

Bird & Bird

Postal & Delivery at the crossroad of nations and industries

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Friday 3 May 2019, Copenhagen



Postal and Delivery vs. Electronic Communications

- ✓ Industry characteristics
- ✓ Regulatory Frameworks
- ✓ Looking ahead

Industry characteristics

Postal vs. Electronic Communications



Regulated Networks and Economies of Scale, but ...



Postal & Delivery

Network = People

Low barriers to entry

Labour intensive

Electronic Communications



Network = Physical infrastructure

High barriers to entry

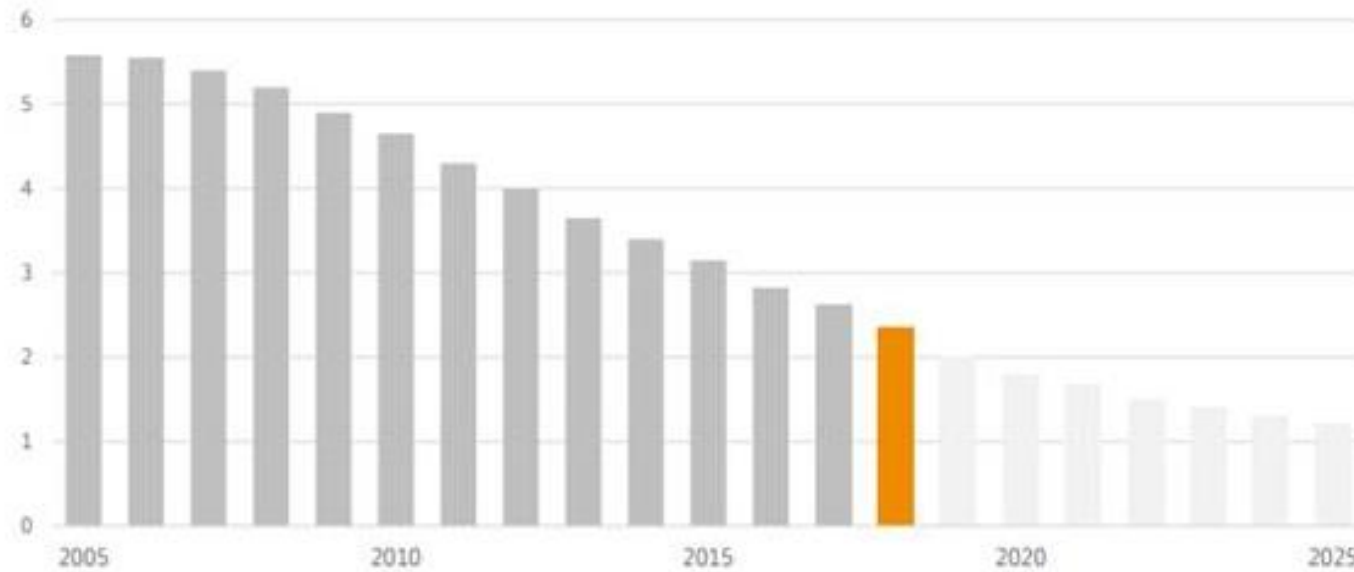
Capital intensive

Source: Letter of the Secretary of State to the Dutch Parliament of 15 June 2018

And declining mail volumes....

Mail volume development in the Netherlands

billion letters per year



Source: Adviesrapport Oudemans

Communalities & Differences Regulatory Frameworks



EU Regulatory Framework

Postal & Delivery Postal Services Directives (1997/2008)

- Liberalisation
- Independent Regulatory Authority
- Universal Service
- Compensation of net costs
- Access (article 11a)

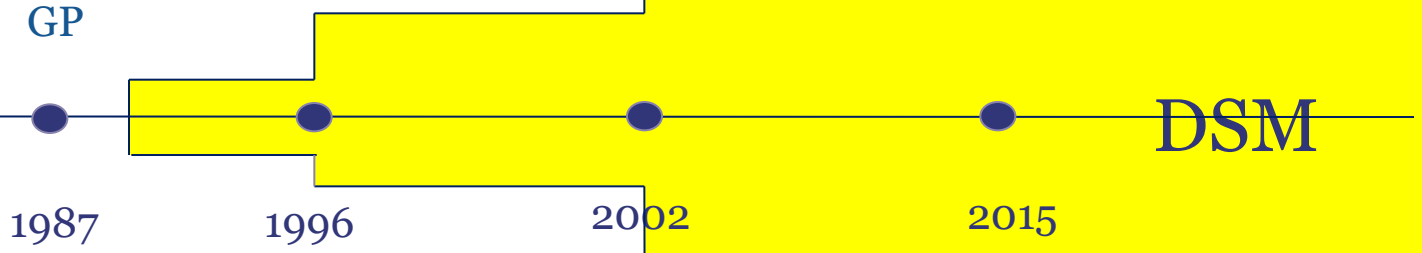
Electronic Communications Regulatory Framework (2002/2009)

