# Part 2

**Postal services**

# Postal services

This chapter contains the state of postal services at the end of 2008 and the evolution that took place during that same year.

## Main aspects of the evolution in 2008

- By 2008 there were 71 licensed entities entitled to provide postal services, of which 63 were active. The majority of licensed providers comprised small-sized franchised entities.

  By the end of last year CTT Group continued to hold a high share of postal traffic. In the case with standard mail, CTT Group's share reached 99.1 per cent. In the case with express mail, the new providers altogether hold a share of about 56 per cent.

- The amount of network access points continues to decrease (-1.9 per cent) due to the policy pursued by CTT Group, thus reducing postal density (574 inhabitants per access point) and coverage (20.1 access points per 100 $km^2$).

  Employment in the postal sector dropped 0.5 per cent.

- Postal traffic dropped 1 per cent in 2008. During the last 5 years, postal traffic decreased 4.8 per cent. However, parcels and express mail traffic increased 9 per cent and 11.6 per cent, respectively.

- The basic tariff decreased 1.1 per cent, in real terms, and is 30 per cent below the EU27 average.

- The universal service provider fulfilled the established quality of service levels, except for Ordinary Mail not delivered up to 15 working days, which did not reach the target value.

- The issues motivating more complaints are connected to customer attendance.

## The postal services' offer

The postal sector in Portugal comprises all entities and activities in connection with the establishment, management and operation of postal services on the national territory, as well as international services with origin or destination on the national territory.

A first segmentation of the sector results from the definition of universal service.

In Portugal, the universal service is the "permanent offer of postal services with a specified quality, provided on all locations of the national territory, at affordable prices to all users, in order to satisfy the communication's needs of the population and of economic and social activities"[116].

The scope of the universal service comprises a postal service of sending correspondence, books, catalogues, newspapers and other periodicals weighting up to 2 Kg, and postal parcels up to 20 kg, as well as a service of registered sendings and a service of declared-value sendings, in the national and international scope.

To ensure the economic and financial viability of the universal service provision, there is a set of services – reserved postal services – that are exclusively provided by the universal service operator[116].

All postal services not included in the definition of reserved postal services are operated in competition and may be provided by the entity that provides the universal service or by single or collective legal persons properly authorized for that purpose.

An individual license system applies to the provision of postal services that are non-reserved but are included in the scope of the universal service. The provision of postal services that are non-reserved and not included in the scope of the universal service is subject to a legal authorization, which regime is characterized by being less demanding regarding the terms of access to the activity and the established obligations.

While developing their activity, the entities providing postal services are supported on a set of human and material resources which make up the postal network.

[116] Law no. 102/99 of 26 January 1999.

## The postal network – physical resources, human resources, coverage and density

The evolution of the material resources of the global postal network held by the universal service provider and by the entities entitled for the provision of postal services operated in competition is shown on the following table[117].

**Postal network's material resources**
**Table 7.1**

| | 2007 | 2008 | 2007/2008 var. (%) | 2004/2008 average annual var. (%) | 2004/2008 var. (%) |
|---|---|---|---|---|---|
| **No. of access points** | **18,853** | **18,502** | **-1.9%** | **-1.4%** | **-5.4%** |
| CTT Group | 18,733 | 18,357 | -2.0% | -1.5% | -6.0% |
| Other providers | 120 | 145 | 20.8% | 36.3% | 245.2% |
| **No. of distribution centres** | **478** | **508** | **6.3%** | **2.4%** | **10.0%** |
| CTT Group | 384 | 383 | -0.3% | -2.3% | -9.0% |
| Other providers | 94 | 125 | 33.0% | 32.1% | 204.9% |
| **Vehicle fleet** | **5,738** | **5,935** | **3.4%** | **2.6%** | **10.7%** |
| CTT Group | 4,296 | 4,321 | 0.6% | 0.2% | 0.6% |
| Other providers | 1,442 | 1,614 | 11.9% | 10.9% | 51.3% |

Source: ICP-ANACOM.
Note: 2007 figures were corrected further to the data update sent by some operators.

In 2008, the amount of access points registered a decrease of about 2 per cent. Distribution centres and the vehicle fleet grew 6.3 and 3.4 per cent, respectively.

The evolution shown above confirms the previous trends.

It should be noted that while CTT has been reducing its network's physical resources, the remaining operators, globally, have been investing in the development of their networks.

Postal coverage fell to 21 access points per km$^2$. Since 2004 this indicator shows a slight downward trend. The decrease in the universal service operator's access points has not been compensated by the increase of access points from the liberalized area operators.

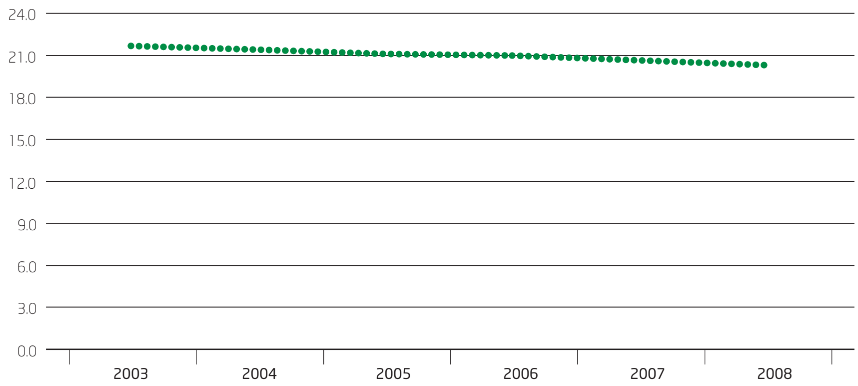
**Postal coverage**
**Table 7.2**

| | 2007 | 2008 | 2007/2008 var. (%) | 2004/2008 average annual var. (%) | 2004/2008 cumulative var. (%) |
|---|---|---|---|---|---|
| No. of access points per 100 km$^2$ | 20.5 | 20.1 | -0.4 | -0.3 | -1.1 |

Unit: access points per km2, %
Source: ICP-ANACOM, INE.
Note 1: 2007 figures were corrected further to the data update sent by some operators.

