Report on core indicators for monitoring the European postal market

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CONTENTS

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 Directive.

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 and 2015, complemented with information provided by the countries in previous ERGP questionnaires. Therefore, the conclusions of the report reflect data from 2008 to 2015.

The report presents indicators for the following categories: market outcomes, market structure, volumes, revenues, employment and postal network.

Chapter 6.1 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 closest neighbour country.

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

- In 2015, the European average price for posting a domestic priority letter was €0.69, which represents a 6.3% annual price variation between 2008 and 2015. During this period, the highest price increase happened in the Western countries (8.7% on average/each year).
- For the non-priority domestic letter in 2015 the average price was €0.57, a 5.1% 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 109.7% (HR) to 7.7% (SE) between these two types of services.
- In 2015, the average price of an international letter sent within Europe was €1.03, an 8% increase compared with 2014. From 2011 to 2015, this price increased on average 5% each year.
- The international priority letter is, on average, about 60% more expensive than a domestic priority letter.

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

- In 2015, the European average price for posting a domestic parcel provided by the USP/incumbent was €6.10, a 4.1% annual nominal price variation between 2013 and 2015.
- The average price for posting an international parcel provided by the USP within Europe was €19.50. The average annual nominal price variation for the international parcel increased at a lower rate that for the domestic parcel (1.8% each year between 2013 and 2015).
- The international priority parcel is, on average, about 215% more expensive than a domestic priority parcel.

Chapter 6.2 analyses the market structure indicators. Between 2013 and 2015, the number of active postal service providers (PSP) slightly increased (0.75%), though this pattern was not the same in every country. Denmark had the highest percentage increase in 2015 (+33%), although this represents only an increase of 4 providers.

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 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 (87% on average for the volumes in 2015) and for the non-express market (70%). For the parcels and express segment, however, the USPs' volume market shares are much lower: 30% and 20%, on average, respectively, in 2015.

Chapter 6.3 examines indicators about postal volumes. For the countries which provided a consistent set of data between 2013 and 2015, the total number of objects decreased on average

4.3%/year. The fall in total volumes are due to the loss of letter volumes (-4.6% on average/year), which has not been compensated by the increase in the parcels volumes (6.9% 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 2015 was 6.7% while in 2013 was 5.2%. 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 (37.4% on average for revenues).

The number of postal items per capita has a wide dispersion amongst the ERGP countries, and between geographical clusters, ranging from 48 in the Eastern countries to 190 in the Western countries. The total volume per capita decreased in all the clusters reflecting the structural decline seen in the letters sector across most of Europe. However, has been more stable in the Eastern countries.

Regarding revenues figures (chapter 6.4), for the countries that provided a consistent set of data from 2013 to 2015, total revenues increased on average 0.3% each year. This is driven by an increase in parcel revenues (5.1% 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 the Western and Southern countries (-1.0% and -5.4%, respectively), while increasing in the Eastern countries (0.2%). Parcels revenues are increasing in all the clusters, which is due to the increase of the volumes of this segment.

Chapter 6.5 of the report lays out indicators about the employment in the postal sector. The total number of people employed by USPs and by other postal providers in ERGP countries has fallen 13.0% between 2008 and 2015.

Between 2013 and 2015, the total employment variation decreased on average -6.9%, which is mainly due to the decrease in the USP employment (decrease of -4.7% on average) and an average increase in the employment of the other postal providers (3.5%). For the majority of the countries there was a decrease in the total employment, with the exception of Luxembourg, Bulgaria, Latvia and Slovakia.

As to the postal establishments' indicators (chapter 6.6), between 2008 and 2015 the number of post offices operated by the USP has declined, while the number of post offices operated by other postal providers has increased.

In the majority of ERGP countries which have provided data for 2015, the number of USP postal establishments has decreased since 2011, with the exceptions of Denmark, Germany, Slovakia, Malta, Hungary and France.

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.

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 ERGP 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, 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 ERGP based on their relevance[1] and the review of its implementation by the NRAs[2].

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

The report is structured as follows:

[1] ERGP (12) 32 Report on indicators to monitor the postal market.
[2] 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 outlines the scope of services, including the definition of postal services and the services included within the scope of the US.
- Chapter 5 identifies the NRAs' powers to collect data on the postal market.
- Chapter 6 describes the key core indicators, namely on market outcomes, market structure, volumes and revenues, employment and postal network indicators.

3. METHODOLOGY

A questionnaire requesting data for 2013, 2014 and 2015 was sent to 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 mentioned questionnaire and to previous ERGP questionnaires, complemented by 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 2015.

The data used in the report is already collected by NRAs and is publicly available[3], 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 countries' specific notes and the reference to the section on definitions[4].

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 clusters[5]:

- 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.

[3] Only public data is included in the report, confidential figures are not presented in an individual form.
[4] 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.
[5] 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. SCOPE OF SERVICES

In Europe there is no common interpretation of the scope of postal services. Even if all countries consider correspondences and the postal parcels in the scope of postal services, the definitions might not be exactly the same.

Moreover, the scope of the US might also differ from country to country. As a consequence, when making comparisons we should have the country's specific definition in mind, namely by referring to Annex 1, which compiles the definitions by country.

4.1 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. The annex features each Member-States' definitions.

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.

In all countries, items of correspondence are included in the definition of postal services, although in CZ and PL, direct mail is not a postal service.

As the Postal Service Directive does not establish a weight limit, there is flexibility for the Member States to introduce a maximum weight. As such, half the countries have no weight limit for the correspondences, whereas the other half established the maximum weight of 2 kg – Figure 1.

Figure 1 – Weight limits of items of correspondence in the 2015

SERVICES	UP TO 2 KG (as established by law)	NO WEIGHT LIMIT
CORRESPONDENCE	BE, BG, CH, CY, DK, EL, FR, HU, IE, IT, MT, NO, PL, RS, SE, SI, SK	AT, CZ, DE, EE, ES, FI, FY, HR, IS, LT, LU, LV, NL, PT, RO, UK
TOTAL	17/33	16/33

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.

The majority of the countries include some sort of printed objects (books, catalogues, newspapers and periodicals) in the definition of postal services – Figure 2.

In CZ, FI, and the UK, printed objects are not included in the definition of postal services, although in the UK's case they can be sent using a postal service. This means that these countries do not have a specific category for printed objects. In HU, items containing books, catalogues or press products even though mentioned in the definition of postal items, in practice are not included, as there is no specific tariff for these items, with the exception of M bags[6].

In FR, printed objects are included in the definition of postal services but there is no specific service for books (which can be sent as letters).

Moreover, the majority of the countries have no weight limit for the printed objects and, as can be seen in Figure 2, in the majority of the countries books, catalogues, newspapers and periodicals do not represent a separate item category.

Figure 2 – Definitions and weight limits of Printed objects in 2015

[6] M bags (containing printed papers) are object of the Universal Postal Union (UPU) rules.

SERVICES	NO POSTAL SERVICES	WEIGHT LIMIT		
		2 KG (as established by law)	OTHER WEIGHT LIMIT (as established by law)	NO WEIGHT LIMIT
BOOKS	CZ, DK, EE, FI, UK,	EL, FR[7], HU[8], IT, MT, NO, RS, SE,	CY (UP TO 20 KG), BG (UP TO 5 KG), HU (30KG/Mbags), SI (UP TO 10 KG)	AT, BE, CH[9], DE[10], ES, FY, HR, IE, IS, LT, LU, LV, NL, PL[11], PT, RO, SK[12]
TOTAL	5/33	7/33	4/33	17/33
CATALOGUES	CZ, FI, NL, UK[13]	DK, EL, FR[14], HU[15], IE[13], IT, MT, NO, RS, SE	BG (UP TO 5 KG), HU (30KG/Mbags SI (UP TO 10 KG)	AT, BE, CH[16], CY, DE[17], EE, ES, FY, HR, IS, LT, LU, LV, PL[18], PT, RO, SK[19]
TOTAL	4/33	9/33	3/33	17/33
NEWSPAPERS AND PERIODICALS	CZ, FI, HU, UK,	DK[20], EL, FR HU[21],IE, IT, MT, NO, RS, SE	BG (UP TO 5 KG), HU (30KG/Mbags), SI (UP TO 10 KG)	AT, BE, CH, CY, DE, EE, ES, FY, HR, IS, LT, LU, LV, NL, PL, PT, RO, SK
TOTAL	3/33	9/33	3/33	18/33

Postal parcel

The Postal Service Directive does not provide a definition of postal parcels.

All countries consider postal parcel a postal service, but the maximum weight limit differs from country to country, and in almost half of them there is no weight limit. In these cases, this might add some difficulties in separating the transport market from the postal market.

[7] Only for universal service and for books which can be sent in letters.
[8] In case of international M bag containing books, and object connecting to the books (e. g disk, cassette, sample of goods).
[9] Not a special category.
[10] If delivery is undertaken by an operator who also delivers letters / parcels up to 20 kg.
[11] As letter 2kg, as parcel 20 kg.
[12] Books and catalogues do not have special postal service category or definition. They can be content of letters or parcels.
[13] Not a postal service as a specific product, but could be sent using a postal service.
[14] Only for US.
[15] In case of international M bag containing books, and object connecting to the books (e. g disk, cassette, sample of goods).
[16] Not a special category.
[17] If delivery is undertaken by an operator who also delivers letters / parcels up to 20 kg.
[18] As letter 2kg, as parcel 20 kg.
[19] Books and catalogues do not have special postal service category or definition. They can be content of letters or parcels.
[20] Periodicals are not postal services.
[21] In case of international M bag containing books, and object connecting to the books (e. g disk, cassette, sample of goods).

Figure 3 – Weight limits of Postal (non-express) parcels in 2015

SERVICES	20 kg (as established by law)	30 KG (as established by law)	50 KG (as established by law)	No weight limit
POSTAL PARCEL	BG, DE, DK, EL, FR[22], HU[23], IE, MT, NO, PL, SE	BE, CH, IT, NL, RS[24]	LT, RO, SI[25], SK[26]	AT[27], CY, CZ[28], EE, ES, FI, FY, HR, IS, LU, LV, PT, UK[29]
TOTAL	11/33	5/33	4/33	13/33

Express services

The Postal Service Directive does not provide a definition for express mail, express parcel or express services. There is only a reference in recital 18 of the Directive mentioning that the main difference between express mail and universal postal services lies in the value added provided by express services and perceived by customers. Nevertheless, the Commission's Notice on the application of the competition rules to the postal sector and on the assessment of certain State measures relating to postal services[30], includes the following definition of express mail service:

> "a service featuring, in addition to greater speed and reliability in the collection, distribution, and delivery of items, all or some of the following supplementary facilities: 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; monitoring and tracking of items dispatched; personalised service for customers and provision of an à la carte service, as and when required. Customers are in principle prepared to pay a higher price for this service".

Express mail is considered a postal service by all countries except DK, FI, FR, IE, LT[31], NL and NO. As for BG, all data in this report must be considered as relevant to courier service.

In most of the countries, there is no difference between the definition of express parcel and express mail[32]. In AT and LT there is no difference between express and non-express.

[22] Limit of 20kg only for parcels in the US.
[23] Limit of 20kg only for parcels in the US.
[24] Up to 31,5 kg.
[25] In the law there is only definition for USO (10 kg domestic and international outbound and 20 kg inbound). In general terms of Post of Slovenia is 30 kg, but on the price list are also other possibilities (business parcels and express).
[26] This is a regulatory limit, is not established in the law.
[27] There is a "regulatory" limit of up to 31,5 kg, but this limit is not defined in the law.
[28] There is a regulatory limit only for parcels in US (10kg domestic and 20kg from abroad).
[29] The term "parcel" is not defined in the UK legislation.
[30] 98/C 39/02.
[31] Postal parcel shall mean a postal item of up to 50 kg containing an article (articles) or merchandise with or without commercial value. No distinction between express and non-express.

In DE, IS, and RS express mail are postal services but express postal parcels are not postal services.

In PL there is no division in express items between parcels and letters.

The majority of countries which consider express postal services do not establish a weight limit.

Figure 4 – Definitions and weight limits of Express services in 2015

SERVICES	No postal service	2 kg (as established by law)	20 kg (as established by law)	30 KG (as established by law)	40 KG (as established by law)	50 KG (as established by law)	No weight limit
Express mail	DK, FI, FR, IE, LT, NL, NO	EL, SE, SK[33], IT, PL	MT		HU[34]	RO, SI[35]	AT[36], BE, BG[37], CH, CY, CZ, DE, EE, ES, FY, HR, IS, LU, LV, PT, RS, UK
TOTAL	7/33	5/33	1/33	0/33	1/33	2/33	17/33
Express parcels	BG, FI, FR, FY, IE, LT, NL, NO, IS, RS		DE[38], DK, LU, MT, PL, SE	AT[39], BE, IT,	HU[40]	RO, SI[41], SK[42]	CH, CY, CZ, EE, EL,ES, HR, LV, PT, UK
TOTAL	10/33	0/33	6/33	3/33	1/33	3/33	10/33

Unaddressed mail

Only CY, IT and BG consider unaddressed mail as postal services.

[32] For the purpose of this report, express services are defined as: "feature, in addition to greater speed and reliability, all or some of the following supplementary facilities: 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; personalised service for customers and provision of an à la carte service. It could be provided by USP/incumbent as well as by any other postal service provider".
[33] This is only a statistical limit, not established in the law.
[34] In Hungary there is only express item category up to 40 kg and there is not a separation between express mail (letter-post) and express parcels.
[35] In case of parcel, same addressee up to 500 kg In case of mail, same addressee up to 105 kg.
[36] No difference between express and non-express.
[37] According to Bulgarian law, express service means courier service.
[38] As an additional service to standard delivery.
[39] Up to 31,5 kg – no difference between express and non-express.
[40] In Hungary there is only express item category up to 40 kg and there is not a separation between express mail (letter-post) and express parcels.
[41] In case of parcel, same addressee up to 500 kg In case of mail, same addressee up to 105 kg.
[42] This is a regulatory limit, not established in the law.

4.2 Services within the scope of the universal service

Article 3 of the Postal Service Directive requires Member States to safeguard the provision of certain basic postal services, the universal service[43].

The services included in the US differ amongst countries but all of them include correspondence (domestic and international both inbound and outbound) within the scope of the US. The weight limit in all the countries is 2 kg with the exception of DE, FI and UK where there is no weight limit while in CH the weight limit is up to 1 kg. In BG the weight limit for inbound and outbound is 5 kg. In BG, DE, ES, PT, SI and UK direct mail does not fall within the scope of the US.

Figure 5 – Scope of the US – Items of correspondence in 2015

SCOPE OF UNIVERSAL SERVICE	1 KG	2 KG	NO WEIGHT LIMIT
CORRESPONDENCE: Domestic and International (Outbound and Inbound)	CH, DK	AT[44], BE, BG, CZ, CY, DE, EE, EL, ES, FI, FR, FY, HR, HU, IE, IS, IT, LU, LT, LV, MT, NL, NO, PL, PT, RO, RS, SE, SI, SK	UK
TOTAL	2/33	30/33	1/33

In 9 countries (CH, EE, FI, LT, LV, NO, PL and UK) bulk mail is excluded from the scope of the US. This is due to the fact that these countries do not have this category. Bulk mail is not defined as a separate service in CZ and in ES, all correspondence, even if it is posted in bulk, are delivered as single items.

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[43] "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 two kilograms,
- the clearance, sorting, transport and distribution of postal packages up to 10 kilograms,
- 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 20 kilograms 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 20 kilograms are delivered within their territory."

[44] Excluding from the US the items which are deposited in distribution centers".

The majority of the countries also include some sort of printed objects in the scope of the US. The weight limit is usually up to 2 kg, except in BG and NL (for international only) where the limit is up to 5 kg and in LU where it is up to 10 kg. In DE and IS there is no weight limit.

Figure 6 – Services within the scope of the universal service - printed objects in 2015

SCOPE OF UNIVERSAL SERVICE		TOTAL	COUNTRY
BOOKS	**Domestic**	21/33	AT[44],BE, BG, CH, CY, DE, DK, EL, FR, FY, IS, IT, LU, LV, MT, NO, PT, RO, RS, SE, SI
	International Outbound	22/33	AT[44], BE, CH, CY, DE, DK, EL, FR, FY, HU (as Mbags), IE[45], IS, IT, LU, LV, MT, NL, NO, PT, RO, RS, SE, SI
	International Inbound	20/33	AT[44], BE, CH, CY, DE, DK, EL, FR, FY, HU (as Mbags), IS, IT, LU, LV, MT, NL, NO, PT, RO, RS, SE, SI
CATALOGUES	**Domestic**	21/33	AT[44], BE, BG, CH, CY, DE, DK, EL, FR, FY, IS, IT, LU, LV, MT, NO, PT, RO, RS, SE, SI
	International Outbound	20/33	AT[44], BE, CH, CY, DE, DK, EL, FR, FY, HU (as Mbags); S, IT, LU, LV, MT, NO, PT, RO, RS, SE, SI
	International Inbound	20/33	AT[44], BE, CH, CY, DE, DK, EL, FR, FY, HU (as Mbags); S, IT, LU, LV, MT, NO, PT, RO, RS, SE, SI
NEWSPAPERS	**Domestic**	21/33	AT[44], BE[46], BG, CH, CY, DE, DK, EL, FR, FY, IS, IT, LU, LV, MT, NO, PT, RO, RS, SE, SI
	International Outbound	20/33	AT[44], BE, CH, CY, DE, DK, EL, FR, FY, HU (as Mbags), IS, IT, LU, LV, MT, NO, PT, RO, RS, SE, SI
	International Inbound	20/33	AT[44], BE, CH, CY, DE, DK, EL, FR, FY, HU (as Mbags), IS, IT, LU, LV, MT, NO, PT, RO, RS, SE, SI
PERIODICALS	**Domestic**	20/33	AT[44], BE[47], BG, CH, CY, DE, EL, FR, FY, IS, IT, LU, LV, MT, NO, PT, RO, RS, SE, SI
	International Outbound	20/33	AT[44], BE, BG, CH, CY, DE, EL, FR, FY, HU (as Mbags), IS, IT, LU, LV, MT, NO, PT, RO, RS, SE, SI
	International Inbound	20/33	AT[44], BE, BG, CH, CY, DE, EL, FR, FY, HU (as Mbags), IS, IT, LU, LV, MT, NO, PT, RO, RS, SE, SI

Regarding the parcels, although all countries include them on the US scope, different definitions are used, the main difference being the maximum weight.

Figure 7 – Services within the scope of the universal service - Parcels in 2015

[45] Up to 5 kg

[46] Only for those who are not covered by the SIEG and those who have chosen not to use the SIEG offer, both domestic and international.

[47] Only for those who are not covered by the SIEG and who have chosen not to use the SIEG offer, both domestic and international.

SCOPE OF UNIVERSAL SERVICE		WEIGHT	TOTAL	COUNTRY
PARCELS	**Domestic**	**<=10 Kg**	15/33	AT[48], BE, CZ, FI,FY, HR, LT, LU, LV, NL, PL, PT, RO, SI, SK
		<=20 Kg	18/33	BG, CH, CY, DE, DK, EE, EL, ES, FR, HU, IE, IS, IT, MT, NO, RS[49], SE, UK
	Int. Outbound	**<=10 Kg**	14/33	AT[50], BE, CZ, FI, HR, LT, LU, LV, PL, PT, RO, RS, SI, SK
		<=20 Kg	19/33	BG[51], CH, CY, DE, DK, EE, EL, ES, FR, FY, HU, IE, IS, IT, MT, NL, NO, SE, UK
	Int. Inbound	**<=10 Kg**	2/33	AT[52], LU[53]
		<=20 Kg	31/33	BE, BG[54], CH, CY, CZ, DE, DK, EE, EL, ES, FI, FR, FY HR, HU, IE, IS, IT, LT[55], LV, MT, NL, NO, PL, PT[56], RO, RS, SE, SI, SK, UK

Only AT, DE[57], LU, and UK[58], include to some extension the express services within the scope of the US.

[48] No difference between express and non-express. Items which are deposited in distribution centers are excluded from the US.
[49] Up to 31,5 kg.
[50] No difference between express and non-express. Items which are deposited in distribution centers are excluded from the US.
[51] Up to 31,5kg.
[52] No difference between express and non-express. Items which are deposited in distribution centers are excluded from the US.
[53] From EU countries up to 20 kg.
[54] Up to 31,5kg.
[55] From EU countries up to 20kg.
[56] From EU countries. The limit is 10Kg when incoming from non-EU countries.
[57] Only international.
[58] The Universal Service Postal Order sets out that Registered and insured services are included in the USO:
4.—(1) One or more domestic single piece services for the conveyance of insured items weighing no more than 10 kilograms and registered items weighing no more than 10 kilograms, which—
(a) have a routing time of D + 1;
(b) have a target delivery time of 1pm, except where this is not reasonably possible;
(c) include provision of a tracking facility;
(d) include provision of proof of delivery on application by the sender; and
(e) are paid for in advance.
http://stakeholders.ofcom.org.uk/binaries/consultations/post/statement/Annex3.pdf
The way express services are defined in the questionnaire (Express services: feature, in addition to greater speed and reliability, all or some of the following supplementary facilities: 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; personalised service for customers and provision of an à la carte service. Could be provided by USP/incumbent as well as by any other postal service provider.), includes these services.

Figure 8 – Services within the scope of the universal service – Express (mail and parcels) in 2015

SCOPE OF UNIVERSAL SERVICE		TOTAL	COUNTRY
EXPRESS MAIL	**Domestic**	3/33	AT (2kg), LU (2kg), UK (10kg)
	International Outbound	4/33	AT (2kg), DE, LU (2kg), UK (5kg)
	International Inbound	4/33	AT (2kg), DE, LU (2kg), UK (5kg)
EXPRESS PARCEL	**Domestic**	3/33	AT (10kg), LU (10kg), UK(10kg)
	International Outbound	4/33	AT (10kg), DE, LU (10kg) UK (5kg)
	International Inbound	4/33	AT (10kg), DE, LU (10g; 20kg intra-EU); UK (5kg)

AT: No differentiation between express and non-express in Austria.

Bulk is included in the scope of the US in AT, BE, ES, FR, PT and in DE and NL (in these last 2 countries only international).

Figure 9 – Services within the scope of the universal service – Bulk in 2015

SCOPE OF UNIVERSAL SERVICE		TOTAL	COUNTRY
BULK	**Domestic**	5/33	AT (letters 2 kg; parcels 10kg), BE (2kg), ES (2kg), PT (up to 50 grs), FR (2kg)
	International Outbound	7/33	AT (letters 2 kg; parcels 10kg),BE (2kg), DE, ES (2kg), NL (letters: 2kg; parcels 20 kg), PT (up to 50 grs), FR (2kg)
	International Inbound	7/33	AT (letters 2 kg; parcels 10kg), BE (2kg), DE, ES (2kg), NL (letters: 2kg; parcels 20 kg), PT (up to 50 grs), FR (2kg)

5. NRAS' POWERS TO COLLECT DATA

All NRAs have powers to collect data in the field of postal services to a certain extent, even if these powers are only related to a limited set of services (Figure 10).

The Northern Europe countries are the ones with more restrictive powers to collect postal services data, the most extreme case being Norway, which has only power to collect data from the USP on the US. Other examples of limited powers to collect data:

- Denmark has only powers to collect data within the US scope (both USP and OPSP) and on express services;
- Finland has only powers to collect data from only the USP and regarding express services;
- Sweden has powers to collect data but solely in terms of letter mail distribution companies, according to Swedish law[59];
- The Netherlands can require from any (natural or legal) person the data and information that it needs to properly execute the duties with which it is charged by or pursuant to the Postal Act. Consequently, the Dutch regulator (ACM) is not entitled to require information or data that cannot be related to any duties under the Postal Act. In practical terms, ACM is collecting data from the USP and from the OPSP on non-US.

Figure 10 – NRAs' powers to collect data

	ANSWER	TOTAL	COUNTRY (NRA)
From the USP on US	Yes	33/33	AT, BE, BG, CH, CZ, CY, DE, DK, EE, EL, ES, FI, FR, FYROM, HR, HU, IE, IT, IS, LT, LU, LV, MT,NL, NO, PL, PT, RO, RS, SE, SK, SI, UK
From the USP on non-US	Yes	31/33	AT, BE, BG, CH, CZ, CY, DE, EE, EL, ES, FI, FR, FYROM, HR, HU, IE, IT, IS, LT, LU, LV, MT, NL, PL, PT, RO, RS, SE, SK, SI, UK
	No	2/33	DK, NO
From OPSP within the scope of the US	Yes	28/33	AT, BE, BG, CH, CZ, CY, DE, DK, EE, EL, ES, FR[60], FYROM, HR, HU, IE, IS, IT, LT, LU, LV, MT, PT[61], RO, SE, SI[62], SK[63], UK
	No	5/33	FI,NL, NO, PL[64], RS

[59] According to the definitions in the Swedish Postal Act, only letter mail operators need to be licensed, the only under PTS's supervision.
[60] Only regarding postal providers which have an individual licence granted by the NRA.
[61] The NRA has the power to collect data only from authorised or licensed providers.
[62] Only the USP provides US.
[63] We do not have other operators providing US; they provide only interchangeable services.
[64] From other OPSP on US - it is not possible to collect data on US by OPSPs, unless you have referring to services within the scope of universal services. However, it is another category of services in the polish postal law.

From OPSP on non-US	Yes	30/33	AT, BE, BG, CH, CZ, CY, DE, EE, EL, ES, FR[65], FYROM, HR, HU, IE, IS, IT, LT, LU, LV, MT, NL, PL, PT[66], RO, RS, SE, SK, SI, UK
	No	3/33	DK, FI, NO
Express	Yes	27/33	AT[67], BE, BG[68], CH[69], CZ, CY, DE, DK, EE, EL, ES, FI, FYROM, HR, HU[70], IT, LT, LU, LV, MT, PL, PT, RO, RS, SK, SI, UK
	No	6/33	FR, IE[71], IS, NO, NL, SE
Bulk	Yes	22/33	AT, BE, CY, DE, EE, EL, ES, FI, FR[72], HU[73], IE, IT, IS, LT, LU, LV, MT, NL, PT, SE, SK, UK
	No	7/33	BG[74], CH, FYROM[75], HR, NO, PL, RS
	Not applicable	4/33	CZ[76]; DK, RO[77], SI[78]

In turn, some countries might have the powers to collect data but do not do so. Regarding the power to collect data from USP in the field of non-US, all NRAs, with the exception of NKOM (Norway) and TBST (Denmark), have powers to collect this data. Of these, all NRAs except COMREG (Ireland) and PFS (Iceland) collect this data. In ComReg's case, there is no need to collect data from the USP in the field of non-US as ComReg's focus, consistent with legislation, is on the universal postal service (where there is no effective competition) and any necessary information on non-US for the USP is provided by the USP in its Regulatory Accounts.

[65] Only regarding postal providers which have an individual licence granted by the NRA.
[66] The NRA has the power to collect data only from authorised or licensed providers.
[67] In theory, as in AT there is no distinction between express and non-express.
[68] According to Bulgarian law, express service means courier service.
[69] Publication of express & courier together.
[70] It is part of the non-US.
[71] Express is not a postal service.
[72] Only regarding postal providers which have an individual licence granted by the NRA
[73] It is part of the US.
[74] No clarification for Bulk mail in the Postal Services Act.
[75] The NRA does not collect bulk separately
[76] Bulk mail is not separate service in CZ.
[77] Bulk not defined.
[78] No definition for bulk.

As for the collection of data from other postal service providers (OPSP), the majority of the NRAs have powers to collect this information and they exercise this power. The exceptions are the NRAs from IE[79], IS, LU and NL that do not collect this information, even having this power.

In the field of express services, 28 NRAs[80] have powers to collect data. It should be underlined that the NRA from DK has the power to monitor these services but it does not collect it.

