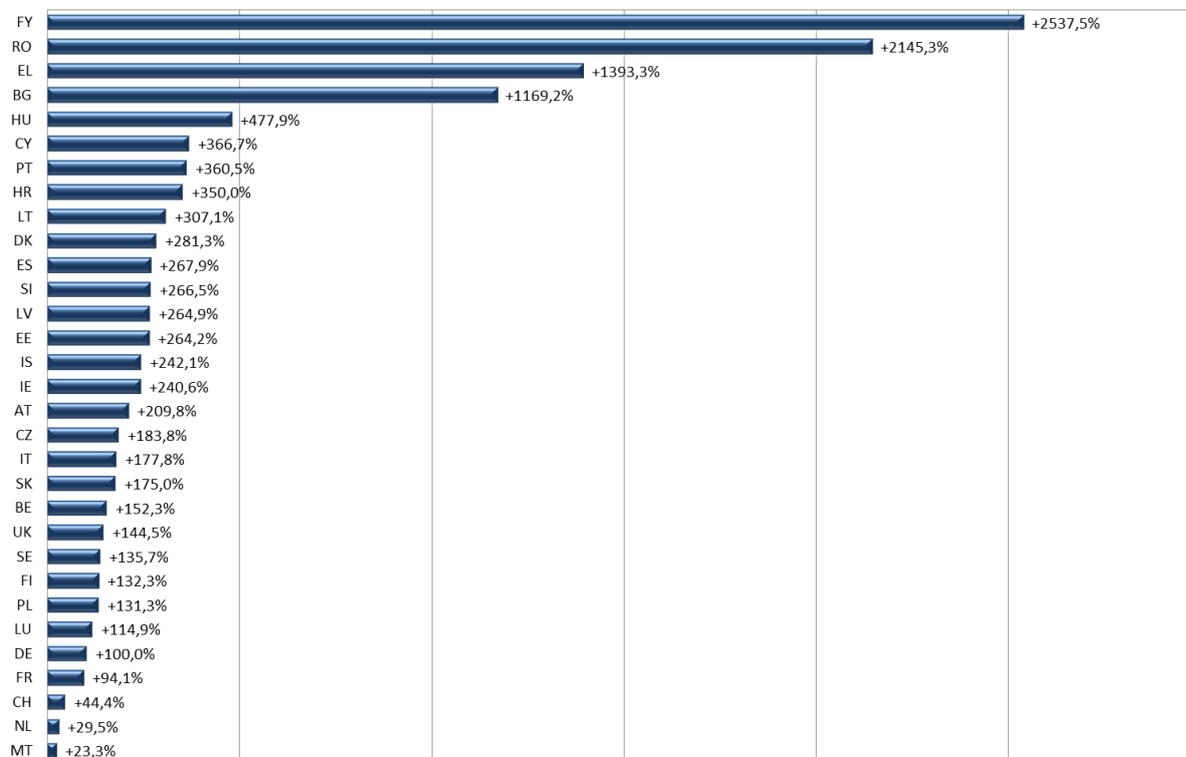
Looking at the price difference between international priority parcel post and domestic priority parcel post, we can see that there are some clear outliers. In Greece, the high price gap stems from the fact that domestic parcel prices were temporarily discounted. The prices, therefore, will increase within a certain period of time, reducing the price gap between domestic and international parcels. In Romania, an international priority parcel is over 20 times more expensive than a domestic priority

¹⁴ From this year on the report will look not at the cheapest neighbouring country, but rather at the first (so the cheapest) price zone.



parcel. When looking at the majority of the countries, the international priority parcel is, on average, about 200% more expensive than a domestic priority parcel.

Figure 12 – Price difference between international priority and domestic priority of 2kg parcels in 2016 (%)





4.2 Market structure indicators

The quantitative data presented below aims to provide a better understanding of the structure of the postal market in Europe as well as to point out any possible differences amongst countries.

4.2.1 Number of active postal service providers

For the countries that provided data there is a slight increase in the number of active PSP from 2013 to 2016, as indicated in the figure below. All of the USP's, except for the Spanish USP, provide both express and non-express services.

Figure 13 – Active postal service providers

		2013	2014	2015	2016	Dif. 2016-2013	2016 Express (E)	2016 Non Express (NE)	2016 E & NE
AT	Austria	19	19	20	20	1	n.a.	n.a.	n.a.
BE	Belgium	700	700	700	700		n.a.	n.a.	n.a.*
BG	Bulgaria	124	139	146	152	28	145	1	6*
CH	Switzerland	124	140	157	165	41	n.a.	n.a.	n.a.
CY	Cyprus	21	20	20	20	-1	19	1	20*
CZ	Czech Republic	16	20	20	24	8	0	0	24*
DE	Germany	13600	13600	13600	13600		n.a.	n.a.	n.a.
DK	Denmark	8	11	12	12	4	n.a.	n.a.	n.a.*
EE	Estonia	30	29	27	28	-2	25	1	2*
EL	Greece	397	404	459	459	62	447	11	1*
ES	Spain	1429	1418	1533	1480	51	1065	92*	323
FI	Finland	1	1	1	1		0	0	1
FR	France	33	35	39	40	7	n.a.	n.a.	n.a.
FY	FYROM	23	25	26	26	3	25	0	1
HR	Croatia	23	21	22	23		16	2	5*
HU	Hungary	137	178	181	194	57	192	1	1*
IE	Ireland	6	7	8	10	4	n.a.	n.a.	n.a.
IS	Iceland	4	4	4	4		0	3	1*
IT	Italy	2517	2469	2519	2776	259	n.a.	n.a.	n.a.
LT	Lithuania	59	56	47	53	-6	6	0	47
LU	Luxembourg	21	22	25	25	4	n.a.	n.a.	n.a.*
LV	Latvia	59	61	67	67	8		2	65*
MT	Malta	21	23	24	26	5	23	0	3*



NL	The Netherlands	116	114	118	114	-2	n.a.	n.a.	n.a.
NO	Norway	n.a.	n.a.	n.a.	n.a.		n.a.	n.a.	n.a.
PL	Poland	161	166	172	151	-10	78	53	20*
PT	Portugal	67	68	70	67		57	8	2*
RO	Romania	238	237	236	236	-2	10	194	32
RS	Serbia	47	42	36	54	7	53	0	1*
SE	Sweden	326	339	339	339	13	311	27	1*
SI	Slovenia	16	17	17	14	-2			2
SK	Slovakia	22	20	20	22		17	4	1*
UK	United Kingdom	28	23	23	18	-10	0	0	23*
Total		20393	20428	20688	20920	527	2489	308	406

Notes:

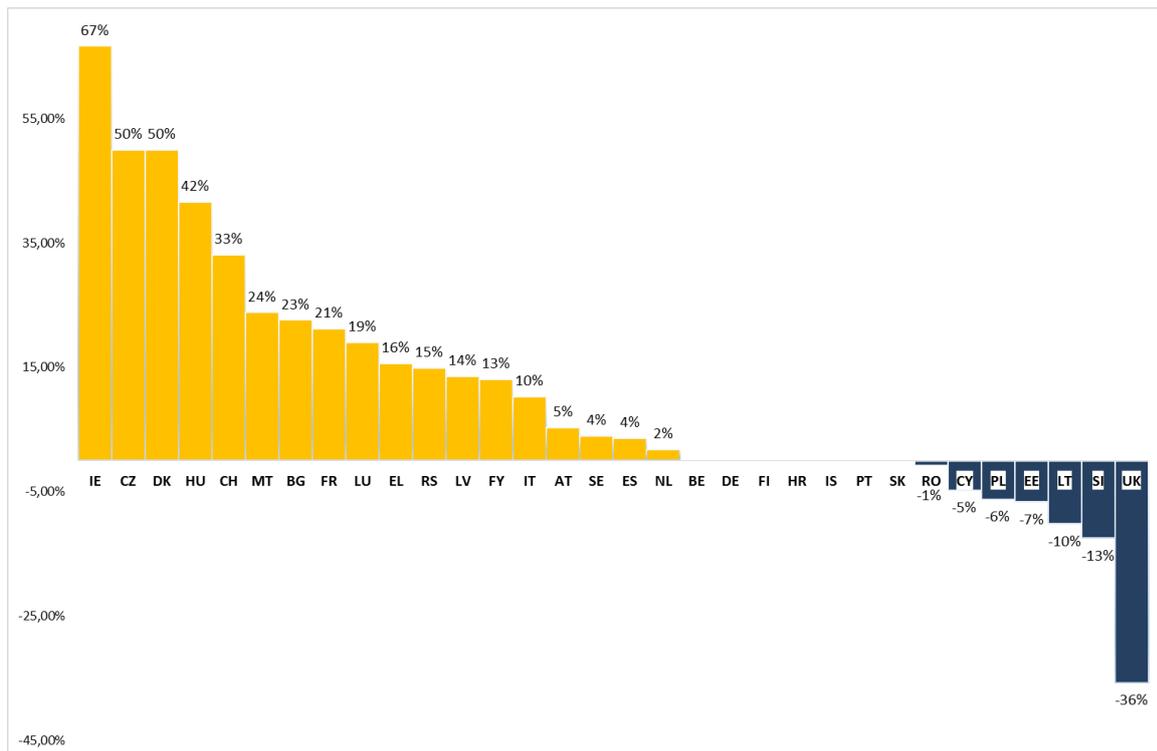
1. Asterisk (*) means that the USP is included
2. AT: no difference made between express & non-express services
3. CH: increase due to more intensive market research of PostCom
4. DE: no USP
5. ES: The Spanish data makes the distinction between USO and non-USO services as a proxy for express and non-express services.
6. FI: parcel providers not included
7. FR: data available only for postal providers which have an individual licence granted by the NRA for correspondence; excludes express services which are not considered as postal services.
8. LT: There is no difference made between express & non-express services in Lithuania.
9. UK: letter services only

There is no clear trend regarding the evolution of the number of active PSP by country, as shown in the figure below. On a European scale, the number of postal service providers has increased by 527 providers as compared to 2013. In 7 countries, there has been no change in the number of postal service providers when compared to 2013. As compared to 2013, Ireland had the highest percentage increase (+67%), although this represented an increase of only 4 providers (from 6 to 10 providers).

Italy had the highest absolute increase (+259 operators) between 2013 and 2016. In contrast, UK is the country with the greatest decrease in the abovementioned indicator (-36%), followed by Slovenia (-13% corresponding to 2 operators). In Lithuania, two main reasons explain the drop on the number of service providers. Firstly, service providers have asked the Lithuanian regulator RRT to eliminate them from the list of service providers. Secondly, RRT has eliminated service providers who have not submitted any statistical data about their postal activities for more than 1 year from the list on its own initiative. For England, the drop was due to consolidation of market activities and the closure of some smaller postal operators.



Figure 14 – Change in the number of Active Postal Service Providers between 2013 and 2016 (%)



4.2.2 Indicators on the level of market concentration

The Herfindahl-Hirschman index (HHI) analysis shows that the European postal market is highly concentrated, as almost all the countries that provided data have an HHI superior to 2000 (both in terms of volumes and revenues), as shown in the figure below. Between 2013 and 2016, the level of concentration of the market remained more or less stable in the majority of the countries. In general, the level of concentration of the market is higher in terms of volumes than revenues. It should be highlighted the significant increase in the level of concentration in Hungary in terms of volumes.

Latvia and Romania are the countries with the lowest market concentration in terms of volumes and revenues in 2016, respectively. It is worth mentioning that Eastern countries have a lower level of concentration than the other countries.



Figure 15 – Herfindahl-Hirschman Index (HHI)

Country	HHI – Volumes						HHI - Revenues					
	2013	2014	2015	2016	2016/2013	Trend	2013	2014	2015	2016	2016/2013	Trend
Austria	7.197	7.195	7.297	n.a.			6.079	6.017	5.988	n.a.		
Belgium	9.136	9.011	8.868	8.733	-4%		4.964	4.506	4.360	4.166	-16%	-
Bulgaria	n.a.	n.a.	n.a.	n.a.			5.691	5.230	4.882	4.576	-20%	-
Croatia	5.424	5.196	6.164	6.594	22%	+	4.969	4.796	5.111	5.047	2%	
Czech Republic	9.503	8.964	8.496	2.915	-69%	-	8.978	7.692	4.742	4.247	-53%	-
Denmark	9.500	6.400	6.000	n.a.			n.a.	n.a.	n.a.	n.a.		
Estonia	5.243	5.244	5.036	4.815	-8%		3.372	3.312	3.313	3.034	-10%	-
France	9.801	9.818	9828	9825	0%		9.707	9.657	9625	9566	-1%	
FYROM	8.998	8.694	n.a.	n.a.			4.553	4.257	n.a.	n.a.		
Greece	7.648	6.871	6083	n.a.			2.836	2.465	2143	n.a.		
Italy	6.157	5.521	5.559	5.438	-12%	-	2.552	2.224	2.103	1.970	-23%	-
Hungary	2.655	9156	9245	n.a.			4.766	4.380	4.256	n.a.		
Latvia	1.897	2.441	2.077	2.116	12%	+	3.036	3.488	4.337	4.356	43%	+
Lithuania	4.171	4.075	4.752	5.206	25%	+	2.227	2.189	2.251	1.873	-16%	-
Malta	9.600	9.500	9.400	9.200	-4%		4.600	4.600	4.300	4.200	-9%	
Portugal	8.977	8.939	8.944	8.671	-3%		4.342	4.847	5.340	5.190	20%	+
Romania	4.783	3.578	3095	3737	-22%	-	1.226	1.226	1240	1293	5%	
Serbia	8.923	8.776	8.578	8.326	-7%		2.821	2.764	2.644	2.370	-16%	-
Slovakia	6.833	6.772	6.698	6.633	-3%		3.209	3.125	2.931	2.928	-9%	
Sweden	7.590	7.420	7.230	6.822	-10%	-	8.641	8.559	8.325	8.093	-6%	
The Netherlands	6.540	6.098	5.692	5.642	-14%	-	8.018	7.307	6.944	6.543	-18%	-
United Kingdom	9.903	9.745	9.897	conf			9.196	9.093	9.151	conf		

Notes:

1. Trend is - or + if the change from 2013 to 2016 is >10%.
2. The data include express services for AT, FY, HU, SK, LT, HR, RO, EE, CZ, PT, IT, MT, BE, DK.
3. SE: letter market only.
4. FR: data available only for postal providers which have an individual licence granted by the NRA for correspondence; includes international inbound and outbound; exclude express services which are not considered as postal services.
5. UK: letter services only

Looking at the number of PSPs with more than 1% of the total postal market, we can also conclude that the postal market in Europe is highly concentrated (see table below) and that the level of concentration is higher for volumes, as there are in general less operators with more than 1% of the market than for revenues.

There are some indications of an emergence of competition within the European postal market, as there is a discreet sign of an increasing trend in the number of operators with over 1% of the market



share based on volumes. It is worth mentioning that most Eastern countries show a rise in the number of postal operators with more than 1% market share based on revenues.

Figure 16 – Number of postal service providers with more than 1% of the postal market

	>1% - Based on volumes						>1% - Based on revenues					
	2013	2014	2015	2016	2016/2013	Trend	2013	2014	2015	2016	2016/2013	Trend
Austria	2	2	2	n.a.			8	7	7	n.a.		
Belgium	1	1	1	1			8	8	8	9	13%	+
Bulgaria	18	16	17	16	-11%	-	18	16	17	16	-11%	-
Croatia	5	5	5	4	-20%	-	8	8	9	8		
Cyprus	15	16	16	9	-40%	-	15	16	16	9	-40%	-
Czech Republic	2	4	4	3	50%	+	2	4	5	6	200%	+
Denmark	2	6	6	n.a.			n.a.	n.a.	n.a.	n.a.		
Estonia	4	4	4	4			9	10	12	13	44%	+
Finland	1	1	1	n.a.			1	1	1	n.a.		
France	1	1	1	1			1	1	1	1		
FYROM	4	4	6	n.a.			7	8	10	n.a.		
Germany	12	12	n.a.	n.a.			12	12	n.a.	n.a.		
Greece	6	6	6	n.a.			9	9	9	n.a.		
Hungary	12	2	1	n.a.			8	10	9	n.a.		
Iceland	4	4	4	4			4	4	4	4		
Italy	5	7	7	8	60%	+	9	9	9	9		
Latvia	17	17	15	9	-47%	-	12	11	10	8	-33%	-
Lithuania	9	8	8	9			13	12	11	11	-15%	-
Malta	1	2	2	2	100%	+	8	7	5	7	-13%	-
Netherlands	2	2	2	3	50%	+	2	2	3	4	100%	+
Poland	6	7	8	8	33%	+	12	13	15	13	8%	
Portugal	1	2	2	2	100%	+	13	10	9	8	-38%	-
Romania	n.a.	n.a.	10	8			n.a.	n.a.	12	12		
Serbia	4	4	4	4			7	7	8	6	-14%	-
Slovakia	5	6	7	7	40%	+	11	10	10	11		
Slovenia	8	2	10	9	13%	+	7	11	11	11	57%	+
Spain	2	2	2	2			2	2	2	2		
Sweden	2	2	2	2			2	2	2	2		
Switzerland	5	5	5	5			6	6	7	8	33%	+
United Kingdom	1	2	1	1			2	2	1	1	-50%	-

Notes:

1. Trend is - or + if the change from 2013 to 2016 is >10%.
2. The data include express services for AT, CY, FY, HU, PO, SK, RO, SI, LT, RS, HR, EE, BG, PT, IT, MT, CH, DK.
3. DE: estimated data
4. FR: data available only for postal providers which have an individual licence granted by the NRA for correspondence; excludes express services which are not considered as postal services.
5. UK: letter market only



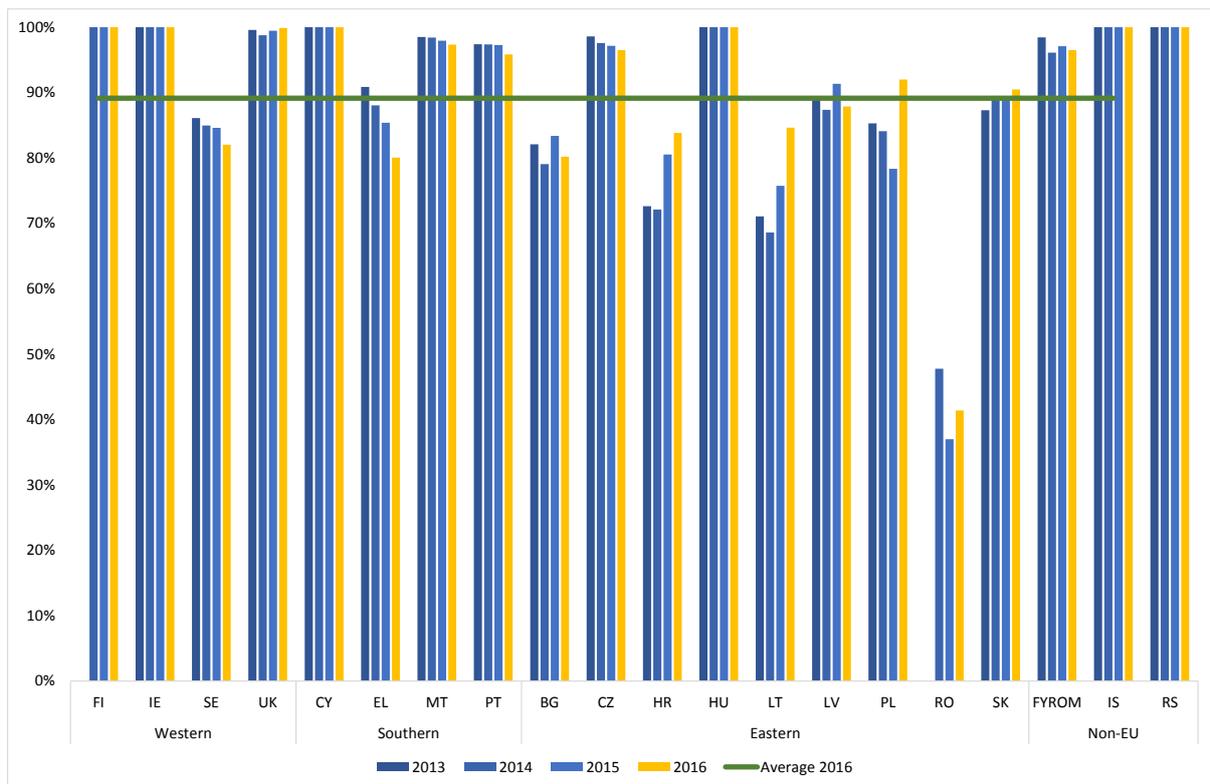
4.2.3 USP Market Shares

The following section presents the USPs’ volumes and revenue market shares.

4.2.3.1 USP Volume Market Shares

In the ERGP Member States for which information is available, the USP generally maintains a high market share for letter volume, which was in 2016, on average 85.4%. In general, the USPs’ market share decreased between 2013 and 2016 except for HR, LT, PL and SK.

Figure 17 – USP Volume share for letters

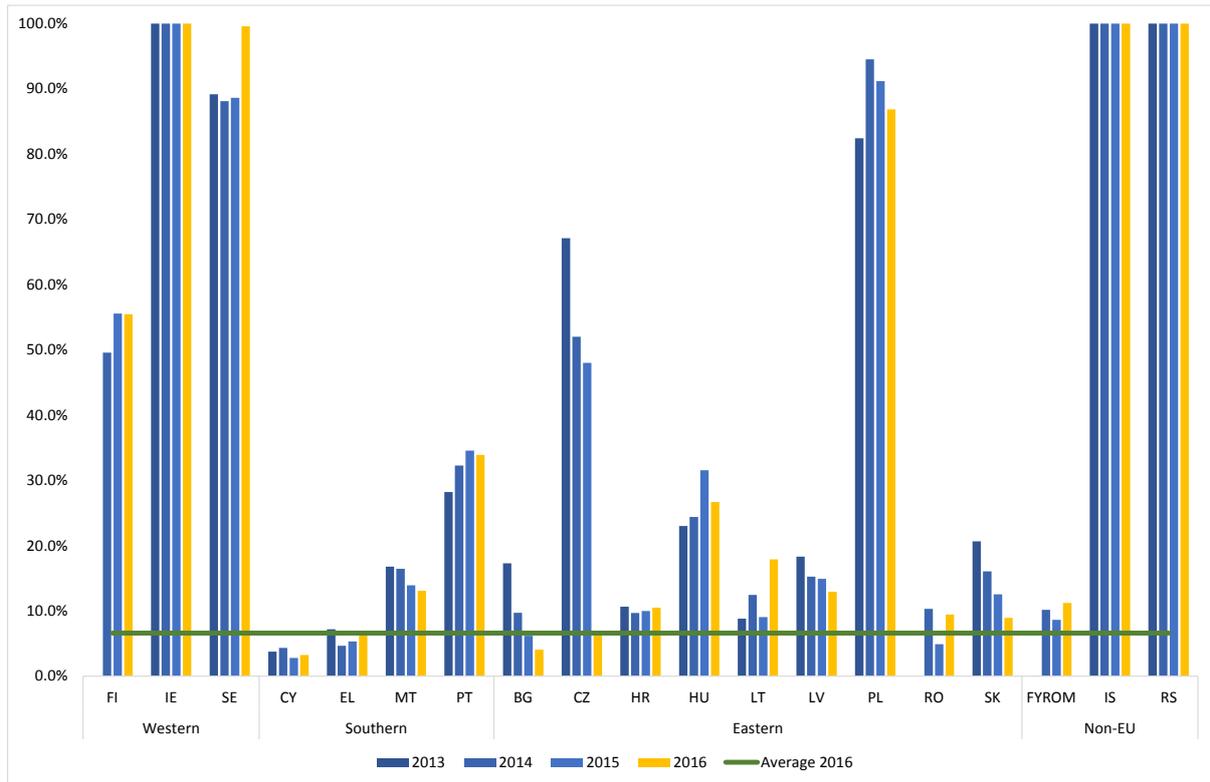


Countries with a 100% market share but because only USP data is provided: IE, IS, RS and FI.
Data for EE, IT, LU, SI, ES and NL is confidential, but the data for these countries was included in the average.

The USPs have much lower markets shares regarding the parcels, which, on average is around 3.9% (in 2013 was 9.7%). In general, the USP lost market share for the parcel segment, but there are some exceptions (IT, PT, EE, HU, LT and FYROM).



Figure 18 – USP Volume share for parcels

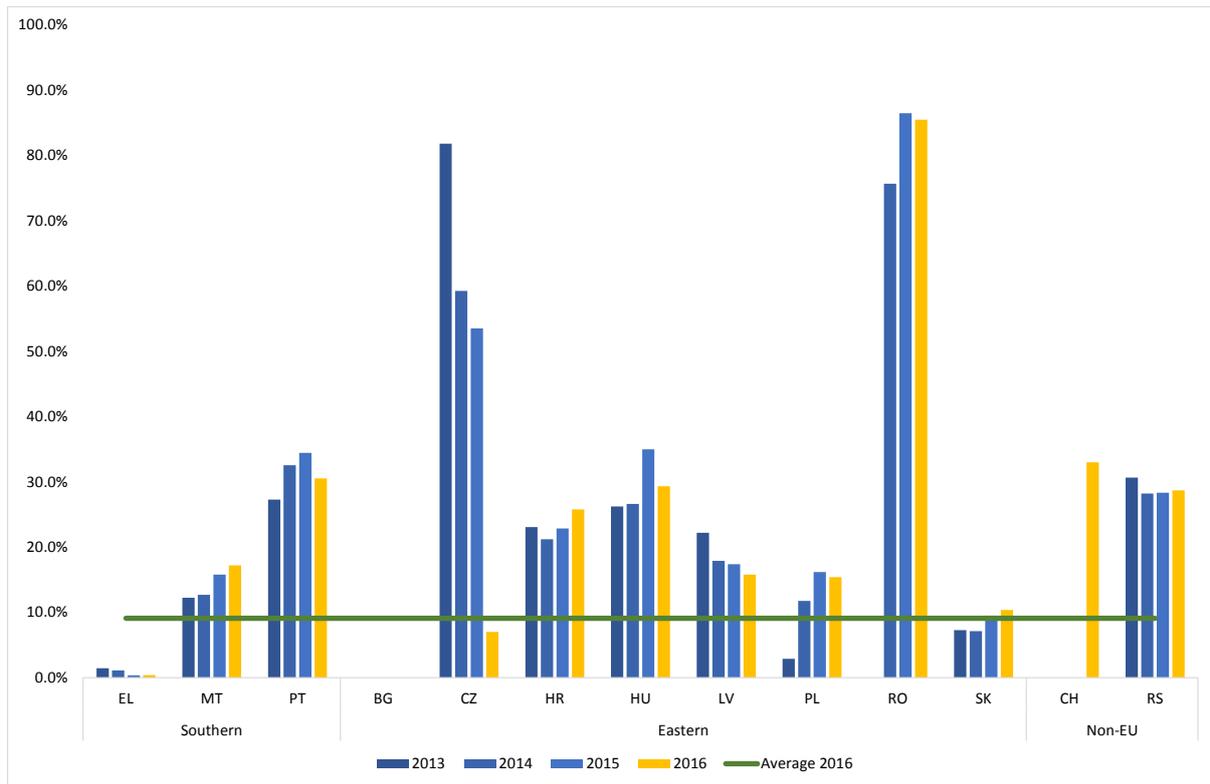


Countries with a 100% market share but because only USP data is provided: IE, IS, RS.
 Data for EE, IT, LU, SI, ES and NL is confidential, but the data for these countries was included in the average.

The average USP market share for express items in 2016 is 9.1% less when compared with 2013. It is worth mentioning that in the case of Poland, the USP market volume share increased from 3% in 2013 to 15.4% in 2016.



Figure 19 – USP Volume share for Express items



Countries with a 100% market share but because only USP data is provided: IE, IS, RS.

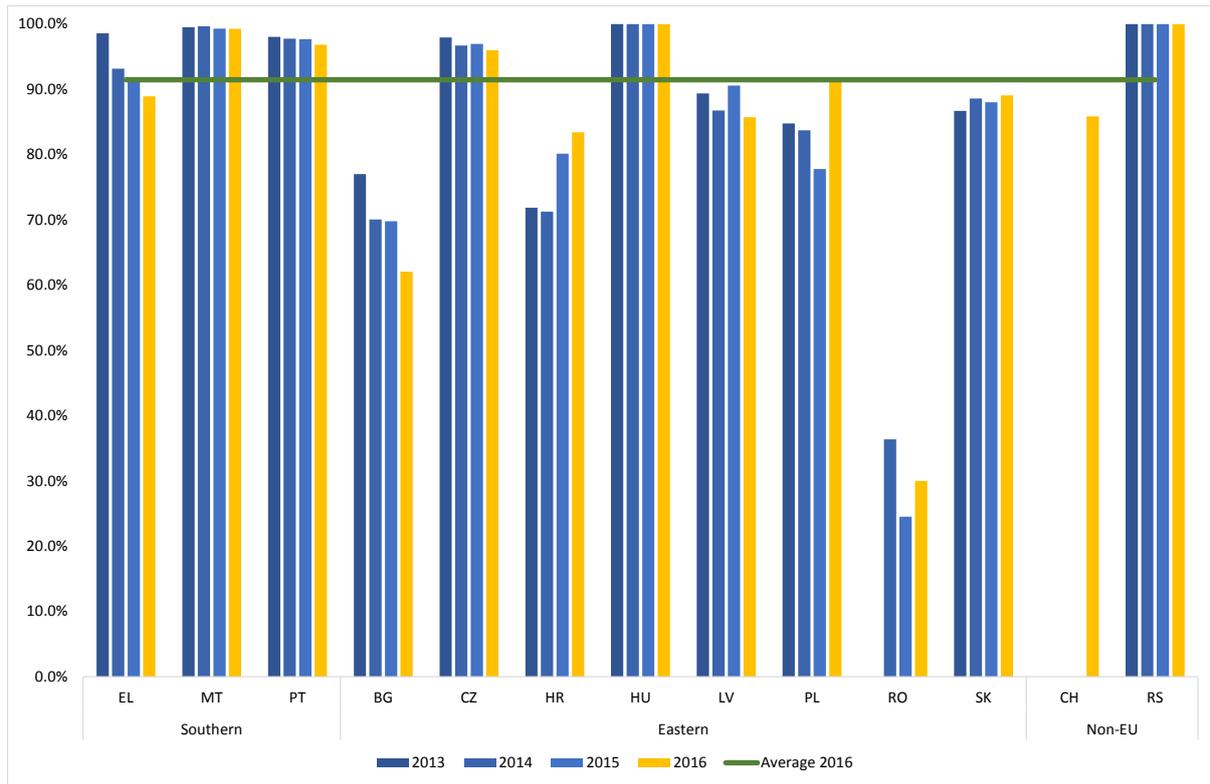
Data for EE, IT, LU, SI, and ES is confidential, but the data for these countries was included in the average.

In FI, FR and IE express is not a postal service, so no express figures can be provided. AT, BG, IS: no differentiation between express and non-express.

The USPs share of non-express volume is typically high, with some exceptions (NL, IT, BG, EE, and RO). Between 2013 and 2016, the USPs share of non-express items fell in the majority of the countries. The average USP volume share for non-express items in 2016 was about 91.7%, which represents a decrease compared with 2013 (93.7%).