[117] The postal network that is established, managed and operated by the universal service provider is called the public postal network. Entities licensed and authorized to provide non-reserved postal services may also establish, manage and operate their own postal network, as well as having access to the public postal network, according to the conditions agreed with the universal postal service concession holder. Licensed and authorized entities may also sign contracts with third parties that are not postal service providers, to provide the transportation and distribution of postal sendings.

**Postal coverage**
**Graph 7.1**




Unit: No. of access points per 100 km²
Source: ICP-ANACOM.

On the other hand, postal density also registers a downward trend, with the number of inhabitants per access point growing since 2002. This evolution is explained by the already mentioned reduction in the number of access points, but also by the population growth registered during the period under analysis.

**Postal density**
**Table 7.3**

| | 2007 | 2008 | 2007/2008 var. (%) | 2004/2008 average annual var. (%) | 2004/2008 cumulative var. (%) |
|---|---|---|---|---|---|
| N.º inhabitants per access point | 563 | 574 | 11 | 9 | 36 |

Unit: no. of inhabitants per access point, %
Source: ICP-ANACOM, INE.

Considering exclusively post offices, and according to the information available[118], the average number of inhabitants per post office in 2006 (3702), was above the EU27 average (3447). Between 2004 and 2006, this indicator grew 0.6 per cent in the EU and 6.8 per cent in Portugal.

Employment in postal services has shown a slightly downward trend. In 2008, the number of employees of the postal sector dropped 0.5 per cent. CTT Group's companies continue to reduce its workforce while employment by the competition increased 7.4 per cent during that year.

Since 2004, employment in the postal sector dropped 2.7 per cent.

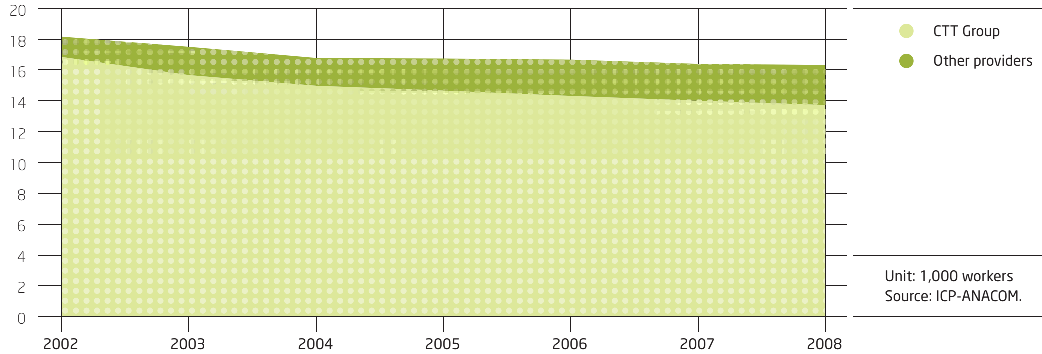
[118] Source: Eurostat – EU Postal Survey, 2007.

**Employment in postal services**
**Table 7.4**

| | 2007 | 2008 | 2007/2008 var. (%) | 2004/2008 average annual var. (%) | 2004/2008 cumulative var. (%) |
|---|---|---|---|---|---|
| **No. of employees** | **16,443** | **16,362** | **-0.5%** | **-0.7%** | **-2.7%** |
| CTT Group | 14,026 | 13,765 | -1.9% | -2.1% | -8.3% |
| Other providers | 2,417 | 2,597 | 7.4% | 9.5% | 44.0% |

Unit: 1 employee, %
Source: ICP-ANACOM.
Note: 2007 figures were corrected further to the data update sent by some operators.

**Evolution of employment in postal services**
**Graph 7.2**




Unit: 1,000 workers
Source: ICP-ANACOM.

According to the information available[118], the evolution of employment in the postal sector in Portugal has been in line with the European trend. In fact, between 2004 and 2008, the number of workers of the universal postal service providers in the EU27 decreased 6.3 per cent. In Portugal, during that period, there was a 4.9 per cent drop.

## The postal service providers

In 2008 there were 71 entities entitled to provide postal services.

61 of these entities were entitled to provide express mail services and 11 were entitled to provide services not included in the express mail category (CTT Expresso is entitled to provide both express mail and services not included in the express mail category).

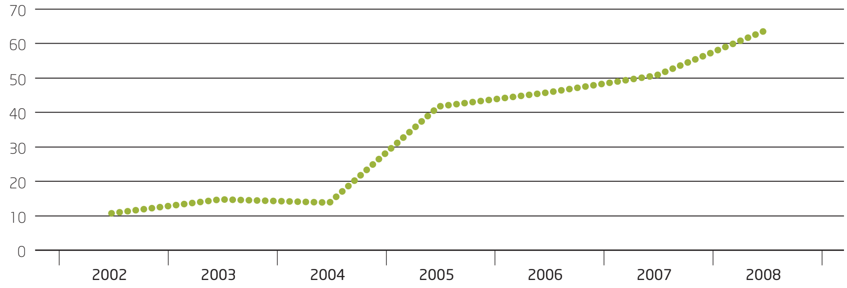
During this year one new entity was licensed to provide services not included in the express mail category: Celeris. It should be mentioned that, of the 10 companies entitled to provide services not included in the express mail category, CTT Expresso is not active in this segment, only offering express mail services.