In what concerns the power to collect data on bulk postal items, 22 NRAs have this power and 21 are collecting this information, the exceptions being the NRAs of AT, BG, CZ, FYROM, LU and RO, as bulk services are not defined as being a distinct postal service.

Figure 11 – Collection of data by the NRAs[81]

	ANSWER	TOTAL	COUNTRY (NRA)
From the USP on US	Yes	33/33	AT, BE, BG, CH, CZ, CY, DE, DK, EE, EL, ES, FI, FR, FYROM, HR, HU, IE[82], IT, IS, LT, LU, LV, MT, NL, NO, PL, PT, RO, RS, SE, SK, SI, UK
From the USP on non-US	Yes	31/33	AT, BE, BG, CH, CZ, CY, DE, EE, EL, ES, FI, FR, FYROM, HR, HU, IE[83], IT, IS, LT, LU, LV, MT, NL, PL, PT, RO, RS, SE, SK, SI, UK
	No	2/32	DK, NO
From other OPSP within the scope of the US	Yes	24/33	AT, BE, BG, CH, CZ, CY, DE, DK, EE, EL, ES, FR[84], FYROM, HR, HU, IT, LT, LV, MT, PT, RO, SE, SK, UK
	No	9/33	FI, IE, IS, LU[85], NO, NL, PL, RS, SI[86]
From other PO on non-US	Yes	28/33	AT[87], BE, BG, CH, CZ, CY, DE, EE, EL, ES, FR[88], FYROM, HR, HU, IT, LT, LU, LV, MT, NL, PL, PT, RO, RS, SE, SK, SI, UK
	No	5/33	DK, FI, IE, IS, NO

[79] Despite having the powers to do so, COMREG is not collecting this information, as ComReg's focus, as mentioned before, is on the universal postal service provided by the USP. At this time, ComReg does not see the need to collect data from OPSP and ensures that the regulatory burden is kept to a minimum.
[80] In AT in theory, as there is no distinction between express and non-express.
[81] BNETZA collects data in divergent intervals, does not collect necessarily yearly data for all categories.
[82] From the Annual Report of the USP
[83] From the Annual Report of the USP
[84] Only regarding postal providers which have an individual licence granted by the NRA
[85] N.a.
[86] Only the USP provides US.
[87] This category includes non-US and express services
[88] Only regarding postal providers which have an individual licence granted by the NRA

Express	Yes	24/33	BE, BG[89], CH[90], CZ, CY, DE, EE, EL, ES, FI, FYROM, HR, HU, IT, LT, LV, MT, PL, PT, RO, RS, SK, SI, UK
	No	9/33	AT[91], DK, FR, IE, IS, LU[92], NO, NL, SE
Bulk	Yes	21/33	BE, CY, DE, EE, EL, ES, FI, FR[93], FYROM, HU, IE[94], IT, IS, LT, LV, MT, NL, PT, SE, SK, UK
	No	11/33	AT, BG[95], CH, CZ, FYROM, HR, LU, NO, PL, RS, SI[96]
	Not applicable	2/33	DK, RO[97]

[89] According to Bulgarian law, express service means courier service.
[90] Publication of express & courier together
[91] In AT there is no distinction between express and non-express.
[92] no differentiation
[93] Only regarding postal providers which have an individual licence granted by the NRA
[94] USP Only and Bulk services within scope of Universal Service only; Taken from the Annual Report of the USP
[95] No clarification for Bulk mail in the Postal Services Act.
[96] As there is no bulk definition.
[97] Bulk not defined.

6. 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.

6.1 Market outcomes indicators

6.1.1 Letter price evolution in Europe

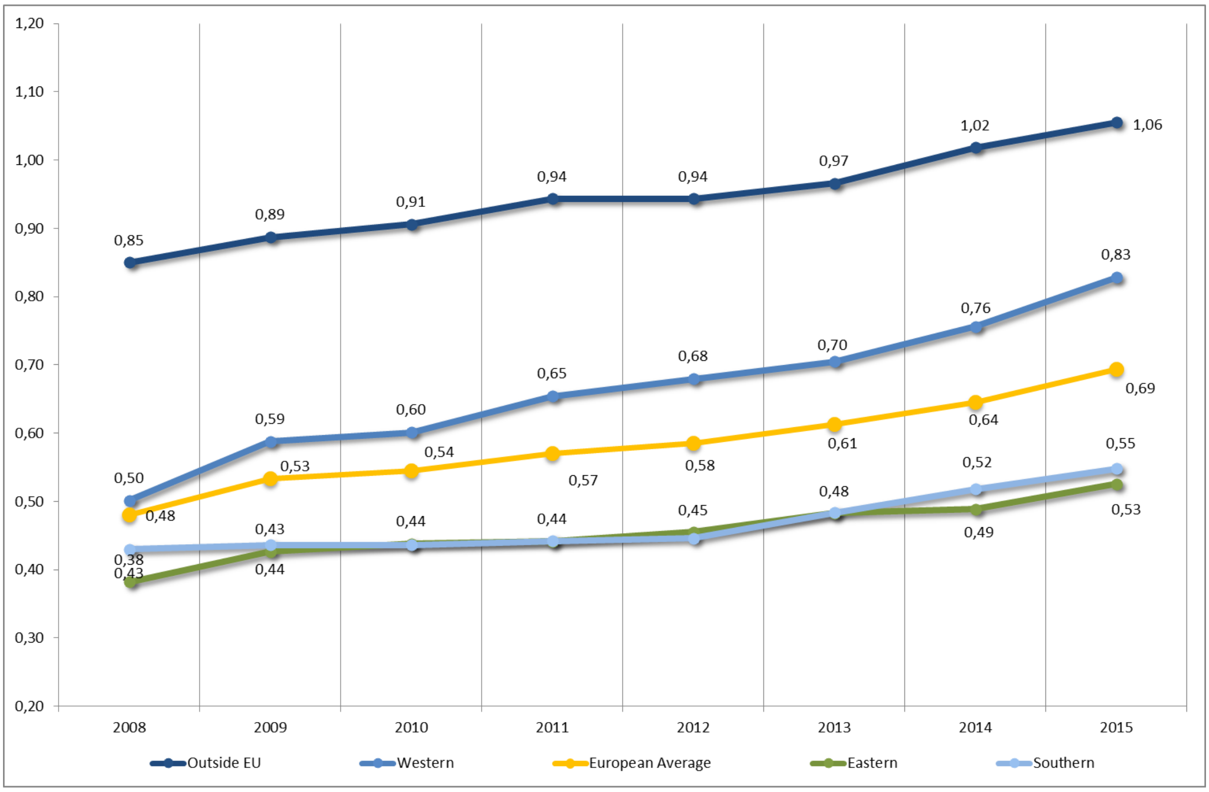
In 2015, the European average price for posting a domestic priority letter of the first weight step was €0.69, which represents a 6.3% annual nominal price variation between 2008 and 2015. The Western countries had the highest annual nominal price increase in this period (8.7%), while the countries outside the EU had the lowest (3.7%).

Considering geographical clusters, we can see in the figure below that the upward trend in domestic priority letter prices continued in 2015. It is worth noting that the priority letter price in Italy has been increased strongly at 1 October 2015 (going from €0.80 to €2.80)[98]. This increase is not reflected in the figure below, because this report uses the prices on 1 July for each year.

Furthermore, the average domestic priority letter prices of both Western and non-EU countries seem to converge (average price difference between the two clusters diminished from €0.37 in 2008 to €0.22 in 2015). As can be seen in the figure below, the difference in average domestic priority letter prices between Eastern and Southern countries is minimal throughout the years.

Figure 12 – Average prices of posting a domestic priority letter (1st weight step) – euros

[98] The Italian letter price increase has to be considered within the framework of the creation of a non-priority letter service.



Notes:

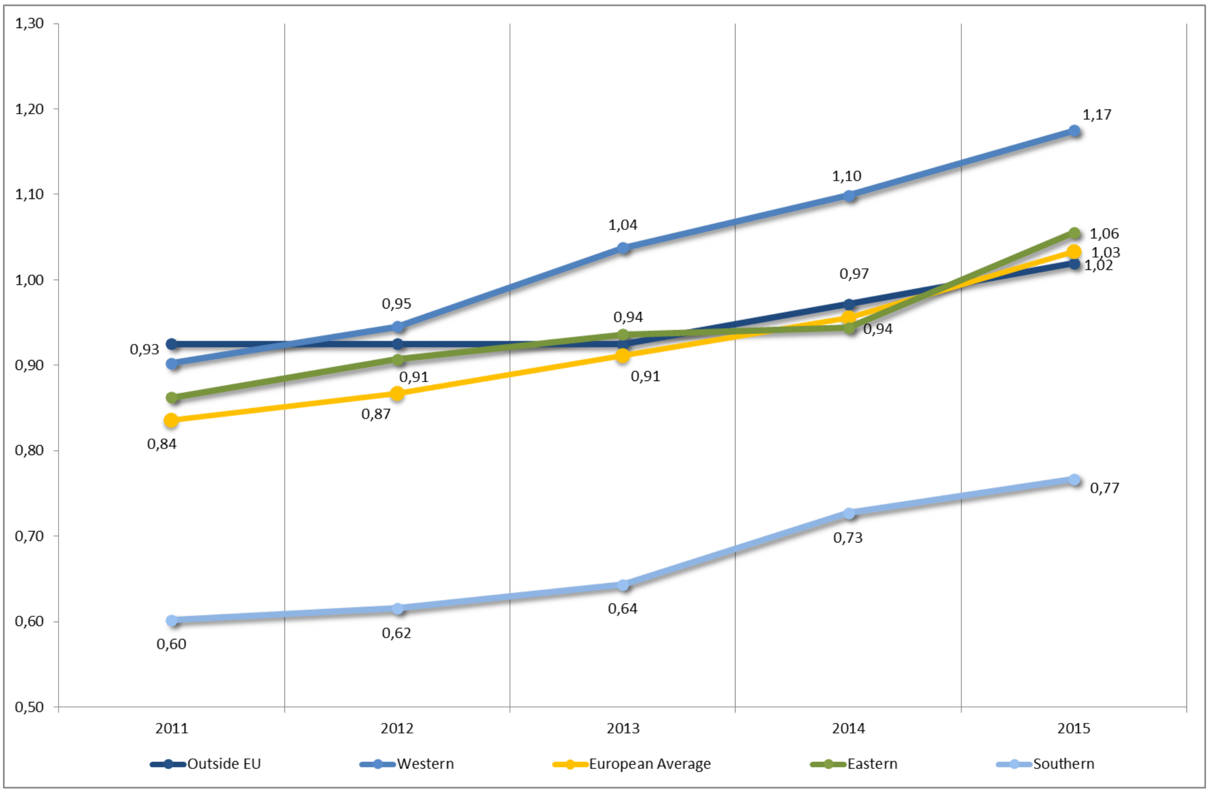
1. Average Price for the 30 countries that offer priority letter post service. ES, FY, RS are not included, since there is only one category of letter post without differentiation between 'priority' and 'non-priority' service.
2. Standard postal items provided by the USP/Incumbent at single piece tariff for typical residential customers.
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 in SE and NO include 25% VAT.
6. Prices for the first weight step: 20g, with the exceptions of BE, CZ, SK, IS (price for 50 g letter), HU (price for standard size letters of 114x162mm or 110x220mm, weight up to 30 g), PL (as of 2013 the lowest weight threshold for letters is 350g) and CH, UK (100 g).
7. The exchange rates of 2015 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/web/exchange-rates/data/database
8. Awaiting data from NL, NO and DK, for which countries we used for 2015 the price of 2014.
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 an international letter within Europe for the first weight step in 2015 was €1.03, an 8% increase compared with the previous year. For the period of 2011 to 2015, this price increased €0.20, a 5% annual average increase, as is shown in the figure below.

An attentive reader 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 we would only take the latter countries into consideration, the average international priority letter price would increase to €1.41 for 2015.

Figure 13 – Average price for posting an international priority letter within Europe (1st weight step) – euros



Notes:

1. Average Price for the 32 countries that offer international priority letter 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. Prices are in Euros, on 1 July of each year.
5. Prices in SE and NO include 25% VAT.
6. Price in SI includes 22% VAT.
7. Prices for the first weight step: 20g, with the exceptions of PL, SK (price for 50 g letter)
8. The exchange rates of 2015 are used for currency conversions of the countries not using the Euro as national currency: Eurostat - Euro exchange rates - Annual data http://epp.eurostat.ec.europa.eu/portal/page/portal/exchange_rates/data/database
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

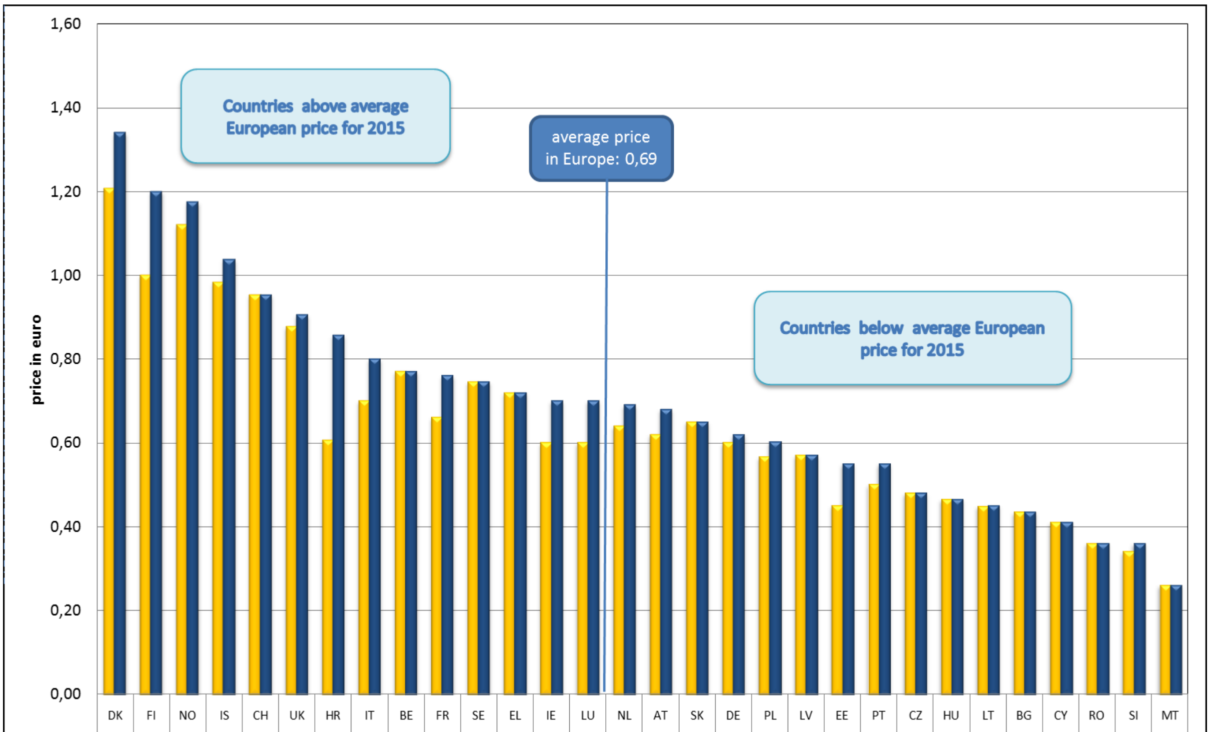
   Eastern Countries: BG, CZ, EE, HR, HU, LT, LV, PL, RO, SI, SK

6.1.2 Domestic letter prices

In 2015, the average price in Europe for posting a domestic priority letter weighing less than 20 gr increased with 7% as compared to 2014, to a price level of €0.69. Amongst the 30 countries that provided pricing data, Denmark had the highest domestic priority letter price (€1.34) while Malta had the lowest (€0.26), as shown in the figure below. The highest increase was in Croatia (nominal increase of €0.26), while no country showed a decreasing domestic priority letter price.

Over the last seven years (2009-2015), Switzerland, Latvia, Lithuania and Romania have not changed the price of the domestic priority letter post.

Figure 14 – Price of Domestic Priority Letter of the 1st weight step in 2014 and 2015



	DK	FI	NO	IS	CH	UK	HR	IT	BE	FR	SE	EL	IE	LU	NL	AT	SK	DE	PL	LV	EE	PT	CZ	HU	LT	BG	CY	RO	SI	MT
2014	1,21	1,00	1,12	0,98	0,95	0,88	0,61	0,70	0,77	0,66	0,75	0,72	0,60	0,60	0,64	0,62	0,65	0,60	0,57	0,57	0,45	0,50	0,48	0,47	0,45	0,43	0,41	0,36	0,34	0,26
2015	1,34	1,20	1,18	1,04	0,95	0,91	0,86	0,80	0,77	0,76	0,75	0,72	0,70	0,70	0,69	0,68	0,65	0,62	0,60	0,57	0,55	0,55	0,48	0,47	0,45	0,43	0,41	0,36	0,36	0,26

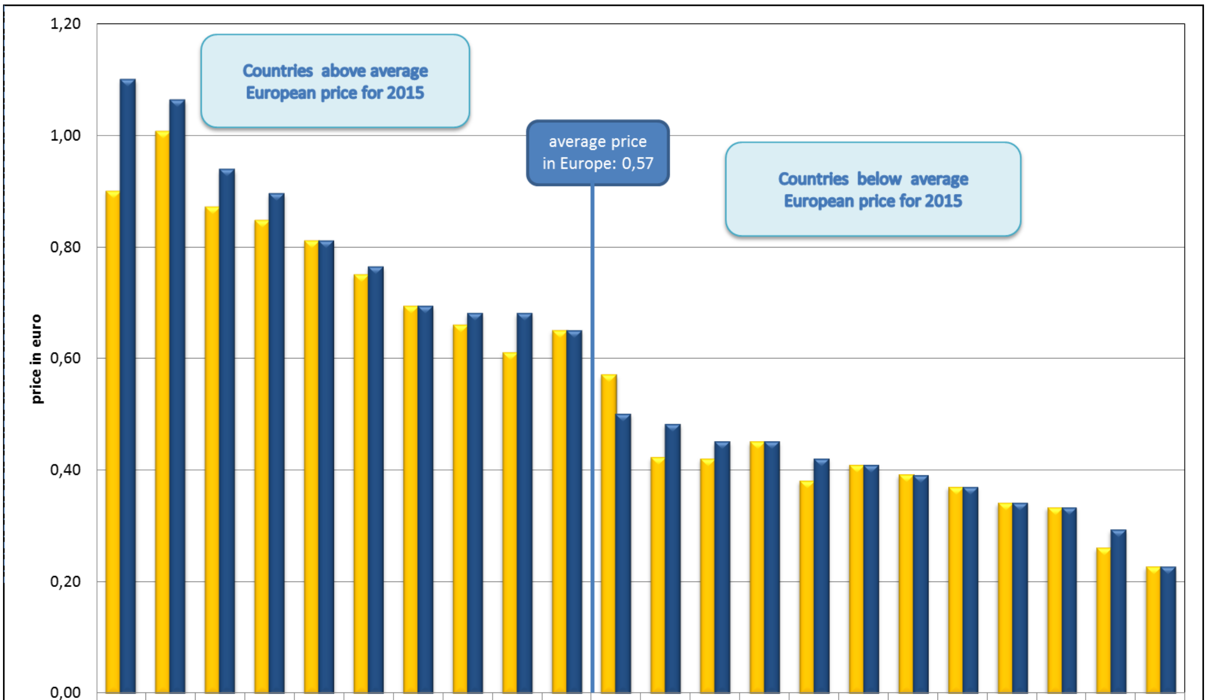
Notes:

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.
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 and NO include 25% VAT.
6. Prices for the first weight step: 20g, with the exceptions of BE, CZ, SK, IS (price for 50 g letter), HU (price for standard size letters of 114x162mm or 110x220mm, weight up to 30 g), PL (as of 2013 the lowest weight threshold for letters is 350g) and CH, UK (100 g).
7. The exchange rates of 2015 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/web/exchange-rates/data/database

In 2015, the average price in Europe for posting a domestic non-priority standard letter was €0.57, a 5.1% increase compared to 2014 (€0.54). It should be highlighted that the following countries do not offer a non-priority service: Austria, Belgium[99], Czech Republic, Germany, Estonia, Ireland, Luxembourg, Malta, The Netherlands, Slovenia and Italy.[100]

In 2015, Finland had the highest price (€1.10), and Serbia the lowest (€0.19). Over the last seven years (2009-2015), Switzerland, Lithuania and Romania are the only countries that have not changed the price of their non-priority letter service.

Figure 15 – Price of Domestic Non-Priority Letter of the 1st weight step in 2014 and 2015



	FI	NO	DK	IS	CH	UK	SE	BE	FR	EL	LV	PL	PT	SK	ES	HR	LT	HU	CY	BG	FY	RO
2014	0,90	1,01	0,87	0,85	0,81	0,75	0,69	0,66	0,61	0,65	0,57	0,42	0,42	0,45	0,38	0,41	0,39	0,37	0,34	0,33	0,26	0,23
2015	1,10	1,06	0,94	0,90	0,81	0,76	0,69	0,68	0,68	0,65	0,50	0,48	0,45	0,45	0,42	0,41	0,39	0,37	0,34	0,33	0,29	0,23

Notes:

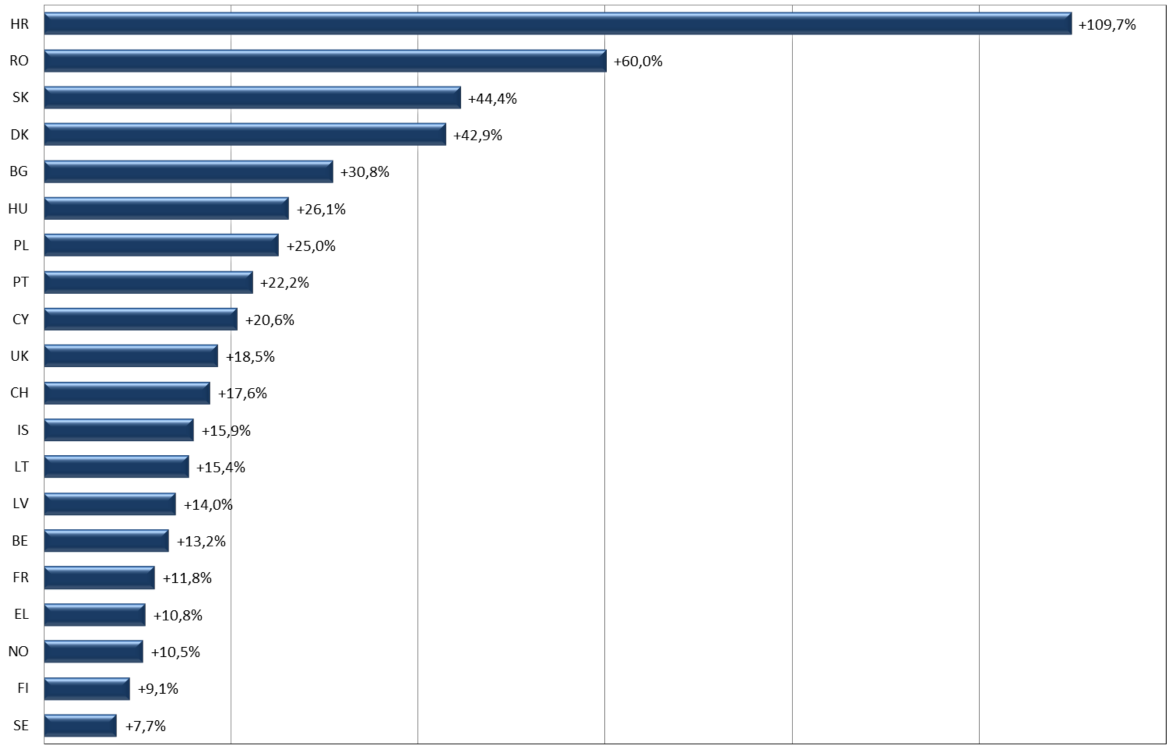
1. Average Price for the 23 countries that offer non-priority letter post service. Non-priority letter post service is not applicable in AT, CZ, DE, EE, IE, IT, MT, NL, LU and SI.
2. Standard postal items provided by the USP/Incumbent at single piece tariff for typical residential customers.
3. Second 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.
8. Prices for the first weight step: 20g, with the exceptions of SK, IS (price for 50 g letter), HU (price for standard size letters of 114x162mm or 110x220mm, weight up to 30 g) and PL (as of 2013 the lowest weight threshold for letters is 350g).
9. The exchange rates of 2015 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/web/exchange-rates/data/database

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

[100] It is worth noting that a non-priority letter service has been created Italy since 1 October 2015 (fixed at a price of €0.95 with a delivery speed of D+4). This increase is not implemented in the current report because this report takes the prices of 1 July of each year into account.

There is a different pricing policy amongst countries that offer both priority and non-priority letter post service. Worth mentioning are the cases of Croatia and Sweden, the former being the country with the highest price difference in 2015 between priority and non-priority letters (109,7%) and the latter with the lowest price difference in 2015 (7,7%).

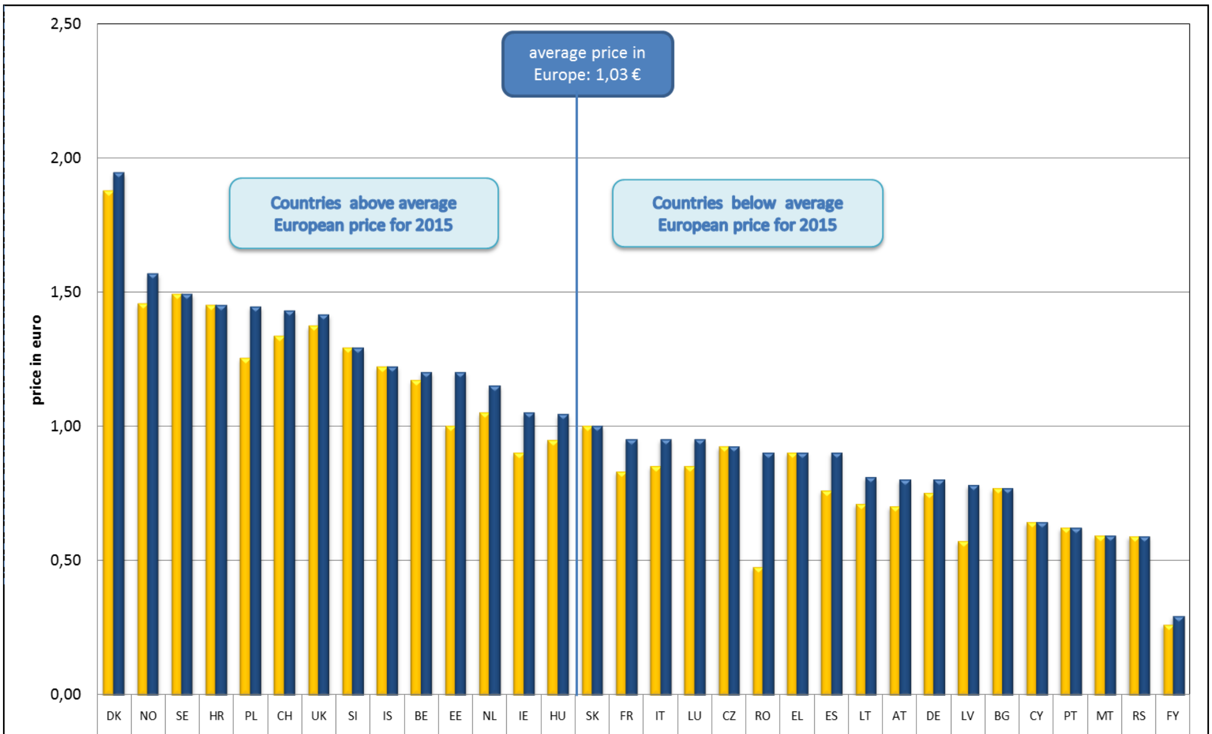
Figure 16 – Price difference between priority and non-priority domestic letters in 2015 (%)



6.1.3 International letter prices

In 2015, the average European price for posting a letter weighing less than 20g from one country to another EU country was €1.03. As compared to 2014 (€0.96), this represents a price increase of 8%. While Denmark showed the highest price (€1.94) in 2015, FYROM had the lowest (€0.29). It is worth noting that the price in Romania has nearly doubled, going from €0.47 in 2014 to €0.90 in 2015, as shown in the figure below.

