



Future of the EU postal and delivery services framework

Executive summary

Postal services function as crucial and important infrastructure. Although digitalisation has significantly changed demand and user needs in recent decades, the physical transport of postal items and reliable access to postal services remain highly important. The regulatory framework should therefore be updated to reflect today's realities and ensure high-quality postal services for all citizens. AK supports high-quality, nationwide postal provision and measures that secure or expand access to affordable delivery services, promote fair competition on equal terms for all market participants, strengthen consumer protection and improve working conditions.

Key points at a glance

- The universal **service obligation** must be maintained and kept affordable. In AK's view, all providers should contribute to its funding. Reliable, comprehensive and affordable postal services are essential for both recipients and senders.
- **Recipients' rights** should be **strengthened**, including direct contact options, transparency about delivery service providers, mandatory track and trace, and accessible rights for people without internet access.
- A sufficiently **dense network of post offices and collection points** is important for both private senders and recipients.
- Clear European rules and guidelines are needed, but they must allow for national differences in needs, geography and market structures. EU-level standards are welcome where they support fair competition and high quality; however, harmonisation must not reduce service provision in individual Member States.
- **Binding quality standards** should also **apply to alternative postal services**.
- **All delivery service providers should be covered by the EU legal framework for postal services** to ensure a level playing field.
- Universal service **tariffs** should be subject to cost control or cost-orientation, as well as affordability checks. Because Member States apply these requirements differently, clearer EU-level definitions would be advisable.
- **Delivery workers** often face high pressure, precarious working conditions, weak social protection and low pay. Companies and policy-makers must therefore improve their working conditions.

AK's position

Distinctive features of postal markets

Postal and parcel markets are characterised by a number of distinctive features that set them apart from other infrastructure and services.

A key issue is that recipients are directly affected by delivery quality but are not the contractual partners of postal service providers. That role belongs to senders, who pay the postal charges and are often large mail-order companies or businesses with high mailing volumes, such as insurance companies or advertising agencies. These senders usually have some bargaining power with providers, but their interests differ from those of recipients.

Private households therefore usually appear as recipients and depend on high-quality delivery, while senders are mainly motivated by low costs.

For this reason, postal markets need clear and comprehensive rules to protect recipients and ensure reliable basic service. Recipients are directly affected by poor delivery quality, while senders are mainly focused on low prices. Unlike in other markets, recipients usually cannot respond to poor service by switching the provider, because the sender chooses the postal service. This limits competition based on quality.

Another issue is the changing structure of the postal market. Falling letter volumes and rising parcel volumes are significantly altering postal operators' cost base. This is an increasing challenge for universal service providers, which are responsible for nationwide coverage, because revenues from the letter market now contribute much less to overall logistics costs. At the same time, the growing parcel market is highly competitive: alternative parcel operators often focus on profitable delivery areas, leaving less commercially attractive areas to universal service providers. This puts pressure on those postal services that are entrusted with providing a universal service and are required to maintain nationwide coverage at affordable prices.

A third problem concerns delivery staff, often working under precarious working conditions with limited social protection and relatively low pay, further increasing cost pressures on universal service providers.

This creates an imbalance in competition, often to the detriment of both employees and postal recipients. It can best be addressed through a legal framework that establishes a level playing field, imposes equal obligations on all providers and secures funding for universal service.

Specific points in detail:

Universal service obligation

Any revision of delivery service rules must not weaken the existing universal service obligation or reduce service quality. Universal services must remain comprehensive and affordable, with all service providers contributing to their funding.

Recipients' rights should be strengthened

Because recipients are not contractual partners of postal services, they have no direct rights against postal providers when delivery problems occur. Consumers must instead pursue claims through the contractual partner and often struggle to prove failed or missed deliveries. Our advisory work for consumers also regularly identifies cases where deposit notifications are missing or not properly affixed. People without internet access are also disadvantaged, for example when a deposit notice only provides a QR code rather than the actual collection address.

Consumers therefore need the following recipient rights:

- **Direct contact and a duty to respond**

Consumers generally cannot directly contact the company that actually delivers their items. Contact with delivery services is often limited to automated processes that cannot handle complex enquiries or resolve problems. Consumers should therefore be

able to contact the delivery company directly and personally. Providers should be required to give at least a telephone number, and automated channels alone should not be enough. Delivery service providers should also face penalties if they fail to respond within a reasonable timeframe, ensuring that consumers' enquiries and complaints are handled promptly.

- **Clear information on delivery service providers**

E-commerce retailers should be required to provide consumers with transparent information about the delivery service provider chosen by the retailer before a distance selling contract is concluded. It would be desirable for recipients to have a choice in this regard, in order to promote competition based on quality.

- **Mandatory track-and-trace service**

Delivery service providers should be required to offer track-and-trace services for consumers, including people without internet access. Shipment tracking should therefore also be available through offline channels, such as by telephone.

- **Recipient rights for people without internet access**

All recipient rights set out here should be available also to people without internet access. Where suitable, this could be supported by requiring providers to offer a telephone number.

Post office branches and collection points

A sufficiently dense network of post office branches and collection points is essential for both private senders and recipients. However, onsite automated services, such as postal kiosks, cannot replace direct, in-person support from local service staff.

Universal service providers are often subject to accessibility requirements for branches or collection points; alternative delivery services, by contrast, are not always held to comparable standards.

As noted above, recipients often have no influence over the choice of delivery service, while senders tend to prioritise cost over delivery quality. This makes delivery problems more likely, including failed delivery attempts, distant collection points and inadequate parcel drop-off arrangements, all of which are an undesirable consequence.