[118] Source: Eurostat – EU Postal Survey, 2007.

Eight new authorizations were granted for express mail service providers during 2008. Four of these entities are franchises from Nacex, and two are from MRW. Six of these companies started their activity in 2008. Thus, 54 of the 61 entities entitled to provide express mail services are active.

At the end of 2008 there were thus 63 active postal service providers (9 licensed and 54 authorized), 13 more than a year before.

**Evolution of active postal service providers**
**Graph 7.3**




Source: ICP-ANACOM.

The following tables show the postal service providers, their authorization title and its date of issuance. Some of the mentioned entities also operate in other markets, namely in the transportation of goods, and have activities that are complementary to the postal activity.

**Standard mail service licensed providers**
**Table 7.5**

| Entity | License no. | Issue date | Services provided |
|---|---|---|---|
| | The universal postal service concessionary (CTT) can operate non-reserved services and services that are not included in the scope of the universal service, without any need for an additional authorization. | | Sending of correspondence, including addressed advertising (direct mail), books, catalogues, newspapers and other periodicals. Postal parcels. |
| CTT Expresso – Serviços Postais e Logística, S.A. (2) | ICP-01/2001-SP | 01-10-2001 | Sending of correspondence, including addressed advertising (direct mail), books, catalogues, newspapers and other periodicals. Postal parcels. |
| SDIM – Sociedade de Distribuição de Imprensa da Madeira, Lda. | ICP-ANACOM-01/2002-SP | 24-02-2002 | Distribution of books, catalogues, newspapers and other periodicals. |
| NOTÍCIAS DIRECT – Distribuição ao Domicílio, Lda. | ICP-ANACOM-02/2002-SP | 12-09-2002 | Distribution of books, catalogues, newspapers and other periodicals. |
| MEEST Portugal – Unipessoal, Lda. | ICP-ANACOM-01/2005-SP | 07-07-2005 | Postal parcels. |
| TEX – Transporte de Encomendas Expresso, Lda. | ICP- ANACOM-02/2005-SP | 15-07-2005 | Postal parcels. |
| IBEROMAIL – Correio Internacional, Lda. | ICP- ANACOM-01/2006-SP | 18-05-2006 | Postal parcels. |
| LORDTRANS – Transportes Urgentes, Lda. | ICP- ANACOM-02/2006-SP | 28-12-2006 | Distribution of postal sendings and parcels. |
| POST 21 – Empresa de Correio, S.A. | ICP- ANACOM-01/2007-SP | 04-05-2007 | Sending of correspondence, including addressed advertising (direct mail), books, catalogues, newspapers and other periodicals. Postal parcels. |
| VASP PREMIUM – Entrega Personali-zada de Publicações, Lda. | ICP-ANACOM-02/2007 | 23-07-2007 | Distribution of books, catalogues, newspapers and other periodicals. |
| CELERIS – Distribuição Postal, Lda. | ICP-ANACOM-01/2008-SP | 22-07-2008 | Sending of correspondence, including addressed advertising (direct mail), books, catalogues, newspapers and other periodicals. Postal parcels. |

Source: ICP-ANACOM.

(1) The universal postal service concessionary (CTT) can operate non-reserved services and services that are not included in the scope of the universal service, without any need for an additional authorization.

(2) On 1 September 2003 ICP-ANACOM authorized the transmission of the licence held by Postexpresso – Correio de Cidade, Lda to Postlog – Serviços Postais e Logística, S.A. which, from the 4th quarter of 2004 was named CTTexpresso – Serviços Postais e Logística, S.A.

