BELGIAN INSTITUTE FOR POSTAL SERVICES AND TELECOMMUNICATIONS

COMMUNICATION BY THE BIPT COUNCIL OF 19 DECEMBER 2017 REGARDING THE BELGIAN POSTAL ACTIVITIES OBSERVATORY FOR 2016

Belgian Institute for Postal Services and Telecommunications
Ellipse Building - Building C - Koning Albert II-laan 35 - 1030 Brussels
Tel. 02 226 88 88 Fax: 02 226 88 77 http://www.bipt.be

TABLE OF CONTENTS

Content

List of figures

1. Methodological foreword

The perimeter of the players considered for this edition of the Belgian postal activities observatory is different from the perimeter of the previous edition. The reason is that once more a larger number of postal operators were questioned: 26[1] against 22 operators before. The perimeter was expanded with a view to publishing statistical data that are as representative as possible of the Belgian postal market as a whole.

Actually a few interesting and promising operators were added, who entered the Belgian market in the last couple of years. More precisely, Bubble Post, CityDepot, DHL Parcel and Dynalogic were included. Invariably, information from previous years was also obtained from these companies, in order to avoid jumps in our time sequence. The 2014 and 2015 figures have been updated, where necessary. Because the addition is bundled, the confidential nature of any sensitive data could be preserved.

[1] By merging UPS and UPS Access Point the number comes down toto 25 operators in this observatory.

2. Summary

Since the beginning of 2012, the Belgian Institute for Postal Services and Telecommunications (BIPT) has been observing the postal activities market in Belgium, as part of the tasks it has been entrusted with by the Act of 21 March 1991. More specifically on the basis ofArticle 134, in order to meet clearly defined statistical purposes, for market analyses and for all measures that can contribute to transparency BIPT can request any information from postal service providers in a motivated and proportional manner.

The indicators in this observatory aim to reflect the market structure for all stakeholders of the postal sector (senders, addressees, operators, various intermediaries, and so on). These indicators offer an insight into the market on the supply side, the evolution of the activities of the universal service provider and its competitors, as well as the results of the postal activity in Belgium in terms of quality of service and innovation for the users of these services.

This edition, now spanning a time sequence from 2010 to 2016, adopts the indicators published in the previous edition, but also adds some new ones. Extra attention is now given to the parcel and express mail segment.

The trends that started in the previous years continued on the Belgian postal market in 2016. As the segment of press distribution is shrinking to a limited extent in terms of volume (but not in terms of turnover) and the decrease of letter post continues, the segment of parcels and express services continues to flourish. The growing segment of parcel and express mail items is able to counter the regression of the letter post segment. As a result the postal market again showed a moderate growth by 0.9% to reach a total turnover of 2.5 billion euro.

In spite of a decreasing degree of concentration the Belgian postal market remains highly concentrated in 2016. The four major providers for example still have a very high joint market share, in terms of turnover, of 84.2%, which was 91.4% in 2010. By itself bpost, which is active in all postal segments, keeps a substantial market share of more than 60%, a dominant position, which has been declining slightly though since 2010, when it still exceeded 70%.

Letter post, including direct mail, still represented 49% of total turnover within the postal sector in 2016. The parcels and express segment meanwhile already accounted for 46% of the revenue achieved. The segment of press distribution to subscribers at home generated 5% of the revenue. Compared to 2010 the segment of press distribution was still holding on for the time being, but letter post decreased by 13 percentage points to the advantage of the parcel and express segment.

Between 2015 and 2016 the volume of letter post per inhabitant continued to fall by 5.4%, reaching 153 items per inhabitant on an annual basis. Transactional letter post still accounts for the great majority (61% in 2016). Direct mail and international letter post account for 28% and 11% respectively of the total volume of letter post in 2016. Revenue from letter post also decreases, now amounting to 1.194 billion euro against 1.244 billion euro in 2015, i.e. a 4% decline.

In the parcel and express mail segment the number of items nearly doubled between 2010 and 2016. Since a couple of years we even observe an increase of the growth path, where the almost linear growth curve has made an upward bend. In 2016 too, a 14.1% growth was recorded, reaching 172 million items. By now, per capita one parcel is sent every 24 days on average. 40% of the total number of parcel and express services in 2016 was domestic. 31% of the cases were outgoing international items. The remaining 29% were incoming international items. Between 2015 and 2016 revenue in this segment increased by 6.3% to reach 1.139 billion euro.

The volume of distributed press again declined in 2016, by 2.7%. By contrast revenue slightly rose again by 1.3%. As a result, press distribution to subscribers still accounts for a total turnover of 126 million euro in Belgium. The compensation paid to bpost by the government for delivering press to subscribers is not included in the revenue considered.

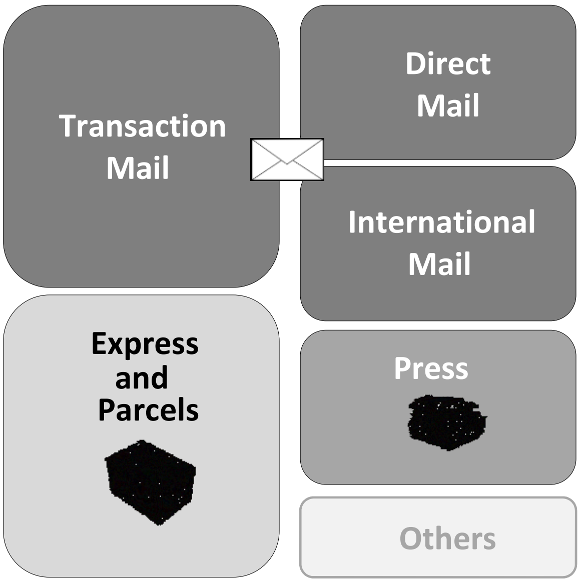
After a relatively strong decline in 2015 the (expansion) investments in the postal sector rose again to a limited extent to 91 million euro, i.e. 1 million euro more than in 2015. This amounts to 3.7% of turnover achieved. The -1.1% loss of employment was again limited; this levelling had been noticeable for a longer time already.

3. Scope of the observatory and structure of the postal market in Belgium

3.1 Structure of the Belgian postal market

The scope of the postal activities considered within the framework of this observatory can be divided into six categories, as shown in the figure below:

Figure 1: Segmentation of the postal activities considered within the framework of the observatory[2]



The "Other" category includes services such as temporary mail retention, forwarding, franking for the customer, sale of addresses, etc., which cannot directly be classified in the other categories.

Routing activities that are not provided by postal operators, lie outside the scope of this observatory. Activities related to non-addressed advertising leaflets delivery are discussed under 4.2.3. in order to provide a global overview of the advertising volumes directly inserted into letterboxes. Yet, given that non-addressed items are not regarded as postal items, they are not counted in the revenue or volumes mentioned in the rest of this observatory.

First of all, the Belgian postal market is characterised by the presence of a very large number of players, deemed to provide postal services: for 2016, some 700 players submitted their annual accounts to the Central Balance Sheet Office of the National Bank of Belgium under NACE codes 53 100 (postal activities under universal service obligation) and 53 200 (other postal and courier activities).[3]

---

[2] The content of the "transactional mail" category is described under 4.2.2.
[3] It should be pointed out that a number of postal operators seem to have been mistakenly classified under NACE 49 410 (freight transport by road, except for removal services).

3.2 Operators polled for the purposes of the observatory

In this context an effort has been made to sketch the postal sector as exactly as possible, based on a set of operators as efficient as possible. A total of 26 companies were involved in the survey.

Besides the incumbent postal operator, **bpost**, tasked with providing the universal service until 31 December 2018 at least and present in all market segments, the four main international integrators (**DHL, FEDEX, TNT[4], UPS**) are also present and active in the parcel and express mail sector in Belgium. As to DHL both **DHL Express** and **DHL Parcel[5]**, which has been active on the Belgian market since 2014 and focuses on e-commerce customers, are now also included in this observatory. Starting from this edition **UPS Access Point** and UPS will be considered as one entity (UPS/UPS Access Point). After all, since mid-2016 the former Kiala company has entirely been integrated.

Furthermore, the bigger postal companies from the neighbouring countries are also active on the Belgian market. The active development of specialised mail companies coming from large European postal groups, can thus be noted in certain segments of the postal market.

DPD is part of DPDgroup, a subsidiary of the French group La Poste, which possesses the second largest network for parcel delivery in Europe. DPD operates from four depots in Belgium.

GLS, a subsidiary of the British incumbent operator Royal Mail, is specialised in the delivery of parcels. GLS makes deliveries in 41 European countries, seven American states and all important business centres worldwide.In Belgium, GLS has about 500 pickup points.

PostNL, the incumbent operator and universal service provider in the Netherlands, also offers parcel and pharmaceutical item services in Belgium. Thanks to its collaboration with Kariboo! PostNL offers its users a large-scale network of parcel points.

PostNL is also present in Belgium through its subsidiary **Mikropakket**, which is specialised in the handling of (valuable) parcels weighing up to 15 kg and which provides B2B and B2C services in the Benelux.

Through its subsidiary Spring Globalmail, **G3 Worldwide**, which also belongs to PostNL, is very much present in the international mail segment for businesses: it delivers commercial post, catalogues and bills at international level on a daily basis.

Asendia, a subsidiary of the French La Poste and the Swiss company Swiss Post, does not only target the parcel and express mail segment, but also international business letters and direct mailings, newspapers, periodicals and company publications. Asendia Belgium ended its

[4] The take-over of TNT by FedEx was completed in 2016, but the integration is far from over: http://www.fedex.com/be_francais/enews/2017/february/tnt.html

[5] DHL Parcel has entered into a cooperation with bpost for the delivery of parcels and the use of bpost post offices and postal points. See De Standaard of 1 December 2016: http://www.standaard.be/cnt/dmf20161201_02602980 en https://www.dhlparcel.be/nl/particulier/afhaalpunten

activities on 1 July 2016 and suspended its company number; therefore this will be the last time that company is included in this observatory.

Mondial Relay, which enjoys the trust of more than 2,000 e-traders, has a network of more than 600 pickup points spread over the Belgian territory.

Ciblex, another operator which is active in the parcel and express mail segment, forwards about 10,000 parcels a day in the Netherlands and in Belgium. The company, which is specialised in the rapid delivery (in one day) six days a week, is also present in France.

Another player taken into account for the parcel and express mail segment within the context of this observatory is **Euro Sprinters**, a subsidiary of bpost specialised in express mail and logistics.

For **Belgium Parcels Service** too, the main activity is the delivery of parcels and express parcels in Belgium, Luxemburg and the neighbouring countries.

Kariboo! was established in 2014 by LS distribution Logistics[6], has a distribution centre in Mechelen and, just as UPS Access Point, has a large-scale network of collection and return points at its disposal. Kariboo! focuses on e-commerce and supply chain services and cooperates with the French company Relais Colis, with PostNL and with DHL Express.

Sprintpack focuses on the e-commerce market, with the ambition to satisfy the needs regarding domestic and cross-border items as well as IT needs for e-retailers.

Apart from DHL Parcel, which was mentioned earlier, three other newcomers are found in that segment in the context of this observatory. **Bubble Post**[7] is specialised in efficient and sustainable delivery in cities, by means of depots on the outskirts of towns and by bundling deliveries with ecological vehicles within the town centres. The company is now active in thirteen Belgian and three Dutch cities. **CityDepot**, a bpost subsidiary, also focuses by way of ten Belgian establishments, on sustainable delivery of goods to town centres and back. Finally, **Dynalogic**[8] was also added, a company specialised in flexible and personalised delivery of goods in all sizes. From very small, such as a passport or medicines, to 2XL, such as a washing machine or a settee. In addition, it is possible to combine a delivery with assembly and installation at home, or with the return of packaging materials and old products. Dynalogic offers its services in the Netherlands, Belgium and Luxemburg from five central hubs.

---

[6] The Competition Board of the Belgian competition authority has conditionally approved the take-over of AMP and LS Distribution Benelux by bpost (according to Trends on 10 November 2016: http://trends.knack.be/economie/bedrijven/bpost-krijgt-voorwaardelijk-groen-licht-voor-overname-amp-en-krantenwinkels/article-normal-775165.html).

[7] On 7 August 2017 the announcement was made that bpost will take over Bubble Post. http://www.standaard.be/cnt/dmf20170807_03008045

[8] On 12 December 2016 bpost and DynaGroup signed an agreement concerning the take-over by bpost of 100% of the shares of DynaGroup. The take-over purchase aims to strengthen bpost's parcel division with new and complementary logistical know-how and to extend DynaGroup's growth platform even faster (internationally). http://www.dynalogic.eu/nl/company/nieuws/bpost-en-dynagroup-bundelen-hun-krachten-en-logistieke-exper

As regards the press segment, bpost ensures the public service of early newspaper delivery (before 7.30 a.m.) at least until 31 December 2020. This early delivery exclusively concerns the delivery of newspapers to subscribers. Within the framework of the same public service, bpost also delivers periodicals to subscribers, but through the classical rounds. Despite this service of last resort bpost still has a number of challengers.

The main challenger in the segment of press distribution is **PPP**. This company, which was separated from the former parent company Belgische Distributiedienst (BD) following a management buy-out in 2015, is active in press distribution, notably newspapers, in Brussels, Antwerp, Ghent and Liège.

Belgische Distributiedienst (BD) is market leader in door-to-door communication (non-addressed items) and digital promo experiences with the myShopi app and website.

In the north of the country **Vlaamse Post** is also active in the delivery of non-addressed mail.

Finally, this observatory obviously also includes operator **TBC post**, the first licensed player to operate in the universal letter post segment, previously reserved for bpost.

Compared to the 2016 observatory four players were added to our sample of the Belgian postal market. More precisely, Bubble Post, CityDepot, DHL Parcel and Dynalogic were included. Invariably, information from previous years was also obtained from these companies, in order to avoid jumps in our time sequence.

Only the players listed here have been included in the scope of the study for this observatory. There are a few other interesting and big players on the market, ASX-IBECO for example, who carry out city tasks, mail processing, express items and quay tasks. In such cases, however, 'sub contracting' is mostly used, which would lead to double countings. The operators included in this observatory already account for more than 90% of the postal turnover achieved in Belgium, so that an accurate picture of the entire sector can be formed.

Figure 2: The main players on the Belgian market for the provision of postal services (in 2016)

	Addressed mail	Parcels/Express	Advertising mail	Press	International mail	Other
Asendia						
Belgische Distributiedienst*						
Belgium Parcels Service						
bpost						
Bubble Post						
Ciblex						
CityDepot						
DHL Express						
DHL Parcel						
DPD (Belgium) NV						
Dynalogic						
Euro Sprinters						
FedEx Belgium						
G3 Worldwide (Belgium) NV						
GLS Belgium NV						
Kariboo						
Mikropakket						
Mondial Relay						
Post NL						
PPP						
Sprintpack						
TBC-Post						
TNT België						
UPS/UPS Access Point						
Vlaamse Post*						

*In the case of Belgische Distributiedienst and Vlaamse Post, indicated by means of shaded cells, non-addressed advertising is involved; therefore the turnover in question is not included in the total postal turnover

4. Description of the Belgian market for the provision of postal services from 2010 to 2016

4.1 General overview of the postal market

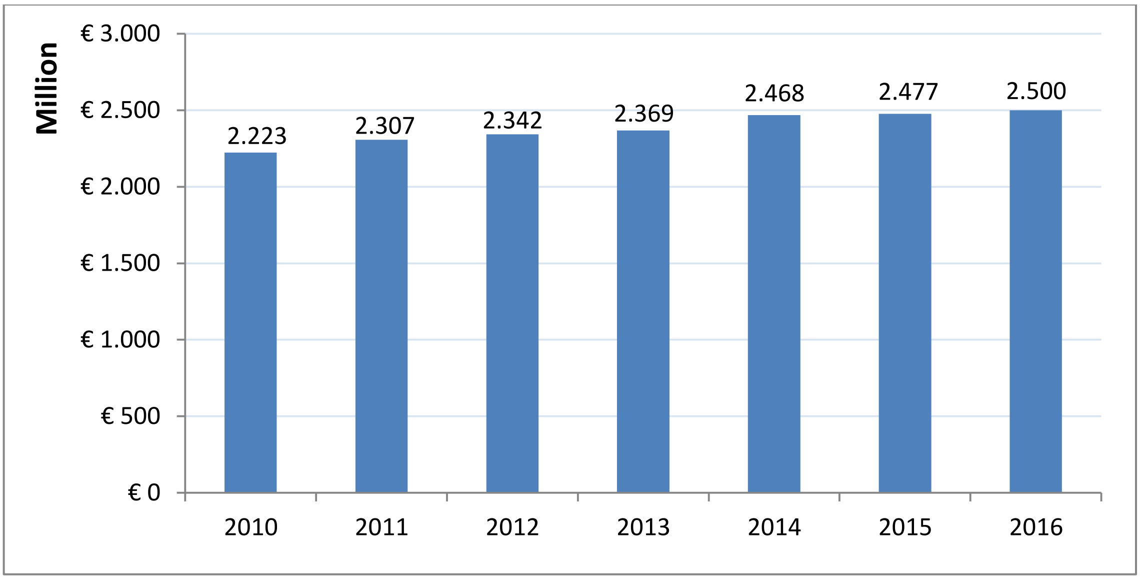
4.1.1 Revenue

Figure 3 shows the evolution of revenue generated by the Belgian postal sector based on the results of the survey.

