

GLOSSARY – DATA COLLECTION ON POSTAL SERVICES

1.0 INTRODUCTION

Source of postal data

EUROSTAT receives data on postal services from the National Regulatory Authorities.

Symbols used

na: Data not available
x: Not applicable
c: Confidential
e: Estimated

General observations/instructions

Member States **must provide extra detailed comments and/or footnotes to the data** when there are:

1. Major increases or decreases of data volumes between reference years
2. If data are not provided as predefined in this glossary. For instance, you must provide an explanatory footnote:

- If employment figures are given in full time equivalents (FTE) instead of the requested head count (HC)
- If quality indicators are provided in a percentage other than the assumed indicator of D+1 (DOM 501).

3. **If data are not provided at all, use the above symbols and/or provide an explanation. When the indicator is equivalent to zero please place a 0 in the relevant excel cell** (as this is not always obvious to an external reader).

The timing of the data collection process would improve if each NRA counterchecks the USP data via the national post homepage or annual reports. If data is missing, it would be useful if each NRA contacts directly their national operator or provide estimates (if estimates are provided, please report the method in a footnote).

Data collection for non-USPs - sampling (for NRAs)

The NRAs must define in their country a relevant sample (representative sample), send the non-USP questionnaire to the pre-defined sample, and collect the data.

The NRAs must inform Eurostat whether the provided data on non-USPs come from:

A. All non-USPs (this may be the case in some countries where there are only few new operators), or

B. A representative sample. If this is the case then:

- Specify the method for defining the representative sample, and
- Specify the reply rate from non-USPs

Possible problems encountered are that: (a) some countries have a large number of operators making sampling more difficult, (b) sometimes it is unclear if the exact number of operators is available in a specific country.

1.1 GENERAL INFORMATION

1.1.1 EMPLOYMENT

EMP 106: Number of persons employed for the provision of postal and related services domestically

The indicator of domestic employment refers to the number of persons employed **in postal and related services**¹ within the economic territory of the country of reference

This indicator **includes**:

- Persons who work in the observation unit (including working proprietors, partners working regularly in the unit and unpaid family workers), as well as persons who work outside the unit who belong to it and are paid by it (i.e., sales representatives, delivery personnel, repair and maintenance teams).
- **Persons absent for a defined period** (i.e., sick leave, paid leave, maternity leave or special leave), and also those on strike, but not those absent for an indefinite period.
- **Part-time workers** who are regarded as such under the laws of the country concerned, and who are on the pay-roll, as well as seasonal workers, apprentices and home workers on the pay-roll.

¹ Postal and "related services" includes postal operations and CEP (courier/express/parcels) services. It excludes unaddressed items.

The number of persons employed in this category **excludes**

- Manpower supplied to the unit by other enterprises, persons carrying out repair and maintenance work in the enquiry unit on behalf of other enterprises, as well as those on compulsory military service.
- Unpaid family workers refer to persons who live with the proprietor of the unit and work regularly for the unit, but do not have a contract of service and do not receive a fixed sum for the work they perform. This is limited to those persons who are not included on the payroll of another unit as their principal occupation.

Note:

1. The number of persons employed should be measured as **an average over the reference year**.

2. **Postal and "related services" includes postal operations and CEP (courier/express/parcels) services.** The employment indicators exclude staff working in companies' other activities such as financial services (i.e. money orders, giro and savings bank or postal bank services).

3. The employment indicators are reported in Head Count (actual numbers) rather than Full Time Equivalents (FTE). If data is reported in FTE, please mention this in a footnote.

1.1.2 POSTAL ESTABLISHMENTS

STA 106: Number of enterprises providing postal services

This indicator includes the total number of enterprises providing **postal and related services**.² The count refers to the population concerned in the business register corrected for errors. Dormant units are excluded.

It should be noted that the recommendations on business registers only considers units to be enterprises if they employ at least 0.5 persons measured in full-time equivalents per year.

The statistics in this group should include all units active on 1 January of the reference year.

² This refers to postal operations and CEP (courier/express/parcels) services.

$$\text{STA 106} = \text{STA 107} + \text{STA 108} + \text{STA 109} + \text{STA 110}$$

Note:

In order to avoid double-counting, only one of the next four licensing/authorisation options should be selected per enterprise - the **most dominant one**.