- Liberalisation
- Independent Regulatory Authority
- Universal Service
- Compensation of net costs
- Various provisions
 - Interoperability
 - SMP regulation
 - Scarce resources
 - End-user protection
 - Security/e-privacy

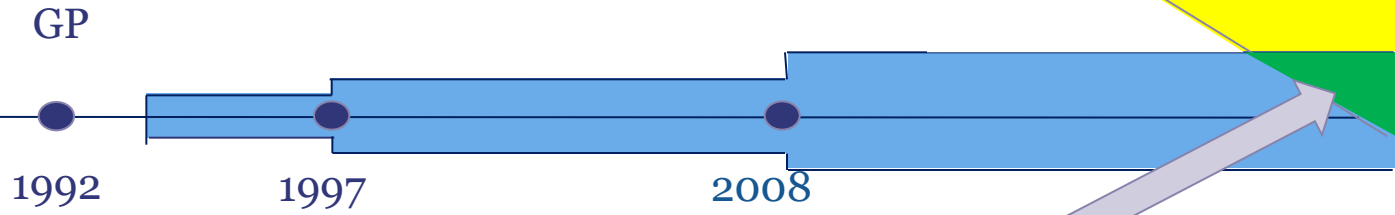
Objectives Digital Single Market initiatives (2015)

- **Better access for consumers and business to online goods and services across Europe** – this requires the rapid removal of key differences between the online and offline worlds to break down barriers to cross-border online activity.
- **Creating the right conditions for digital networks and services to flourish** – this requires high-speed, secure and trustworthy infrastructures and content services, supported by the right regulatory conditions for innovation, investment, fair competition and a level playing field.
- **Maximising the growth potential of our European Digital Economy** – this requires investment in ICT infrastructures and technologies such as Cloud computing and Big Data, and research and innovation to boost industrial competitiveness as well as better public services, inclusiveness and skills