The companies studied account for 2.5 billion euro of postal turnover in 2016[9]. This is a slight rise again, by 0.9%, compared to a year before. Since the start of our time sequence in 2010 we have found a rise in turnover totalling 12.4%, i.e. a 2% compound annual growth rate (CAGR).

Further on in this report, the turnover figures of the various sub-segments, i.e. letter post, express items and parcels, and press distribution are discussed in more detail.

Figure 3: Evolution of revenue in the postal sector during the 2010-2016 period (in million EUR)

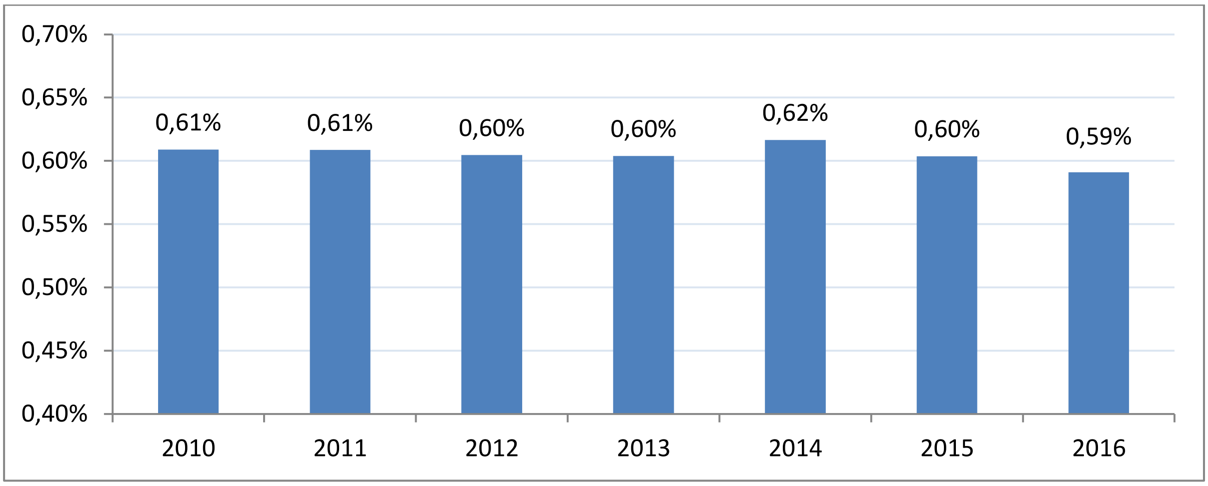


Source: BIPT

The importance of the postal sector in the Belgian economy remains relatively stable. The share of the postal sector turnover in the Belgian gross domestic product (GDP) at current prices has been fluctuating around 0.6% for several years now. The postal sector keeps more or less pace with the total Belgian economy.

[9] Included are value added services such as collection at home, franking for the customer, temporary mail retention, sale of addresses, and so on. The services specifically provided by routers and consolidators lie outside the scope of this observatory. Therefore, also for bpost only the turnover concerning postal activities, with the exception of the compensation for services of general economic interest, was taken into account.

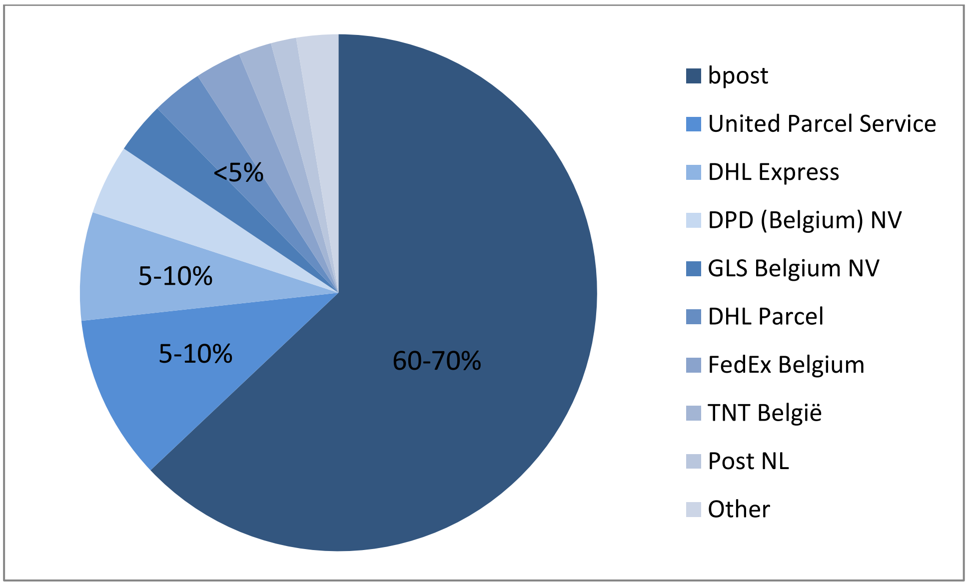
Figure 4: Share of postal activities in Belgium's GDP (%)



Source: NBB and BIPT

Today's postal market shows a variety of players. Figure 5 shows the postal service providers that had a market share of at least 1% in 2016. Bpost has the largest market share by far but is being challenged by others, especially on the market of postal parcels and express services, which covers the differentiated B2B, B2C and C2X sub-segments[10], though. In 2010 for example, there were but six challengers with a minimum market share of 1%, but in the meantime that number has risen to eight.

Figure 5: Market share based on turnover in the Belgian postal sector 2016 (%)



Source: BIPT

4.1.2 Market concentration

Figure 5 clearly showed already that the Belgian postal market, just like its West European

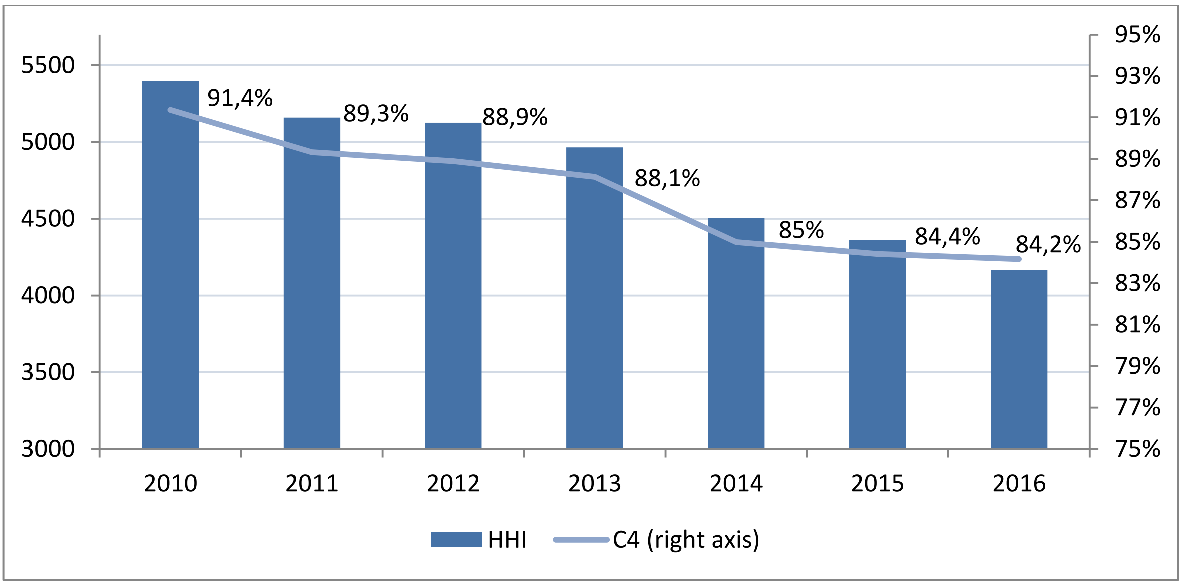
[10] This means 'business to business', 'business to consumer' and 'consumer to any other party'.

counterparts, is characterised by a high horizontal concentration. In other words, the market is dominated by a number of big players.

Figure 6 goes into more details and gives the evolution of the horizontal concentration by means of the C4 and Herfindahl-Hirschman (HHI) indices. The C4 index represents the compound market share in terms of turnover of the four biggest providers. The HH index is based on the sum of the squared market shares, and thus takes into account a larger number of providers than merely the four largest. The HH index equals 10,000 in case of a monopoly and tends towards lower values as the variance in market shares decreases.

In spite of a decreasing degree of concentration, both in terms of HHI and C4 index, the Belgian postal market remains highly concentrated in 2016. To this day, for instance, the four main providers still hold a very large joint market share of 84.2%. In 2010, this amounted to 91.4%.

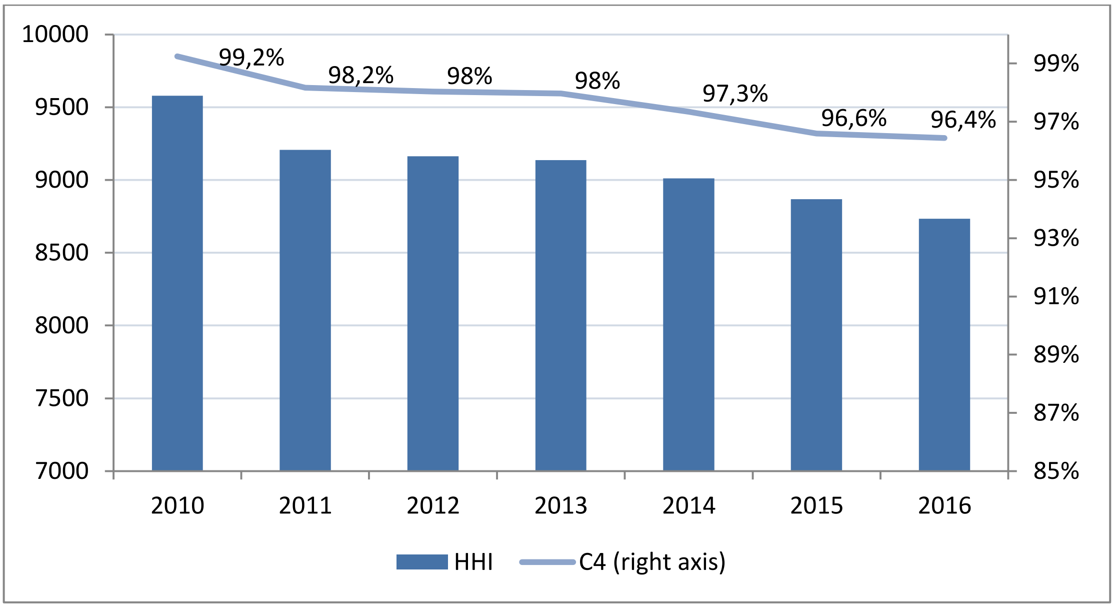
Figure 6: Degree of horizontal concentration based on turnover by means of the HHI and C4 index



Source: BIPT

Considered from the volume perspective this situation appears to be even more acute. In 2010 the four main operators treated no less than 99.2% of all items. Here too the concentration diminished over time, albeit to a very limited extent, to a 96.4% share for the four largest in 2016. The reason is linked to bpost's very high market share in the letter post segment and (to a lesser degree) in press distribution, segments that account for the larger part of the volumes. Regarded in terms of volume not a single bpost competitor has a market share of more than 1% in Belgium.

Figure 7: Degree of horizontal concentration based on volume by means of the HHI and C4 index



Source: BIPT

4.1.3 Importance of the segments

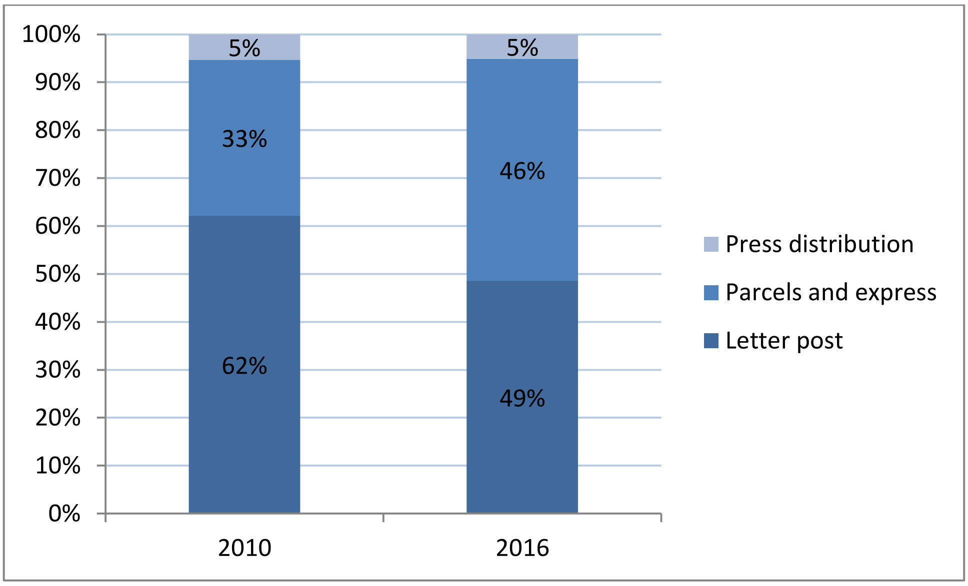
The postal sector can be divided into the segments letter post, parcels and express mail and press distribution to subscribers.

Letter post, including direct mail, still represented 49% of total turnover within the postal sector in 2016. The parcels and express segment meanwhile already accounted for 46% of the revenue achieved. The segment of press distribution to subscribers at home generated 5% of the revenue. The compensation paid to bpost by the government for delivering press to subscribers is not included in the revenue considered.

Compared to 2010 the segment of press distribution was still holding on for the time being, but letter post decreased by 13 percentage points to the advantage of the parcel and express segment. The postal sector is clearly in a transitional phase, the parcel and express segment evolving into the main segment in terms of turnover. Nevertheless, the importance of the letter post segment, which despite recent developments, still accounts for about half of all postal turnover achieved in Belgium, should not be trivialised.

All of these segments of the postal market are discussed in detail further down in this report.

Figure 8: Share of the various segments in the global postal sector turnover in 2010 versus 2016 (%)



Source: BIPT

4.2 Focus on the letter post segment

4.2.1 General overview

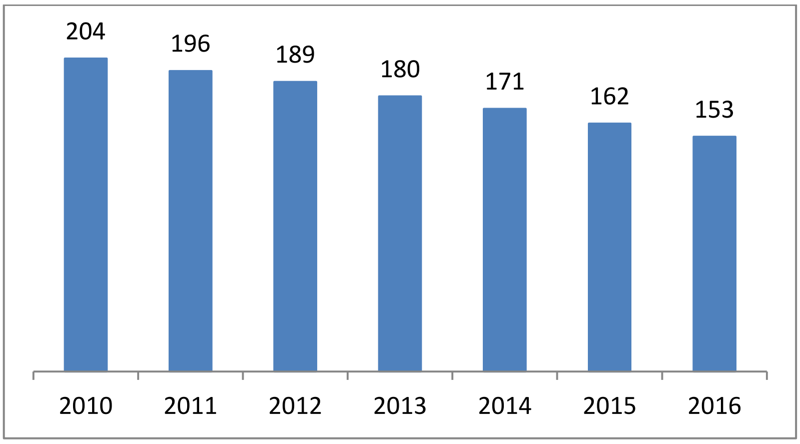
Within the context of this observatory the letter post segment covers transactional mail, direct mail and international mail. In short, letter post refers to all kinds of items of correspondence, whereas parcels and press are not considered as letter post. The latter are treated separately in sections especially dedicated to them (see 4.3 and 4.4).

4.2.1.1 Volumes

Since 2010, we notice a decline in volume on the letter post market. Indeed, between 2010 and 2016 the annual decline of the volume of mail per inhabitant averaged 4.7% (CAGR), reaching 153 postal items per inhabitant on an annual basis in 2016. This is 5.4% lower than in 2015. In 2010, the volume of letter post still amounted to204 items per inhabitant.

While the volumes per inhabitant decreased by approximately 5.4% between 2015 and 2016, total volumes have experienced a 4.9% overall decline over the same period, thus continuing the decrease observed since 2010. We observe an acceleration of the erosion of volumes since 2013.

