

Regulatory developments around the World, special focus on Europe

Jean-Paul Forceville, Director of European and International Relations,
La Poste Groupe

Global trends: The impact of e-commerce on postal regulation

Parcel delivery is a highly competitive market, with the rapid growth of e-commerce

- Lower **prices**, shorter **delivery times**
- Multiplicity of **players** (postal and non-postal operators)
- Continuous adaptation to **customer demands**



The development of Chinese e-commerce

- E-commerce from China to the EU represented **17% of global e-commerce in 2023**
- **Only 25%** sent via postal channels
- Drop in postal volumes : **-35 to -40%**

Regulatory triggers

- Reform of the UPU **terminal dues system**
- Abolition of **VAT exemptions** for low-value goods

Global trends: Regulatory reforms & Sustainability of the USO

- The financial stability of the USO is the main challenge



To support the sustainability and implementation of the USO in changing market dynamics, regulatory reforms can:

- Allow **greater pricing** and **operational flexibility** for USPs.
- Encourage **service diversification** and technological innovation.
- Ensure **transparent and fair funding** of the net cost of the universal service.
- Maintain a regulatory framework adaptable to **changing consumer needs and sector challenges**.



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Trends in Europe

In Europe, governments and operators are adapting their services to keep pace with changes in usage and the drastic fall in mail volumes, in some cases going beyond regulatory requirements.

Suppression of urgent products D+1, slowing down of the ranges towards D+3 or even D+4...

→ Germany, Austria, Finland, Greece, Sweden, Denmark, Hungary, Norway

Significant and repeated rate increases...

→ Cumulative increases in European countries over the 2010-2024 period of between ~70% (Switzerland) and ~500% (Denmark), and ~150% in France

Distribution frequency reduced to less than 5 days...

→ Denmark, Finland, Italy, Norway

Alternate distribution (A/B), grouped distribution (e.g. CIDEX)...

→ Sweden, Netherlands, Czech Republic, Italy, Belgium

Repositioning QS objectives in line with the reduction in the need for urgency

→ A general trend: consolidating reliability and reducing speed



Preserving the universal postal service is complex

- **Volumes continue to fall**, making pricing increase less and less effective
- Changes to the offering (in particular the slowing down of the product range to **‘redensify’** the postal infrastructure) also have their limits,
- Territories do not change, and so the **economic and operational constraints of territorial coverage that weigh on the universal service operator are becoming increasingly difficult to bear**, while the social value still remains and there may be political resistance to reducing public service constraints in the territories.
- **State budgets are under pressure.**

Focus on France

- France is facing the same challenges: decline in letter volumes, parcel market expansion, digital transformation.
- Nevertheless, the USO and our three other public missions **remain relevant** as they guarantee that all citizens and businesses have access to postal services, to information (press) and basic banking services particularly in rural and remote areas where commercial incentives may be insufficient.
- The period of designation of La Poste as USP will end on December 31 2025 and we are candidate to our re-designation.
- The **under-funding of our public missions** is a critical issue: we need to be fully compensated for the charge we incurred in order to be able to address the challenges we face and guarantee the provision of all our services for the benefit of the whole community.



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Future of the European regulation : towards an EU Delivery Act?

Announced on 21 May 2025, the **EU Delivery Act** would replace both the **Postal Services Directive** and the **Cross-border Parcel Regulation**, within the Commission's new Single Market strategy.

Key questions

- **Regulation vs. Directive:** could reduce national flexibility
- **Parcel market regulation:** is there a need for intervention?
- **Social and environmental aspects:** is it relevant to include these topics in this regulatory framework?

Next steps

- No Council discussions before **2026**
- **Roadmap expected Q4 2026:** consultations and impact assessment (Better Regulation).

Thank you