**Express mail service licensed providers**
**Table 7.6**

| Entity | Authorization no. | Issue date |
|---|---|---|
| CTT Expresso – Serviços Postais e Logística, S.A. (1) | ICP-01/2001-SP | 01-Oct. 2001 |
| DHL – Express Portugal, Lda. | ICP-03/2001-SP | 13 Dec. 2001 |
| CHRONOPOST PORTUGAL – Transporte Expresso Internacional, S.A. | ICP-04/2001-SP | 13 Dec. 2001 |
| TNT Express Worldwide (Portugal), Transitários, Transportes e Serviços Complementares, S.A. | ICP-05/2001-SP | 13 Dec. 2001 |
| UPS OF PORTUGAL – Transportes Internacionais de Mercadorias, Lda. | ICP-ANACOM-01/2002-SP | 17 Oct. 2002 |
| RANGEL EXPRESSO, S.A. | ICP-ANACOM-02/2002-SP | 19 Dec. 2002 |
| FEDERAL EXPRESS CORPORATION – Sucursal in Portugal | ICP-ANACOM-01/2003-SP | 10 Apr. 2003 |
| IBERCOURIER – Serviço de Transporte Urgente, Lda. (MRW) (2) | ICP-ANACOM-01/2005-SP | 09 Feb. 2005 |
| LOGISTA – Transportes, Transportes e Pharma, Unipessoal, Lda. (6) | ICP-ANACOM-02/2005-SP | 09 May. 2005 |
| LISESPO – Transportes, Lda. (4) | ICP-ANACOM-03/2005-SP | 15 Jul. 2005 |
| CAVIJO – Logística e Marketing, Lda. (3) | ICP-ANACOM-05/2005-SP | 07-10- 2005 |
| TRANSWORLD EXPRESS – Correio Expresso, Lda. (3) | ICP-ANACOM-06/2005-SP | 07-10-2005 |
| NUNO MIGUEL ALVES, Unipessoal, Lda. (3) | ICP-ANACOM-07/2005-SP | 07-10-2005 |
| GLOBE LOGISTICS – Empresa de Courier, Logística e Transportes (3) | ICP-ANACOM-08/2005-SP | 07-10- 2005 |
| FOZPOST – Entrega e Recolha de Encomendas, Lda. (3) | ICP-ANACOM-09/2005-SP | 07-10- 2005 |
| MENSAGEIRO AZUL – Serviços de Courier, Lda. (3) | ICP-ANACOM-10/2005-SP | 07-10- 2005 |
| RANEXPRESS – Transportes Rodoviários, Lda. (3) | ICP-ANACOM-11/2005-SP | 07-10- 2005 |
| FRANCISCO & SILVINA – Transportes de Documentos e Encomendas, Lda. (3) | ICP-ANACOM-13/2005-SP | 07-10- 2005 |
| MAILGLOBE – Transporte de Correio Urgente, Lda. (3) | ICP-ANACOM-14/2005-SP | 07-10- 2005 |
| EXPRESSODÃO – Transporte de Mercadorias, Lda. (3) | ICP-ANACOM-16/2005-SP | 07-10- 2005 |
| FOXIL – Gestão de Transportes, Lda. (3) | ICP-ANACOM-17/2005-SP | 07-10- 2005 |
| Transportes ANTÓNIO GARCIA & CÉSAR, Lda. (3) | ICP-ANACOM-18/2005-SP | 07-10- 2005 |
| P.P. EXPRESSO – Transportes de Mercadorias, Lda. (3) | ICP-ANACOM-19/2005-SP | 07-10- 2005 |
| JÁESTÁ – Tráfego e Serviços Logísticos, Lda. (3) | ICP-ANACOM-21/2005-SP | 07-10- 2005 |
| MULTITAGUS – Transportes e Serviços, Lda. (3) | ICP-ANACOM-22/2005-SP | 27-09-2005 |
| IBERENVIOS – Actividades Postais e Transportes, Unipessoal, Lda. (3) | ICP-ANACOM-23/2005-SP | 27-09-2005 |
| PRINCEPS – Comércio por Grosso, Lda. (3) | ICP-ANACOM-24/2005-SP | 04 Nov. 2005 |
| PORTOMAIL – Transporte de Documentos e Encomendas, Lda. (3) | ICP-ANACOM-25/2005-SP | 04 Nov. 2005 |
| ER – Encomendas Rápidas, Lda. (3) | ICP-ANACOM -26/2005-SP | 23 Nov. 2005 |
| FELCOURIER – Distribuição de Encomendas Nacional e Internacional, Lda. (3) | ICP-ANACOM-02/2006-SP | 02. Feb. 2006 |

| (cont.) Entity | Authorization no. | Issue date |
|---|---|---|
| HMJ – Envio Rápido de Encomendas, Lda. (3) | ICP-ANACOM-03/2006-SP | 02. Feb. 2006 |
| FLASH Transportes Unipessoal, Lda. (3) | ICP-ANACOM-04/2006-SP | 02. Feb. 2006 |
| Transportes OCHÔA, S.A. | ICP-ANACOM-05/2006-SP | 02. Feb. 2006 |
| LHSTUR – Transportes Urgentes, Estafetagem, Lda. (3) | ICP-ANACOM-06/2006-SP | 07. Feb. 2006 |
| CONSIGO PELO MUNDO – Transporte e Entrega de Documentos, Unipessoal, Lda. (3) | ICP-ANACOM-07/2006-SP | 07. Feb. 2006 |
| ANTÓNIO CARLOS SANTOS – Entregas Rápidas, Unipessoal, Lda. (3) | ICP-ANACOM-08/2006-SP | 09. Mar. 2006 |
| ASL Courier, Lda. (3) | ICP-ANACOM-09/2006-SP | 08 Jun. 2006 |
| ABASTFROTA – Transportes, Lda. (5) | ICP-ANACOM-01/2007-SP | 12.Oct.2007 |
| TRANSALCAINÇA – Transportes, Lda (5) | ICP-ANACOM-02/2007-SP | 12.Oct.2007 |
| ANTÓNIO MOREIRA Unipessoal, Lda. (5) | ICP-ANACOM-03/2007-SP | 12.Oct.2007 |
| SERVEXCELSO – Actividades postais e transportes, Lda. (5) | ICP-ANACOM-04/2007-SP | 12.Oct.2007 |
| PALMILHAR TRILHOS – Transportes, Unipessoal, Lda. (5) | ICP-ANACOM-05/2007-SP | 12.Oct.2007 |
| OBIK EXPRESS – Serviço de transportes, Unipessoal, Lda. (5) | ICP-ANACOM-06/2007-SP | 12.Oct.2007 |
| J. FARINHA – Transportes urgentes, Unipessoal Lda. (5) | ICP-ANACOM-07/2007-SP | 12.Oct.2007 |
| OVERSPEED – Transportes de correio expresso, Lda. (5) | ICP-ANACOM-08/2007-SP | 12.Oct.2007 |
| MEIA CURVA – Transporte de Correio Expresso, Lda. (5) | ICP-ANACOM-09/2007-SP | 12.Oct.2007 |
| URBEXPRESS – Transportes expresso, Lda. (5) | ICP-ANACOM-10/2007-SP | 12.Oct.2007 |
| MASTERPOST, Unipessoal, Lda. (5) | ICP-ANACOM-11/2007-SP | 12.Oct.2007 |
| VASTA SELECÇÃO – Comércio e serviços, Lda. (5) | ICP-ANACOM-12/2007-SP | 12.Oct.2007 |
| MENDES & PEREIRA SOUSA, Lda. (5) | ICP-ANACOM-13/2007-SP | 23.Nov.2007 |
| JOAQUIM LUIZ MARTHA, Lda. (5) | ICP-ANACOM-14/2007-SP | 23.Nov.2007 |
| ATLANTILÉGUA – Serviços postais, Lda. (5) | ICP-ANACOM-15/2007-SP | 23.Nov.2007 |
| STARTJOB – Recolhas e Entregas, Unipessoal, Lda. (3) | ICP-ANACOM-16/2007-SP | 27.Dec.2007 |
| JOSÉ MANUEL ARAÚJO SILVA – Serviço de Transporte Urgente, Unipessoal, Lda. (3) | ICP-ANACOM-17/2007-SP | 27.Dec.2007 |
| TOTALMÉDIA – Entregas ao Domicílio, S.A. | ICP-ANACOM-02/2008-SP | 22.Jan.2008 |
| MANOBRA JOVEM – Transportes, Lda (5) | ICP-ANACOM-03/2008-SP | 12.Mar.2008 |
| VIANICLE – Unipessoal, Lda (5) | ICP-ANACOM-04/2008-SP | 27.Mar.2008 |
| RITMO VELOZ, Lda (3) | ICP-ANACOM-05/2008-SP | 14.Mar.2008 |
| LEVADO À LETRA – Transportes e Serviços, Lda (3) | ICP-ANACOM-06/2008-SP | 14.Mar.2008 |
| ADICIONAL – Distribuição e Gestão Comercial, S.A. | ICP-ANACOM-07/2008-SP | 18.Jun.2008 |
| SERVIÇOS POSTAIS DA LEZÍRIA, Unipessoal, Lda. (5) | ICP-ANACOM-08/2008-SP | 14-07-2008 |
| IBERPERÍMETRO, Lda. (5) | ICP-ANACOM-09/2008-SP | 28.Aug.2008 |