Figure 20 – USP Volume share for Non-Express items



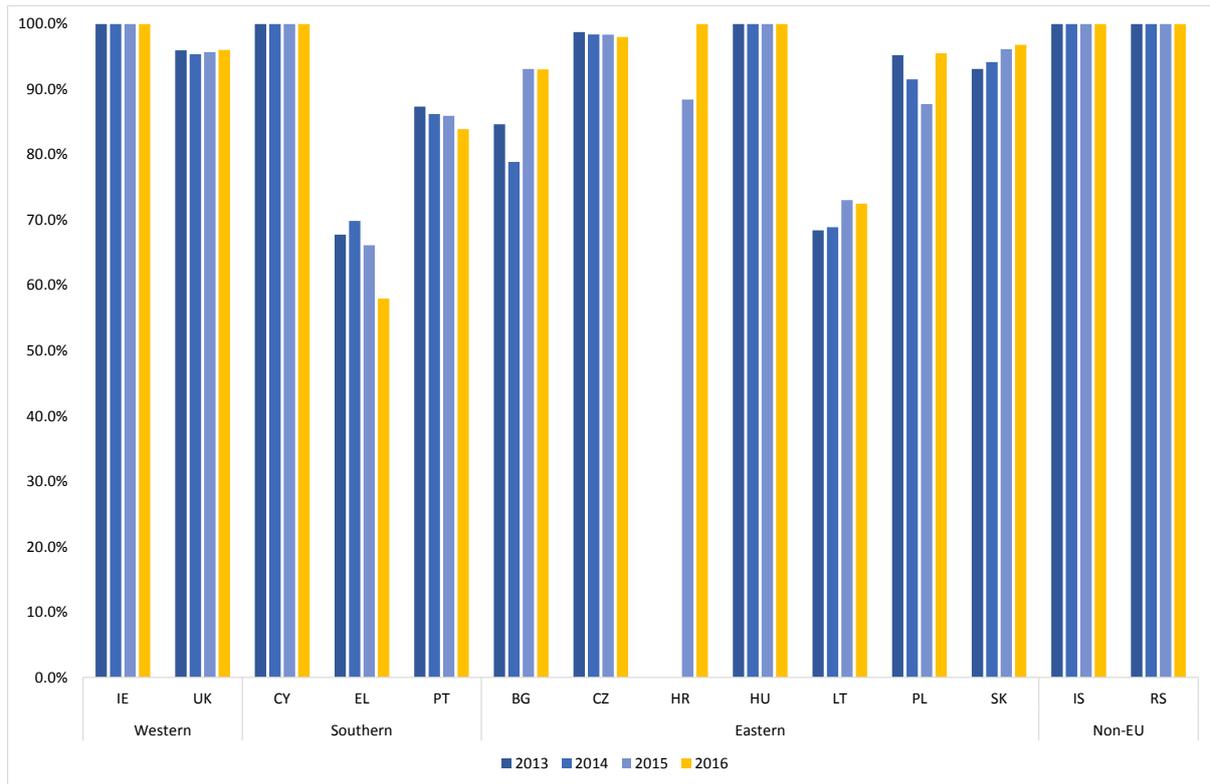
Data for EE, IT, LU, SI, ES and NL is confidential, but the data for these countries was included in the average.

4.2.3.2 USP Revenues Market Shares

Where data is available, the USPs' share of letter revenues has mostly remained stable. In 2016, for the countries that have this data, the European average of the USP revenues market shares was around 91.4%, compared with 92.4% in 2013. The USP has gained share in BG, LT, PL and SK.



Figure 21 – USP Revenue Market Shares for Letters

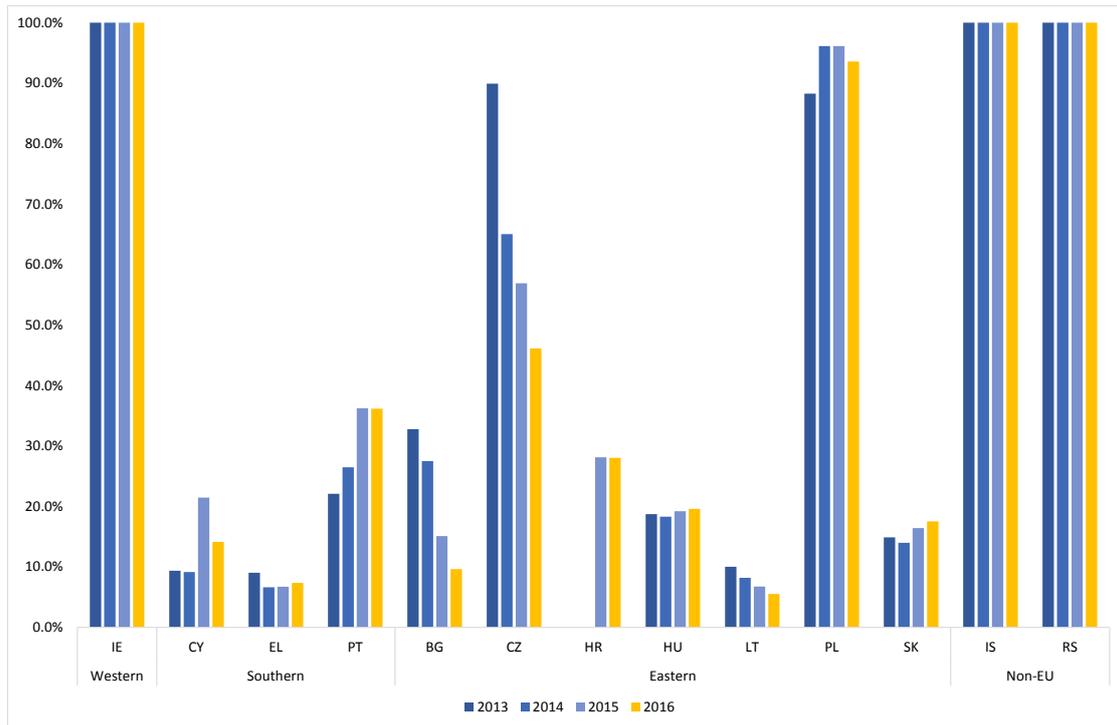


Data for EE, SI, IT, MT, LU, NL and ES is confidential.

In the countries for which data is available, the USP share of parcel revenues is far more variable than for letters. The average of the USP revenue market share in 2016 was 17.6%, a slight increase when compared with 2013 (16.8%). In Portugal, since 2013, CTT has increased its share of parcel revenues by 14 percentage points. In Czech Republic and in Bulgaria, however, the USP has lost, respectively, 44 and 23 percentage points of its share of parcel revenues between 2013 and 2016.



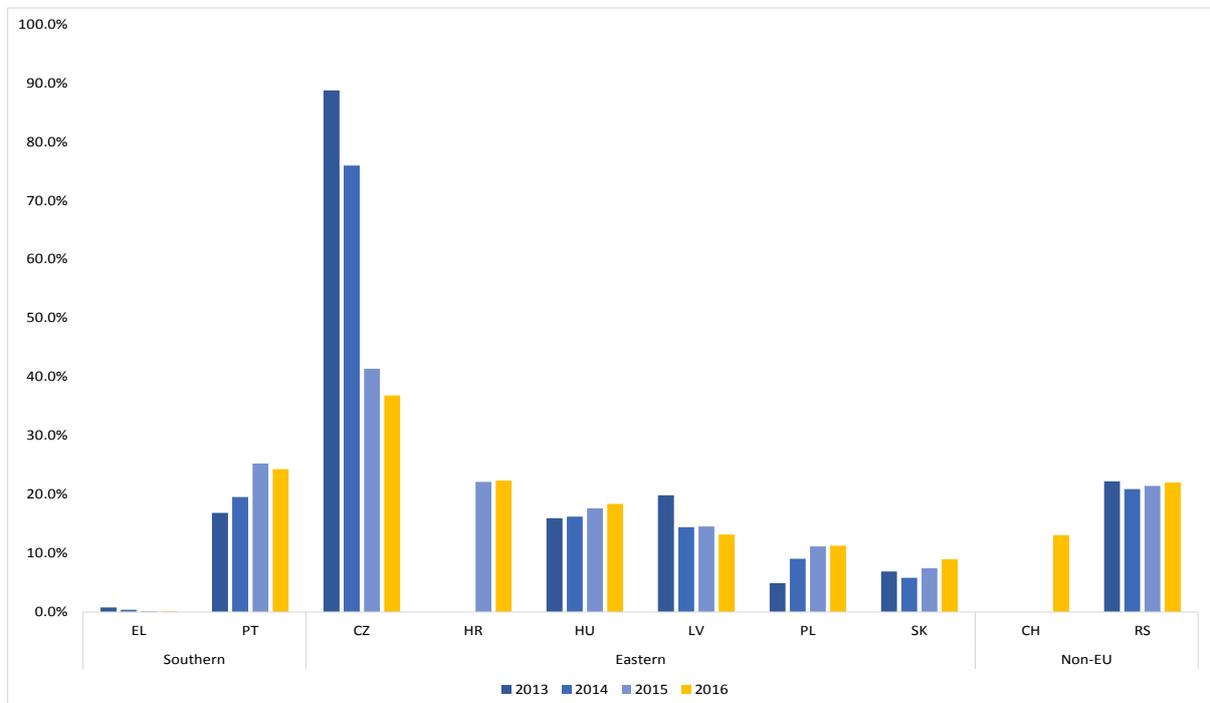
Figure 22 – USP Revenue Market Shares for Parcels



Data for EE, SI, IT, MT, LU, NL and ES is confidential.

For the express, the USP market revenue shares are small.

Figure 23 – USP express revenue share

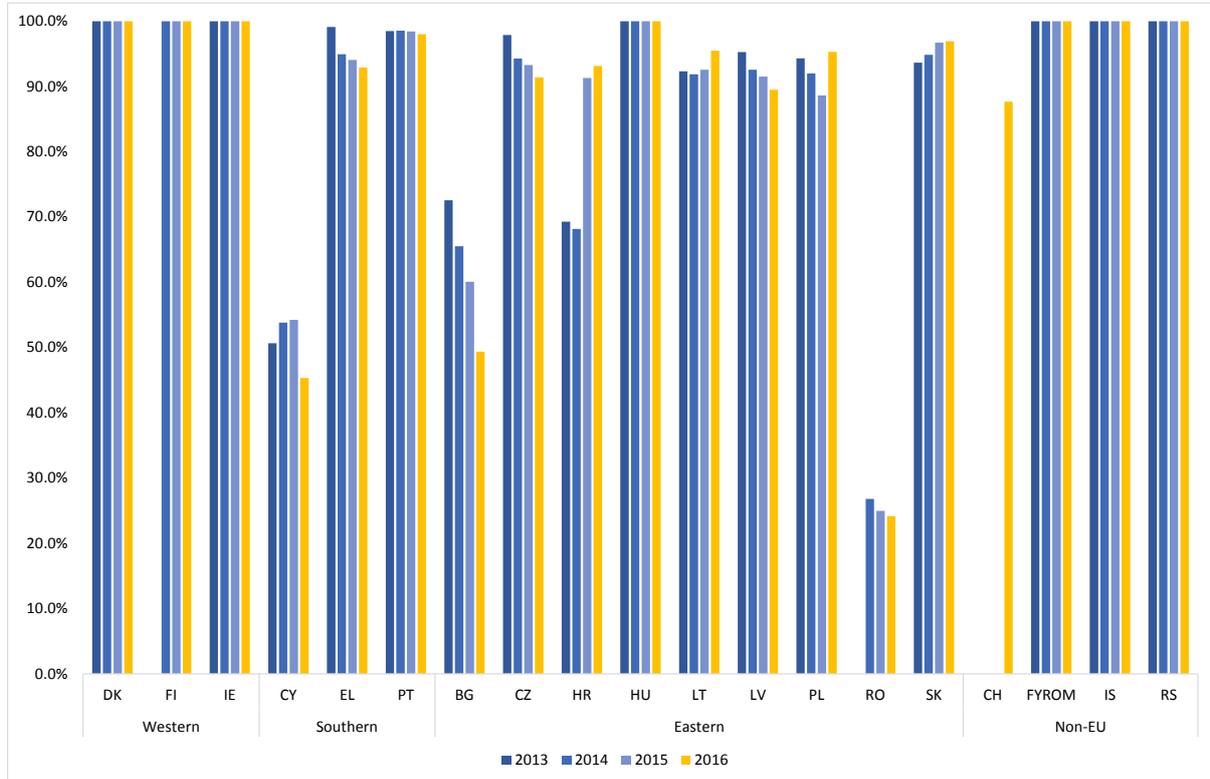


Data for EE, SI, IT, MT, LU, NL and ES is confidential.



USPs tend to have a higher share of revenues for non-express than for express revenues. The largest fall in the USP's share of non-express revenues is in Bulgaria.

Figure 24 – USP Revenue Market Shares for Non-Express



Data for EE, SI, IT, MT, LU, NL and ES is confidential.



4.3 Volumes

4.3.1 Volume Trends

Total volume across ERGP countries has fallen¹⁵, on average, by 2.3% from 2013. Driven by continued electronic substitution of traditional letter volumes, between the period of 2013 and 2016, volume declined by around 6 billion items.

During these last four years, the highest decline was registered in the Southern region while the Eastern region recorded a growth. The following tables and chart show the various volumes for the ERGP countries and per region

Figure 25 – Total Postal Volumes and Annual Average Change 2013 – 2016

TOTAL TRAFFIC	2013	2016	Annual Average Rate
ALL COUNTRIES	82,873,291,945	77,128,413,833	-2.3%
WESTERN	55,985,629,050	53,157,217,180	-1.7%
SOUTHERN	17,190,248,591	13,896,099,536	-6.8%
EASTERN	8,917,781,407	9,334,940,176	+1.6%
NON-EU	779,632,898	740,156,940	-1.7%

Notes: In FR and IE express services are not considered as postal services.

Letter mail volumes are decreasing in all the regional groups, with the noticeable decrease of 7.6% in the Southern countries. For 2016, letters represent 94.4% of the total volumes (down by 3% from 2013).

¹⁵ The data is provisional since some countries did not provide the data yet or still have to provide an update.



Figure 26 – Letter Mail Volumes and % Annual Average Change 2013 – 2016

LETTER MAIL	2013	2016	Annual Average Rate
ALL COUNTRIES	85,342,370,807	73,898,994,590	-4.7%
WESTERN	59,381,208,316	52,408,905,763	-4.1%
SOUTHERN	16,833,032,543	13,250,664,300	-7.6%
EASTERN	8,384,299,090	7,552,424,667	-3.4%
NON-EU	743,830,859	686,999,859	-2.6%

Notes: In FR and IE express services are not considered as postal services.

In contrast, parcel volumes observed an impressive increase between 2013 and 2016.

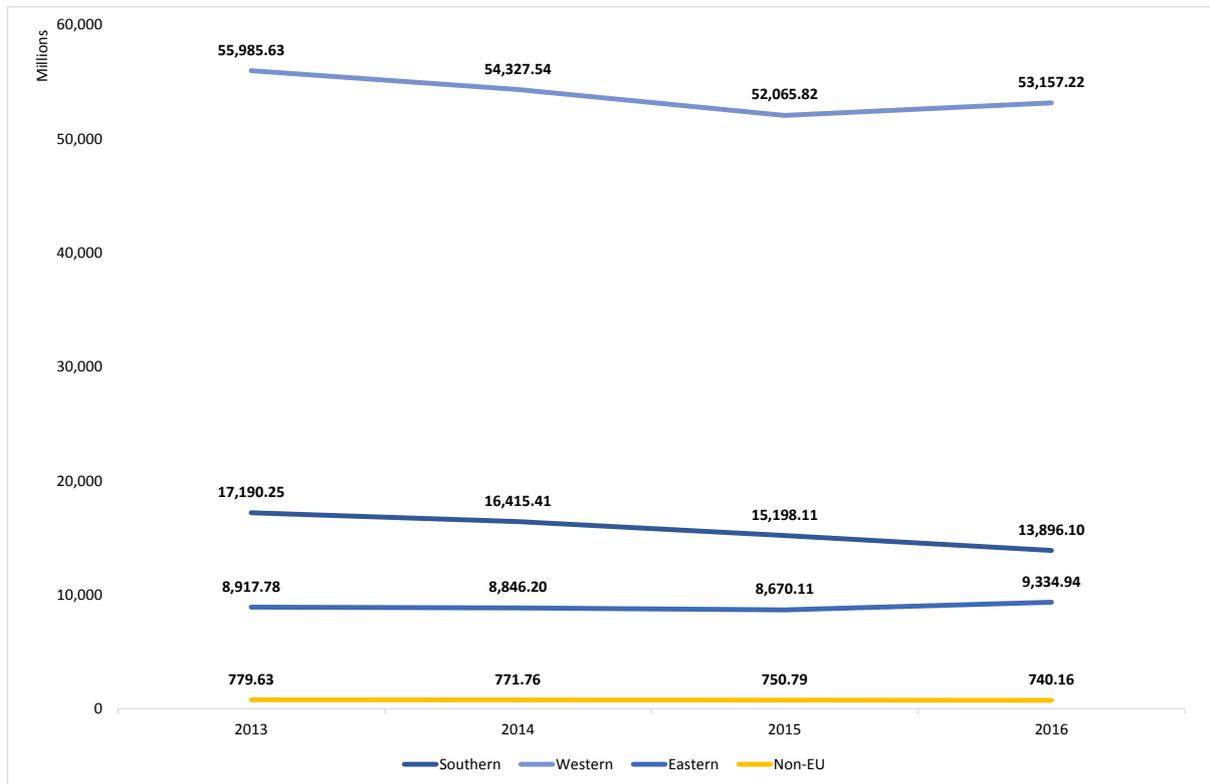
Figure 27 – Parcel Volumes and % Annual Average Change 2013 – 2016

PARCELS	2013	2016	Annual Average Rate
ALL COUNTRIES	2,553,917,199	4,347,499,372	+23.6%
WESTERN	1,194,914,500	1,539,585,647	+31.7%
SOUTHERN	953,034,172	1,364,119,778	+12.7%
EASTERN	403,611,557	1,439,501,896	+74.7%
NON-EU	2,356,970	4,292,051	+24.9%

Notes: In FR and IE express services are not considered as postal services.



Figure 28 – Total Postal Volumes trend from 2013 to 2016



Notes: In FR and IE express services are not considered as postal services.

From the figure above, it is clear that throughout the years there has been a decrease in total postal volumes for all countries. Although the general trend reflects this drop, the express and parcel market kept on rising with an average rate of 33.3% and of 23.6%, respectively. The increase of parcel volumes, which often include additional services such as increased speed and guarantee of delivery time, has contributed to this growth.

It should be highlighted that the majority of the countries do not have data regarding the disaggregation between express and non-express volumes, in some countries there is no distinction between express and non-express and for others express is not a postal service. For all these reasons, the information for the express segment is very limited.



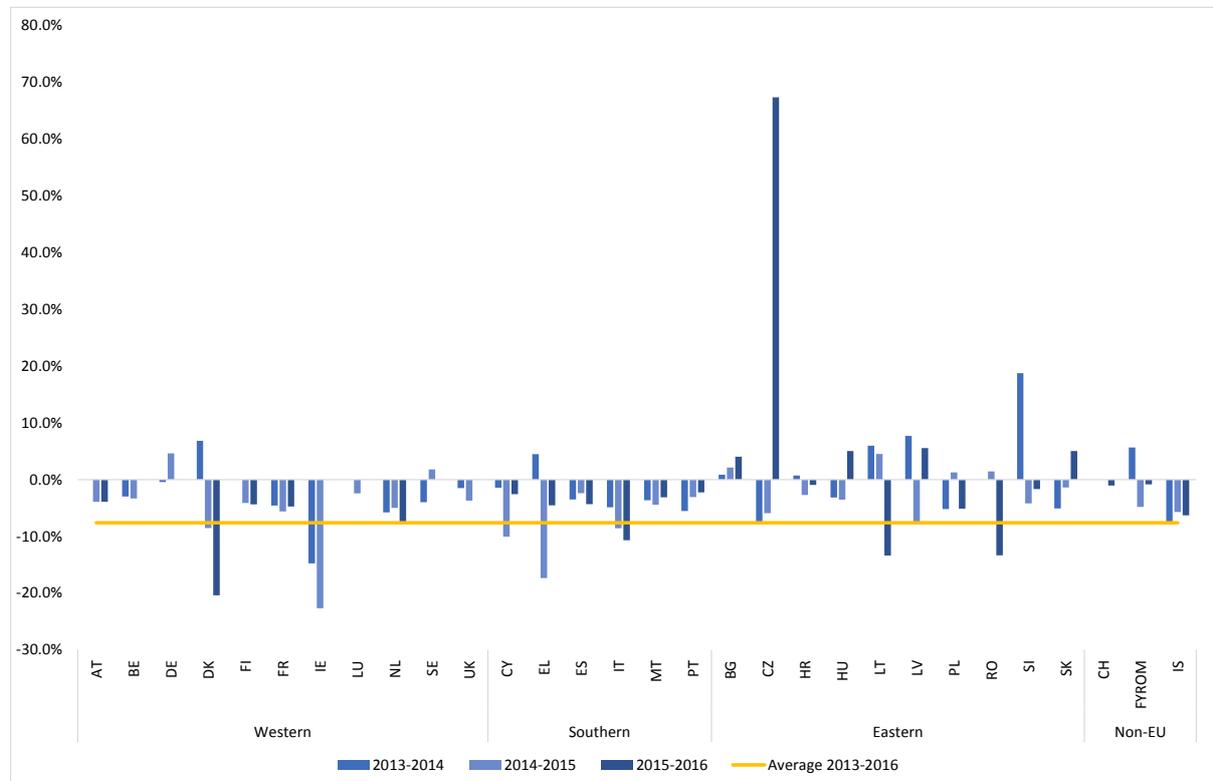
Figure 29 – Total Volume of Express items and % Annual Average Change 2013-2016

Total Traffic	2013	2016	Annual Average Rate
ALL COUNTRIES	612,504,000	1,368,369,369	+33.3%
WESTERN	0	0	-
SOUTHERN	340,199,657	438,990,702	+8.9%
EASTERN	252,947,046	900,225,569	+61.3%
NON-EU	19,357,297	29,153,097	+14.7%

Notes: In FR and IE express services are not considered as postal services.

As pointed out, the postal market is registering further drops especially due to the reduction of letter mail. This drop is not registered similarly throughout the countries, in case of Bulgaria, Czech Republic there was a growth. For Lithuania, there was a change in performance when comparing 2016 to 2013.

Figure 30 – Total volumes – percentage average annual change



Notes: Data for EE is confidential.

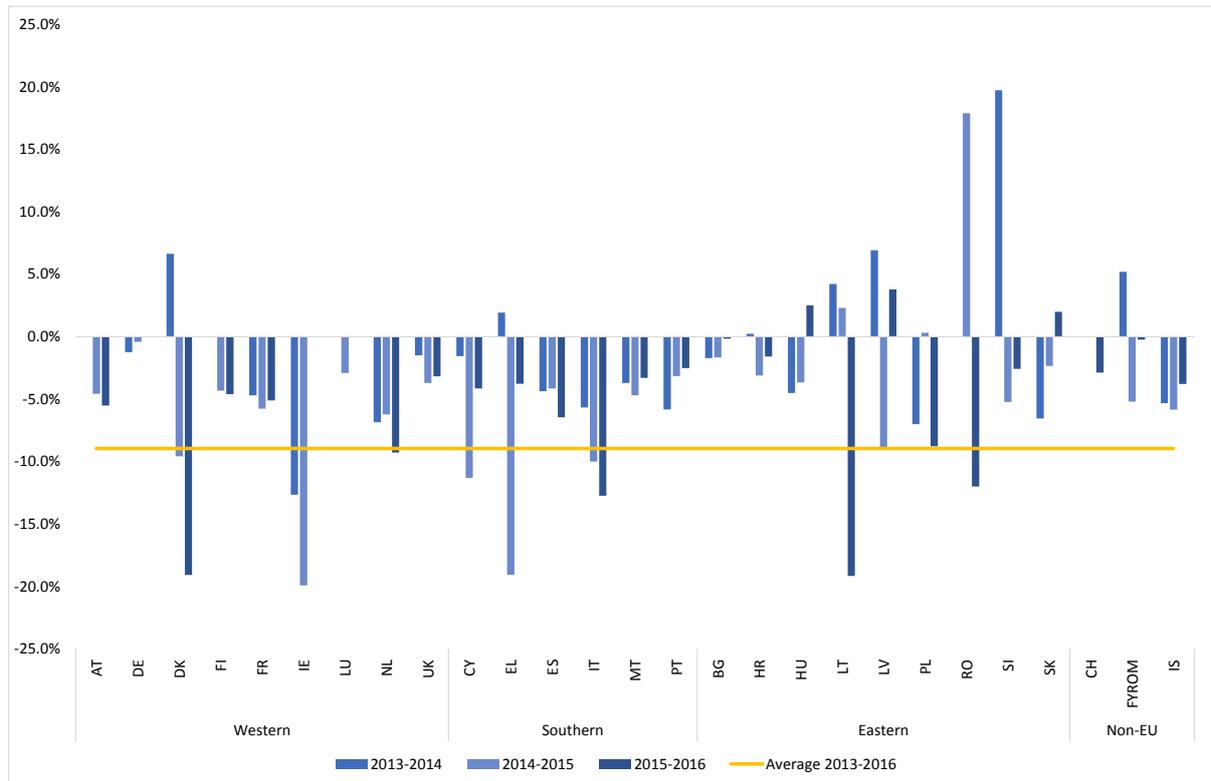
Average for all the countries that provided data in the period, including confidential data.



It is clear that the majority of the countries are reflecting further drops, in fact between 2013 and 2014 there was a drop of 3.6% and this downward trend kept constant when evaluating the average annual change to 2016, a drop of 8%.

As expected, the letter mail volumes are impacting the postal market with drops reflected in all countries apart from Slovenia. Comparing the average trend from 2013 to 2016, heavy drops are registered in Ireland and Czech Republic. On average the drop between 2013 and 2016 is of 8.9%.

Figure 31 – Letter volumes – percentage average annual change



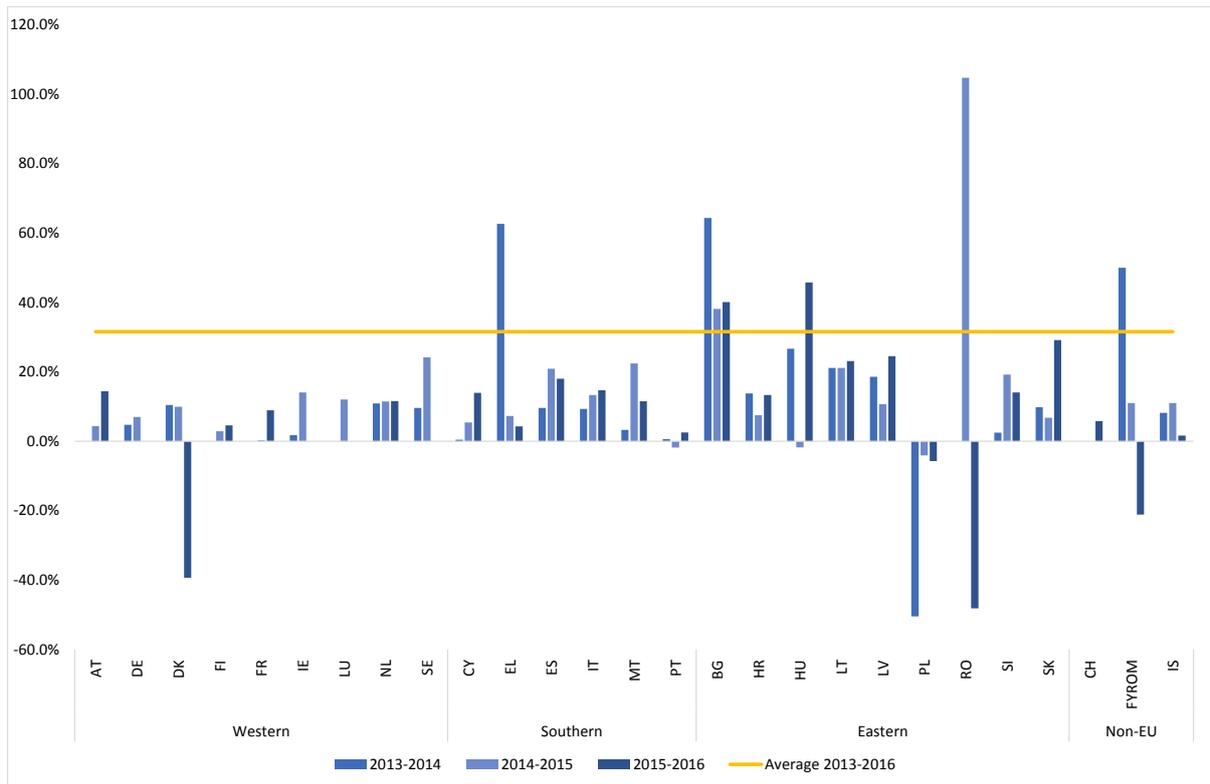
Notes: Data for BE and EE is confidential.

Average for all the countries that provided data in the period, including confidential data.

In turn, the parcel market kept its positive outcome between 2013 and 2016 and there was an annual average growth of 31.6% mainly due to a very big increase registered in Czech Republic (240.2%). This surcharge is due to a new provider in the market. However, when comparing 2013 to 2016, Poland kept an average annual downward trend of 20.1%. Given the sudden growth of Czech Republic, 2016 figures show a very positive and promising growth. Hence, when excluding Czech Republic figures, the parcel market average annual growth was of 21.4% from 2013 to 2016.



Figure 32 – Parcel Volumes – percentage average annual change



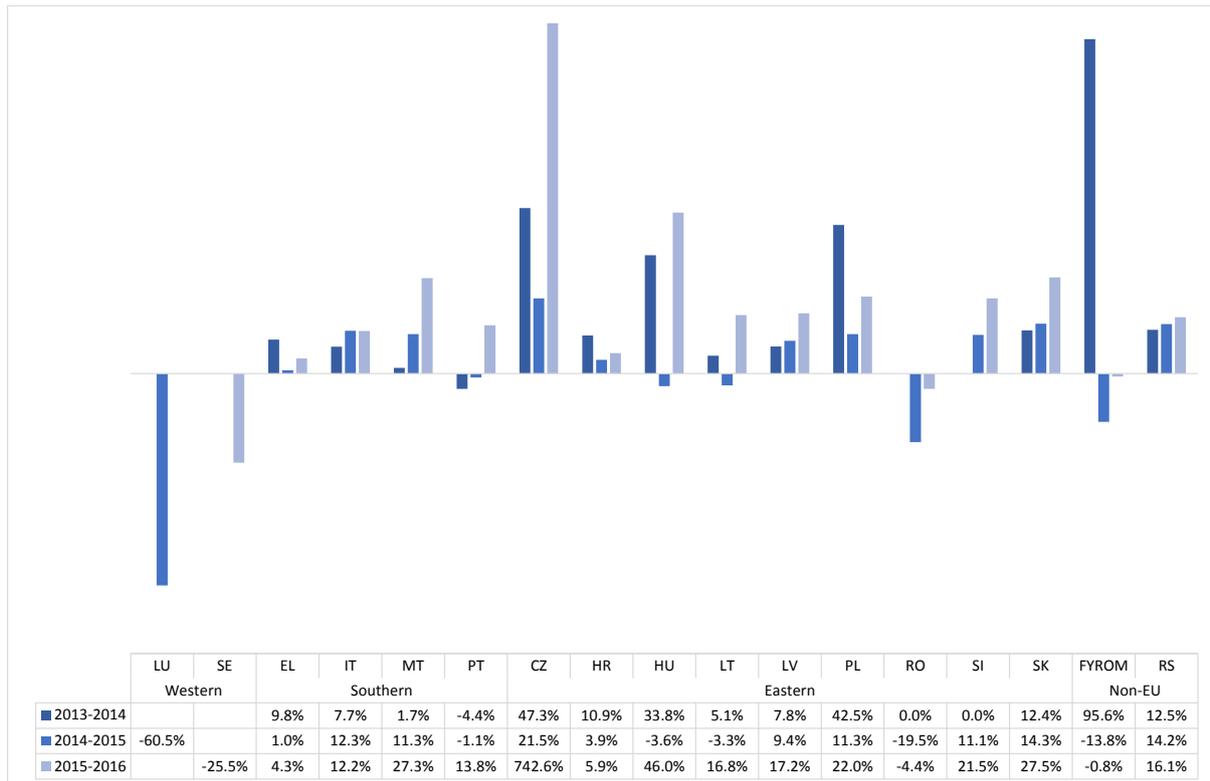
Data for BE and EE is confidential.