STA 107: Companies providing a universal service

This indicator refers to **designated public or private entities providing a universal service** or parts thereof within a Member State whether required by license, authorisations or other legal instruments.

STA 108: Companies providing postal service under individual license

An individual licence refers to an authorisation³ which is granted by a national regulatory authority and which gives an undertaking specific rights, or which subjects that undertaking's operations to specific obligations supplementing the general authorisation where applicable, where the undertaking is not entitled to exercise the rights concerned until it has received the decision by the national regulatory authority.

STA 109: Companies providing postal service under general authorisation

A general authorisations refers to an authorisation³, regardless of whether it is regulated by a 'class licence' or under general law and regardless of whether such regulation requires registration or declaration procedures, which does not require the undertaking concerned to obtain an explicit decision by the national regulatory authority before exercising the rights stemming from the authorisation.

STA 110: Companies providing postal service on normal commercial basis

None of the above.

³ Authorisation is any permission setting out rights and obligations specific to the postal sector and allowing undertakings to provide postal services and, where applicable, to establish and/or operate postal networks for the provision of such services, in the form of a 'general authorisation' or 'individual licence.'

1.2 ACCESS POINTS

ACC 201: NUMBER OF ACCESS POINTS: **access points** are physical facilities, including letter boxes provided for the public either on the public highway or at the premises of the providers of postal and related services, where postal items may be deposited by customers for processing in postal and related services.

ACC 201= ACC 202+ACC203+ACC204+ACC205

ACC 202: (post) Offices open to the public and Postal agencies

Offices open to the public refer to offices to which customers may apply for all postal services. They include:

FIXED

ACC 2021: Full-service post offices/agencies/outlets are "permanent" offices to which, in principle, customers may go for all postal services, including sections of exchange offices or sorting offices offering similar services,

ACC 2022: Other post offices/agencies/outlets generally have **reduced services and/or limited opening times** for the public, including sections of exchange offices or sorting offices offering similar services

MOBILE

ACC 2023: Mobile post offices are set up in a train, a road transport vehicle or a boat, which serve regions without permanent post offices. This category also includes rural delivery personnel **providing services similar to the counter services of a post office** (not just delivery). Users can also deposit parcels, letters or express items with them or make payments to them.

ACC 203: Letter-boxes

Letter-boxes include letter boxes provided for the public either on the public highway or at the premises of the universal service provider, where postal items may be deposited with the public postal network by customers.

The count of letter boxes should refer to the number of geographical points where letter-boxes are located, i.e. where several letter-boxes are set together at the same place, they should be accounted for one (e.g.

existence at the same place of two letter boxes, one aiming at collecting cross-border mail and the other for domestic mail).

ACC 204: Post office box

A post office box (P.O. Box) is a facility available to users who ask for such a service, where the mail is delivered instead of their actual postal address. It is regarded as a temporary address for mail.

ACC 205: Places at which only stamps can be bought

Depending on local practice this could include automatic vending machines at shopping centres or attached to letter boxes, or supermarkets, newsagents, *tobacconists*, and other retail outlet **when stamps and/or stamped stationery are sold on commission or any other contractual basis on behalf of the postal operator.**

Note:

1. In case stamps are sold as part of a larger assortment (i.e., with postal card or box): if places selling such assortments **only sell this postal service** (i.e. sale of stamps and/or stamped stationery) and if these places are not already categorised in indicator ACC 202, they should be reported in ACC 205.

1.3 FINANCIAL RESULTS

FIN 303: Turnover: Total turnover from the provision of postal and related services, domestically

Turnover comprises the totals invoiced by the observation unit during the reference period, and this corresponds to market sales of services supplied to third parties. **Receipts from foreign operators are also included.**

Turnover includes:

- all duties and taxes on the services invoiced by the unit with the exception of the VAT invoiced by the unit vis-à-vis its customer and other similar deductible taxes directly linked to turnover.
- all other charges (transport, packaging, etc.) passed on to the customer, even if these charges are listed separately in the invoice.
- Reduction in prices, rebates and discounts as well as the value of returned packing must be deducted.

Turnover excludes:

- Income classified as other operating income, financial income and extraordinary income in company accounts
- Operating subsidies received from public authorities or the institutions of the European Union.

