Do we need postal specific regulation to manage the twin transition of the postal sector?
– View of the European designated postal operators

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ERGP Stakeholder Forum
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Facing multidimensional regulatory framework*

- **CSRDA**
- **Corporate Sustainability Reporting Directive**
- **CSDD**
- **Corporate Sustainability Due Diligence Directive**
- **EU Taxonomy**
- **Fit for 55 (57)**
- **Postal Directive**
- **Parcel Regulation**
- **Digital Files (DMA, DSA, cyber security)**
- **Customs/VAT legislation**
- **Data Protection (GDPR)**
- **Consumer aspects**

*Non exhaustive list*
Forward looking approach to the sector

Megatrends

- Accelerating technological change and hyperconnectivity
- Growing consumption
- Climate change and environmental degradation
- Continuing urbanization
- Changing nature of work
- Increasing demographic imbalances
- Increasing significance of migration
- Widening inequalities

Impacts

Increasing regulatory pressure
- Sector-specific & horizontal
- Sustainability “by default”

Global emergencies/crisis
- COVID pandemic
- War in Ukraine
- Inflation

Shifts in the market
- Parcels: Increasing volumes are slowing down, high competition due to new entrants and new business models
- Letters: Declining volumes due to e-substitution

Measures needed

- To maintain the universal postal service
- Special focus on vulnerable groups, at least for the next decade
- Guarantee the sustainability of the USO
- Respect the principle of subsidiarity
- Parcels: no additional regulation needed
Voluntary frontrunners in sustainability endeavours

aiming at achieving a triple positive impact

ENVIRONMENTAL

Fleet decarbonisation

58,000 vehicles powered with alternative fuels.

of which 30,000 electric vehicles.

170,000 postal employees delivering on foot.

100,000 delivering by bike or e-bike.

Energy efficiency

77% of energy used by postal operators comes from renewable sources.

60% of postal operators produce renewable energy for self-consumption (e.g. solar panels in buildings).

Circular economy

These principles apply to:
- Vehicles
- Batteries
- Electrical equipment
- Packaging
- Paper
- Plastics
- Recycling
- Reusing
- Repurposing

EDUCATION

Sustainable products

Increased number of parcel lockers: 30% between 2018-2020.

The use of technology to optimise route planning and pooling rate of vehicles allows to reduce the number of kilometers travelled.

SOCIAL

1.1 million workers in 25 European operators.

Employment has remained relatively stable between 2018-2020.

>60% of workforce dedicated to Delivery.

~50% of employees are women.

The average age of employees is 45 years.

And 40% are over 50 years old.

ECONOMIC

Postal operators play an essential role in the single market by promoting economic growth, social cohesion and inclusion as well as enhancing rural areas development, keeping all territories connected.

Connecting

800 million people and businesses daily.

>60 billion items handled per year.

258 million delivery points.

55 postal operators = 1% of their national GDPs.

PostEurop

ERGP Stakeholder Forum (27 September 2023, Brussels)
Engagement for sustaining quality of postal services & postal work

- Dedication to social dialogue
- Development projects
- Focus on sustainability
- Social dialogue & proactive measures
- Re/training, Employability
- Employment level in postal sector
- Employees as beneficiaries and actors of the transformation

Employees as the key asset
Postal sector specific regulation is not a Swiss Army knife (not the appropriate framework to regulate environmental, social, etc. dimensions)

Additional elements/dimensions in the postal regulation are NOT needed

Horizontal regulations (i.e. Green Deal, digital and consumer protection initiatives) are applicable to postal operators

Postal sector specific criteria can be introduced in horizontal regulation if/where appropriate (e.g. EU Taxonomy)
Within an extremely challenging context for the postal sector and an increasing regulatory pressure, the postal regulation shall:

i. remain focused at USO;
ii. provide for flexibility at national level; and
iii. ensure a sustainable USO, i.e. an effective long-term financing model and a proportionate (cost-effective) regulatory burden.

Significant economic and social dimension of the postal sector requires consideration of the economic challenges of

i. reaching vulnerable citizens & rural areas;
ii. assuring fair employment conditions; and
iii. the investment and infrastructure needed to becoming net zero & climate positive.

Postal operators are frontrunners in the sustainability endeavours, aiming at achieving a triple positive impact (on environment, economy, and society).

The postal sector specific and horizontal regulation impacting the postal industry shall stay balanced to avoid overregulation of the industry.
THANK YOU