

ANALYSIS AND CONCLUSIONS RELATED TO THE ASSESSMENT OF CROSS-BORDER TARIFFS APPLICABLE TO SINGLE-PIECE PARCELS FOR 2023

(UNOFFICIAL TRANSLATION FROM THE OFFICIAL DOCUMENT IN SPANISH AVAILABLE AT: www.cnmc.es/expedientes/stpdtsp03423)

ANALYSIS OF THE CROSS-BORDER TARIFFS

Methodology employed by CNMC

For the elaboration of the report assessing the cross-border tariffs pursuant to article 6 RCPDS¹, offered by the Spanish designated operator (Correos) in 2023 within the Universal Service (US), the information available in the European Commission (hereafter EC) website publishing the Parcel Delivery Service Providers (hereafter PDSP) prices is taken as a reference².

The guidelines of the EC Communication of December 2018³ establish some comparison elements that can be used for the assessment of the cross-border tariffs of the Spanish designated operator.

According to such guidelines, for the assessment of the cross-border tariffs of the Spanish designated operator this Commission chose to analyse the average prices per destination of the rest of designated operators and the average prices per destination of the Spanish competitors.

Additionally, these average cross-border prices and the domestic price at origin will be compared, in particular:

- Comparison of the average cross-border tariff / domestic tariff ratio between Spanish PDSPs and the Spanish designated operator.
- Comparison of the average cross-border tariff / domestic tariff ratio between the Spanish designated operator and the other operators that provide the US in the rest of Member States.

¹ RCPDS refers hereafter to Regulation (EU) 2018/644 of the European Parliament and of the Council of 18 April 2018 on cross-border parcel delivery services.

² https://single-market-economy.ec.europa.eu/sectors/postal-services/parcel-delivery-eu/find-best-price-your-eu-parcel-delivery_en

³ COM (2018) 838 final, of 12 December 2018, on guidelines to national regulatory authorities on the transparency and assessment of cross-border parcel tariffs pursuant to Regulation (EU) 2018/644 and Commission Implementing Regulation (EU) 2018/1263.

On the other hand, the prices reported for the year 2023 are compared with those reported for the year 2022.

With the purpose of delimit the scope of products to analyse, this Commission has employed the pre-filter mechanism suggested by the EC⁴. This mechanism considers all the US prices for 30 cross-border destinations⁵ applied to the 15 products listed in the Annex RCPDS (9 letter products and 6 parcel products) communicated by the designated operators for the US provision in each Member State of the EU. For each destination, the filtering identifies the prices (adjusted by purchasing power parity⁶) in the quartile of the highest prices.

In the case of Spain, the filtering identified 4 tariffs provided by Correos (1 related to letters and 3 related to parcels), detailed as follows:

- Letter products: 2 kg standard
- Parcel products: 1 kg track and trace, 2 kg track and trace, and 5 kg track and trace

A comparative analysis of the rates of these 4 products will be carried out, in order to identify if any of them would show signs of being unreasonably high. Most of the designated operators distinguish zone prices for parcel products, although the zones are different in each case. Given that volumes by destination are not available, that the number of Correos' zones is reduced, and that the zones do not coincide with those of the other designated operators, it is reasonable to carry out a detailed analysis of the 4 prices considering arithmetic averages of the prices applied to all destinations.

Countries where more than half of the prices per destination country (i.e. more than 15 prices) were identified by the filter as belonging to the highest price quartile⁷.

⁴ This pre-filter mechanism is available for the National Regulatory Authority (hereafter NRA) as a specific functionality, with restricted access, in the web application called "PARCEL".

⁵ The 27 destinations of the EU-27 (the domestic price is excluded in each case), together with the prices with destination Iceland, Liechtenstein and Norway.

⁶ The conversion factor «Purchasing power parity (EU27_2020 = 1)» published by Eurostat is applied to the US tariffs, which in the case of Spain (year 2022) is of (1/0.929076).

⁷ For instance, in the product 2 kg standard letter, the only cases selected are Spain, Belgium, Finland, Greece and Hungary, as the pre-filter mechanism identified in all these cases more than 15 destination prices (more than 15 prices are in the quartile of the highest prices). Estonia was not included as in that case the mechanism identified less than 15 destination prices.

In 2022 Correos introduced a new price zone for Cyprus and Malta when until then all EU countries were in the same price zone⁸. The EC pre-filter mechanism identifies the prices of 5 letter products (500 g standard, 1 kg standard, 500 g registered, 1 kg registered and 2 kg registered) in these two destinations, as most of the designated operators apply a single cross-border price on letter products. These prices to the destinations Cyprus and Malta are analysed in Annex 1⁹.

Furthermore, the assessment is summarised in Annex 2 based on the template suggested by ERGP in the “*ERGP (21) 20 Report on the Cross Border Regulation implementation*”¹⁰.

Analysis of the 4 products identified by the pre-filter mechanism

Table 1 shows the US average prices (European cross-border rate) of each country of origin for each of the 4 products, adjusted for purchasing power parity¹¹. Additionally, the average of all prices (EU average) and the average of the countries that were identified (highlighted in the table in orange colour) by EC pre-filter mechanism, as well as the minimum and maximum values, are shown by product. In those cases, in which the data is not available, it is indicated in the table with a hyphen.

⁸ The 2 Correos' tariff zones are “Zone 1 – Europe including Greenland (excluding Albania, Armenia, Bosnia, Cyprus, Georgia, Malta, Moldova and Russia)” and “Zone 2 – rest of European countries”.

⁹ Although the disaggregated data is not available, it can be assumed that the volume of shipments to these two destinations has little relative importance.

¹⁰ See chapter 4 in that ERGP report (“Template for Art. 6 Notification”) and its ANNEX 2 – Template for art. 6.

¹¹ Germany does not appear, as there is no information in PARCEL about that country.

Table 1. US average prices in € from each country of origin adjusted by purchasing power parity

Country of origin (US average prices in €, adjusted by purchasing power parity)	Standard Letter EU 2 kg	Track & Trace Parcel EU 1 kg	Track & Trace Parcel EU 2 kg	Track & Trace Parcel EU 5 kg
ES	24,04	33,02	37,07	49,22
AT	5,80	12,90	13,79	19,05
BE	47,64	28,86	28,86	28,86
BG	20,06	-	-	-
CY	14,22	18,02	21,85	31,70
CZ	20,64	21,02	22,71	27,74
DK	9,75	20,93	20,93	30,09
EE	18,70	19,23	21,74	29,98
FI	33,99	16,44	16,44	16,44
FR	20,84	15,38	17,42	22,28
GR	27,32	-	32,32	50,48
HR	20,65	20,86	27,00	36,85
HU	29,59	39,91	41,33	51,12
IE	14,31	-	-	-
IT	14,03	25,37	30,71	34,34
LT	11,69	-	-	-
LU	5,40	26,97	26,97	26,97
LV	13,55	-	-	-
MT	34,89	-	19,97	26,93
NL	8,48	14,77	14,77	20,31
PL	20,25	18,64	20,63	27,81
PT	15,46	32,27	36,27	47,02
RO	21,44	25,97	34,91	61,74
SE	6,52	20,66	23,47	25,22
SI	9,16	16,23	16,23	24,31
SK	14,35	20,07	23,59	34,13
EU Average	18,57	22,38	24,95	32,84
(EC) Pre-assessment Filter Average	31,27	32,21	35,13	51,92
Min.	5,40	12,90	13,79	16,44
Max.	47,64	39,91	41,33	61,74

Source: own elaboration based on PARCEL.