Note:

1. Indirect taxes can be separated into three groups.

(i) The first comprises VAT and other deductible taxes directly linked to turnover, which are excluded from turnover. These taxes are collected in stages by the enterprise and fully borne by the final purchaser.

(ii) The second group concerns all other taxes and duties linked to products which are either 1) linked to turnover and not deductible or 2) taxes on products not linked to turnover. Included here are taxes and duties on imports and taxes on the production, export, sale, transfer, leasing or delivery of goods and services or as a result of their use for own consumption or own capital formation.

(iii) The third group concerns taxes and duties linked to production. These are compulsory, unrequited payments, in cash or in kind which are levied by general government, or by the Institutions of the European Union, in respect of the production and importation of goods and services, the employment of labour, the ownership or use of land, buildings or other assets used in production irrespective of the quantity or the value of goods and services produced or sold.

FIN 304: Operating expenditures (domestic)

Total operating expenditures domestically covers all operating expenses, including:

- Staff costs (i.e. wages, salaries, social security contributions)
- Transport costs of all kinds paid to third parties (i.e. road, rail, sea or air carriers);
- Payments made to foreign operators;
- Interest on borrowed money;
- Depreciation and amortisation losses (i.e., buildings, machinery, motor vehicles, operational equipment, land).
- Other operating expenditures (i.e., telecommunications costs, office supplies, insurance costs, legal costs, training costs, other property related costs)

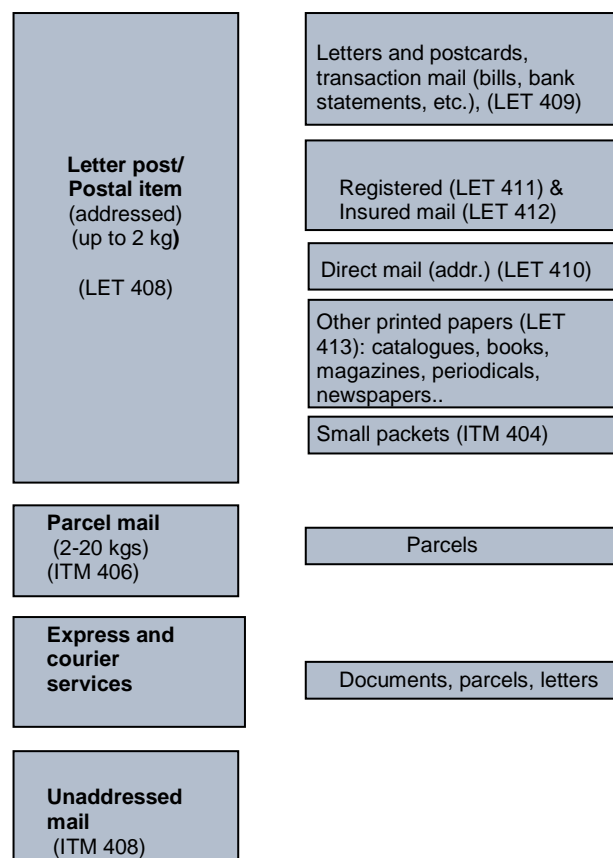
The financial information supplied by each postal administration results from the application of accounting standards applied by the public postal operator. These accounting standards vary considerably from one country

to another, and make it difficult to compare the financial information provided by the different postal operators. One must indicate whether the accounting standards used are comparable with those applied by public administrations or by the private economic sector.

1.4 BREAKDOWN OF TRAFFIC

This section refers to the number of items handled in postal and related services for the specified segments. **Domestic and incoming international items are included in the total figures. Outgoing international mail is excluded in order to avoid double counting across countries.**

Figure 1: Breakdown of traffic



1.4.1: TOTAL POSTAL AND RELATED SERVICES

ITM 401= ITM 402+ITM 404+ITM 405+ITM407 + ITM408

ITM 402: Letter-post services and letter-post items

Services: **standard services** involving the clearance, sorting, transport and delivery, traditionally offered by USPs, or not significantly different from these. This includes 1st and 2nd class and equivalent services.

- Consignments: **letter-post items** consist of addressed letters, postcards, other printed papers (newspapers, periodicals, catalogues, etc), small packets, literature for the blind ("phonopost" items, etc.), commercial papers, samples of merchandise, etc. It excludes parcels.