Average for all the countries that provided data in the period, including confidential data.

Given the limitation of the data provided for the express, the following chart shows the growth in the various countries of the express service. It is very important to note the ongoing development of the express market.



Figure 33 – Express Volumes – percentage average annual change



Data for BE and EE is confidential.

In FR, express services are not considered as postal services.

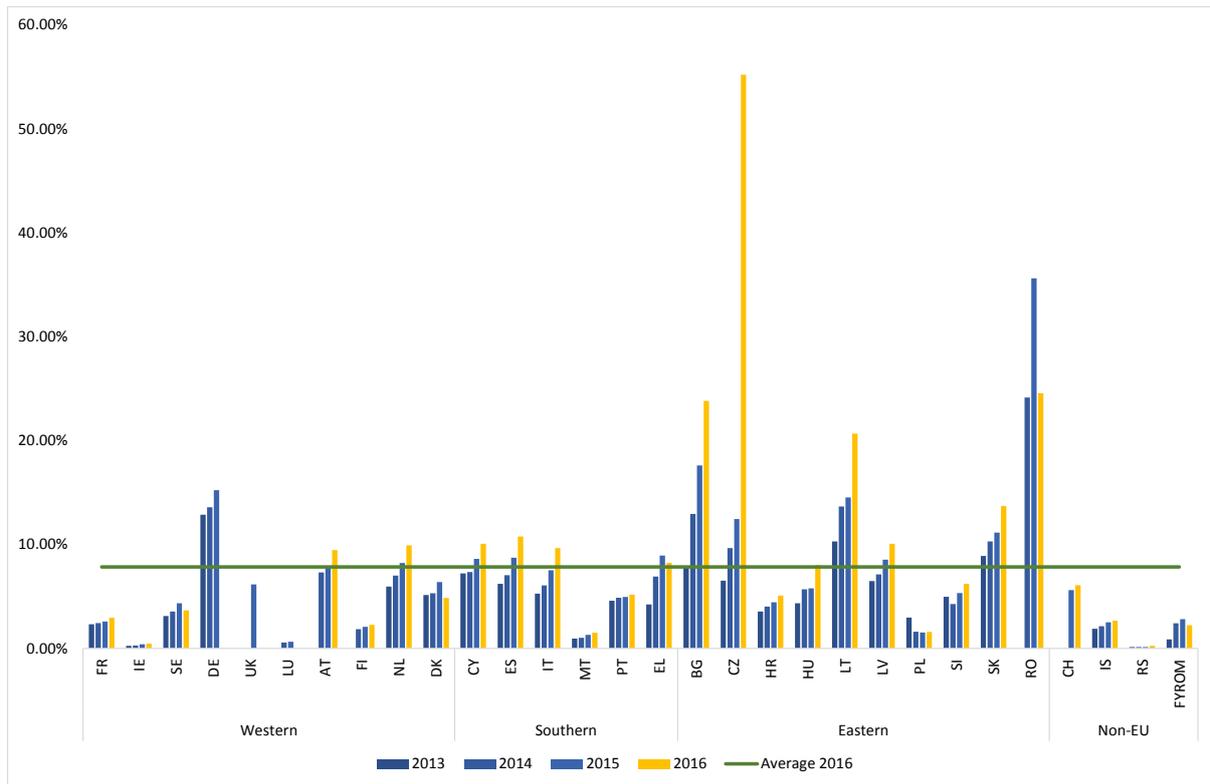
CZ: New operator in the market

4.3.2 Proportions of postal item volumes

As letter volumes decline and parcel volumes increase, the proportion of total mail volume accounted for by parcels increases. In 2016 the average proportion of parcels from the total mail volume was 7.68% (especially due to Czech Republic growth) while in 2013 was 6%. For the majority of the countries, parcels contribute to less than 10% but this is not the case for Bulgaria, Slovakia, Lithuania, Romania and Czech Republic. It is also good to note that the average of the parcel from the total items is increasing for each year.



Figure 34 – Proportion of parcels in total mail volume



Data for BE and EE is confidential.

USP only: IE, IS, RS.

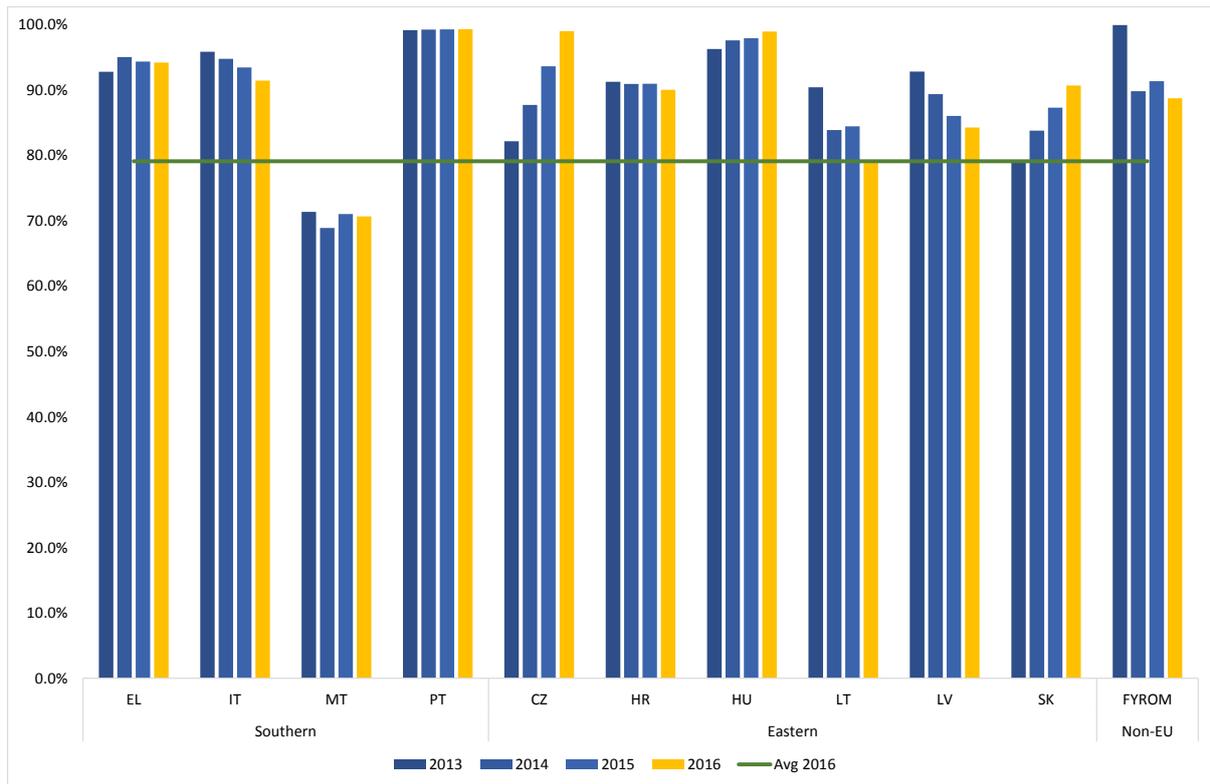
CZ, new operator in the market.

FR : excludes express services which are not considered as postal services; data available only for postal providers which have an individual licence granted by the NRA (for correspondence).

The majority of the parcel volume reported, based on those countries that were able to provide data for both express and non-express, was generated from the express service. Portugal has the largest share of parcels that are express. In Czech Republic, there was an increase of the express parcel service. In turn, for Lithuania and Latvia there was a reduction in the parcel share.



Figure 35 – Proportion of parcels volume which is express

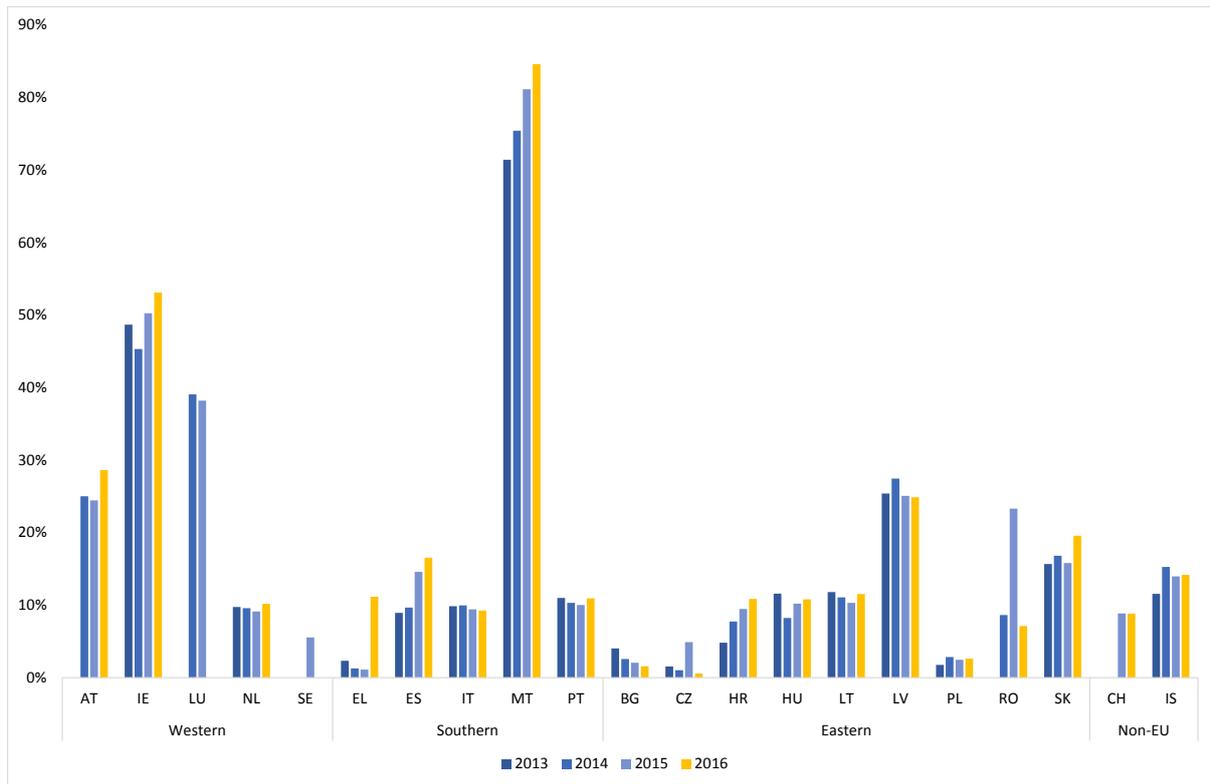


Data for BE and EE is confidential
 In FR, express services are not considered as postal services.

The chart below shows the proportion of inbound parcels within the total parcel volume for each of the countries that were able to provide such data split. Malta and Ireland have the highest proportion of inbound parcels and this is mainly contributed to the ongoing growth of the eCommerce and parcel market dynamics. Grouping all the countries together, the share of inbound parcels in 2016 was 10% which grew when compared to 2013 (2.4%).



Figure 36 – Proportion of inbound parcels in total parcel volume

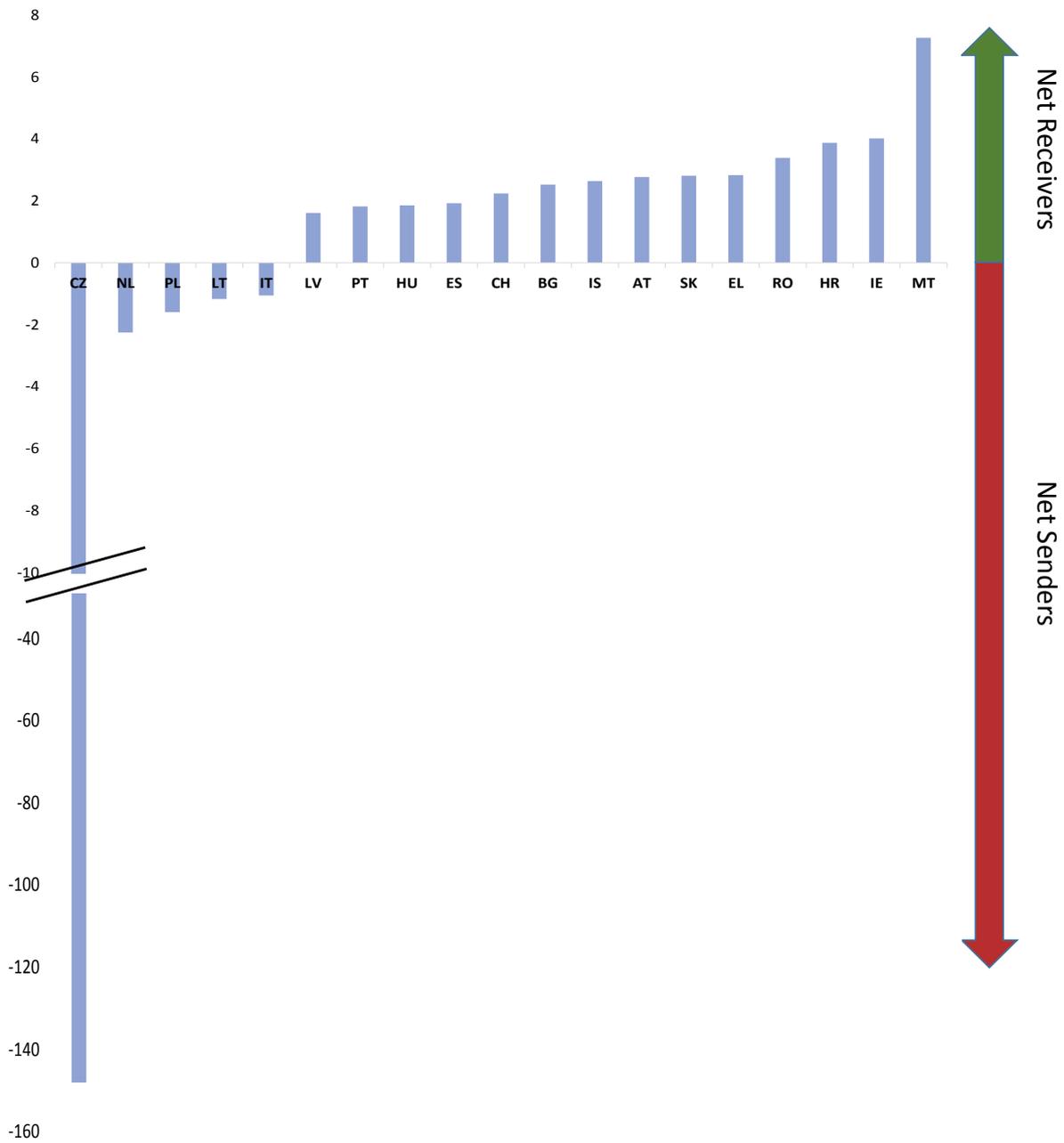


Data for BE and EE is confidential

Given the mix above, it is very interesting to understand which countries tend to receive more parcels “net receivers” then sending “net senders”. The figure below depicts this comparison and as expected, where the inbound share is quite high, the results tend to reflect a net importer, case in point for Malta. Given the new operator in Czech Republic, there was a big growth in the outbound which resulted in quite a disparity between the outbound and inbound.



Figure 37 – Ratio between receivers and senders



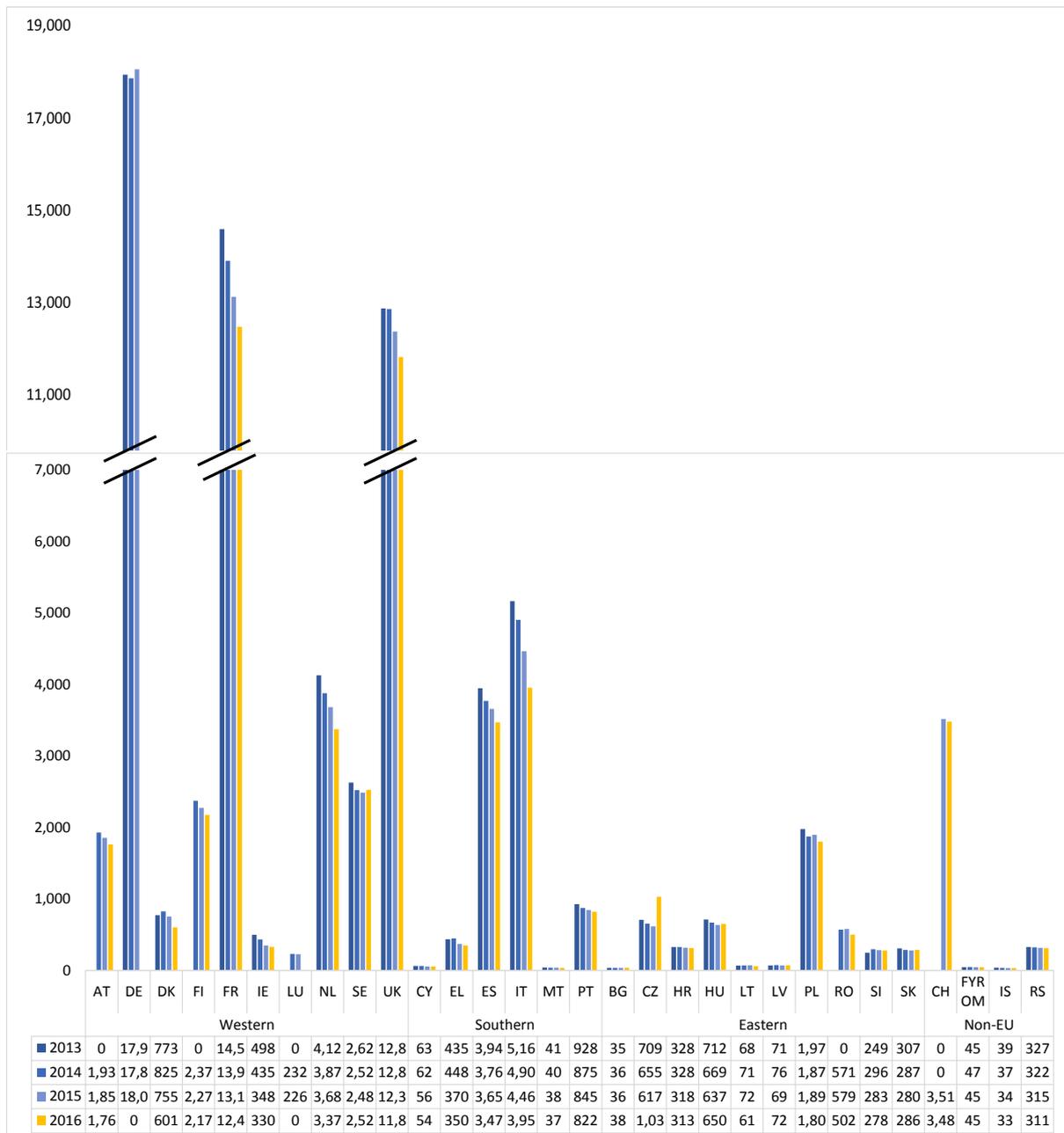
Net receivers: receive more parcels than the parcels that are sent internationally.
 Net senders: send more international parcels than the ones that are received.
 Data for BE and EE is confidential



4.3.3 Volumes by type of object: letter-post items and parcels

The total volume per country includes all total traffic (domestic and outbound) for letter-post items and parcels, by all operators. As per the figure below, the postal market is so dynamic that each country has its own story of how the postal market is developing.

Figure 38 – Total Volume – per country (millions of items)



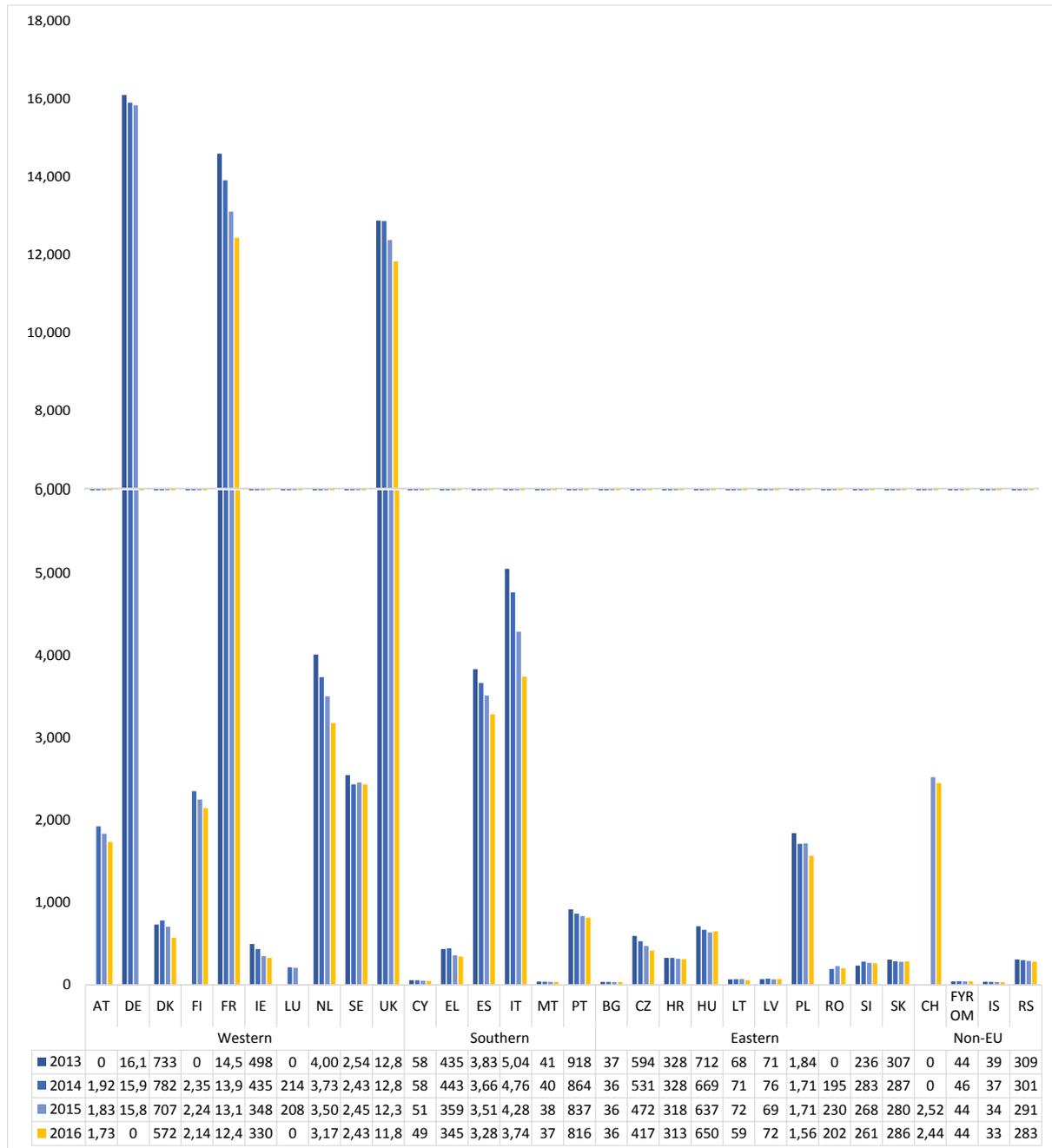
Data for BE and EE is confidential.

In FR excludes express services which are not considered as postal services; data available only for postal providers which have an individual licence granted by the NRA for correspondence.



Letter volumes have declined across all countries, with the exception of Hungary, Latvia and Slovakia, where letter volumes have increased by 4.3% and 2.1% respectively.

Figure 39 – Total letters volume by country (millions)



Data for BE and EE is confidential.

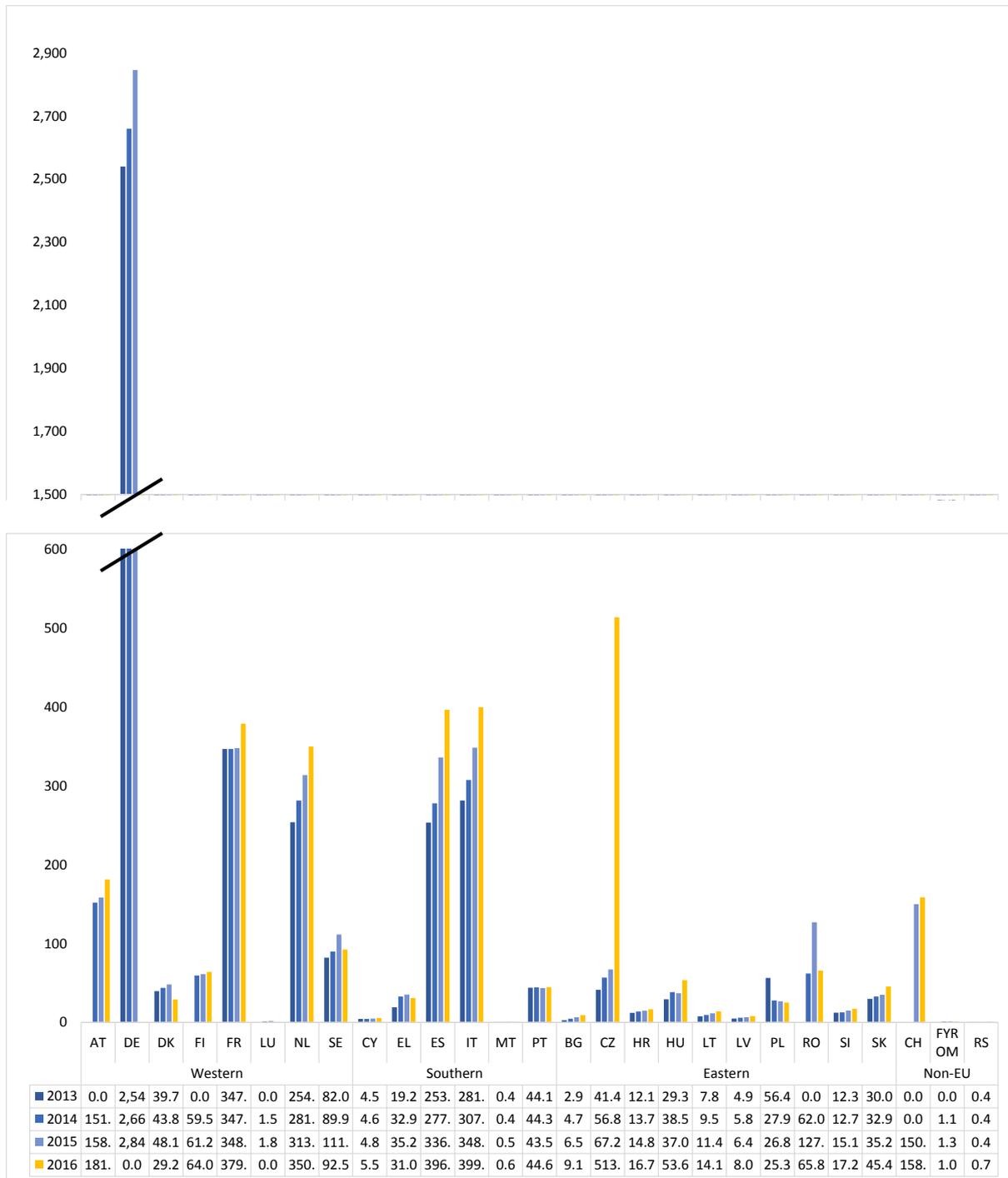
In FR excludes express services which are not considered as postal services; data available only for postal providers which have an individual licence granted by the NRA for correspondence.

Data for IE is universal postal service only.

Based on the data provided, parcel volumes have increased in the majority of countries with the exception of Poland. Poland has the largest decline with an average yearly drop of 20.1% from 2013 and 2016.



Figure 40 – Total parcels volume by country (millions)



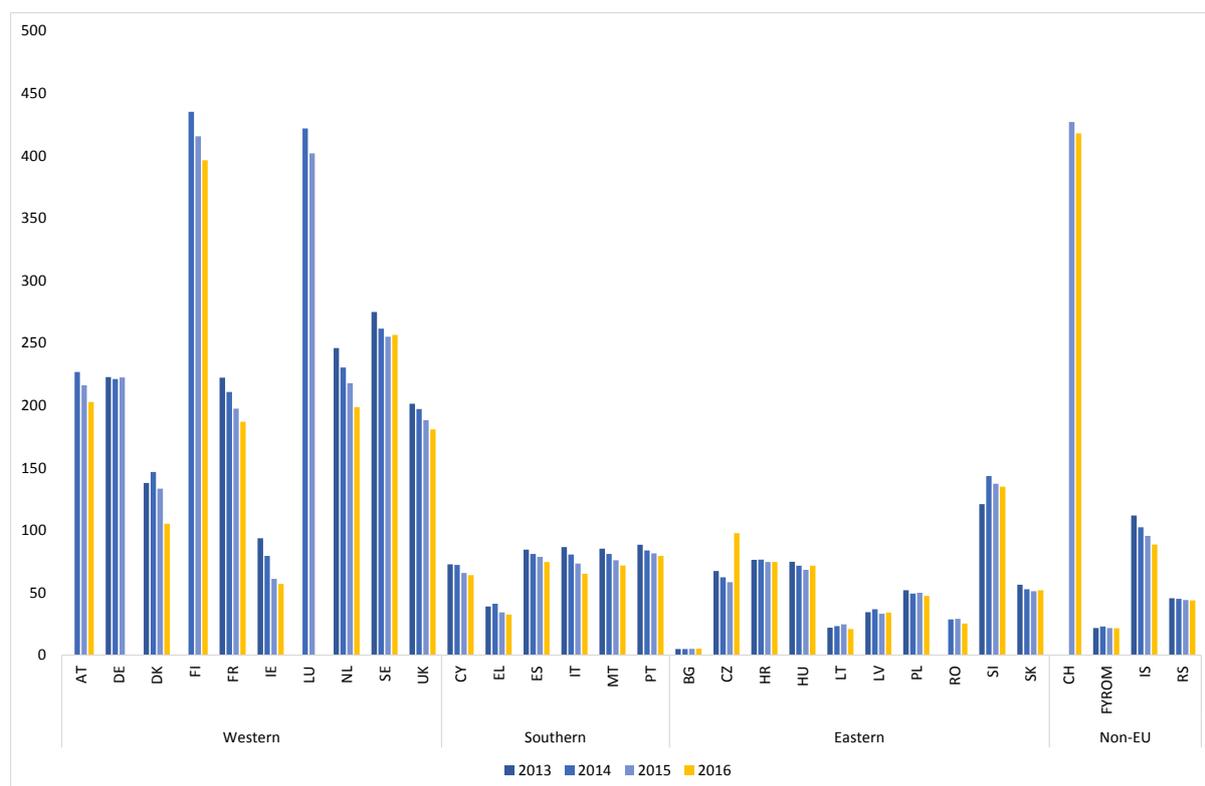
Data for BE and EE is confidential.

In FR excludes express services which are not considered as postal services; data available only for postal providers which have an individual licence granted by the NRA for correspondence.

Total volume per head of population is highest among the Western group, followed by the Southern and the Eastern.



Figure 41 – Total volume per head of population



Data for BE and EE is confidential

In FR excludes express services which are not considered as postal services; data available only for postal providers which have an individual licence granted by the NRA for correspondence.

As expected, for each year, the total traffic per capita is constantly decreasing with the exceptions of Czech Republic, Latvia, Hungary and Slovakia. During the last year (between 2015 and 2016), Italy, Denmark and Lithuania registered the biggest drops while the other countries ranged from 5% to -10% (excluding Czech Republic).