Table 2 compares Correos' prices of the 4 products with the average prices of the networks of competitors in the Spanish postal market. The average of all prices, as well as the minimum and maximum values are also shown by product.

Table 2. Average prices in € from each PDSP network in Spain¹²

Spanish PDSP (average prices in €)	Standard Letter EU 2 kg	Track & Trace Parcel EU 1 kg	Track & Trace Parcel EU 2 kg	Track & Trace Parcel EU 5 kg
Correos	22,34	30,68	34,44	45,73
Ara Vinc	-	55,18	81,14	147,77
Correos Express	-	31,52	37,50	53,20
DHL Express Spain	-	45,44	63,05	97,49
DHL Parcel Iberia	-	31,35	31,41	38,84
Dronas 2002 (Nacex)	-	51,13	55,33	71,76
Envialia World	-	43,06	51,38	79,45
Fedex Spain	-	64,27	78,37	112,12
Fitman (MRW)	-	41,46	53,65	91,24
General Logistics Systems Spain	-	31,05	33,62	41,87
ICS Mensajería Local	29,34	-	-	-
Ontime Transporte y Logística	-	42,38	53,93	53,93
Sending Transporte y Comunicación	-	17,05	23,07	-
Seur	-	19,30	23,80	37,43
CTT Expresso subsidiary in Spain (former Tourline)	-	26,86	27,54	32,10
Tipsa	-	21,86	28,16	35,81
United Parcel Service España	-	15,43	15,43	19,16
Average	25,84	35,50	43,24	63,86
Min.	22,34	15,43	15,43	19,16
Max.	29,34	64,27	81,14	147,77

Source: own elaboration based on PARCEL.

The analysis for each of the 4 products in order to find out if the cross-border tariff provided by Correos is “unreasonably” high when making the comparison with the US cross-border average prices of the EU Member States and also with the cross-border average prices of the PDSP networks in Spain, is provided below.

Analysis of the 2 kg standard letter

Correos’ average price adjusted by purchasing power parity is 24.04 €, 29% higher than the US average price of the EU designated operators (18.57 €) but

¹² The purchasing power parity is not used as a conversion factor in this Table since direct comparison of PDSP prices from the same country of origin (Spain) is possible.

23% lower than the average price (31.27 €) of the countries detected by the pre-filter mechanism (Belgium, Finland, Greece and Hungary, as well as Spain). Correos' average price is the second lowest of the 5 cases detected by the pre-filter mechanism. Of the 26 average prices compared, 18 correspond to a unique price and 8 to a zonal price. 4 of the 5 cases detected by the pre-filter mechanism have a unique price, while Spain has a zonal price (Correos has two European zones since 2022)..

Correos' average price (22.34 €) is below the average price from Spanish PDSP networks (25.84 €). There are only prices from one competitor (ICS Mensajería Local: 29.34 €)¹³, which is higher than Correos' average price.

Correos' average price is in the lower range of the US average prices of the EU Member States detected by the pre-filter mechanism. Furthermore, it is a significantly lower price than its competitors' prices in Spain. Based on the above, Correos' cross-border rate in 2023 for the 2 kg standard letter is not considered "unreasonably" high.

Analysis of the 1 kg track and trace parcel

Correos' average price adjusted for purchasing power parity is 33.02 €, which is 48% higher than the US average price of the EU designated operators (22.38 €) and 3% higher than the average price (32.21 €) of the countries detected by the pre-filter mechanism (Belgium, Hungary, Luxembourg and Portugal, as well as Spain).. Among the 20 average prices compared, 3 correspond to unique price and 17 to zonal price. The 5 cases detected by the pre-filter mechanism have a zonal price.

Correos' average price (30.68 €) is below the average price from 15 Spanish PDSP networks (35.50 €) Additionally, Correos' price is below that of 10 of its competitors.

Correos' average price is situated in the medium range of the US average prices of the EU Member States detected by the pre-filter mechanism. Additionally, the average price is lower than the average price of its competitors in Spain, placing it in the lower section of the average prices of the Spanish market. Based on the above, Correos' cross-border rate in 2023 for 1 kg track and trace parcels is not considered "unreasonably" high.

¹³ The respondents are parcel operators, who barely report prices for letter products.

Analysis of the 2 kg track and trace parcel

Correos' average price adjusted by purchasing power parity is 37.07 €, which is 49% higher than the US average price of the EU designated operators (24.95 €) and 6% higher than the average price (35.13 €) of the countries detected by the pre-filter mechanism (Belgium, Greece, Hungary, Portugal and Romania, in addition to Spain).. Among the 22 average prices compared, 3 correspond to unique price and 19 to zonal price. The 6 cases detected by the pre-filter mechanism have a zonal price.

Correos' average price (34.44 €) is below the average price from Spanish PDSP networks (43.24 €). There are prices from 15 competitors. Correos' price is below that of 8 of its competitors.

Correos' average price is situated in the medium range of the US average prices of the EU Member States detected by the pre-filter mechanism. Likewise, the average price is lower than the average price of its competitors in Spain, placing it in the lower section of the average prices of the Spanish market. Based on the above, Correos cross-border rate in 2023 for 2 kg track and trace parcels is not considered “unreasonably” high.

Analysis of the 5 kg track and trace parcel

Correos' average price adjusted by purchasing power parity is 49.22 €, which is 50% higher than the US average price of the EU designated operators (32.84 €) and 5% lower than the average price (51.92 €) of the countries detected by the pre-filter mechanism (Greece, Hungary, Portugal and Romania, in addition to Spain).. Correos' average price is 5% higher than the lowest of the 5 cases detected by the pre-filter mechanism (Portugal: 47.02 €), making Correos' price the second lowest of the 5 cases detected by the pre-filter mechanism. Among the 22 average prices compared, 2 correspond to unique price and 20 to zonal price. The 5 cases detected by the pre-filter mechanism have a zonal price.

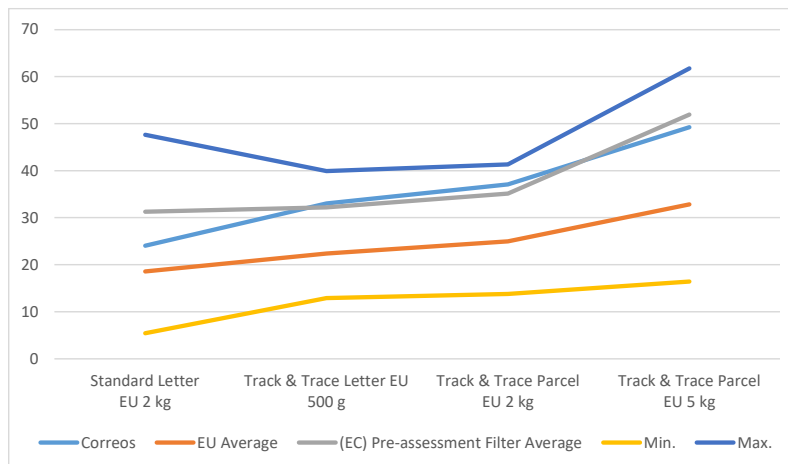
Correos' average price (45.73 €) is below the average price from Spanish PDSP networks (63.86 €). There are prices from 14 competitors. Correos' price is below that of 8 of its competitors.

Correos' average price is situated in the lower range of the US average prices of the EU Member States detected by the pre-filter mechanism. Additionally, the average price is lower than the average price of its competitors in Spain, placing it in the lower section of the average prices of the Spanish market. Based on the above, Correos' cross-border rate in 2023 for 5 kg track and trace parcels is not considered “unreasonably” high.