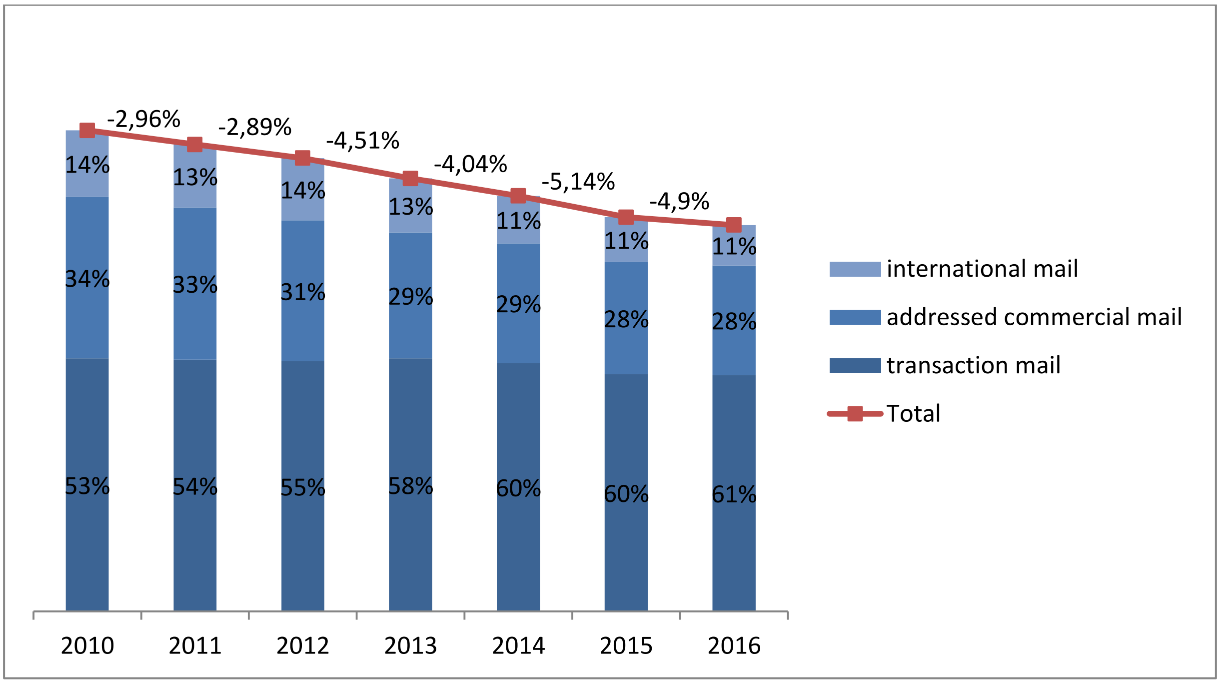
Figure 9: Letter post volume per inhabitant (N)



Source: BIPT

Looking more closely at the composition of the volume of items of correspondence, we notice that transactional mail still accounts for the large majority (61% in 2016). Direct mail and international letter post account for 28% and 11% respectively of the total volume of letter post in 2016.

Figure 10: Letter post volume (evolution 2010-2016)



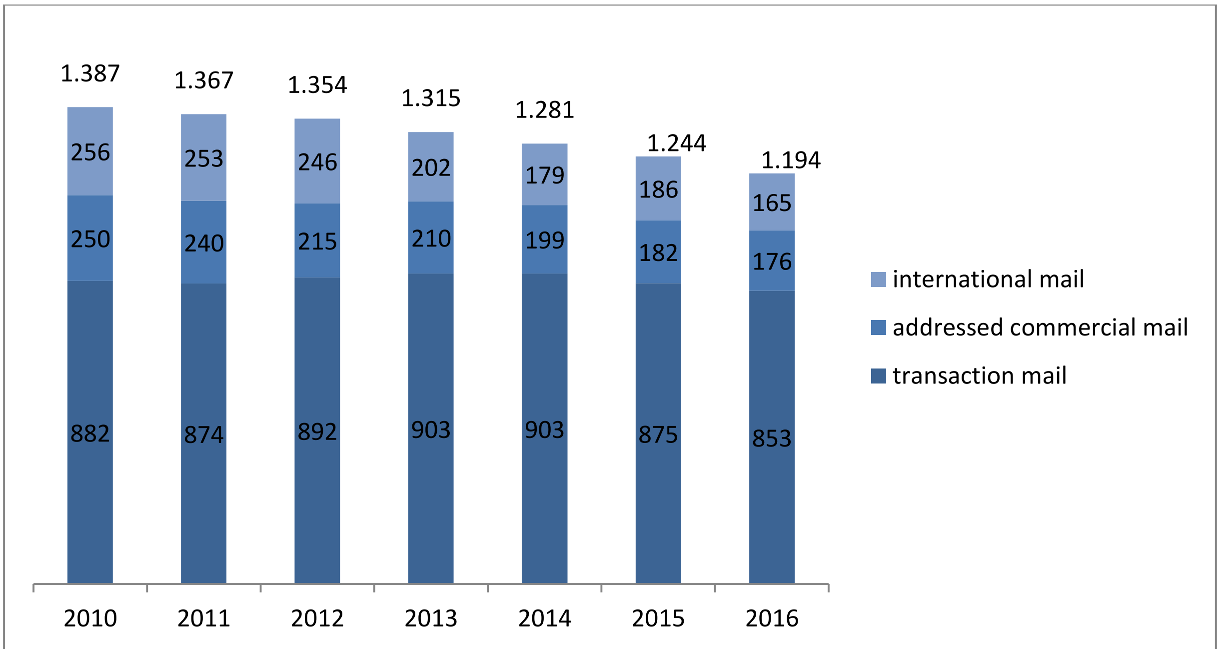
Source: BIPT

4.2.1.2 Revenue

In 2016, revenue from letter post continues to fall, a tendency that already started in 2010; it now amounts to 1.194 billion euro compared to 1.244 billion euro in 2015, i.e. a 4% decline.

As illustrated in Figure 11 below the large majority of the value in this segment is still generated by transactional mail, which by itself already accounts for more than 71% of total revenue in that segment.

Figure 11: Income in the letter post segment (million EUR)



Source: BIPT

4.2.2 Transactional mail

The notion of transactional mail used within the context of this observatory refers to mail that is sent in the form of a letter and containing a personal communication. This letter post can be administrative (e.g. invoices, pay slips, etc.) or of a more "social" nature (e.g., greetings cards, postcards, private correspondence, etc.).

Recorded items (registered and insured items) are also considered as part of transactional mail, unlike direct mail (addressed advertising).

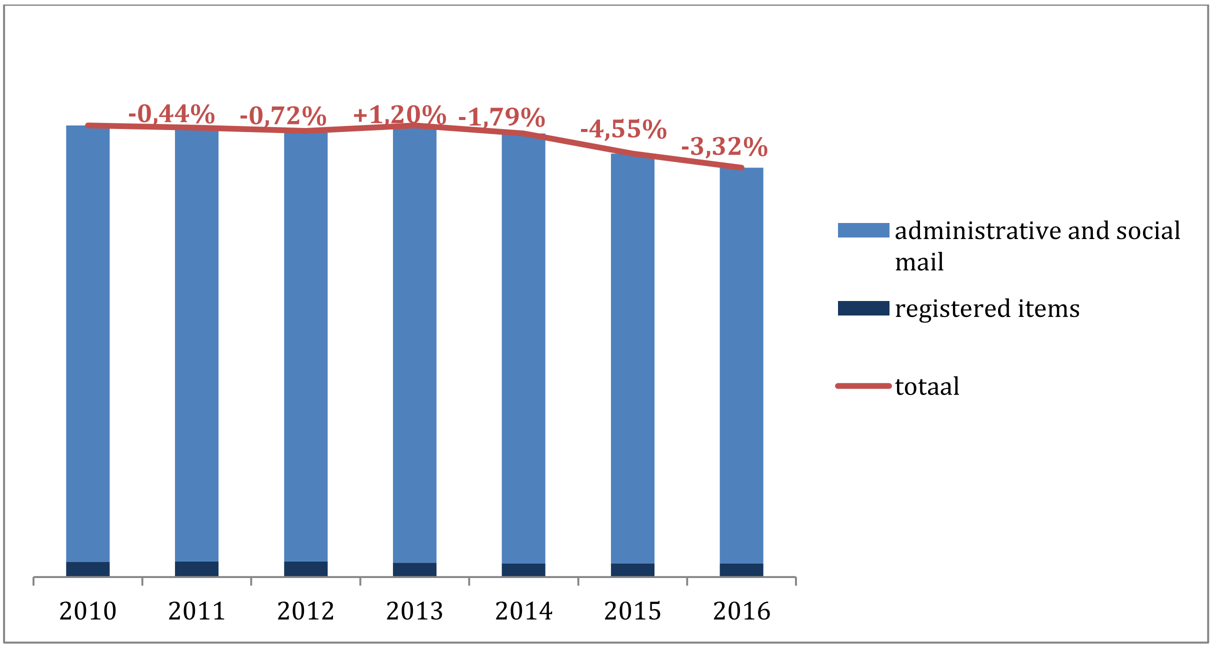
International letter post is not included in this sub-section either since it is treated separately (see 4.2.4).

Transactional mail can be sent as single-piece (through the red[11] or blue[12] letterboxes, post offices or post shops), in which case we talk about single-piece mail, or it can be bundled and deposited with the postal operator for expedition, in which case we talk about bulk mail.

4.2.2.1 Volumes

Revenue may have remained stable but the volumes of transactional mail processed by postal operators have continued to dwindle. In 2016, the 3.32% decrease caused the decline in 2015 to slow down (-4.55%). The downward trend is mainly due to e-substitution options for end-users (such as the rise of mobile telecommunications and electronic alternatives to transactional mail).

Figure 12: Evolution of volumes of transactional mail (2010-2016)[13]



Source: BIPT

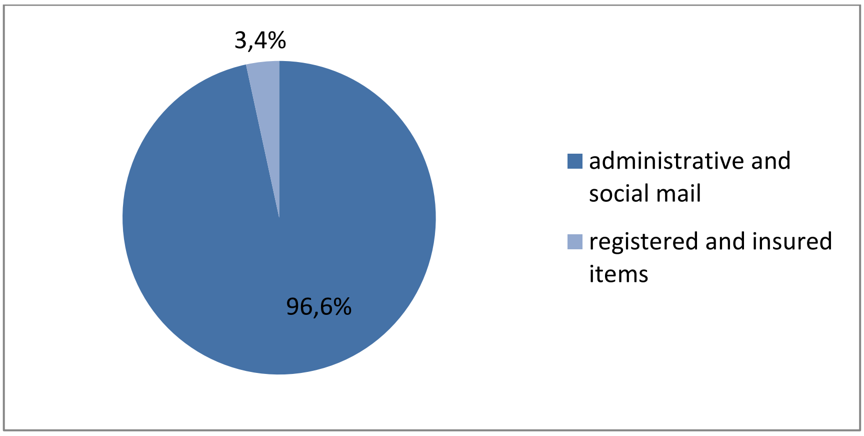
[11] Of bpost

[12] Of TBC Post

[13] In Figures 11 up to and including 14 no distinction is made between single-piece mail and bulk mail, so that all volumes of transactional mail are involved without any distinction.

As for the composition of the volume of transactional mail in 2016 the large majority was administrative and social mail (96.6%), registered items and insured items accounting for only 3.4% of the total volume. This division of volumes between administrative and social items and recorded items remains stable over the 2010-2016 period.

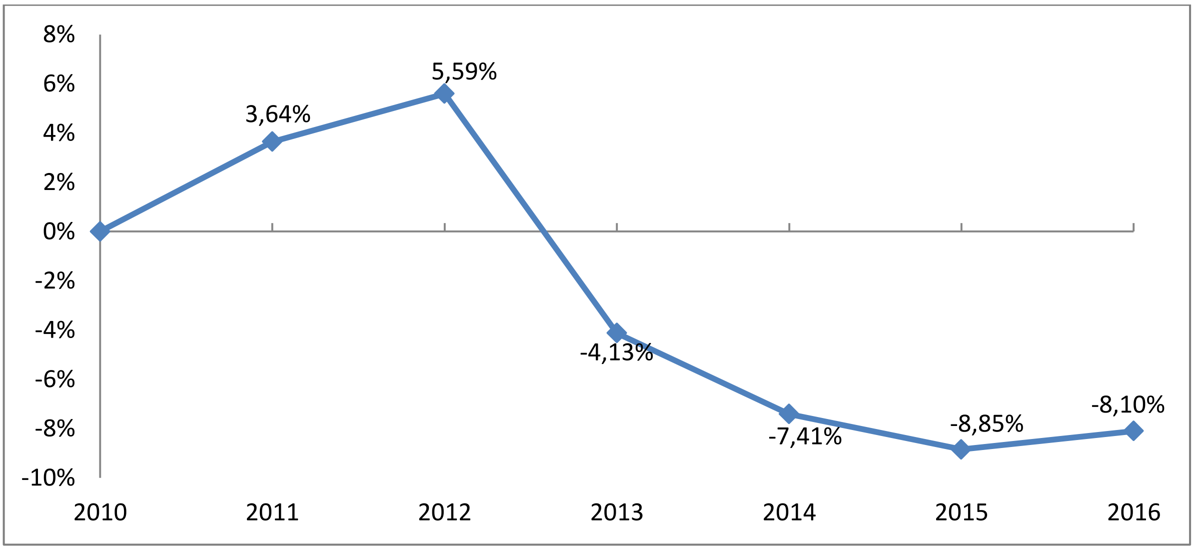
Figure 13: Division of volumes of transactional mail (2016)



Source: BIPT

Whereas the volume of registered items was still rising between 2010 and 2012, it dropped sharply in 2013. This erosion of volumes slowed down a bit in 2014 and 2015. For 2016 there is a modest growth in volume again, but it is still 8.1% lower than the volume of 2010.

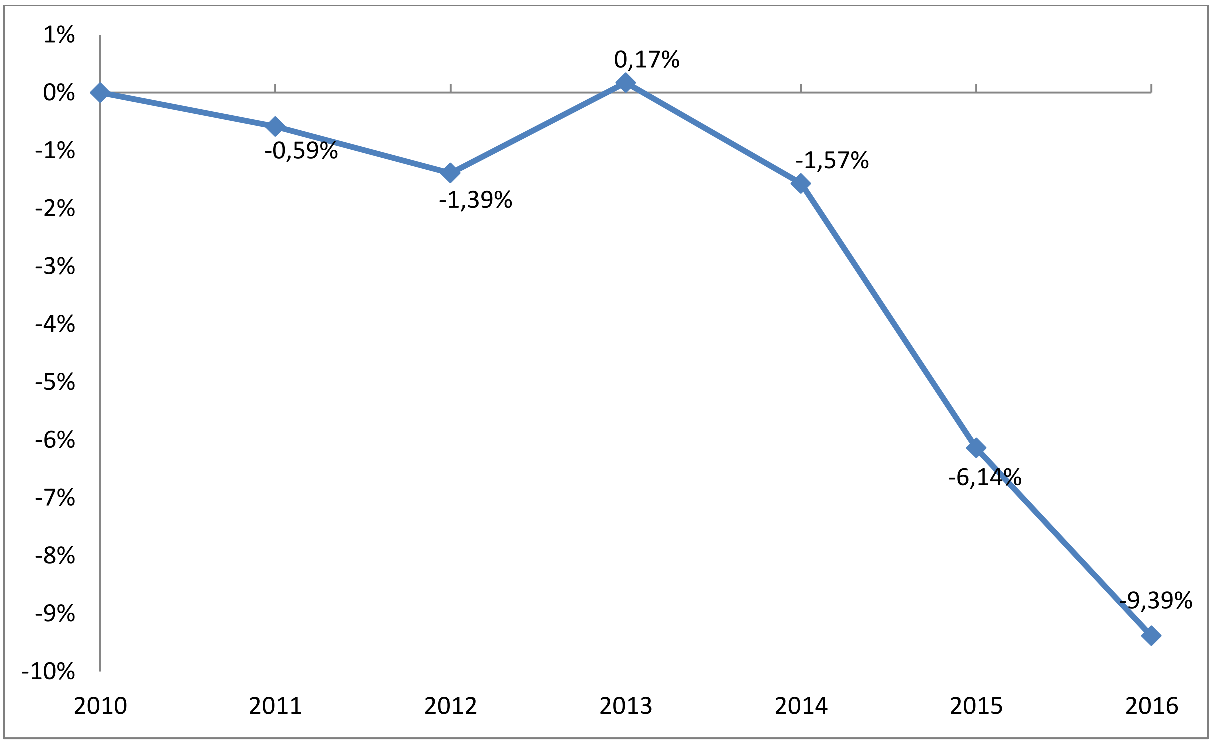
Figure 14: Evolution of the volumes of registered items compared to 2010



Source: BIPT

The volumes of administrative and social mail have eroded by 9.39% over the 2010-2016 period.

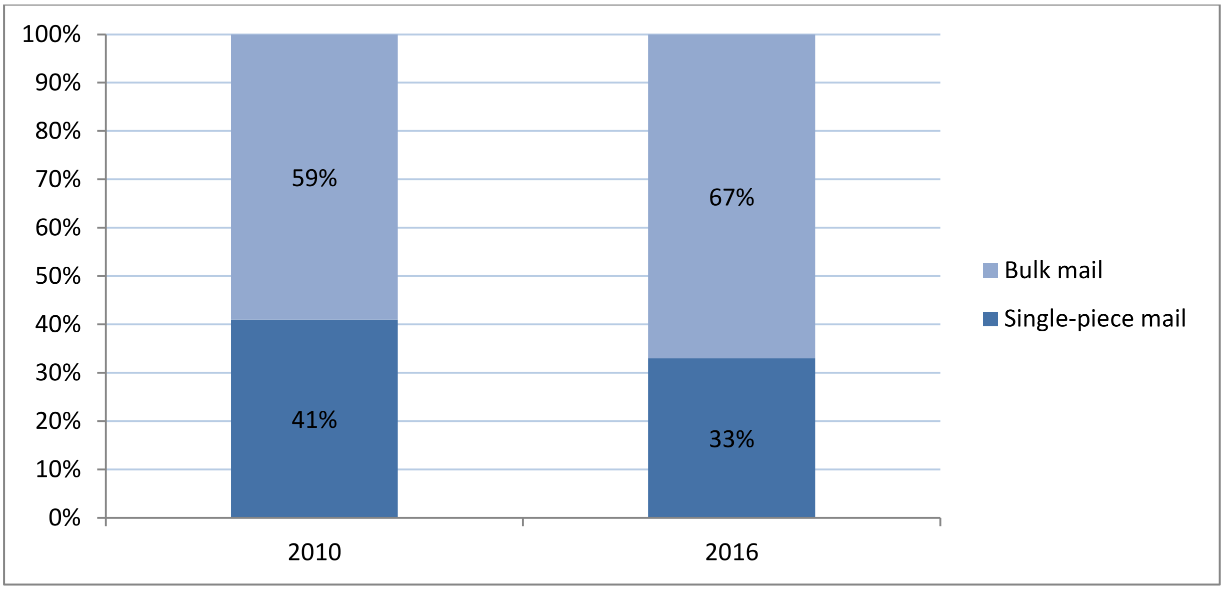
Figure 15: Evolution of the volumes of administrative and social mail compared to 2010



Source: BIPT

In 2016, transactional mail volumes mainly consisted of bulk mail. As for the distribution of volumes between single-piece mail and bulk mail the ratio was one third versus two thirds respectively. Compared to 2010 we see that the share of single-piece mail decreased in 2016 in comparison with the share of bulk mail.