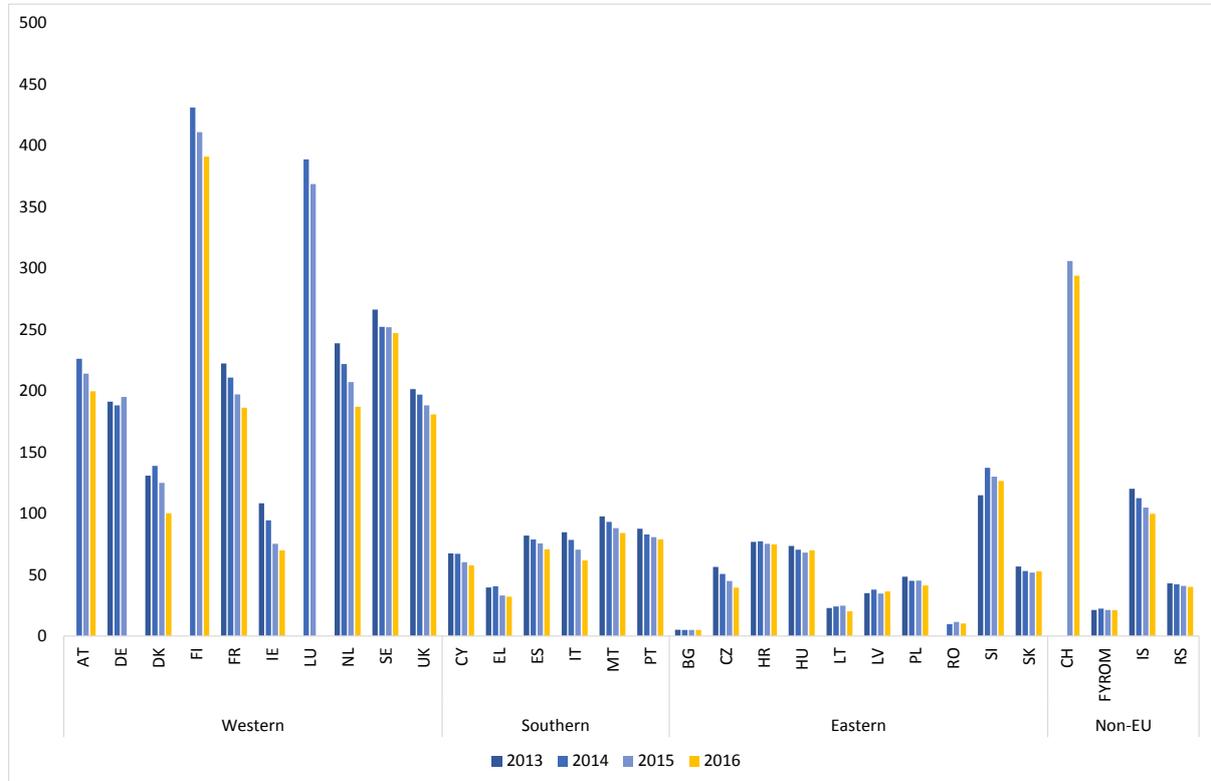
Figure 42 – Volume per head of population, by country cluster: 2013 – 2016

	2013	2016	Annual Average Change
TOTAL COUNTRIES	133.6	116.7	-4.4%
WESTERN	213.5	184.2	-4.8%
SOUTHERN	81.8	67	-6.4%
EASTERN	51.4	45.4	+0.9%
NON-EU	42.6	40.6	-1.6%



Letters volume per head of population are decreasing in the majority of the countries but during the last year, Latvia and Hungary where the exceptions.

Figure 43 – Total letters volume per head of population



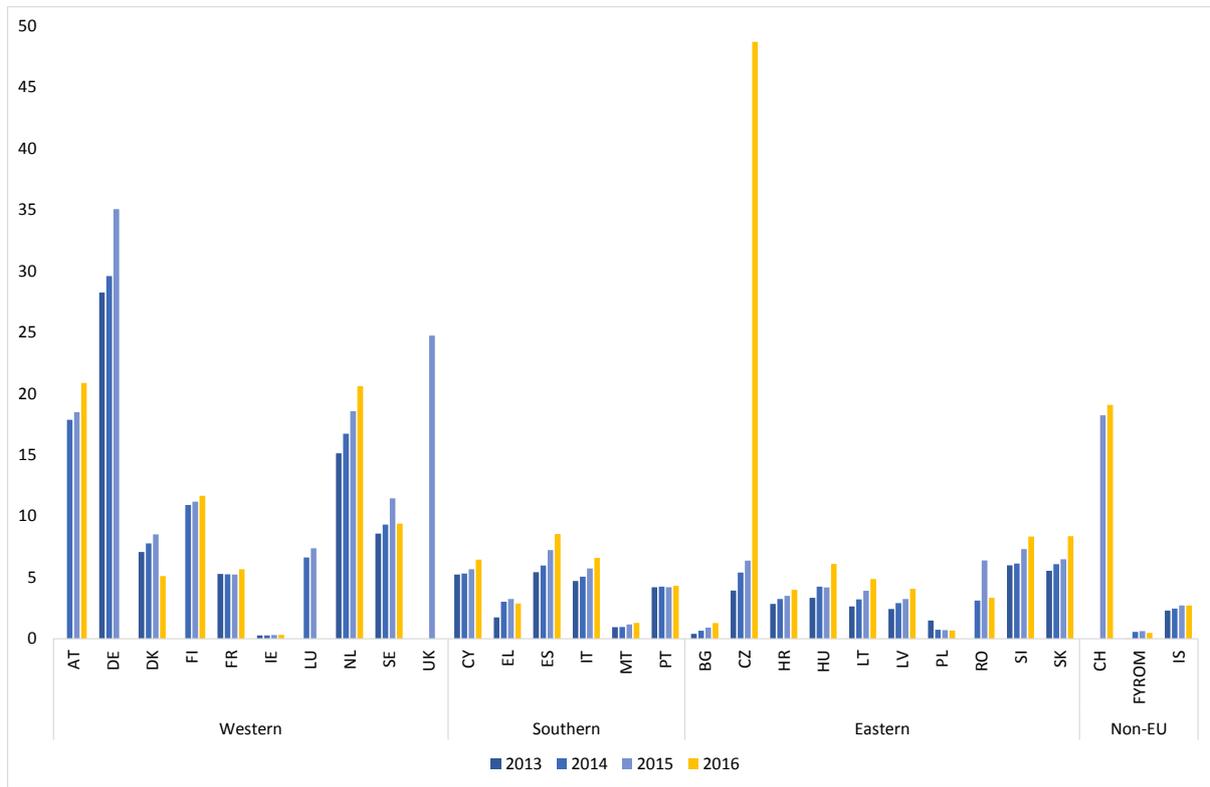
Data for BE and EE is confidential

In FR excludes express services that are not considered as postal services; data available only for postal providers that have an individual licence granted by the NRA for correspondence.

In contrast to letters mail volumes, parcel volumes are growing. Between 2013 and 2016, only Poland registered a decline in parcel volume per capita whereas Czech Republic registered the largest growth. Although parcels are clearly an area of growth, parcel volumes per head of population are still far lower than letters volume per head.



Figure 44 – Total parcels volume per head of population



Data for BE and EE is confidential.

CZ reflects new operator info.

The UK figures reflect the domestic sector only.

In FR excludes express services that are not considered as postal services; data available only for postal providers that have an individual licence granted by the NRA for correspondence



4.4 Revenues

4.4.1 Total revenues trends

Total revenues across the countries that provided data from 2013 to 2016 increased by 0.9%. This is mainly driven by the Non-EU and the Eastern countries. The Southern and Western region registered a smaller growth 1.2% and 0.1% respectively.

Figure 45 – Total revenue and average annual change: 2013 to 2016

	2013	2016	Average Annual Change
ALL COUNTRIES	€36,247,626,762	€37,254,336,689	+0.9%
WESTERN	€20,393,587,684	€20,473,535,276	+0.1%
SOUTHERN	€11,926,035,597	€12,345,341,220	+1.2%
EASTERN	€3,734,681,700	€4,208,650,6198	+4.1%
NON-EU	€193,321,781	€226,809,573	+5.5%

Note: Some countries did not provide all years info and hence are excluded from the table.

Apart from the global aspect, it is interesting to evaluate whether the volumes scenario (the letter mail decreasing and parcels increasing) is reflected from the revenue perspective as well. From a general perspective, letter mail revenue is decreasing everywhere with a similar trend except for the Non-EU countries.

Figure 46 – Letters revenue and average annual change: 2013 to 2016

	2013	2016	Average Annual Change
ALL COUNTRIES	€22,809,371,297	€21,574,465,292	-1.8%
WESTERN	€15,245,841,014	€14,899,907,059	-0.8%
SOUTHERN	€5,631,018,663	€4,878,376,923	-4.7%
EASTERN	€1,836,972,955	€1,685,917,422	-2.8%
NON-EU	€95,538,665	€110,263,889	+4.9%

Note: Some countries did not provide all years info and hence are excluded from the table.

On the other hand, the parcel revenue is increasing in all the clusters.

**Figure 47 – Parcels revenue and average annual change: 2013 to 2016**

	2013	2016	Average annual Change
ALL COUNTRIES	€10,969,068,799	€12,915,880,977	+5.6%
WESTERN	€4,063,338,068	€4,681,020,690	+4.9%
SOUTHERN	€6,294,689,396	€7,480,899,504	+5.9%
EASTERN	€599,569,274	€739,065,012	+7.2%
NON-EU	€11,472,061	€14,895,771	+9.1%

Note: Some countries did not provide all years info and hence are excluded from the table.

When evaluating in further details the express element, it is clear that the express market is growing but given the limited information available, only the global express figure is presented below.

Figure 48 – Total express revenue and average annual change: 2013 to 2016

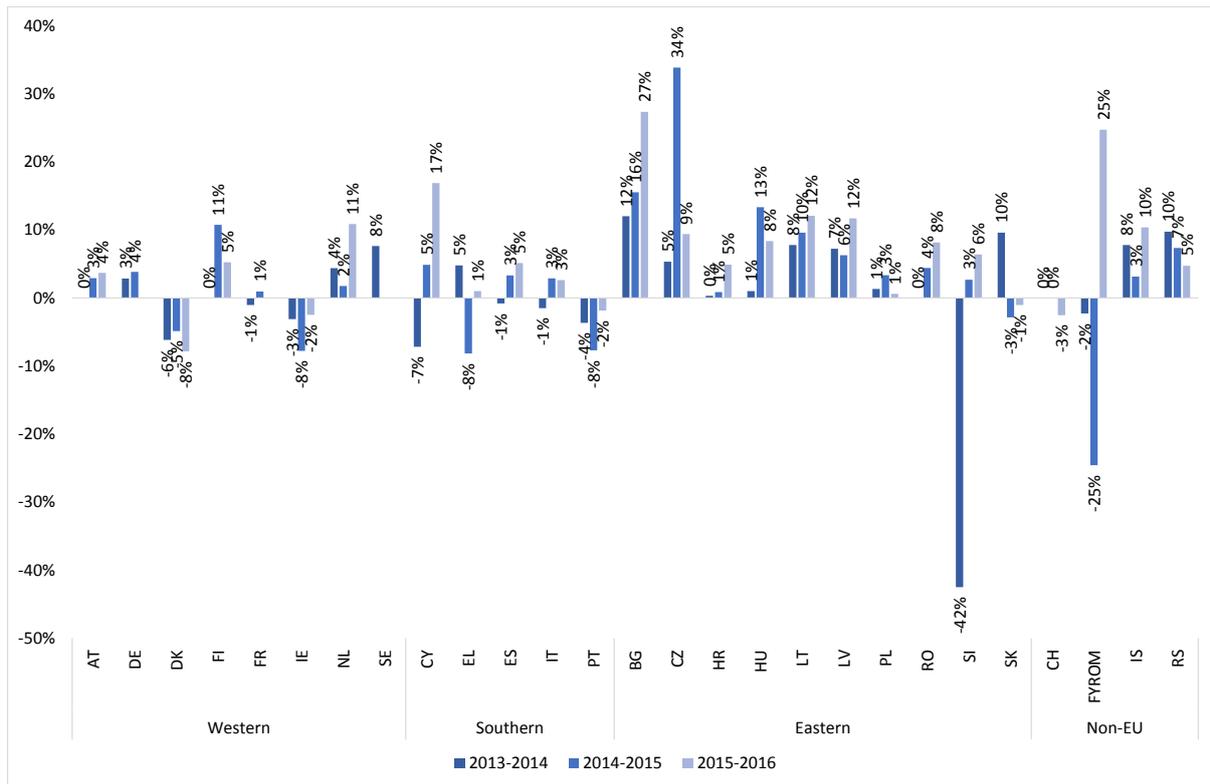
2013	2016	Average Annual change
€5,114,867,790	€6,552,472,434	+8.6%

Note: Some countries did not provide all years info and hence are excluded from the table.

Apart from the Non-EU and the Western group, there is a mix of revenue fluctuations. The Non-EU countries reporting increases from year to year while for the Western further drops. For the Southern cluster, Portugal kept on registering drops in revenues but Cyprus and Spain kept increasing.



Figure 49 – Total Revenue – percentage variation from one year to another



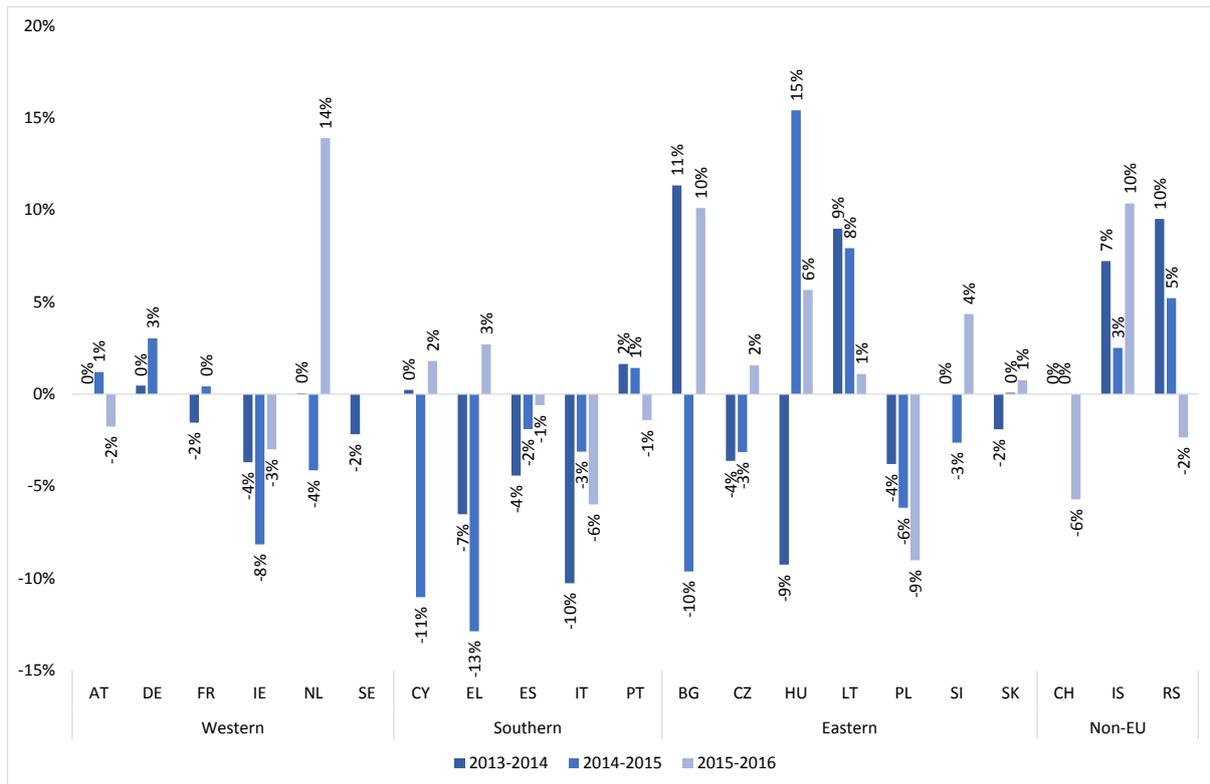
Data for LU, MT, BE and EE is confidential

Data for IE is universal postal service.

From the figure below, apart from a small number of countries, letter mail revenue is constantly decreasing. In fact, throughout these four years, the general outcome shows that on average, the revenue dropped by approximately 1.8% which is in line with the volume drop.



Figure 50 – Letter Mail Revenue – percentage variation from one year to another



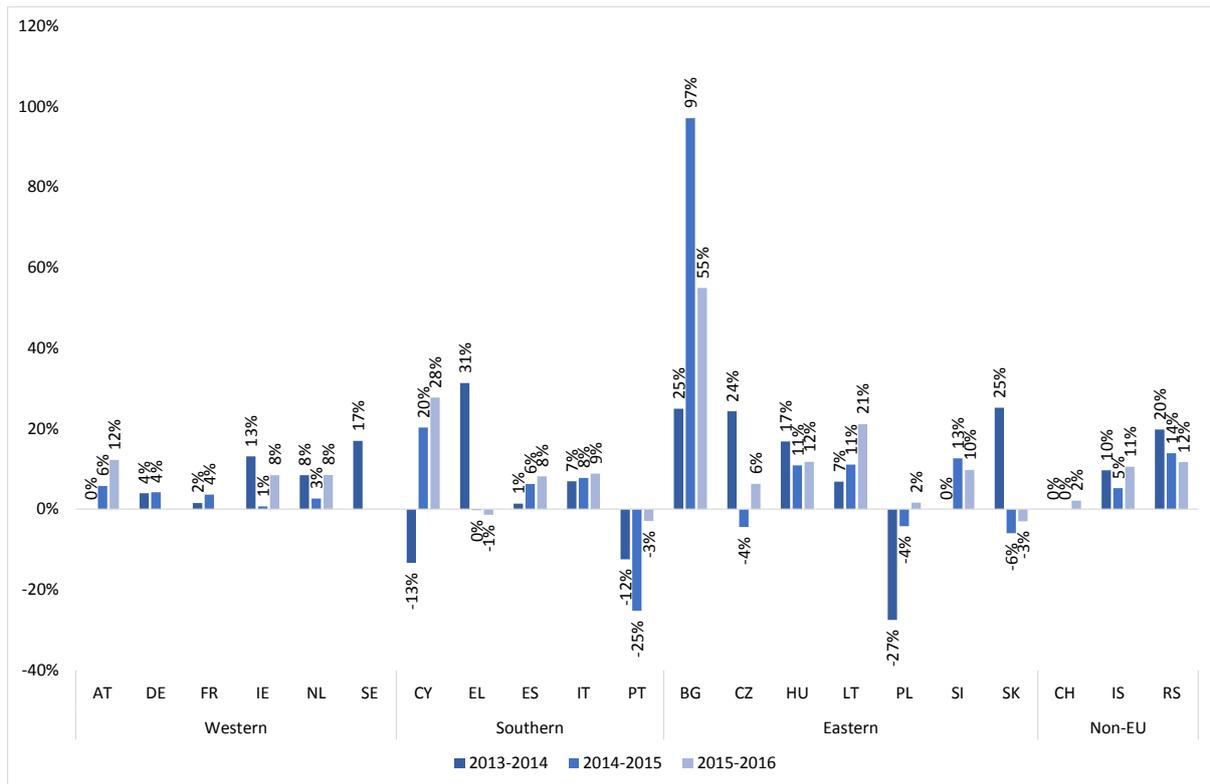
Data for LU, MT, BE and EE is confidential

Data for IE is universal postal service.

As expected, parcel revenue kept on growing that between 2013 and 2016 there is an average increase of 5.6%. The growth is across all countries except for Portugal and Poland.



Figure 51 – Parcel Revenue – percentage variation from one year to another



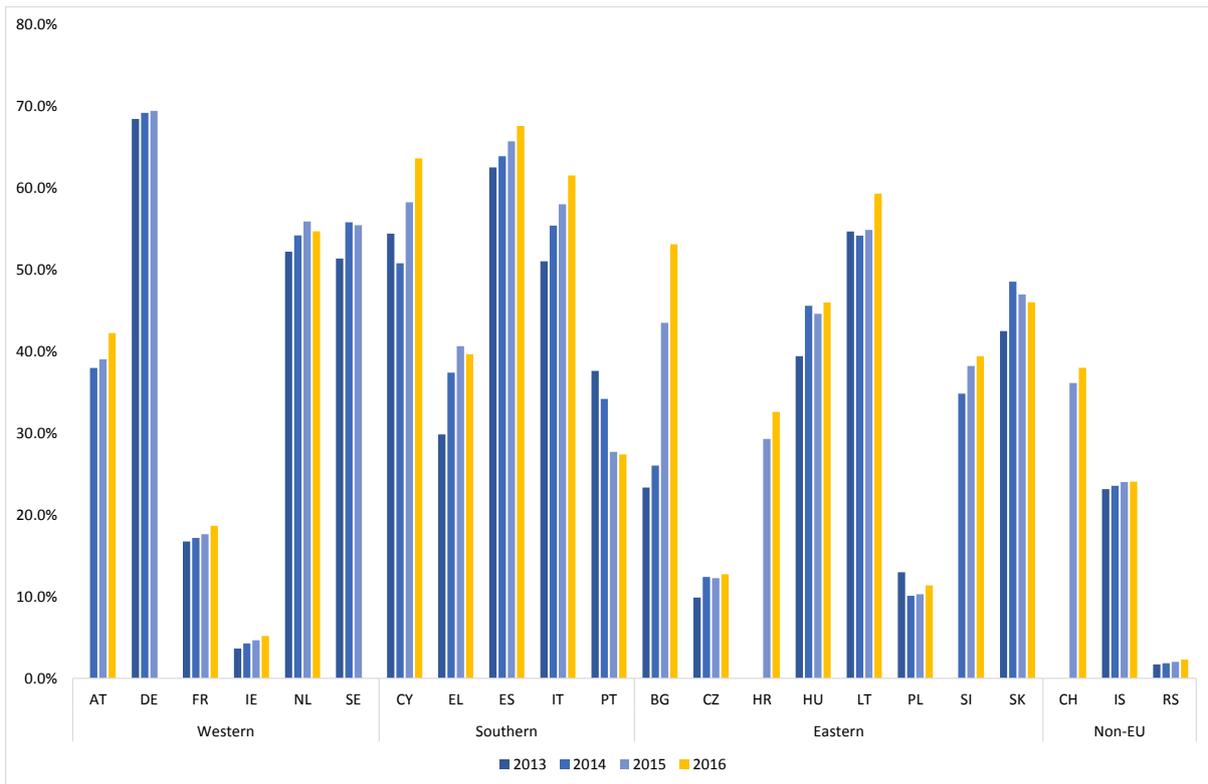
Data for LU, MT, BE and EE is confidential
 Data for IE is universal postal service.

4.4.2 Proportion of Postal Revenue

From the volumes, it was noted that the parcel share is growing from one year to another. The revenue share is also growing from 30% during 2013 to 35% during 2016. The share vary per country as can be seen below.



Figure 52 – Parcel Revenue apportionment

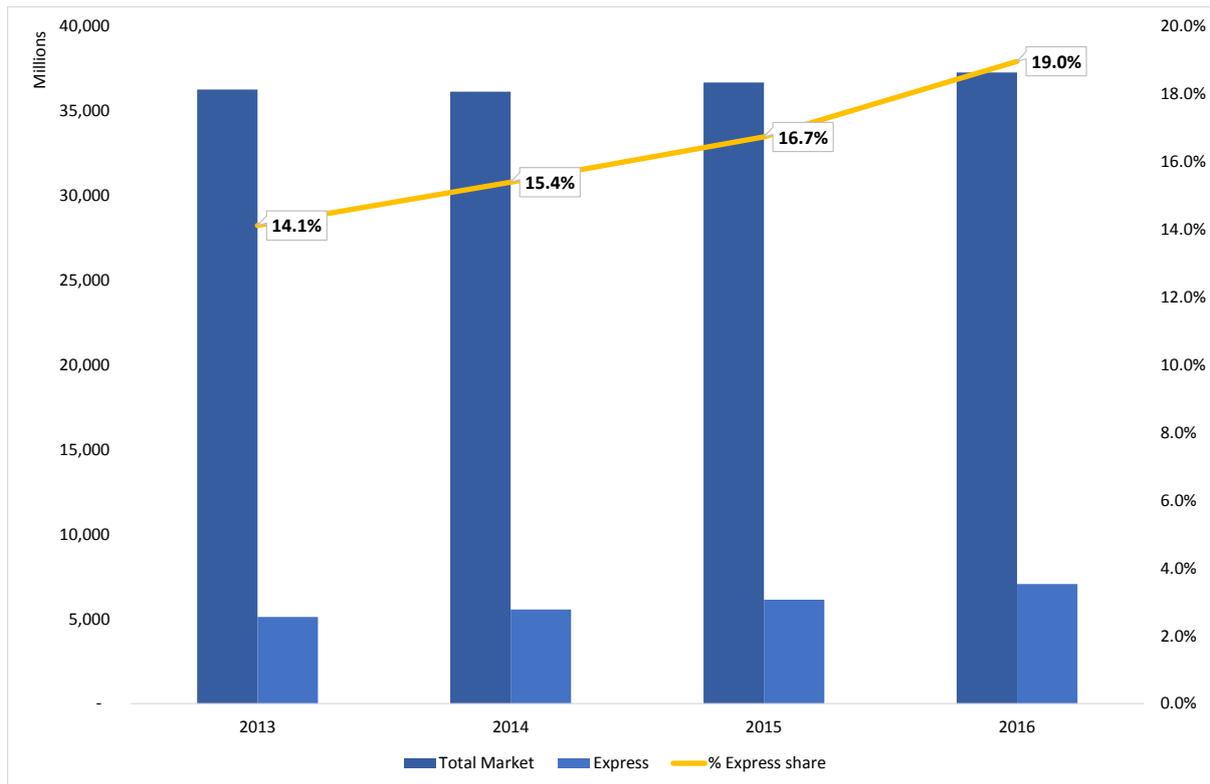


Data for LU, MT, BE and EE is confidential
 Data for IE is universal postal service.

Given the limitation of the data on the express, very limited information can be extracted but as shown below, the share of the express revenue is constantly increasing from 14% in 2013 to 19% in 2016.



Figure 53 – Express Revenue share

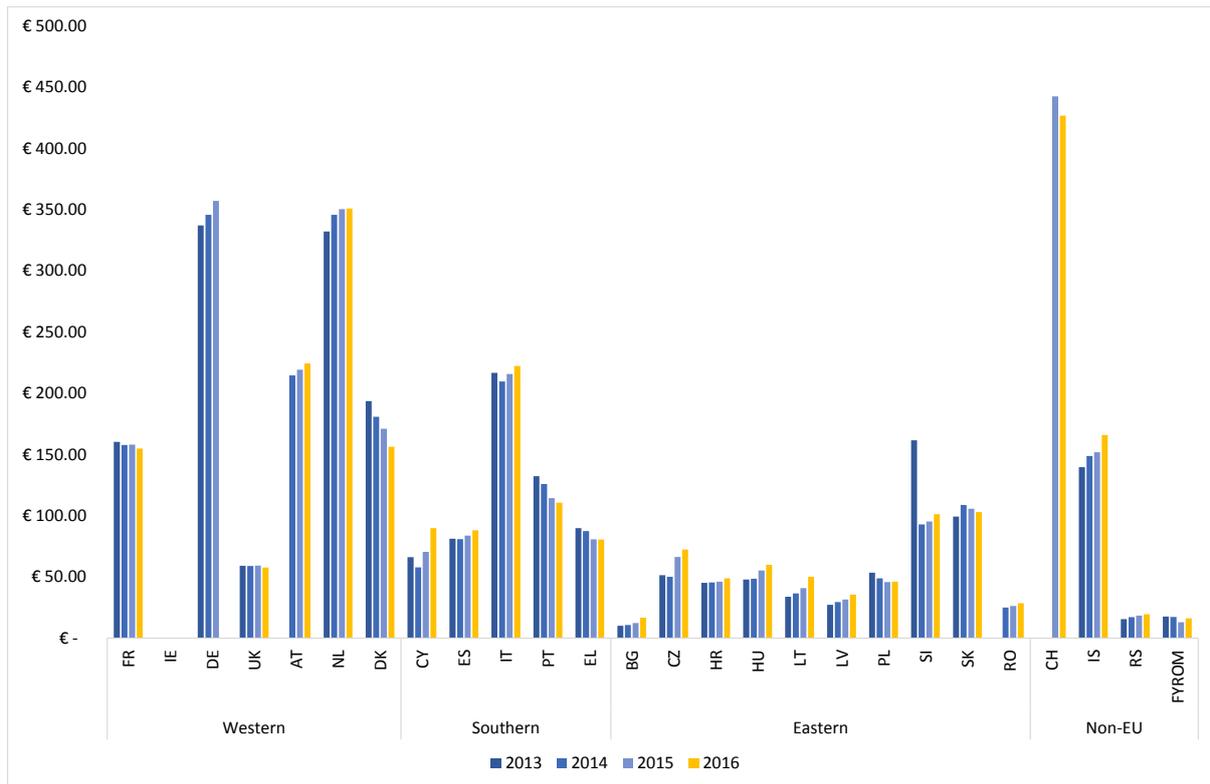


4.4.3 Revenue per capita

Trends in revenue per head of population are generally positive. Between 2013 and 2016 in Bulgaria and Czech Republic the revenue per capita grew significantly by an annual average of 19% and 16.1% respectively. On the other hand, declines are registered for Portugal and Slovenia.



Figure 54 – Total revenue per head of population



Data for LU, MT, BE and EE is confidential
 Data for IE is universal postal service and figures are very low.

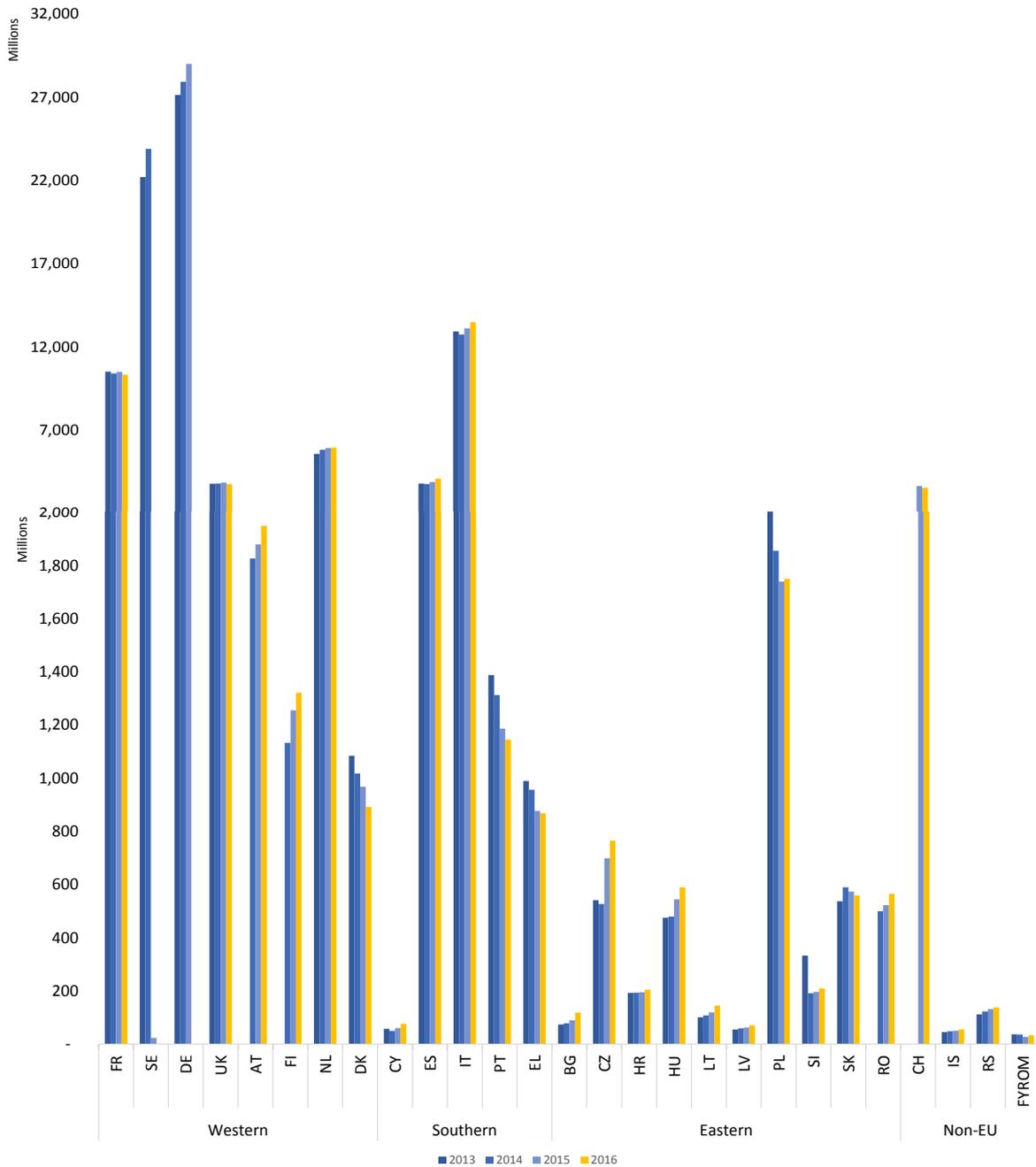
After further analysis, it is clear that the letter mail revenue per capita dropped by an annual average of around 2.7% from 2013 to 2016. In turn, parcels revenue per capita kept growing by an annual average of 7.9% from 2013-2016 and the increase is registered in all countries except for Portugal and Poland.