Graphical summary of the analysis performed

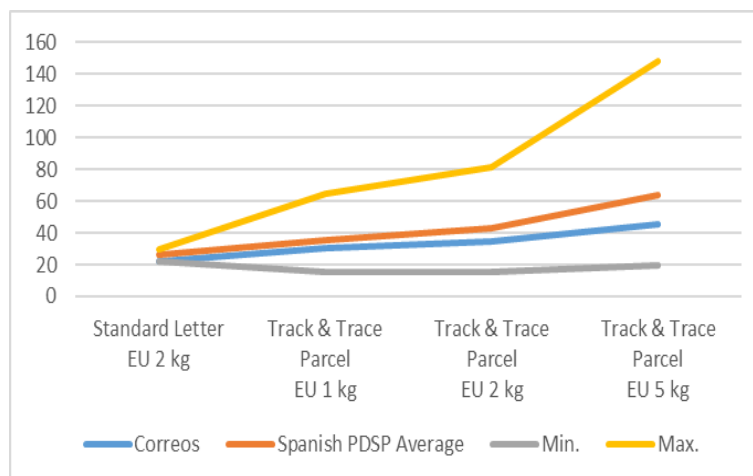
The following charts summarise the analyses carried out on the 4 products of the Annex RCPDS that have been identified by the pre-filter assessment mechanism, showing (Figure 1) that the US cross-border rates offered by Correos for the year 2023 are not “unreasonably” high as they are below the US average prices of the designated operators of EU Member States detected by the pre-filter mechanism –adjusted by purchasing power parity– in 2 of the 4 products. In the remaining 2 cases, they exceed by a range of 3% and 6% the average price of the designated operators of the EU Member States detected by the pre-filter mechanism, far below the maximum price of that group. Likewise, Correos’ average price is below the average price of the Spanish market in the 4 products (Figure 2).

Figure 1. Comparison of US average prices in € among countries of origin adjusted by purchasing power parity



Source: own elaboration based on PARCEL.

Figure 2. Comparison of average prices in € among PDSPs’ networks in Spain



Source: own elaboration based on PARCEL.

Analysis of ratios average cross-border tariff /domestic tariff at origin

Table 3 compares the average cross-border prices of each Spanish PDSP with its domestic rate. Table 4 compares the ratios between the average cross-border price and the domestic rate of US providers in the EU. Those cases in which cross-border prices were identified by the pre-filter mechanism are identified in grey.

According to a study carried out by Saint Louis University in 2015 titled “Econometric study on cross-border prices”, the cross-border prices of US providers are often between 3-5 times higher than the domestic prices and such differences cannot be explained by labour or other costs in the destination country. The ERGP Report 22 (13) on the analysis of Article 6 of the RSPT¹⁴ agrees that the threshold between 3 and 5 is reasonable. So, for the purposes of analyzing the ratio cross-border rate/domestic rate, a threshold greater than 5 will be considered high and would call for a more detailed analysis.

In the case of Correos’ prices, it is observed in Tables 3 and 4 that the four products have a ratio of less than 3, and only in the case of the standard letter weighing up to 2 kg does it exceed this threshold (3.58, still a long way from 5, which would be the maximum threshold). Hence, Correos’ cross-border prices are not unreasonably high when compared with their domestic prices.

Table 3 shows that Correos’ average cross-border price/domestic price ratio is in all 4 cases the lowest of all the ratios shown in each column of the table. Furthermore, Table 4 shows that Correos’ average cross-border price/domestic price ratio is in all 4 cases lower than the average ratio of the EU designated operators.

Therefore, it can be seen, in the 4 products, that the US cross-border prices offered by Correos for the year 2023, compared to domestic prices, are not excessively high, as Correos’ ratios are below the average ratios in the Spanish market (Table 3) and below the average ratios of the EU designated operators (Table 4) in all products¹⁵.

¹⁴ Available at: <https://ec.europa.eu/docsroom/documents/50715>

¹⁵ Note that the 4 products in Table 4 confirm the results of the study of the University of Saint Louis, as the average of the ratios of the designated operators is greater than 3 (without being greater than 5 in any case).

Table 3. Comparison of the ratio average cross-border price / domestic price of Spanish PDSPs

Spanish PDSP	Standard Letter EU 2 kg	Track & Trace Parcel EU 1 kg	Track & Trace Parcel EU 2 kg	Track & Trace Parcel EU 5 kg
Correos	3,58	2,05	2,04	2,15
Ara Vinc	-	4,71	6,93	10,05
Correos Express	-	3,91	4,39	5,29
DHL Express Spain	-	4,23	5,45	7,86
DHL Parcel Iberia	-	3,49	3,49	2,99
Dronas 2002 (Nacex)	-	4,90	5,30	5,45
Envialia World	-	4,39	4,63	6,02
Fedex Spain	-	2,76	2,80	2,67
Fitman (MRW)	-	3,77	4,88	5,89
General Logistics Systems Spain	-	3,42	3,25	2,36
ICS Mensajería Local	4,82	-	-	-
Ontime Transporte y Logística	-	7,18	9,14	9,14
Sending Transporte y Comunicación	-	6,27	8,48	-
Seur	-	2,36	2,64	3,04
CTT Expresso subsidiary in Spain (former Tourline)	-	6,50	6,48	6,95
Tipsa	-	4,34	5,59	6,24
United Parcel Service España	-	2,67	2,67	2,76
Average	4,20	4,18	4,89	5,26
Min.	3,58	2,05	2,04	2,15
Max.	4,82	7,18	9,14	10,05

Source: own elaboration based on PARCEL.

Table 4. Comparison of the ratio average cross-border price /domestic price of the US providers

Country of origin	Standard Letter EU 2 kg	Track & Trace Parcel EU 1 kg	Track & Trace Parcel EU 2 kg	Track & Trace Parcel EU 5 kg
ES	3,58	2,05	2,04	2,15
AT	2,41	2,76	2,46	2,03
BE	5,45	5,02	5,02	4,62
BG	13,04	-	-	-
CY	6,84	3,94	4,46	5,39
CZ	-	3,23	3,49	4,26
DK	1,60	3,17	3,17	3,95
EE	-	3,26	3,47	4,06
FI	1,42	4,32	4,32	3,70
FR	2,62	2,01	1,97	1,64
GR	5,77	-	7,61	6,40
HR	5,87	2,69	3,48	4,22
HU	4,66	-	5,04	5,51
IE	1,90	-	-	-
IT	1,90	2,60	3,14	3,03
LT	4,98	-	-	-
LU	1,75	3,88	3,88	3,88
LV	2,26	-	-	-
MT	3,28	-	1,96	2,64
NL	2,18	2,25	2,25	3,10
PL	-	4,16	4,61	6,21
PT	3,27	3,37	3,79	4,07
RO	14,24	8,32	10,35	14,92
SE	2,05	4,04	2,91	2,29
SI	2,46	2,96	2,96	4,20
SK	4,11	4,17	4,90	7,09
EU Average	4,25	3,59	3,97	4,52
(EC) Pre-assessment Filter Average	5,49	3,58	5,64	6,61
Min.	1,42	2,01	1,96	1,64
Max.	14,24	8,32	10,35	14,92

Source: own elaboration based on PARCEL.

Comparative analysis of the tariffs for the year 2022 and 2023

Below, there is a comparison of the rates reported for the year 2023 with respect to those of 2022. First, the rates of the US providers adjusted by purchasing power parity are compared. The average prices that were identified by the pre-filter mechanism are highlighted in orange.

