

## EVALUATION ROADMAP

Roadmaps aim to inform citizens and stakeholders about the Commission's work to allow them to provide feedback and to participate effectively in future consultation activities. Citizens and stakeholders are in particular invited to provide views on the Commission's understanding of the problem and possible solutions and to share any relevant information that they may have.

<b>TITLE OF THE EVALUATION</b>	Evaluation of the Postal Services Directive
<b>LEAD DG – RESPONSIBLE UNIT</b>	GROW E2 – Public Interest Services
<b>INDICATIVE PLANNING (PLANNED START AND COMPLETION DATES)</b>	Planned start date: Q1 2020 Planned completion date: Q4 2020
<b>ADDITIONAL INFORMATION</b>	<a href="https://ec.europa.eu/growth/sectors/postal-services_en">https://ec.europa.eu/growth/sectors/postal-services_en</a>

**The Roadmap is provided for information purposes only. It does not prejudice the final decision of the Commission on whether this initiative will be pursued or on its final content. All elements of the initiative described by the document, including its timing, are subject to change.**

### A. Context, purpose and scope of the evaluation

#### Context

The purpose of the Postal Services Directive (PSD)<sup>1</sup> was to create an internal market for postal services by means of gradual liberalisation, while ensuring that citizens and businesses everywhere in the EU had access to a minimum set of services (delivery of letters and parcels up to 20 kg) at affordable prices and under certain quality conditions ('the universal service'). Revisions of the Directive in 2002 and 2008 further reduced and eventually abolished the postal monopoly. They also provided for universal service providers to be designated where markets failed to deliver, and to be compensated for any unfair burden arising as a result.

In the meantime, digital technology has fundamentally changed users' needs and behaviour. This has led to a steady decline in letter mail, which is not entirely compensated by the growth in the parcel market. As the letter-post business model relies on economies of scale, smaller volumes have made postal networks more difficult to sustain. Many providers have reduced service quality and raised tariffs while some Member States have reduced the scope of the universal service.

In 2018, the Regulation on cross-border parcel delivery services<sup>2</sup> was adopted in response to the growth of e-commerce. It improved regulatory oversight of parcel deliveries and put in place instruments to increase tariff transparency, so that users can afford to send parcels throughout the EU, thus fostering cross-border e-commerce and the digital single market. The first report on the implementation of the Regulation is due in 2020.

#### Purpose and scope

Every 4 years, the Commission is to produce a report on the application of the Directive (see Article 23). Given the extent of change in the market, the next report will be accompanied by an evaluation as to whether the Directive is still fit for its original purpose of ensuring an internal market for postal services while maintaining the universal service for letters and parcels. The evaluation will also assess whether the original objectives are still relevant in an increasingly digital world.

The evaluation will look at the application of the Directive since it was last revised (in 2008) and its effects on postal markets, with a focus on recent developments (2013-2018). It will cover the EU Member States and the other European Economic Area (EEA) countries. It will examine the universal service obligation, in particular as regards the services included, the financing of the net cost compensation, price regulation and quality of service. It will also examine competition in the EU and national postal markets and whether the current regulatory instruments are flexible enough to accommodate national particularities. It will assess the impact of the Directive on the basis of effectiveness, efficiency, coherence, EU added value and, above all, relevance, to see if the Directive still responds to the present needs of the European citizens and businesses and will continue to do so in the foreseeable future.

<sup>1</sup> Directive 97/67/EC of the European Parliament and of the Council of 15 December 1997 on common rules for the development of the internal market of Community postal services and the improvement of quality of service (OJ L 15, 21.1.1998, p. 14), as amended by Directives 2002/39/EC with regard to the further opening to competition of Community postal services and 2008/6/EC with regard to the full accomplishment of the internal market of Community postal services.

<sup>2</sup> Regulation (EU) 2018/644 of the European Parliament and of the Council of 18 April 2018 on cross-border parcel delivery services (OJ L 112, 2.5.2018, p. 19).

## B. Better regulation

### Consultation of citizens and stakeholders

The Postal Services Directive has a strong societal dimension (postal services serve virtually every citizen in Europe and employ close to two million people) and economic relevance (the postal sector accounts for over 0.5% of total GDP in the EU and the rest of the EEA) and it therefore affects a wide range of stakeholders. The Commission is planning a comprehensive consultation exercise in order to build a solid evidence base for its evaluation:

- a 12-week public consultation in the form of a questionnaire published on the Commission's [Better Regulation Portal \(Have Your Say\)](#). The questionnaire will be published in 23 EU languages and replies will be welcome in any EU language. The consultation will be announced on the [postal services website](#). Members of the relevant expert groups, consumer and industry associations and trade unions will be asked to raise awareness of the consultation via their respective channels. The contributions and a summary report of the main points raised will be published on the [Better Regulation Portal](#);
- targeted consultations of the Member States and national sector regulators via meetings of the Postal Services Directive Committee and the [European Regulators Group for Postal Services](#) (ERGP);
- input of the Sectoral Social Dialogue Committee on Postal Services;
- targeted consultations and interviews with postal customers, large senders (e.g. public institutions, utility companies, banks), postal service providers and trade unions; and
- public workshops to give stakeholders the opportunity to present their views and debate users' likely future needs in the light of market and technological developments.

### Data collection and methodology

The evaluation will use factual information on the implementation of the Directive and trends affecting the main indicators from:

- the Commission's [postal statistics database](#);
- the work of the European Regulators Group for Postal Services;
- the national regulators' statistical reports; and
- studies on [Main developments in the postal sector \(2013-2016\)](#) and [Development of cross-border e-commerce through parcel delivery](#).

An additional study was commissioned to examine how users' needs are likely to change in the next 5-10 years and to provide in-depth assessments of the various components of the Directive.

The principles for the compensation of cross-border deliveries will be evaluated with the help of a study on international postal services and, if a preliminary assessment indicates the need, the Commission will also look into standardisation requirements in the sector.

Following the consultations, internal analyses and expert studies, the Commission will summarise the results of the evaluation in a staff working document and a report to the European Parliament and the Council.

NB: Conducting an evaluation does not imply a commitment to revise the Directive.