Source: ICP-ANACOM

(1) On 1 September 2003 ICP-ANACOM authorized the transmission of the licence held by Postexpresso – Correio de Cidade, Lda to Postlog – Serviços Postais e Logística, S.A. which, from the 4th quarter of 2004 was named CTTexpresso – Serviços Postais e Logística, S.A

(2) Company IBERCOURIER owns the MRW brand

(3) Company providing postal services under the MRW brand on a franchising regime.

(4) Company providing postal services under the SEUR brand on a franchising regime.

(5) Company providing postal services under the NACEX brand on a franchising regime.

(6) Company Logista owns the Nacex brand.

## Evolution of the offer's structure

In spite of the already considerable amount of entities operating in this market in 2008 – namely, besides CTT Group's companies, agents from major international express service groups – most of the authorized entities comprised small-sized franchises.

Per traffic destination segment, CTT Group's share kept practically unchanged, standing at about 98 per cent in the case with national traffic. In the case with international traffic, CTT Group's share decreased to 92 per cent (-1 per cent than the previous year).

**Postal traffic shares per destination**
**Table 7.7**

| | 2004 | | 2005 | | 2006 | | 2007 | | 2008 | |
|---|---|---|---|---|---|---|---|---|---|---|
| | CTT* | Other | CTT* | Other | CTT* | Other | CTT* | Other | CTT* | Other |
| National | 98.9% | 1.1% | 99.0% | 1.0% | 98.9% | 1.1% | 98.9% | 1.1% | 98.4% | 1.6% |
| International | 97.8% | 2.2% | 96.8% | 3.2% | 96.4% | 3.6% | 93.5% | 6.5% | 92.2% | 7.8% |
| Incoming international | 95.8% | 4.2% | 91.8% | 8.2% | 94.1% | 5.9% | 93.2% | 6.8% | 91.9% | 8.1% |

Source: ICP-ANACOM.
* Includes CTT and CTT Expresso
Note: 2007 figures were corrected further to the data update sent by some operators.

Per type of service, CTT Group's share continues to be quite high in the segment of services not included in the express mail category (99.4 per cent). Regarding express mail, new operators together reached a 54 per cent share, similar to that of 2006.

**Postal traffic shares per type of service**
**Table 7.8**

| | 2004 | | 2005 | | 2006 | | 2007 | | 2008 | |
|---|---|---|---|---|---|---|---|---|---|---|
| | CTT* | Other | CTT* | Other | CTT* | Other | CTT* | Other | CTT* | Other |
| Express services | 47.5% | 52.5% | 43.1% | 56.9% | 45.8% | 54.2% | 46.2% | 53.8% | 44.5% | 55.5% |
| Standard services | 99.4% | 0.6% | 99.6% | 0.4% | 99.5% | 0.5% | 99.4% | 0.6% | 99.1% | 0.9% |

Source: ICP-ANACOM.
* Includes CTT and CTT Expresso

## Postal services

The following table sums up the reserved postal services, provided exclusively by CTT, and the non-reserved services, which can be provided by any entity entitled for that purpose.