Despite the fact that Correos' tariffs for the four products remained unchanged compared to the previous year in an inflationary context, due to the effect of the purchasing power parity adjustment, Correos recorded a 0.7% variation, compared to an average variation of all the US providers between -1.8% (track and trace parcels up to 2 kg) and 0.4% (track and trace parcels up to 1 kg), and an average change for providers identified by the pre-filter mechanism between -4.6% (track and trace parcels up to 2 kg) and 2.2% (standard letters up to 2 kg). However, the variations have been very uneven, with price increases (31% being the largest increase) and price reductions (26% being the largest reduction).

Table 5. Comparison of average 2023 vs. 2022 cross-border rates of US providers adjusted by purchasing power parity

Country of origin (US average prices in €, adjusted by purchasing power parity)	Standard Letter EU 2 kg			Track & Trace Parcel EU 1 kg			Track & Trace Parcel EU 2 kg			Track & Trace Parcel EU 5 kg		
	2023	2022	Δ	2023	2022	Δ	2023	2022	Δ	2023	2022	Δ
ES	24,04	23,89	0,7%	33,02	32,80	0,7%	37,07	36,83	0,7%	49,22	48,90	0,7%
AT	5,80	4,85	19,6%	12,90	12,52	3,0%	13,79	13,39	3,0%	19,05	18,49	3,0%
BE	47,64	40,15	18,7%	28,86	26,41	9,3%	28,86	26,41	9,2%	28,86	26,41	9,2%
BG	20,06	18,22	10,1%	-	-	-	-	-	-	-	-	-
CY	14,22	14,16	0,4%	18,02	17,95	0,4%	21,85	21,76	0,4%	31,70	31,57	0,4%
CZ	20,64	21,05	-2,0%	21,02	21,51	-2,3%	22,71	23,23	-2,3%	27,74	28,38	-2,3%
DK	9,75	9,72	0,3%	20,93	19,71	6,2%	20,93	28,25	-26%	30,09	28,25	6,5%
EE	18,70	20,28	-7,8%	19,23	20,86	-7,8%	21,74	23,59	-7,8%	29,98	32,53	-7,8%
FI	33,99	31,56	7,7%	16,44	16,51	-0,4%	16,44	16,51	-0,4%	16,44	16,51	-0,4%
FR	20,84	19,21	8,5%	15,38	14,92	3,1%	17,42	16,90	3,1%	22,28	21,60	3,1%
GR	27,32	27,46	-0,5%	-	26,91	-	32,32	32,50	-0,5%	50,48	50,73	-0,5%
HR	20,65	21,17	-2,5%	20,86	21,38	-2,4%	27,00	27,67	-2,4%	36,85	37,76	-2,4%
HU	29,59	26,09	13,4%	39,91	43,20	-7,6%	41,33	44,75	-7,6%	51,12	55,34	-7,6%
IE	14,31	12,29	16,4%	-	-	-	-	-	-	-	-	-
IT	14,03	13,77	1,9%	25,37	24,90	1,9%	30,71	30,14	1,9%	34,34	33,70	1,9%
LT	11,69	12,57	-7,0%	-	-	-	-	-	-	-	-	-
LU	5,40	4,11	31,4%	26,97	-	-	26,97	-	-	26,97	-	-
LV	13,55	13,02	4,1%	-	-	-	-	-	-	-	-	-
MT	34,89	34,47	1,2%	-	15,78	-	19,97	18,57	7,6%	26,93	26,91	0,1%
NL	8,48	-	-	14,77	14,56	1,4%	14,77	14,56	1,4%	20,31	20,20	0,5%
PL	20,25	21,42	-5,5%	18,64	-	-	20,63	-	-	27,81	-	-
PT	15,46	13,98	10,6%	32,27	31,82	1,4%	36,27	35,81	1,3%	47,02	46,43	1,3%
RO	21,44	22,37	-4,2%	25,97	25,62	1,4%	34,91	34,16	2,2%	61,74	59,78	3,3%
SE	6,52	5,76	13,2%	20,66	21,36	-3,3%	23,47	23,89	-1,7%	25,22	24,83	1,6%
SI	9,16	-	-	16,23	16,43	-1,2%	16,23	16,43	-1,2%	24,31	24,62	-1,2%
SK	14,35	14,70	-2,4%	20,07	20,61	-2,6%	23,59	23,04	2,4%	34,13	32,04	6,5%
EU Average	18,57	18,59	-0,1%	22,38	22,29	0,4%	24,95	25,42	-1,8%	32,84	33,25	-1,2%
(EC) Pre-assessment Filter Average	31,27	30,60	2,2%	32,21	32,23	-0,1%	35,13	36,81	-4,6%	51,92	52,24	-0,6%

Source: own elaboration based on PARCEL.

Secondly, a comparison of the Spanish PDSPs' tariffs (Table 6) shows that, while Correos' prices remain unchanged for all 4 products, average prices in the parcels market increase slightly (2.1% up to 1 kg, 0.2% up to 2 kg and 1.6% up to 5 kg).

Table 6. Comparison of average cross-border rates 2023 vs 2022 of Spanish PDSPs for parcel products

Spanish PDSP (average prices in €)	Standard Letter EU 2 kg			Track & Trace Parcel EU 1 kg			Track & Trace Parcel EU 2 kg			Track & Trace Parcel EU 5 kg		
	2023	2022	Δ	2023	2022	Δ	2023	2022	Δ	2023	2022	Δ
Correos	22,34	22,34	0%	30,68	30,68	0%	34,44	34,44	0%	45,73	45,73	0%
Ara Vinc	-	-	-	55,18	51,01	8%	81,14	74,98	8%	147,77	136,57	8%
Correos Express	-	-	-	31,52	43,61	-28%	37,50	49,87	-25%	53,20	63,60	-16%
DHL Express Spain	-	-	-	45,44	41,44	10%	63,05	59,05	7%	97,49	93,49	4%
DHL Parcel Iberia	-	-	-	31,35	29,44	7%	31,41	29,49	7%	38,84	35,92	8%
Dronas 2002 (Nacex)	-	-	-	51,13	47,35	8%	55,33	51,24	8%	71,76	66,46	8%
Envialia World	-	-	-	43,06	42,17	2%	51,38	50,30	2%	79,45	77,83	2%
Fedex Spain	-	-	-	64,27	60,71	6%	78,37	74,14	6%	112,12	105,28	6%
Fitman (MRW)	-	-	-	41,46	39,45	5%	53,65	51,04	5%	91,24	86,81	5%
General Logistics Systems Spain	-	-	-	31,05	38,82	-20%	33,62	57,85	-42%	41,87	67,45	-38%
ICS Mensajería Local	29,34	29,34	0%	-	-	-	-	-	-	-	-	-
Ontime Transporte y Logística	-	-	-	42,38	36,97	15%	53,93	47,09	15%	53,93	47,09	15%
Sending Transporte y Comunicación	-	-	-	17,05	16,10	6%	23,07	21,78	6%	-	-	-
Seur	-	-	-	19,30	19,30	0%	23,80	23,80	0%	37,43	37,43	0%
CTT Expresso subsidiary in Spain (former Tourline)	-	-	-	26,86	22,98	17%	27,54	23,11	19,1%	32,10	25,66	25,1%
Tipsa	-	-	-	21,86	20,93	4%	28,16	26,95	4,5%	35,81	34,26	4,5%
United Parcel Service España	-	-	-	15,43	15,37	0%	15,43	15,37	0%	19,16	19,05	0,6%
Average	25,84	25,84	0%	35,50	34,77	2%	43,24	43,16	0%	63,86	62,84	2%

Source: own elaboration based on PARCEL.