Figure 16: Distribution of the transactional mail volumes between single-piece mail and bulk mail (2010 versus 2016)



Source: BIPT

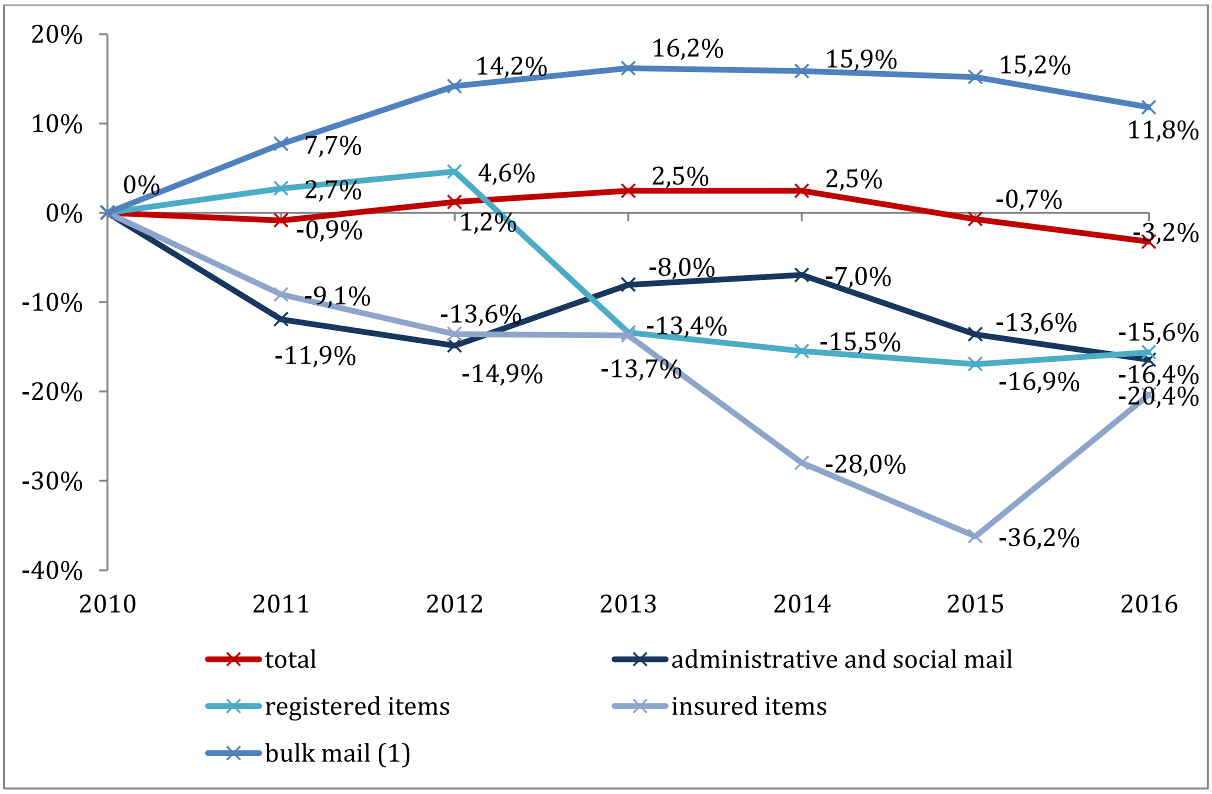
4.2.2.2 Revenue

As illustrated in Figure 17 below, total revenue for transactional mail dropped by 3.2% between 2010 and 2016. Revenue decreased by 2.5 percentage points between 2015 and 2016.

Among the various products that constitute transactional mail, revenue over the 2010-2016 period decreased most dramatically, by -20.4% in value, for insured items. In this case, the big variations can be explained by the low volumes.

While revenue relating to single-piece products[14] has generally declined, there is 11.8% growth in revenue from bulk mail[15]. Nevertheless, it should be pointed out that for bulk mail there is also a downward trend since recently (-4.4 percentage points compared to 2013).

Figure 17: Evolution of revenue from transactional mail since 2010



Source: BIPT

(1) bulk mail includes the bundled deposit of the 3 categories of transactional mail, i.e. administrative and social mail, registered items and insured items.

The variables administrative and social mail, registered items and insured items shown in the figure above, only relate to single-piece items.

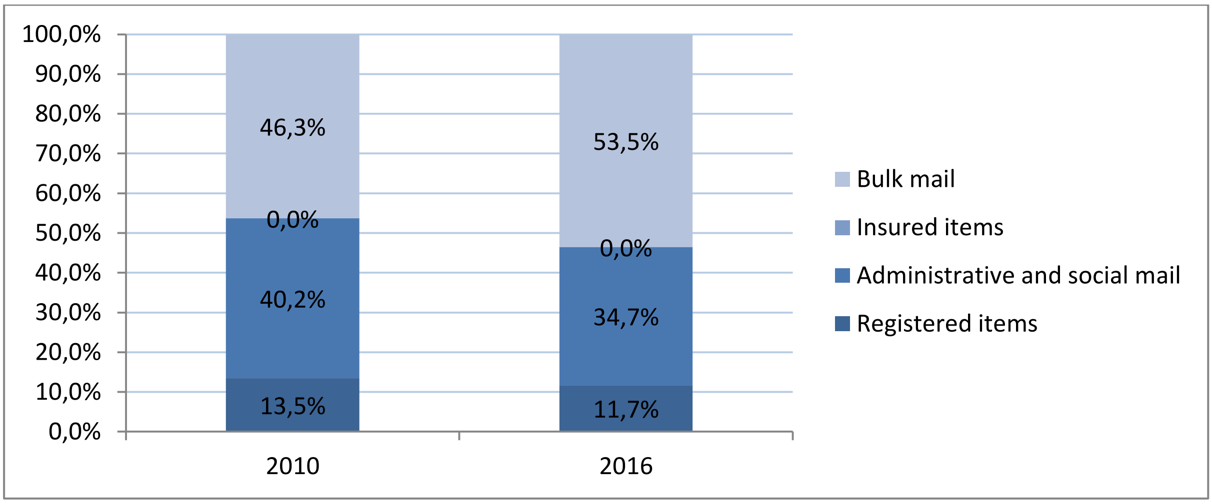
Looking more closely at the composition of revenue linked to the handling of transactional mail in Figure 18, we notice that bulk mail accounted for 53% of this revenue in 2016, against 47% for single-piece items.

[14] See the trends for administrative and social mail, registered items and insured items in Figure 16, which only relate to single-piece mail.
[15] Bulk mail encompasses both administrative mail and registered items.

Out of this 47% of single-piece mail, administrative and social mail accounted for about 35% and registered items for the other 12%. The proportion of revenue generated by insured items is rather trivial as after rounding off it represents 0% of total revenue in 2016.

Compared to 2010 we see that the share of bulk mail grew in 2016, whereas the share of registered items and administrative mail went down.

Figure 18: Division of revenue from transactional mail (2010 versus 2016)



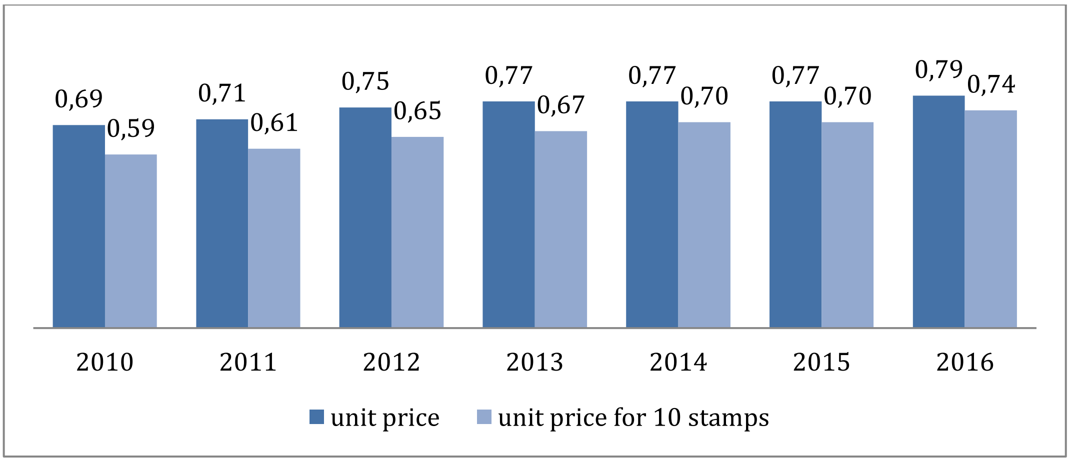
Source: BIPT

4.2.2.3 Tariffs universal service provider

Compared to 2015 the nominal rate of a domestic standard letter in Belgium went up: in 2016, the price of a stamp amounts to € 0.79 (+ € 0.02) a piece and to € 0.74 (+ € 0.04) per stamp when sold per 10 units.

If we look at the trend since 2010, we see that the price of a stamp has risen by 14%. This price increase is all the more marked when considering the price for 10 units. Indeed, in this case, the cumulative increase recorded since 2010 amounts to 25%.

Figure 19: Price of the domestic standard letter service < 50 g (€)



Source: bpost

At the level of the European Union the price in nominal value of transport and distribution of a standard format letter in Belgium ranks amongst the more expensive ones in the 28 Member States, as shown in Figure 20 below. In 2016, the European median[16] postage charge for a domestic standard letter was € 0.70, the most expensive country being Italy (€ 2.80) and the cheapest Malta (€ 0.26).

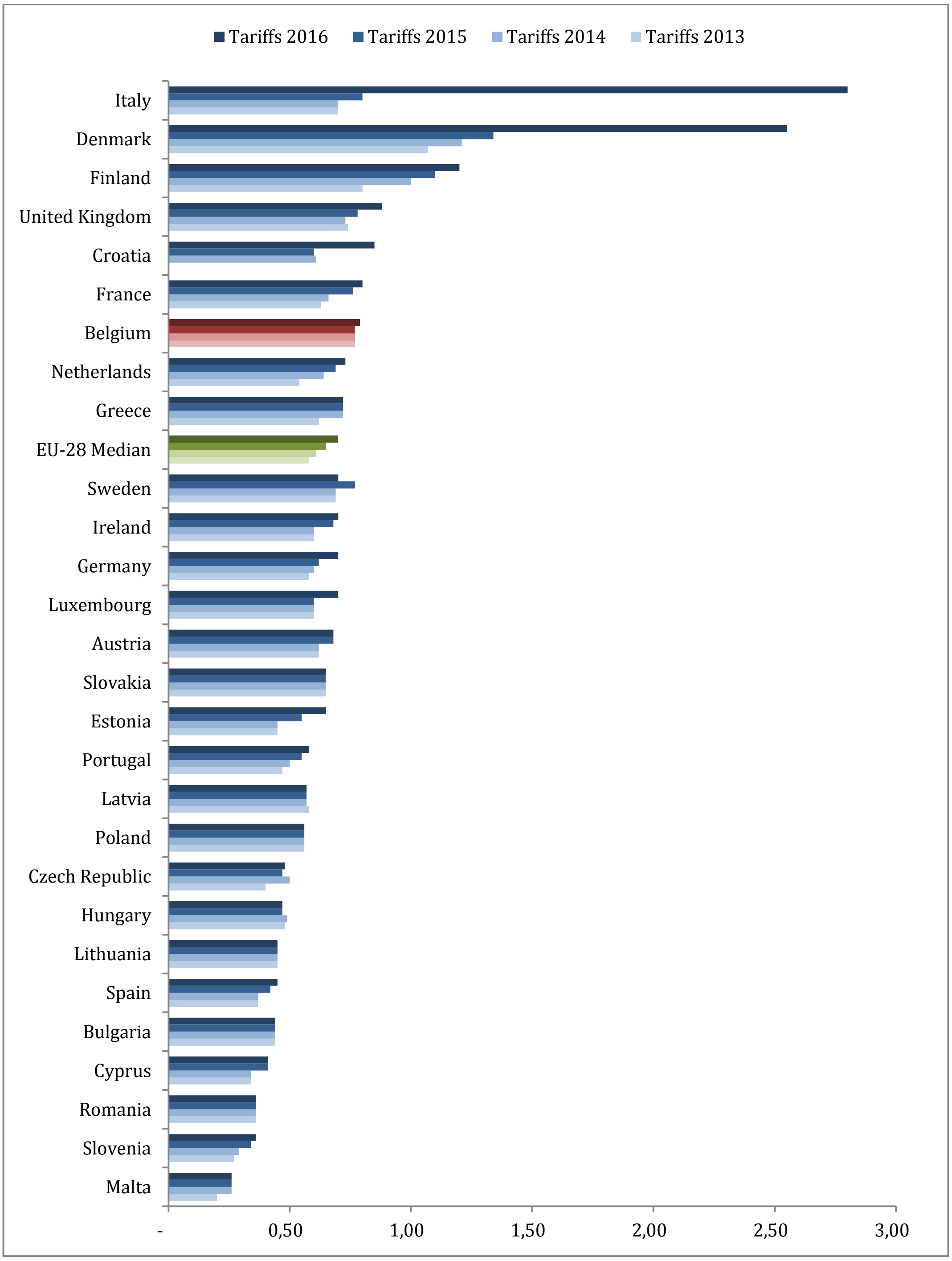
It should also be pointed out that in many countries, such as neighbouring countries France (with in addition to D+1 also D+2 and D+4) and the United Kingdom (with D+1, D+2 and D+3), even the universal service provider offers small-scale users cheaper alternatives to the prior item (D+1) for items of a non-urgent nature.[17]

---

[16] It is necessary to use the median in this case because of the peaks for Italy and Denmark, which would distort the average too strongly.

[17] BIPT research from 2017 into consumer perceptions within the Belgian postal market showed that in Belgium too there is no strict need for a D+1 delivery as the standard. A D+2 standard service is a scenario postal users are prepared to accept, as long as this is associated with the option of a D+1 premium service.
http://www.bipt.be/en/operators/postal/universal-and-non-universal-postal-services/communication-by-the-bipt-council-of-7-february-2017-on-the-qualitative-survey-of-consumer-perceptions-within-the-belgian-postal-market

Figure 20: Price of the domestic standard letter service in Europe (€)

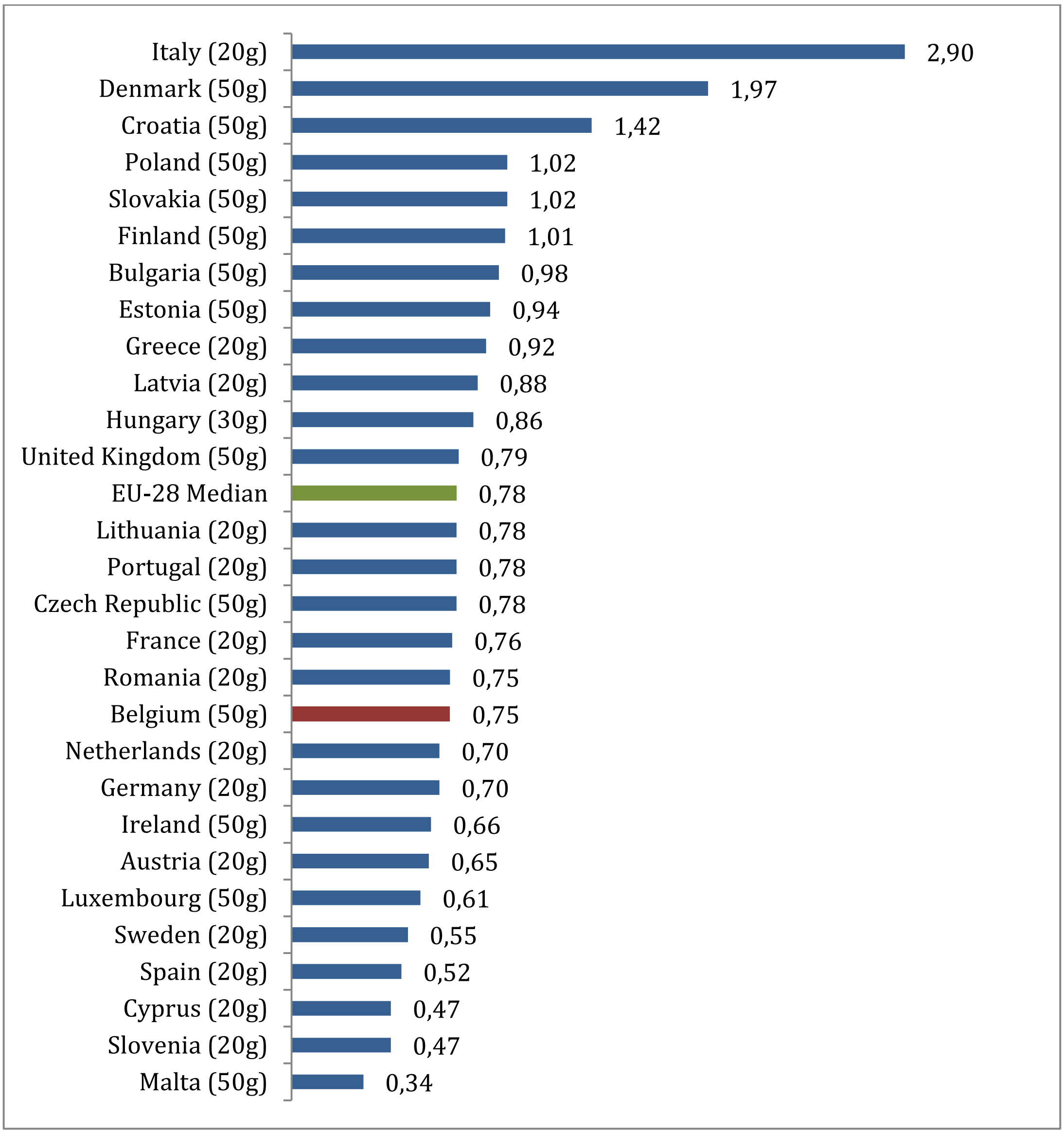


Source: Deutsche Post, Letter Price Survey (2013, 2014, 2015 and 2016)

The same price comparison concerning the transport and distribution of standard format letters can be made by expressing the tariffs of the 28 Member States in purchasing power parity (PPP), thus making a direct comparison possible whereby differences in standards of living between countries are neutralised.