Figure 17 – Average price for posting an international priority letter of the 1st weight step within Europe in 2014 and 2015



	DK	NO	SE	HR	PL	CH	UK	SI	IS	BE	EE	NL	IE	HU	SK	FR
2014	1,88	1,45	1,49	1,45	1,25	1,33	1,37	1,29	1,22	1,17	1,00	1,05	0,90	0,95	1,00	0,83
2015	1,94	1,57	1,49	1,45	1,44	1,43	1,41	1,29	1,22	1,20	1,20	1,15	1,05	1,04	1,00	0,95

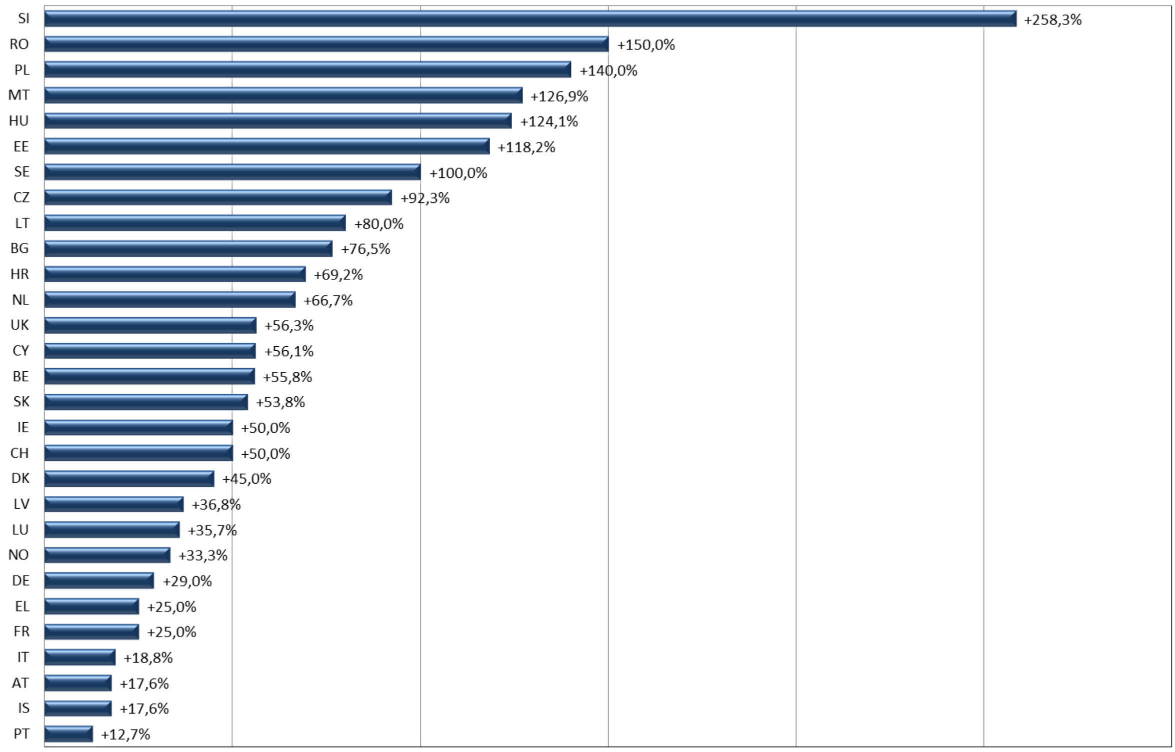
	IT	LU	CZ	RO	EL	ES	LT	AT	DE	LV	BG	CY	PT	MT	RS	FY
2014	0,85	0,85	0,92	0,47	0,90	0,76	0,71	0,70	0,75	0,57	0,77	0,64	0,62	0,59	0,59	0,26
2015	0,95	0,95	0,92	0,90	0,90	0,90	0,81	0,80	0,80	0,78	0,77	0,64	0,62	0,59	0,59	0,29

Notes:

1. Average Price for the 32 countries that offer international priority letter 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. Prices are in Euros, on 1 July of each year.
5. Prices in SE and NO include 25% VAT.
6. Price in SI includes 22% VAT.
7. Prices for the first weight step: 20g, with the exceptions of SK, PL (price for 50 g letter)
8. The exchange rates of 2015 are used for currency conversions of the countries not using the Euro as national currency: Eurostat - Euro exchange rates - Annual data http://epp.eurostat.ec.europa.eu/portal/page/portal/exchange_rates/data/database

Looking at the price difference between international priority letter post and domestic priority letter post, we can see that Slovenia is a clear outlier with an international priority letter price that is over 3,5 times higher than the domestic priority letter price. When looking at the other countries, the international priority letter is, on average, about 60% more expensive than a domestic priority letter.

Figure 18 – Price difference between international priority and domestic priority letters in 2015 (%)

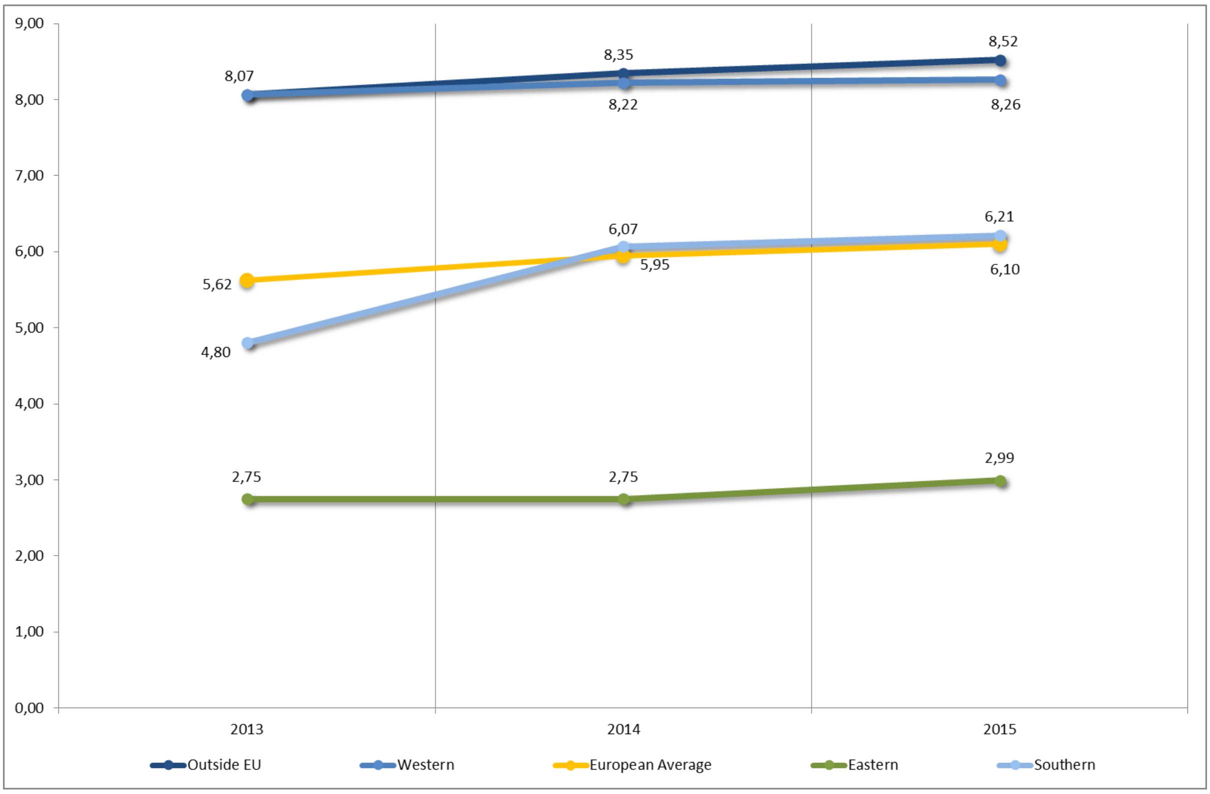


6.1.4 Parcel price evolution in Europe

In 2015, the European average price for posting a domestic parcel provided by the USP/incumbent was €6.10, which represents a 4.1% annual nominal price variation between 2013 and 2015. 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 2014.

It should be noted that the Maltese tariffs for local parcels have not been updated since 1997 and hence 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 19 – Average prices of posting a 2 kg domestic parcel provided by the USP/incumbent – euros

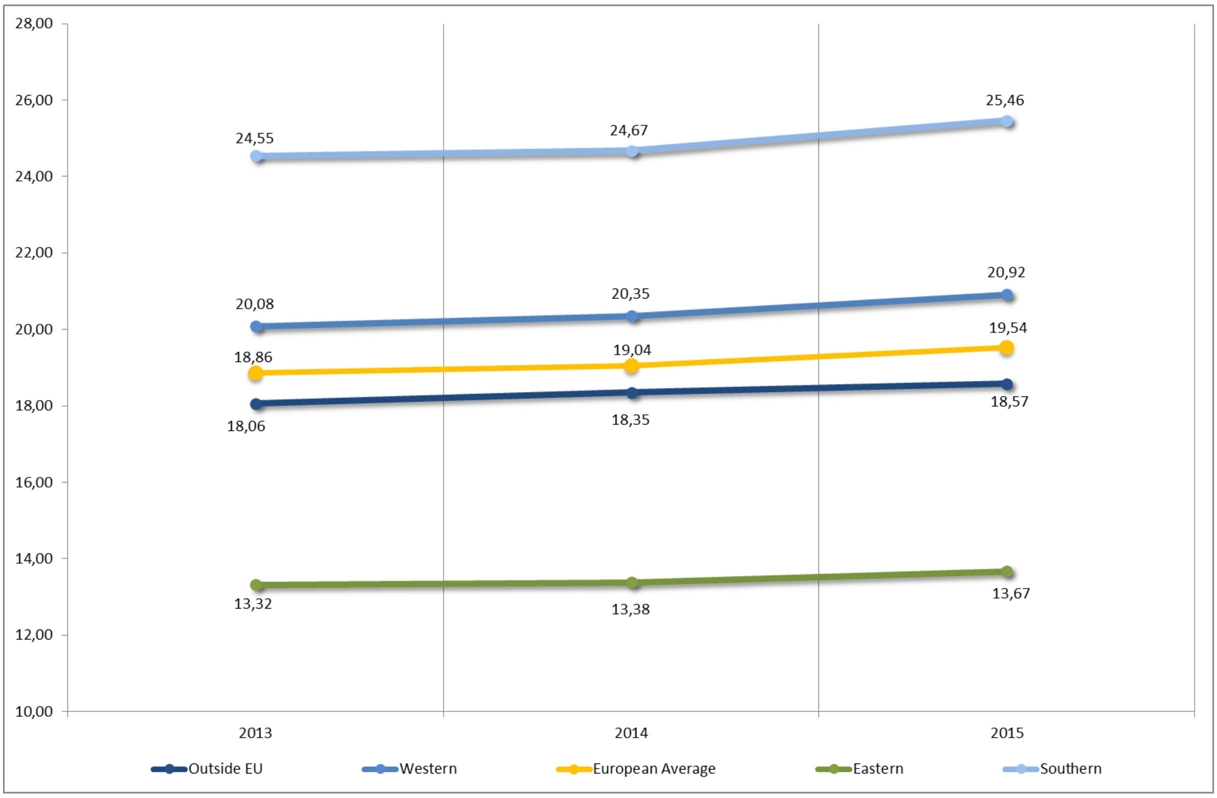


Notes:

1. Average Price for the 32 countries that offer priority parcel post service. RS is not included, since data was not provided yet.
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 and NO include 25% VAT.
8. The exchange rates of 2015 are used for currency conversions of the countries not using the Euro as national currency: Eurostat - Euro exchange rates - Annual data http://epp.eurostat.ec.europa.eu/portal/page/portal/exchange_rates/data/database
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 2015, the average price for posting an international parcel provided by the USP/incumbent within Europe was €19.54, which represents a 1.8% annual nominal price variation between 2013 and 2015. This small increasing trend can be observed for each of the clusters in figure 18. It is worth noting that, opposite to the domestic parcel, Southern Europe has the highest average price for posting a 2 kg international parcel, as shown in the figure below.

Figure 20 – Average prices for posting a 2 kg international parcel provided by the USP/incumbent to the closest neighbouring country within Europe – euros



Notes:

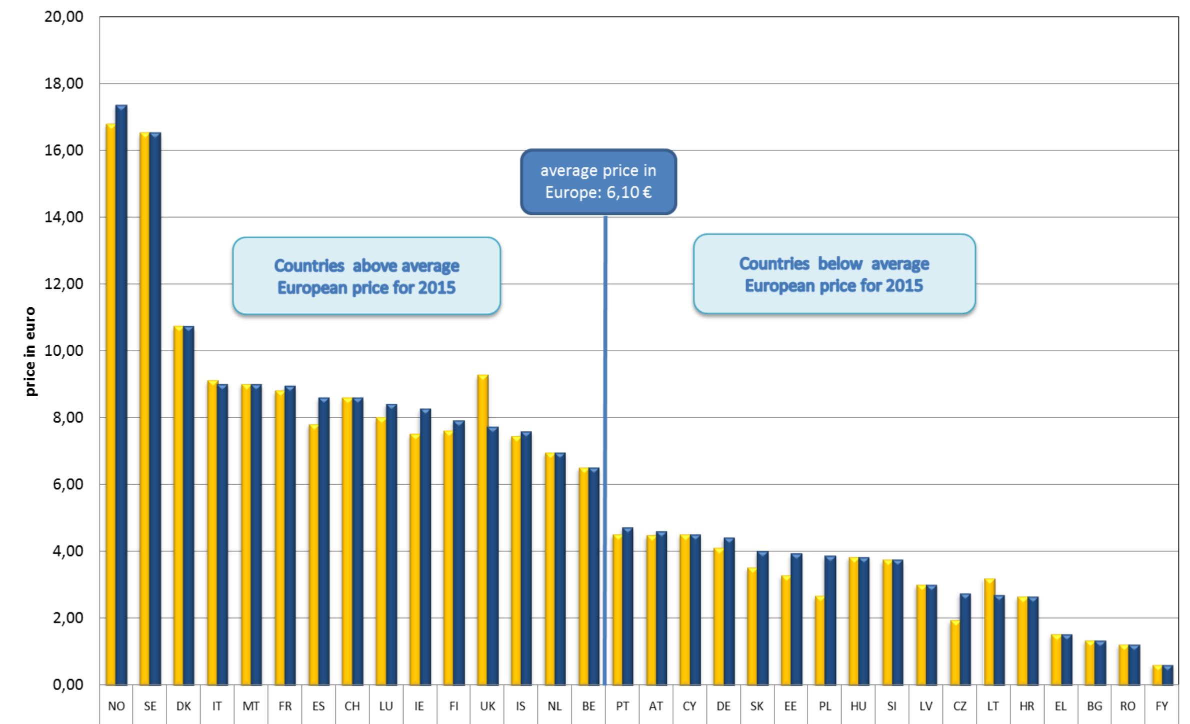
1. Average Price for the 29 countries that offer international priority parcel post service. CZ, RS, RO, LV are not included, since data was not provided yet.
2. Standard postal items provided by the USP/Incumbent at single piece tariff for typical residential customers.
3. First Class/Priority: For 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.
4. Prices are in Euros, on 1 July of each year.
5. Price in SE includes 25% VAT.
6. The exchange rates of 2015 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/web/exchange-rates/data/database
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

6.1.5 Domestic priority parcel prices

In 2015, Norway had the highest price for posting a domestic 2 kg priority parcel (€17.35) while FYROM had the lowest (€0.58), 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 the UK. The price decrease in Lithuania is due to the change in currency since Lithuania joined the Euro-zone as per 1 January 2015.

Moreover, it is worth mentioning that over the last three years (2013-2015), Switzerland, Bulgaria, Croatia, Romania, FYROM, Hungary, Italy, Latvia, Sweden and Slovenia have not changed the price of the domestic priority parcel post.

Figure 21 – Price of posting a domestic 2 kg priority parcel in 2014 and 2015



	NO	SE	DK	IT	MT	FR	ES	CH	LU	IE	FI	UK	IS	NL	BE	PT	AT	CY	DE	SK	EE	PL	HU	SI	LV	CZ	LT	HR	EL	BG	RO	FY
2014	16,79	16,51	10,72	9,10	9,00	8,80	7,80	8,58	8,00	7,50	7,60	9,27	7,43	6,95	6,50	4,50	4,47	4,50	4,10	3,50	3,26	2,65	3,82	3,73	2,99	1,92	3,18	2,64	1,50	1,33	1,19	0,58
2015	17,35	16,51	10,72	9,00	9,00	8,95	8,58	8,58	8,40	8,25	7,90	7,71	7,57	6,95	6,50	4,70	4,60	4,50	4,40	4,00	3,92	3,85	3,82	3,73	2,99	2,73	2,68	2,64	1,50	1,33	1,19	0,58

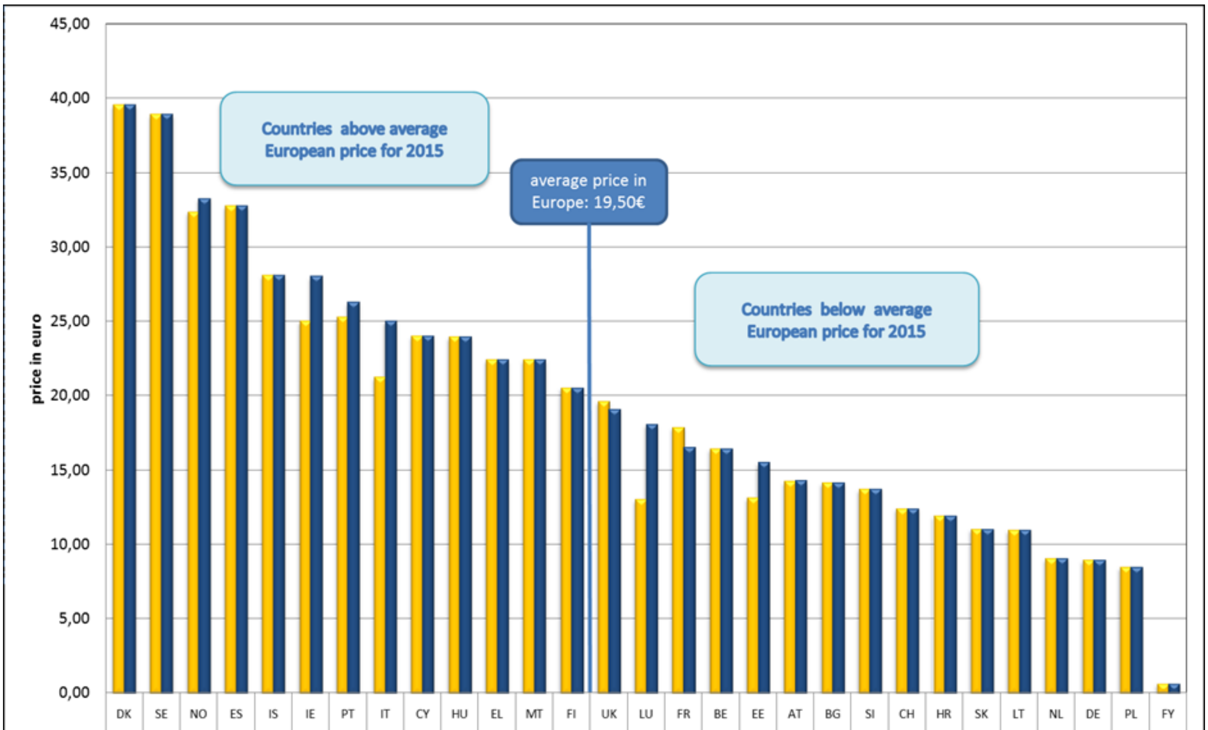
Notes:

1. Average Price for the 32 countries that offer priority parcel post service. Data from RS have not been provided yet.
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 2015 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/web/exchange-rates/data/database

6.1.6 International priority parcel prices

In 2015, the average European price for posting an international priority parcel weighting 2 kg to the closest neighbouring country within Europe was €19.50, which represents a price increase of 2.6% compared to 2014. As can be observed in the figure below, Denmark had the highest price (€39.54), in 2015, while FYROM had the lowest (€0.58). Worth noting is that in both France and in the United Kingdom the price has, in contrast to the other countries, decreased in 2015.

Figure 22 – Price of posting a 2 kg international parcel provided by the USP/incumbent to the closest neighbour country within Europe in 2014 and 2015



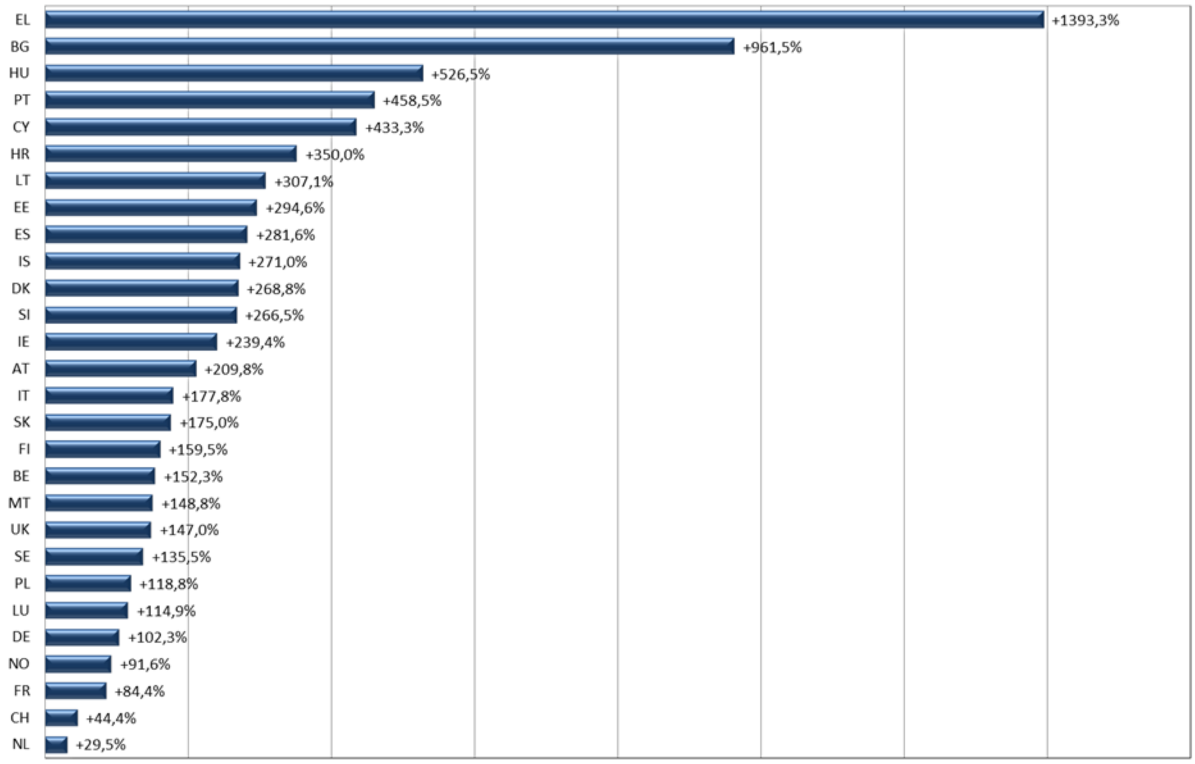
	DK	SE	NO	ES	IS	IE	PT	IT	CY	HU	EL	MT	FI	UK	LU	FR	BE	EE	AT	BG	SI	CH	HR	SK	LT	NL	DE	PL	FY
2014	39,54	38,89	32,34	32,74	28,08	25,00	25,25	21,21	24,00	23,93	22,40	22,39	20,50	19,59	13,00	17,85	16,40	13,10	14,22	14,11	13,67	12,39	11,86	11,00	10,91	9,00	8,90	8,43	0,58
2015	39,54	38,89	33,24	32,74	28,08	28,00	26,25	25,00	24,00	23,93	22,40	22,39	20,50	19,04	18,05	16,50	16,40	15,47	14,25	14,11	13,67	12,39	11,86	11,00	10,91	9,00	8,90	8,43	0,58

Notes:

1. Average Price for the 29 countries that offer an international priority parcel post service. Data from CZ, RS, LV, RO have not been provided yet.
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 2015 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/web/exchange-rates/data/database

Looking at the price difference between international priority parcel post and domestic priority parcel post, we can see that it is very high difference in Greece and Bulgaria. In Greece, an international priority parcel is nearly 15 times more expensive than a domestic priority parcel. When looking at the other countries, the international priority parcel is, on average, about 215% more expensive than a domestic priority parcel.

Figure 23 – Price difference between international priority and domestic priority parcels in 2015 (%)



6.2 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.

6.2.1 Number of active postal services

For the countries that provided data (31 out of 33) there is a slight increase (0.75%) in the number of active PSP from 2013 to 2015, as indicated in figure 22. All of the USP's, except for the Spanish USP, provide both express and non-express services.