CONCLUSIONS

From the evaluation carried out for the prices of 4 products detected by the EC pre-filter mechanism, it is concluded that Correos' US prices are below the average of the US prices of the designated operators of the EU Member States detected by the pre-filter mechanism –adjusted per purchasing power parity– in 2 of the 4 products. In the remaining 2 cases, they are 3% and 6% above the average price of the designated operators in the EU countries detected by the pre-filter mechanism, but far from the maximum prices of that group. Also, Correos' prices are below the average prices of competitors in the Spanish market in the 4 products. When constructing the ratios of these average prices in relation to the domestic prices at origin, it is observed that Correos' ratios are below the average ratios in the Spanish market and below the average ratios of EU designated operators for all products. Finally, Correos' prices for the 4 products have remained unchanged between 2022 and 2023 in an inflationary context. Therefore, the official US cross-border rates offered by Correos for the year 2023 cannot be considered as unreasonably high for the purposes of article 6.2 of the RCPDS.

ANNEX 1 – ANALYSIS OF VARIOUS LETTER PRICES WITH DESTINATION CYPRUS AND MALTA

Tables 7 and 8 show the comparison of 5 Correos' letter rates with those of European designated operators (prices adjusted for purchasing power parity), with destination Cyprus and Malta, respectively. Tables 9 and 10 compare Correos' prices with the prices of Spanish PDSPs in those destinations.

Table 7. US letter prices in € from each country of origin adjusted by purchasing power parity, with destination Cyprus

Country of origin (US prices in €, adjusted by purchasing power parity)	Standard Letter To Cyprus 500 g	Standard Letter To Cyprus 1 kg	Registered Letter To Cyprus 500 g	Registered Letter To Cyprus 1 kg	Registered Letter To Cyprus 2 kg
ES	11,36	23,30	16,52	28,47	45,74
AT	5,8	5,8	10,58	10,58	10,58
BE	23,82	23,82	29,49	29,49	53,31
BG	5,97	12,28	15,01	20,98	32,07
CZ	7,16	12,05	11,1	16,19	25,12
DK	9,75	9,75	13,4	13,4	13,4
EE	9,53	14,65	12,63	19,05	21,53
FI	12,4	18,39	24,99	30,99	46,58
FR	11,58	20,84	-	-	-
GR	9,11	14,57	13,36	18,82	31,57
HR	9,94	14,89	16,28	20,86	26,82
HU	8,54	-	16,36	-	39,62
IE	5,87	12,15	11,73	16,34	18,86
IT	Z	8,83	-	20,11	29,57
LT	4,15	6,7	7,97	10,05	13,74
LU	3,24	5,4	7,1	9,26	9,26
LV	6,69	10,18	9,93	13,42	19,41
MT	9,4	17,9	15,63	24,13	41,12
NL	8,48	8,48	12,46	12,46	12,46
PL	2,75	10,08	6,5	11,9	22,08
PT	5,89	9,1	9,33	13,07	19,54
RO	6,05	11,73	11,18	16,5	26,03
SE	-	-	13,85	-	15,4
SI	5,57	6,47	8,47	9,5	11,73
SK	4,81	8,42	8,9	12,51	18,52
Average	8,17	12,43	13,16	17,19	25,17
Pre-assessment Filter Average	12,63	19,11	19,18	25,44	36,54
Min.	2,75	5,40	6,50	9,26	9,26
Max.	23,82	23,82	29,49	30,99	53,31

Source: own elaboration based on PARCEL.

Table 8. US letter prices in € from each country of origin adjusted by purchasing power parity, with destination Malta

Country of origin (US prices in €, adjusted by purchasing power parity)	Standard Letter To Malta 500 g	Standard Letter To Malta 1 kg	Registered Letter To Malta 500 g	Registered Letter To Malta 1 kg	Registered Letter To Malta 2 kg
ES	11,36	23,30	16,52	28,47	45,74
AT	5,8	5,8	10,58	10,58	10,58
BE	23,82	23,82	29,49	29,49	53,31
BG	5,97	12,28	15,01	20,98	32,07
CY	4,92	7,66	6,98	9,71	16,27
CZ	7,16	12,05	11,1	16,19	25,12
DK	9,75	9,75	13,4	13,4	13,4
EE	9,53	14,65	12,63	19,05	21,53
FI	12,4	18,39	24,99	30,99	46,58
FR	11,58	20,84	-	-	-
GR	9,11	14,57	13,36	18,82	31,57
HR	9,94	14,89	16,28	20,86	26,82
HU	8,54	-	16,36	-	39,62
IE	5,87	12,15	11,73	16,34	18,86
IT	-	8,83	-	20,11	29,57
LT	4,15	6,7	7,97	10,05	13,74
LU	3,24	5,4	7,1	9,26	9,26
LV	6,04	8,48	8,81	11,72	16,46
NL	8,48	8,48	12,46	12,46	12,46
PL	2,75	10,08	6,5	11,9	22,08
PT	5,89	9,1	9,33	13,07	19,54
RO	6,05	11,73	11,18	16,5	26,03
SE	-	-	13,85	-	15,4
SI	5,57	6,47	8,47	9,5	11,73
SK	4,81	8,42	8,9	12,51	18,52
EU Average	7,94	11,91	12,74	16,45	24,01
(EC) Pre-assessment Filter Average	12,63	19,32	19,78	25,15	39,78
Min.	2,75	5,40	6,50	9,26	9,26
Max.	23,82	23,82	29,49	30,99	53,31

Source: own elaboration based on PARCEL.

Table 9. Letter prices in € from each PDSP network in Spain, with destination Cyprus

Spanish PDSP (prices in €)	Standard Letter To Cyprus 500 g	Standard Letter To Cyprus 1 kg	Registered Letter To Cyprus 500 g	Registered Letter To Cyprus 1 kg	Registered Letter To Cyprus 2 kg
Correos	10,55	21,65	15,35	26,45	42,50
Ara Vinc	-	-	-	-	-
Correos Express	-	-	-	-	-
DHL Express Spain	-	-	-	-	-
DHL Parcel Iberia	-	-	-	-	-
Dronas 2002 (Nacex)	-	-	-	-	-
Enviaia World	-	-	-	45,08	53,69
Fedex Spain	-	-	-	-	-
Fitman (MRW)	-	-	-	-	-
General Logistics Systems Spain	-	-	-	-	-
ICS Mensajería Local	15,37	20,04	-	-	-
Ontime Transporte y Logística	-	-	-	-	-
Sending Transporte y Comunicación	-	-	-	-	-
Seur	-	-	-	-	-
CTT Expresso subsidiary in Spain (former Tourline)	-	-	-	-	-
Tipsa	-	-	-	-	-
United Parcel Service España	-	-	-	-	-
Average	12,96	20,85	15,35	35,77	48,10
Min.	10,55	20,04	15,35	26,45	42,50
Max.	15,37	21,65	15,35	45,08	53,69

Source: own elaboration based on PARCEL.

