

Commission Parcel Delivery Proposal - National postal operators welcome greater price transparency for end consumers but regret increased red tape for businesses

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Today, the European Commission published a proposal for a regulation on cross-border parcel delivery. Parcel delivery is a cornerstone of the fast-growing e-commerce industry and a crucial pillar of the EU's Digital Single Market. Postal operators connect SMEs and e-retailers with citizens across Europe – from London to Bucharest, from Lapland to the Greek islands.

Jean-Paul Forceville, Chairman of PostEurop – which represents national postal operators across Europe – said: *“We support the European Commission’s work to develop the European digital single market. We have been working very closely with the European Commission and have implemented successful changes to enhance customer experience: e-retailers and end-consumers now enjoy enhanced interoperability, harmonised labelling across Europe, Track&Trace systems for parcels, more choices of delivery, and better return options.”*

Dr. Achim Dünwald, CEO of DHL Parcel, added: *“E-commerce is a key driver of growth for national postal operators and we are proud partners of e-retailers – be they young start-ups or more established players. National postal operators handle four billion parcels every year in Europe; the vast majority of which is for e-retailers.”*

In the e-commerce market, parcel prices for e-retailers are mainly driven by several cost elements, market conditions and competition, as well as the destination country or region in the case of cross-border. The distance between the warehouse of the e-retailer and the end-consumer’s address matters less in comparison.

Emmanuelle Bosc-Haddad, Chief Marketing Officer of La Poste Parcel, commented: *“We operate in a highly competitive environment where e-retailers have multiple choices between delivery providers at Pan-European level. They can choose from more than 4 different operators – on average in Europe – for cross-border delivery. In some countries there are more than ten cross-border providers! Besides, **the price paid by consumers for the delivery of products shopped online is ultimately set by e-retailers, not by national postal operators.**”*

Indeed, in 2015, **Copenhagen Economics**¹ found that nearly half of e-retailers charge consumers more than they pay delivery operators, with the remainder evenly split between charging the same amount as they pay and charging less. This is the commercial decision of e-retailers.

National postal operators welcome the proposal to publish public list prices. However, the Commission also demands that national postal operators share a vast amount of confidential commercial data with national regulators for a yearly affordability assessment of parcel prices. It also obliges national postal operators to grant full access to their delivery networks – with very few conditions – to third party operators.

¹ [Study on the principles of cross-border parcel delivery](#), Copenhagen Economics, February 2016

These last two proposed measures [affordability assessment and third-party access to delivery networks] **are disproportionate to the Commission's objective. They go in the direction of price regulation and fail to reflect market conditions.** Competition is fierce on the parcel delivery market – at home and abroad – with low barriers to entry and we operate in a highly regulated environment already. The EU has plenty of tools (competition, infringement) at its disposal to address inappropriate practices – if indeed they occur at all.

To conclude, **Jean-Paul Forceville, Chairman of PostEurop** said: *“National postal operators employ 2 million people in Europe and account for 1% of the EU's entire GDP². Our people are at the heart of our continued success. We look forward to working with the Council and the European Parliament on the proposed regulation”*.

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Notes to the editors

PostEurop is the trade association representing European national postal operators, which are either partially state-owned or used to be state-owned. It has 52 members in 49 countries.

European national postal operators handle some 4 billion parcels domestically and across Europe every year and operate in all 28 EU countries. They serve 175,000 retail outlets, employ 2 million people, operate 258 million delivery points, collect from 720,000 street postboxes and account for 1 percent of the EU's entire GDP³.

For more information about how postal operators contribute to the growth of e-commerce in Europe, visit our website: www.Deliver4Europe.eu

We are also happy to engage with you on this topic on Twitter: @Deliver4Europe

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² PostEurop industry figure, <http://www.posteurop.org/aboutus>

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