When we look at the median of the EU28 countries we notice that Belgium is situated here in the lower middle bracket. Neighbouring countries the Netherlands, Germany and Luxembourg are also below the median. Prices in Italy and Denmark are also seen to be very high here compared to the other EU28 countries.

Figure 21: 2016 price expressed in purchasing power parity (PPP) of the domestic standard letter service in Europe (€)



Source: Deutsche Post, Letter Price Survey (2016)

4.2.3 Direct mail

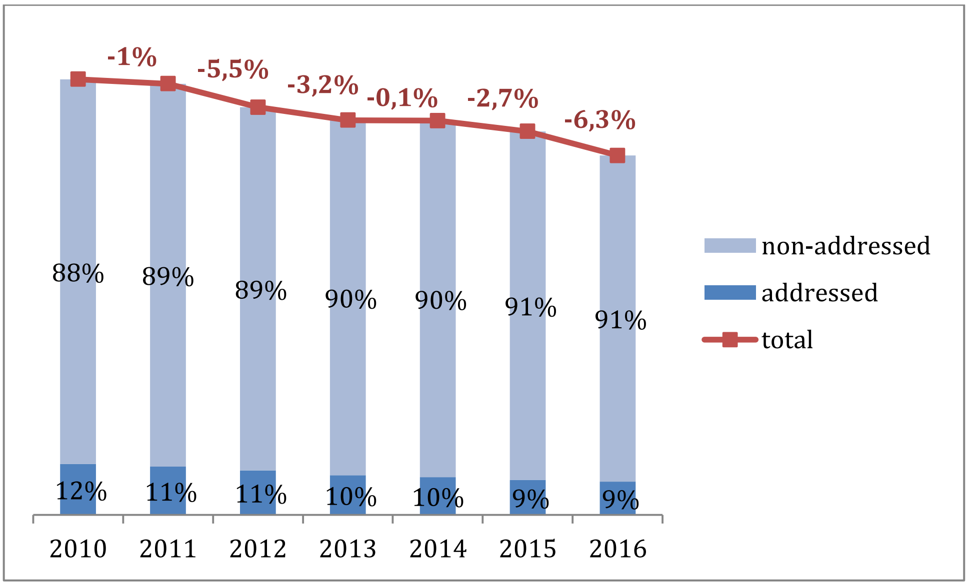
Just like transactional mail, direct mail is part of the letter post segment. By contrast, non-addressed advertising leaflets are not part of it because the delivery of non-addressed items does not constitute a postal service. However, they are taken into account within the context of this section in order to have an overall view of the evolution of printed advertising (addressed or door-to-door), which all citizens regularly find in their letterboxes.

4.2.3.1 Volumes

Since 2010 the volume of printed advertising has been declining continuously. The volume of both non-addressed items (-6.4%) and direct mail (-4.6%) continued to decline in 2016.

As to volume direct mail items represent only a little over 9% of the total; the large majority of advertising mail items being non-addressed.

Figure 22: Evolution of advertising volumes (2010-2016)



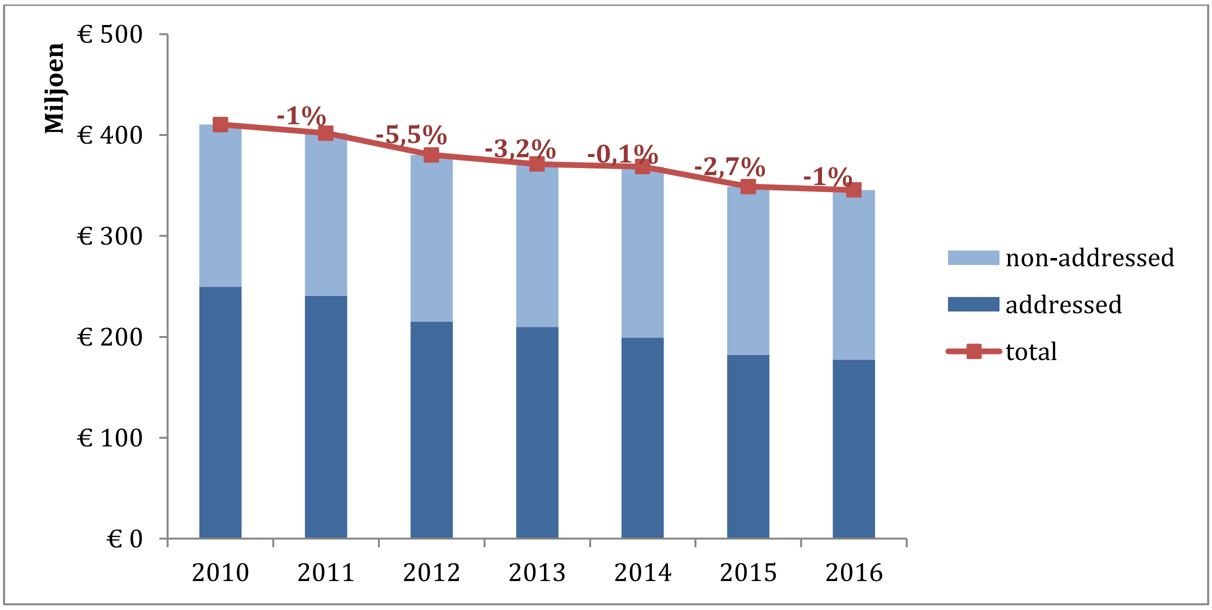
Source: BIPT

4.2.3.2 Revenue

In general, revenue from addressed and non-addressed advertising mail has been declining since 2010. Total revenue from (addressed or non-addressed) printed advertising mail dropped from more than 410 million euro in 2010 to a little less than 346 million euro in 2016, i.e. a decrease in revenue of about 16%.

This decrease in revenue is mainly due to direct mail, the revenue of which has proportionally decreased more than that of non-addressed items.

Figure 23: Evolution of revenue from advertising (2010-2016) (in million €)



Source: BIPT

4.2.4 International mail

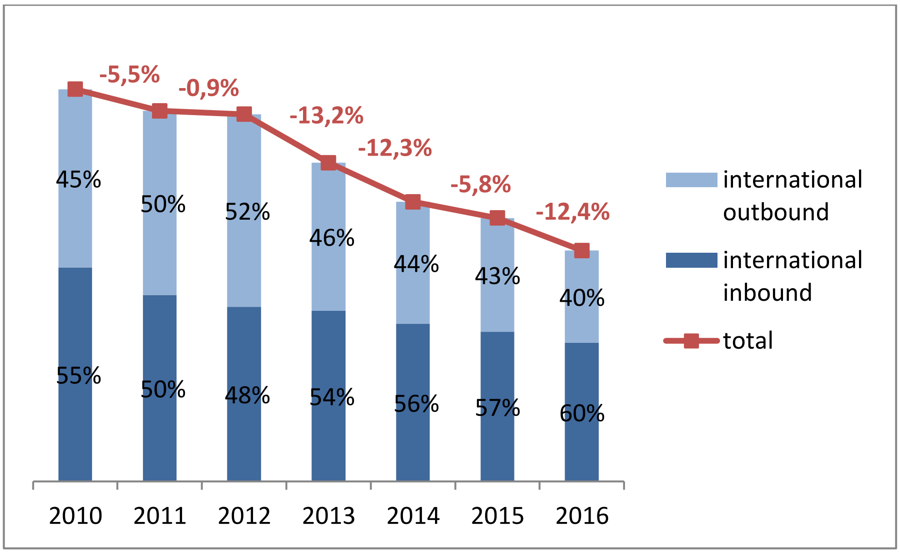
Besides transactional mail and direct mail, letter post also consists of a third and last category of mail, i.e. international mail.

International mail refers to the flows of letter post items weighing less than 2 kg and exchanged between Belgium and foreign countries. These flows may be incoming ('international inbound') - the mail in question having to be delivered in Belgium - as well as outgoing ('international outbound') - in those cases the mail is sent from Belgium to other countries.

4.2.4.1 Volumes

The graph below shows how after a slow-down in 2015, the steep downward trend of incoming and outgoing volumes continues. In international letter post we see that the share of outgoing letter post decreases systematically. In 2016, the distribution between volumes of incoming and outgoing international mail is comparable to the distribution observed in 2010, with about 60% of the total consisting of inbound flows against 40% of outbound flows. However, it should be noted that in 2012, outbound flows accounted for the majority of international mail volumes, contrary to the other years.

Figure 24: Evolution of volumes of international mail

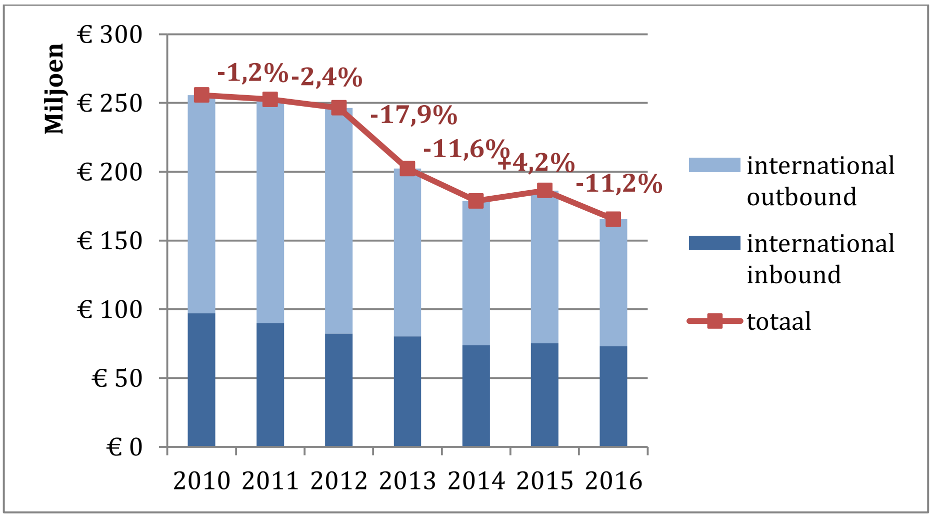


Source: BIPT

4.2.4.2 Revenue

Revenue from inbound or outbound letter post has been declining since 2010, just as total revenue from the letter post segment. In 2016, we see that following a minor revival in 2015, both inbound and outbound international mail shows a continued decline.

Figure 25: Evolution of revenue from international mail (in million €)



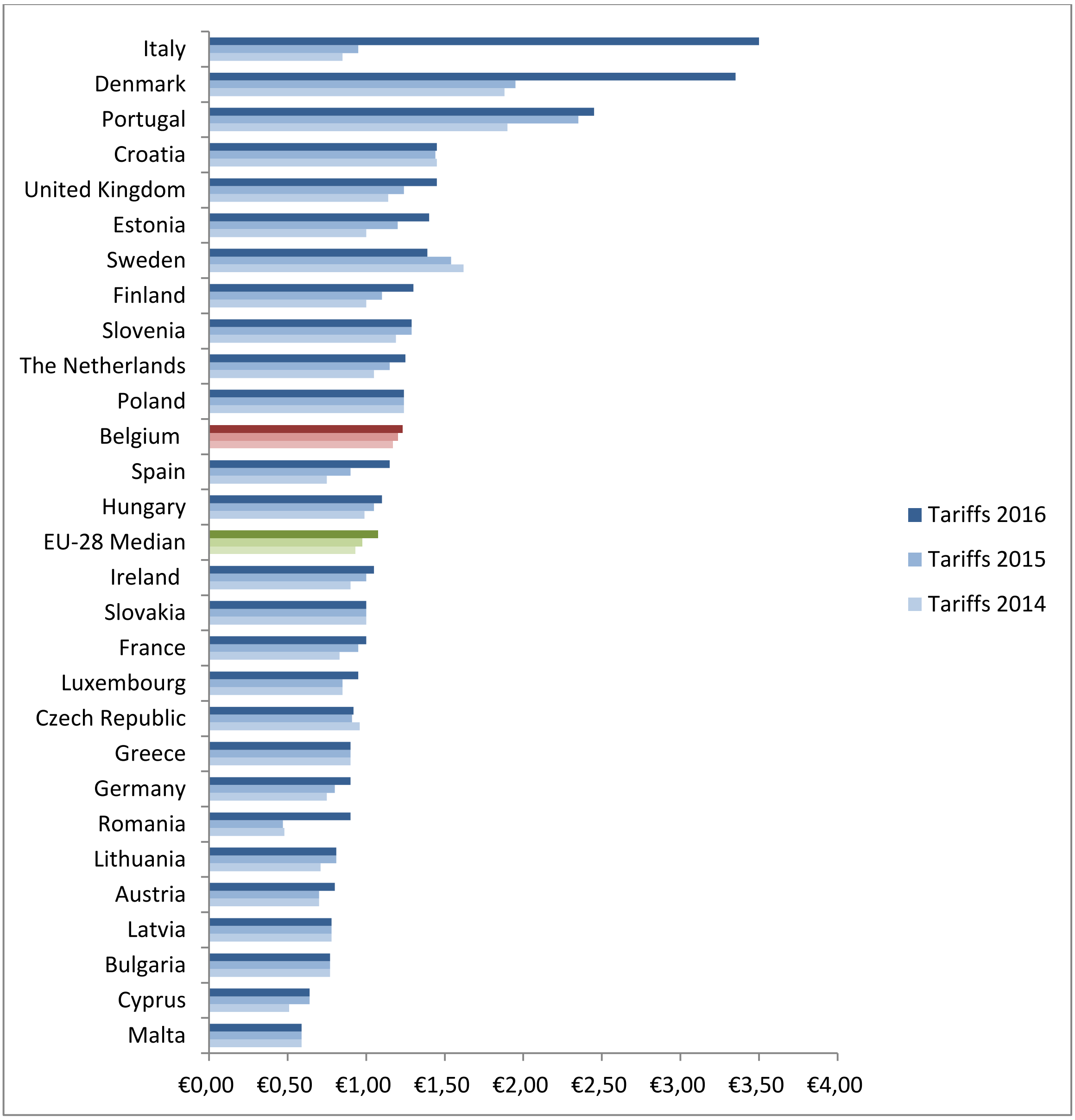
Source: BIPT

4.2.4.3 Tariff universal service provider

If we compare the price in nominal value of the standard letter service in the EU in the 28 Member States, we see that, with an intra-EU service amounting to € 1.23 in 2016, following a € 0.06 price increase compared to 2014, Belgium was situated above the European median (€ 1.08). This positions Belgium in the middle bracket of the EU countries, the first place of the ranking being occupied by Italy, where sending a letter to another Member State cost € 3.50 in

2016. In comparison, a letter sent from Malta cost € 0.59. Neighbouring countries France, Luxembourg and Germany are below the median.

Figure 26: Price of the intra-European standard letter service in Europe (in nominal value) (€)



Source: Deutsche Post, Letter Price Survey (2014 - 2016)

4.3 Focus on the parcels, express mail and e-commerce segments

Driven by the growing importance of e-commerce, the parcels market takes up an ever-increasingly important position on the postal market. In this chapter the recent evolution within the parcel and express services segment is discussed.[18] The very diverse[19] sub-segments, namely B2B, B2C and C2X, are considered here as a whole, because especially the type of addressee is hard for the operator to determine with certainty.

4.3.1 Volume

The parcel and express services[20] segment continues its strong development. Between 2010 and 2016 there was a continuous growth of volume totalling 94.8%. In the course of that period the number of parcels and express services, domestic, international inbound and international outbound combined, almost doubled from 88 million items in 2010 to 172 million in 2016. Also compared to 2015 the volume went up by 14.1%.

Since a couple of years we even observe an increase of the growth path, where the almost linear growth curve has made an upward bend. The compound annual growth rate (CAGR) has been 16.4% since 2013. Until 2013 that growth rate had 'only' amounted to 7.3%.

