Internal market of postal services

2006/0196(COD) - 11/07/2007 - Text adopted by Parliament, 1st reading/single reading

The European Parliament voted, by a large majority, for the remaining postal service monopolies in EU Member States to expire by 31 December 2010, two years later than the 1 January 2009 proposed by the European Commission. With 512 votes in favour, 156 against and 18 abstentions, MEPs backed the compromise, proposed by postal services rapporteur Markus **FERBER** (EPP-ED, DE). This means that postal services should be opened up to competition by 2011, but subject to strict conditions.

The main amendments adopted by Parliament are as follows:

- it is appropriate to establish the end of 2010 as the final date for the removal of exclusive rights in the postal sector (as opposed to 2009 which as the date proposed by the Commission). The total opening up of the market means that national operators will no longer have the monopoly on mail weighing less than 50g which was until now their “reserved area”;

- to the extent that it is necessary for ensuring the maintenance of universal service, new Member States or Member States with a particularly difficult topography, especially those with a huge number of islands, may continue, until 31 December 2012, to reserve services to universal service providers(s) within certain strict limits and conditions;

- a 'reciprocity clause' is included, aimed at preventing distortions of competition until then, by preventing postal operators in countries that maintain a reserved area from entering markets that have already been fully opened;

- a Member State may impose conditions on the supply of postal services for general non-economic reasons such as the confidentiality of correspondence, security of the network as regards the transport of dangerous goods and respect for the terms and conditions of employment and social security schemes, laid down by law, regulation or administrative provision and/or by collective agreement negotiated between national partners and, where justified, data protection, environmental protection and regional planning.;

- prices must be affordable and must be such that all users, independent of geographical location, and, in light of specific national conditions, have access to the services provided. Member States shall publish the rules and criteria for ensuring affordability at national level. National regulatory

authorities shall monitor all price changes and shall publish regular reports. Member States shall ensure the provision of a free postal service for the use of blind and partially sighted persons. In addition, the most vulnerable customers (individuals and SMEs) should be highlighted;

- in order to protect the interests of postal users in the event of theft or loss of, or damage to postal items, Member States should introduce a system of reimbursement and/or compensation;

- the question of accounting (new version of Article 14) is of crucial importance, since imprecise accounting can easily lead to distortions of the market. An amendment has been tabled seeking to define more precisely the allocation of common costs (costs which cannot be allocated directly to a particular service or product). A further amendment seeks to guarantee the application of Article 14 even when no other universal service providers have been appointed, since even where there is only one provider, distorted accounting by this provider could effectively act as a barrier to market access;

- further complex of issues related to accounting is that of cross-subsidy. On this topic, two amendments have been tabled to recitals. The first seeks to make clear that the monitoring of cross-subsidy falls within the Commission's sphere of competence and the other seeks to achieve a clear allocation of common costs on the basis of their origin in order to avoid cross-subsidy;

- clear rules on competition law and state aids are another important element in an operational postal market. Two amendments have been tabled which urge the Commission to provide interpretative communications on these matters;

- every four years, on the first occasion no later than 31 December 2011, the Commission shall submit a report to the European Parliament and the Council on the application of this Directive, including the appropriate information about developments in the sector, particularly concerning economic, social, employment patterns and technological aspects, as well as about quality of service;

- the Commission shall provide assistance to the Member States on the implementation of this Directive, including guidance on the calculation of any net cost before 1 January 2009. Member States shall present to the Commission their financing plans and may present studies;

- another important complex issue relates to the status and rights of workers in the postal sector. To that end, a new has been included clarifying the Member States' options for regulating the conditions of employment;

- it is important that rural and remote areas will not be negatively affected by significant changes brought by an open postal market. Mail must be collected and delivered to these areas without Interruption ;

- in order to meet competition, cope with new consumer requirements and secure new sources of funding, postal service providers may diversify their activities by providing electronic business services or other information society services;

- the Parliament states that this Directive does not affect the terms and conditions of employment, including maximum work periods and minimum rest periods, minimum paid annual holidays, minimum rates of pay as well as health, safety and hygiene at work, which Member States apply in compliance with Community law, nor does it affect relations between social partners, including the right to negotiate and conclude collective agreements, the right to strike and to take industrial action in accordance with national law and practices which respect Community law, nor does it apply to services provided by temporary work agencies.