

Session overview & Classifications

Postal Activities under Universal Service Obligation (USO)

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Hungary

Session overview

- **Introduction;**
- **Description of the industry;**
- **Definition of the service;**
- **Classification;**
- **Mini-presentations;**
- **Discussants' remarks.**

Introduction

Postal services **USO** are traditionally

- ✓ **state-owned;**
- ✓ **vertically integrated** and;
- ✓ **public regulated.**



Liberalization of the postal industry;

- ✓ *~95% of letter mail was **fully opened** to competition in **2011**;*
- ✓ *Hungary in **2013**, is also liberalising the respective postal markets.*

Description of the industry

Postal activities under USO



- The market is **dominated**
by a single producer.
- Use of the **universal service infrastructure**,
including retail locations, sorting and processing facilities
and carrier routes to pickup and deliver the mail.
- Also included are other **activities**
necessary **to support the USO.**

Description of the industry

The **USO** is determined by the European Commission as the ***obligation for postal operators to ensure to every citizen*** at least one delivery and collection of mail five days a week, at affordable prices throughout the territory.

Description of the service

Postal activities under USO

- Operations are related to **printed papers** (newspaper, periodicals, advertising items, etc.), the **collection** of documents, letters, **small packets** and **delivery** to the required **destination**, the **counter services** and **other postal services** (e.g. mailbox rental services).
- Services are provided for **business clients** as well as for **households**.

Definition of the service

NACE Rev.2 /CPA 2008

Activities related to the Postal services (USO)
are concentrated in:

section “H” Transportation and storage services;
division “53” *Postal and courier activities.*

Industry Classification

- **53** *Postal and courier activities;*
- **53.10** *Postal activities under universal service obligation;*
- **53.20** *Other postal and courier activities.*



Definition of the service

Class **5310** includes:

- **Pickup, sorting, transport and delivery** (domestic or international) **of letter-post** and (mail-type) **parcels** and **packages** by postal services operating under an **USO**. One or more modes of transport may be involved and the activity may be carried out with either self-owned (private) transport or via public transport;
- **Collection** of letter-mail and parcels from **public letter-boxes** or from **post offices**.

Definition of the service

Class 5320 includes:

- **Pickup, sorting, - transport and - delivery** (domestic or international) of **letter-post** and (mail-type) **parcels** and **packages** by firms operating **outside the scope of a USO. One or more modes of transport** may be involved and the activity may be carried out with either **self-owned** (private) transport **or via public transport.**

This class also includes:

- **Home delivery** services.



Differences

Differences between postal services (USO) and courier activities

- On the one hand, **national post services** have very **specific characteristics** (USO) determined by regulation.
- On the other hand, **couriers** can offer '**tailor-made**' services according to the market conditions, signing contracts with their clients. Companies are offering logistic, storage and freight transport services to their customers.

Differences

Industry classification

	ANZSIC	ISIC 4.0	NACE Rev2	NAICS 2007
general	711: Postal and Courier Services	Division: 53 - Postal and courier activities	53 Postal and courier activities	492 Couriers and Messengers
detail:	7111 Postal Services 7112 Courier Services	Class 5310 Postal activities Class: 5320 - Courier activities	53.10 Postal activities under universal service obligation 53.20 Other postal and courier activities	492110 Couriers and Express delivery services 492210 Local messengers and Local delivery

Product Classification

CPA'08

- ✓ **53.10.11** *Postal services under USO related to newspapers and periodicals*
- ✓ **53.10.12** *Postal services under USO related to letters*
- ✓ **53.10.13** *Postal services under USO related to parcels*
- ✓ **53.10.14** *Post office counter services*
- ✓ **53.10.19** *Other postal services under USO*

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STANDARD CLASSIFICATION in EU

- **NACE Rev 2 / TEÁOR'08** (the statistical classification of economic activities in the European Communities / in Hungary).
- **CPA'08 / TESZOR'08** (the European/ Hungarian Classification of Products by Activity).

CPA'08 is fully harmonized with NACE Rev.2.

Namely, from the 6 digits (XXXX.YY) the first four are the same as those for the NACE Rev. 2.

5310.XX

↙
Nace Rev. 2

Mini-presentations

3 presentations on Turnover

Presenters:

Eva-Marie Gustafsson, Sweden;
Ildikó Hamvainé Holocsy, Hungary;
Roberto Iannaccone, Italy.

3 presentations on SPPI

Presenters:

Ildikó Hamvainé Holocsy, Hungary;
Christian Pucher, Austria;
Eveli Sokman, Estonia.

Discussant's Remarks

Derek Bird

Thank you for attention!