Table 10. Letter prices in € from each PDSP network in Spain, with destination Malta

Spanish PDSP (prices in €)	Standard Letter To Malta 500 g	Standard Letter To Malta 1 kg	Registered Letter To Malta 500 g	Registered Letter To Malta 1 kg	Registered Letter To Malta 2 kg
Correos	10,55	21,65	15,35	26,45	42,50
Ara Vinc	-	-	-	-	-
Correos Express	-	-	-	-	-
DHL Express Spain	-	-	-	-	-
DHL Parcel Iberia	-	-	-	-	-
Dronas 2002 (Nacex)	-	-	-	-	-
Enviaia World	-	-	-	45,08	53,69
Fedex Spain	-	-	-	-	-
Fitman (MRW)	-	-	-	-	-
General Logistics Systems Spain	-	-	-	-	-
ICS Mensajería Local	15,37	20,04	-	-	-
Ontime Transporte y Logística	-	-	-	-	-
Sending Transporte y Comunicación	-	-	-	-	-
Seur	-	-	-	-	-
CTT Expresso subsidiary in Spain (former Tourline)	-	-	-	-	-
Tipsa	-	-	-	-	-
United Parcel Service España	-	-	-	-	-
Average	12,96	20,85	15,35	35,77	48,10
Min.	10,55	20,04	15,35	26,45	42,50
Max.	15,37	21,65	15,35	45,08	53,69

Source: own elaboration based on PARCEL.

In both destinations (Cyprus and Malta) it can be observed that Correos' tariff is lower than the average tariff of the designated operators that were identified by the EC's pre-filter mechanism (shown in orange in the tables) in 2 cases (500 g standard and 500 g registered letter), and higher than the average in the other 3 (1 kg standard letter, 1 kg registered letter and 2 kg registered letter).

On the other hand, only two Spanish competitors have reported letter rates to Cyprus and Malta, with identical prices in both destinations. These are ICS Mensajería Local for the services 500 g standard letter and 1 kg standard letter, and Enviaia World for the services 1 kg registered letter and 2 kg registered letter. Only in one case, that of the 1 kg standard letter, is the price of a competitor lower than that of Correos (ICS Mensajería Local 20.04 € and Correos 21.65 €); in all other cases the competitors' prices would be higher than those of Correos.

The ratios of the cross-border price compared to the domestic price of the designated operators are analysed below (Tables 11 and 12). Those cases in which cross-border prices were identified by the pre-filter mechanism are highlighted in grey.

Table 11. Comparison of the ratio cross-border letter price (Cyprus) / domestic price of the US providers

Country of origin	Standard Letter To Cyprus 500 g	Standard Letter To Cyprus 1 kg	Registered Letter To Cyprus 500 g	Registered Letter To Cyprus 1 kg	Registered Letter To Cyprus 2 kg
ES	3,75	3,75	2,29	2,74	4,19
AT	2,41	2,41	2,15	2,15	2,15
BE	3,81	3,81	1,91	1,91	2,76
BG	6,05	9,30	6,07	7,47	10,42
CZ	4,92	6,83	3,55	4,73	6,73
DK	1,60	1,60	1,37	1,37	1,37
EE	-	-	-	-	-
FI	1,11	1,11	-	-	-
FR	2,15	3,20	-	-	-
GR	2,59	3,53	2,04	2,63	4,06
HR	5,68	6,14	4,42	4,66	4,65
HU	4,09	4,66	4,03	-	4,76
IE	2,00	1,61	1,69	1,50	1,73
IT	-	1,32	-	1,69	1,86
LT	2,82	3,85	3,50	3,85	4,27
LU	2,10	1,75	1,31	1,33	1,33
LV	2,01	1,89	1,93	1,86	2,48
MT	2,44	2,93	2,34	2,70	3,05
NL	2,18	2,18	1,57	1,57	1,57
PL	-	-	-	-	-
PT	2,97	1,93	2,03	1,72	2,58
RO	5,29	8,85	6,77	9,00	12,92
SE	-	-	1,37	-	1,53
SI	2,01	1,99	2,33	2,06	2,14
SK	3,08	3,50	3,52	3,71	4,16
Average	3,10	3,55	2,81	3,09	3,84
Pre-assessment Filter Average	3,02	3,49	3,51	3,53	4,44
Min.	1,11	1,11	1,31	1,33	1,33
Max.	6,05	9,30	6,77	9,00	12,92

Source: own elaboration based on PARCEL.

Table 12. Comparison of the ratio cross-border letter price (Malta) / domestic price of the US providers

Country of origin	Standard Letter To Malta 500 g	Standard Letter To Malta 1 kg	Registered Letter To Malta 500 g	Registered Letter To Malta 1 kg	Registered Letter To Malta 2 kg
ES	3,75	3,75	2,29	2,74	4,19
AT	2,41	2,41	2,15	2,15	2,15
BE	3,81	3,81	1,91	1,91	2,76
BG	6,05	9,30	6,07	7,47	10,42
CY	3,00	4,38	1,89	2,55	3,94
CZ	4,92	6,83	3,55	4,73	6,73
DK	1,60	1,60	1,37	1,37	1,37
EE	-	-	-	-	-
FI	1,11	1,11	-	-	-
FR	2,15	3,20	-	-	-
GR	2,59	3,53	2,04	2,63	4,06
HR	5,68	6,14	4,42	4,66	4,65
HU	4,09	4,66	4,03	-	4,76
IE	2,00	1,61	1,69	1,50	1,73
IT	-	1,32	-	1,69	1,86
LT	2,82	3,85	3,50	3,85	4,27
LU	2,10	1,75	1,31	1,33	1,33
LV	1,81	1,58	1,71	1,63	2,10
NL	2,18	2,18	1,57	1,57	1,57
PL	-	-	-	-	-
PT	2,97	1,93	2,03	1,72	2,58
RO	5,29	8,85	6,77	9,00	12,92
SE	-	-	1,37	-	1,53
SI	2,01	1,99	2,33	2,06	2,14
SK	3,08	3,50	3,52	3,71	4,16
EU Average	3,12	3,60	2,78	3,07	3,87
(EC) Pre-assessment Filter Average	3,02	3,60	3,74	3,69	4,68
Min.	1,11	1,11	1,31	1,33	1,33
Max.	6,05	9,30	6,77	9,00	12,92

Source: own elaboration based on PARCEL.

In both destinations, Correos' ratio for the 5 letter services is below the threshold of 5, so that Correos' prices to Cyprus and Malta would not be unreasonably high when compared to domestic prices. The averages of the country ratios are also below 5, although in some cases this threshold is exceeded. For completeness, the ratios of the Spanish competitors are shown (Table 13), where it is noted that they do not exceed the threshold of 5 in any case.

Table 13. Comparison of the ratio cross-border letter price (Cyprus and Malta) / domestic price of Spanish PDSPs

Spanish PDSP	Standard Letter To Cyprus 500 g	Standard Letter To Cyprus 1 kg	Registered Letter To Cyprus 500 g	Registered Letter To Cyprus 1 kg	Registered Letter To Cyprus 2 kg
Correos	3,75	3,75	2,29	2,74	4,19
Ara Vinc	-	-	-	-	-
Correos Express	-	-	-	-	-
DHL Express Spain	-	-	-	-	-
DHL Parcel Iberia	-	-	-	-	-
Dronas 2002 (Nacex)	-	-	-	-	-
Enviaia World	-	-	-	4,60	4,84
Fedex Spain	-	-	-	-	-
Fitman (MRW)	-	-	-	-	-
General Logistics Systems Spain	-	-	-	-	-
ICS Mensajería Local	2,52	3,29	-	-	-
Ontime Transporte y Logística	-	-	-	-	-
Sending Transporte y Comunicación	-	-	-	-	-
Seur	-	-	-	-	-
CTT Expresso subsidiary in Spain (former Tourline)	-	-	-	-	-
Tipsa	-	-	-	-	-
United Parcel Service España	-	-	-	-	-
Average	3,14	3,52	2,29	3,67	4,51
Min.	2,52	3,29	2,29	2,74	4,19
Max.	3,75	3,75	2,29	4,60	4,84

Note: As the prices to Cyprus and Malta are the same, the ratios shown in the table are also the same considering both destinations.