**Reserved and non-reserved postal services**
**Table 7.9**

| Postal services | Name | Provider |
|---|---|---|
| Reserved services | • Postal service of sending correspondence, including addressed publicity, whether or not with express delivery, which price is two and a half times lower than the public tariff for sending a 1st class correspondence of the fastest standardized weight category, as long as it weights less than 50gr.; nationally and internationally;<br>• Postal service of sending registered correspondence and declared-value correspondence, including legal notices by mail and penal notices by mail service, within the same price and weight limits mentioned in the previous paragraph, nationally and internationally;<br>• Issuance and sale of stamps and other postal values;<br>• Issuance of money orders;<br>• Placing of mail stands and mail boxes for the collection of postal sending in public areas. | CTT (operation under Concession Contract) |
| Non-reserved services (national and international) | **Operation under a license**<br>• Postal service of sending correspondence, including addressed publicity, whether or not with express delivery, which price is two and a half times lower than the public tariff for sending a 1st class correspondence of the fastest standardized weight category, as long as it weights more than 50gr. and less than 2kg, nationally and internationally;<br>• Postal service of sending books, catalogues, newspapers and other periodicals, weighing up to 2kg;<br>• Postal parcels service with up to 20kg;<br>• Postal service of sending registered correspondence and declared-value correspondence, including the legal notice by mail and the penal notice by mail service not included within the aforementioned price and weight limits.<br><br>**Operation under an authorization**<br>• Express mail services (also usually known as courier). This service is characterized by the extra-fast reception/collection, handling, transportation and distribution of correspondence and parcels, being different from the corresponding basic services by fulfilling the following characteristics, among others: pre-defined delivery deadline; record of sendings; responsibility guarantee from the authorized provider; tracking of the sendings;<br>• Operation of document exchange centres – places where the users may self-distribute by the mutual exchange of postal sendings, having their own mail boxes; in order to do so, the users must form a group of subscribers, further to subscribing that service;<br>• Other services that fall in the definition of universal service and that are not included in the universal service's range, namely those which provision is made possible by technological evolution and that are different from traditional services. | CTT and other entities entitled to provide postal services (further to a license or authorization). |

Source: ICP-ANACOM.

It should be noted that on 1 January 2006 a new postal sector's liberalization phase came into force. Under the terms of no. 3 of article 4 of Decree-Law no. 150/2001 of 7 May, with the amendment introduced by Decree-Law no 116/2003 of 12 June, the reserved area adopted the following weight and price limits: 50 gr. and two and a half times the public tariff for sending a 1st class correspondence of the fastest standardized weight category, respectively.

## Price level of the universal service

The rules for the setting the prices of the postal services that make up the universal service[119] are subject to an Agreement (Universal Postal Service Prices Agreement) established between the regulator (ICP-ANACOM) and the universal service provider (CTT).

On 10 July 2008 CTT and ICP-ANACOM signed the Universal Postal Service Prices Agreement[120], valid for a period of three years. Within the Prices agreement, we should point out the fact that the weighted average variation of the prices of the reserved postal services in 2008 cannot be above *(IPC[121]+FCIPC[122])-0.3%*, in nominal terms.

In 2008, the price of the standard mails' basic tariff (tariff for a 20 gr. national letter) decreased, in real terms, 1.1 per cent from 2007. Regarding 2003[123], there is a real reduction of 11.2 per cent. In real terms, the national priority (blue) mail's basic tariff decreased 0.6 per cent regarding 2007 and 5.2 per cent since 2003 (*see Graph 7-9*).

**Real evolution of the basic tariff: standard and priority mail, national**
**Graph 7.4**


[119] The Prices agreement defines the rules for the formation of the universal service's prices, which comprise a service of sending correspondence, books, catalogues, newspaper and other periodicals weighting up to 2kg, and of parcels up to 20kg, as well as a service of registered sendings and a money order sending service, both for the national and international services (nos. 1 and 2 of article 6 of the Basic Law.

[120] http://www.anacom.pt/render.jsp?contentId=616181

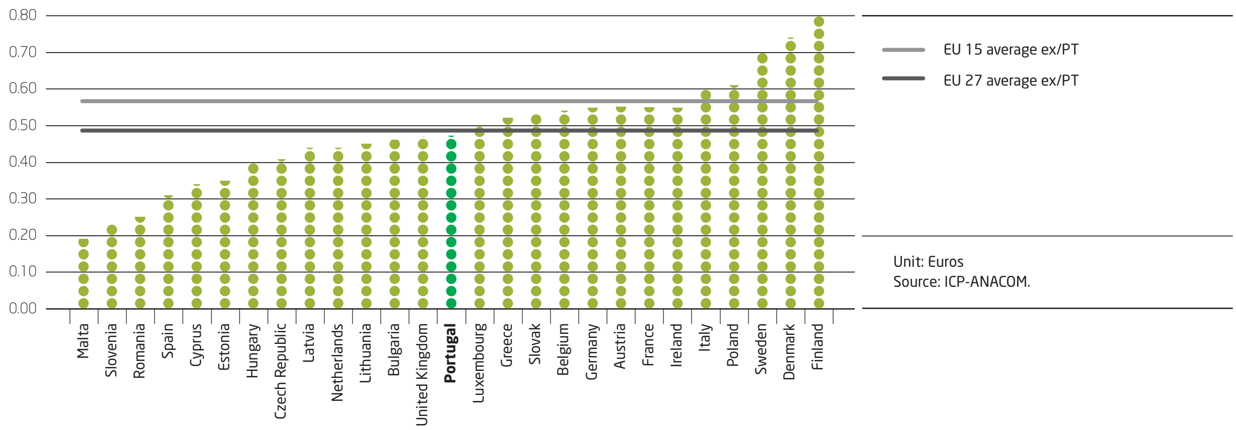
[121] IPC – CPI the inflation estimated for each year and officially forecasted by the Government and included in each year's State Budget Report.

[122] IPC correction factor (FCIPC) – Corresponds, in 2008, to the difference between the 2007 inflation value in, published by INE, and the inflation value stated in the 2007 State Budget Report. In 2009 and 2010, it corresponds to the difference between the inflation figure estimated in the State Budget Report from one year to another, and the inflation value that had been estimated for the previous year, under the terms of the previous note).

[123] Year when the first Prices agreement, signed between ICP-ANACOM, CTT and the former Directorate-General for Commerce and Competition, came into force.