4.4.4 Revenues by type

The total amount of revenue varies between countries and within country clusters. The total revenue in each country very often depends on the size of the population within the country.

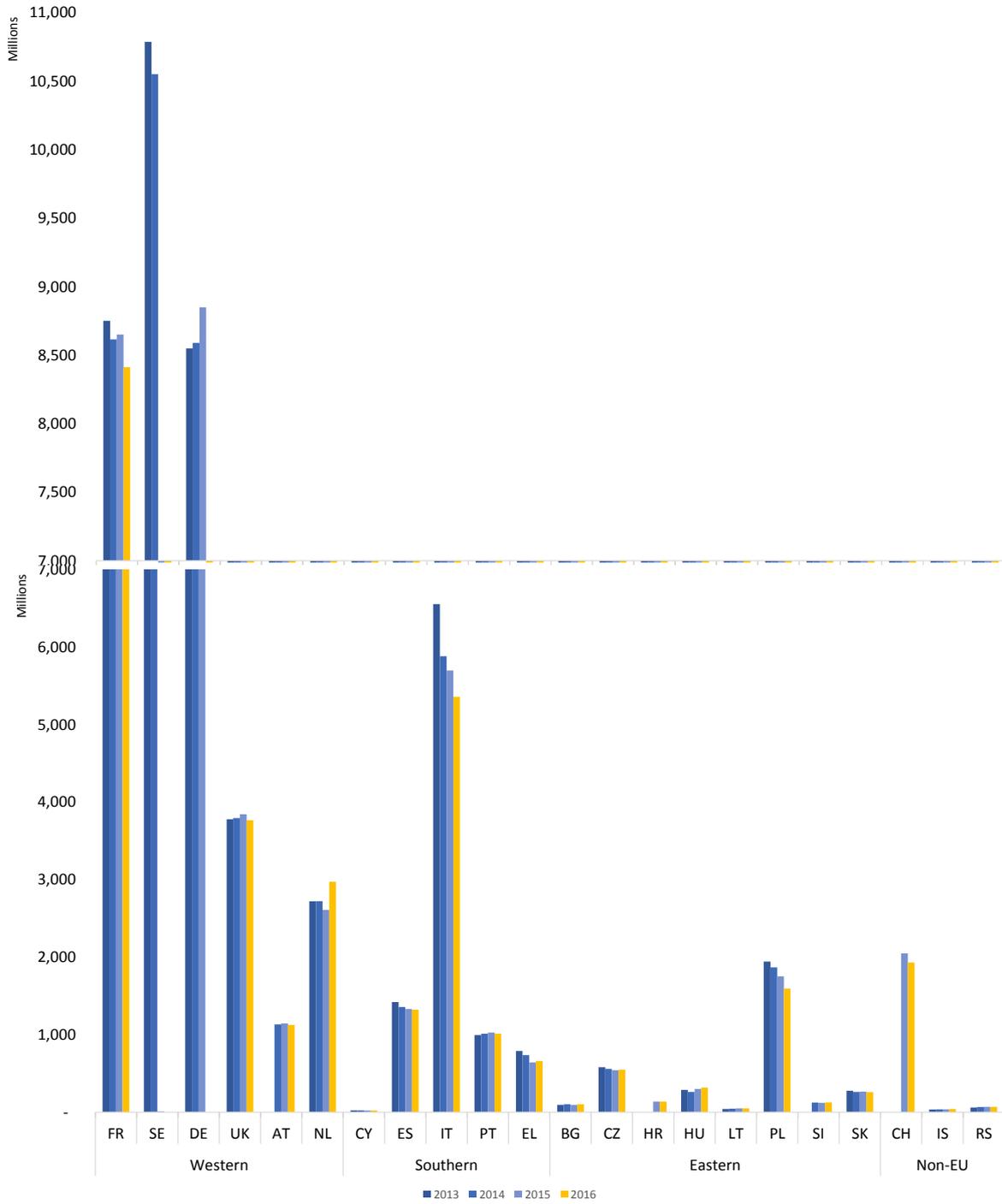
Figure 55 – Total revenue



Data for LU, MT, BE and EE is confidential
 Data for IE is universal postal service (figures are very small).



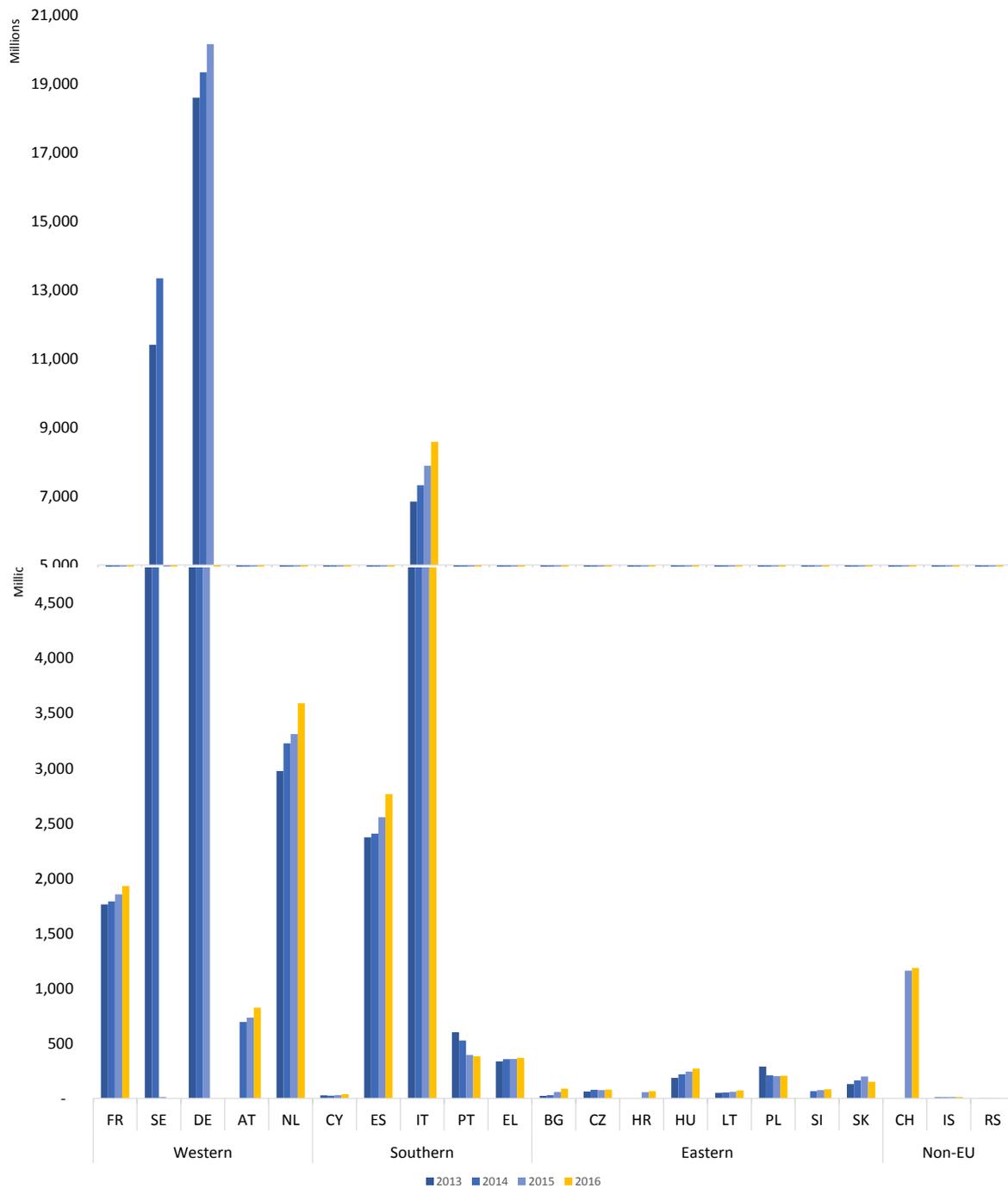
Figure 56 – Total letters revenue



Data for LU, MT, BE and EE is confidential
 Data for IE is universal postal service (figures are very small).



Figure 57 – Total parcels revenue



Data for LU, MT, BE and EE is confidential
 Data for IE is universal postal service (figures are very small).

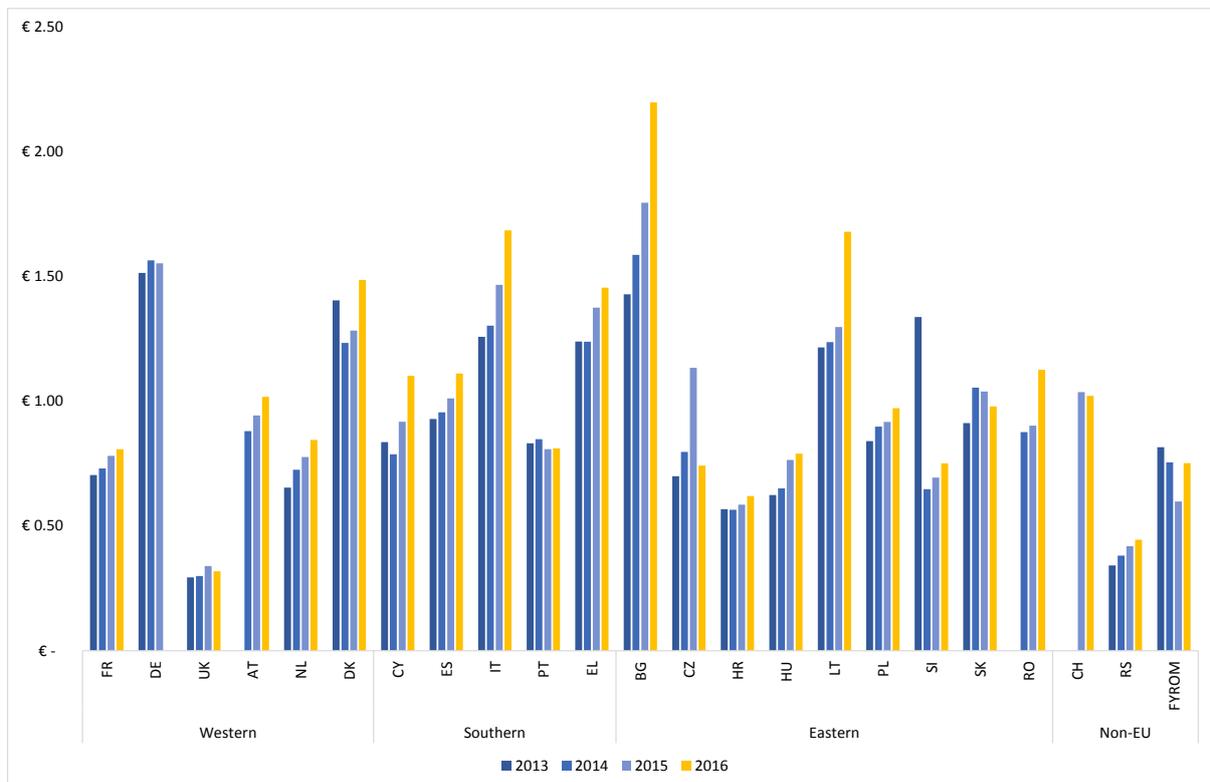


4.4.5 Average revenues per item

The average revenue per item is one of the most useful metrics to indicate the relative value of a postal item, it should be noted that it does not represent the price of sending an item. The average revenue per item can be influenced by a range of factors, such as whether there is a two-tier service for consumers (for example, in the UK there is a D+1 service and a D+3 service available at a uniform price) and the importance of bulk mail, which often has volume related discounts associated with it, contributes to total mail volumes.

The total revenue per item varies across countries and is increasing for each year but the maximum is up to €2.20.

Figure 58 – Average revenue per item

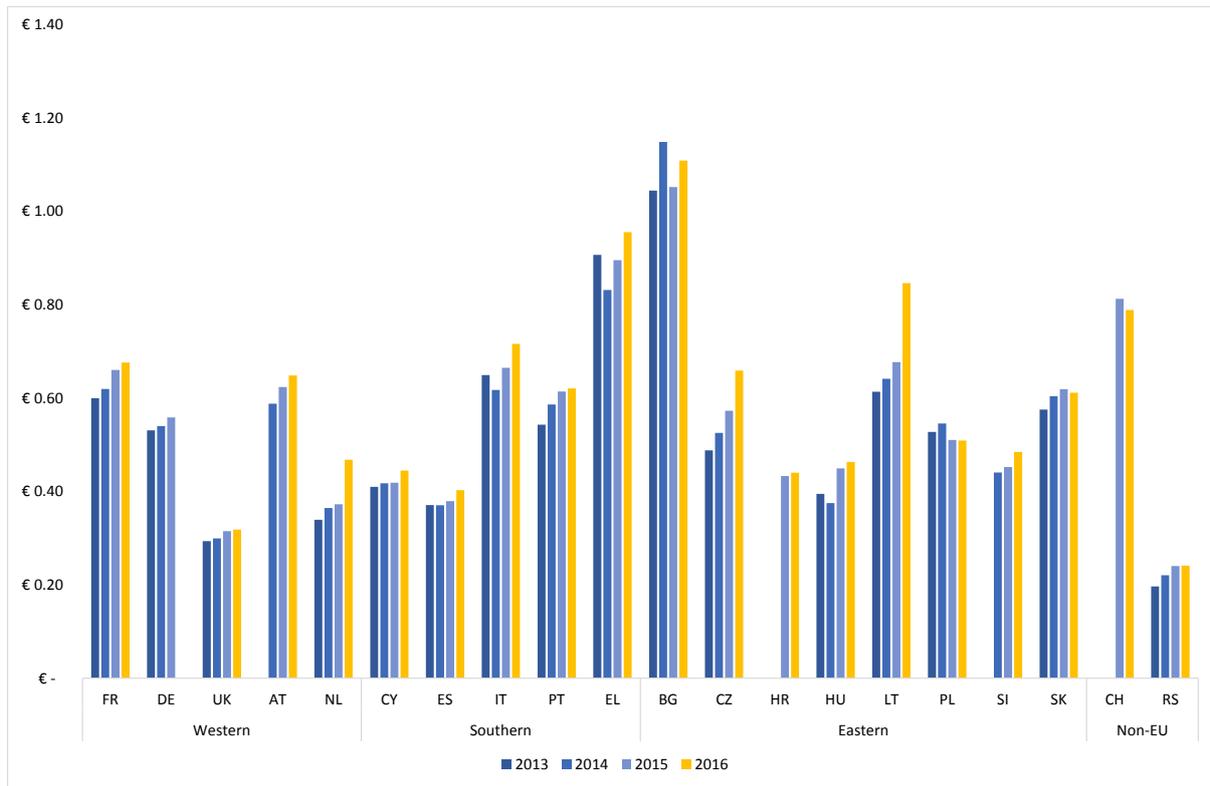


Data for LU, MT, BE and EE is confidential

Revenue per letter item increased across the majority of countries between 2013 and 2016.



Figure 59 – Average revenue per letter item

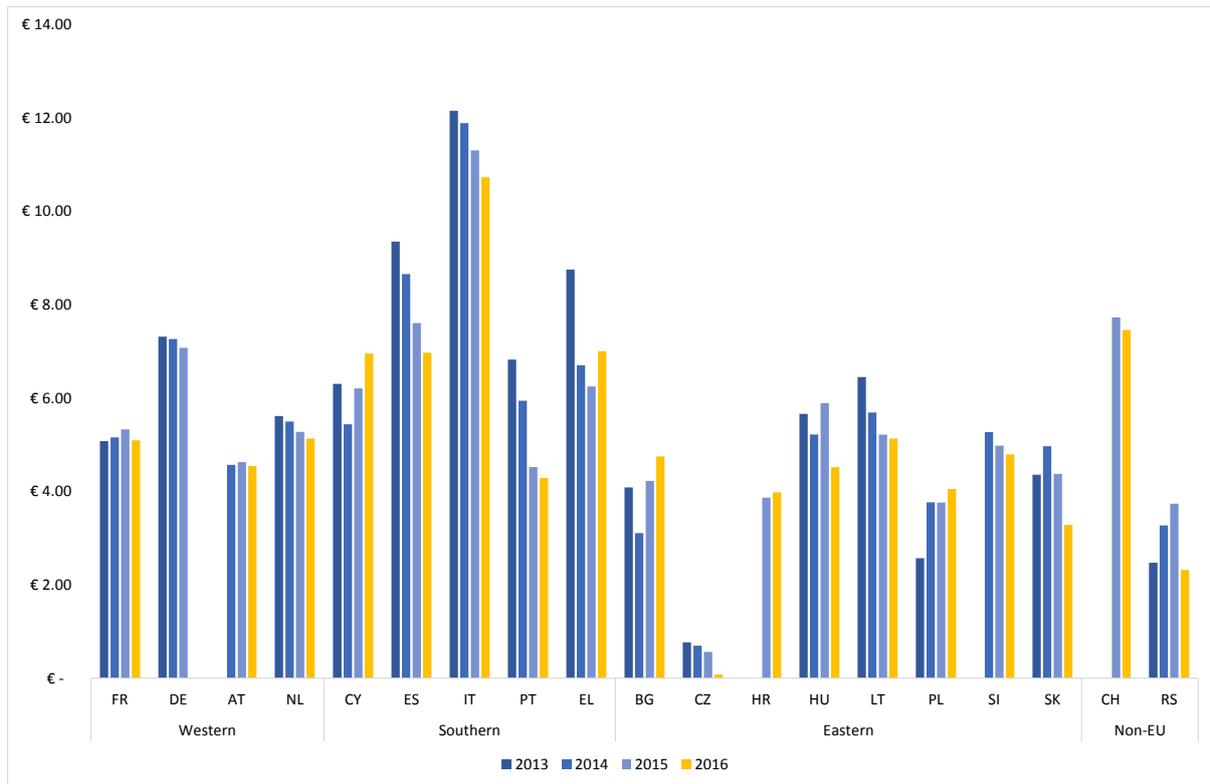


Data for LU, MT, BE and EE is confidential

Unsurprisingly, the average revenue per parcel item is significantly higher than for letters.



Figure 60 – Average revenue per parcel item

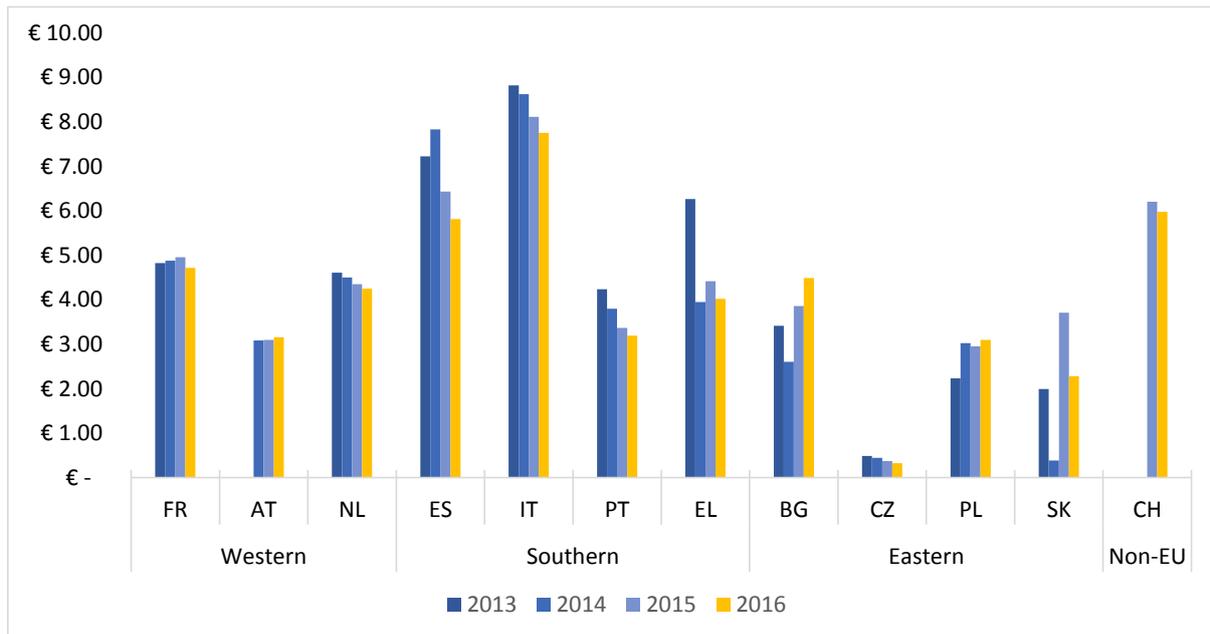


Data for LU, MT, BE and EE is confidential

An interesting aspect for the parcel is to understand the combination of the above rate, split by the various compositions especially the domestic and outbound. From the chart below, it is very clear that the outbound prices are higher than the domestic. For example in France, the maximum domestic average rate is of €5 while for the outbound it is approximately twice as much. For Iceland an outbound price is approximately 6 times higher than a domestic price.

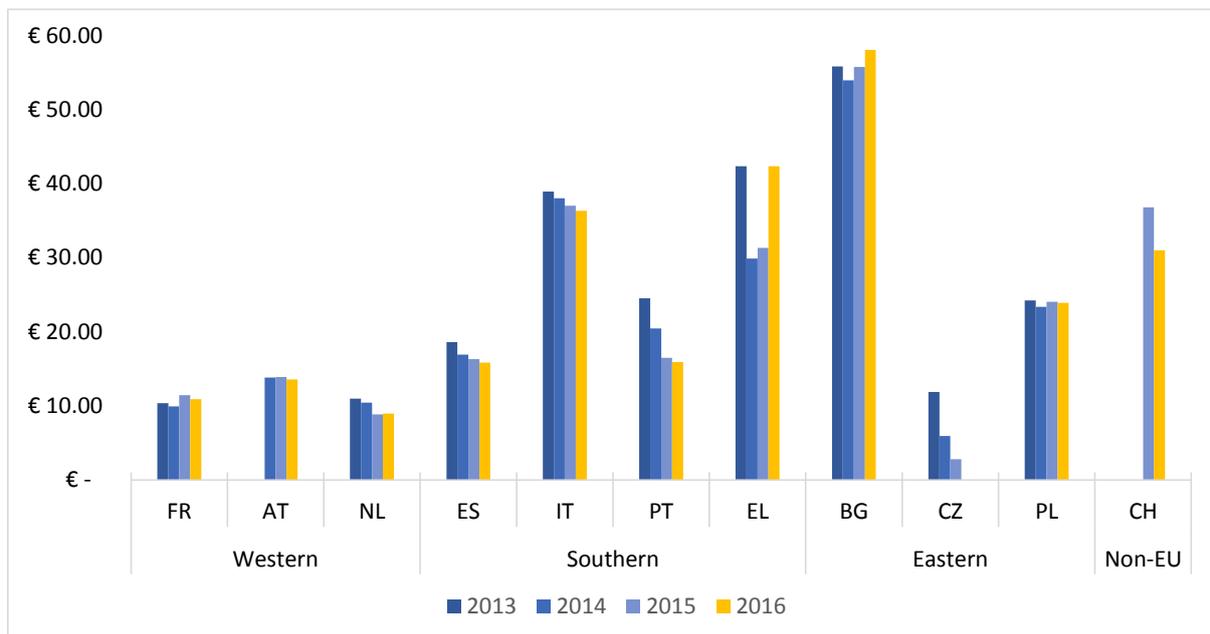


Figure 61 – Average revenue for Domestic parcel



Data for LU, MT, BE and EE is confidential

Figure 62 – Average revenue for Outbound parcel



Data for LU, MT, BE and EE is confidential

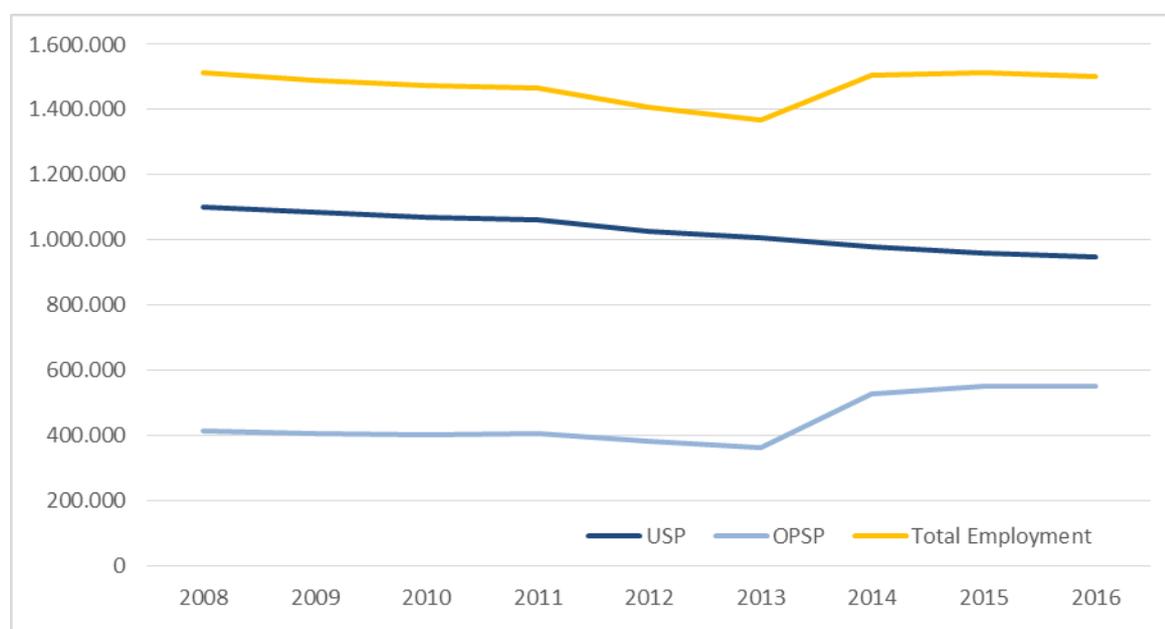


4.5 Employment in the postal sector

Across all of the countries that were able to report data between 2008 and 2016¹⁶, the total employment decreased 0.7% for that period. There has been a decline of 13.8% in the number of people employed by the USP across this period. For other postal services providers, there has been a 34.1% increase in the number of people employed. As a result, for these countries, the share of the USP employment on total postal employment decreased from 73% to 63% between 2008 and 2016.

As the figure shows, there was a significant increase in the number of other postal providers employees between 2013 and 2014, which was due mainly to the increase of 169 042 employees (78.7%) in Germany in this period.

Figure 63 – Total employment by USP and other postal providers (number of people employed): 2008-2016



Source: NRAs

Notes: Consistent data for all countries not available for all years. Includes data from all the countries with the exception of AT, IE, IS, FI, NO and UK. Contains some estimates.¹⁷ DE: for the USP, Deutsche Post Licenced Area only (letter mail services); for the OPSP all other employed persons on licenced and on non licenced area (incl. courier, express, parcels).

For the countries, that didn't provide data for 2016 (DE, DK, LU, SE), it was considered 2015.

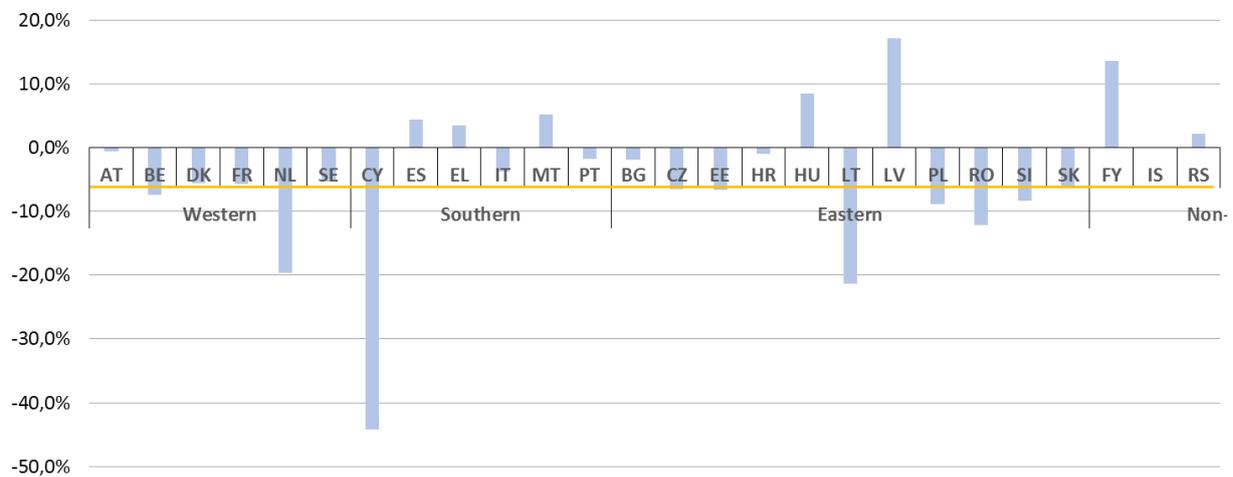
¹⁶ Not all of the ERGP countries are represented in the chart below. Data from countries where employment information for the USP only has been provided is not included. As such, we are including all the 33 ERGP members that answered the questionnaire, excluding AT, IE, FI, NO and UK.

¹⁷ Figures have been estimated in two ways. In the case where a data point is missing between two years (for example, 2008 and 2010 have data, but 2009 does not), the mid-point between the years is used for the missing year. Where more than 2 consecutive years is missing, it was used the annual average rate of the years available for that country.



Looking into the period of 2013 to 2016, for the countries that provided both data for the USP and the OPSP for that period, the total employment decreased on average -4.3%. For the majority of the countries there was a decrease in the employment. The exceptions are LV (17.1%), FYROM (13.6%), HU (8.5%), MT (5.2%), ES (4.4%), EL (3.6%), RS (2.2%) and LU (1.3%¹⁸). The decrease of the employment in CY is particularly remarkable (-44.2%), but this was due to a trend break due to definition changes in the status of personnel that are considered now as purchase of services and not employees.

Figure 64 – Total employment variation - 2013-2016



Note: Information shown only from the countries that provided data for both the USP and the OPSP. Includes also data for AT, which provided data only for the total, as the disaggregated data is confidential. LU confidential. For DK, LU and SE employment variation between 2013 and 2015. FR: Data available only for postal providers which have an individual licence granted by the NRA (for correspondence) and excluding express activities which are not considered as postal services. CY: Trend break in 2016 due to definition changes in the status of personnel that are considered now as purchase of services and not employees.