Source: own elaboration based on PARCEL.

ANNEX 2 – SUMMARY OF THE ASSESSMENT BASED ON THE TEMPLATE RECOMMENDED BY THE ERGP

NRA:	CNMC (SPAIN)	Year	2023
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CONCLUSION OF ASSESSMENT

Have you concluded that there were unreasonably high tariffs?	<i>Please answer Yes or No.</i>	No
If yes, please list those tariffs	<i>If Yes, please also identify the unreasonably high tariffs.</i>	n.a.
<p>Please summarise the Conclusions of the Assessment: (open text answer)</p> <p>From the evaluation carried out for the prices of 4 products of the annex to the Regulation (EU) 2018/644 detected by the EC pre-filter mechanism, it is concluded that Correos' US prices are below the average of the US prices of the designated operators of the EU Member States detected by the pre-filter mechanism –adjusted per purchasing power parity– in 2 of the 4 products. In the remaining 2 cases, they are 3% and 6% above the average price of the designated operators in the EU countries detected by the pre-filter mechanism, but far from the maximum prices of that group. Also, Correos' prices are below the average prices of competitors in the Spanish market in the 4 products.</p> <p>When constructing the ratios of these average prices in relation to the domestic prices at origin, it is observed that Correos' ratios are below the average ratios in the Spanish market and below the average ratios of EU designated operators for all products.</p> <p>Finally, Correos' prices for the 4 products have remained unchanged between 2022 and 2023 in an inflationary context.</p> <p>Therefore, the official US cross-border rates offered by Correos for the year 2023 cannot be considered as unreasonably high for the purposes of article 6.2 of the Regulation (EU) 2018/644.</p>		

DESCRIPTION OF ASSESSMENT

Provision	Concept	<i>Instructions on how to fill in the table</i>	Information on the application of the Parcel Regulation
			<i>Please include your answer in this column</i>
USE OF AN OBJECTIVE PRE-ASSESSMENT FILTER MECHANISM			

	<p>Did your NRA use the pre-assessment filter suggested by EC in COM(2018)838 IV.1?</p>	<p><i>Please answer Yes or No.</i></p> <p><i>In case of negative answer, please provide the reasons for not using it.</i></p>	<p>Yes</p>
<p>Recital 26 <i>Regul. (EU) 2018/644</i></p>	<p>If yes: What were the product categories of the Annex of the Regulation for the tariffs identified?</p>	<p><i>Please indicate the product categories of the tariffs identified</i></p>	<p>1 letter products: 2 kg standard letter);</p> <p>3 parcel products: 1 kg track&trace parcel; 2 kg track&trace parcel; 5 kg track&trace parcel;</p> <p>Note: This year Correos did not provide prices for the standard parcels as Correos US rates for parcels include track and trace and CNMC recommended Correos not to provide duplicated rates (standard and track& trace), following the suggestions related to article 5 Regulation (EU) 2018/644 in Annex 1 of the ERGP (21) 20 Report on the Cross Border Regulation implementation.</p> <p>In particular, such Annex 1 says:</p> <p><i>“Submission of items as standard or track and trace for PDSPs that only offer track and trace items:</i></p> <p><i>Parcels with a track and trace functionality should be reported exclusively in the track and trace categories (i.e. categories, m, n and o). The standard parcel categories of the Annex (i.e. categories j, k and l) should contain only parcels without a track and trace functionality (...).”</i></p>
	<p>If yes: How many tariffs did this pre-filter identify?</p>	<p><i>Please indicate the number of tariffs</i></p>	<p>In particular:</p>

		<i>(Please consider each combination of origin country-destination country as a single tariff. For example, even if there is a same price for sending a parcel from (eg) Spain to Germany (5 euros) and Spain to Austria (5 euros), these should be counted as two tariffs).</i>	29 (2 kg stdrd letter 29 (1 kg track&trace parcel); 29 (2 kg track&trace parcel); 29 (5 kg track&trace parcel); Total: 29*4=116 tariffs.
	If yes: How many unique tariffs did this pre-filter identify?	<i>Please indicate the number of unique tariffs</i> <i>(Please consider only unique value tariffs. For example, if there is a same price for sending a parcel from (eg) Spain to Germany (5 euros) and Spain to Austria (5 euros), these should be counted as one tariff).</i>	0 unique tariffs as both the letter product and the 3 parcel products present zonal prices.
Recital 26 <i>Regul. (EU) 2018/644</i>	Did your NRA used another pre-assessment filter mechanism(s)?	<i>Please answer Yes or No.</i> <i>In case of positive answer, please provide the reasons for using it.</i>	No
	If yes: Please briefly describe this pre-assessment filter mechanism.	<i>Please provide a brief description (open text answer)</i>	n.a.
	If Yes: What were the product categories of the Annex of the Regulation for the tariffs identified?	<i>Please indicate the product categories of the tariffs identified</i>	n.a.

	<p>If yes:</p> <p>How many tariffs did this pre-filter identify?</p>	<p><i>Please indicate the number of tariffs</i></p> <p><i>(Please consider each combination of origin country-destination country as a single tariff. For example, even if there is a same price for sending a parcel from (eg) Spain to Germany (5 euros) and Spain to Austria (5 euros), these should be counted as two tariffs)</i></p>	<p>n.a.</p>
	<p>If yes:</p> <p>How many unique tariffs did this pre-filter identify?</p>	<p><i>Please indicate the number of unique tariffs</i></p> <p><i>(Please consider only unique value tariffs. For example, if there is a same price for sending a parcel from (eg) Spain to Germany (5 euros) and Spain to Austria (5 euros), these should be counted as one tariff).</i></p>	<p>n.a.</p>
ELEMENTS TAKEN INTO ACCOUNT IN THE ASSESSMENT			
		<p><i>Please answer Yes or No.</i></p>	<p>Yes</p>
<p>Art. 6.2 (a)</p> <p><i>Regul. (EU) 2018/644</i></p>	<p>Did your NRA consider the domestic and any other relevant tariffs of the comparable parcel delivery services in the originating MS and in the destination MS?</p>	<p><i>If Yes:</i></p> <p><i>Please also provide a brief description of the analysis done and <u>conclusions</u> (open text answer).</i></p> <p><i>For example:</i></p> <p><i>Did your NRA perform a primary</i></p>	<p>The average price of the Spanish Universal Service Provider (USP) is compared with the average prices of the rest of USPs (adjusted by purchasing power parity (PPP)).</p> <p>The average price of the Spanish USP is compared with the average prices of the rest of Spanish PDSPs.</p>

		<p><i>comparison, considering the sum of the domestic tariff of the USP in the originating MS and the domestic tariff of the USP in the destination MS?</i></p> <p><i>Did your NRA perform a secondary comparison, considering the sum of the domestic tariff of the USP in the originating MS and the domestic tariff of a relevant competitor, which provides interchangeable services in the destination MS?</i></p> <p><i>Did your NRA take into account specific product characteristics and information on the QoS (eg insurance/liability, delivery speed, guaranteed or average travelling time, territorial coverage) to ensure that the services are substitutable under market conditions?</i></p>	<p>Conclusions: In the 4 cases analysed, the US cross-border rates offered by Correos for the year 2023 are not “unreasonably” high as they are below the US average prices of the designated operators of EU Member States detected by the pre-filter mechanism – adjusted by purchasing power parity– in 2 of the 4 products. In the remaining 2 cases, they are 3% and 6% above the average price of the designated operators in the EU countries detected by the pre-filter mechanism, but far from the maximum prices of that group.</p> <p>Likewise, Correos’ average price is below the average price of the Spanish market in the 4 products.</p>
		<p><i>Please provide a brief summary of any additional information you consider relevant [optional].</i></p> <p><i>(open text answer)</i></p>	<p>n.a.</p>

