



Parcel delivery regulation: needed or nonsense?

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November 2016



My answer:



Neither needed, nor nonsense.....

- Issues addressed make sense
- However no (additional) regulation needed to reach objectives

Let's discuss!

- Krakow Single Market Forum 2011
- Many EC publications (and stakeholder actions!)
- Digital Single Market strategy (May 2015):
 - Economic growth through stimulating ecommerce
 - Reduce barriers (particularly for SMEs)

Delivery is not a barrier but a structural part of the cost.

Prices for goods on the internet is a virtual market.

Objective of the proposal

- Make markets more effective by:
 1. Consistent and effective regulatory oversight
 2. Encouraging competition

- Increase transparency of tariffs in order to:
 1. Reduce unjustifiable differences
 2. Lower tariffs for individuals and SMEs (especially in remote areas)

Let's keep these objectives in mind

Main elements of the proposal

- Information (art. 3)
- Transparency (art. 4)
- Affordability (art. 5)
- Access (art. 6)

Art. 4, 5 and 6 for USPs only and transparency and affordability requirements limited to a specified list of 15 products/services (USO like)

Transparency

a) USPs to provide timely all public tariffs (of 15 example products).
EC will publish an accessible overview.

- No problem; public prices

b) USPs to provide terminal rates for same products.

- Intercompany rates; underlying cost and no reason (yet) to provide.

Why USPs (national postal companies) only?

Tariffs to be assessed on affordability using the terminal rates collected under 4b.

- Affordability is relevant, relates to public services and is not based on cost.
- If necessary empower NRAs to investigate when tariffs seem unreasonably high; in most cases part of USO and already regulated under the PSD
- Further investigation will probably lead to cost elements like terminal rates, which in that case will be provided.

‘Empower’ NRAs to enforce USO regulation

Access to multilateral price agreements based on reference offers under NRA scrutiny.

- Highly competitive market; the rules of competition law apply
- Particularly serving bigger players (integrators, platforms)
- Offering selective access to a universal service network that consists of opportunities and obligations

What is the objective of this article?

- Address the issues using the existing tools (USO regulation and competition law).
- Can be described in a simplified 'regulation' (focus on market monitoring, public tariff transparency and publication)
- Do not introduce additional regulatory tools

Regulation leads per definition to more unlevel playing fields (as you interfere in the market).