Between 2013 and 2016, the decrease in the total employment is due to the decrease in the USP employment. On average, the USP employment decreased -5.5% between 2013 and 2016, while the OPSP employment increased on average 5.5%.

The variation in the number of USP and OPSP employees is quite heterogeneous as some countries observed a significant decrease in the OPSP employment (being Lithuania the most expressive example with a decrease of 63.8%) while others an important decrease in the USP employment

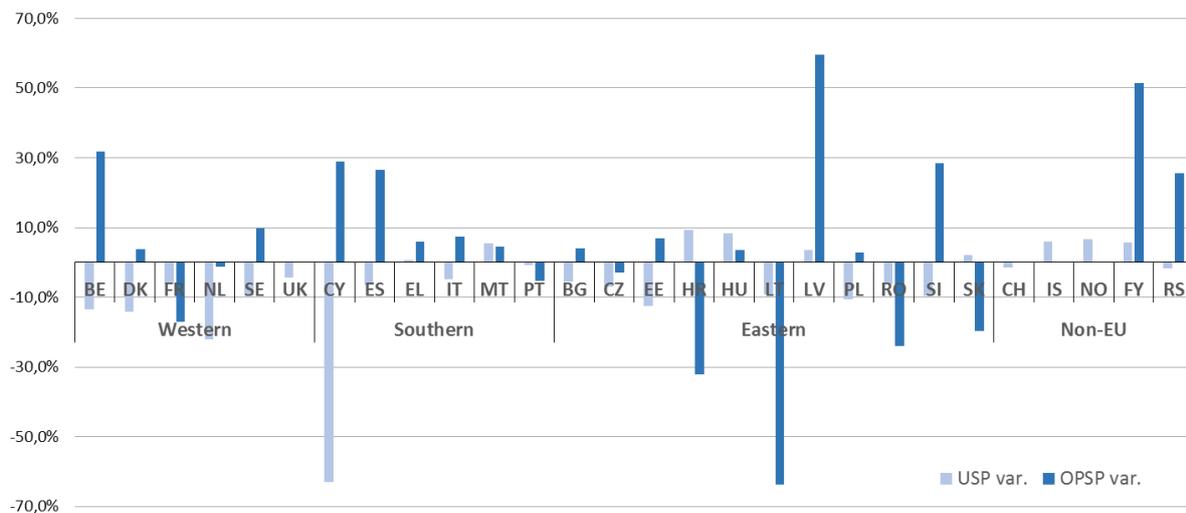
¹⁸ Variation between 2013 and 2015.



(namely¹⁹ The Netherlands: -22%). In Lithuania, the drop of the number of employees is mainly caused by the bankruptcy of one service provider who was the major competitor of the USP in the letter segment. Due to this, about 500 employees were sacked. There were other layoffs in 2016 in OPSP as well.

FYROM, Hungary, Malta and Latvia were the only countries that had an increase in both USP and OPSP employment. For that period, Croatia and Slovakia observed an increase in the USP employment, while for the OPSP the employment decreased.

Figure 65 – Total employment variation by USP and other postal providers: 2013-2016



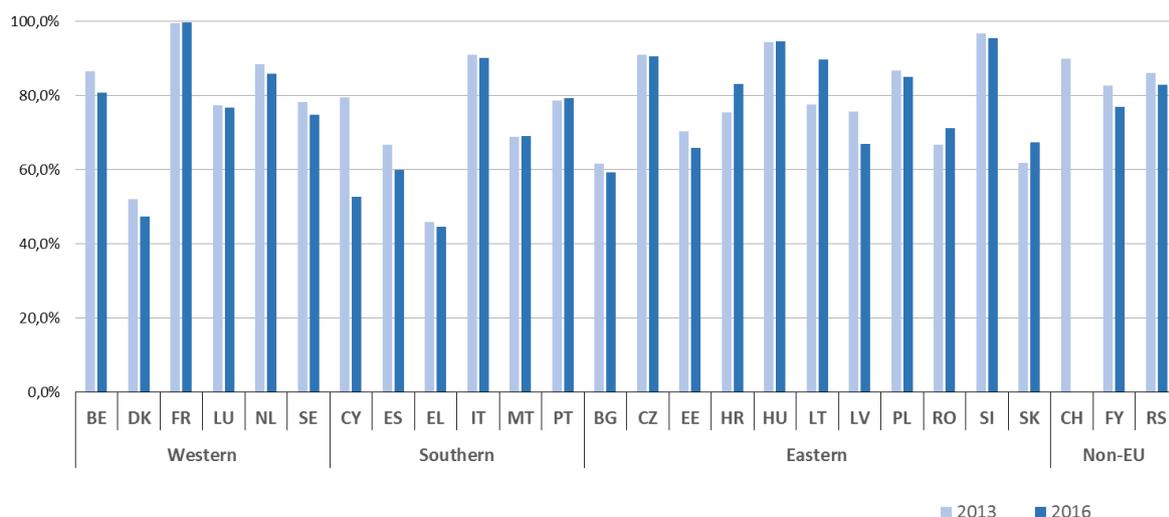
Note: For DK, LU and SE employment variation between 2013 and 2015. FR: Data available only for postal providers which have an individual licence granted by the NRA (for correspondence) and excluding express activities which are not considered as postal services. CY: Trend break in 2016 due to definition changes in the status of personnel that are considered now as purchase of services and not employees LU confidential.

The USP continues to have more employees than the OPSP, even if on average, the share of the USP employment on the total employment decreased between 2013 (78%) and 2016 (75.6%). Greece had the lowest share of USP employment on the total employment (44.6%) and France the highest (99.5%). In France, this is due to the fact that the scope of services do not include express and that the data is only available for the operators which have an individual license granted by the NRA for correspondence.

¹⁹ In fact, the most impressive decrease is in CY (63%), but this was due to a trend break.



Figure 66 – Share of USP employment on Total postal employment in 2013 and 2016



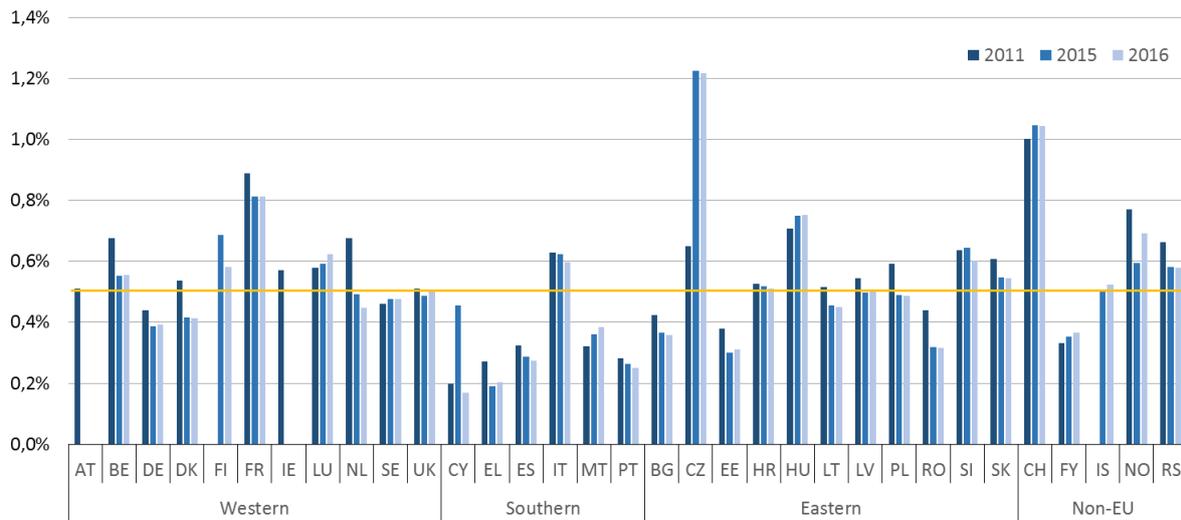
Note: For DK, FR, LU and SE share in 2013 and 2015. CY: Trend break in 2016 due to changes in the definition of the status of personnel, which is now considered as purchase of services and not employees. LU confidential.

The number of people employed by the USP represents on average 0.5% of the total employment in Europe. In two countries, Czech Republic (1.2%) and Switzerland (1.0%), the persons employed by the USP account for more than in 1% of the total employment. Greece and Cyprus are the countries with the lowest proportion: 0.2% of the total employment are persons employed by the USP.

In the majority of ERGP countries of which data is available in 2011 and 2016, the proportion of total employment within the USP since 2011 has declined, with the exception of MT, HU, FYROM and CZ. In these countries, the increase was partly due to the decrease in the total employment between 2011 and 2016. In the case of CZ the increase was significant, as this proportion increased from 0.6% to 1.2%. According to CTU, this was due to the fact that, in 2011, the NRA did not have powers to collect data and to verify it, so they only received only data about full time employees. From the year 2013 CTU have more detailed data including also part-time employees, explaining the increase in the mentioned proportion.



Figure 67 – Persons employed by the USP as a proportion of total employment of the country



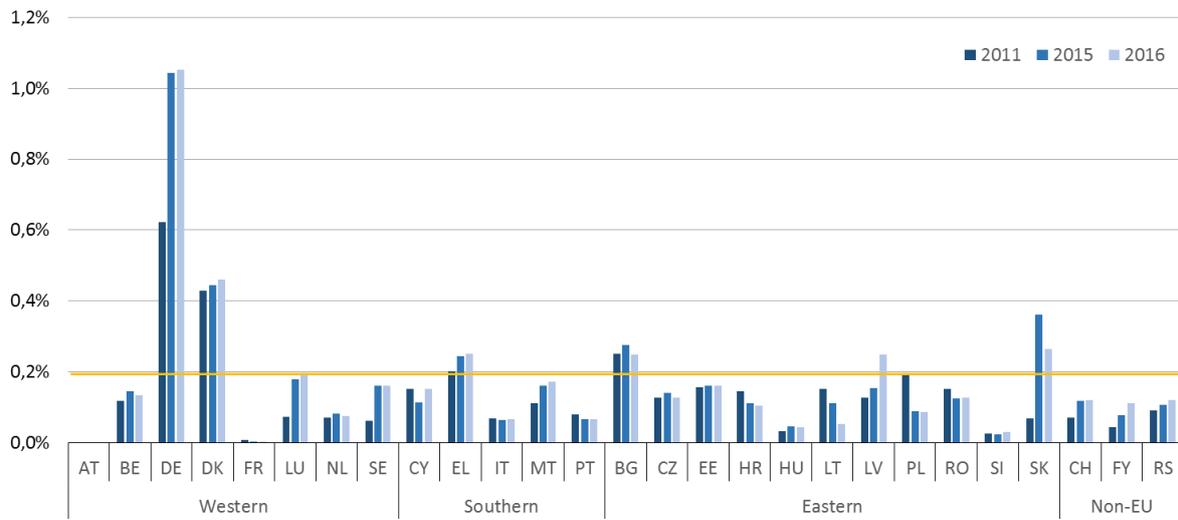
Source: NRAs. Employment data from Eurostat (total employment resident population between 15 and 64 years old).
 Notes: Data differs between headcount and FTE and this is not always specified. The method of recording employment will also differ between NRAs and Eurostat. Data for AT in 2015 and 2016 is confidential. For DK, LU and SE share in 2016 considering estimates.
 FR: Data available only for postal providers which have an individual licence granted by the NRA (for correspondence) and excluding express activities which are not considered as postal services.

The number of persons employed by other postal services providers accounts for 0.2% of the total employment in Europe in 2016, which represents an increase compared with 2011 (0.1%). In Germany the number of persons employed by other postal services providers was 1.0% of the total employment, a significant increase compared with 2011 (0.6%).

Of all the countries that are able to report figures on the number of people employed by USP and other postal services providers for 2016, Luxemburg, Malta, Hungary and FYROM have seen an increase in the proportion of total employment within both sectors (USP and OPSP) since 2011.



Figure 68 – Persons employed by other postal services providers as a proportion of total employment



Source: NRAs. Employment data from Eurostat (total employment resident population between 15 and 64 years old).
 Note: Data differs between headcount and FTE and this is not always specified. The method of recording employment will also differ between NRAs and Eurostat. Therefore, this chart should be considered as indicative only.
 Data for AT is confidential. No data for FI, IE, IS, ES, NO and UK. FR: Data available only for postal providers which have an individual licence granted by the NRA (for correspondence) and excluding express activities which are not considered as postal services.



4.6 Postal network

4.6.1 Postal establishments

For the countries that were able to provide data for both USP and other postal providers for the majority of the years²⁰, between 2008 and 2016 the total number of postal establishments increased on average 3.1% each year, as a result of an average increase of 0.6% each year of the number of USP establishments, while the number of postal establishments of the other postal providers increased 8.2% each year on average.

There has been a continued increase in the number of postal establishments operated by other postal service providers from 2008 to 2014, followed by a decrease between 2015 and 2016 that was mainly due to the decrease in the number of these establishments in Poland (from 16 908 in 2015 to 8 616 in 2016). This was due to the fact that, in 2016, a key competitor of the USP, after losing contract for delivering the judicial correspondence, withdrew from the letter market and the majority of its countrywide establishments were liquidated subsequently.

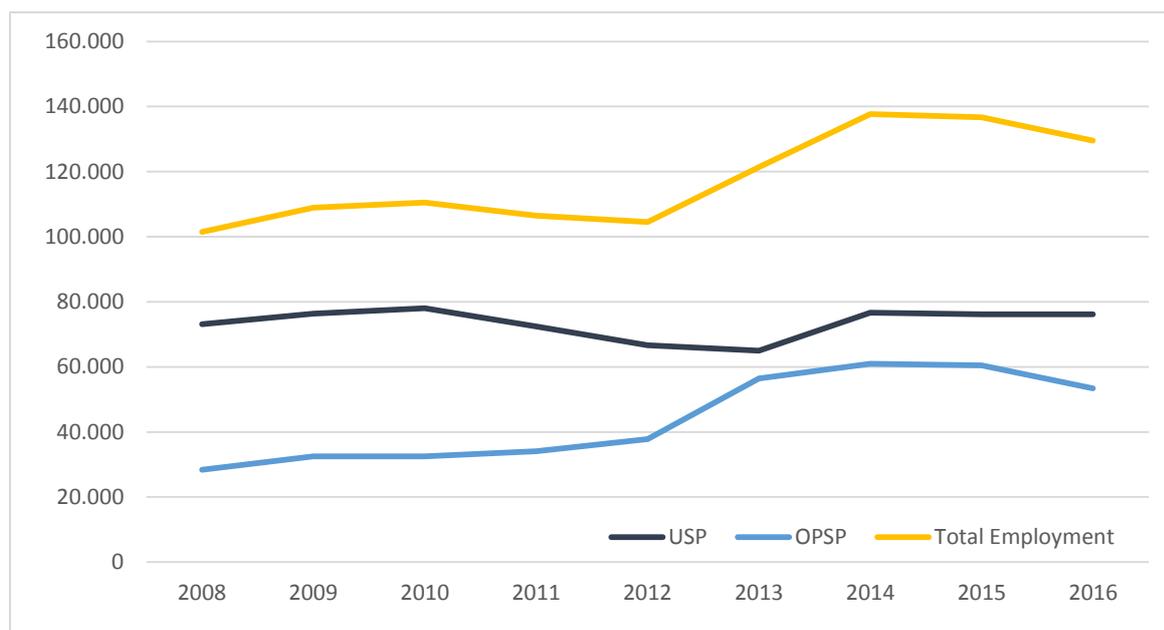
For the USP postal establishments the decrease between 2008 and 2013 was followed by an increase in the last 3 years that is explained by the variation of the number of these establishments in Germany (13 106 in 2013 compared to 25 203 in 2015). In the majority of the countries there was a decrease in the number of USP establishments, with the exception of DE, MT, EE, SK and RS.

Consequently, for these countries, the number of OPSP establishments in the total of establishments increased from 28% in 2008 to 41% in 2016.

²⁰ BG, CY, CZ, DE, EE, EL, IS, IT, FY, HR, HU, LT, MT, PL, PT, RO, RS, SI, SK. This means data from countries where postal establishment information for only the USP is present, has not been included.



Figure 69 – Total number of postal establishments by USP and other postal providers: 2008-2016



Source: NRAs

Note: Includes data from the following countries only: BG, CY, CZ, DE, EE, EL, IS, IT, FY, HR, HU, LT, MT, PL, PT, RO, RS, SI, SK. Contains some estimates²¹.

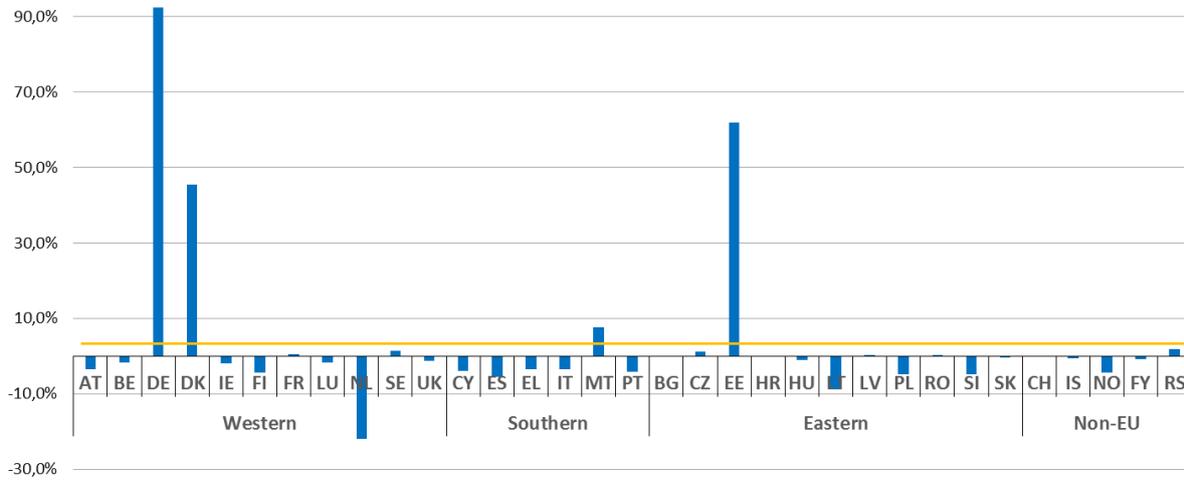
As shown in the map below, in the majority of ERGP countries that have provided data for 2016, the number of USP postal establishments has decreased since 2013. Nevertheless, in some countries the number of postal establishments has increased significantly, as is the case of Germany (92.3%²²), Estonia (61.8%) and Denmark (45.5%). By contrast, The Netherlands had the highest decrease in the number of USP postal establishments (-22.2%) between 2013 and 2016. In Bulgaria the number of establishments has remained the same during this period.

²¹ Figures have been estimated in two ways. In the case where a data point is missing between two years (for example, 2008 and 2010 have data, but 2009 does not), the mid-point between the years is used for the missing year. Where more than 2 consecutive years is missing, it was used the annual average rate of the years available for that country.

²² For the period between 2013 and 2015.



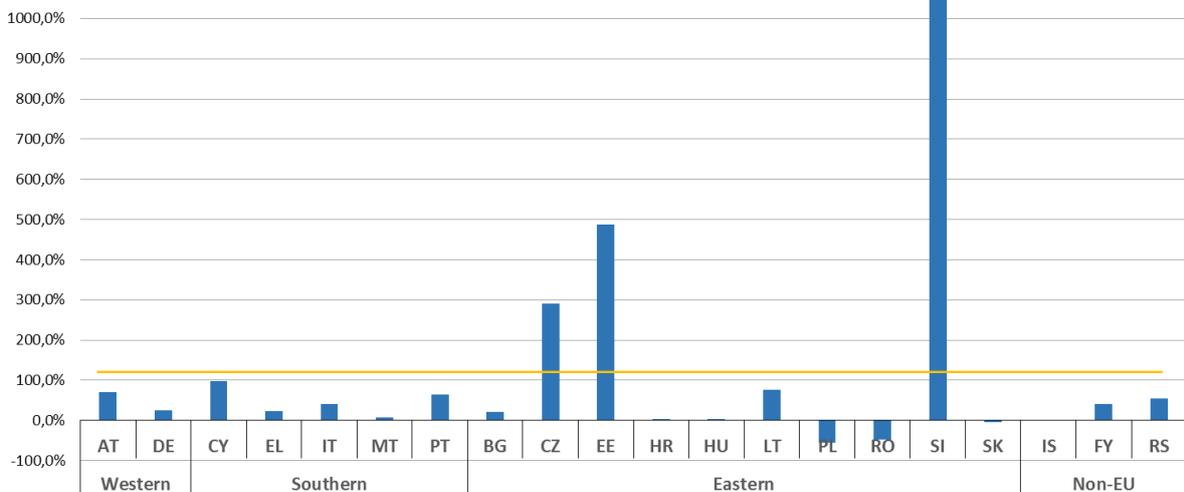
Figure 70 – Percentage change of the USP postal establishments between 2013 and 2016



Note: For DK, LU and SE is the variation between 2013 and 2015. For AT is the variation between 2013 and 2014, as the disaggregated data is confidential for 2015 and 2016. EE: 2016 figure also has delivery personnel.

In the majority of ERGP countries that have provided data for 2016, the number of USP postal establishments has increased since 2013. The increase was particularly relevant in Slovenia (increase of 1427.9%, from 43 establishments to 231), in Estonia (487.5%, from 40 to 231) and in Czech Republic (289.8%, from 49 to 191). Only in Poland, Slovakia and Romania the number of OPSP postal establishments decreased in this period.

Figure 71 – Percentage change of the OPSP postal establishments between 2013 and 2016



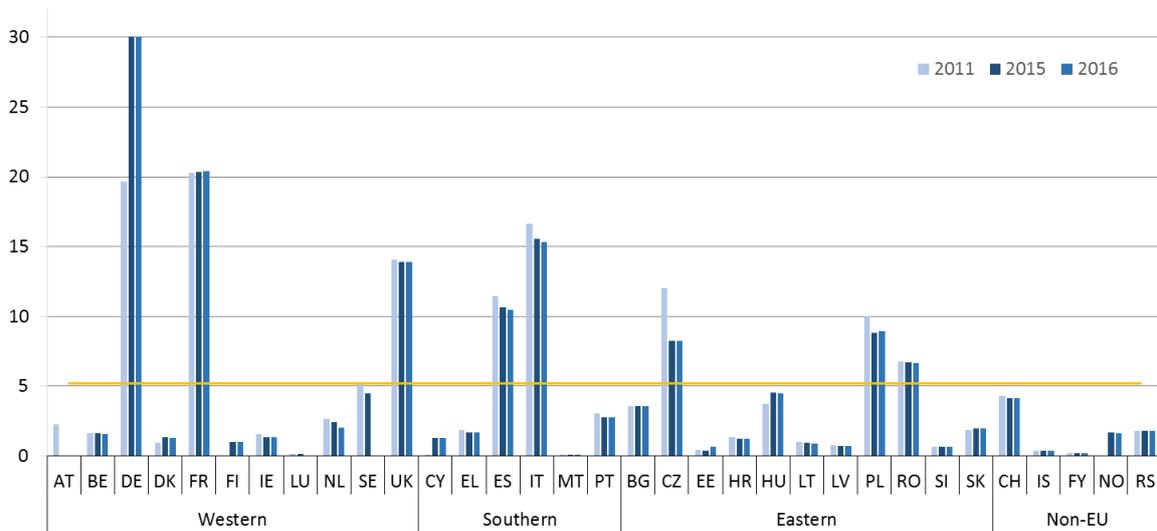
Note: No data for CH, DK, ES, FI, FR, IE, LV, LU, NL, NO, SE and UK. For DE is the variation between 2013 and 2015. For AT is the variation between 2013 and 2014, as the disaggregated data is confidential for 2015 and 2016. BE data confidential.



The number of USP postal establishments per 100km² is very heterogeneous amongst ERGP countries, varying, in 2016, from the 30 postal establishments per 100km² in Germany to 0.1 in Malta.

Furthermore, Cyprus had the highest increase between 2011 and 2016 in the number of USP postal establishments per 100 km² (from 0.1 to 1.3 per km²) and Czech Republic the highest decrease (from 12 in 2011 to 8.2 in 2016).

Figure 72 – Postal establishments per 100km²: USP only

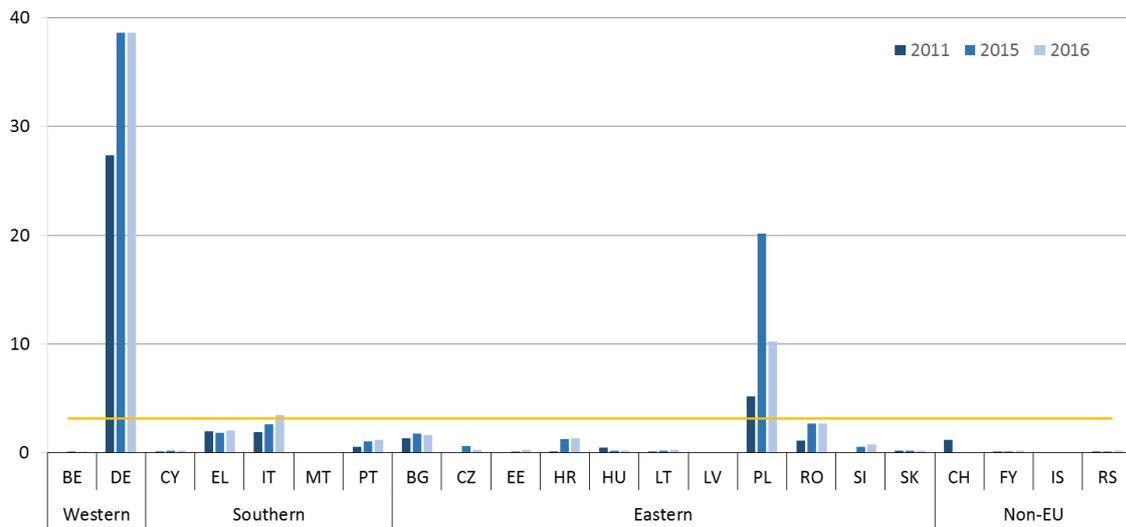


Source: NRAs. EE: 2016 figure also has delivery personnel.

In all the countries that are able to report figures on the number of postal establishments from other postal providers, in 2016 the number of postal establishments per 100 km² is higher for the USP than for the OPSP with the exception of Germany, Croatia, Poland and Slovenia.



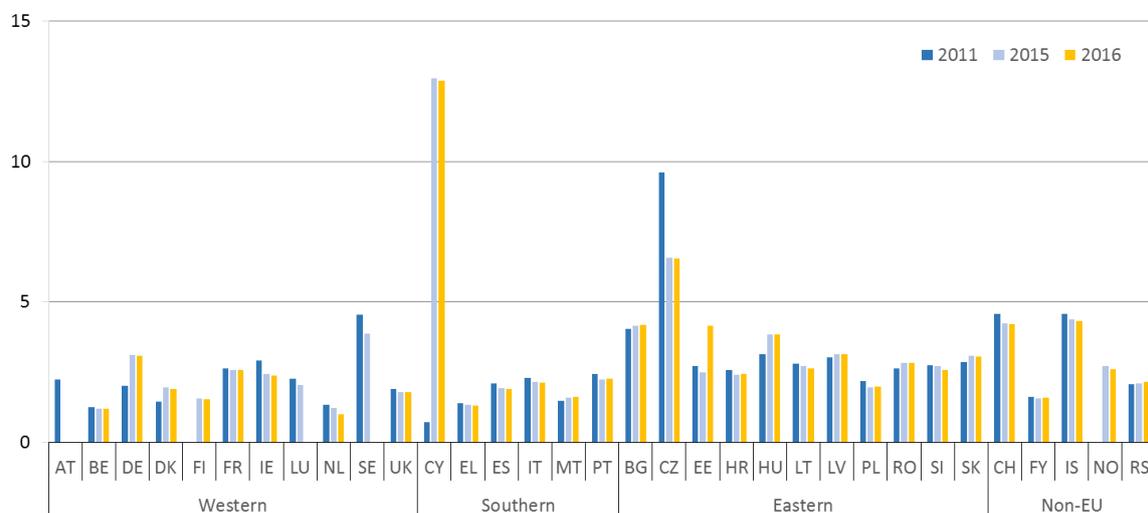
Figure 73 – Postal establishments per 100km²: other providers



Source: NRAs. BE: data in 2015 and 2016 confidential.

The ratio of USP postal establishments per 10 000 people is heterogeneous across ERGP countries, varying, in 2016, from 12.9 postal establishments per 10 000 people in Cyprus to 1.0 in The Netherlands. This ratio has been relatively stable between 2011 and 2016 across the ERGP countries, with the exception of Cyprus and Czech Republic. According to the legislation in Cyprus for the density of post offices and access points, there is a legal provision for at least one letterbox for every 1000 inhabitants and at least one letterbox for every area with less than 1000 inhabitants. In the Czech Republic, there was a decrease of mobile men who offered postal services between the years 2011 and 2015.

Figure 74 – Postal establishments per 10,000 people: USP only



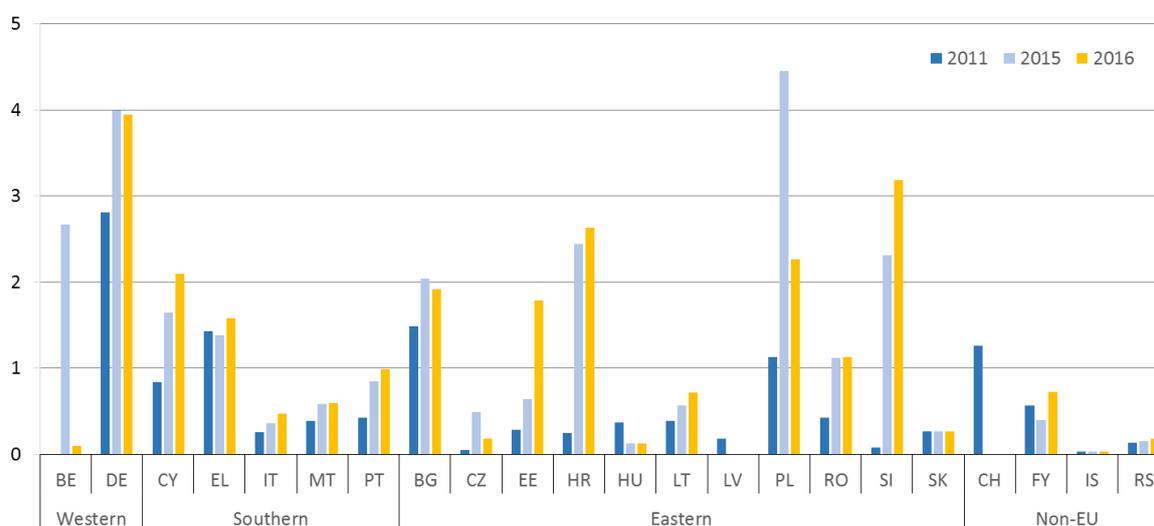
Source: NRAs. EE: 2016 figure also has delivery personnel.



For the OPSP postal establishments the ratio of USP postal establishments per 10 000 people varies less than for the USP: it ranges from 3.9 postal establishments per 10 000 people in DE to 0.03 in Iceland. Hungary, Iceland and Slovakia are the only countries that have shown a decline since 2011 in the number of postal establishments from providers other than the USP per 10,000 people.

It is worth mentioning the increase in this ratio in Slovenia, from 0.08 in 2011 to 3.18 in 2016.

Figure 75 – Postal establishments per 10,000 people: Other providers



Source: NRAs. BE: data in 2015 and 2016 confidential.