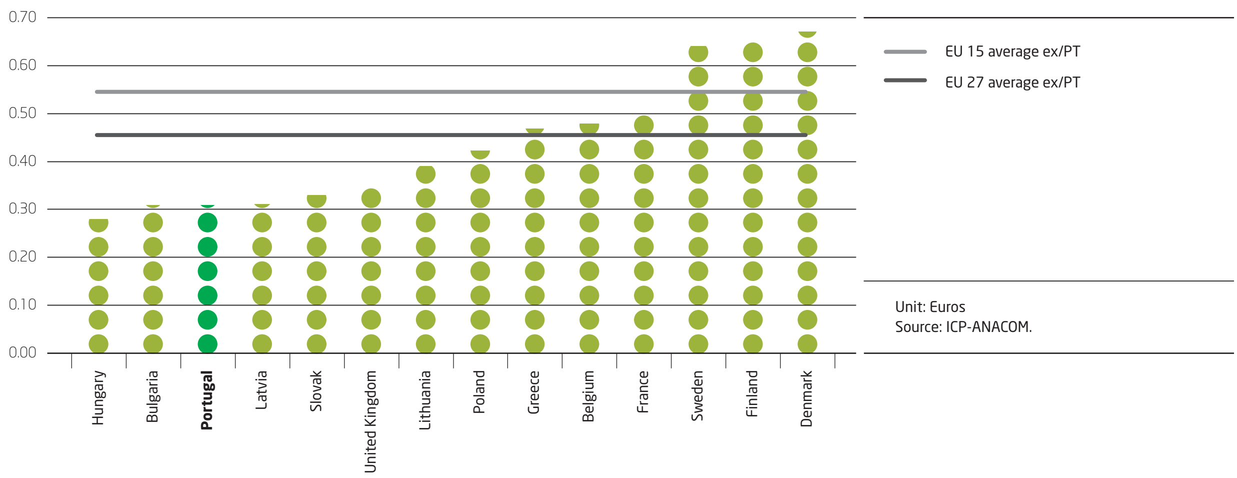
The price in Portugal of the 20g national priority mail is 2 per cent below the EU27 average (excluding Portugal) when compared regardless of PPP (Purchasing Power Parity).

**Price of national priority mail – 2008**
**Graph 7.5**



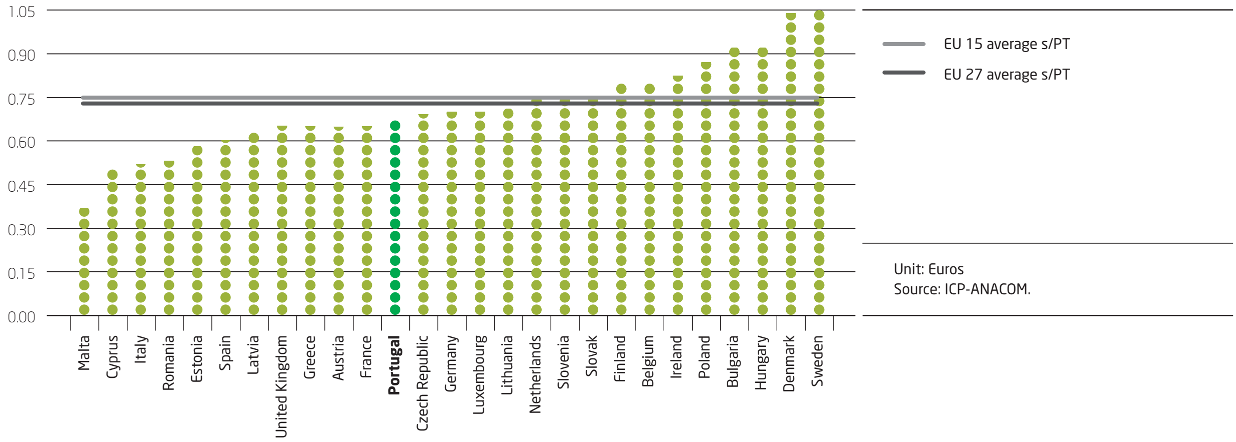

Regarding the price of an up-to-20 gr. non-priority national mail letter in Portugal, it is 30.5 per cent below the EU27 average (excluding Portugal).

**Price of non-priority mail – 2008**
**Graph 7.6**



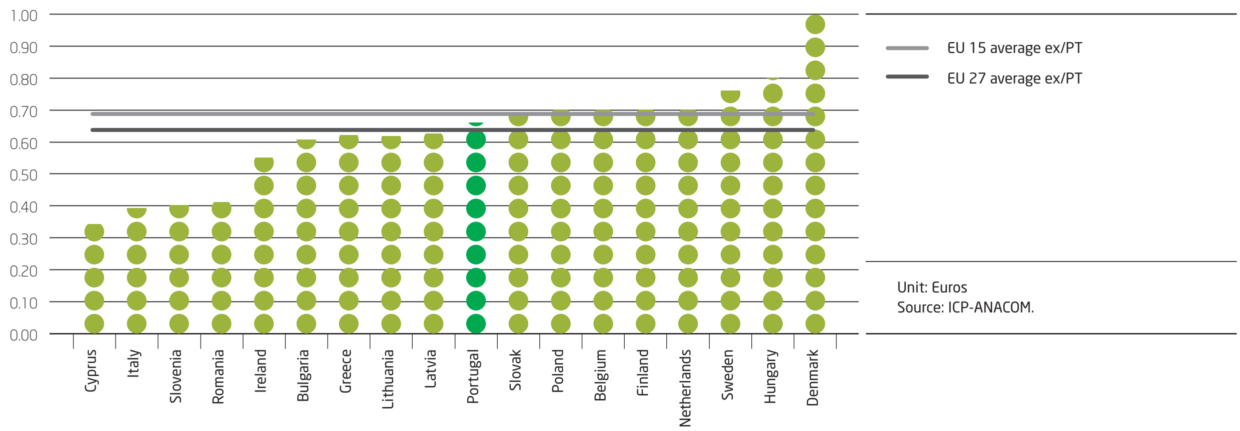
Regarding the price of an up-to-20 gr. non-priority national mail letter in Portugal, it is 30.5 per cent below the EU27 average (excluding Portugal).