Figure 24 – Active postal service providers

		2013	2014	2015	Dif. 2015-2013	2015 Express (E)	2015 Non Express (NE)	2015 E & NE
AT	Austria	19	19	20	1	n.a.	n.a.	n.a.
BE	Belgium	700	700	700	0	n.a.	n.a.	n.a.*
BG	Bulgaria	134	146	154	20	145	7	6*
CH	Switzerland	124	140	157	33	n.a.	n.a.	n.a.
CY	Cyprus	21	20	20	-1	0	0	20*
CZ	Czech Republic	16	20	20	4	0	0	20*
DE	Germany	13600	13600	13600	0	n.a.	n.a.	n.a.
DK	Denmark	8	11	12	4	n.a.	n.a.	n.a.*
EE	Estonia	30	29	27	-3	25	0	2*
EL	Greece	397	404	459	62	447	11	1*
ES	Spain	1429	1418	1533	104	1122	76*	335
FI	Finland	1	1	1	0	1	1	1
FR	France	33	35	39	6	n.a.	n.a.	n.a.
FY	FYROM	23	25	26	3	25	0	1
HR	Croatia	23	21	22	-1	15	1	6*
HU	Hungary	137	178	181	44	179	0	2*
IE	Ireland	6	7	8	2	n.a.	n.a.	n.a.
IS	Iceland	4	4	4	0	0	3	1*
IT	Italy	conf	conf	conf	conf	conf	conf	conf
LT	Lithuania	59	56	47	-12	4	0	43
LU	Luxembourg	21	22	25	4	n.a.	n.a.	n.a.*
LV	Latvia	59	61	67	8	1	3	63*
MT	Malta	21	23	24	3	21	0	3*
NL	The Netherlands	116	114	118	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	167	6	87	66	14*
PT	Portugal	67	68	68	1	58	7	3*
RO	Romania	238	237	236	-2	3	195	38
RS	Serbia	47	42	36	-11	35	1	0
SE	Sweden	326	339	339	13	311	27	1*

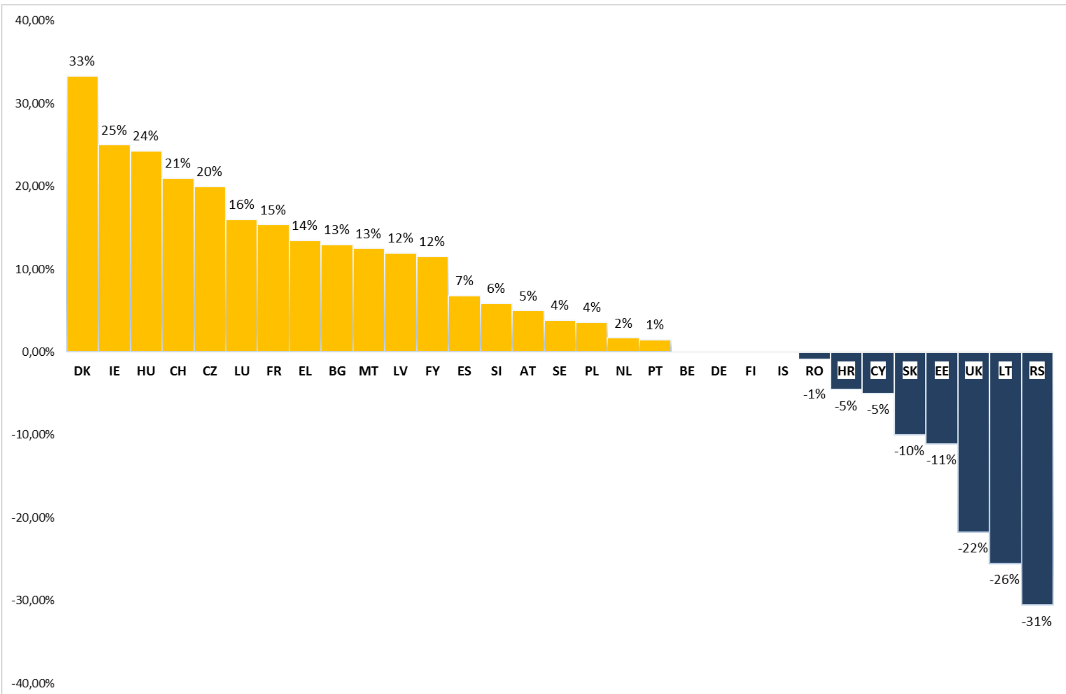
SI	Slovenia	16	17	17	1	5	10	2
SK	Slovakia	22	20	20	-2	15	4	1*
UK	United Kingdom	28	23	23	-5	0	0	23*
	Total	17886	17966	18170	284	2536	332	630

Notes:
1. Asterix (*) 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: authorized operators for the shipments of correspondence. Express service is not included.
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 284 providers as compared to 2013. In 4 countries, there has been no change in the number of postal service providers when compared to 2013. As compared to 2013, Denmark had the highest percentage increase in 2015 (+33%), although this represented an increase of only 4 providers (from 8 to 12 providers). The same analysis is applicable to Ireland, with an increase of 25% between 2013 and 2015, although this represented an increase of only two providers (from 6 to 8).

Spain had the highest absolute increase (+104 operators) between 2013 and 2015. In contrast, Serbia is the country with the greatest decrease in the abovementioned indicator (-31%), followed by Lithuania (-26%) and the UK (-22%).

Figure 25 – Annual change of Active Postal Service Providers between 2015 and 2013 (%)



6.2.2 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 2015, 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 Greece are the countries with the lowest market concentration in terms of volumes and revenues in 2015, respectively. It is worth mentioning that Eastern countries have a lower level of concentration than the other countries.

Figure 26 – Herfindahl-Hirschman Index (HHI)

Country	HHI – Volumes					HHI - Revenues				
	2013	2014	2015	2015/13	Trend	2013	2014	2015	2015/13	Trend
Austria	7.197	7.195	7.297	1%		6.079	6.017	5.988	-1%	
Belgium	9.136	9.069	8.997	-1%		4.964	4.777	4.666	-6%	
Bulgaria	n.a.	n.a.	n.a.			5.691	5.230	4.882	-14%	-
Croatia	5.424	5.196	6.164	14%	+	4.969	4.796	5.111	3%	
Czech Republic	9.503	8.964	8.496	-11%	-	8.978	7.692	4.742	-47%	-
Denmark	9.500	6.400	6.000	-37%	-	n.a.	n.a.	n.a.		
Estonia	5.243	5.244	5.036	-4%		3.372	3.312	3.313	-2%	
France	9.801	9.818	9.828	0%		9.707	9.657	9.625	-1%	
FYROM	8.998	8.694	n.a.			4.553	4.257	n.a.		
Greece	7.648	6.871	6083	-20%	-	2.836	2.465	2143	-24%	-
Italy	6.481	5.924	5.945	-8%		2.880	2.533	2.329	-19%	-
Hungary	2.655	9156	9247	248%	+	4.766	4.380	4.262	-11%	-
Latvia	1.897	2.441	2.077	9%		3.036	3.488	4.337	43%	+
Lithuania	4.171	4.075	4.752	14%	+	2.227	2.189	2.251	1%	
Malta	9.600	9.500	9.400	-2%		4.600	4.600	4.300	-7%	
Netherlands	6.540	6.098	5.692	-13%	-	8.018	7.307	6.943	-13%	-
Portugal	8.977	8.939	8.944			4.342	4.847	5.340	23%	+
Romania	4.783	3.751	3095	-35%		1.226	1.226	1240	1%	
Serbia	9.463	9.357	9.458			4.603	4.518	4.582		
Slovakia	6.833	6.772	6.698	-2%		3.209	3.125	2.931	-9%	
Sweden	7.590	7.420	7.230	-5%		8.641	8.559	8.325	-4%	
United Kingdom	9.903	9.745	9.897			9.196	9.093	9.151		

Notes:

1. Trend is - or + if the change from 2013 to 2015 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: only authorized operators; includes international inbound and outbound.

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 figure 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 27 – Number of postal service providers with more than 1% of the postal market

		>1% - Based on volumes					>1% - Based on revenues				
		2013	2014	2015	2015/13	Trend	2013	2014	2015	2015/13	Trend
AT	Austria	2	2	2			8	7	7	-13%	-
BE	Belgium	1	1	1			8	8	8		
BG	Bulgaria	18	16	17	-6%		18	16	17	-6%	
HR	Croatia	5	5	5			8	8	9	13%	-
CY	Cyprus	15	16	16	7%		15	16	16	7%	
CZ	Czech Republic	2	4	4	100%	+	2	4	5	150%	+
DK	Denmark	2	6	6	200%	+	n.a.	n.a.	n.a.		
EE	Estonia	4	4	4			9	10	12	33%	+
FI	Finland	1	1	1			1	1	1		
FR	France	1	1	1			1	1	1		
FY	FYROM	4	4	6	50%	+	7	8	10	43%	+
DE	Germany	12	12	n.a.			12	12	n.a.		
EL	Greece	6	6	6			9	9	9		
HU	Hungary	12	2	1	-92%	-	8	10	9	13%	+
IS	Iceland	4	4	4			4	4	4		
IT	Italy	4	6	8	100%	+	9	9	10	11%	+
LV	Latvia	17	17	15	-12%	-	12	11	10	-17%	-
LT	Lithuania	9	8	8	-11%	-	13	12	11	-15%	-
MT	Malta	1	2	2	100%	+	8	7	5	-38%	-
NL	Netherlands	2	2	2			2	2	3	50%	+
PL	Poland	6	7	8	33%	+	12	13	15	25%	+
PT	Portugal	1	2	2	100%	+	13	10	9	-31%	-
RO	Romania	n.a.	n.a.	10			n.a.	n.a.	12		
RS	Serbia	4	4	4			7	7	8	14%	+
SK	Slovakia	5	6	7	40%	+	11	10	10	-9%	
SI	Slovenia	8	2	n.a.			7	11	n.a.		
ES	Spain	2	2	2			2	2	2		
SE	Sweden	2	2	2			2	2	2		

CH	Switzerland	5	5	5			6	6	7	17%	-
UK	United Kingdom	1	2	1			2	2	1	-50%	-

Notes:

1. Trend is - or + if the change from 2013 to 2015 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: only authorized operators
5. UK: letter market only

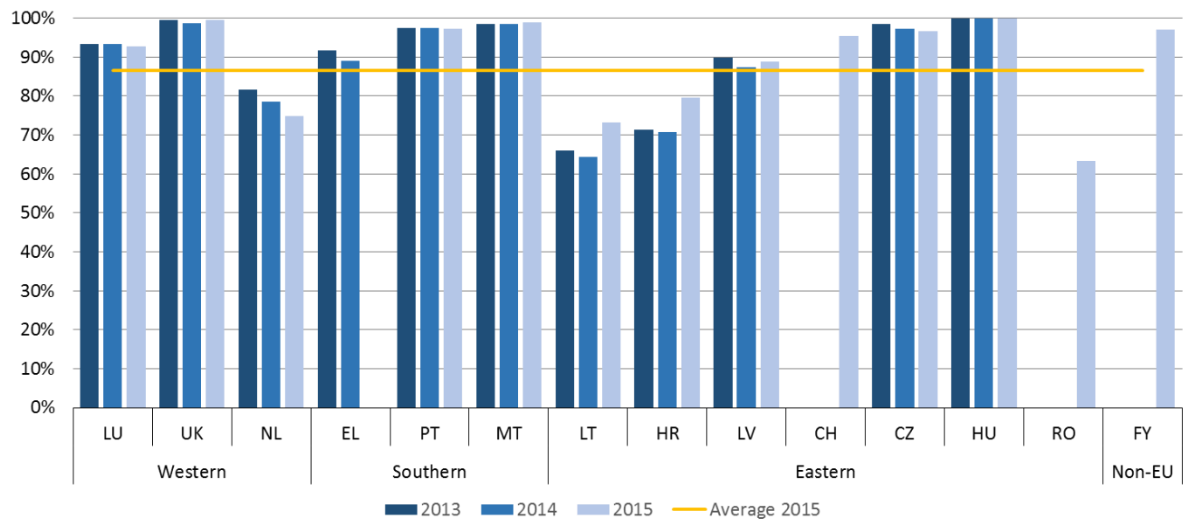
6.2.3 USP Market Shares

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

6.2.3.1 USP Volume Market Shares

In the ERGP countries for which information is available, the USP generally maintains a high market share for letter volume, which was in 2015, on average 87% (in 2013 was 88%). In general, the USPs' market share remains stable between 2013 and 2015. It is worth mentioning that in NL and CZ the USP volume share for letters decreased in this period, while in LT and HR increased, respectively, 11.0% and 11.3%.

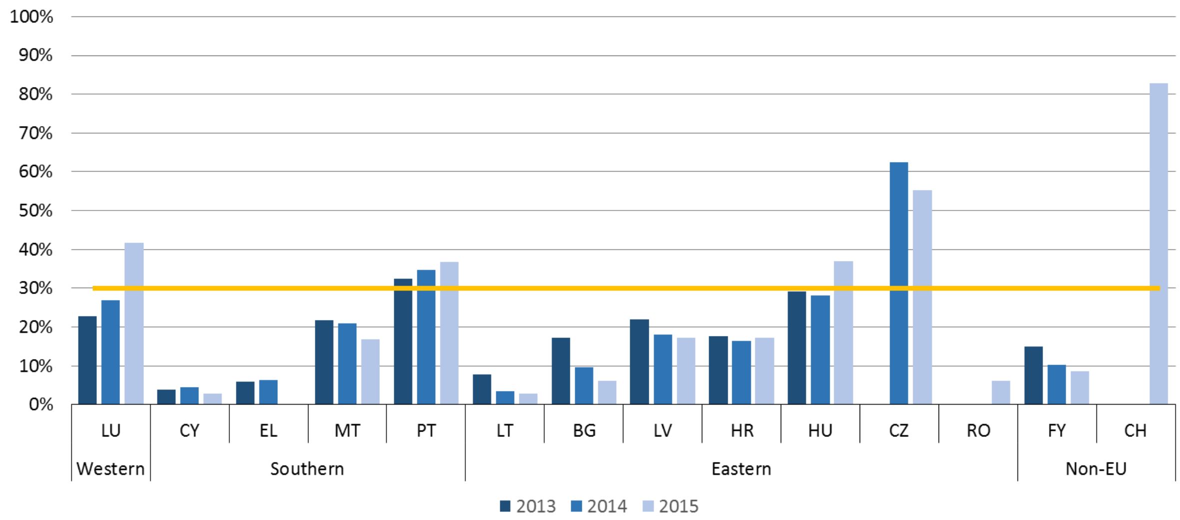
Figure 28 – USP Volume share for letters



Note: Not shown on chart due to unavailability of data: AT, ES, NO, FI, FR. In DE there is no USP designated.
Countries with a 100% market share but because only USP data is provided: IE, IS, RS.
Data for BE, PL, SE, SI, SK, IT, EE, BG and DK 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 30.3% (in 2013 was 31.4%). In general, the USP lost market share for the parcel segment, but there are some exceptions (LU, PT, HU and PL).

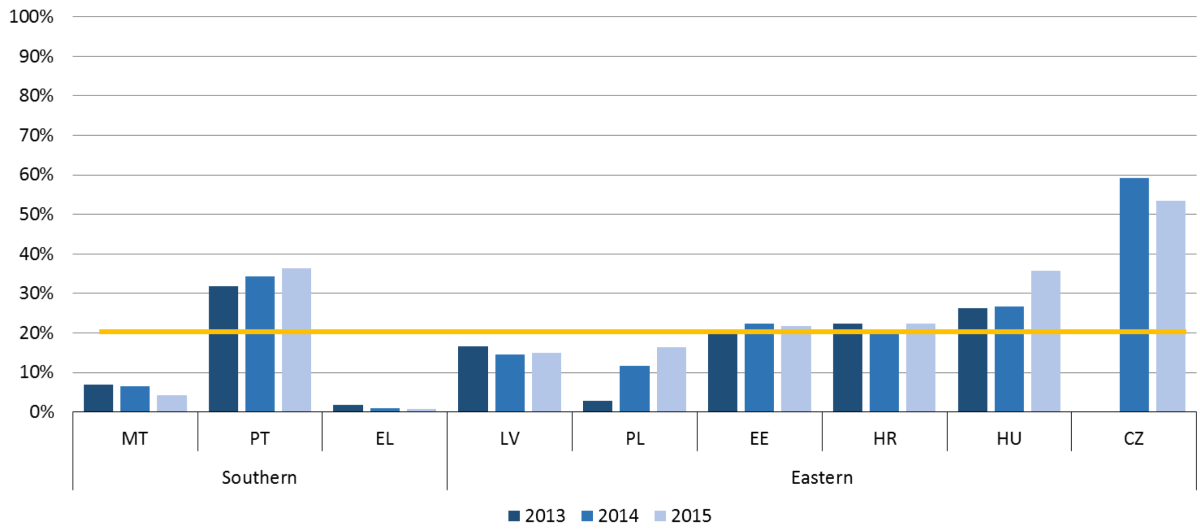
Figure 29 – USP Volume share for parcels



Note: Not shown on chart due to unavailability of data: AT, FR, FI, NL, UK, NO, ES. In DE there is no USP designated.
Countries with a 100% market share but because only USP data is provided: IE, IS, RS.
Data for BE, SE, SI, DK, IT, SK and EE is confidential, but the data for these countries was included in the average.

The average USP market share for express items in 2015 is 20.4%, a slight decrease compared with 2013. It is worth mentioning that in the case of Poland, the USP market volume share increased from 3% in 2013 to 16% in 2015.

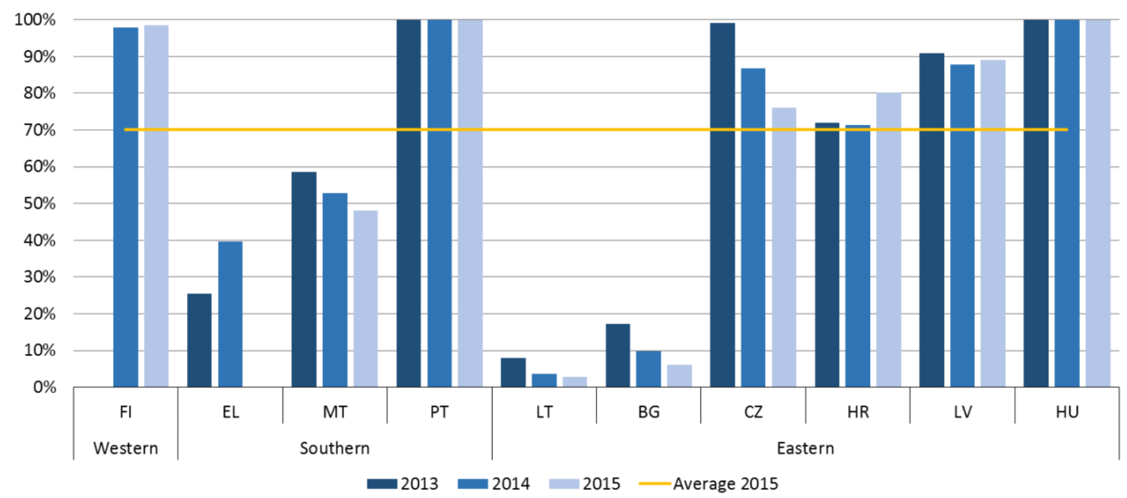
Figure 30 – USP Volume share for Express items



Note: Not shown on chart due to unavailability of data: BE, DE, DK, LU, NL, SE, UK, CY, ES, BG, FY, NO, RS.
Countries with a 100% market share but because only USP data is provided: IS.
Data CH, IT and SK,is confidential
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 (BG, LT). Between 2013 and 2015, the USPs share of non-express items fell in all the countries with public data, with the exception of Croatia. The average USP volume share for non-express items in 2015 was about 70%, which represents a decrease compared with 2013 (75.4%).

Figure 31 – USP Volume share for Non-Express items

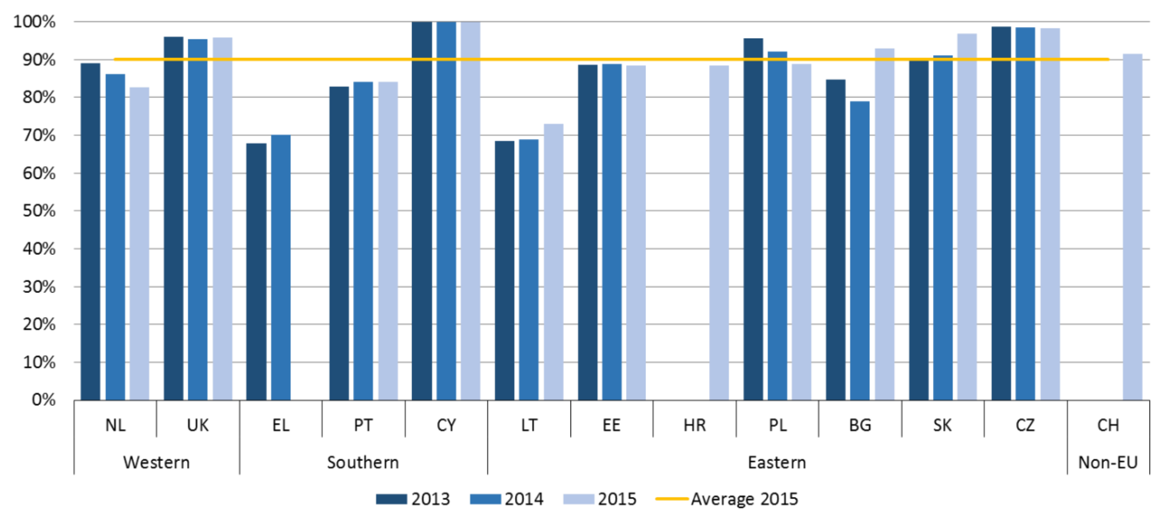


Note: Not shown on chart due to unavailability of data: AT, BE, DE, DK, FR, IE, LU, NL, UK, CY, ES, PL, RO, CH, FY, IS, NO, RS.
Data IT, SE, SK and EE is confidential, but the data was included for the average.

6.2.3.2 USP Revenues Market Shares

Where data is available, the USPs' share of letter revenues have mostly remained stable. In 2015, for the countries that have this data, the European average of the USP revenues market shares was around 90.1%, compared with 84.2% in 2013. The USP has gained share in the UK, Bulgaria, Portugal, Slovakia and Lithuania.

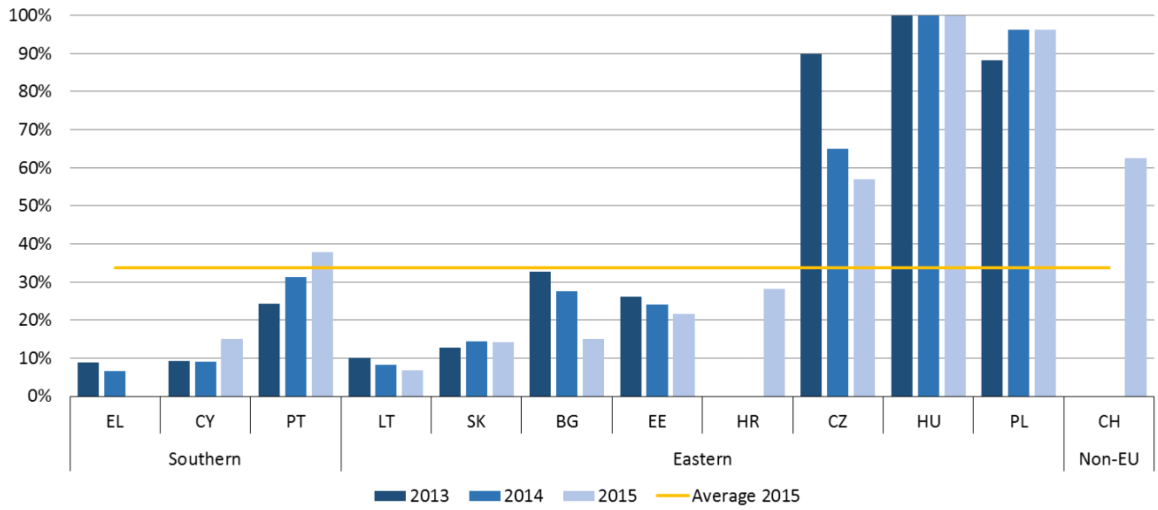
Figure 32 – USP Revenue Market Shares for Letters



Notes: Data unavailable: AT, FI, FR, SE, LU, ES, HU, LV, RO, FY, NO. Countries with a 100% market share but because only USP data is provided: IE, DK, IS, RS. In DE there is no designated USP. Data for BE, SI, IT, MT is confidential, but the data was included in the average.

In the countries for which data are available, the USP share of parcel revenues is far more variable than for letters. The average of the USP revenue market share in 2015 was 33.7%, a decreased compared with 2015 (38.6%). 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, 33 and 18 percentage points of its share of parcel revenues between 2013 and 2015.

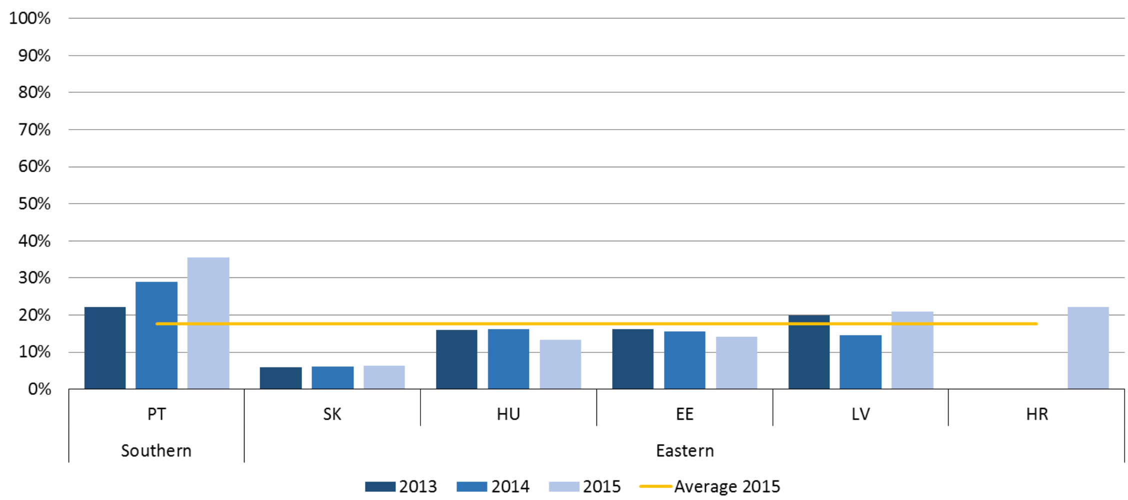
Figure 33 – USP Revenue Market Shares for Parcels



Note: Not shown on chart due to unavailability of data: AT, DE, DK, FI, FR, SE, LU, NL, UK, ES, LV, RO, FY, NO.
Countries with a 100% market share but because only USP data is provided: IE, IS, RS
In DE there is no designated USP.
Data for BE, SI, IT, MT is confidential

For the express, the USP market revenue shares are small. The USP in Portugal and Latvia increased its share of revenues between 2013 and 2015 by, respectively, 13 and 10 percentage points.

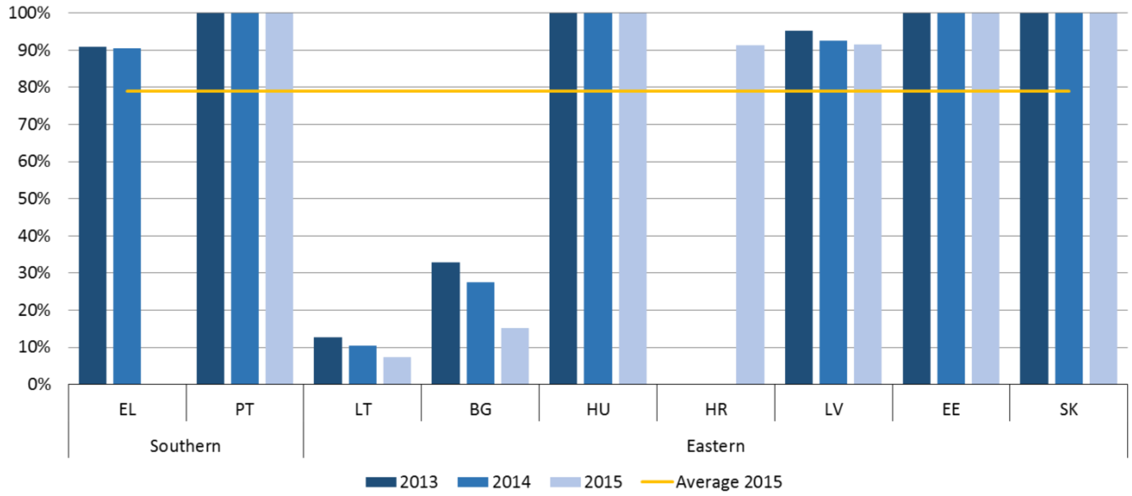
Figure 34 – USP express revenue share



Note: Unavailability of data: AT, BE, DE, DK, LU, NL, SE, UK, CY, EL, ES, IT, MT, BG, CZ, LT, RO, SI, CH, FY, NO, RS. In DE there is no designated USP. Countries where only USP data is provided: IS In FI, FR and IE express is not a postal service, so no express figures can be provided.

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 (from 33% in 2013 to 15% in 2015).

Figure 35 – USP Revenue Market Shares for Non-Express



Note: Not shown on chart due to unavailability of data: AT, BE, DE, DK, FR, FI, IE, LU, NL, SE, UK, CY, ES, CZ, PL, RO, SI, CH, FY, IS, NO, RS.
In DE there is no designated USP.
Data for IT is confidential.

6.3 Volumes

6.3.1 Volume Trends

Total volume across ERGP countries where consistent data is available has fallen[101], on average, by 4.3% each year since 2013. Driven by continued electronic substitution of traditional letter volumes, between the period of 2013 and 2015, volume declined by around 4.7 billion items.

