To the European Regulators Group for Postal Services – ERGP
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DEVELOPMENTS IN THE POSTAL SECTOR AND IMPLICATIONS FOR REGULATION

Confetra (Italian General Confederation of Transport and Logistic) appreciates the analysis that ERGP is carrying out concerning the postal sector, and the considerations regarding the necessities of upgrading the actual regulation based on the Directive n.97/67/CE.

Confetra represents operators of the entire chain goods logistics, which include: international shipment Companies, road haulage, express delivery as well as postal Companies.

In Italy, the application of the Directive has been implemented with the Legislative Decree n. 261/99 and the perimeter of the postal operations is very broad, enough to subsume the road transport activities and the international shipment ones. Confetra has arisen a legal dispute, contesting all the related legislative and administrative measures, in order to seek clarification concerning the exact definition of “postal service.”

The litigation, has come in preliminary ruling to the European Court of Justice, which, moreover hasn’t untangled the knot: the Judgment of May 31st 2018 Joined cases C-259/16 and 260/16 has only clarified that whoever carries out postal operations is subdued to the authorization.
Well, this statement is not called into question by Confetra: upstream of this statement, it is necessary to clarify what has to be the postal service activity.

Light of the above, in succession here are exposed the aspects that according to Confetra need to be clarified through an updating of the present EU directive.

**Definition of Postal Service**

Nowadays, according to the Directive, a postal operator is someone who manages the “postal items,” also intended “the postal packages containing goods with or without commercial value.” This broad definition, enables the Member States, like Italy, to extend the perimeter of the postal operations to the road haulage sector and to the forwarding sector, nevertheless the corporate structure of those Companies is not calibrated to offer services for the community.

In fact those Companies don’t offer public services, don’t have public places open to the public, they decide how and when, to whom and which price to provide for their service and they are free to carry out any commercial choice, relying their behaviour only on the market laws.

Their activity is linked to the production process of the customer, and the quality of their service is an element that influences on their capacities of being competitive and it cannot be brought into line as vice versa is required in a postal service.
The goods with low weight are a lot, for example: small electrical household appliances, hi-fi equipment, jewellery, clothing, accessories, footwear etc.

Who operates the logistics of those products, finds himself to manage packages with a weight lower than 31 kilos, and therefore, at least in Italy, is subject to the regulations on postal services.

Therefore, a modification of the Directive is necessary, which has to clearly distinguish the postal operations from the logistic activities, and this distinction can’t be done on the weight of the packages, but on the different nature of the two services.

In particular, it has to be clear, that the phases that belong to a logistic chain can’t be confused with the postal service even when they concern packages with low weight (like for example the distribution to footwear shops).

**Perimeter of the Universal Service**

Confetra represents also the Companies that carry out services of express delivery that on the basis of the national legislation are subject to general authorization.

It concerns Companies that have a corporate structure specialized in the collection, transport and distribution of “groupage” which has evolved in the express courier activity.

They offer “added value services” which are always more advanced. Even if the couriers’ activity, lies within the broadest boundaries of the postal services, is nowhere near the Universal
Service, nor can be perceived as a substitute of it, on par of a taxi service which can’t be substitutional of the bus service.

National Regulation Authorities

It is necessary to introduce requirements and constraints to ensure the activities of the National Regulation Authorities in order to render them more independent compared to the entities that work in the postal market, in particular the suppliers of the Universal Service.
It should be granted, in particular, the utilization of personnel which in the past has never covered positions or tasks in public and private postal organizations.

Cost of the Universal Service

The eventual cost of the Universal Service that the suppliers of that service are unable to cover with the related revenues, must be placed and charged to the society as a whole through the general taxation.
It is unfair that are called to pay companies in possession of authorizations and individual postal licenses, as required in Italy. Therefore, the Compensation Funds of the charges of the Universal Services have to be fuelled only by public revenues not by contributions of companies in possession of authorizations and individual postal licenses.
Postal Market

Within traditional postal services it is obviously possible to identify multiple services for users, but it is essential to identify services considered essential and, therefore, still available within a universal service, keeping them separate from the services intended to business customers. Confetra represents companies carrying out traditional postal services by its association “Assopostale”, so Confetra agrees and refers to considerations about postal market expressed by Assopostale in its response to this consultation.