Per inhabitant the number of parcels and express services delivered per year went up from an 8.1 average in 2010 to a 15.3 average in 2016. Per capita on average already one parcel is sent or an express service is used each month, or more exactly every 24 days. Despite that steep rise Belgium is still lagging far behind the European leaders. In Germany for instance, for a number of years now, more than 30 such items on average have been delivered per inhabitant.[21]

Within the postal sector, this is the growth market par excellence, attracting providers and ensuring competition. In addition to bpost the alternative private operators are clearly active in the parcels and express mail segment, as well as the universal service providers of the neighbouring countries, often present on our market through a subsidiary company.

---

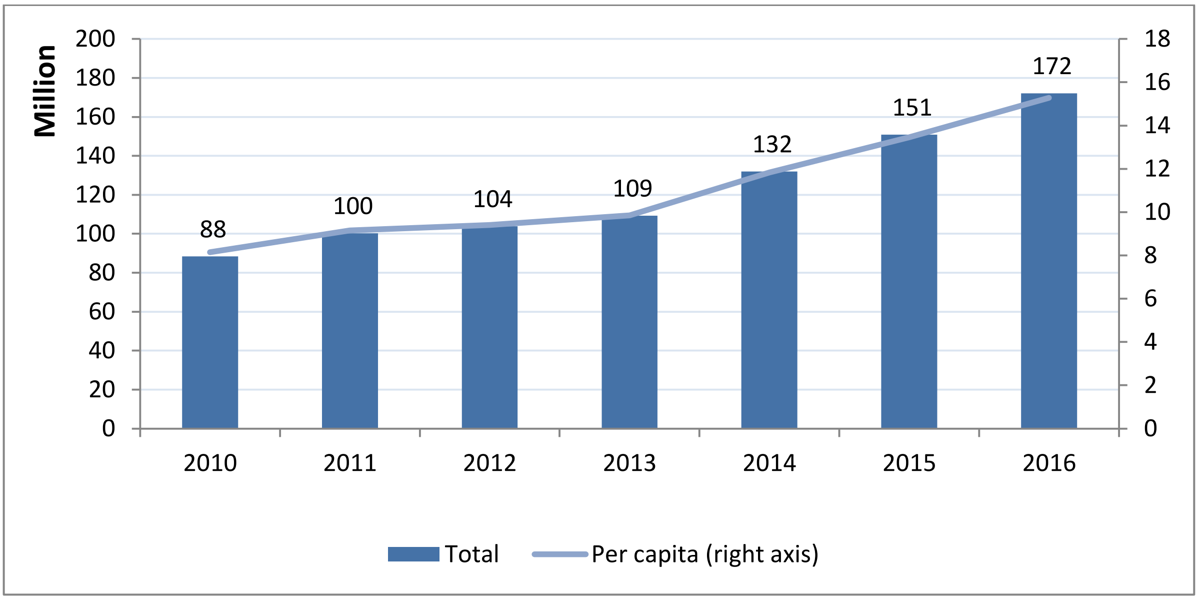
[18] The operators were asked, if possible, only to provide data concerning parcels up to 10 kilogrammes (international inbound up to 20 kilogrammes).

[19] The various parcel deliverers usually serve various customer segments, as became clear from BIPT's e-commerce study from 2017. Operators such as FedEx, UPS and Ciblex mainly focus on the B2B segment for example, whereas bpost is a big player in the B2C and C2X segments.
http://www.bipt.be/en/operators/postal/universal-and-non-universal-postal-services/communication-by-the-bipt-council-of-18-may-2017-regarding-the-results-of-the-study-on-the-belgian-market-for-parcel-delivery-in-the-context-of-e-commerce-activities

[20] The line between parcels and express mail is hard to define. The transport of parcels increasingly covers services, thus bringing it closer to an express mail item (track and trace service, insurance of the contents of the item, delivery times, etc.). Moreover, quite a lot of players provide both types of services to their customers.

[21] ERGP Report on core indicators for monitoring the European postal market, 15 December 2016

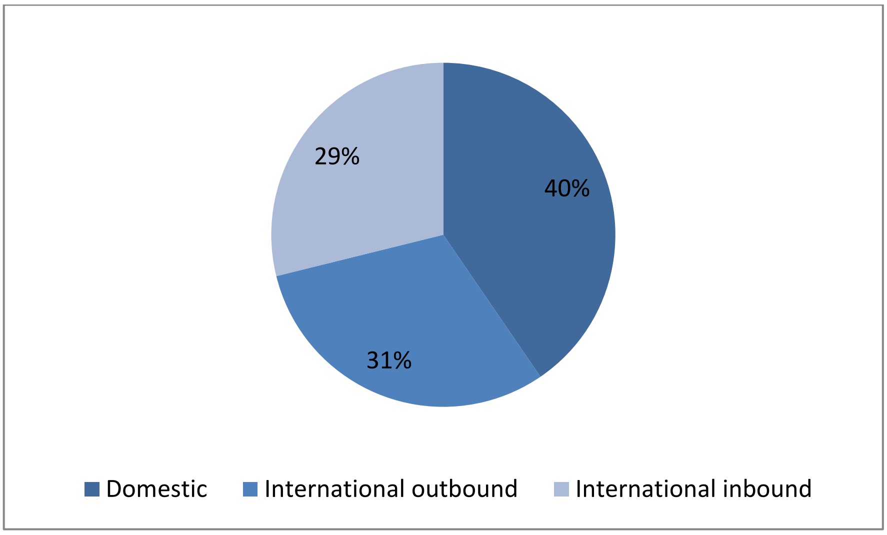
Figure 27: Evolution of the volume of parcel and express services in total (in million units) and per capita (in units) per year



Source: BIPT

Figure 28 shows us that 40% of the total number of parcel and express services in 2016 involved domestic items. So those items originated from within the Belgian territory to be received also within our borders. In 31% of the cases outbound international items (international outbound) were involved, so sent abroad from Belgium. The remaining 29% of the total number of items originated abroad to be delivered in Belgium (international inbound). It can therefore be concluded that in Belgium almost as many parcels and express deliveries were imported as exported.

Figure 28: Distribution of the volume of parcel and express services according to domestic, outbound international and inbound international in 2016



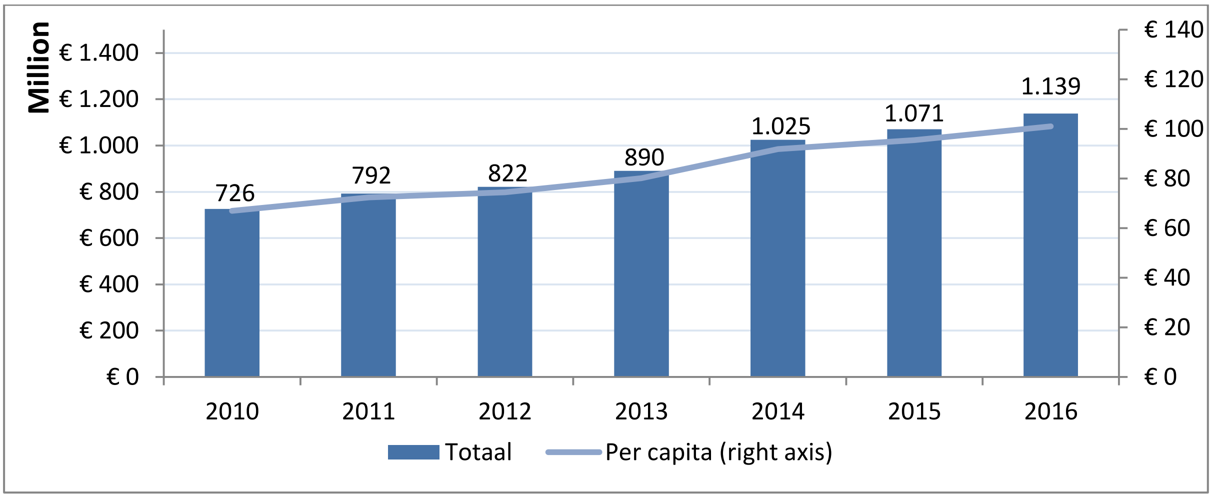
Source: BIPT

4.3.2 Revenue

In terms of turnover achieved, the segment of parcel and express services was marked by a more modest, yet also continuous increase between 2010 and 2016. With a compound annual growth rate (CAGR) of 7.8% a year, total revenue gradually rose from 726 million euro to 1,139 million euro. Between 2015 and 2016, total turnover achieved within the segment rose by 6.3%. Together bpost, DHL (Express and Parcel) and UPS/UPS Access Point represent 65% of this market in terms of turnover.

In 2016, an average of 101 euro per inhabitant was spent on parcel and express services, which on an annual basis is 34 euro more than in 2010.

Figure 29: Evolution of revenue in the segment of parcel and express services in total (in million EUR) and per capita (in EUR) per year



Source: BIPT

4.3.3 Tariffs universal service provider

To have an indication of a parcel's tariff evolution we consider the price of a parcel up to 2 kg sent by way of the universal service provider.

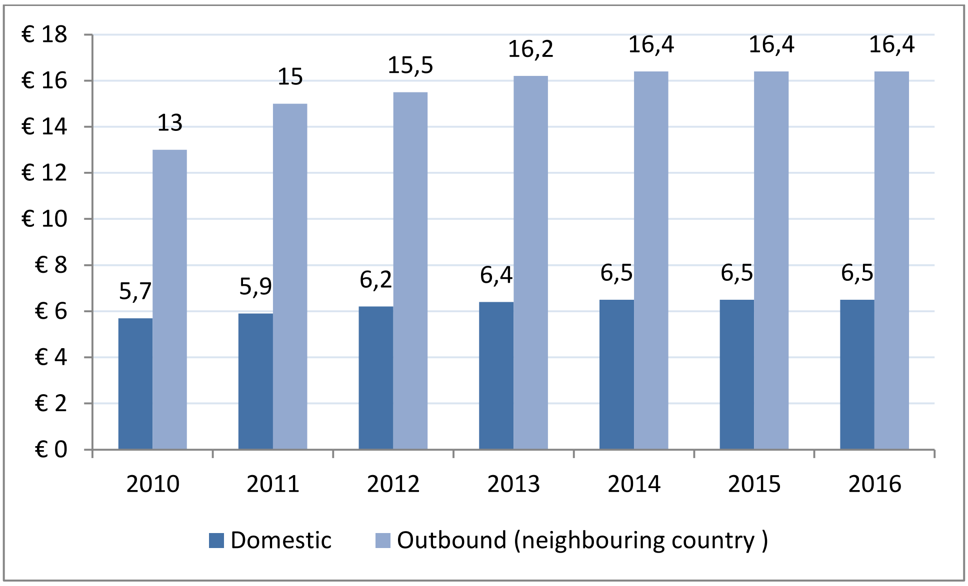
In Belgium the price of such an item rose from 5.7 euro in 2010 to 6.5 euro[22] in 2016, i.e. a 14% increase. The European average for a domestic parcel weighing 2 kg was 6.1 euro in 2015.[23]

The price for shipment to a neighbouring country increased more strongly, by 26.2%, from 13 euro to 16.4 euro. In 2015, the average European price of a 2 kg item sent to a neighbouring country was 19.5 euro. It should be noted however, that especially in our neighbouring countries the Netherlands and Germany, the tariffs of 9 euro and 8.9 euro respectively, were considerably lower than the European average.

[22] If the label for online shipment is made and paid and then printed by oneself, the price goes down to 5 euro.

[23] ERGP Report on core indicators for monitoring the European postal market, 15 December 2016

Figure 30: Evolution of the prices of a parcel up to 2 kg sent by the universal service provider and destined for Belgium or a neighbouring country



Source: BIPT

4.4 Focus on the segment of press distribution to subscribers

The distribution of the recognised press, with delivery of the items at the subscriber's home, is a service of general economic interest (SGEI), which until 2015 was still part of the 5th management contract concluded between bpost and the Belgian State. Since 1 January 2016 and until 31 December 2020[24] it is now a separate service of 'last resort' outside the scope of the (6th) management contract. This SGEI, which publishers are free to use, is provided by bpost and consists of:

- early home delivery of newspapers to subscribers through specifically arranged rounds before 7.30 a.m. from Monday to Friday and before 10 a.m. on Saturdays;
- home delivery of periodicals to subscribers through the classical rounds, from Monday to Friday.

As the provider who is charged with this SGEI for distribution of the recognised press to the subscribers, bpost is the main operator in the segment for home delivery of press articles. Other players are active in this segment: PPP, Asendia[25] and Deltamedia; the latter is a bpost subsidiary that delivers press from the Mediahuis Group[26].

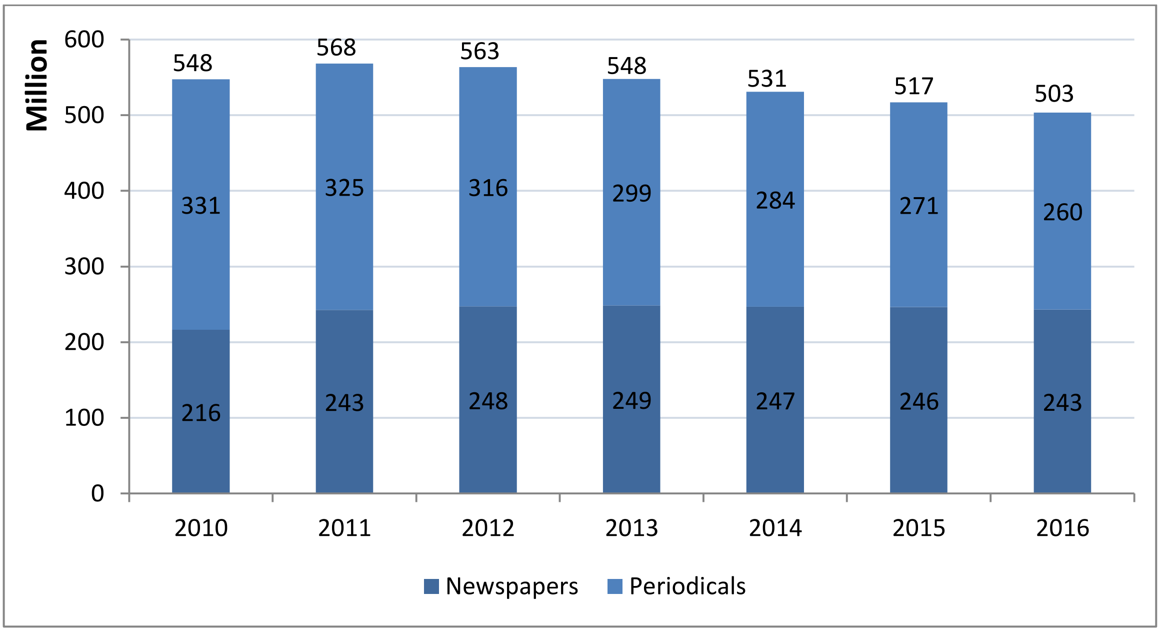
[24] On 16 October 2015, following a public, transparent and non-discriminatory procedure, the Council of Ministers decided to grant the concessions for the delivery of recognised newspapers and recognised periodicals for the period from 2016 until 2020 to bpost.
[25] Asendia Belgium ended its activities on 1 July 2016 and suspended its company number; therefore this will be the last time that company is included in this observatory.
[26] This was until April 2016 (according to Trends of 11 November 2015: http://trends.knack.be/economie/bedrijven/persbedelingscontract-is-motor-voor-tewerkstelling-bij-bpost/article-normal-624689.html).

4.4.1 Volume

Since 2012 the total volume of distributed press has decreased, after having peaked in 2011 at 568 million delivered copies on an annual basis. Between 2015 and 2016 total volume decreased by 2.7%, a decrease similar to the one of last year. By now, 11.4% less press is distributed compared to 2011.

As to periodicals the decline has been going on for a longer time and now we observe a slow-down of the decline, namely by -3.9% to 260 million delivered items in 2016. The volume of newspapers delivered stagnated only later and has had a slight setback since 2013, i.e. -1.3% in 2016. 51.7% of the press delivered is periodicals, the rest consisting of newspapers (48.3%). Because of its more limited decline, the distribution of newspapers is rising in importance year after year in the segment of press distribution.