- Upper limit: **Size:** 381mm x 305mm x 20mm; **Weight: maximum 2kg** (in some countries this ITM is split into letter post and Small packets – if so, please also fill in ITM 404)

Note: In cases where the reference country has two separate streams (letters and small packets), it should be reported separately in ITM 402 and ITM 404. In cases where there is no separate stream all letter-post services and items should be reported in ITM 402.

ITM 402= INCLUDES ITM 403

NOTE: Large increases or decreases of volumes should be explained.

ITM 403: Reserved area

Reserved services refer to the "standard letter post" service area, where the USP enjoys exclusive rights.

The reserved area is delineated at country level **within weight/price limits** given by the EC postal directives (97/67/EC and 2002/39/EC, Article 7.1).⁴ The NRA should provide the country definitions for the reserved area in the *country fact sheets* section of their questionnaire (more specifications can be found in section 1.8 of this glossary)

⁴ As described in the Directive "The weight limit shall be **100 grams from 1 January 2003** and **50 grams from 1 January 2006**. These weight limits shall not apply as from 1 January 2003 if the price is equal to, or more than, three times the public tariff for an item of correspondence in the first weight step of the fastest category, and, as from 1 January 2006, if the price is equal to, or more than, two and a half times this tariff."

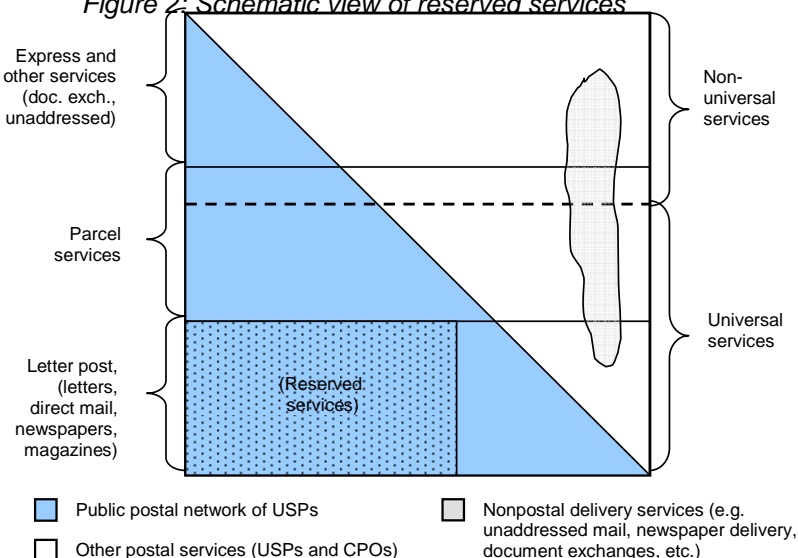
Note:

1. The indicator on reserved area is part of ITM 402, please avoid double-counting.

2. Again large increases or decreases of volumes should be explained.

3. Please indicate in a footnote weight limit of the reference year.

Figure 2: Schematic view of reserved services



Source: WIK (2004, p.22)

ITM 404: Small packets (if there is separate stream)

In some countries small packets follow a separate operational stream from the letter-post items, and in this case they should be reported separately in ITM 404. If on the contrary letter-items and small packets follow the same operational stream, small packets should be reported under letter-items (ITM 402) and this should be explained in a footnote.

- Lower limit: Larger than the letter post items mentioned above
- Upper limit: **Less than 2 KGs**

Note:

There may be variations in the reporting of the traffic of small packets amongst countries due to differences in the pricing systems, operations, and definitions of postal items. The different reporting options are mentioned below:

1. About half of the EU countries have adopted "format" or "sized based" pricing. The REIMS agreements also use *format pricing*. Under this pricing system, different prices are charged for letters and large envelopes with a

maximum weight of 500g, and different prices are charged for small packets. These countries will be able to supply separate statistics for the two types of items (ITM 402 and ITM 404).

2. Some other countries require customers sending items in the "small packet" category to post them as parcels. In this case no statistics can be included in ITM404, and instead the data should be included in ITM 406 (parcels) with an explanatory footnote.

3. In the other countries the traditional UPU definition of a letter applies (i.e. up to 2kg). In this case no statistics should be included in ITM 404 (small packets), and instead the data should be included in ITM 402 (letter-post item) with an explanatory footnote.