The total volumes decline has been highest in the Western cluster of countries. Nevertheless, the highest decrease in terms of rate was in the Southern cluster: on average, volumes fell by 5.3% each year between 2013 and 2015 across this group of countries. Across each cluster, volumes have declined.

Figure 36 – Total Postal Volumes and annual Average Change 2011 – 2015

	2013	2015	Annual average change
ALL COUNTRIES	56.140.636.627	51.405.525.235	-4,3%
WESTERN	40.578.655.429	37.282.156.039	-4,1%
SOUTHERN	10.763.727.219	9.660.835.669	-5,3%
EASTERN	4.410.447.681	4.099.202.051	-3,6%
NON-EU	387.806.298	363.331.476	-3,2%

Note: Data for all countries with the exception of CH, DE, NO and RO. For UK the data is for letters only.

Please note that in FR and IE express services are not considered postal services.

Express volume, on the other hand, has been rising with an annual average change of 13.1%. 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.

[101] It should be noted that the totals and the annual average change presented here consist of data only from those ERGP countries which have provided data for 2013 and 2015, which excludes CH, DE, NO and RO.

Figure 37 – Total Volume of Express items and annual Average Change 2013-2015

Total express volume		Annual average change
2013	2015	
646,617,864	826,599,539	+27.8%

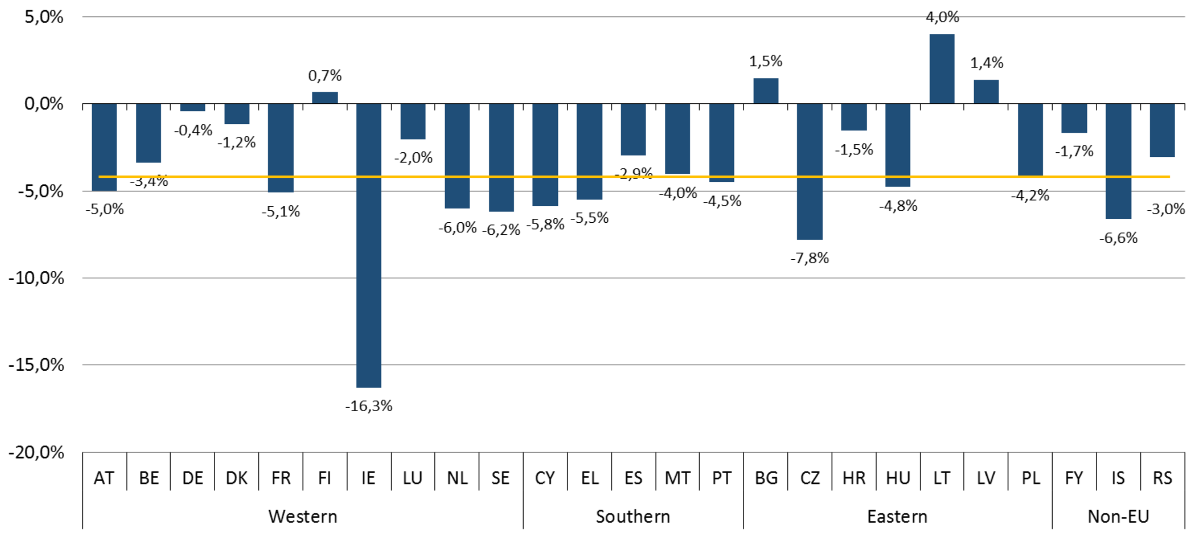
Note: Data collected from: PT, HR, EE, HU, LT, LV, PL, SK, MT, IT, EL, CZ.
Please note that in IE express services are not considered postal services or there is no distinction between express and non-express.

Across the majority of ERGP countries which have provided data for 2013 and 2015, total volumes have declined. For the countries that provided consistent data for this period, the decrease was on average of 4.3% each year.

The fall in total volumes is primarily due to the loss of letter volumes (-4.6% on average for each year). Although parcel volumes are increasing (6.9% on average for each year), in absolute terms, these are not sufficient to offset the larger decline in letters.

Total volumes grew in Finland, Latvia, Bulgaria and Lithuania. Both Latvia and Lithuania saw growth in both letter and parcel volume.

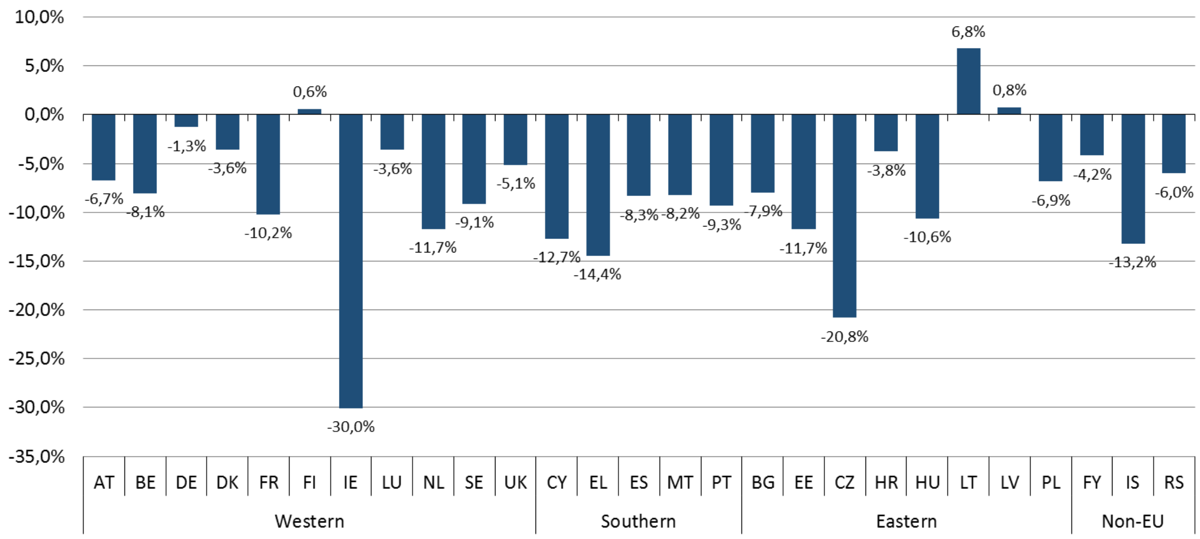
Figure 38 – Total volumes, annual average change 2013 to 2015



Not shown on chart due to unavailability of data: UK, RO, SI, CH, NO.
Data for IT, EE, SK and SI is confidential.
Data for IE is universal postal service, note decline includes movement of letter volumes from bulk mail in the universal postal service to bulk mail outside the universal postal service.
For AT and FI is the variation between 2014 and 2015. For DE between 2013 and 2014.
Average for all the countries that provided data in the period, including confidential data.

For all the countries that provided a consistent set of data, the letter volumes decreased 4.3% on average for each year between 2013 and 2015. Only in Latvia and Lithuania did letter volumes grow between 2013 and 2015. In our Eastern Europe cluster, the Czech Republic experienced the largest decline in letter volume, falling 20.8% since 2013.

Figure 39 – Letter volumes, percentage change 2013 to 2015

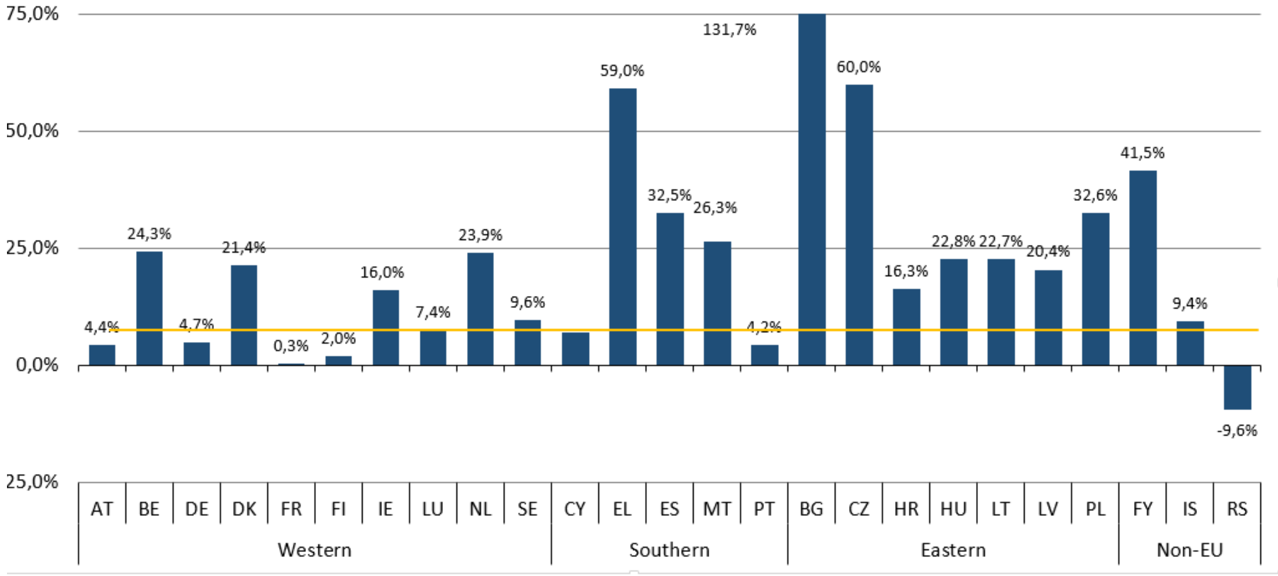


Not shown on chart due to unavailability of data: CH, NO
Data for IT and SI is confidential
Data for IE is universal postal service, note decline includes movement of letter volumes from bulk mail in the universal postal service to bulk mail outside the universal postal service.
For AT and FI is the variation between 2014 and 2015. For DE between 2013 and 2014.
Average for all the countries that provided data in the period, including confidential data.

For the ERGP countries where data is available for the period of 2013 - 2015, parcel volumes have increased on average 6.9% each year. Serbia is the only ERGP countries where parcel volumes fell between 2013 and 2015.

In the Eastern cluster the increase of the parcel volumes is very impressive between 2013 and 2015, being the most extreme case Bulgaria: parcel volumes have grown by 131.7%.

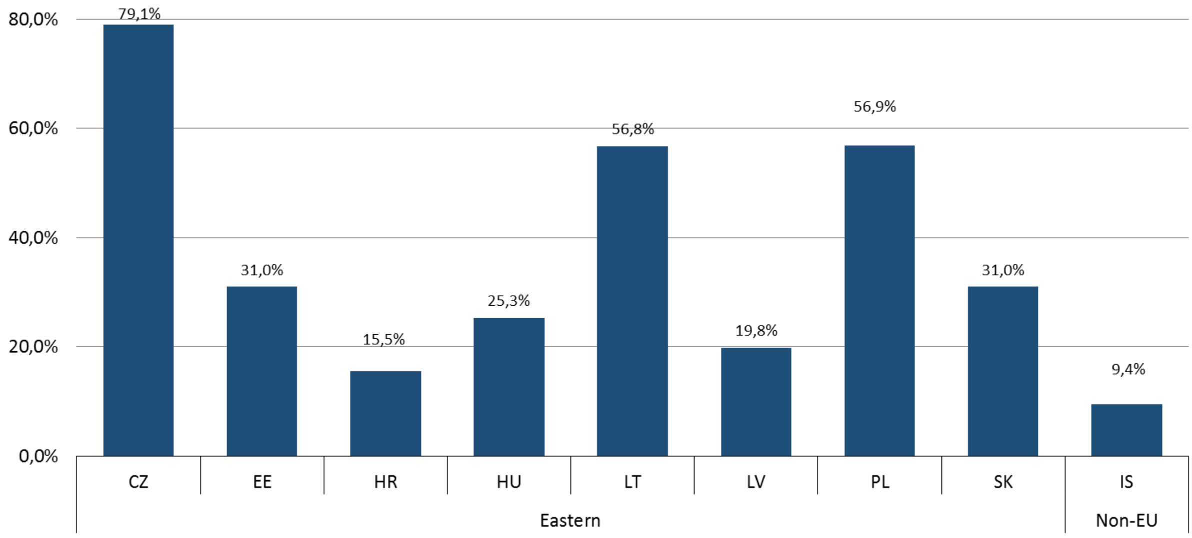
Figure 40 – Parcel Volumes – percentage change 2013 to 2015



Not shown on chart due to unavailability of data: UK, RO, CH, NO.
Data for IT, EE, SK and SI is confidential.
For AT and FI is the variation between 2014 and 2015. For DE between 2013 and 2014.
Average for all the countries that provided data in the period, including confidential data.

For all the countries that were able to report the data, express parcel volumes increased between 2013 and 2015.

Figure 41 – Express Volumes – percentage change 2013 to 2015

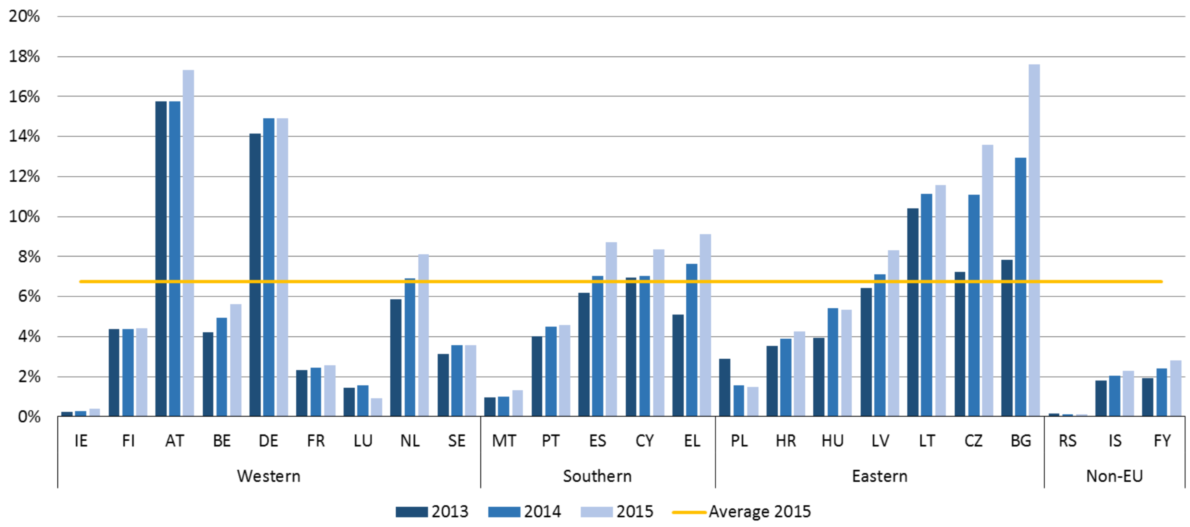


Not shown on chart due to unavailability of data: AT, BE, DE, DK, FR, FI, IE, LU, NL, SE, UK, CY, EL, ES, BG, RO, SI, CH, FY, NO, RS
Data for IT, SI and SK is confidential
In FR, express services are not considered as postal services.

6.3.2 Proportions of postal items – volume and revenue

As letter volumes decline and parcel volumes increase, the proportion of total mail volume accounted for by parcels increases. In 2015 the average proportion of parcels in total mail volume was 6.7% while in 2013 was 5.2%. Although in each of the NRAs that have been able to provide data, parcels account for less than a fifth of total volume, all the countries have seen an increase with the exception of Greece and France. In Bulgaria between 2013 and 2015 the proportion of parcels within total mail volume increased by almost 10 percentage points.

Figure 42 – Proportion of parcels in total mail volume

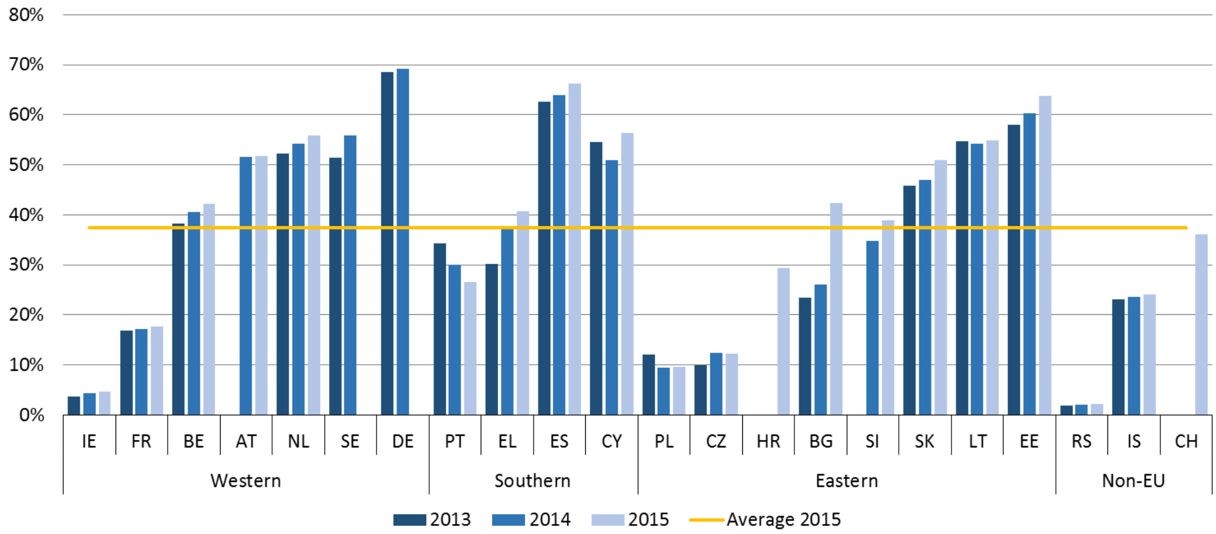


Not shown on chart due to unavailability of data: UK, RO, CH, NO.
Data for DK, IT, EE, SI and SK is confidential, but the average includes this information.
USP only: IE, IS, RS.
In FR excludes express services which are not considered as postal services; data available only for postal providers which have an individual licence granted by the NRA (for correspondence).

The greater value, and cost, of parcels is evident in the difference between the share that parcels have of total volume and the share that they have of total revenue. For all the countries that provided both data on the proportion of parcels for the total mail volume and revenue, as expected, the proportion is much higher in terms of revenue.

In 2015, the average proportion of parcels in total mail revenue was 37.4%, a proportion that is increasing (was 34.8% in 2013). In Austria, Germany, Spain, Cyprus, Slovakia, Lithuania and Estonia parcels account for over 50% of total mail revenue.

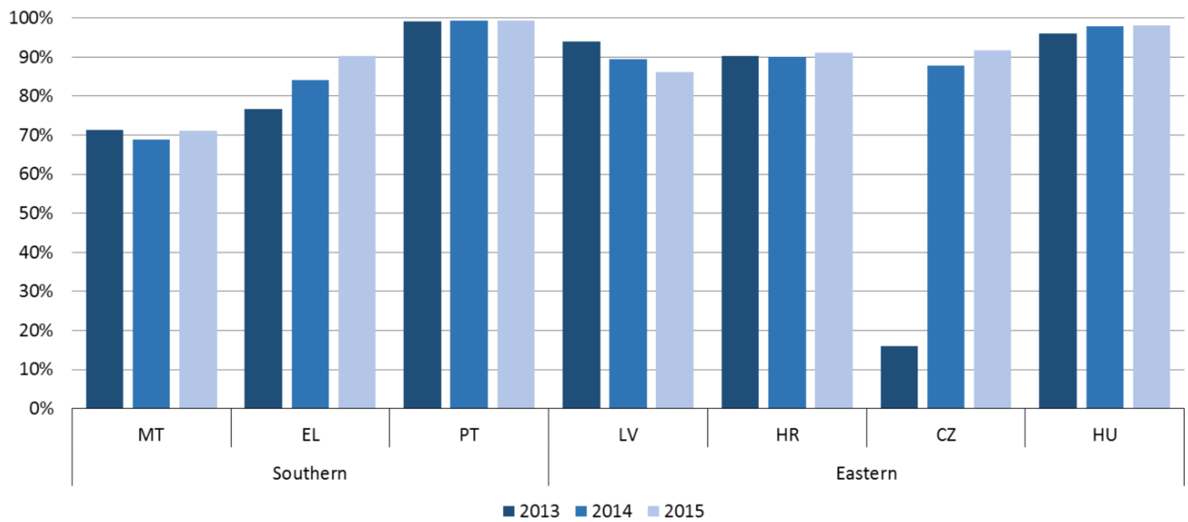
Figure 43 – Proportion of parcels in total mail revenue



Not shown on chart due to unavailability of data: DK, UK, HU, LV, RO, FY, NO
Data for IT and MT 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).

Within parcel volume, in the countries that were able to provide data, the majority of parcels are considered to be express. Portugal has the largest share of parcels that are express.

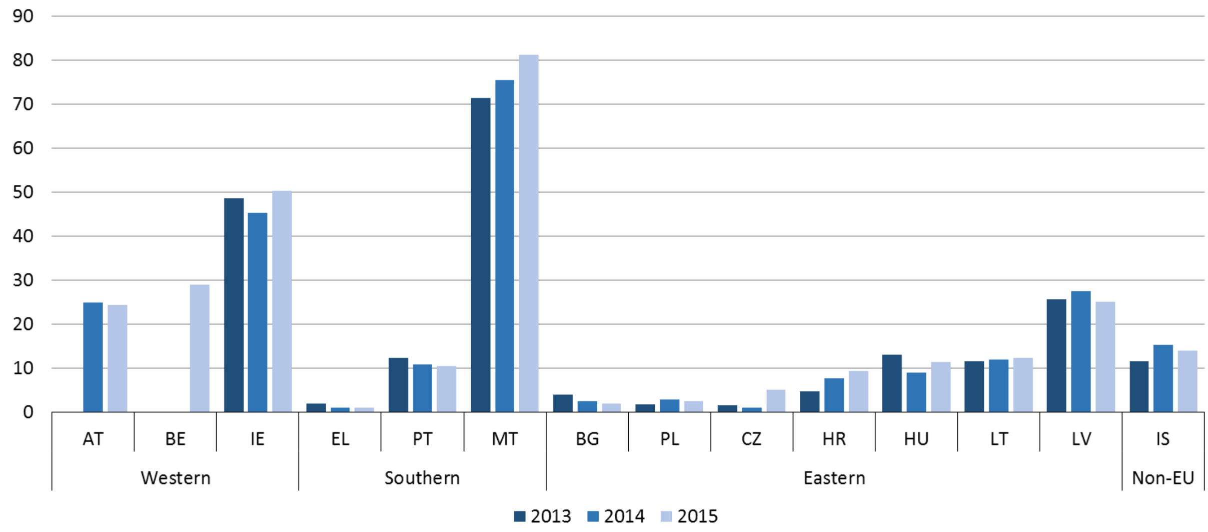
Figure 44 – Proportion of parcels volume which is express



Not shown on chart due to unavailability of data: AT, BE, DE, DK, FR, FI, IE, LT, NL, LU, SE, UK, CY, ES, BG, PL, RO, CH, FY, IS, NO, RS.
Data for IT, SK, SI and EE is confidential
In FR, express services are not considered as postal services.

The chart below shows the proportion of inbound parcels within total parcel volume for each of the countries that were able to provide these data. Malta has the highest proportion of inbound parcels within total parcel volume. Where data is available for 2013 and 2015, the proportion of inbound parcels in total parcel volume for the Czech Republic grew from 1.5% to 5.1%.

Figure 45 – Proportion of inbound parcels in total parcel volume



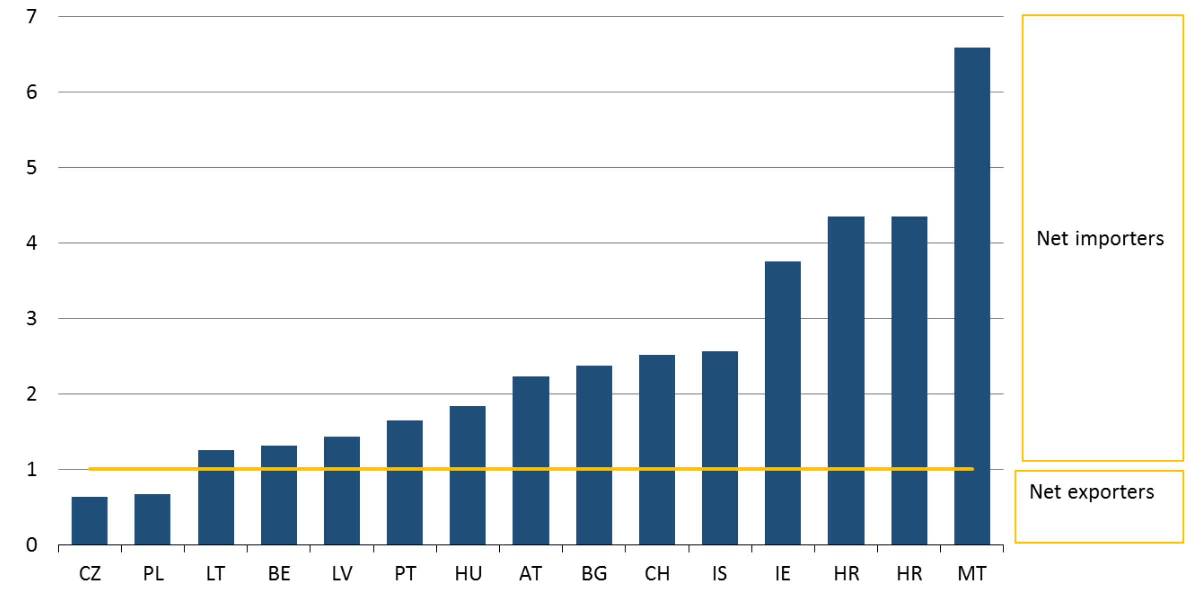
Not shown on chart due to unavailability of data: DE, DK, FR, FI, LU, NL, SE, UK, CY, ES, RO, SI, CH, FY, NO, RS
Data for IT, EE and SK is confidential

The figure below shows, for the countries where data is available, whether a country is a net exporter or a net importer of parcels. The figure is calculated as the ratio between the number of inbound parcels and the number of outbound parcels. If the result is greater than one, a country can be considered a "net importer" as more parcels are received from another country in that than are sent internationally in that country.

Across the ERGP countries where data is present, the majority of nations are net importers, with the exceptions of Czech Republic and Poland in 2015.

Austria case is particularly notable, importing more 21 million parcels than are sent outbound.

Figure 46 – Ratio of inbound parcels vs outbound parcels

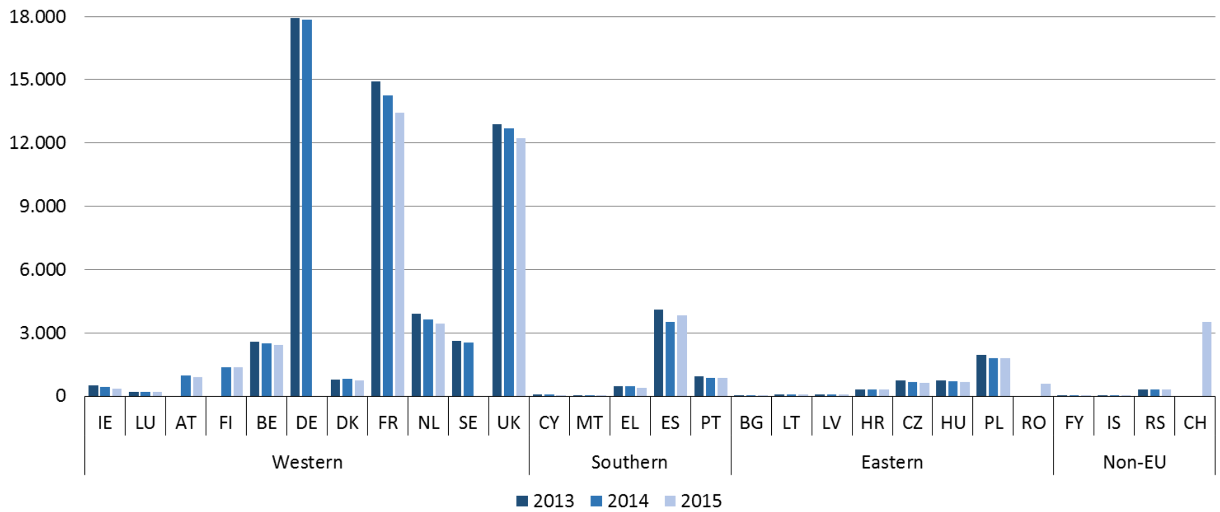


Net importers receive more parcels than the parcels that are sent internationally.
Net exporters send more international parcels that the ones that are received.
Not shown on chart due to unavailability of data: DE, FR, FI, NL, UK, CY, ES, RO, SI, FY, NO, RS. Data for SE, IT, EE and SK is confidential

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

The total volume per country includes all total traffic for letter-post items and parcels, by all operators. As the picture below shows, the total volume per country is very heterogeneous, reflecting the different dimensions of the market. DE, UK and FR represent almost 85% of the total volumes.