Figure 31: Evolution of the volumes within the segment of the press distribution to subscribers (in million units)



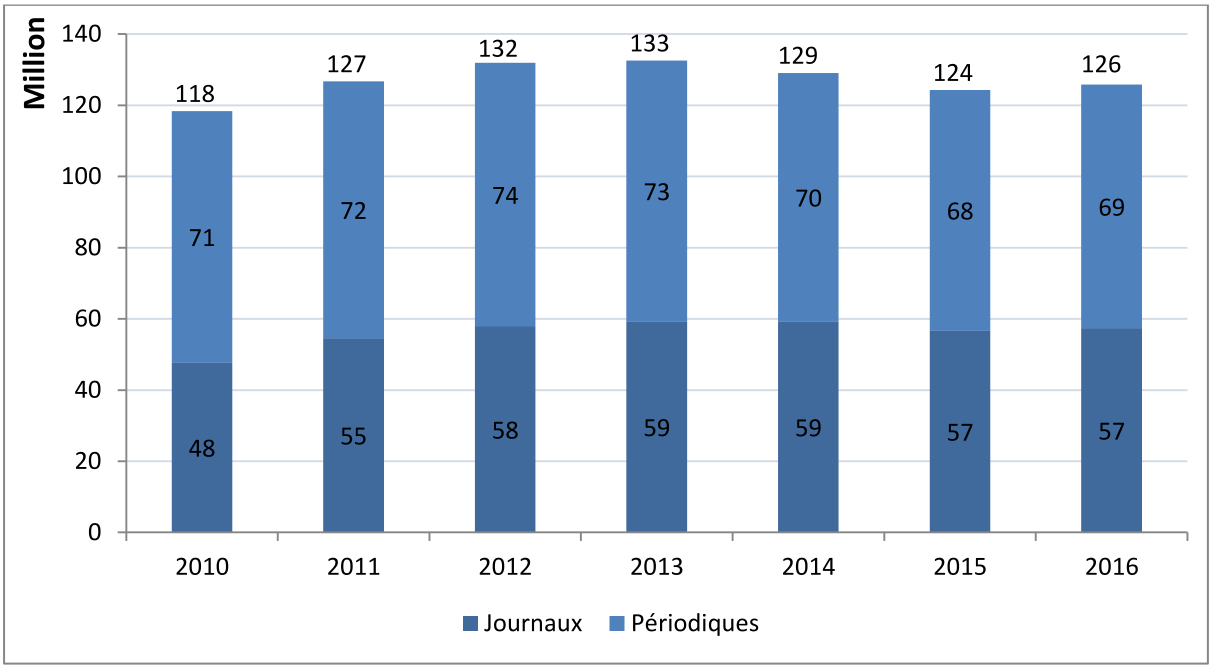
Source: BIPT

4.4.2 Revenue

On the revenue side, it can be observed that the downward phase did not start until 2014. However, in 2016, revenue rose again, though to a limited extent by 1.3%. This increase is clear for both newspapers (+1.1%) and periodicals (+1.4%) and in almost equal measure. The composition of the revenue is unchanged: 54.4% of the revenue can still be attributed to the distribution of periodicals, against 45.6% to newspaper delivery.

It should be noted that the compensation paid to bpost by the government for the provision of the SGEI regarding delivery of press to subscribers is not included in the revenue considered.[27]

Figure 32: Evolution of revenue in the segment for press distribution to subscribers (in million EUR)



Source: BIPT

For the sake of completeness we mention that AMP[28] is also active on the market for the distribution of press to subscribers; however, AMP does not make home deliveries but delivers to (newspaper) shops. In addition it also delivers press for single issues in the shop. This company's revenues and volumes are not included in the surveys above, which specifically relate to home delivery.

5. Investments and employment in postal activities

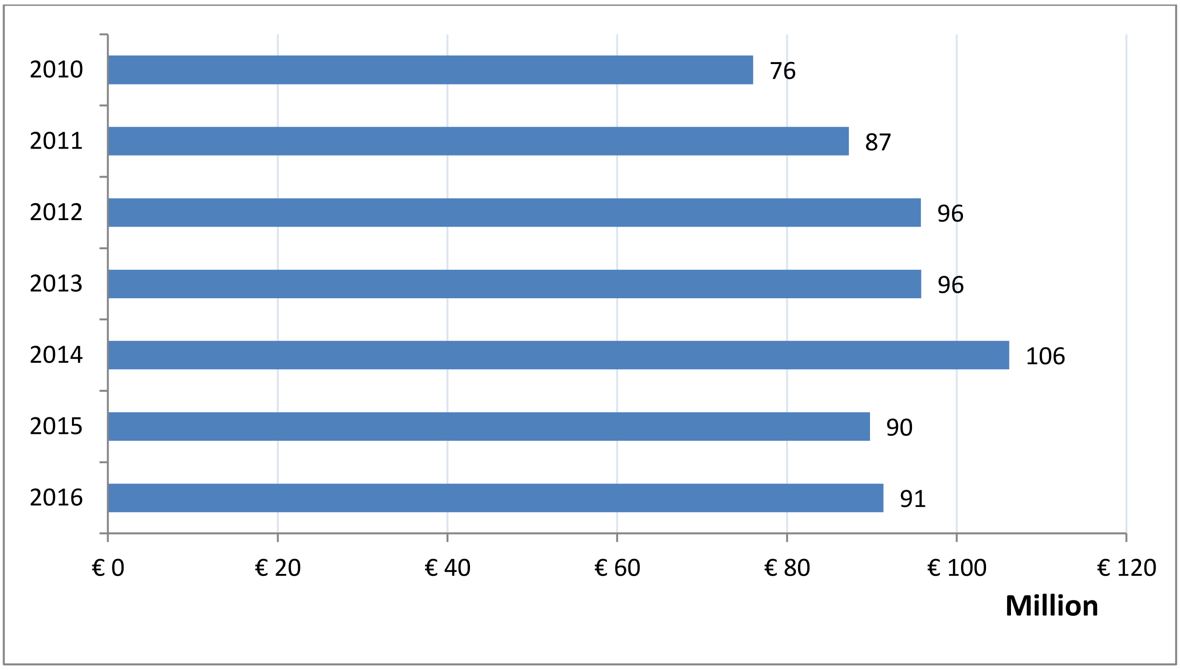
5.1 Investments in the postal sector

In 2016, the operators from our sample invested a total of 91 million euro in the postal sector[29], a limited increase by 1.8% compared to 2015. As a consequence we again see an upward

[27] According to the federal budget, adapted credits 2016, the estimated payment concerning the concession for newspaper and periodical delivery amounted to 108.6 million euro.
[28] In 2016, the Competition Board of the Belgian competition authority conditionally approved the take-over of AMP and LS Distribution Benelux by bpost (according to Knack on 10 November 2016: http://trends.knack.be/economie/bedrijven/bpost-krijgt-voorwaardelijk-groen-licht-voor-overname-amp-en-krantenwinkels/article-normal-775165.html).
[29] Those were expansion investments.

tendency, following a sharp drop in 2015. It should be noted though, that 2014 was a peak year for investments.

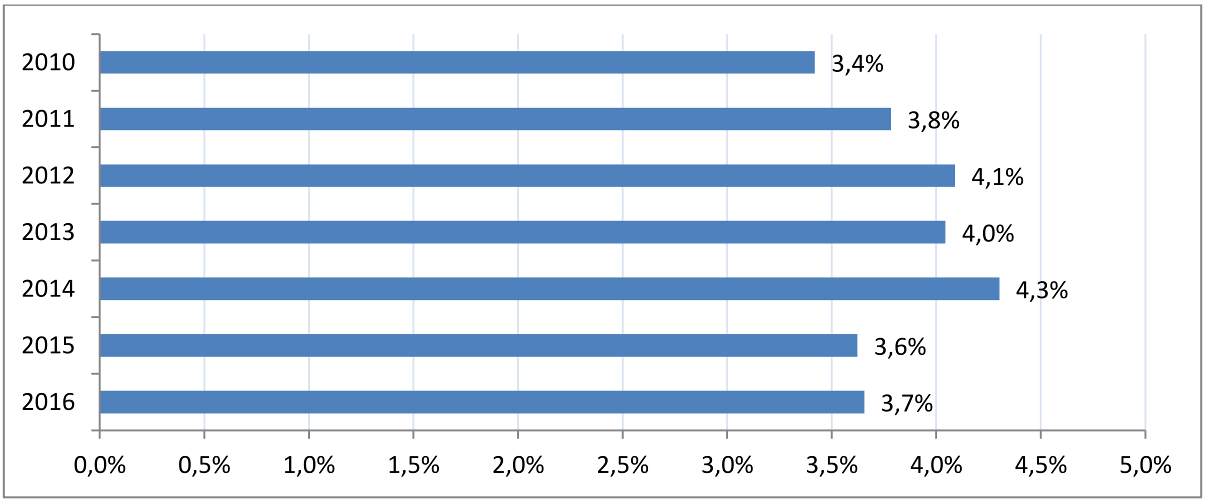
Figure 33: Investments in the postal sector (million EUR)



Source: BIPT

The investments made in the postal sector amounted to 3.7% of turnover achieved in 2016. Also in the 2010-2011 period as well as in 2015, a similar part of turnover achieved was re-invested in the sector.

Figure 34: Investments against turnover in the postal sector (%)



Source: BIPT

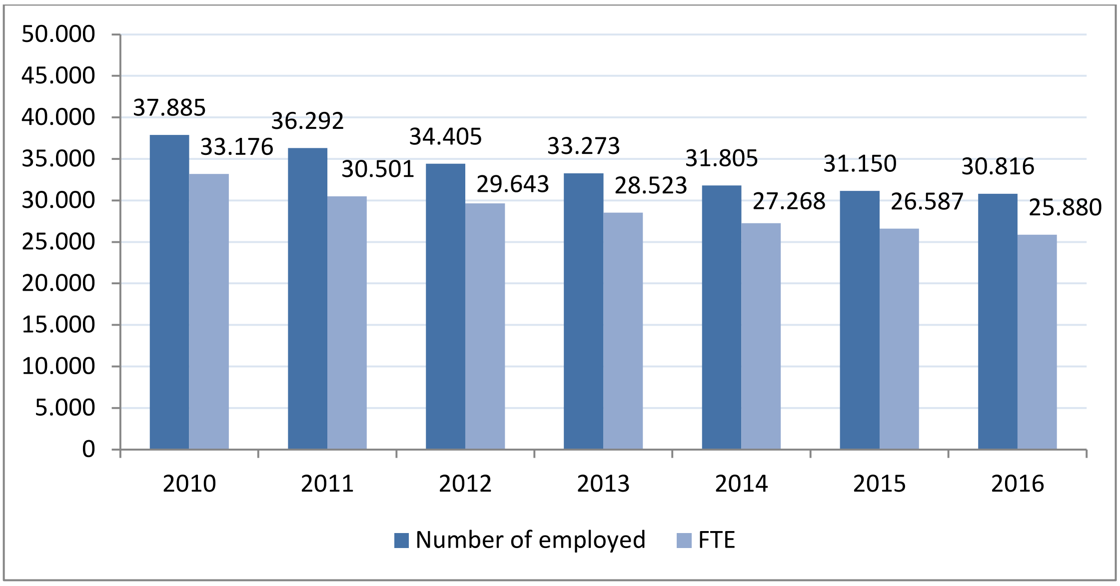
5.2 Employment in the postal sector

In 2016, the postal sector accounted directly for the employment of 30,816 persons[30]. In last year's observatory we already found that the constant decrease since the start of our time sequence was levelling. Therefore in 2016, we see a near status quo (-1.1%) compared to the number of employees in 2015.

Nevertheless the decrease in employment in the sector has already reached 18.7% compared to 2010. In terms of full-time equivalents (FTE)[31] we observe an even stronger decrease since 2010 (-22%), resulting in a total of 25,880 full-time equivalents in 2016.

About one in five employees in the postal sector is employed by an alternative operator.

Figure 35: Employment in the postal sector (N, FTE)



Source: NSSO

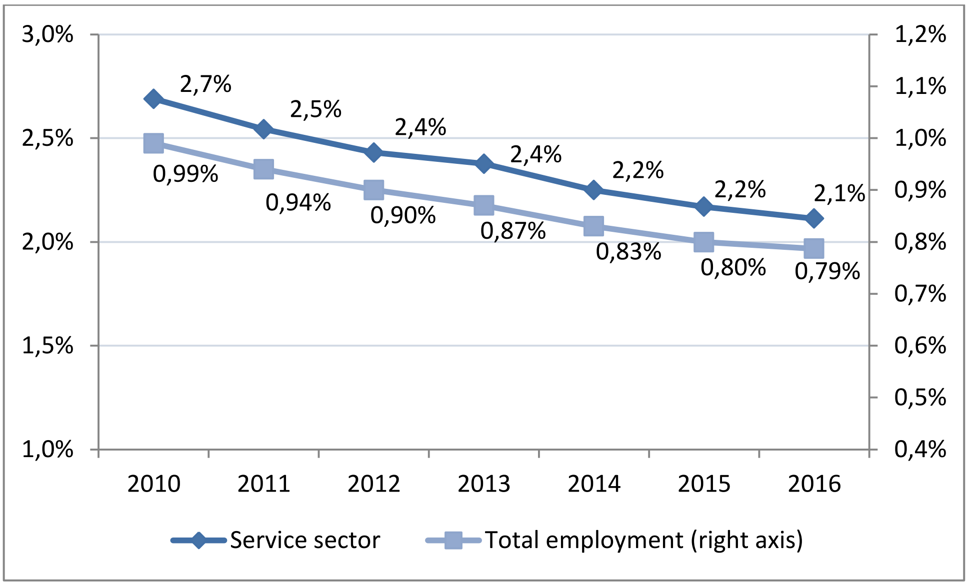
The postal sector is part of the service sector. Because of a rise in employment in the total service sector and a decrease of employment in the postal sector, the proportion of the postal sector diminished from 2.7% in 2010 to 2.1% in 2016.

In terms of total employment we see that in 2010, about 1% of all employees was working in the postal sector, against only 0.79% in 2016. Here too, we observe two opposite underlying currents leading to that decrease: a rise in total employment and diminishing employment in the postal sector.

[30] We always look at the situation on 30 June, namely the end of the second quarter, of the year in question, because employment at that time is typically least susceptible to seasonal variations.

[31] To represent the actual labour performed as well as possible, full-time equivalents are used here, excluding assimilated days. Assimilated days are periods such as involuntary unemployment, disability, pregnancy leave and early retirement, during which no work was performed but that are nonetheless taken into account in the calculation of the pension build-up.

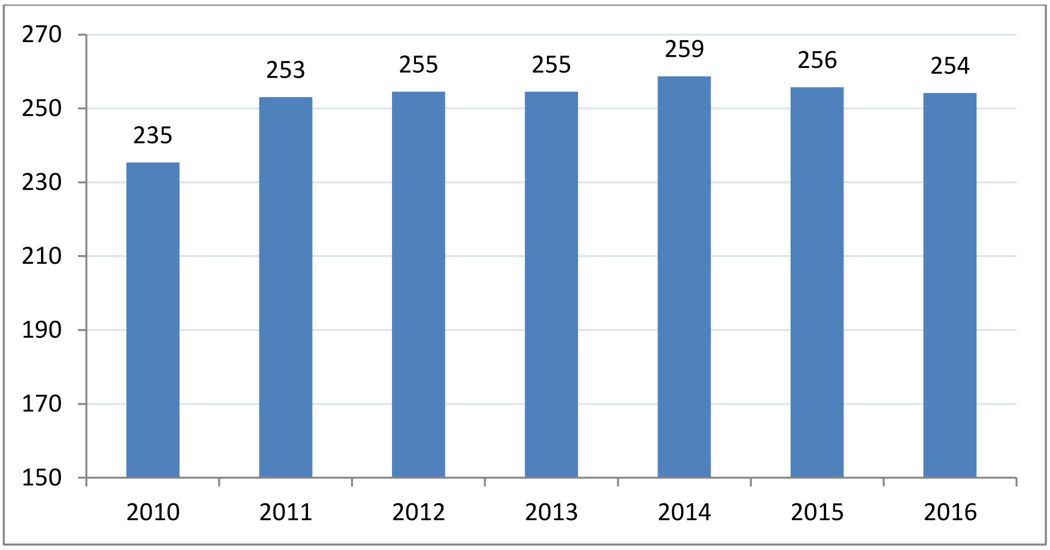
Figure 36: Proportion of the postal sector in employment of the service sector and total employment (%)



Source: NSSO[32] and CBSS

While employment in the postal sector decreases, the number of postal items per full-time equivalent in the postal sector remains high. In 2016, on average 254 items, ranging from letters to parcels, express mail, newspapers or periodicals, are processed per postal employee per calendar day, expressed in terms of full-time equivalents (FTE). This means an average of two items a day less than in 2015, and five less than in 2014, but similar to the number of items treated between 2011 and 2013.

Figure 37: Average number of postal items per calendar day per FTE in the postal sector (N)



Source: NSSO and BIPT

[32] The decentralised NSSO data about total employment are comprehensive and in this case include data coming from (the former) "RSZPPO" (National Social Security Office of Provincial and Local Government Services) and "HVKS" (Social Security Office for the Seafaring Profession).

6. Access to postal services

6.1 Sector overview: staffed points and parcel lockers

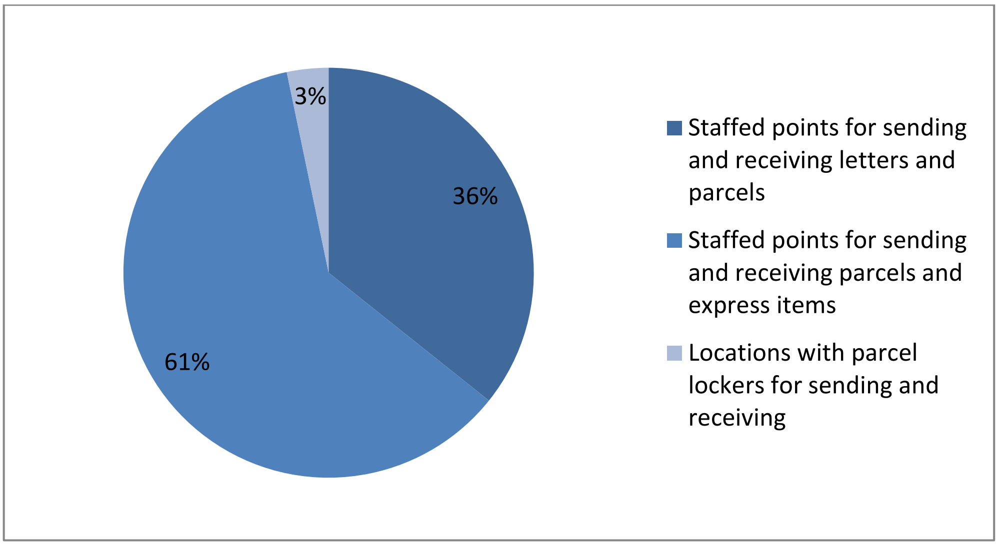
The revolution in the postal sector in the last few years also manifests itself in the access points to the various postal networks. Here we consider the staffed points and parcel lockers, of which all operators combined had about 5,300 at the end of 2016 in Belgium. This means that such a point was present for every 5.7 km^2 on average and for an average of 2,100 inhabitants.