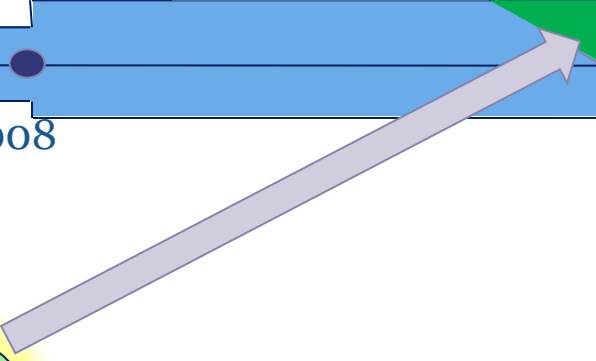
Electronic
Communications



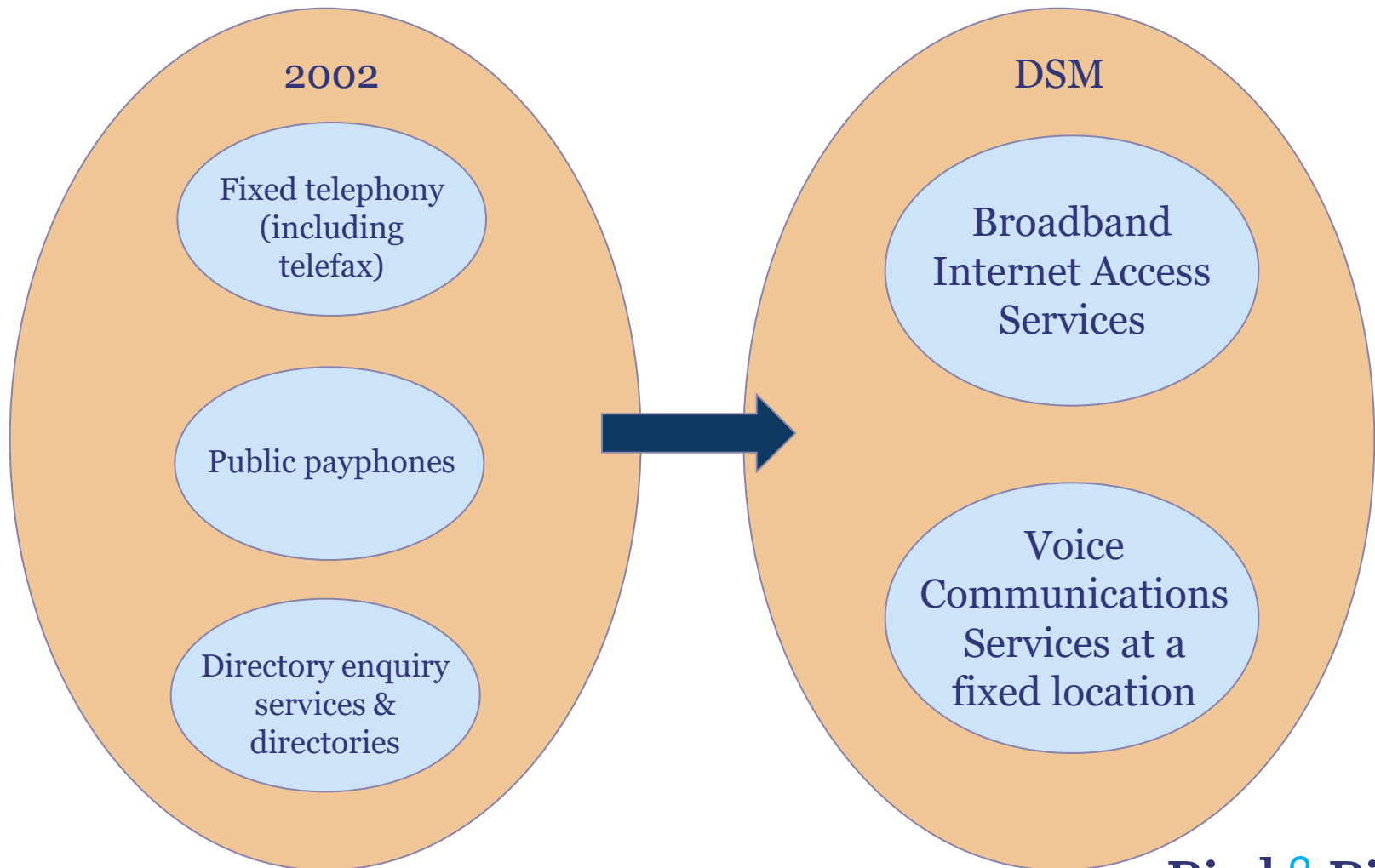
Postal &
Delivery



Cross-border
Parcel Delivery



Scope Universal Services Electronic Communications



Scope Universal Services Postal Services Directive

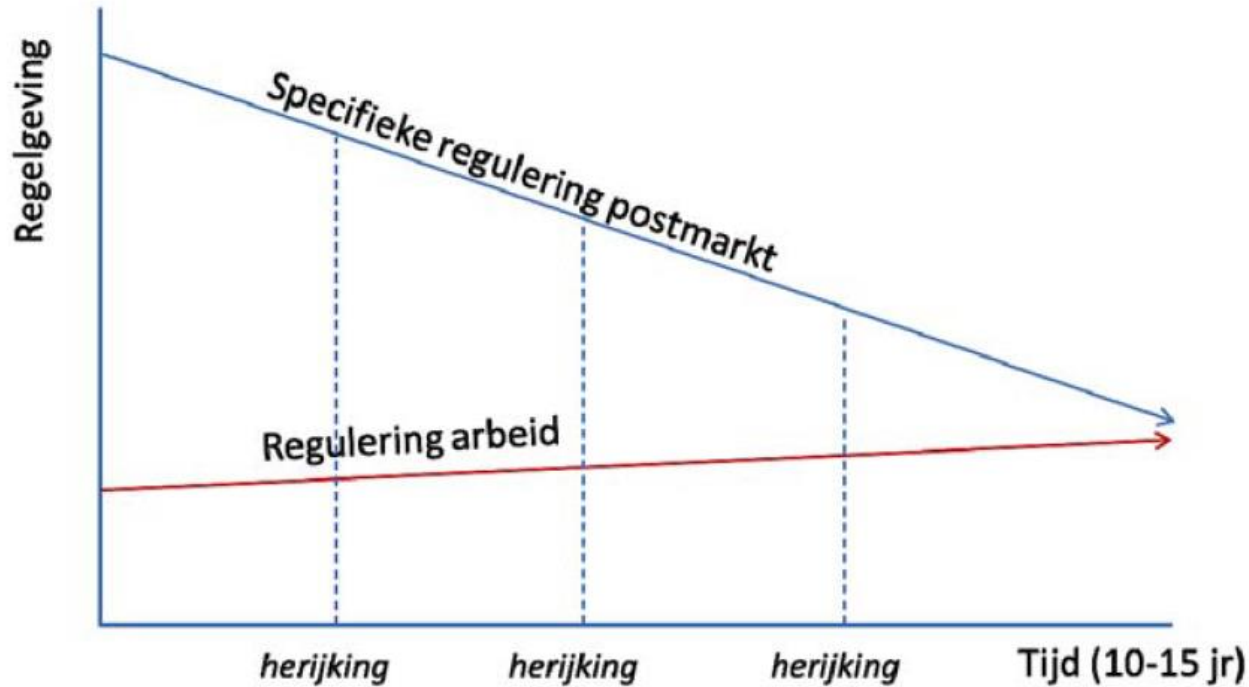
1997 -

Postal Services
=
Physical
clearance and
delivery of mail
and parcels

Looking ahead



NL Government June 2018



Source: Letter of the Secretary of State to the Dutch Parliament of 15 June 2018

Looking ahead....

E-substitution and e-commerce have an impact

- Declining volumes physical mail
 - Converging electronic and physical mail
 - Converging regulation
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- Challenges for the future in postal & delivery
 - The scope of the universal service
 - How to ensure sustainability related thereto
 - And the protection of employees

Thank you & Bird & Bird

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