Harmonisation and Regulation

National postal markets have developed over time and differ in structure. Clear European rules and guidance are needed, but they must also allow for national differences in needs, geography and market conditions. EU-level standards are welcome where they

support fair competition and high quality; however, harmonisation must not lead to weaker service provision in individual Member States. Member States should remain able to adapt their rules to local circumstances.

Regulatory authorities should help ensure fair competition, protect recipients' rights and serve as independent bodies for complaints and compliance monitoring.

On alternative postal services

Alternative postal services should also be subject to binding rules on the density of collection-point networks and the maximum distance from recipients' addresses. This is necessary not only from the consumers' point of view, but also from a competition perspective.

Alternative postal operators that compete on rock-bottom prices by lowering delivery standards, limiting collection-point access and relying on overworked staff in precarious working conditions undermine quality-based competition and fail to create a level playing field with high-quality providers or those subject to universal service obligations. These providers face growing cost pressures, which are often passed on to employees, resulting in poor working conditions. Delivery staff frequently face very low wages, heavy workloads and intense time pressure. In addition, many workers in the sector are, often involuntarily, self-employed through contracts for services or as sole traders, or work in marginal employment. As a result, their social security coverage is often inadequate.

To achieve improvements in this area, the following measures are required:

- Introducing general contractor liability for logistics groups to enable effective oversight, particular when contracts are subcontracted; and
- Extending tachograph requirements to small haulage operators.

On delivery frequency

The Postal Services Directive follows the traditional universal-service model of delivery five days a week, while allowing for exceptions. Many Member States also set quality standards for priority mail, including next-day delivery [E+1], and for non-priority mail.

Measurable standards remain essential for quality control and should continue to be defined. However,

postal markets have changed significantly: letter volumes are declining, while parcels are becoming increasingly important.

Targeted adjustments could be considered, with non-universal service operators also subject to stronger obligations. In the meantime, next-day letter delivery has become less important than fast parcel delivery.

Where universal service requires certain operators to meet specific quality or delivery-frequency standards available to all users, alternative operators not subject to those requirements should make an appropriate contribution to the related costs.

On postal charges

Private household spending on sending letters and parcels is likely to represent only a very small share of overall household expenditure. However, indirectly postage costs play a role that should not be underestimated. Private households often pay delivery charges when ordering goods from mail-order companies, and these charges can make up a substantial share of the total order cost, depending on the retailer and the products purchased. Postal charges can also be a significant cost for businesses, which are likely to pass them on in some form and factor them into other prices.

Universal service tariffs should be subject to clear safeguards to ensure that prices remain fair, transparent and affordable. This should include scope for cost control and cost-orientation, alongside regular affordability assessments. Because Member States currently apply these requirements in different ways, more precise definitions at European level would help create a consistent and harmonised approach while preserving affordable access to universal postal services.

On the provision of postal market data

Postal services are required to provide the regulatory authority with postal market data on a regular basis, which should also apply in future. This obligation is essential for monitoring developments in a dynamic market and safeguarding postal services as vital infrastructure. Standard statistical surveys are insufficient because they usually collect only limited data. Regulatory and competition authorities need operator-provided data to conduct effective competition analysis and, where necessary, take appropriate action. As postal operators already collect this data for their own purposes through digital logistics systems, disclosure creates little additional burden. Weakening these

reporting obligations would therefore be counter-productive and would significantly impede analysis of market trends and competitive conditions.

Employees

Efforts to improve the handling of customer complaints about goods delivery must also consider delivery staff. Such complaints must not lead to additional pressure on them.

Delivery agents already face severe pressure from rising parcel volumes, staff shortages and tight deadlines. Additional pressure increases the risk of accidents and threatens road safety. It also contributes to serious physical and mental strain. Common problems include irregular or missing wage payments, unpaid overtime, breaches of working-time and rest-period rules, arbitrary wage deductions for alleged damage or customer complaints, often without evidence, and precarious working conditions intensified by opaque subcontracting structures. Many workers in the sector are also, often involuntarily, self-employed under contracts for services or as sole traders, or employed in marginal jobs, leaving them with inadequate social protection. As parcel volumes grow, delivery staffing must increase accordingly, since there is no further scope for efficiency gains in this area. This is essential to prevent workloads from rising further. Delivery staff should also not be required to work on Sundays for non-essential deliveries.

Companies and policy-makers must improve delivery workers' conditions and promote road safety. Rising parcel volumes require more efficient solutions, but not at workers' expense. Sustainable and socially fair measures are needed to meet growing demands in the delivery sector, improve working conditions and ensure that complaints, high parcel volumes or damage are not shifted onto workers or reflected in their pay.

This would not only improve conditions for delivery workers but support fair competition and help prevent excessive price competition in profitable areas at delivery workers' expense.



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About us

The Austrian Federal Chamber of Labour (AK) is by law representing the interests of about 4 million employees and consumers in Austria. It acts for the interests of its members in fields of social-, educational-, economical-, and consumer issues both on the national and on the EU-level in Brussels. Furthermore, the Austrian Federal Chamber of Labour is a part of the Austrian social partnership. The Austrian Federal Chamber of Labour is registered at the EU Transparency Register under the number 23869471911-54.

The main objectives of the 1991 established AK EUROPA Office in Brussels are the representation of AK vis-à-vis the European Institutions and interest groups, the monitoring of EU policies and to transfer relevant Information from Brussels to Austria, as well as to lobby the in Austria developed expertise and positions of the Austrian Federal Chamber of Labour in Brussels.