4.6.2 Parcel Lockers

Given the increasing importance of this solution, it was expected that the NRAs were monitoring the parcels lockers, as part of the network, especially for the case of the USP. The conclusion is that more than one third of the NRAs – BE, CY, CZ, DK, EE, ES, FI, HU, IS, LT, NL, PL and SI – are collecting some data regarding the parcels lockers.

The NRAs of some countries (CH, HR, IT, MT, SK²³), even having the remit to collect data on parcel lockers, did not collect this information until 2016.

Even if this collection is very limited, the number of parcel lockers is increasing, as expected. The exceptions are the number of USP parcel lockers in CZ and the number of OPSP parcel lockers in HU

²³ In Slovakia, the USP started to use parcel lockers in 2017 and the OPSP have started to use parcel lockers 2 years before, as a pilot project, only in the big cities. The NRA of SK will start to collect this data in 2018.



and NL. For Poland, the existence of zero OPSP parcel lockers in 2015 and 2016 is due to the fact that the network of parcel lockers was sold to (and then outsourced back) to an entity which is not a postal operator, thus the NRA of Poland is not able to collect data about this entity.

The number of parcels lockers increased significantly in some countries, especially the USP lockers in Spain and in Poland. In Spain the impressive increase in the number of parcel lockers between 2015 and 2016 is due to a strategy of the USP, that started the installation of the lockers in 2015 and that continued a massive installation in 2016.

Figure 76 – Parcel lockers from the USP and the other postal providers – 2013-2016

	USP/INCUMBENT					OTHER POSTAL SERVICE PROVIDERS				
	2013	2014	2015	2016	Var. 2013/16	2013	2014	2015	2016	Var. 2013/16
BELGIUM	n.a.	n.a.	150	150	0%	n.a.	n.a.	c	c	
CYPRUS	n.a.	n.a.	2	3	50%	0	0	0	0	
CZECH REPUBLIC		10	15	5	-50%	0	0	0	32	
DENMARK	445	467	468	469	5%	n.a.	n.a.	n.a.	n.a.	
ESTONIA	79	98	104	124	57%	81	83	85	111	37,0%
FINLAND	307	459	482	479	56%	n.a.	n.a.	n.a.	n.a.	
GREECE						n.a.	n.a.	n.a.	256	
HUNGARY	n.a.	n.a.	50	50	0%	n.a.	n.a.	152	138	-9,2%
ICELAND	n.a.	n.a.	8	8	0%	n.a.	n.a.	n.a.		
LITHUANIA	n.a.	n.a.	0	0	0%	n.a.	121	131	184	52,1%
POLAND	34	117	120	120	253%	283	100	0	0	
THE NETHERLANDS			8	10	25%			33	26	-21%
SLOVENIA				24					45	
SPAIN			403	2305	472,0%	n.a.	n.a.	n.a.	n.a.	

Notes: USP parcel lockers: For CY, HU, IS, LT, NL and ES, variation between 2015 and 2016; For CZ between 2014 and 2016. OPSP: HU and NL: variation between 2015 and 2016. Lithuania: between 2014 and 2016.



ANNEXES

ANNEX 1 – SCOPE OF SERVICES

There are several factors that should be taken into consideration when we speak about the scope of postal services. The services are different between countries in terms of:

- Services included in the definition of postal services.
- Services within the scope of the universal service
- Weight limit of the postal items.
- Definition of each of postal services.

It is necessary to be careful with the comparisons between countries and services. We have to take into account all variables.

1.1 – Definition of postal services

The Postal Service Directive states that postal services are services involving the clearance, sorting, transport and distribution of postal items. A postal item is defined as an item addressed in the final form in which it is to be carried by a postal service provider. In addition to items of correspondence, such items also include books, catalogues, newspapers, periodicals and postal parcels containing merchandise with or without commercial value.

The services included in the definitions of postal services and postal items are different in each country. Annex 3 contains the each country's definition of postal services.

Items of correspondence

According to the Postal Service Directive, correspondence is a communication in written form on any kind of physical medium to be conveyed and delivered at the address indicated by the sender on the item itself or on its wrapping. Books, catalogues, newspapers and periodicals shall not be regarded as items of correspondence.

Items of correspondence, according to the definition of postal services, are not excluded in any country.

Most countries define a weight of 2 kg for items of correspondence.

Note that in Romania the weight limit is 50 kg and that there are nine countries that do not have a weight limit.



Definitions and weight limits of items of correspondence in 2016

Services included in the definition of postal services			
Services	Weight limit	Countries	Total
Items of correspondence	No postal services	-	0/33
	Not defined	CZ ²⁴	1/33
	2 kg	BE, BG ²⁵ , CH, CY, DE, DK, EL, FR, HU, IE, IS, IT, LV, MT, NO, PL, RS, SE, SI, SK	20/33
	50 kg	RO ²⁶	1/33
	No weight specified	ES, HR	2/33
	No weight limit	AT ²⁷ , EE, FI, FY, LT ²⁸ , LU, NL, PT, UK ²⁹	9/33

In 2016, DE changed the weight limits of items of correspondence (the weight limit is 2 kg), whereas in 2015 there was no weight limit.

Printed objects

The Postal Service Directive does not provide a specific definition for printed objects/matters, though it excludes books, catalogues, newspapers and periodicals from the scope of correspondence.

With a few exceptions, most countries consider printed objects as postal items even though they differ in services and weights. In terms of weight, most countries have a weight limit of 2 kg or have no weight limit.

Definitions and weight limits of Printed objects in 2016

Services included in the definition of postal services			
Services	Weight limit	Countries	Total
Books	No postal services	CZ, EE, FI, LT, UK	5/33
	Not defined	CH ³⁰ , SE ³¹	2/33
	2 kg	CY, DK, EL, FR, IE ³¹ , IS, IT, LV, MT, NO, RS	11/33
	5 kg	BG	1/33
	10 kg	SI ³²	1/33
	30 kg	HU ³³	1/33

²⁴ There is a definition of postal items up to 2 kg (correspondence) but there is not any definition of the direct mail in the Czech Republic.

²⁵ Direct mail is included in the scope of non-universal postal services, it is separated as a separate service from items of correspondence since 2010. Direct mail shall not be treated as items of correspondence.

²⁶ Postal items in Romania are considered being between 0-50 kg For correspondence and prints Romania do not have stipulated by the law, an upper weight limit.

²⁷ Direct mail is only item of correspondence if addressed to a specific addressee.

²⁸ Neither primary nor secondary legislation sets the upper weight limits for "Item of correspondence". Based on UPU regulations, LT interpret that "item of correspondence" could weight up to 5 kg.

²⁹ The largest Royal Mail letters product is 750g, though in theory an operator could offer a non-USO letters product exceeding this.

³⁰ Not separate, it is a parcel until 30kg or letter until 2kg.

³¹ Contained in an envelope or other kind of wrapping, featuring a postal address.

³² USO 2 kg.



	50 kg	RO	1/33
	No weight specified	ES, HR, PL	3/33
	No weight limit	AT, BE, DE, FY, LU, NL, PT, SK ³⁴	8/33
Catalogues	No postal services	CZ, FI, LT, NL, UK	5/33
	Not defined	CH, SE ³¹	2/33
	2 kg	CY, DK, EL, FR, IE ³¹ , IS, IT, LV, MT, NO, RS	11/33
	5 kg	BG	1/33
	10 kg	SI ³²	1/33
	30 kg	HU ³³	1/33
	50 kg	RO	1/33
	No weight specified	ES, HR, PL	3/33
	No weight limit	AT, BE, DE, EE, FY, LU, PT, SK ³⁴	8/33
	Newspapers	No postal services	CZ, FI, LT, UK
Not defined		SE ³¹	1/33
2 kg		CH, CY, DK, EL, FR, IE ³¹ , IS, IT, LV, MT, NO, RS	12/33
5 kg		BG	1/33
10 kg		SI ³²	1/33
30 kg		HU ³³	1/33
50 kg		RO	1/33
No weight specified		ES, HR, PL	3/33
No weight limit		AT, BE, DE, EE, FY, LU, NL, PT, SK	9/33
Periodicals	No postal services	CZ, FI, LT, UK	4/33
	Not defined	SE ³¹	1/33
	2 kg	CH, CY, DK, EL, FR, IE ³¹ , IS, IT, LV, MT, NO, RS	12/33
	5 kg	BG	1/33
	10 kg	SI ³²	1/33
	30 kg	HU ³³	1/33
	50 kg	RO	1/33
	No weight specified	ES, HR, PL	3/33
	No weight limit	AT, BE, DE, EE, FY, LU, NL, PT, SK	9/33

LV introduced in 2016 a weight limit (2kg) on printed objects, as in 2015 there was no weight limit.

³³ When books, catalogues, newspapers and periodicals are posted as international M bag the weight limit is 30 kg, but only 2 kg when the M bag also contains objects (e.g. cassettes) besides the printed papers and in connection with it by the UPU rules. Otherwise, if these articles are posted as a letter up to 2 kg, US parcel up to 20 kg, non-US parcel up to 40 kg. In fact the international M bag is the item category that is separated from letter and parcel category. It could contain printed matter, books, catalogues, newspaper and periodicals. Countries probably do not like announce that their UPS and/or postal service do not encompass the possibility of posting books, catalogues, newspaper and periodicals. That is why countries state that these items could be posted as letter or parcel. However it is obvious because postal items could contain everything that is not prohibited or limited. Consequently it would be worth reconsider the wording of this question in the questionnaire. e. g. 'are the printed matter, books, catalogues, newspaper and periodicals defined in your country as services different from other kind of items?'. Otherwise in Hungary the distribution of newspapers and periodicals for subscribers is not a postal services but commercial service. This is a special business between the USP and the publishers. That is why we reported in 2015 that the newspaper is not a postal service. However this year we have realized that the international M bag could contain printed matter, books, catalogues, newspaper and periodicals and that is a postal service provided by the UPU rules. Of course incoming items are delivered in every kind of category, it does not mention whether they were posted as letter, parcel printed matter, books, catalogues or newspaper in the origin country. In such way printed matter, books, catalogues, newspaper and periodicals are still part of the postal service and the US. This is another point of view for that this question in the questionnaire is very complex and there are a lot of concerns.

³⁴ Books and catalogues do not have special postal service category or definition. They can be content of letters or parcels.



Postal parcel

Only AT does not discriminate between express and non-express postal parcels and there is no weight limit defined by law.

Definitions and weight limits of Postal parcels non-express in 2016

Services included in the definition of postal services			
Services	Weight limit	Countries	Total
Postal parcels - non-express	No postal services	-	0/33
	20 kg	BG, CY, DE, DK, EL, FR, HU ³⁵ , IE, IS, MT, NO, PL, SE	13/33
	30 kg	BE, CH, IT, NL	4/33
	31.5 kg	LV, RS	2/33
	50 kg	LT, RO, SI, SK	4/33
	No weight specified	ES, HR	2/33
	No weight limit	AT, CZ, EE, FI, FY, LU, PT, UK ³⁶	8/33

LV introduced in 2016 a weight limit for non-express postal parcels (31.5kg), as in 2015 there was no weight limit.

Express services

One third of the countries exclude services from the definition of postal services. Countries that include it have a weight limit from 20 kg for postal parcels-express and upper weight of 2 kg for express mail.

AT does not differentiate between express and non-express parcel and there is no weight limit defined by law.

In PL there is no legal definition of an express postal parcel. There is only definition of a courier item that includes both letters and parcels³⁷.

In Bulgarian law there is no legal definition for an express service. There is only the definition of courier service.

In RS and PL, express services are postal services, but both countries do not discriminate express items from express mail and express parcels³⁸. In RS there is no weight limit for these postal items, whereas in PL no weight was specified.

³⁵ It applies for US parcel without any value-added service.

³⁶ USO parcels limit up to 20kg. Non USO parcels have no upper weight limit in their formal definition, but Ofcom collects data on parcels revenues and volumes weighting up to 31.5kg.

³⁷ See definition in the annex.


Definitions and weight limits of Express services in 2016

Services included in the definition of postal services			
Services	Weight limit	Countries	Total
Postal parcels - express	No postal services	DE, DK, FI, FR, IE, IS, NL, NO	8/33
	Not defined	BG, SE	2/33
	2 kg	-	0/33
	5 kg	-	0/33
	20 kg	CY, LV, MT	3/33
	30 kg	BE, CH, IT	3/33
	31.5 kg	-	0/33
	40 kg	HU ³⁹	1/33
	50 kg	LT, RO, SI, SK	4/33
	No weight specified	ES, HR, PL	3/33
	No weight limit	AT, CZ, EE, EL ⁴⁰ , FY, LU, PT, RS, UK ⁴¹	9/33
Express mail	No postal services	DK, FI, FR, IE, NL, NO	6/33
	Not defined	HU ⁴² , SE	2/33
	2 kg	CH, CY, DE, EL, IS, LV, SK	7/33
	5 kg	LT ⁴³	1/33
	20 kg	MT	1/33
	30 kg	-	0/33
	31.5 kg	BG	1/33
	40 kg	-	0/33
	50 kg	RO, SI	2/33
	No weight specified	ES, HR, IT, PL	4/33
	No weight limit	AT, BE, CZ, EE, FY, LU, PT, RS, UK ⁴¹	9/33

In 2016, there have been changes in three countries regarding the express services. In 2016, there was a change in the law in DE and now express services are considered to be excluded from the scope of postal services, whereas in 2015 the weight limit was 20 kg. In turn, in FYROM, in 2015, express services were not considered postal services, but since 2016, there are considered, but

³⁸ More information in definitions of annex 3.

³⁹ EMS items and Items handled by postal courier service also counted as express parcel because these are not asked separately in the questionnaires.

Postal courier service: a guaranteed delivery time postal service, whereby the postal item is to be delivered within 24 hours of the time of deposit, and the postal service provider undertakes the obligation that the person accepting the postal item shall continuously keep it under his personal supervision until he attempts personal delivery to the addressee in such a manner as to enable the sender to change the addressee or address of the postal item at any time during this period and, in the event of an unsuccessful personal delivery, to take any necessary action.

International EMS service: the international postal service provided by the universal service provider in compliance with the rules pertaining to this service, as laid down in the legislation on the promulgation of the Constitution of the Universal Postal Union.

Otherwise, all of the item outside US is counted as express parcel.

⁴⁰ This refers to postal providers under General Authorisation (=COURIER).

⁴¹ In UK there are products with at least some of the characteristics of Express services available in the UK but they do not use this classification of the market.

⁴² Non-US service providers do not take difference between mail and parcel. So their whole volume is counted as parcels.

⁴³ Neither primary nor secondary legislation set the upper weight limits for "Item of correspondence". Based on UPU regulations, LT interpret that "item of correspondence" could weight up to 5 kg.



without a weight limit. Lastly, in LV, up until 2015 there was no weight limit, whereas since in 2016 weight limit was established at 20 kg.

There have also been changes for courier mail in DE – in 2015, there was no weight limit, yet since 2016 the limit is of 2 kg.

Express services within postal services (flags) in 2016⁴¹.

Services included in the definition of postal services		
Express services	No postal services	Postal services
Express mail		
Postal parcels - express		

Unaddressed mail

Only CY and IT include unaddressed mail within postal services.

Definitions and weight limits of Unaddressed mail in 2016

Services included in the definition of postal services			
Services	Weight limit	Countries	Total
Unaddressed mail	No postal services	AT, BE, BG, CH, CZ, DE, DK, EE, EL, ES, FI, FR, FY, HR, HU ⁴⁴ , IE, IS, LT, LU, LV, MT, NL, NO, PL ⁴⁵ , PT, RO, RS, SE, SI, SK, UK	30/33
	Not defined	-	0/33
	2 kg	CY, IT	2/33
	No weight specified	-	0/33
	No weight limit	-	0/33

No changes in unaddressed mail compared to last year.

⁴⁴ HU: Not belongs to postal services but to other segment of the economy.

⁴⁵ There is definition of "non-addressed printed form", not of unaddressed mail.



1.2 – Services within the scope of the universal service

Postal Service Directive establishes a universal postal service⁴⁶. However, the scope of the universal postal service is different from country to country.

Correspondence

All countries include domestic, international inbound and international outbound correspondence within the scope of the universal service.

With the exception of CH and UK (no weight limit)⁴⁷, all countries have a limit of 2 kg for domestic, international inbound and international outbound correspondence.

Only BG has a different weight limit for domestic (2 kg) and International (5 kg).

⁴⁶ Article 3:

“1. Member States shall ensure that users enjoy the right to a universal service involving the permanent provision of a postal service of specified quality at all points in their territory at affordable prices for all users.

2. To this end, Member States shall take steps to ensure that the density of the points of contact and of the access points takes account of the needs of users.

3. Member States shall take steps to ensure that the universal service is guaranteed not less than five working days a week, save in circumstances or geographical conditions deemed exceptional, and that it includes as a minimum:

- one clearance,

- one delivery to the home or premises of every natural or legal person or, by way of derogation, under conditions at the discretion of the national regulatory authority, one delivery to appropriate installations.

Any exception or derogation granted by a national regulatory authority in accordance with this paragraph must be communicated to the Commission and to all national regulatory authorities.

4. Each Member State shall adopt the measures necessary to ensure that the universal service includes the following minimum facilities:

- the clearance, sorting, transport and distribution of postal items up to 2kg,
- the clearance, sorting, transport and distribution of postal packages up to 10kg,
- services for registered items and insured items.

5. The national regulatory authorities may increase the weight limit of universal service coverage for postal parcels to any weight not exceeding 20kg and may lay down special arrangements for the door-to-door delivery of such parcels.

Notwithstanding the weight limit of universal service coverage for postal parcels established by a given Member State, Member States shall ensure that postal parcels received from other Member States and weighing up to 20kg are delivered within their territory.”

⁴⁷ Largest Royal Mail letters product is 750g for both domestic and international.



Services within the scope of the universal service - Correspondence in 2016

Services within the scope of the universal service							
Services	Weight limit	Domestic		International outbound		International inbound	
		Countries	Total	Countries	Total	Countries	Total
Correspondence	No within scope	-	0/33	-	0/33	-	0/33
	Not defined	-	0/33	-	0/33	-	0/33
	1 kg	CH ⁴⁸	1/33	CH ⁴⁸	1/33	CH ⁴⁸	1/33
	2 kg	AT ⁴⁹ , BE, BG, CY, CZ, DE, DK, EE, EL, ES, FI, FR, FY, HR, HU, IE ⁵⁰ , IS, IT, LT, LU, LV, MT, NL, NO, PL, PT ⁵¹ , RO, RS, SE, SI, SK.	31/33	AT ⁴⁹ , BE, BG, CY, CZ, DE, DK, EE, EL, ES, FI, FR, FY, HR, HU, IE ⁵⁰ , IS, IT, LT, LU, LV, MT, NL, NO, PL, PT ⁵¹ , RO, RS, SE, SI, SK.	30/33	AT ⁴⁹ , BE, BG, CY, CZ, DE, DK, EE, EL, ES, FI, FR, FY, HR, HU, IE ⁵⁰ , IS, IT, LT, LU, LV, MT, NL, NO, PL, PT ⁵¹ , RO, RS, SE, SI, SK.	30/33
	5 kg	-	0/33	-	1/33	-	1/33
	No weight limit	UK ⁴⁷	1/33	UK ⁴⁷	1/33	UK ⁴⁷	1/33

Printed objects

Around one third of the countries exclude printed objects from the scope of the universal service. Among the countries that include printed objects within the scope of the universal service, the most frequent weight limit is 2 kg.

A few exceptions are:

- CH, which does not separate printed objects, but considers them a parcel if the weight is up to 20 kg or a letter if they weigh up to 1 kg;
- BE, which considers that newspapers and periodicals only fall within the scope the universal service for those not covered by the SIEG and those who have chosen not to use the SIEG offer;
- CZ, HU and SE, where printed objects do not fall within the definition of postal service but can be sent in other postal items, including inbound and outbound which can be sent to/from B-bags. This is also valid for SK but only for books and catalogues.

⁴⁸ Letters USP: Monopoly until 50g.

⁴⁹ No differentiation between express and non-express in Austria. Not included in USO if posted in distribution centres.

⁵⁰ Including Letters and Packets.

⁵¹ Excluding direct mail.

Services within the scope of the universal service – Printed objects in 2016

Services within the scope of the universals service							
Services	Weight limit	Domestic		International outbound		International inbound	
		Countries	Total	Countries	Total	Countries	Total
Books	No within scope	EE. ES. FI. HR. HU ⁵² . IE. LT. NL. PL. SK. UK.	11/33	EE. ES. FI. HR. LT. PL. SK. UK.	10/33	EE. ES. FI. HR. IE. LT. PL. SK. UK.	9/33
	Not defined	CH. CZ. SE.	3/33	CH. CZ. SE.	3/33	CH. CZ. SE.	3/33
	1 kg	-	0/33	-	0/33	-	0/33
	2 kg	BE. CY. EL. FR. IS. IT. LU. LV. MT. NO. PT. RO. RS. SI.	14/33	BE. CY. EL. FR. HU. IS. IT. LU. LV. MT. NL. NO. PT. RO. RS. SI.	16/33	BE. CY. EL. FR. IS. IT. LU. LV. MTNO. PT. RO. RS. SI.	14/33
	5 kg	BG.	1/33	BG, IE, NL	3/33	BG, NL	2/33
	20 kg	DK.	1/33	DK.	1/33	DK.	1/33
	No weight limit	AT ⁵³ . DE ⁵⁴ . FY.	3/33	AT ⁵³ . DE ⁵⁴ . FY.	3/33	AT ⁵³ . DE ⁵⁴ . FY. HU	4/33
Catalogues	No within scope	EE. ES. FI. HR. HU. IE. LT. NL. NO. PL. SK. UK.	12/33	EE. ES. FI. HR. IE. LT. NL. NO. PL. SK. UK.	11/33	EE. ES. FI. HR. IE. LT. NL. NO. PL. SK. UK.	11/33
	Not defined	CH. CZ. SE.	3/33	CH. CZ. SE.	3/33	CH. CZ. SE.	3/33
	1 kg	-	0/33	-	0/33	-	0/33
	2 kg	BE. CY. DK. EL. FR. IS. IT. LU. LV. MT. PT. RO. RS. SI.	14/33	BE. CY. DK. EL. FR. HU. IS. IT. LU. LV. MT. PT. RO. RS. SI.	15/33	BE. CY. DK. EL. FR. IS. IT. LU. LV. MT. PT. RO. RS. SI.	14/33
	5 kg	BG.	1/33	BG	1/33	BG	1/33
	No weight limit	AT ⁵³ . DE ⁵⁴ . FY.	3/33	AT ⁵³ . DE ⁵⁴ . FY.	3/33	AT ⁵³ . DE ⁵⁴ . FY. HU	4/33
Newspapers	No within scope	EE. ES. FI. HR. HU. IE. LT. NL. PL. SK. UK.	11/33	EE. ES. FI. HR. IE. LT. NL. PL. SK. UK.	10/33	EE. ES. FI. HR. IE. LT. NL. PL. SK. UK.	10/33
	Not defined	CZ. SE.	2/33	CZ. SE.	2/33	CZ. SE.	2/33
	1 kg	CH.	1/33	CH.	1/33	CH.	1/33
	2 kg	BE ⁵⁵ . CY. DK. EL. FR. IS. IT. LU. LV. MT. NO. PT. RO. RS. SI.	15/33	BE ⁵⁵ . CY. DK. EL. FR. HU. IS. IT. LU. LV. MT. NO. PT. RO. RS. SI.	16/33	BE ⁵⁵ . CY. DK. EL. FR. IS. IT. LU. LV. MT. NO. PT. RO. RS. SI.	15/33
	5 kg	BG.	1/33	BG	1/33	BG	1/33
	No weight limit	AT ⁵³ . DE ⁵⁴ . FY.	3/33	AT ⁵³ . DE ⁵⁴ . FY.	3/33	AT ⁵³ . DE ⁵⁴ . FY. HU	4/33
Periodicals	No within scope	EE. ES. FI. HR. HU. IE. LT. NL. PL. SK. UK.	11/33	EE. ES. FI. HR. IE. LT. NL. PL. SK. UK.	10/33	EE. ES. FI. HR. IE. LT. NL. PL. SK. UK.	10/33
	Not defined	CZ. SE.	2/33	CZ. SE.	2/33	CZ. SE.	2/33
	1 kg	CH.	1/33	CH.	1/33	CH.	1/33
	2 kg	BE ⁵⁵ . CY. DK. EL. FR. IS. IT. LU. LV. MT. NO. PT. RO. RS. SI.	15/33	BE ⁵⁵ . CY. DK. EL. FR. HU. IS. IT. LU. LV. MT. NO. PT. RO. RS. SI.	16/33	BE ⁵⁵ . CY. DK. EL. FR. HU. IS. IT. LU. LV. MT. NO. PT. RO. RS. SI.	13/33
	5 kg	BG.	1/33	BG.	1/33	BG.	1/33
	No weight limit	AT ⁵³ . DE ⁵⁴ . FY.	3/33	AT ⁵³ . DE ⁵⁴ . FY.	3/33	AT ⁵³ . DE ⁵⁴ . FY. HU	4/33

⁵² Only the international M bag is a separate category that could contain books, catalogues, newspapers and periodicals. Its weight limit is 30 kg, but only 2 kg when the M bag also contains objects (e.g. cassettes) besides the printed papers and in connection with it by the UPU rules.

Incoming items are delivered in every kind of category, it does not mention whether they were posted as letter, parcel printed matter, books, catalogues or newspaper in the origin country.

Of course in connection with international M bag origin countries have to respect the UPU rules on weight limit, too. In connection with other incoming items are delivered in every kind of category, it does not mention whether they were posted as letter, parcel printed matter, books, catalogues or newspaper in the origin country and no weight limit defined.

⁵³ No differentiation between express and non-express in Austria. Not included in USO if posted in distribution centers.

⁵⁴ If delivery is undertaken by an operator who also delivers letters / parcels up to 20 kg.

⁵⁵ Only for those who are not covered by the SIEG and those who have chosen not to use the SIEG offer.



Between 2015 and 2016, only NO registered changes, as since 2016 printed objects are no longer within the scope of the US.

Postal parcels - non-express

All countries include postal parcels non-express within the scope of the universal service. And all countries have a weight limit between 10 and 20 kg. The only exception is BG which has a weight limit of 31.5 kg for the International inbound and the international outbound.

Services within the scope of the universal service – Postal parcels – non - express in 2016

Services within the scope of the universal service							
	Weight limit	Domestic		International outbound		International inbound	
		Countries	Total	Countries	Total	Countries	Total
Postal parcels – non - express	Not defined	-	0/33	-	0/33	HU	1/33
	2 kg	-	0/33	UK ⁵⁶	1/33	UK ⁵⁶	1/33
	10 kg	AT ⁵⁷ . BE. CZ. FI. FY. HR. LT. LU. LV. NL. PL. PT. RO. RS. SI. SK.	16/33	AT ⁵⁷ . BE. CZ. FI. HR. LT. LU. LV. PT. RO. RS. SI. SK.	13/33	AT ⁵⁷ . RO. SI ⁵⁸ .	3/33
	20 kg	BG. CH. CY. DE. DK. EE. EL. ES. FR. HU. IE. IS. IT. MT. NO. SE. UK.	17/33	CH. CY. DE. DK. EE. EL. ES. FR. FY. HU. IE. IS. IT. MT. NL. NO. PL. SE.	18/33	BE. CH. CY. CZ. DE. DK. EE. EL. ES. FI. FR. FY. HR. IE. IS. IT. LT ⁵⁹ . LU ⁶⁰ . LV. MT. NL. NO. PL. PT ⁶¹ . RS. SE. SK.	27/33
	31.5 kg	-	0/33	BG.	1/33	BG.	1/33

No changes compare with 2015.

Express services

Regarding express services (mail and parcels), only AT, CY and LU include express services within the scope of universal service.

In the UK, there are specific products, e.g. Special Delivery 1PM, but the term “Express” is not used. Royal Mail Special Delivery 1pm maximum weight is 20kg.

There is not differentiation between express and non-express in AT.

⁵⁶ International Parcels - 2kg weight limit in general but 5kg weight limit for some countries for papers/books).

⁵⁷ No differentiation between express and non-express in Austria. Not included in USO if posted in distribution centers.

⁵⁸ Can extend up to 20 kg.

⁵⁹ Up to 10 kg if it is not from EU Member States.

⁶⁰ 10 kg if originating from a non EU Member State.

⁶¹ 20 kg (For Inbound international parcels with origin in the Member States of the European Union).



In SE, no definition of express, such items fall under the general parcel or letter definition if addressed.

Services within the scope of the universal service – Express services in 2016

Services within the scope of the universals service							
Services	Weight limit	Domestic		International outbound		International inbound	
		Countries	Total	Countries	Total	Countries	Total
Postal parcels - express	No within scope	BE. BG. CH. CZ. DE. DK. EE. EL. ES. FI. FR. FY. HR. HU. IE. IS. IT. LT. LV. MT. NL. NO. PL. PT. RO. RS. SE. SI. SK.	29/33	BE. BG. CH. CZ. DE. DK. EE. EL. ES. FI. FR. FY. HR. HU. IE. IS. IT. LT. LV. MT. NL. NO. PL. PT. RO. RS. SE. SI. SK.	29/33	BE. BG. CH. CZ. DE. DK. EE. EL. ES. FI. FR. FY. HR. HU. IE. IS. IT. LT. LV. MT. NL. NO. PL. PT. RO. RS. SE. SI. SK.	29/33
	2 kg	-	0/33	-	0/33	-	0/33
	5 kg	-	0/33	UK.	1/33	UK.	1/33
	10 kg	AT. LU. UK.	3/33	AT. LU.	2/33	AT.	1/33
	20 kg	CY.	1/33	CY.	1/33	CY. LU ⁶² .	2/33
	No weight limit	-	0/33	-	0/33	-	0/33
Express mail	No within scope	BE. BG. CH. CZ. DE. DK. EE. EL. ES. FI. FR. FY. HR. HU. IE. IS. IT. LT. LV. MT. NL. NO. PL. PT. RO. RS. SE. SI. SK.	29/33	BE. BG. CH. CZ. DE. DK. EE. EL. ES. FI. FR. FY. HR. HU. IE. IS. IT. LT. LV. MT. NL. NO. PL. PT. RO. RS. SE. SI. SK.	29/33	BE. BG. CH. CZ. DE. DK. EE. EL. ES. FI. FR. FY. HR. HU. IE. IS. IT. LT. LV. MT. NL. NO. PL. PT. RO. RS. SE. SI. SK.	29/33
	2 kg	AT. CY.	2/33	AT. CY.	2/33	AT. CY.	2/33
	5 kg	-	0/33	UK.	1/33	UK.	1/33
	10 kg	UK.	1/33	-	0/33	-	0/33
	20 kg	-	0/33	-	0/33	-	0/33
	No weight limit	LU	1/33	LU	1/33	LU	1/33

There are have been some changes in DE, where express international postal parcels were excluded from the scope in 2016. Moreover, since 2016, domestic express mail is included in the scope of the universal service.

There were also changes in LU, where the weight limit of express service within the universal service was 2 kg, but after 2016 there is no weight limit.

⁶² 10 kg if originating from a no EU Member State.



Bulk mail

Only seventeen countries include bulk mail within the scope of universal service and only one of them (NL) only includes it in the international scope. In CZ bulk mail is not a separate service.