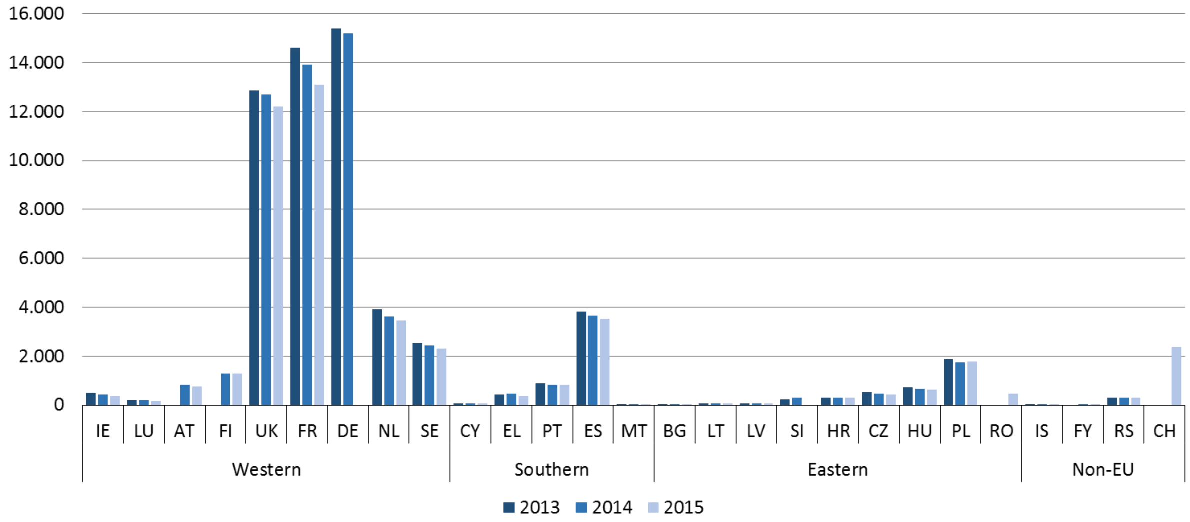
Figure 47 – Total Volume – per country (millions of items)



Not shown on chart due to unavailability of data: NO. Data for IT, EE and SK is confidential. For UK is only letters.
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 Lithuania and Latvia, where letter volumes have increased by 6.8% and 0.8%.

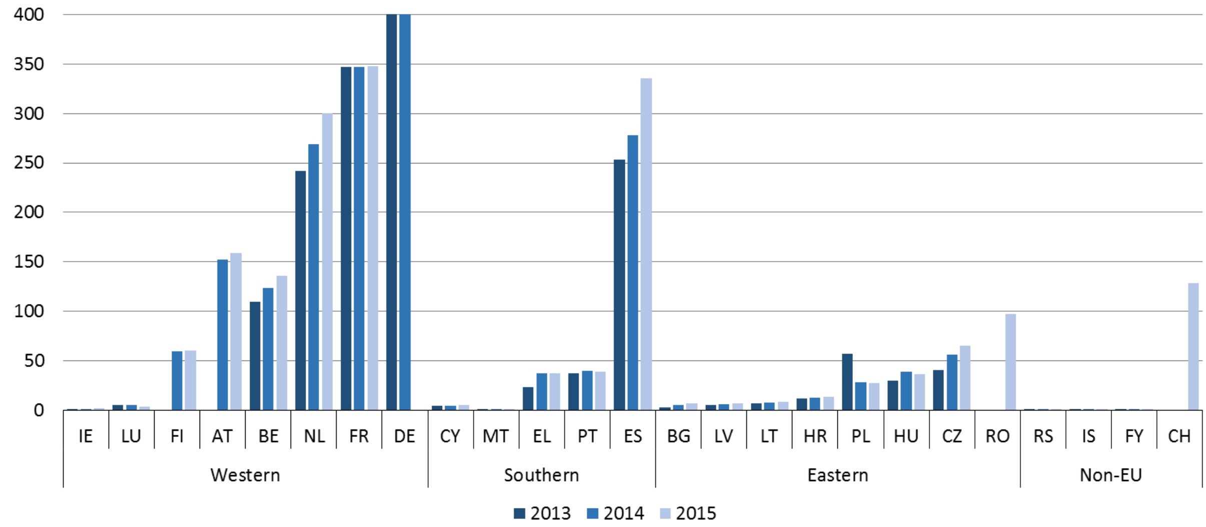
Figure 48 – Total letters volume by country



Not shown on chart due to unavailability of data: NO
Due to unavailability of data for 2015, 2014 averages are shown per cluster
Data for DK, BE, IT, EE and SK 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.

Parcel volumes have increased in the majority of countries which have been able to provide data. Serbia, Luxembourg and Poland are the exceptions showing a decline from 2013. Poland has the largest decline moving from 2013 to 2015, of 52.5%.

Figure 49 – Total parcels volume by country[102]



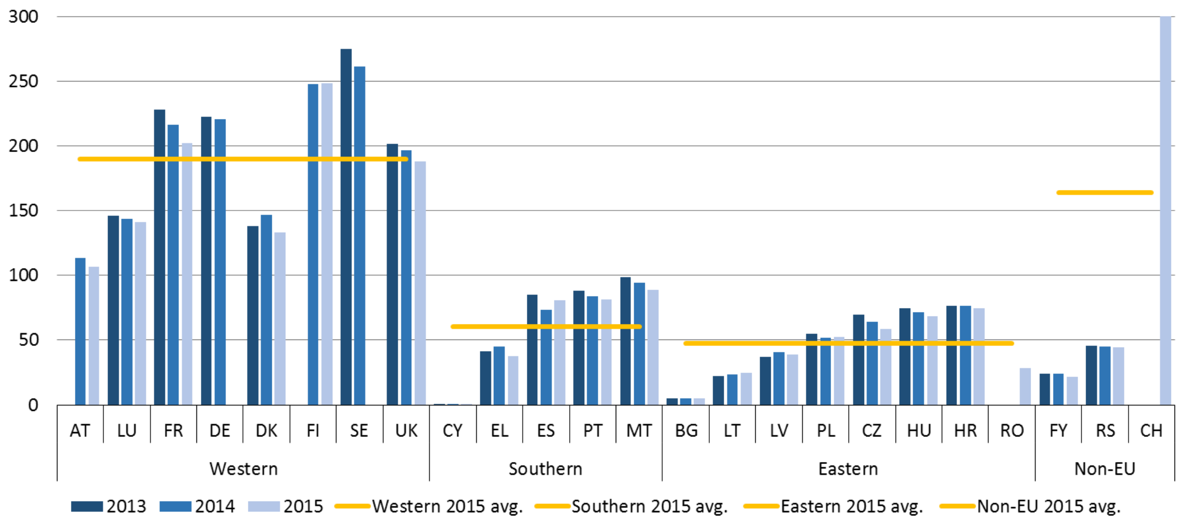
Not shown on chart due to unavailability of data: UK, NO
Data for DK, SE, IT, EE, SI and SK is confidential.
Data for IE is universal postal service only.
In FR excludes express services which are not considered as postal services; data available only for postal providers which have an individual licence granted by the NRA (for correspondence).

Total volume per head of population is highest among the Western cluster of countries, followed by the Southern, then the Eastern cluster.

[102] The values which are not visible:

	IE	MT	FY	IS	RS
2013	1,204,000	395,784	896,524	656,022	426,000
2014	1,225,000	408,746	1,143,280	679,871	386,000
2015	1,397,000	499,976	1,268,757	717,735	385,000

Figure 50 – Total volume per head of population



Not shown on chart due to unavailability of data: IE, IS, NO, RS
For UK is only letters.
Data for BE, IT, SI, SK and EE is confidential
Not visible: CY (2013: 0.0051% 2014: 0.0051%, 2015: 0.0055%).
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).

Looking at the total volume per head of population across the country clusters for the countries where data is available for 2013 and 2015 reflects the structural decline seen in the letters sector across most of Europe. The volume per capita has remained more stable in the Eastern cluster, however, with slight decrease of 2 items per head of population. The most expressive relative decrease was in the Southern countries.

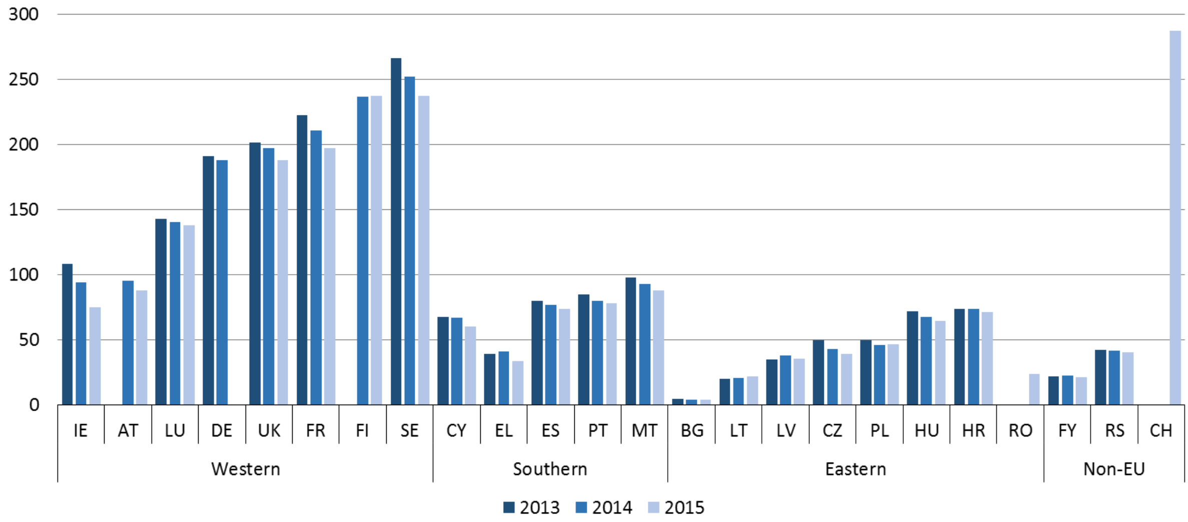
Figure 51 – Volume per head of population, by country cluster: 2013 – 2015

Country cluster	Volume per capita	
	2013	2015
Western	199	190
Southern	67	60
Eastern	50	48
Non-EU	166	164

All countries except NL, IE, IS, NO.
For UK is only letters.

Letters volume per head of population are decreasing in the majority of the countries with the exception of Latvia and Lithuania.

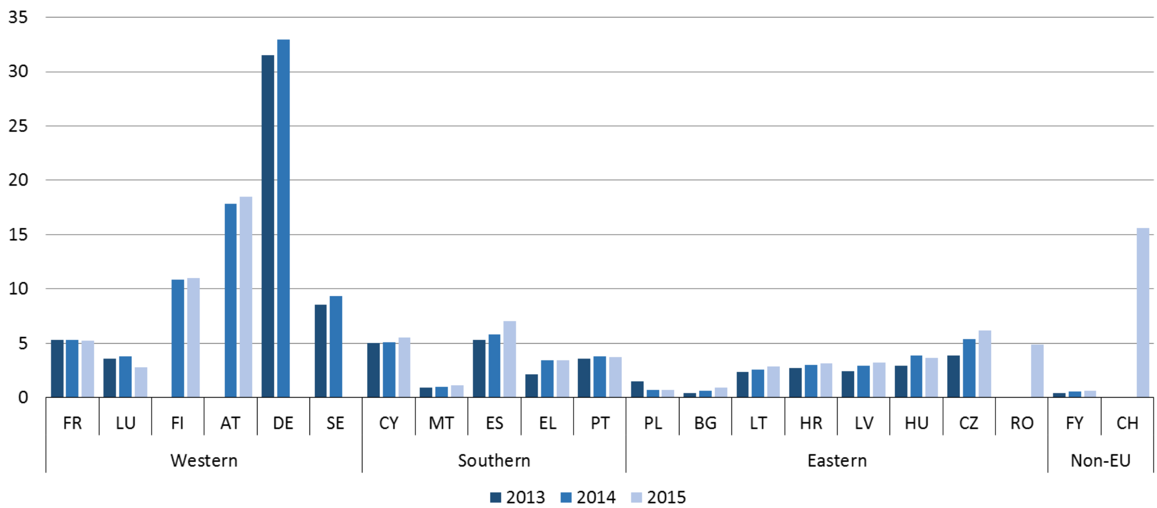
Figure 52 – Total letters volume per head of population



Not shown on chart due to unavailability of data: IS, NO, NL
Data for DK, BE, IT, SI, SK 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).

In contrast to letters volumes, parcel volumes in general are growing. Between 2013 and 2015, only Poland, France and Luxembourg saw a decline in parcel volume per capita. The largest growth was in Bulgaria, the Czech Republic and FYROM. Although parcels are clearly an area of growth, parcel volumes per head of population are still far lower than letters volume per head.

Figure 53 – Total parcels volume per head of population



Not shown on chart due to unavailability of data: IE, UK, IS, NO, NL.
Data for DK, BE, IT, EE, SI and SK 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).

6.4 Revenues

6.4.1 Total revenues trends

Total revenue across the countries that have been able to provide data for 2013 and 2015 has increased by an average of 0.3% each year. This is driven by increased parcel revenues (5.1% each year on average) and by the decrease of the letter revenues (-1.8% on average for each year), and will also be affected by price increases over this period.

Figure 54 – Total revenue and annual average change: 2013 to 2015

	2013	2015	Annual average rate
ALL COUNTRIES	39.733.383.507	40.000.819.963	0,3%
WESTERN	25.718.996.330	25.812.418.879	0,2%
SOUTHERN	11.546.053.944	11.643.883.753	0,4%
EASTERN	2.375.757.153	2.439.971.602	1,3%
NON-EU	92.576.080	104.545.728	6,3%

Data collected from: AT, BE, FR, IE, NL, SE, UK, CY, EL, ES, IT, MT, PT, BG, CZ, EE, LT; PL, SI, SK, IS, RS. For UK only for letters.

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).

Letters revenues are decreasing on average in the Western and Southern countries, while increasing in the Eastern countries.

Figure 55 – Letters revenue and annual average change: 2013 to 2015

	2013	2015	Annual average rate
ALL COUNTRIES	26.976.935.058	26.020.615.090	-1,8%
WESTERN	19.545.052.174	19.164.015.820	-1,0%
SOUTHERN	5.616.315.531	5.022.652.140	-5,4%
EASTERN	1.732.409.330	1.740.492.467	0,2%
NON-EU	83.158.023	93.454.662	6,0%

Data collected from: AT, BE, FR, IE, NL, SE, UK, CY, EL, ES, IT, MT, PT, BG, CZ, EE, LT; PL, SI, SK, IS, RS.

Parcels revenues are increasing in all the clusters, which is due to the increase of the volumes of this segment.

Figure 56 – Parcels revenue and annual average change: 2013 to 2015

	2013	2015	Annual average rate
ALL COUNTRIES	12.651.257.474	13.980.204.873	5,1%
WESTERN	6.068.753.180	6.648.403.059	4,7%
SOUTHERN	5.929.738.413	6.621.231.613	5,7%
EASTERN	643.347.823	699.479.136	4,3%
NON-EU	9.418.057	11.091.066	8,5%

Data collected from: AT, BE, FR, IE, NL, SE, UK, CY, EL, ES, IT, MT, PT, BG, CZ, EE, LT; PL, SI, SK, IS, RS.

For the countries that are able to provide data on express revenues, the total revenue for this type of mail has increased by an average of 8.6% each year between 2013 and 2015. It should be noted that the countries that are able to provide express revenues are not the same as those that are able to provide total revenues on a consistent basis and no comparisons should be drawn between the two sets of data.

Figure 57 – Total express revenue and annual average change: 2013 to 2015

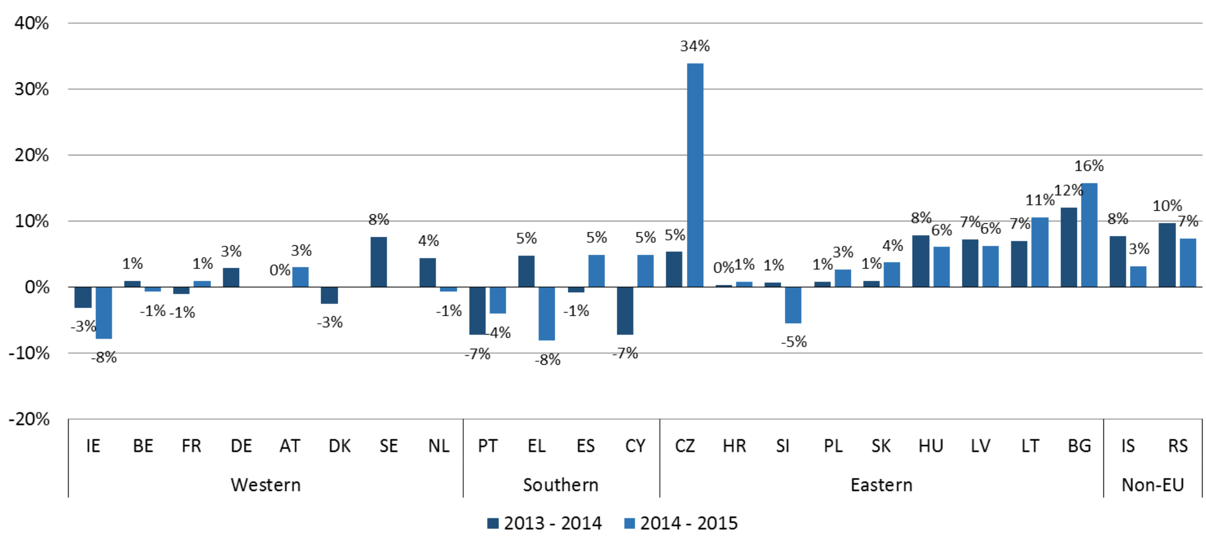
Total express revenue		Annual average change
2013	2015	
4,178,381,093	4,923,842,930	+8.6%

Data collected from: IT, PT, EE, HU, LT, LV, PL, SK, IS

In the Eastern and Non-EU clusters of countries, total revenues have increased in both 2014 and 2015. The growth is particularly notable in the Czech Republic, where revenues increased by 34% between 2014 and 2015.

Among the Western and Southern countries, the picture is a little more mixed with some seeing a decline in revenue, such as Ireland and Portugal, and others seeing growth.

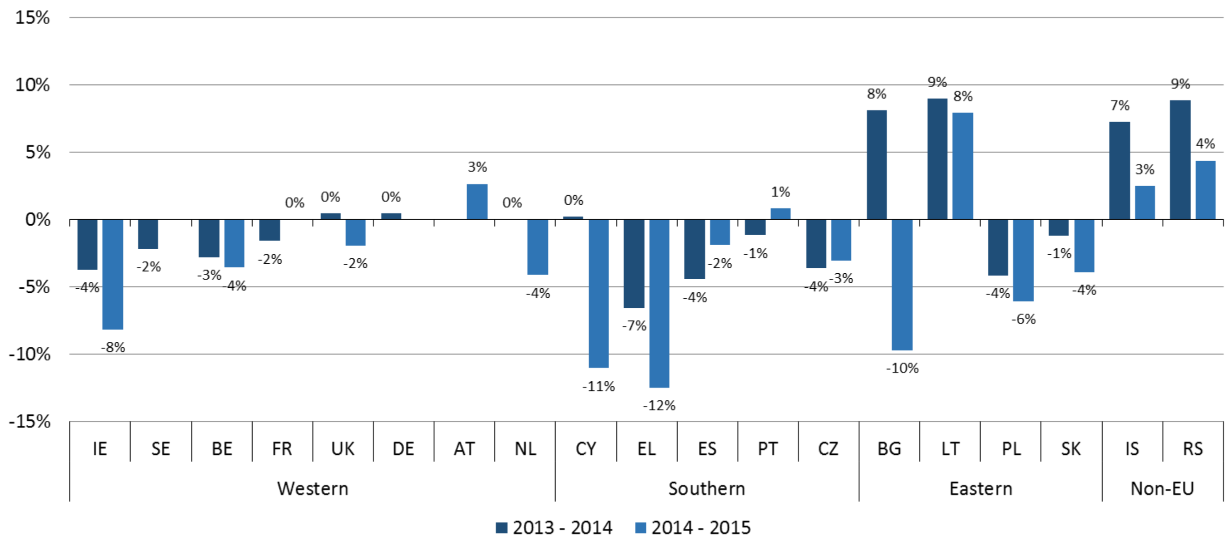
Figure 58 – Total revenue year on year changes: 2013 to 2015



Not shown on chart due to data being unavailable: FI, LU, UK, RO, CH, NO.
Data for IT, MT and EE are confidential
Data for IE is universal postal service.

Looking at just the year on year changes in letters revenue shows that most countries have seen declines, with the exceptions of Austria, Bulgaria, Lithuania, Iceland and Serbia.

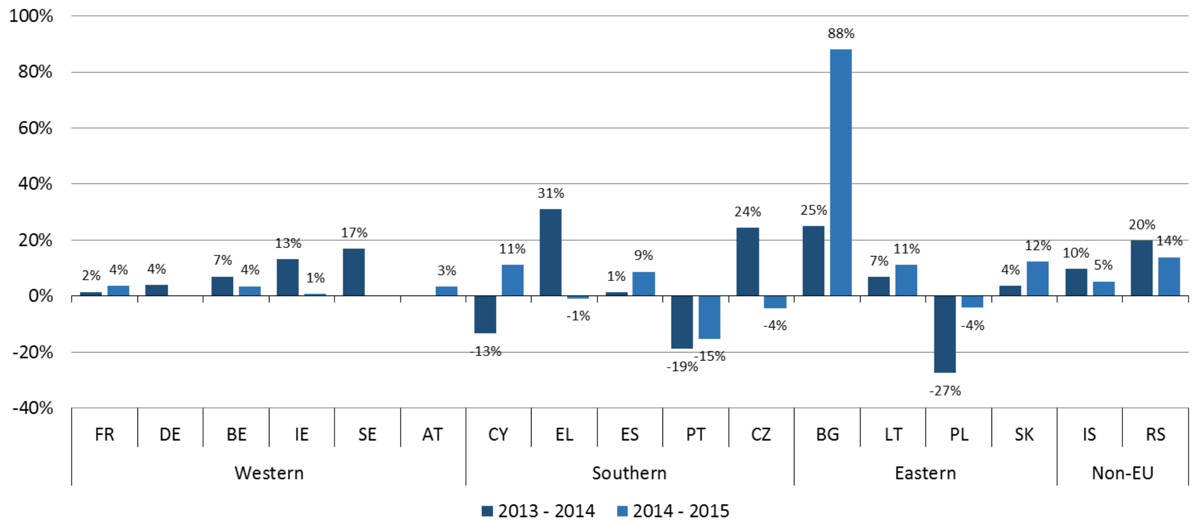
Figure 59 – Letters revenue year on year changes: 2013 to 2015



Not shown on chart due to data being unavailable: FI, LU, HR, HU, LV, RO, CH, FY, NO.
Data for DK, IT, MT, 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).

It is clear that the increases in overall revenue are driven by growth in parcels revenue. This source of revenue has grown in all the countries, except in Poland and Portugal.

Figure 60 – Parcel revenue year on year changes, 2013 to 2015

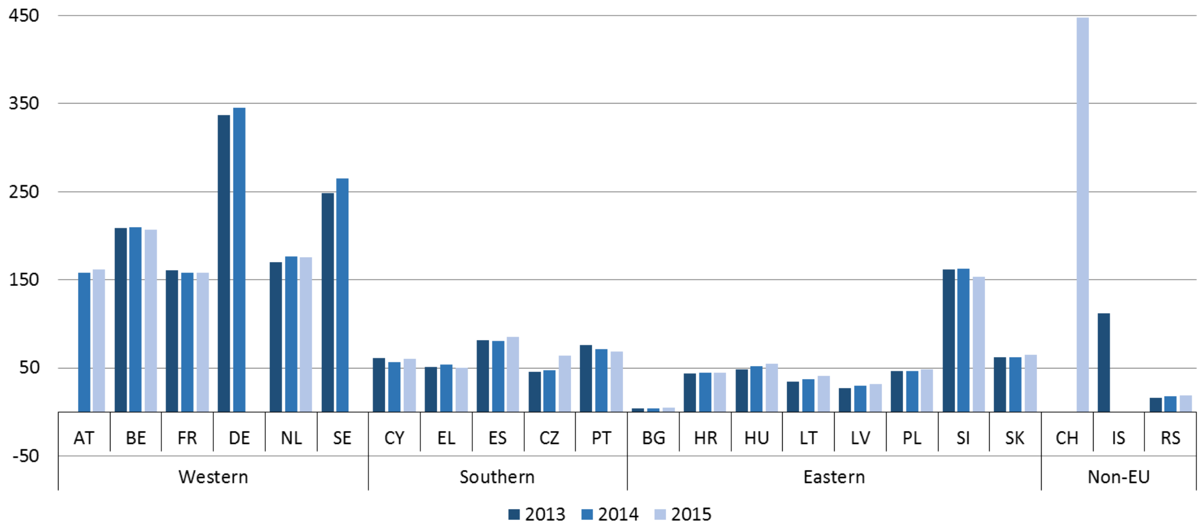


Not shown on chart due to data being unavailable: DK, FI, LU, NL, UK, HR, HU, LV, RO, CH, FY, NO.
Data for IT, SI, NL, MT and EE is confidential.
In FR excludes express services which are not considered as postal services; data available only for postal providers which have an individual licence granted by the NRA (for correspondence).

6.4.2 Revenue per capita

Trends in revenue per head of population are generally positive. In Czech Republic, revenue per capita has grown by 41% between 2013 and 2015, while in Portugal there has been a 10% decline.

