Dr. Spyros Pantelis ERGP Chair European Commission DG GROW Avenue des Nerviens 105 1040 Etterbeek Belgium

Brussels, 28 September 2020

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Dear Dr. Pantelis,

In response to the ERGP Work Programme 2021 (ERGP PL I (20) 6), which is currently under public consultation, PostEurop would like to take the opportunity to share its opinion on the different works planned.

We note that ERGP will work on future regulatory framework and evaluation of the PSD. According to ERGP, the scope of the PSD evaluation and recommendation should consider a "fundamental, market-oriented greenfield approach". This is one of the ERGP objectives of its mid-term strategy. **PostEurop has cautioned in the past against this new regulatory approach**. We believe that the starting point for legislation on postal services should remain the universal service and its sustainable provision in a context of shrinking mail markets and the recent COVID crisis.

ERGP also wants to work on "regulatory measures to promote a competitive EU postal single market and powers NRAs needed to create an environment for competition and innovation". More particularly, ERGP will develop its position towards ex-ante regulation, including SMP regulation (Deliverable #3). PostEurop sees no justification for introducing a competition-focused sector-specific regulation regime in the postal sector for two reasons:

- Firstly, the general European and national competition rules already fully apply and nothing suggests that competition enforcement tools are not sufficient to guarantee the well-functioning of the postal markets;
- Secondly, no market failure justifying sector-specific regulation has been identified since the full opening of the postal sector to competition under the Postal Directives was completed.

As emphasised by the ERGP in its draft report on "consumer issues", the competition on the parcel market is fierce and postal operators are developing innovative services to meet end-user expectations, for example with new options regarding the time and place of delivery. Thus, we do not see any justification for giving NRAs further competences "to create an environment for competition and innovation".



PostEurop's members take note that new topics will be reviewed by the ERGP, namely the "European Green Deal". The ERGP will analyse in its report the potential impacts of the environmental measures planned in the framework of the Green Deal on the postal sector. In this context, we would like to underline that PostEurop members are committed to contributing to the UN Sustainable Development Goals – including resource efficiency, procurement, waste management and air quality. Our aim is to deliver a 20% carbon emissions reduction per letter and per parcel by 2025, from a 2013 baseline year. PostEurop has a CSR Circle which promotes the exchange of good practices among its members. Every year, it publishes a CSR brochure "The Postal Sector, Leading the Way in Corporate Social Responsibility" which has a dedicated part on environmental practices shared by PostEurop members. These practices illustrate in a very concrete way that postal operators take their responsibility seriously and are key players in the environmental transition. Further information is available on PostEurop's website and could feed ERGP's reflection on this topic. PostEurop also closely follows the key initiatives under the Green Deal and will contribute to the Commission's consultation procedures, where required.

We welcome ERGP's plans to analyse the impact of the COVID-19 epidemic on the postal sector and to publish a new report on postal core indicators. We believe that these reports would provide useful insights and information to the European Commission and PostEurop and is in line with ERGP's role as an advisory body (as it is laid down in European Commission decision 2010/C 217/07). As such, we are willing to provide feedback to the different working groups taking care of these issues.

To promote a transparent process and to foster a constructive discussion, PostEurop would welcome the publication of all contributions from the various stakeholders involved in the public consultations of ERGP.

We remain available to provide further inputs to ERGP on the current challenges faced by the industry.

Yours sincerely,

Jean-Paul Forceville Chairman Botond Szebeny Secretary General

CC: Mr João Cadete de Matos, ERGP Vice-Chair