<p>Art. 6.2 (b)</p> <p><i>Regul. (EU) 2018/644</i></p>	<p>Did the USP of your country apply a uniform tariff to two or more Member States?</p> <p>(ie the USP provides a single tariff or zonal tariffs (each zone composed at least of 2 destination Member States))</p>	<p>Please answer Yes or No.</p>	<p>Yes</p>
		<p>If Yes, please also provide a brief explanation on how you took this fact into account in your assessment and the <u>conclusions</u> (open text answer).</p>	<p>For the products under analysis, the designated operators apply in each case either unique prices or zonal prices, being the destination zones of each of them different. For the sake of comparability among all the prices, average prices of all the destination prices provided by each PDSP are used.</p>
		<p>Please provide a brief summary of any additional information you consider relevant [optional].</p> <p>(open text answer)</p>	<p>Correos applies zonal prices for the parcel products. Furthermore, Correos has introduced a new rate zone in letter products for Cyprus and Malta in 2022.</p> <p>Hence, Correos also applies now zonal prices for the letter products.</p>
<p>Art. 6.2 (c)</p> <p><i>Regul. (EU) 2018/644</i></p>	<p>Did your NRA consider bilateral volumes, specific transportation or handling costs, other relevant costs and service quality standards?</p>	<p>Please answer Yes or No.</p>	<p>No</p>
		<p>If Yes, please also provide a brief description of the analysis done and <u>conclusions</u> (open text answer).</p>	<p>n.a.</p>
		<p>For example (non exhaustive):</p> <p>Did the NRA extracted such information from the USP's analytical accounting or had to request specific information to the USP?</p> <p>Did your NRA have to make a volume estimate? In that case, what data was used for it? (eg revenues)</p>	

		<p><i>What type of costs were considered if any? (eg terminal rates/ specific costs of bilateral routes (islands, sparsely populated areas, mountainous areas))</i></p> <p><i>How were specific service quality standards considered?</i></p>	
		<p><i>Please provide a brief summary of any additional information you consider relevant [optional].</i></p> <p><i>(open text answer)</i></p>	<p>The EC website publishing the PDSP prices provides access to a sufficient number of European PDSP prices in order to perform a comparison of such prices and determine if certain US cross-border tariffs of the Spanish USP are “unreasonably” high.</p> <p>Thus, no need to manage additional information.</p>
<p>Art. 6.2 (d) <i>Regul. (EU) 2018/644</i></p>	<p>Did your NRA consider the likely impact of the applicable cross-border tariffs on individual SME users including those situated in remote or sparsely populated areas, and on individual users with disabilities or with reduced mobility?</p>	<p><i>Please answer Yes or No.</i></p>	<p>No</p>
		<p><i>If Yes, please also provide a brief explanation on how you took this fact into account in your assessment and the <u>conclusions</u> (open text answer).</i></p>	<p>n.a.</p>
		<p><i>Please provide a brief summary of any additional information you consider relevant [optional].</i></p> <p><i>(open text answer)</i></p>	<p>Same answer as in 6.2.c (additional information).</p>
		<p><i>Please answer Yes or No.</i></p>	<p>No</p>

	Were there any reasons (eg studies) to believe that the users considered vulnerable are in fact impacted by those tariffs?	<i>If Yes, please also provide a brief explanation on how you took this fact into account in your assessment and the <u>conclusions</u> (open text answer).</i>	n.a.
		<i>Please provide a brief summary of any additional information you consider relevant [optional].</i> <i>(open text answer)</i>	Same answer as in 6.2.c (additional information).
Art. 6.3 (a) <i>Regul. (EU) 2018/644</i>	Did your NRA consider if those tariffs are subject to a specific price regulation under national legislation?	<i>Please answer Yes or No</i>	No
		<i>If Yes, please also provide a brief description of the analysis done and <u>conclusions</u> (open text answer).</i> <i>For example:</i> <i>Is the tariff assessed subject to a price cap regulation, or other type of price control?</i>	n.a.
		<i>Please provide a brief summary of any additional information you consider relevant [optional].</i> <i>(open text answer)</i>	Same answer as in 6.2.c (additional information).
Art. 6.3 (b) <i>Regul. (EU) 2018/644</i>	Did your NRA consider a case of abuse of dominant market position established in accordance with relevant applicable law?	<i>Please answer Yes or No.</i>	No
		<i>If Yes, please also provide a brief description of the analysis done and</i>	n.a.

		<p><i>conclusions (open text answer).</i></p> <p><i>For example:</i></p> <p><i>Has the national competition authority determined in the past that the USP has abused its dominant market position in providing cross-border items? If so, did it involve the exploitation of end-users (such as excessive pricing practices) rather than the exclusion of a competitor (such as predatory pricing or margin squeezing)?</i></p>	
		<p><i>Please provide a brief summary of any additional information you consider relevant [optional].</i></p> <p><i>(open text answer)</i></p>	<p>Same answer as in 6.2.c (additional information).</p>
-	<p>Are there any other elements your NRA has considered?</p>	<p><i>Please answer Yes or No.</i></p>	<p>Comparison of average cross-border tariff / domestic tariff ratio between Spanish PDSPs and the Spanish USP. Comparison of average cross-border tariff / domestic tariff ratio between the Spanish USP and other USPs in the rest of MS.</p> <p>Prices reported for the year 2023 are compared with those reported for the year 2022.</p> <p>Due to the fact that Correos has introduced a new letter rate zone for Cyprus and Malta in 2022, the same</p>

			<p>comparative analysis of cross-border prices and cross-border price/ domestic price ratios is done for the 5 remaining letter products of the Annex to the Regulation (i.e. 500 g standard, 1 kg standard, 500 g registered, 1 kg registered and 2 kg registered letters) in those destinations Cyprus and Malta, as the EC pre-filter mechanism identified those prices among the 25% highest.</p>
		<p><i>If Yes, please also provide a brief description of the analysis done and <u>conclusions</u> (open text answer).</i></p>	<p>Correos' US cross-border prices for the year 2023, when compared to domestic prices, are not unreasonably high, as Correos' ratios are below the average ratios in the Spanish market and below the average ratios of EU designated operators for all products.</p> <p>Correos' prices for the 4 products have remained unchanged between 2022 and 2023 in an inflationary context.</p> <p>For the sake of completeness, after analysing Correos' prices in the 5 letter services to Cyprus and Malta, it can be concluded that these cross-border prices are not unreasonably high because in both destinations, the Correos' ratio for the 5 letter services is below the threshold of 5, so that the Correos' prices to Cyprus and Malta would not be excessively high when compared to domestic prices.</p>
INFORMATION REQUESTED			
<p>Art. 6.5 Regul. (EU) 2018/644</p>	<p>Did your NRA request further information to the USP?</p>	<p><i>Please answer Yes or No.</i></p>	No
		<p><i>If Yes, please also provide a brief</i></p>	n.a.

		<i>description of the information that was requested and if there were any issues with collecting such information and <u>conclusions</u> (open text answer).</i>	
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