Figure 61 – Total revenue per head of population (number of objects per inhabitant)

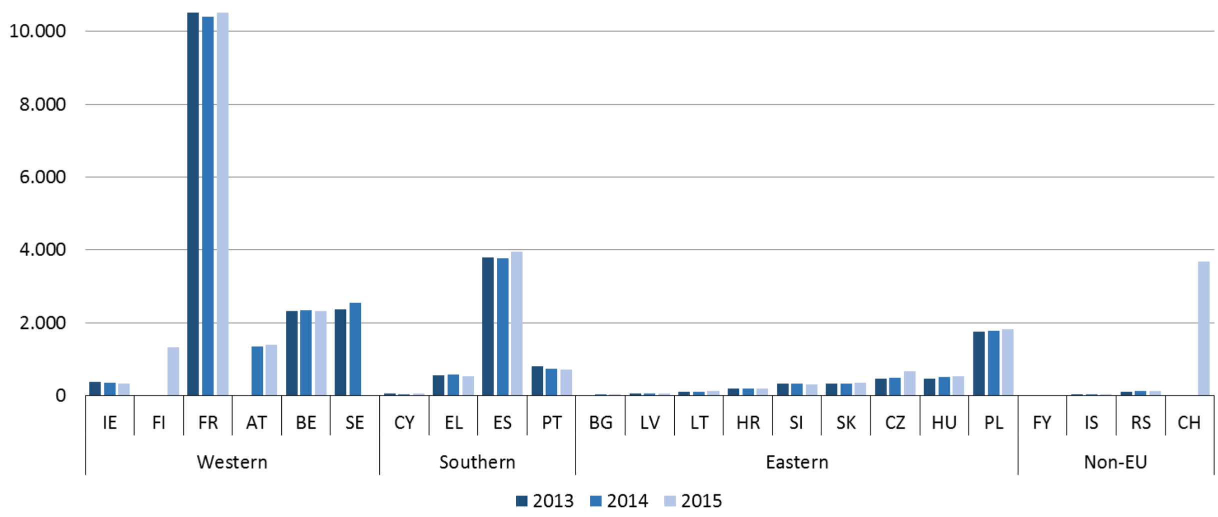


Not shown on chart due to data being unavailable: DK, FI, IE, LU, UK, RO, NO.
Data Omitted: FYROM
Data for IT, MT and EE is confidential

6.4.3 Revenues by type

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

Figure 62 – Total revenue[103]



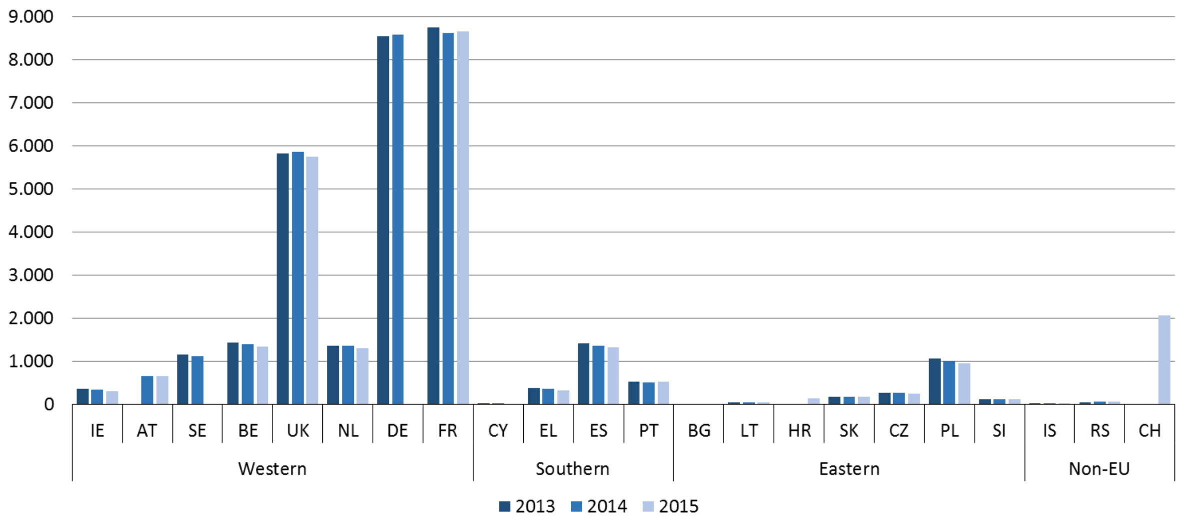
Not shown on chart due to data being unavailable: DK, UK, RO, NO, LU.
Data for IT, NL and EE is confidential.
In FR excludes express services which are not considered as postal services; data available only for postal providers which have an individual licence granted by the NRA (for correspondence).

Germany, France and the UK have the largest letters sectors in terms of revenue, reflecting their large population sizes. In 2015 in the UK, total letters revenues were €5.7bn, a 2% decline on the previous year.

[103] The values which are not visible:

	DE
2013	27,140,000,000
2014	27,920,000,000

Figure 63 – Total letters revenue[104]



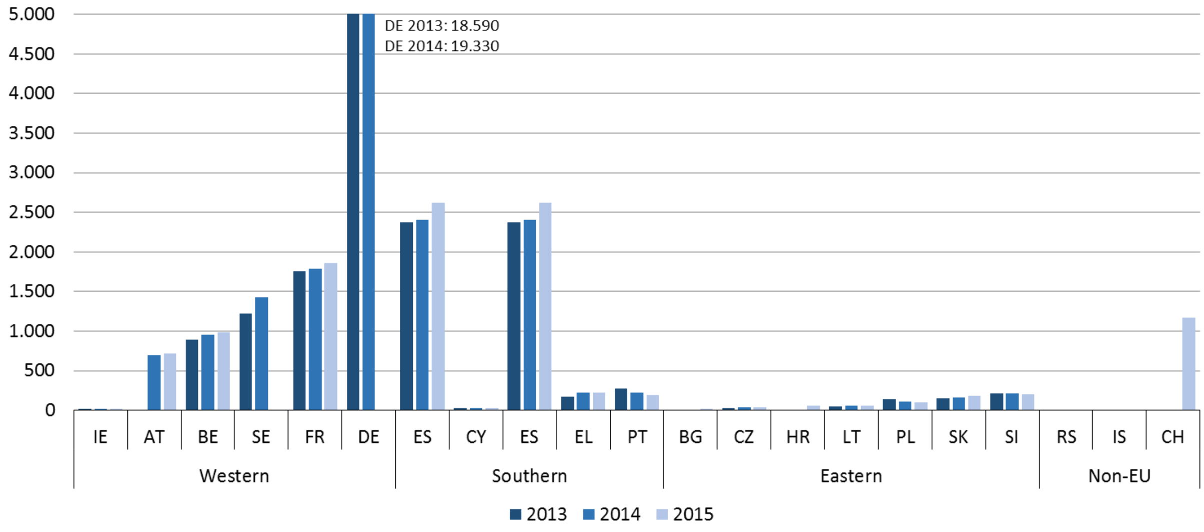
Not shown on chart due to data being unavailable: FI, LU, HU, LV, RO, FY, NO.
Data for DK, IT, MT and EE is confidential.
In FR excludes express services which are not considered as postal services; data available only for postal providers which have an individual licence granted by the NRA (for correspondence).

Parcel revenues in Portugal fell by 31.2% between 2013 and 2015. Poland also experienced a decline of 30.5% for the same period. The largest increase in parcel revenue was in Serbia where these grew by 36.4% between 2013 and 2015.

Figure 64 – Total parcels revenue[105]

[104] The values which are not visible:

	CY	BG	LT	IS
2013	23,957,370	19,704,048	41,702,380	27,699,497
2014	24,012,689	21,300,503	45,446,812	29,702,493
2015	21,365,291	19,236,614	49,050,909	30,447,103



Not shown on chart due to data being unavailable: DK, FI, UK, LU, HU, LV, FY, NO.
Data for IT, MT, NL and EE is confidential

6.4.4 Average revenues per item

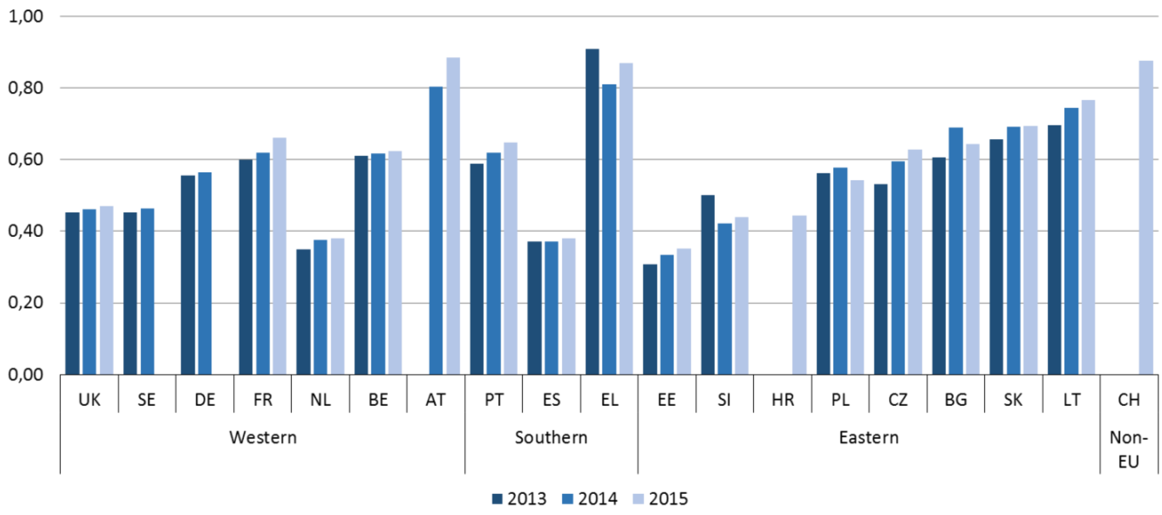
While average revenue per item is a useful metric to indicate the relative value of a postal item, it should be noted that it does not represent the price of sending an item. The average revenue per item can be influenced by a range of factors, such as whether there is a two-tier service for consumers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

Revenue per letter item increased across the majority of ERGP countries between 2013 and 2015, with the exception of Poland. Across the ERGP countries the average revenue per letter remains below €1.

[105] The values which are not visible:

	IE	CY	BG	HR	IS	RS
2013	13,648,000	28,640,501	6,002,200		8,352,174	1,065,882
2014	15,441,000	24,821,176	7,500,575		9,159,124	1,276,537
2015	15,548,000	27,603,263	14,098,169	55,590,574	9,636,929	1,454,136

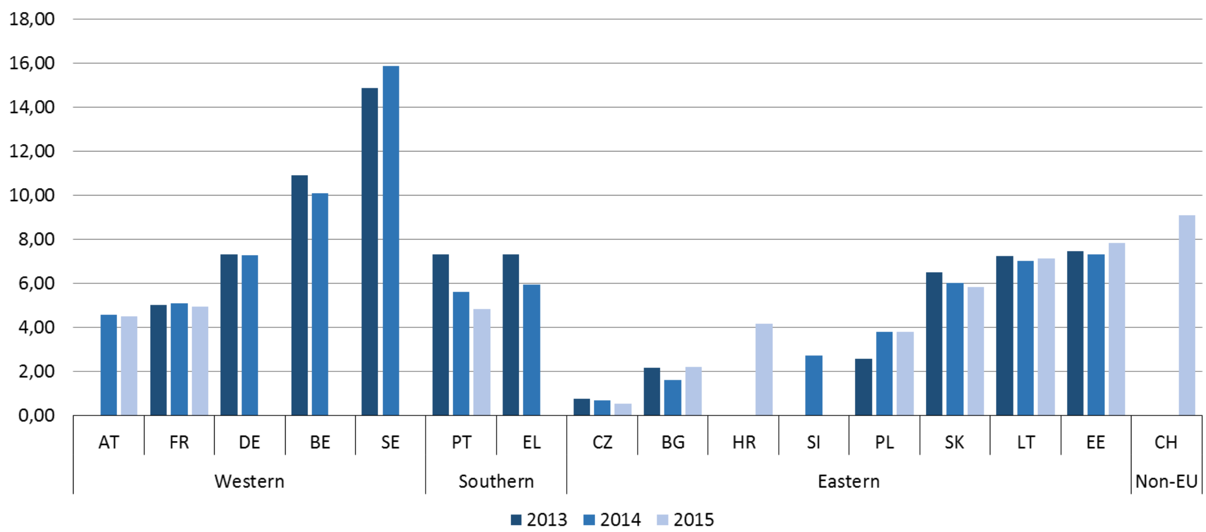
Figure 65 – Average revenue per letter item



Not shown on chart due to data being unavailable: DK, FI, IE, LU, HU, LV, RO, IS, NO, RS, CY.
Data for IT, MT is confidential

Unsurprisingly, the average revenue per parcel item is significantly higher than for letters. There are very few countries where the average revenue per parcel is less than €2, compared with letters where the average revenue per item is less than €1.

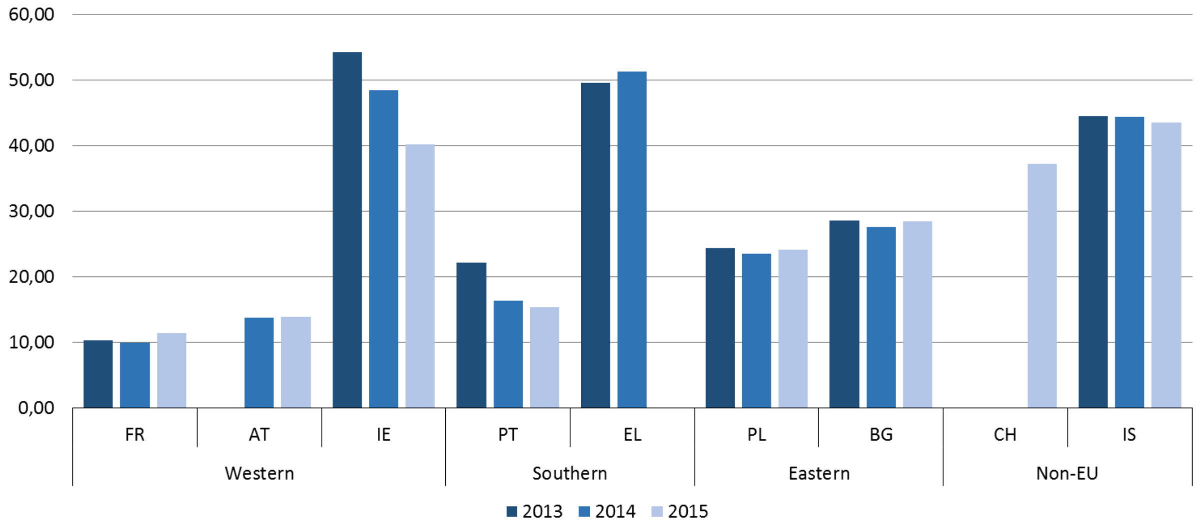
Figure 66 – Average revenue per domestic parcel item



Not shown on chart due to data being unavailable: DK, FI, IE, LU, NL, UK, ES, HU, LV, RO, FY, IS, NO, RS, CY.
Data for IT, MT is confidential

When compared to the figure below, it is clear that outbound parcels generate far more revenue than domestic parcels. In Greece, an outbound parcel cost more than 8 times that of a domestic parcel in 2014.

Figure 67 – Average revenue per outbound parcel item

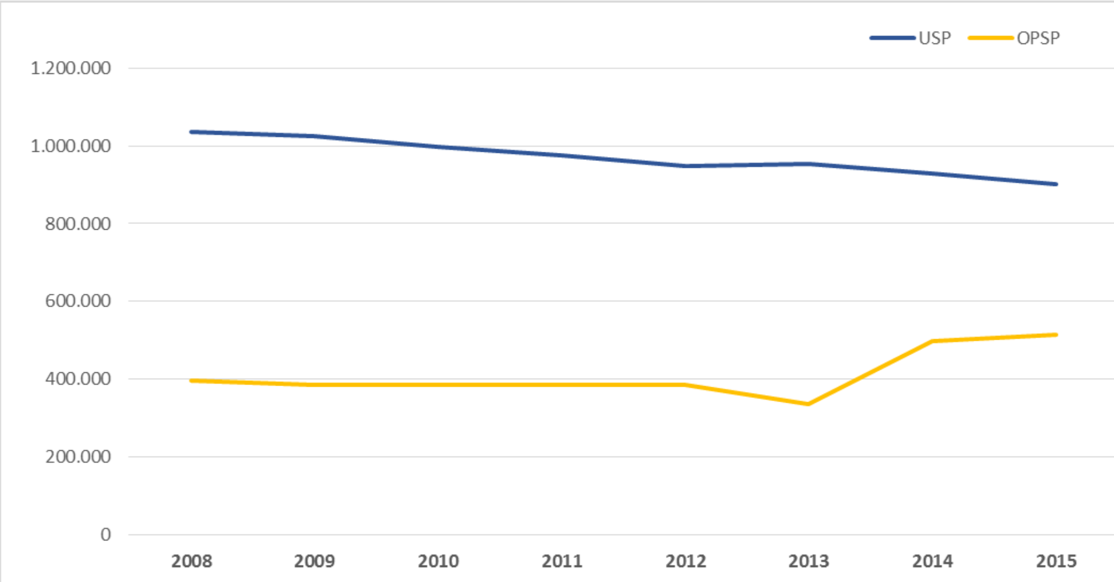


Not shown on chart due to data being unavailable: BE, DE, DK, FI, LU, NL, SE, UK, CY, ES, HR, EE, HU, LT, LV, RO, SI, SK, FY, NO, RS.
Data for IT, MT is confidential

6.5 Employment in the postal sector

Across all of the countries that were able to report data between 2008 and 2015[106], there has been a decline of 13.0% in the number of people employed by the USP across this period. For other postal services providers, there has been a 29.8% increase in the number of people employed. As a result, for these countries, total postal employment decrease 1.2% between 2008 and 2015.

Figure 68 – Total employment by USP and other postal providers (number of people employed): 2008-2015



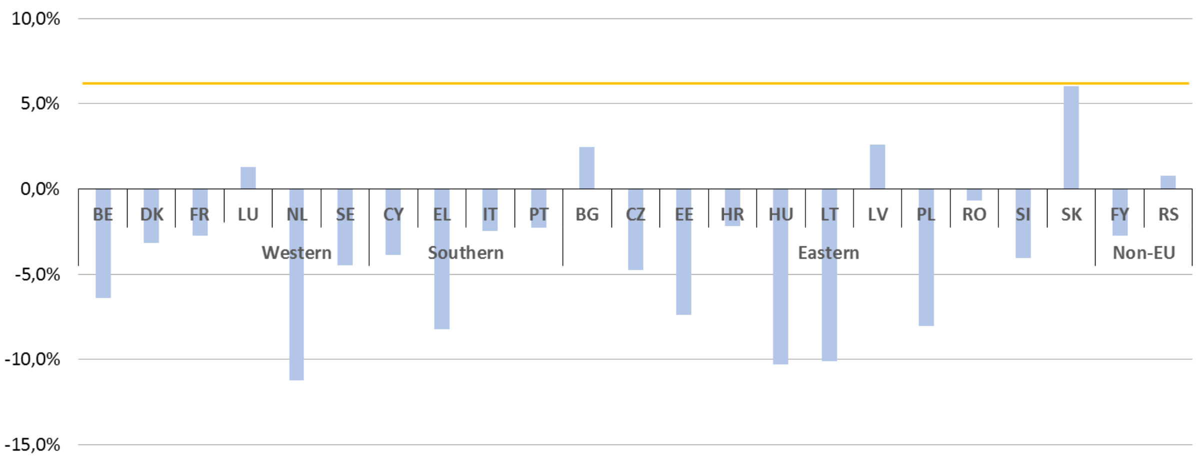
Source: NRAs
Note: Consistent data for all countries not available for all years. Includes data from the following countries: BE, BG, CH, CY, CZ, DE, EE, EL, ES, FR, FY, HR, HU, IT, LT, LV, LU, MT, PL, PT, RO, SE, SI, SK. Contains some estimates.[107]

Looking into the period of 2013 to 2015, for the countries that provided both data for the USP and the OPSP from 2013 to 2015, the total employment variation decrease on average -6.9%. For the majority of the countries there was a decrease in the employment, with the exception of LU (1.3%), BG (2.5%), LV (2.6%) and SK (6.0%).

[106] Not all of the ERGP countries are represented in the chart below. Only those which have provided data for the majority of years including the few whom have been able to provide data for 2015. Data from countries where employment information for the USP only has been provided is not included.

[107] 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 data. Where the data is missing for the 2008, 2014 or 2015, the percentage change between the next two complete years is applied to estimate the missing data.

Figure 69 – Total employment variation - 2013-2015

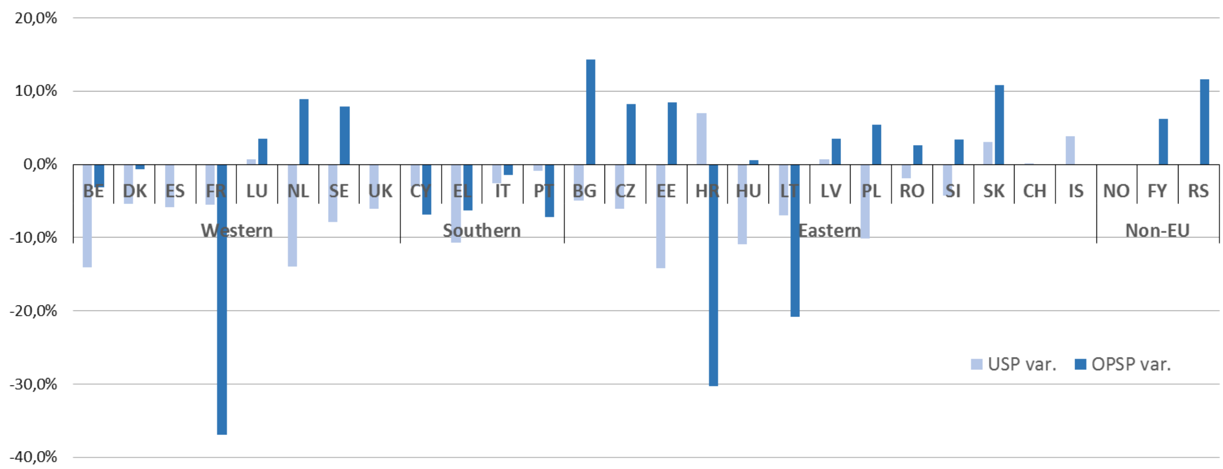


Note: the information is shown only from the countries that provided data for both the USP and the OPSP. For DK and SE is presented the variation between 2013 and 2014 and for RO between 2014 and 2015. The data for Malta and Austria is confidential.
FR: Data available only for postal providers which have an individual licence granted by the NRA (for correspondence) and excluding express activities which are not considered as postal services.

Between 2013 and 2015, the decrease in the total employment is due to the decrease in the USP employment. On average, the USP employment decreased -4.7% between 2013 and 2015. The USP number of employees decreased for all the countries with the exception of HR, SK and IS.

The employment for the OPSP increased on average in the same period (3.5%). Nevertheless, the variation in the number of OPSP employees is more heterogeneous as some countries observed a significant decrease (being the French the most expressive example with a decrease of 37%) while others an important increase (namely Bulgaria with a 14.3% increase). Slovakia, Luxembourg and Latvia were the only countries that had an increase in both USP and OPSP employment.

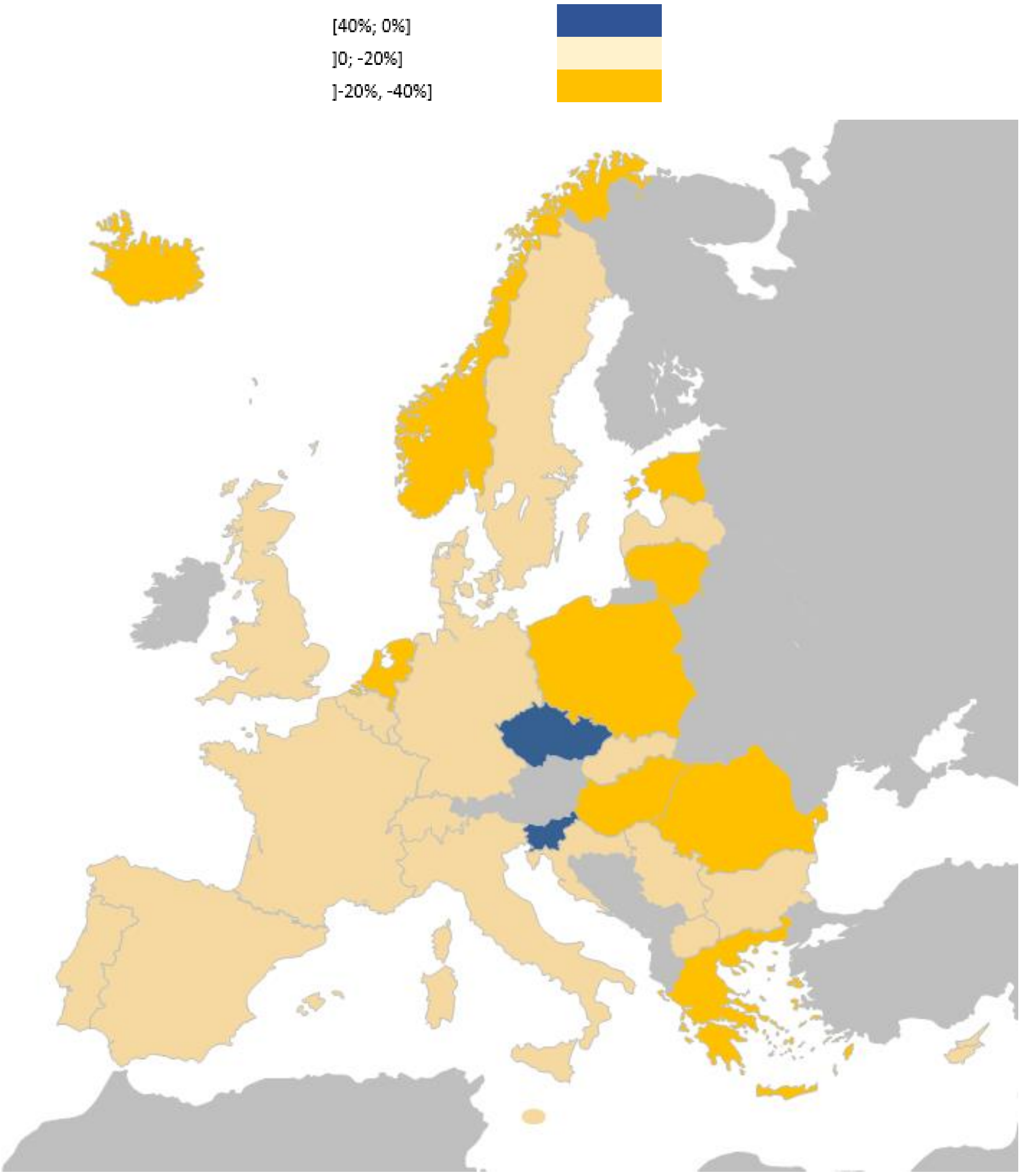
Figure 70 – Total employment variation by USP and other postal providers: 2013-2015



For DK and SE is presented the variation between 2013 and 2014 and for RO between 2014 and 2015. The data for Malta and Austria is confidential. 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 map below shows the overall percentage change between 2011 and 2015 in the share of total employment in each country accounted for by the USP, which has declined in every ERGP country except Czech Republic (increase of 74.7%) and Slovenia (3.5%). The highest decreases were observed in the Eastern countries.

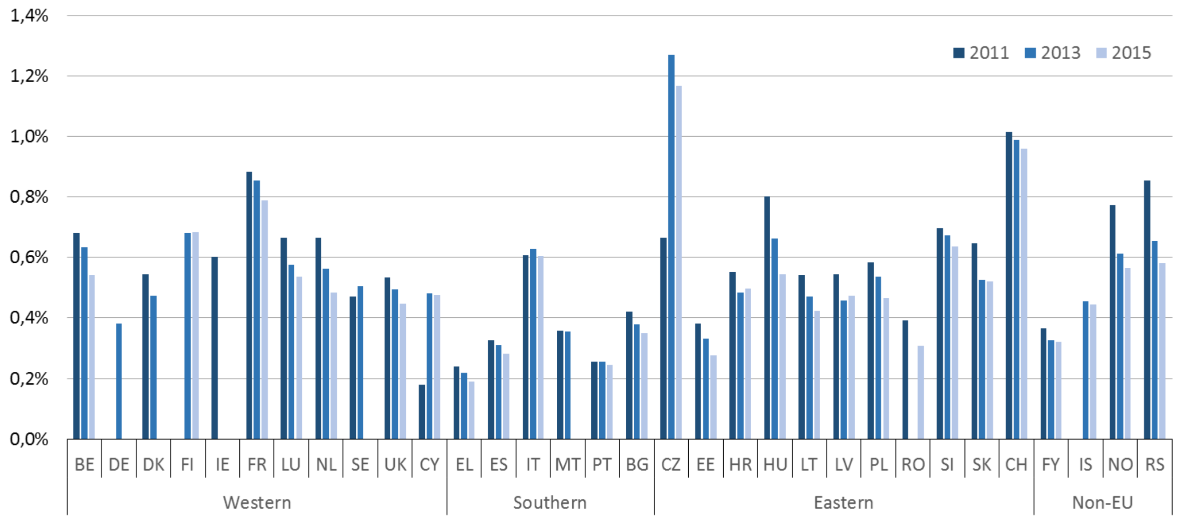
Figure 71 – Overall Percentage change in the USP's share of total employment: 2011-2015



Notes: For DE, DK is the variation between 2010 and 2014. For CY and IS between 2013 and 2015.