ITM 405: Courier, Express and Parcel Services (CEP), TOTAL

CEP services comprise courier, express and parcels services as defined below.

Courier services:

Services: courier services are named after the courier, who provides personal accompaniment for a consignment. Courier services are *postal and related services* in which the item is always under the responsibility of the same person.

Consignments: any *postal item* (the distinction with freight transportation is made in consideration of the upper limits for parcels).

Express services

Services: express services are *postal and related services* characterised by the fact that they are accelerated as compared to the universal service, and employ transfer centres in order to convey the items entrusted to them (distinction with courier services).

Consignments: any *postal item* (the distinction with freight transportation is made in consideration of the upper limits for parcels).

Parcels services and ordinary parcels

Services: standard/ordinary postal services, and non-standard services except courier and express.

Consignments: parcels.

ITM 405= INCLUDES ITM 406

ITM 406: Ordinary parcels

Ordinary parcels are defined as items normally containing merchandise and sent by a standard/ordinary service, i.e. non-express and non-courier, and are carried by the USP or private operators.

Parcels are distinct from letter-post items (especially small packets) and transportation freight respectively in consideration to lower and upper weight and size limits.

- Lower limit: parcels weighing 2 kg or more
- Upper limit: parcels weighing 10 kg or 20 kg depending on the limit decided by the NRA in accordance with Directive 97/67/EC

ITM 407: Other postal and related service

Other postal and related services are unclassified services, such as:

- services involving clearance, sorting, transport and delivery that are not classified as standard, courier or express services (i.e. upstream activities such as only transport access services, or items delivered on behalf of other operators)
- hybrid mail services (electronic-based postal service whereby the sender posts the original message in either a physical or an electronic form, after which it is electronically transmitted and converted into a letter-post item for physical delivery to the addressee)

Note: It excludes unaddressed mail items.

ITM 408: Unaddressed mail items

Unaddressed mail includes items without an address (i.e. unaddressed direct mail (UDM) is mainly advertising mail such as catalogues, flyers, leaflets, brochures). This is a newly introduced indicator. It must be noted that the Postal Directive only focuses on "addressed" mail.

1.4.2: BREAKDOWN OF LETTER-POST/POSTAL ITEM SERVICES

LET 408: Letter-Post services, total

A postal item is an item addressed in the final form in which it is to be carried by a postal service provider. Postal items include

- Items of correspondence: letters, postcards, (and addressed direct mail)

- Other items: books, catalogues, newspapers, periodicals and postal packages containing merchandise with or without commercial value;

Excludes:

- Unaddressed items.

ITM 402=LET 408 =LET 409+410+411+412+413

Note: The equivalence of ITM 402=LET 408 may not apply to all countries possibly due to the fact that these countries integrate small packets into ITM 402.

LET 409: Ordinary letters and postcards

Ordinary letters include personalised letters, postcards, as well a transaction mail (such as bank statements)

LET 410: Direct Mail (addressed)

Direct mail is defined as 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 as well as other modifications which do not alter the nature of the message, which is sent to a significant number of addressees, to be conveyed and delivered at the address indicated by the sender on the item itself or on its wrapping. Excluded are:

- Bills, invoices, financial statements and other non-identical messages shall not be regarded as direct mail.
- A communication combining direct mail with other items within the same wrapping shall not be regarded as direct mail.

Note:

1. For the distinction between **direct mail** and **letters and postcards**, the item's format and weight are not considered. One of the purposes of the distinction between direct mail and letters and postcards is linked to the delineation of the reserved area. The weight/price limits stated in the EC postal directives apply to items of correspondence. In practice, the limits implemented by each country may differ depending on whether items are direct mail or other items of correspondence.

2. Please specify in the footnote area if the figures for direct addressed and unaddressed mail are quoted together.

LET 411: Registered Mail

Registered items are items which the sender has asked to be delivered to the addressee against a receipt. It is a service providing a flat-rate guarantee against risks of loss, theft or damage and supplying the sender, where appropriate upon request, with proof of the handing in of the postal item and/or of its delivery to the addressee.

Note:

1. Some countries cannot split the figures between registered and insured mail, as sometimes a registered item may also be insured – thus there is a risk of double counting. Please note in the footnote area if this is the case in your reference country.

