

Nina Rutter
Licensing Team
postComm
Hercules House
6 Hercules Road
London SE17DB
United Kingdom

February 25 2005

Re: Licenses under the Postal Services. Act 2000: Licensing framework in a fully open Market

Dear Ms Rutter,

The European Express Association (EEA) would like to take the opportunity to make some brief comments on the publication of the above document. We welcome Postcomm's efforts to engage with stakeholders and develop policy for the fully open market.

As the express delivery industry is not subject to postal licensing due to the value-added nature of our services, we are of the opinion that the revised conditions do not impact the express delivery industry in any way. This assumption is based on Postal Services Act, which states in its paragraph 2.9:

"Postcomm proposes to continue licensing the conveyance of letters which weigh less than 350 grams and cost less than £1..."

The basis of this paragraph is the EU postal Directive, which stipulates that services falling outside the scope of the Universal Service Obligation can at most be subject to a general authorisation, not a license. More specifically Article 9.1 provides that a Member State *may* impose a general authorisation requirement.

We would therefore be grateful if PostComm could clarify that the express industry will not be subject to any future postal licensing schemes.

The EEA would also like to take this opportunity to address a concern regarding the proposed Codes of Practice. We are aware that these will become mandatory under the new postal licensing conditions. We also understand that any changes require Postcomm's approval and that these might also apply to unlicensed operators, like the express delivery industry. Since we understand that the industry is not subject to postal licensing, the EEA would appreciate confirmation from PostComm that the express industry will not be subject to such Codes of Practices, which are being introduced in order to regulate the *postal* market.

The express industry is already currently subject to strong quality controls, based on the competition between the operators. We believe that any mandatory Codes of Practices would create further unnecessary administrative burdens. The EEA would appreciate additional clarification from Postcomm that the express industry will not be subject to mandatory Codes of Practices on the basis that the industry is not subject to *postal* licensing.

Please do not hesitate to contact me should you have any further questions.

Best regards,

Mark van der Horst
Chairman for the EEA's Competition and Market Reform Committee