Services within the scope of the universal service – Bulk mail in 2016

Services within the scope of the universals service							
Services	Weight limit	Domestic		International outbound		International inbound	
		Countries	Total	Countries	Total	Countries	Total
Bulk mail	No within scope	DK. EE. EL. FI. HR. LT. LU. LV. NL. NO. PL. RO. RS. SI. UK.	16/33	DK. EE. EL. FI. HR.. LT. LU. LV. NO. PL. RO. RS. SI. UK.	15/33	DK. EE. EL. FI. HR.. LT. LU. LV. NO. PL. RO. RS. SI. UK.	15/33
	Not defined	BG. CH. CZ. SK	4/33	BG. CH. CZ. SK	4/33	BG. CH. CZ. SK	4/33
	2 kg	BE. CY. DE. ES ⁶³ . FR. HU IE. IS. IT. MT. PT. SE ⁶⁴ . SK.	12/33	BE. CY. DE. ES. FR. HU IE. IS. IT. MT. PT. SE ⁶⁴ . SK.	12/33	BE. CY. DE. ES. FR. IE. IS. IT. MT. SE ⁶⁴⁴ . SK.	12/33
	10 kg	AT ⁶⁵ .	1/33	AT ⁶⁵ .	1/33	AT ⁶⁵ .	1/33
	20 kg	-	0/33	NL ⁶⁶ .	1/33	NL.	1/33
	No weight limit	FY	1/33	FY	1/33	FY, HU	1/33

Since last year, only DE, FYROM and MT registered changes and now bulk mail is within the scope of universal service.

⁶³ Only correspondence not direct mail.

⁶⁴ Fall under the general letter definition, just as any other letter.

⁶⁵ 10 kg parcels. Letters 2 kg. Bulk mail is included in scope of USO, however, anything posted in distribution centers is excluded.

⁶⁶ 20 kg parcels, 2 kg letters.



ANNEX 2 – NRAS' POWERS TO COLLECT DATA

In general, NRAs have the power to collect data on postal services. However, there are some exceptions in each of the services except from the USP on US, where there are no exceptions and all NRAs have powers.

NRA's powers to collect data in 2016⁶⁷

NRA has power to collect data			
	Yes/No	Countries	Total
From the USP on the US scope	Yes	AT. BE. BG. CH. CY. CZ. DE. DK. EE. EL. ES. FI. FR. FY. HR. HU. IE. IS. IT. LT. LU. LV. MT. NL. NO. PL. PT. RO. RS. SE. SI. SK. UK.	33/33
	No	-	0/33
	Not defined	-	0/33
From the USP on non-US	Yes	AT. BE. BG. CH. CY. CZ. DE. EE. EL. ES. FI. FR. FY. HR. HU. IE. IS. IT. LT. LU. LV. MT. NL. PL. PT. RO. RS. SE. SI. SK. UK.	31/33
	No	DK. NO.	2/33
	Not defined	-	0/33
From other OPSP on US	Yes	AT. BE. BG. CH. CY. CZ. DE. DK. EE. EL. ES. FR ⁶⁸ . FY. HR. HU. IE. IS. IT. LT. LU. LV. MT. PT ⁶⁹ . RO. SE. SK ⁷⁰ . UK.	27/33
	No	FI. NL. NO. PL. RS ⁷¹ . SI ⁷² .	6/33
	Not defined	-	0/33
From other OPSP on non-US	Yes	AT. BE. BG. CH. CY. CZ. DE. EE. EL. ES. FR ⁶⁸ . FY. HR. HU. IE. IS. IT. LT. LU. LV. MT. NL. PL. PT ⁶⁹ . RO. RS. SE. SI. SK. UK.	30/33
	No	DK. FI. NO.	3/33
	Not defined	-	0/33
Express services	Yes	AT. BE. BG. CH. CY. CZ ⁷³ . DE. EE. EL. ES. FI. FY. HR. HU ⁷⁴ . IT. LT ⁷⁵ . LU. LV. MT. PL. PT. RO. RS. SI. SK. UK.	26/33
	No	DK. FR. IE. IS. NL. NO. SE.	7/33
	Not defined	-	0/33
Bulk mail	Yes	AT. BE. CY. DE. EE. EL. ES. FI. FR ⁶⁸ . HU ⁷⁶ . IE. IS. IT. LT. LU. LV. MT. NL. PT. RO. SE. SK. UK.	23/33
	No	CH. FY. HR. NO. PL. RS ⁷⁷ .	6/33
	Not defined	BG ⁷⁸ . CZ ⁷⁹ . DK. SI ⁸⁰ .	4/33

⁶⁷ UK collect data on products which would have characteristics of express services but that they do not make a distinction between express and non-express services.

⁶⁸ Only regarding postal providers which have an individual licence granted by the NRA for correspondence.

⁶⁹ The NRA has the power to collect data only from authorised or licensed providers.

⁷⁰ SK do not have other operators providing US; they provide only interchangeable services.

⁷¹ There is not any OPSP on US in Republic of Serbia yet.

⁷² Only the USP provides US.

⁷³ If these items are postal, not courier (direct transport without sorting).

⁷⁴ This service is counted as non-US.

⁷⁵ LT do not distinguish between express and non-express.

⁷⁶ Bulk mail is counted to US.

⁷⁷ There is no definition on bulk mail in postal legislation.

⁷⁸ No clarification for Bulk mail in the Postal Services Act.

⁷⁹ Bulk mail is not a separate service. CZ cannot collect data about it as a separate service.

⁸⁰ In SI there is not definition on bulk mail.


Collection of data by the NRA's in 2016

NRA collect data			
	Yes/No	Countries	Total
From the USP on the US scope	Yes	AT. BE. BG. CH. CY. CZ. DE ⁸¹ . DK. EE. EL. ES. FI. FR. FY. HR. HU. IE ⁸² . IS. IT. LT. LU. LV. MT. NL. PL. PT. RO. RS. SE. SI. SK. UK.	32/33
	No	NO.	1/33
	Not defined	-	0/33
From the USP on non-US	Yes	AT. BE. BG. CH. CY. CZ. DE. EE. EL. ES. FI. FR. FY. HR. HU. IE ⁸² . IS. IT. LT. LU. LV. MT. NL. PL. PT. RO. RS. SE. SI. SK. UK.	31/33
	No	DK. NO.	2/33
	Not defined	-	0/33
From other OPSP on US	Yes	AT. BE. BG. CH. CY. CZ. DE. DK. EE. EL. ES. FR ⁸³ . FY. HR. HU. IT. LT. LU. LV. MT. PT. RO. SE. SK. UK.	25/33
	No	FI. IE. IS. NL. NO. PL. RS. SI ⁸⁴ .	8/33
	Not defined	-	0/33
From other OPSP on non-US	Yes	AT. BE. BG. CH. CY. CZ. DE. EE. EL. ES. FR ⁸³ . FY. HR. HU. IT. LT. LU. LV. MT. NL. PL. PT. RO. RS. SE. SI. SK. UK.	28/33
	No	DK. FI. IE. IS. NO.	5/33
	Not defined	-	0/33
Express services	Yes	AT. BE. BG. CH. CY. CZ ⁸⁵ . DE. EE. EL. ES. FI. FY. HR. HU ⁸⁶ . IT. LT ⁸⁷ . LU. LV. MT. PL. PT. RO. RS. SI. SK. UK.	26/33
	No	DK. FR. IE. IS. NL. NO. SE.	7/33
	Not defined	-	0/33
Bulk mail	Yes	AT ⁸⁸ . BE. CY. DE. EE. EL. ES. FI. FR ⁸³ . HU ⁸⁹ . IE ⁸² . IS. IT. LU. LV. MT. NL. PT. SE ⁹⁰ . SK. UK.	21/33
	No	CH. FY ⁹¹ . HR. LT. NO. PL ⁹² . RO ⁹³ . RS. SI.	9/33
	Not defined	BG ⁹⁴ . CZ ⁹⁵ . DK.	3/33

Compared to last year, only LU registered changes and now the NRA can collect data from other OPSP on US, Express services and Bulk mail.

⁸¹ Data collection in divergent intervals, no yearly details available for all sections.

⁸² From the Annual Report of the USP.

⁸³ Only regarding postal providers which have an individual licence granted by the NRA for correspondence.

⁸⁴ SI have only one USP.

⁸⁵ If these items are postal, not courier (direct transport without sorting).

⁸⁶ This service is counted as non-US.

⁸⁷ Express service providers are not distinguished from other postal service providers and fall within the same category as non-US providers.

⁸⁸ In AT there is no distinction between express and non-express.

⁸⁹ Bulk mail is counted to US.

⁹⁰ Only from USP.

⁹¹ FY don't collect data separately for bulk mail from other items.

⁹² Bulk mail is included in the total number of items but not indicated separately.

⁹³ Bulk has been defined in December 2016.

⁹⁴ No clarification for Bulk mail in the Postal Services Act.

⁹⁵ Bulk mail is not a separate service in CZ.



ANNEX 3 – POSTAL SERVICE DEFINITIONS

AT – Austria

- Postal item: means an item addressed in the final form in which is collected by a postal service provider in Austria. In addition to letter mail items, such items include books, catalogues, newspapers and periodicals as well as postal parcels containing goods with or without commercial value.
- Letter mail item: means a communication in written form on any physical medium which is conveyed and delivered to the address indicated by the sender on the item itself or on its wrapping; books, catalogues, newspapers and periodicals are not considered letter mail items.
- Direct mail item: means a postal item consisting solely of advertising, marketing or publicity material and, apart from the addressee's name, address and identification number as well as other modifications which do not alter the nature of the message, is an identical message to at least 100 addressees.

BE - Belgium

- Postal item: an addressed item in its final form, processed by a postal services provider. In addition to items of correspondence, such items also include for instance books, catalogues, newspapers, periodicals and postal parcels containing merchandise with or without commercial value.
- Services within the scope of the universal service: the universal postal service shall include the following facilities (Art 142 § 1.):
 - the clearance, sorting, transport and delivery of postal items up to 2 kg;
 - the clearance, sorting, transport and delivery of postal parcels up to 10 kg;
 - the delivery of postal parcels coming from other Member States up to 20 kg;
 - the services relating to registered items and insured items.

The universal postal service includes both domestic and cross-border services.

BG - Bulgaria

- Direct mail: shall be a postal item consisting solely of advertising, marketing or publicity material and comprising an identical message, except for the addressee's name, address and identifying number.
- Item of correspondence (letter and/or postal card): shall be a postal item which contains a communication in written form on any kind of physical medium to be transported and distributed at the address indicated by the sender on the item itself. Printed matter shall not be treated as items of correspondence.
- Printed matter: shall be a postal item containing newspapers, periodicals, books, catalogues, reproductions on paper used in printing, with the address of the sender and addressee indicated on the item itself.
- Postal parcel: shall be a postal item of standard dimensions and weight, usually containing merchandise with or without commercial value.
- Courier service: shall be a postal service of a value added by comparison with the universal postal service. Express mail service guarantees faster and more reliable clearance, transport and distribution of items and is furthermore characterised by the provision of some or all of the following supplementary services:



- (a) collection from the sender's address;
 - (b) (Amended, SG No. 37/2006) guarantee of distribution by a given date;
 - (c) possibility of a change of destination and addressee in transit;
 - (d) confirmation to the sender of delivery;
 - (e) tracking and tracing of items;
 - (f) personalised treatment for users and offer of an "a la carte" service, according to requirements as to manner and time ("on call" and "by contract").
- Cross-border postal items: shall be items originating from, or destined for, another country. They can be "Priority items" shall be postal items which are transported and distributed by the quickest possible route.
 - Non-priority items: shall be postal items for which the sender has chosen a lower rate, implying a longer time for transport and distribution.

CH - Switzerland

- Definitions are in the Swiss postal legislation, Art. 2 (Postal Services means the receiving, clearance, sorting, transporting and delivery of postal items (letters up to 2 kg, parcels up to 30 kg, newspapers and periodicals).

CY - Cyprus

- Definitions not provided.

CZ - Czech Republic

- Express delivery service: means a service which, in addition to providing faster and more reliable collection and delivery of postal items, is characterised by the fact that it is provided as a service having some or all of the following characteristics: guarantee of delivery by a fixed date, collection from point of origin, personal delivery to addressee, possibility of changing the destination and address in transit, confirmation to sender of receipt of the item dispatched, tracking of items dispatched, personal customer service and the provision of services to meet the customer's requirements, if needed.

DE - Germany

- Postal services as defined by this Act shall mean the following services provided on a profit oriented basis:
 - a. the conveyance of letter post items;
 - b. the conveyance of addressed parcels weighing not more than 20kg each; or
 - c. the conveyance of books, catalogues, newspapers or magazines, insofar as such conveyance is effected by companies providing postal services according to a) or b) above.
- Letter post items shall mean addressed written communications. Catalogues and publications appearing on a recurrent basis such as newspapers and magazines shall not be deemed written communications within the meaning of sentence 1 above. Communications not addressed to an individual by name but bearing solely a collective indication of place of residence or business shall not be deemed addressed within the meaning of sentence 1 above.
- Conveyance shall be the collecting, forwarding or delivery of postal items to the addressee.
- Commercial provision of postal services shall be the conveyance for other parties, on a long-



term basis, of postal items with or without the intention to obtain profits.

- Postal items shall be deemed items within the meaning of subpara 1 of this paragraph, also where they are conveyed on a commercial basis.
- Having a dominant position in the market shall mean any company deemed as having a dominant position in the market under §22 of the Law against Restraints of Competition.

DK - Denmark

- Definitions not provided.

EE - Estonia

- An item of correspondence: means an object or objects which is or are addressed and properly packaged and deposited with a postal service provider for forwarding. For example, letters, publications and small packages are items of correspondence
- A periodical: means an addressed publication ordered from the sender and deposited with a postal service provider by the sender for forwarding periodically, with a frequency of at least once a quarter
- A postal parcel: means an object or objects which is or are addressed and properly packaged and deposited with a postal service provider for forwarding
- Items of correspondence and postal parcels: issued to the addressee or a representative of the addressee against signature or on the basis of other means of identification; items of correspondence and postal parcels forwarded by courier with the aim of expeditious and reliable delivery; items of correspondence and postal parcels in the case of which the sender has the possibility to obtain information concerning the location of the postal item at any time during the journey of the item, to intervene in the delivery of the postal item and also to re-organise the forwarding of the item as necessary
- Service within the scope of the universal service: ordinary, registered and insured letter; registered and insured parcel. Both domestic and cross-border.

EL - Greece

- Definitions not provided.

ES - Spain

- Item of correspondence: a communication in written form on physical support of any nature, to be conveyed and delivered at the address indicated by the sender on the item itself or on its wrapping. Advertising direct, books, catalogues, newspapers and periodicals shall not be the consideration of items of correspondence (Law 43/2010).

FI - Finland

- Definitions not provided.



FR - France

- Item of correspondence: is a postal item not exceeding 2kg and which contains a written communication on a physical medium, excluding books, catalogues, newspapers and periodicals. Direct mail is part of items of correspondence. A postal item is any item intended to be delivered at the address indicated by the sender on the item itself or on its wrapping, including in the form of coded geographical coordinates and presented in the final form in which it is going to be routed. (Legal definitions, article L.1 of the Postal and Electronic Communications Code).
- Postal parcels: designate parcels which are collected, sorted, transported and delivered through regular delivery rounds (Article L.1 of the Postal and Electronic Communications Code).
- Express parcels: regarding the definition of postal parcels above, it can be considered that express parcels are those which are not delivered through regular delivery rounds.
- Express mail: regarding the definition of postal mail (mail collected, sorted, transported and delivered through regular delivery rounds, see article L.1 of the Postal and Electronic Communications Code), express mail can be considered as mail which is not delivered through regular delivery rounds.

FY - Former Yugoslavia Republic of Macedonia

- Definitions not provided.

HR - Croatia

- Item of correspondence: a communication in written form on any kind of physical medium to be conveyed and delivered at the address indicated by the sender on the item itself or on its wrapping.
- Printed matter: any postal item containing books and printed material. Printed material shall mean any printed publication published by a publisher daily, occasionally or during a specific period of time (newspapers and magazines);
- Parcel: any postal item that contains goods and articles.

HU - Hungary

- Item of correspondence: A postal item containing individual or personal communication, data or information recorded in writing or on any physical data carrier.
- Postal item: an item of a maximum weight of 40 kg containing an address on the item itself, on its wrapping or in an attached list, or any item qualifying as a postal item under the relevant legislation. Such postal items may include items of correspondence, official documents, items containing writing for the blind, postal parcels, items containing books, catalogues or press products, as well as any other item the content of which is not excluded from the postal service by the government decree issued by virtue of this Act.
- Postal parcel: a registered postal item containing goods with or without commercial value.
- Express postal service: a guaranteed delivery time service, whereby the postal service provider delivers (or attempts to deliver) the postal item within the country no later than on the working day following the date of deposit, to European Union Member States no later than on the third working day following the date of deposit, or to any other international destinations within the fifth working day following the date of deposit, while providing at least one of the



services listed in points a)-f) hereunder:

- a) traceable handling
 - b) cash on delivery;
 - c) return receipt;
 - d) insurance;
 - e) delivery exclusively to the hands of the person designated as the addressee of the item;
 - f) acceptance of the item at the sender's place of residence or abode, registered office, premises or branch office.
- Guaranteed delivery time service: the obligation undertaken by the postal service provider to guarantee the delivery of a postal item within the specified period of time or at a specific point in time.
 - Traceable handling: the technology applied by the postal service provider, in the course of which the postal service provider gives information at least on the place and date of the acceptance of the postal item, the date of its delivery, the grounds for eligibility for takeover, or, in the case of unsuccessful delivery, on the further handling of the postal item on the basis of the unique identification mark of the postal item, as information retrievable from the internet or as a documented text message conveyed using the electronic communication network.

IE - Ireland

- Services within the scope of the universal service: Section 16(1)(b) of the Communications Regulation (Postal Services) Act 2011 ("the 2011 Act") specifies certain universal postal services to be provided, including the clearance, sorting, transport and distribution of postal letters, packets and parcels up to 20kg, a registered items service, an insured service, and postal services free of charge to blind and partially-sighted persons. In addition, Section 16(9) of the 2011 Act required ComReg, following public consultation, to make regulations specifying the services to be provided by the USP and ComReg made such regulations in July 2012 (the Communications Regulation (Universal Postal Service) Regulations 2012 (S.I. 280 of 2012) - see ComReg Document No. 12/81).

IS - Iceland

- Services within the scope of the universal service: shall include, as a minimum, access to postal delivery and postal services for addressed items of correspondence and messages, other addressed items, direct mail and daily newspapers, weeklies, periodicals, addressed books and catalogues, registered items, insured items, financial items and Braille material up to two kg in weight and postal parcels of up to 20 kg in weight. Universal service shall include both domestic and cross-border postal items. Providers of universal service must deliver within Iceland postal parcels received from abroad weighing up to 20 kg.

IT - Italy

- Postal Services: services including the collection, sorting, transportation and delivery of the postal dispatches. Ministerial Decree n.261/99)113.
- Postal dispatches: the shipping of the postal item, in the moment when the universal service provider receives the item; it includes the shipping of mail, books, catalogs, newspapers, magazines and similar items, as well as postal packages containing merchandise with or without commercial value.



- Mail shipping: a communication in written form, that may be written also with the help of electronic means, on any type of tangible form, that is transported and delivered to the address indicated by the sender on the item itself or on its wrapping, with the exception of books, catalogues, newspapers, magazines and similar items.
- Direct mail advertising: a communication, addressed to a significant number of persons, defined under Article 2, paragraph 2, letter p), consisting solely of advertising or marketing messages, containing the same message except for the name, address and identification number of the recipient, as well as other changes which does not alter the nature of the message, to be forwarded and delivered at the address indicated by the sender on the item itself or on its wrapping. Notices, invoices, financial statements and other non-identical messages shall not be considered “direct mail advertising”. A communication containing advertising and other items in the same wrapping shall not be considered “direct mail advertising”. The latter includes both cross-border and domestic advertising.

LT - Lithuania

- Postal item: shall mean an addressed and ready to be sent item, including items of correspondence, postal parcels, items containing books, catalogues, newspapers and other periodicals, which is to be delivered by a postal service provider
- Item of correspondence: shall mean a postal item consisting of a notice inscribed on any physical medium, including small packages, to be dispatched and delivered at the address of the addressee indicated therein. Books, catalogues, newspapers and other periodicals shall not be considered items of correspondence.
- Postal parcel: shall mean a postal item of up to 50 kg containing an article (articles) or merchandise with or without commercial value.
- Services within the scope of universal service: According to the Article 14 of the Postal Law:

"1. The provision of the following universal postal service on the territory of the Republic of Lithuania must be ensured:

 - 1) clearance, sorting, transport and delivery of postal items of up to 2 kg;
 - 2) clearance, sorting, transport and delivery of postal parcels of up to 10 kg;
 - 3) clearance, sorting, transport and delivery of registered and insured postal items;
 - 4) delivery of postal parcels of up to 20kg received from other Member States.

2. The universal postal service referred to in points 1, 2, 3 of paragraph 1 of this Article shall cover the domestic and cross-border postal services.

3. If the universal postal service provider sends postal items in large quantities and is in agreement with the sender on the clearance points of postal items, delivery terms, and other conditions, the postal service which it provides shall not be considered as the universal postal service. Large quantities shall refer to the cases when one sender within one month submits to the universal postal service provider for conveyance 1,000 and more correspondence items, or 250 or more postal parcels.

4. A postal service with added value shall not be attributed to the universal postal service. A postal service with added value shall mean:

 - 1) delivery and clearance of postal items at the time and/or place preferred by the user;
 - 2) confirmation of the handing in of a postal item, the change of the course of delivery of the postal item;
 - 3) a possibility to receive information at any time on the current location of the postal item;
 - 4) another service with added value."



LU - Luxembourg

- Definitions not provided.

LV - Latvia

- Letter-post items: letters, postcards, printed matter, small packets, M-bags and secograms.
- Direct mail – letter-post items, which consist solely of advertising, marketing or publicity materials and contain an identical message, except for the addressee’s name, address and identification number, as well as other modifications that do not alter the essence of the message, and which are sent to a significant number of addressees, as specified by the Public Utilities Commission, and which should be conveyed and delivered according to the address. Invoices, pro-forma invoices, financial reports and other non-identical notifications shall not be deemed direct mail. Direct mail and another postal item combined in one packaging shall not be deemed direct mail.
- Printed matter: an addressed postal item, in which various types of printed papers are conveyed.
- Delivery Services of Subscribed Press Publications:
 - (1) A postal operator shall deliver subscribed press publications to an addressee by inserting them into the addressee’s mailbox or issuing them to the recipient in person.
 - (2) Such periodicals (newspapers and magazines), for delivery of which a press publication subscription has been drawn up, shall be delivered to addressees.
- Postal parcel: a postal item, in which goods and items with or without commercial value are sent
- Express mail services: shall be provided in order to ensure faster and more convenient forwarding of postal items, offering additional service opportunities to clients, which are not ensured in providing traditional postal services. A postal operator, which provides express mail services, shall ensure the conformity thereof with all of the following activities characterising the advantages of express mail services in comparison with traditional postal services:
 - 1) receipt of a postal item from the sender at his or her location or at the point for provision of express mail services, for which the sender shall sign a filled-in accompanying document of the postal item;
 - 2) delivery of a postal item to the addressee, issuing it to the recipient in person upon signature;
 - 3) confirmation of the fact of delivery for the sender upon his or her request;
 - 4) ensuring the delivery of a postal item within a guaranteed period of time;
 - 5) indication of the name of the postal operator on the postal item or accompanying document.
 - (2) A postal operator providing express mail services shall ensure a sender with a possibility to track and trace the delivery stage of a postal item during sending thereof.
 - (3) When using express mail services, a sender may change the destination and addressee of a postal item at any time.
 - (4) A postal operator providing express mail services shall comply with the requirements and prohibitions laid down in international agreements in the postal sector, which are binding on Latvia, in relation to the packaging, addressing and content of postal items.
 - (5) A postal operator shall keep the accompanying documents of postal items referred to in Paragraph one of this Section for two years. A goods delivery document which is drawn up as a corroborative document in transactions involving goods shall not be deemed an accompanying document of postal item.



MT - Malta

- Definitions not provided.

NL - The Netherlands

- Letter: addressed written communication on a physical medium.
- Parcel: addressed packaged postal item, containing matters not being letters.

NO - Norway

- Definitions not provided.

PL - Poland

- Items of correspondence: A postal item other than a printed form containing information stored on any carrier, including information in embossed type.
- Postal item: an object bearing the marking of an addressee and an address, submitted for clearance or cleared by the postal operator in order to transport it and deliver to the addressee.
- Books: All we have is definition of a form - "form" is a postal item with written or graphic information, copied by printing or similar techniques, presented on paper or other material used in printing, including books, catalogues, newspapers or periodicals; there are no separate definitions of "books", "catalogues", "newspapers" and "periodicals".
- Postal parcel: a recorded postal item other than a letter item, weighing up to 20,000 g and dimensions:
 - a) of which none may exceed 2000 mm or
 - b) which may not exceed 3000 mm for the sum of length and the largest perimeter measured in a different direction than length.
- Courier item: a letter item which is a recorded item or a postal parcel cleared, sorted, transported and delivered in a manner that collectively guarantees:
 - a) direct collection of a postal item from the sender,
 - b) tracking a postal item from posting to delivery,
 - c) delivery of a postal item within a guaranteed time limit specified in the regulations for the provision of postal services or in contracts for the provision of postal services,
 - d) delivery of a postal item directly to the addressee or to a person authorised to collect it,
 - e) obtaining an acknowledgement of receipt of a postal item in a written or electronic form.
- Non-addressed printed form: written or graphic information, copied by printing or similar techniques, presented on paper or other material used in printing, including books, catalogues, newspapers or periodicals, without indication of an addressee and an address.

PT - Portugal

- Item of correspondence: a communication in written form on any kind of physical support, including direct mail.
- Direct mail: an item of correspondence comprising an identical message which is sent to a significant number of addresses, exclusively for advertising, marketing or publicity purposes. (Law no. 17/2012, of 26 April; article 5; number 1a and 2)
- Postal parcel: A package containing merchandise or objects with or without commercial value (Law no. 17/2012, of 26 April; article 5; number 1c).



- An ordinary parcel is defined as a postal parcel that is out of the scope of express mail services (see definition below).
- Express parcel: is defined as a postal parcel that lies within the scope of express mail services (see definition below).
- Express mail services: Added value services, characterized by the clearance, sorting, transport and distribution of postal items with an increased promptness, differing from regular postal services for a set of additional characteristics, such as:
 - a) Predefined delivery deadlines;
 - b) Registered postal items;
 - c) Guarantee of provider liability, by means of insurance through which the sender is previously aware of how he may be compensated of damages suffered;
 - d) Tracking and tracing of postal items along the provider's operational circuit, allowing the identification of the delivery status and the provision of information to the customer. (Law no. 17/2012, of 26 April; article 12; number 2)

RO - Romania

- Direct mail: domestic or international items exclusively consisting in advertising, containing an identical message, except for the name, address and number of identifying the recipient as well as other modifications which do not alter the nature of the message, which are sent to minimum 500 recipients.
- Mail: communication in written form on any kind of physical support which is going to be conveyed and delivered at the address indicated by the sender on the item itself or its packaging. Books, catalogues, newspapers, periodicals are not considered items of correspondence.
- Prints: postal items made by printing or other means of reproduction, containing no personal or individual communications; this category includes, for example, newspapers, periodicals, books, catalogues, maps, musical scores etc.
- Parcel: postal item with a maximum weight of 50 kg containing goods with or without commercial value
- Express service: postal service which requires cumulatively: Releasing (to the sender) a document proving the date and sending time and usually pay the charge; personal delivery (or to the authorised person); liability and compensations for delayed items; fast delivery (12, 24 and 36 hours).

RS - Serbia

- Letter mail: includes the postal items containing:
 - correspondence, printed matters,
 - goods and other objects.
- Printed matters: are postal items containing books, newspapers, periodicals and other printed material of no business communication importance, and which are printed on paper, cardboard or other material.
- Parcels: are postal items, packed in prescribed manner containing goods and other objects and bearing description of the item content on the item itself or on the accompanying document.
- Express parcel: We do not have definition of express parcel only express items.
- Express items: Express services shall represent postal services with added value including



collection, sorting, transport and delivery of recorded express items, within shortest transmission times, both in domestic and international postal traffic.

SE - Sweden

- User means every natural or legal person benefiting from the provision of postal services as a sender or recipient.
- Letter means an addressed mail item that is enclosed in an envelope or other wrapping weighing at most 2 kg together with postcards and similar mail items.
- Postal item means an addressed mail item weighing at most 20 kg and which is deposited in the final form in which it shall be transported by a postal services provider.
- Postal operations means regular clearance, sorting, transport and distribution of letters for a charge.
- Postal service means clearance, sorting, transport and distribution of postal items for a charge.
- Universal postal service means nationwide postal service of good quality and whereby all users can receive postal items and, at reasonable prices of conveyance, can deposit such mail items. (Definitions from Swedish Postal Act 2010:1045)

SI - Slovenia

- Item of correspondence: shall mean a type of communication in written form on any kind of physical medium to be conveyed and delivered at the address indicated by the sender on the item itself or on its wrapping. Books, catalogues, newspapers and periodicals shall not be regarded as items of correspondence.
- Postal item: shall mean an item addressed in its final form in which it is to be carried by the postal service provider. In addition to items of correspondence, such items shall also include, for instance, books, catalogues, newspapers, periodicals and postal packages containing merchandise with or without commercial value.

SK - Slovakia

- Items of correspondence: An item of correspondence is a communication in written form on any kind of physical medium to be delivered to the address indicated by the sender on the item itself or on its wrapping. Items of correspondence are also accounts, invoices, financial statements or other reports with variable contents and form, concerning obligation or other relations between the sender and the addressee. Books, catalogues, newspapers and other periodicals shall be regarded as items of correspondence, even if they are the content of letter items.
- Direct mail: is a communication consisting solely of advertising, marketing, or publicity material and comprising an identical message, except for the addressee's name, address, and identifying number, which do not alter the nature of the message and which is sent to a significant number of addressees, to be delivered at the address indicated by the sender on the item itself or on its wrapping. Bills, invoices, financial statements, and other messages with non-identical content and form shall not be regarded as direct mail. Neither a communication which is combination of direct mail with another item under the same envelope is regarded as direct mail.
- Periodical item: is a postal item that contains periodical press according to a special regulation.



UK - The United Kingdom

- Postal services: means
 - (a) the service of conveying postal packets from one place to another by post,
 - (b) the incidental services of receiving, collecting, sorting and delivering postal packets, and
 - (c) any other service which relates to, and is provided in conjunction with, any service within paragraph (a) or (b).
- Postal packet: means a letter, parcel, packet or other article transmissible by post.
- Postal operator: means a person who provides
 - (a) the service of conveying postal packets from one place to another by post, or
 - (b) any of the incidental services of receiving, collecting, sorting and delivering postal packets.A person is not to be regarded as a postal operator merely as a result of receiving postal packets in the course of acting as an agent for, or otherwise on behalf of, another.

The Secretary of State may make regulations prescribing circumstances in which subsection is not to apply.



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COUNTRY CODES AND NRA ACRONYMS

COUNTRY CODE	NRA ACRONYM
AT – Austria	RTR
BE – Belgium	BIPT
BG – Bulgaria	CRC
CH – Switzerland	POSTCOM
CY – Cyprus	OCECPR
CZ – Czech Republic	CTU
DE – Germany	BNETZA
DK – Denmark	TBST
EE – Estonia	ECA
EL – Greece	EETT
ES – Spain	CNMC
FI – Finland	FICORA
FR – France	ARCEP
FYROM – Former Yugoslavia Republic of Macedonia	AP
HR – Croatia	HAKOM
HU – Hungary	NMHH
IE – Ireland	COMREG
IS – Iceland	PFS
IT – Italy	AGCOM
LT – Lithuania	RRT
LU – Luxembourg	ILR



LV – Latvia	SPRK
MT – Malta	MCA
NL – The Netherlands	ACM
NO – Norway	NKOM
PL – Poland	UKE
PT – Portugal	ANACOM
RO – Romania	ANCOM
RS – Serbia	RATEL
SE – Sweden	PTS
SI – Slovenia	AKOS
SK – Slovakia	RU
UK – The United Kingdom	OFCOM