LET 412: Insured Mail

Insured mail is mail containing securities or valuable documents or articles. Insured mail is insured for the amount of the value declared by the sender in the event of loss, theft or damage.

LET 413: Other letter-post items

Other (addressed) letter-post items cover printed papers (generally weighing less than parcels) such as printed matter (journals, newspapers, catalogues, periodicals), and other specific items (i.e. literature for the blind and, as applicable in the domestic service, samples of merchandise, “phonopost” items)

This category does not cover addressed items such as:

- letters and postcards,
- parcels, and
- direct mail.

1.5 QUALITY INDICATORS IN THE SCOPE OF THE UNIVERSAL SERVICE (ONLY USP)

The efficiency of postal service ($D + n$)⁵ is described for both domestic and international (mail from intra-EU) service.

The traditional **quality indicator** of postal service is the percentage of letters delivered on time according to the national performance indicator stipulated by the NRAs, and the intra-EU (cross border mail) performance indicator stipulated by the EC.

⁵ D represents the date of deposit, and n represents the number of working days which elapse between the date of deposit (D) and the date of delivery to the addressee).

Domestic service

DOM 501: % of letters (fastest service) delivered on time according to national performance indicator (**assumed to be D+1 working day**)

DOM 502: % of parcels (fastest service) delivered on time according to national performance indicator (assumed to be D+1 working day)

Note: If another performance indicator is used (**other than D+1**), the reference country should state its standard in a footnote.

International service

INT 503: % of items delivered by D+3 (working days)

INT 504: % of items delivered by D+5 (working days)

1.6 PRICES (20 g, 1st class)

Prices of letters vary significantly between EU Member States according to various criteria. For reasons of comparability, **the price of a 1st class letter weighing less than 20 g is requested for three services:** domestic, intra-EU, and international.

Prices should be indicated as of 1 July of the reference year. In case preferential tariffs are granted (i.e. between certain countries) or if intra-EU and international tariffs vary by destination country, this should be explained in a footnote.

PRI 601: Domestic service

List price for the handling of a **standard (1st class) letter weighing less than 20 g** (universal service).

Note:

Please also provide in the footnote area the following information: (a) whether this price reflects a letter up to 50g, and (b) the dimensions it covers.

PRI 602: Intra-EU service

List price for the handling of a standard (1st class) letter weighing less than 20 g (universal service)

PRI 603: International service

List price for the handling of a standard (1st class) letter weighing less than 20 g (universal service)

1.7 DISCOUNTS

The USPs have a right to conclude individual agreements on special tariffs with customers as long as the tariffs are cost-oriented, uniform and non-discriminatory. Moreover, special tariffs have to take into account avoided cost as compared to the standard service offer covering all elements of the value chain (clearance, transport, sorting and delivery). The indicators on discounts report on the range of available discounts to **standard letter tariffs**⁶ offered on bulk mail/work sharing products.

DIS 604: Minimum discounts

This indicator refers to percentages of minimum tariff reductions as compared to standard letter tariffs irrespective of the product type (e.g. bulk mail or a work sharing product) or the final preparation/quality.

DIS 605: Maximum discounts

This indicator refers to percentages of maximum tariff reductions as compared to standard letter tariffs irrespective of the product type (e.g. bulk mail or a work sharing product) or the final preparation/quality.

DIS 606: Number of letters falling into this range:

Number of letters falling into this range refers to a percentage of the total amount of letter-items being subject to a discount in between the minimum and the maximum discounts reported in the previous indicators.

1.8 COUNTRY FACTS SHEET (for NRAs)

The information required in the Country Fact Sheet is necessary as background information as well as for statistical purposes.

Questions **X3-X8** refer to weight price limits of reserved area for domestic, incoming cross border and outgoing cross border mail.

Questions **X9-X11** refer to weight price limits of reserved area for direct mail.

Questions **X12 to X17** refer to the delivery time of the specified classes of postal items.

The universal service obligation includes provisions on the maximum delays, from the

⁶ The "standard letter tariff" refers to the tariff of a 1st class single item letter in the lowest weight category as specified in section 1.6.

posting of the letter, in which it should be delivered to the addressee. It also establishes the percentage of items processed in these conditions for the USO requirements to be considered fulfilled. As regards the

international service (within the EU), these requirements are established by the EC postal directives. In the domestic service, they are fixed at country level.