Already for the majority of cases, i.e. 68%, those were staffed access points belonging to operators such as UPS/UPS Access Point, Kariboo, Mondial Relay, DPD, GLS, Fedex and DHL Express, which focus only on the parcel and express mail segment.

Another 29% of access points were staffed access points belonging to players, in this case bpost and TBC Post[33], which are active in both the segment of letter post and that of parcels.

Another new trend of recent years are parcel lockers. Those installations, equipped with a number of secured lockers, are usually installed at busy locations and can mostly be used 24/7 for sending and/or receiving parcels. Both bpost[34] and DHL Express already offered this facility in Belgium in 2016. Apart from that and outside the scope of this observatory, there are also operator-independent initiatives such as BringMe[35] and ParcelHome[36], which offer the possibility of having a parcel delivered at home or at work in a parcel locker.

Figure 38: Distribution according to type of access point in 2016



Source: BIPT

[33] In addition, TBC Post evidently has, just like bpost, letterboxes for sending letter post.
Locations TBC Post point or postbox: https://www.tbc-post.info/zoek-tbc-post
Bpost locations in your neighbourhood: http://www.bpost.be/site/nl/zoek-bpost-uw-buurt
[34] In the meantime this network of parcel machines is called Cubee and it has also been opened to other operators. DPD and GLS would already have plans to make use of the Cubee machines.
(De Standaard of 5 October 2017: http://www.standaard.be/cnt/dmf20171004_03113589)
[35] https://www.bringme.com
[36] https://www.parcelhome.com

6.2 Universal postal service provider (UPSP)

6.2.1 Postal services access points

When looking specifically at access to the network of universal service provider bpost, the concept of access point is regarded in a broader sense, meaning that letterboxes made available by the postal operator to users are also included.

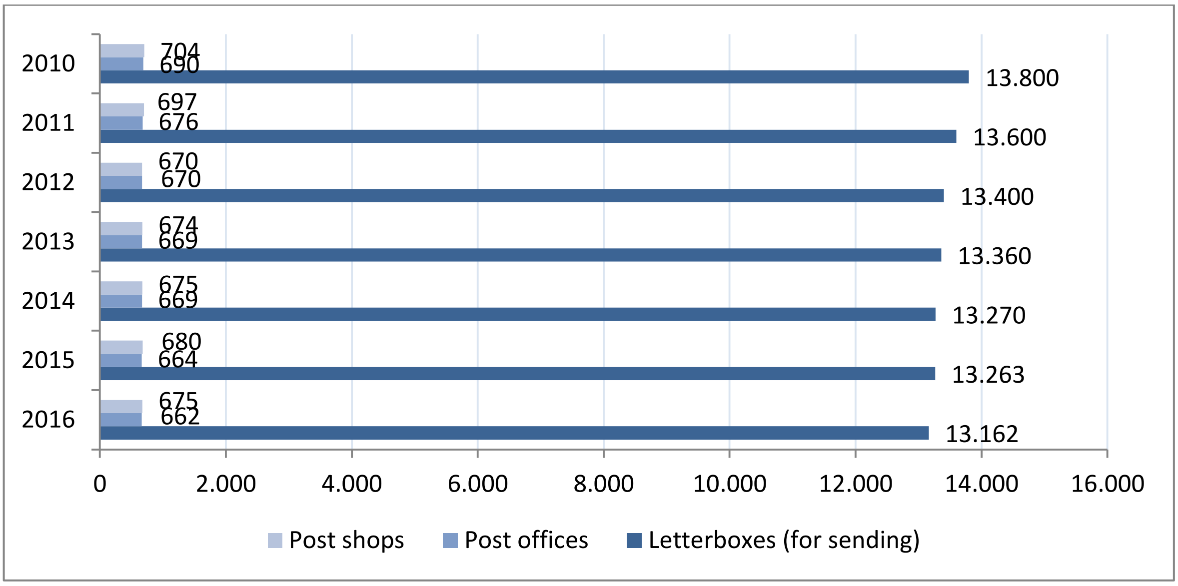
Post offices and post shops evidently also constitute access points to postal services. In this case, postal service points are specifically involved, the main difference between post offices and post shops being that the former are run by postal operators for their own account whereas the latter are run by third parties for the account of a postal operator.

Both the Postal Act and the sixth management contract[37] impose requirements on the universal service provider's network. Article 142, § 2, 1° of the Act of 21 March 1991 on the reform of certain economic public companies lays down that in each municipality of the Kingdom, including the amalgamated municipalities that constituted separate administrative units on 31 December 1971, there has to be at least one access point for the deposit of postal items. Article 10 of the sixth management contract goes further and lays down among other things that there have to be at least 1,300 postal service points, offering at least a basic assortment for the duration of the contract. At the same time, bpost has to guarantee a minimum of 650 post offices, at least one in each of the 589 municipalities.

In the year of 2016 the number of the universal service provider's access points diminished only slightly compared to the situation in 2015. In the meantime in comparison with 2010 we notice a decline of a little over 4% for all types of access points.

[37] This is a service of general economic interest, which is part of the sixth management contract and for which bpost receives an annual compensation. According to the federal budget, adapted credits 2016, the estimated payment concerning the sixth management contract amounted to a total of 146.6 million euro.

Figure 39: Number of access points within the framework of the universal service[38]

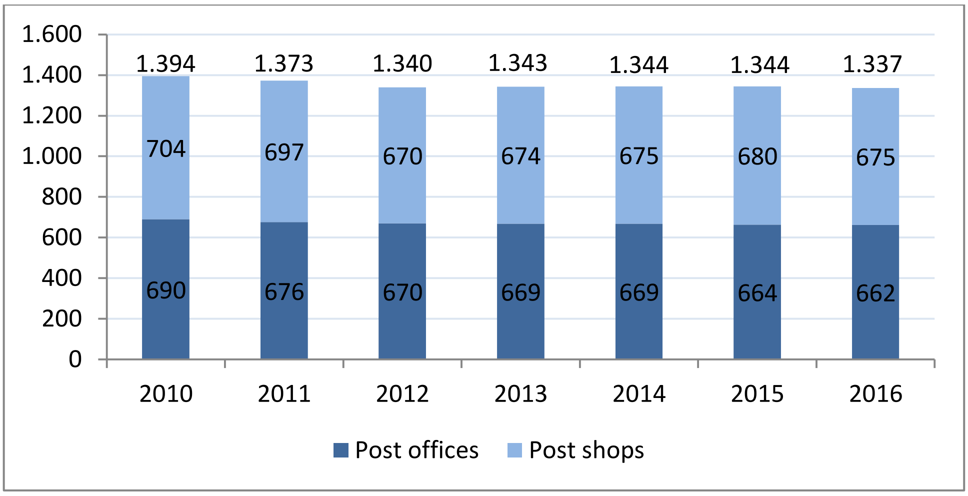


Source: BIPT

6.2.2 Postal service points[39]

In 2016, the universal postal service provider (UPSP) provides postal services through 1,337 service points (post offices or post shops[40]), spread over the whole Belgian territory. This means seven less than in 2015, five post offices and two post shops. Compared to 2010 however, there is a clear decrease by 57 service points, 29 of which are post offices and 28 post shops. But with 1,337 postal service points and more specifically 662 post offices bpost still exceeds the requirements mentioned above.

Figure 40: Number of postal service points (UPSP only)

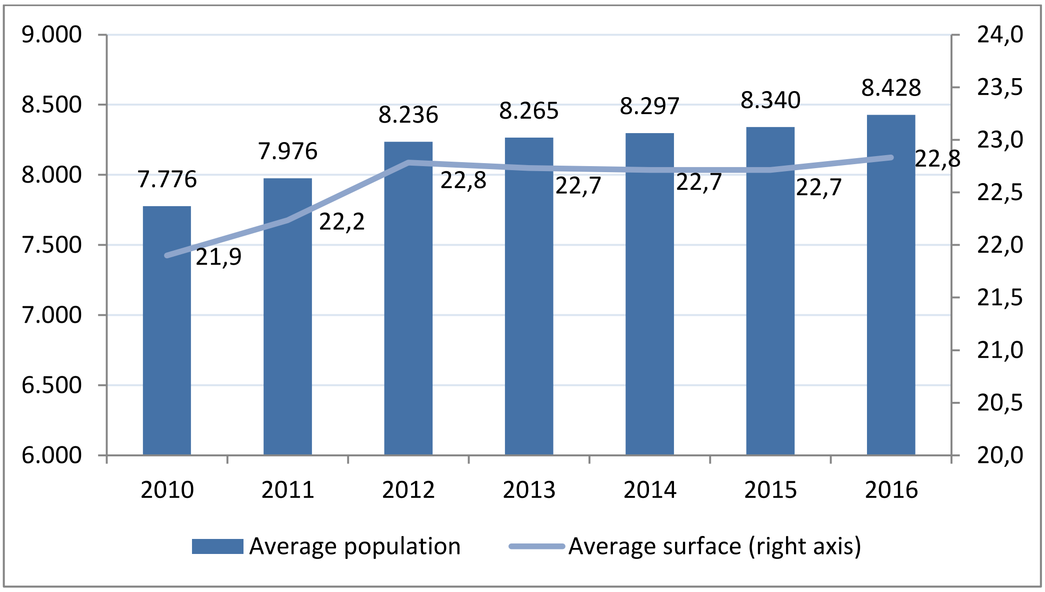


[38] Only the universal service provider's access points are involved.
[39] This subsection only considers the access points of the universal service provider because he is the only one to be subject to a territorial coverage obligation, intended in particular to ensure social and territorial cohesion and defined by a minimum number of postal service points to be maintained on the whole national territory.
[40] Bpost calls its post shops "PostPunten" (postal points).

Source: BIPT

Because of a population growth a continuously decreasing number of postal service points logically has to serve more and more people; on average there was one postal service point per 8,428 inhabitants in 2016. On average every postal service point now has to serve 8.4% more inhabitants than was the case in 2010. A postal service point is responsible for serving an area of 22.8 km^2 on average. From a European perspective[41] Belgium is always at the rear of the European pack as far as the number of the universal service provider's postal service points is concerned, both in terms of surface and in number of inhabitants.

Figure 41: Average population (N) and average surface (km^2) served per postal service point (UPSP only)



Source: BIPT

[41] ERGP Report on core indicators for monitoring the European postal market, 15 December 2016

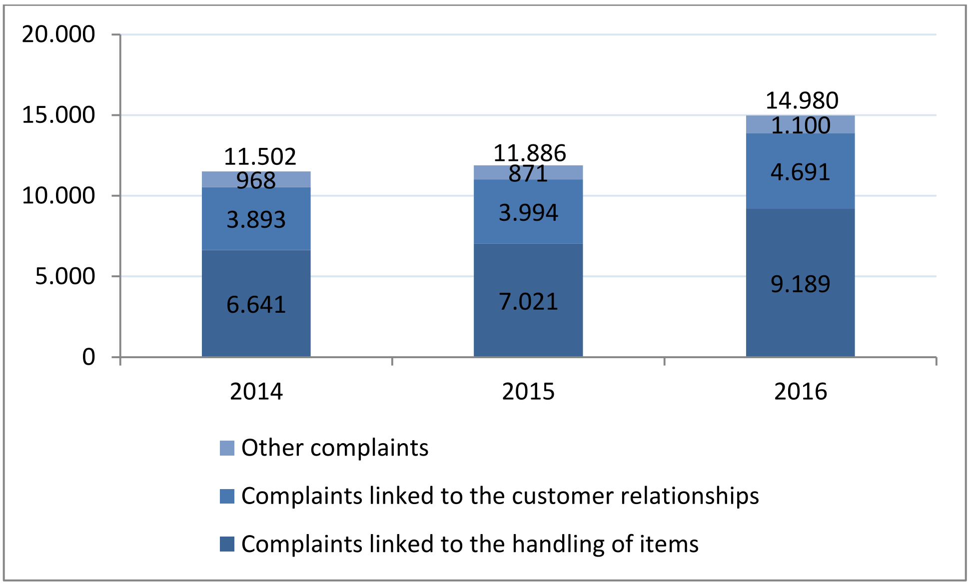
7. Quality of service

7.1 Satisfaction of postal service users

In 2016, 14,980 written complaints related to postal items were lodged with the postal sector ombudsman.[42] This was a remarkable 26% rise compared to 2015. This evolution was largely driven by a strong rise of complaints about universal services and services of general economic interest, and also by the increase of the number of parcels sent.

In 2016, 61.3% of the written complaints lodged had to do with the handling of items and 31.3% with customer orientation. The remaining part covered other complaints. The customer services always have the first opportunity to maintain or to restore good relationships with the customers, but do not always seem to succeed according to the Office of the Ombudsman.

Figure 42: Number of written complaints lodged with the Office of the Ombudsman



Source: Office of the Ombudsman for the Postal Sector

7.2 Mail delivery times

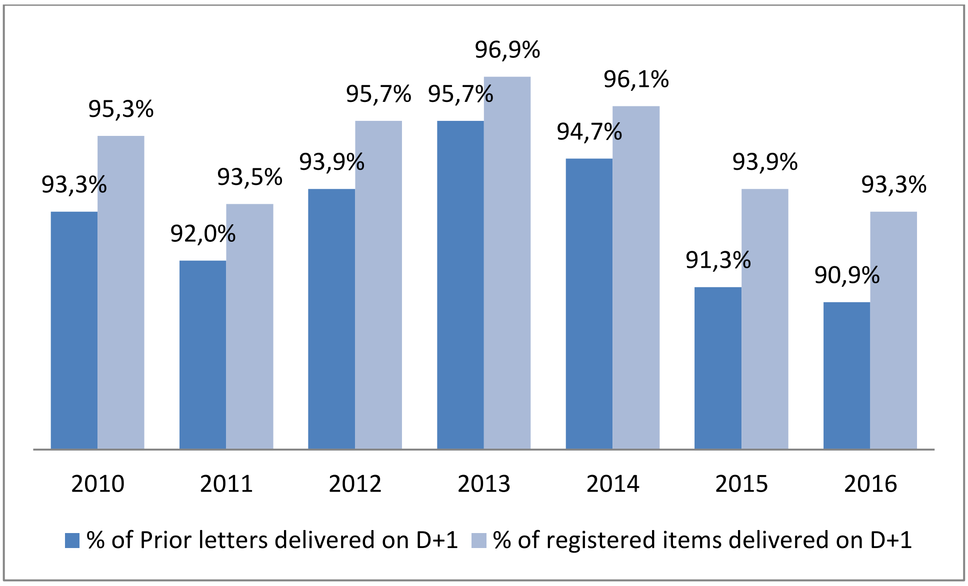
Compliance with the delivery times laid down by the fifth management contract concluded between bpost and the State[43] is subject to an annual monitoring by the regulator, based on a

[42] See the 2016 annual report of the Office of the Ombudsman for the Postal Sector.
[43] After all, the articles concerned of the 5th management contract are still valid under the 6th management contract, as Article 1.1 of the 6th management contract lays down:
"This contract (the "Contract") shall replace, starting from the day referred to in Art. 51, the fifth management contract, as approved by the Royal Decree of 29 May 2013 (hereinafter: "the fifth management contract"), except for provisions of the fifth management contract regarding bpost's universal service obligation, which shall remain valid for the remaining part of the period for which bpost has been designated as the universal service provider, i.e. until 31 December 2018." (free translation)

specific study on the quality of service[44]. This study (BELEX study) was launched in 2002 upon the request and under the supervision of BIPT. It consists in measuring the transport and delivery times effectively ensured by bpost by sending test letters. It should be noted that bpost is the only one being monitored. Its postal competitors do not have regulatory quality of service objectives.

In 2016, 90.9% of domestic single-piece mail stamped at the "Prior" rate was delivered on D+1, against 91.3% in 2015. This is the lowest score obtained by bpost in the last 11 years (2006 up to and including 2016), and this despite the existence of a quality bonus within the price cap mechanism[45]. The result is that for the second consecutive year bpost does not meet the legal quality standard, which was raised from 90% to 93% in 2014. As to registered single-piece items, 93.3% of the volume of those items was delivered on D+1, which also corresponds to a further decrease in the percentage of items delivered on time compared to 2015 (93.9%). Contrary to priority single-piece mail there is no legal quality standard for registered single-piece items.

Figure 43: Percentage of Prior letters and of registered items delivered on D+1 (UPSP only)



Source: BIPT

[44] http://www.bipt.be/en/operators/postal/universal-and-non-universal-postal-services/decision-of-the-bipt-council-of-10-octobre-2016-on-monitoring-mail-delivery-times-for-the-year-2015

[45] See Figure 19 for an evolution of the price of a domestic standard letter < 50g

COMMUNICATION BY THE BIPT COUNCIL OF 19 DECEMBER 2017 REGARDING THE BELGIAN POSTAL ACTIVITIES OBSERVATORY FOR 2016

Jack Hamande Council Member	Axel Desmedt Council Member
Luc Vanfleteren Council Member	Michel Van Bellinghen Council Chairman