In the majority of ERGP countries of which data is available in 2011 and 2015, the proportion of total employment within the USP since 2011 has declined, with the exception of Cyprus and Czech Republic.

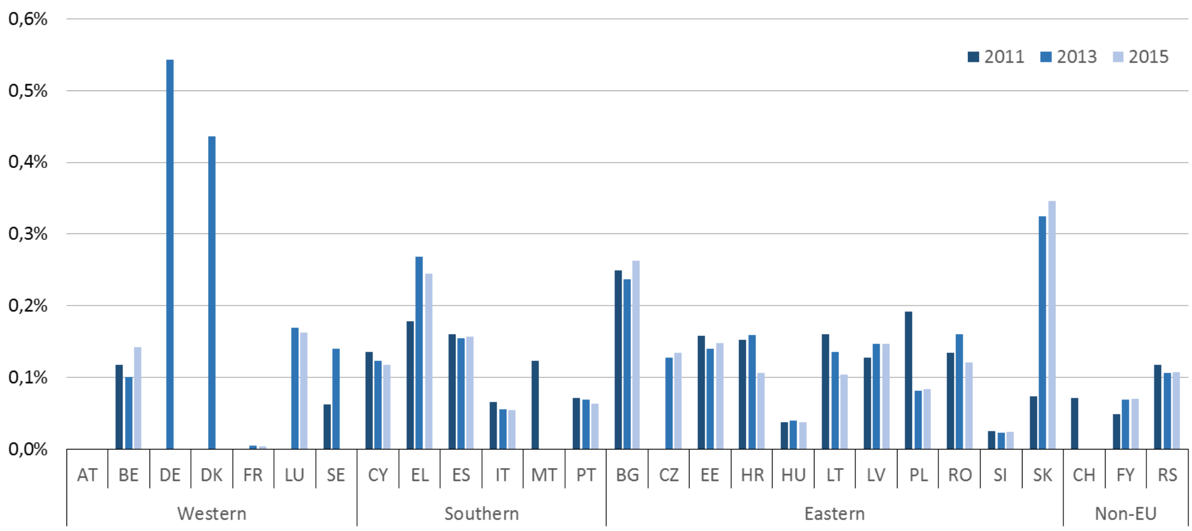
Figure 72 – Persons employed by the USP as a proportion of total employment



Source: NRAs. Employment data from Eurostat. http://ec.europa.eu/eurostat/web/lfs/data/database
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 and MT in 2015 is confidential.
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.

Of all the countries that are able to report figures on the number of people employed by USP and other postal services providers for 2015, Czech Republic is the only nation which has seen an increase in the proportion of total employment within both sectors (USP and OPSP) since 2013.

Figure 73 – Persons employed by other postal services providers as a proportion of total employment



Source: NRAs. Employment data from Eurostat. 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 and MT in 2015 is confidential. 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.

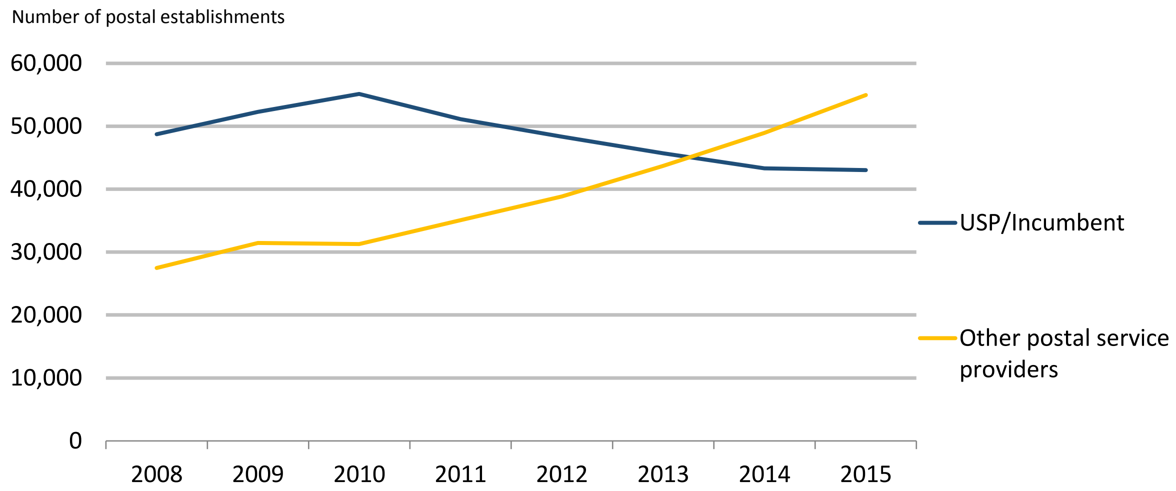
6.6 Postal network

6.6.1 Postal establishments

There has been a continued increase in the number of postal establishments operated by other postal service providers since 2008.

For the countries that were able to provide data for both USP and other postal providers for the majority of the years have been included[108], the decline in USP postal establishments appears to be stabilising from 2014 to 2015.

Figure 74 – Total number of postal establishments by USP and other postal providers: 2008-2015



Source: NRAs

Note: Consistent data for all countries not available for all years. Includes data from the following countries only: BG, CH, CY, DE, EE, EL, FY, HR, HU, MT, PL, PT, RO, RS, SI, SK. Contains some estimates.

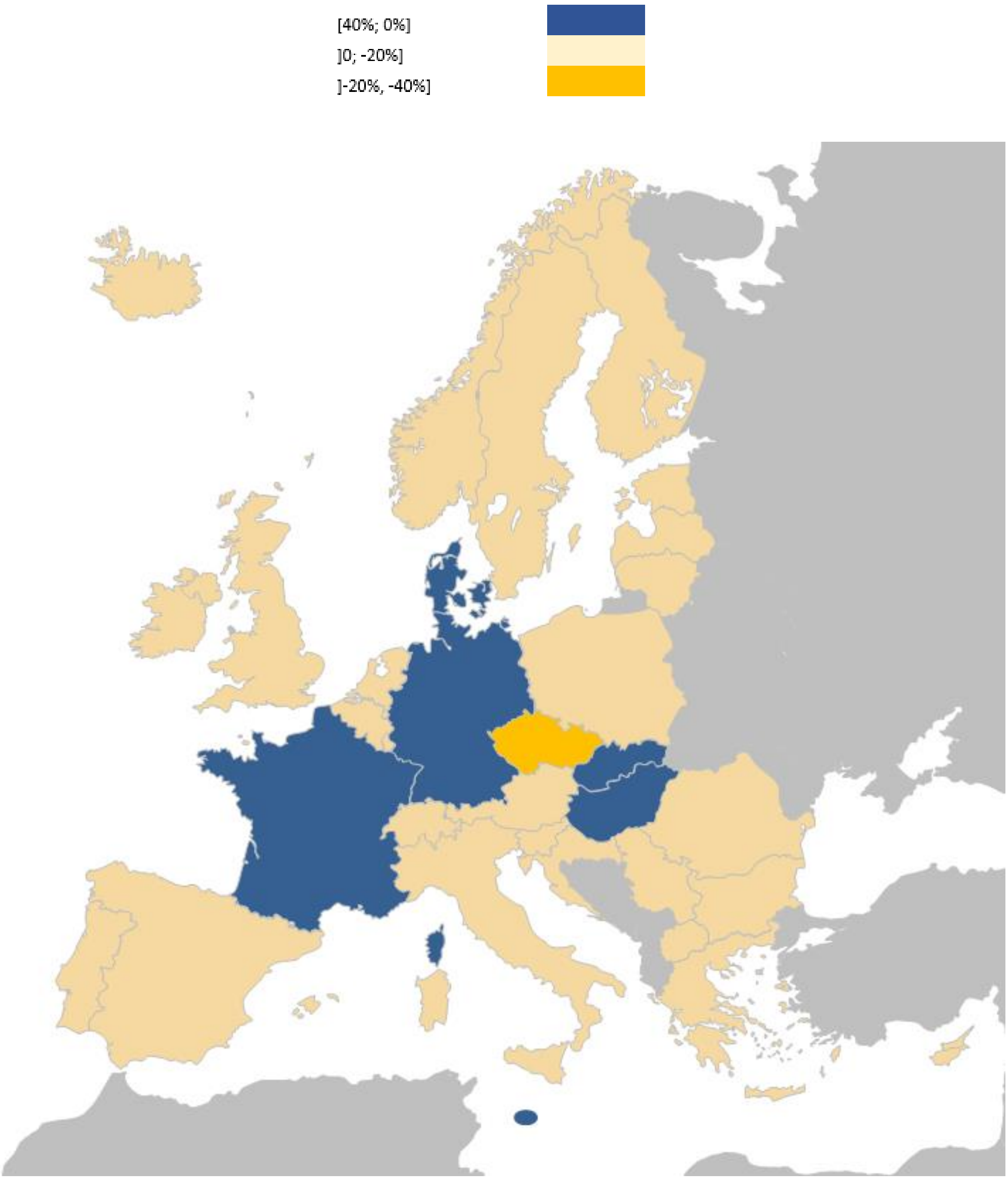
As shown in the map below, in the majority of ERGP countries which have provided data for 2015, the number of USP postal establishments has decreased since 2011, with the exceptions of Denmark (37.8%), Germany (25.8%[109]), Slovakia (7.8%), Malta (2.4%[110]), Hungary (1.6%) and France (0.5%). In Bulgaria the number of establishments has remained the same during this period. By contrast, in Czech Republic the number of USP postal establishments decreased 31.3% in the same period.

[108] This means data from countries where postal establishment information for only the USP is present, has not been included.

[109] For the period between 2010 and 2014.

[110] For the period between 2013 and 2015.

Figure 75 – Overall Percentage change in the number of USP postal establishments: 2011-2015

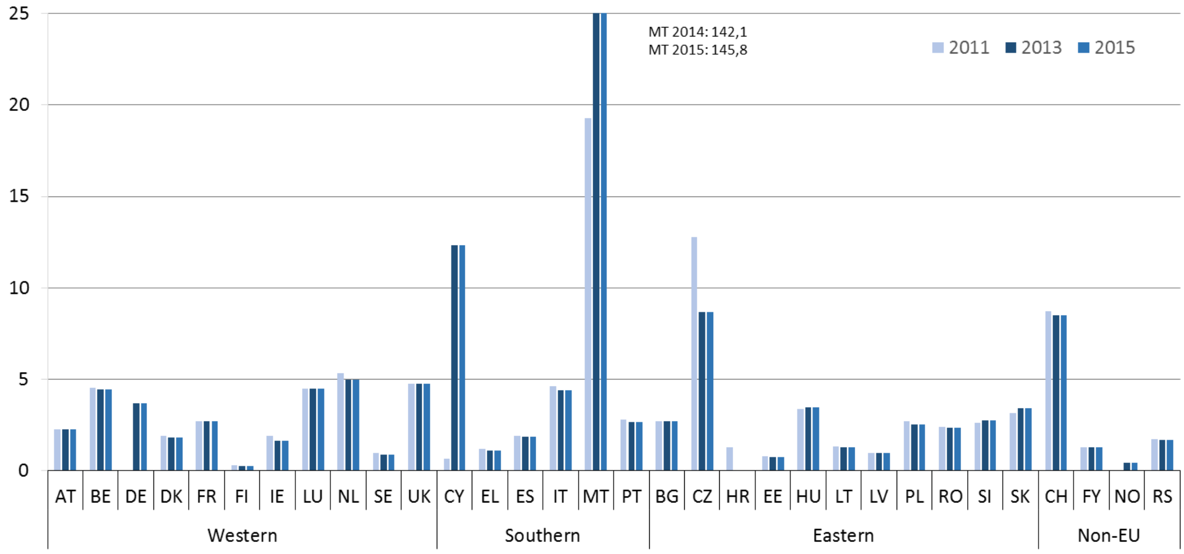


Notes: For CY, MT, IS and NO for the period 2013-2015. For FI between 2014 and 2015. For DE between 2010 and 2014.

The number of postal establishments per 100km² in the ERGP countries has been relatively stable between 2011 and 2015.

Although Finland has the second lowest number of postal establishments per 100km², the total volume accounted for per head of its population was the fourth highest amongst the ERGP countries[111]. Furthermore, Cyprus had the highest increase between 2011 and 2015 in the number of USP postal establishments per 100 km^2 (from 0.64 to 11.8 per km^2) and Croatia the highest decrease (from 1.29 in 2011 to 0.023 in 2015).

Figure 76 – Postal establishments per 100km²: USP only

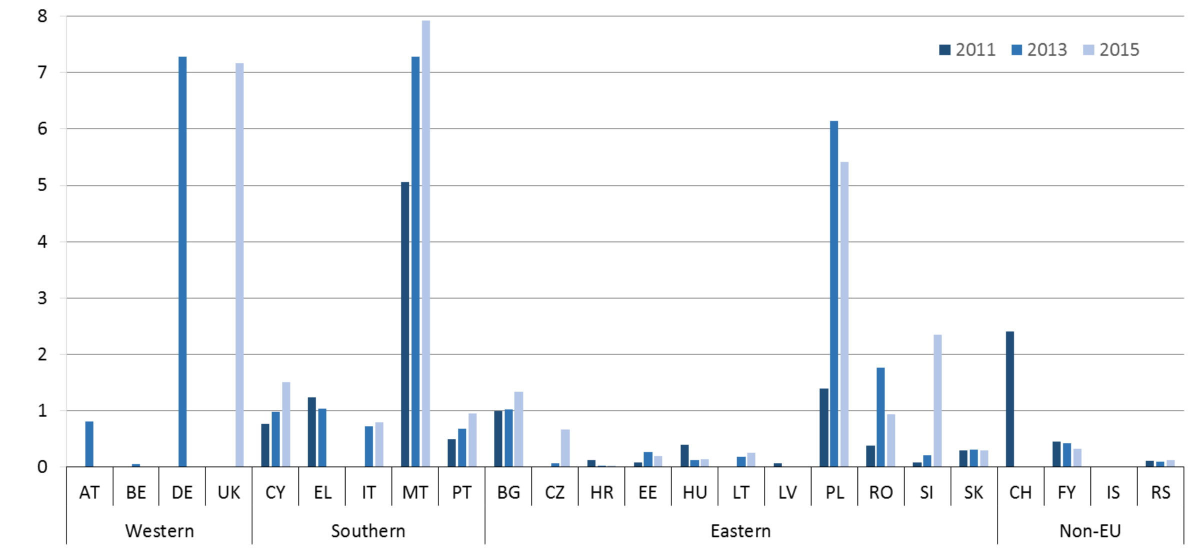


Source: NRAs.

In all the countries that are able to report figures on the number of postal establishments from other postal providers, the number of postal establishments per 100 km^2 is higher for the USP than for the OPSP with the exception of Germany in 2014, Cyprus and Greece in 2011, and Croatia and Poland in 2013. Malta saw a slight increase despite having the same number of other postal establishments as 2014, this was caused by a decrease in land mass of 0.6km² in 2015.

[111] In relation to other ERGP countries where 2015 data has been recorded.

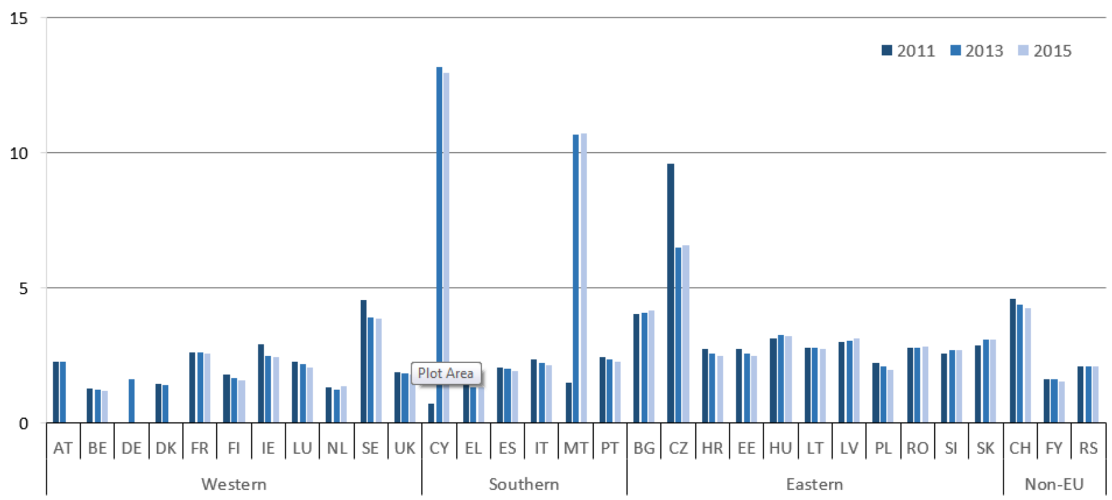
Figure 77 – Postal establishments per 100km²: other providers



Source: NRAs.

The ratio of USP postal establishments to people has been relatively stable since 2011 across the ERGP countries, with the exception of Malta and Cyprus.

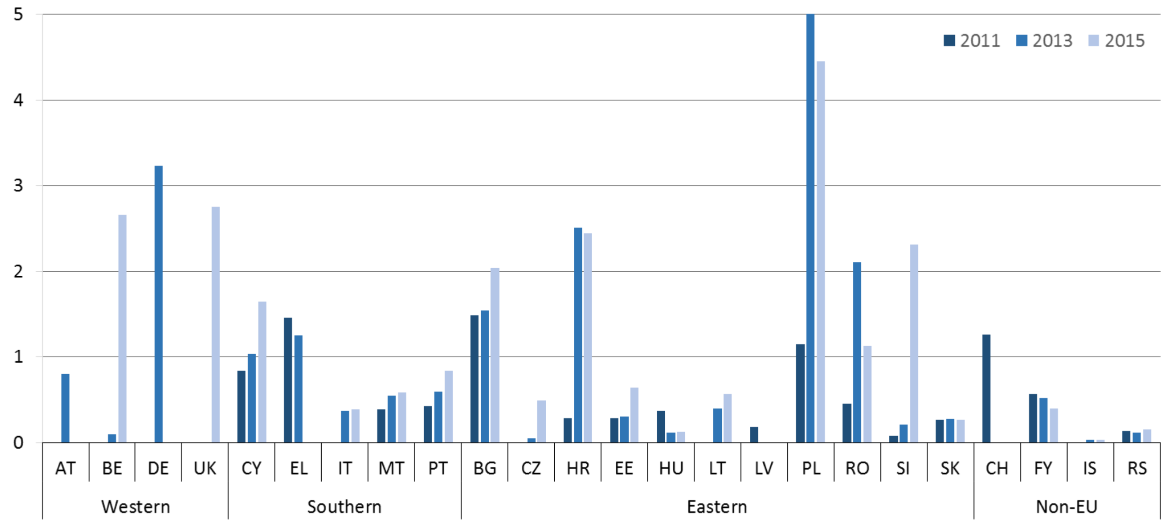
Figure 78 – Postal establishments per 10,000 people: USP only



Source: NRAs.

Greece, Hungary, Slovakia and FYROM are among the countries which have shown a decline since 2011 in the number of postal establishments from providers other than the USP per 10,000 people.

Figure 79 – Postal establishments per 10,000 people: Other providers



Source: NRAs.

6.6.2 Parcel Lockers

With the increasing development of the e-commerce and of the importance of the parcels segment, the postal operators are developing alternative ways of delivering the postal items. A recent trend is the development of parcels locker, automated terminals of the operators, which can be operated by the users, where people can receive and/or send parcels or other postal items.

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 around one third of the NRAs – BE, CY, CZ, DK, EE, ES, FI, HU, IS, NL, PL, UK[112] – are collecting some data regarding the parcels lockers.

Even if this collection is very limited, the number of parcel lockers is increasing, as expected.

Figure 80 – Parcel lockers from the USP and the other postal providers – 2013-2015

[112] Estimates based on public information.

	USP/INCUMBENT				OTHER POSTAL SERVICE PROVIDERS			
	2013	**2014**	**2015**	**Var. 2013/2015**	**2013**	**2014**	**2015**	**Var. 2013/2015**
CYPRUS	n.a.	n.a.	2		0	0	0	
CZECH REPUBLIC	0	10	15	**50,0%**	0	0	0	
DENMARK	429	478	468	4,4%	0	0	0	
ESTONIA	79	98	104	14,7%	81	83	85	2,4%
FINLAND	n.a.	n.a.	482		n.a.	n.a.	n.a.	
HUNGARY	n.a.	n.a.	50		n.a.	n.a.	152	
ICELAND	n.a.	n.a.	8		n.a.	n.a.	n.a.	
LITHUANIA	n.a.	n.a.	0		0	121	131	8,3%
POLAND	34	117	120	87,9%	283	100	0	-100,0%
THE NETHERLANDS			8				25	
SPAIN	0	0	403		0	0	0	
UK	0	0	0		0	0	1500*	

* estimates based on public information.

ANNEXES – POSTAL SERVICE DEFINITIONS (LEGAL DEFINITION)

Austria – AT

“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.

Belgium - BE

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.
No precise legal definition of books, catalogues or newspapers in the postal law. A service of last resort is offered for recognized newspapers which respect specific criteria of the offer of last resort.
No precise legal definition of parcels in the postal law. There is, however, a BIPT communication regarding the characteristics of parcels of 11 July 2007. Based on this communication BIPT defined the upper limit of 30kg for parcels. Everything above this limit is considered transport. Furthermore this communication try to describe the difference between postal services and transport services.
No precise legal definition of express mail in the law. Express mail is, however, considered a postal 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.

Bulgaria - BG

"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.
The service "Express mail" is not defined in the Postal services Act. Therefore please see the definition for the “Courier service".
"Courier service" is a postal service at a price higher than the price of the universal postal service. The courier service guarantees, besides swiftness and reliability of accepting, carrying and delivering of the consignments personally to the recipient, the provision of all or some of the following additional services:
a) collection from the sender's address;
b) delivering until a specified date;
c) opportunity for changing the destination and the receiver while the item is in motion;
d) notifying the sender of the delivery of the item;
e) control of and tracing the item;
f) personal services to the consumers and providing services "a la carte" (at choice) in the specified way

and at the specified time ("on demand" and "under a contract").
Croatia – HR
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.
Cyprus – CY
Czech Republic - CZ
No specific definition, the direct mail is not postal service in CZ. Postal parcels – express: An 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. Express mail: An 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: guaranteed delivery to a specified date, collection of postal items from the point of origin, personal delivery to the addressee, the option of changing the destination of delivery and addressee during transit, confirmation of receipt of the postal item to the sender, control and monitoring of postal items, personal customer service and the provision of services to meet the customer's requirements, if needed.
Denmark - DK
Estonia - EE
Finland - FI
France - FR
An item of correspondence is a postal item not exceeding two kilograms and which contains a written communication on a physical medium, excluding books, catalogs, 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) Books, catalogues, newspapers and periodicals are considered as postal items (see definition of postal items above). (Legal definitions, article L.1 of the Postal and Electronic Communications Code) In French legislation, postal parcels designate parcels which are collected, sorted, transported and delivered through regular delivery rounds (ArticleL.1 of the Postal and Electronic Communications Code) No legal definition of 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 No legal definition of express mail Same analysis: 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.

Germany – DE
(legal definition § 4 PostG) 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 20 kilograms 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. 2. 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. 3. Conveyance shall be the collecting, forwarding or delivery of postal items to the addressee. 4. 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. 5. Postal items shall be deemed items within the meaning of subpara 1 of this paragraph, also where they are conveyed on a commercial basis. 6. 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.
Greece - EL
Hungary - HU
By 2nd Section of the Act CLIX of 2012 on Postal Services ‘35. 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.’ '24. item of correspondence: a postal item containing individual or personal communication, data or information recorded in writing or on any physical data carrier.' '29. postal parcel: a registered postal item containing goods with or without commercial value.' '9. 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.'
Iceland - IS
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.
Ireland - IE
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).
Italy - IT
Ministerial Decree n.261/99)[113]: • "Postal Services": services including the collection, sorting, transportation and delivery of the postal dispatches; • "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, catalogs, 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; There is no definition of 'unaddressed mail' in Italian law. Postal parcels (definition from the minister): Within USO, parcels are up to 20kg, but by Ministerial definition upper weight limit for parcels are up to 30kg.
Latvia - LV
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

[113] Unofficial translation of Ministerial Decree n. 261/99.

notifications shall not be deemed direct mail. Direct mail and another postal item combined in one packaging shall not be deemed direct mail
Lithuania - LT
Legal definition: 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. Legal definition: Postal parcel shall mean a postal item of up to 50 kg containing an article (articles) or merchandise with or without commercial value. Books, Catalogues and Newspapers: Printed matter – an addressed postal item, in which various types of printed papers are conveyed; printed matter – an addressed postal item, in which various types of printed papers are conveyed. Periodicals: 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 parcels: a postal item, in which goods and items with or without commercial value are sent Postal parcels – express: Express 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 services, shall ensure the conformity thereof with all of the following activities characterising the advantages of express 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 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 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 services, a sender may change the destination and addressee of a postal item at any time. (4) A postal operator providing express 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. Express mail: 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..
Luxembourg - LU
legal definition
Malta - MT
Legal Express services: Regulatory
Norway - NO
No definition
Poland - PL
Item 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 addresse. Letter item - an item of correspondence or a printed form, excluding direct mail 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; Where is no division in courier items between express and standard. Where is no division in courier items between letters and parcels. 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;
Portugal - PT
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). An 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)*
Republic of Macedonia – FYROM – Republic
legal def Postal parcels (express – non express) and Express mail: regulatory def
Romania – RO
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, catalogs, newspapers, periodicals are not considered items of correspondence. 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. 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, catalogs, 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 authorized person); liability and compensations for delayed items; fast delivery (12, 24 and 36 hours).
Serbia – RS
Slovakia – SK
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. (legal definition) 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. (legal definition) Periodical item is a postal item that contains periodical press according to a special regulation. (legal definition)
Slovenia – SI
"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.
Spain – ES
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, catalogs, newspapers and periodicals shall not be the consideration of items of correspondence. Legal definition (Law 43/2010)
Sweden – SE
No definition
Switzerland - CH
Legally defined in Article 2 of postal law.
The Netherlands - NL
Letter: adressed written communication on a physical medium (legal) Parcel: adressed packaged postal item, containing matters not being letters (legal)
The United Kingdom - UK
0.1.1.1 Postal services, postal packets and postal operators (1)“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). (2)“Postal packet” means a letter, parcel, packet or other article transmissible by post. (3)“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. (4)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. (5)The Secretary of State may make regulations prescribing circumstances in which subsection (4) is not to apply. (6)Regulations under subsection (5) are subject to affirmative resolution procedure.

TABLE OF FIGURES

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	TELEOFF
UK – The United Kingdom	OFCOM