**Price of priority intra-community mail – 2008**
**Graph 7.7**



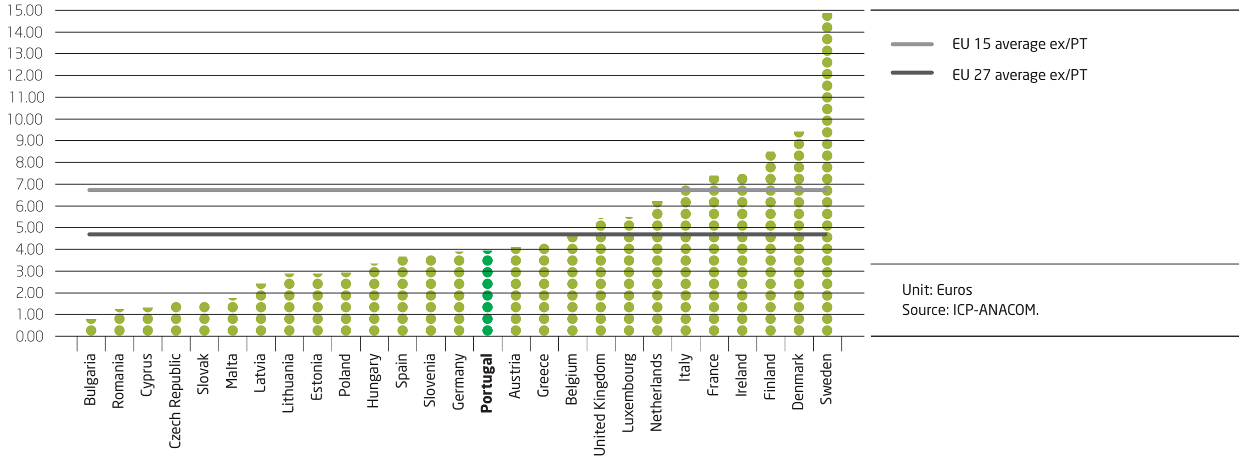

Regarding the price of an up-to-20 gr. "standard international mail" letter in Portugal, it is 6.5 per cent below the EU27 average (excluding Portugal) when compared regardless of PPP.

**Price of non-priority intra-community mail – 2008**
**Graph 7.8**



Concerning national packages up to 2 kg, the price in Portugal is below the EU27 average (excluding Portugal), with a deviation of around 14.6 per cent.

**Price of a national 2 kg parcel – 2008**
**Graph 7.9**




Unit: Euros
Source: ICP-ANACOM.

## Universal service's quality

When the previously mentioned Prices Agreement was signed (10 July 2007), the Universal Service Quality Convention[124] was also established, to be in force from 1 January 2008 for a 3-year period. This Convention sets the parameters and minimum quality of service levels associated with the provision of the universal postal service, which CTT is obliged to comply with.

The Quality Convention defines the quality of service indicators (QSI) for i) transit time for standard mail, priority mail, newspapers and periodicals, intra-community cross-border mail and parcels, ii) loss of standard and priority mail, and for iii) waiting time at the post office. For each QSI there is a minimum and a target level of quality of service defined. The target level is the one that CTT is expected to achieve, each year, and the minimum level corresponds to the minimum quality that CTT must ensure.

[124] http://www.anacom.pt/render.jsp?contentId=616221

This Convention defined the following target and minimum values:

**QSI defined in the 2008 Quality Convention**
**Table 7.10**

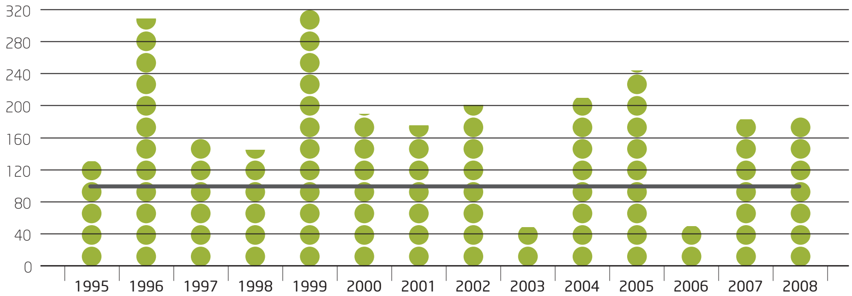
| | Quality of service indicators | 2008-2010 Convention | | |
|---|---|---|---|---|
| | | IR (%) | Mín. | Target |
| QSI 1 | Source: Universal Postal Service Quality Convention of 10/07/2008 | 45.0 | 95.5 | 96.3 |
| QSI 2 | Transit time for Priority Mail – Mainland (D+1) | 15.0 | 93.5 | 94.5 |
| QSI 3 | Transit time for Priority Mail – CAM (D+2) | 4.0 | 84.0 | 87.0 |
| QSI 4 | Standard mail not delivered within 15 working days (per one thousand letters) | 5.0 | 2.3 | 1.4 |
| QSI 5 | Priority mail not delivered within 10 working days (per one thousand letters) | 3.0 | 2.5 | 1.5 |
| QSI 6 | Transit time for Newspapers and Periodicals (D+3) | 11.0 | 95.5 | 96.3 |
| QSI 7 | Transit time for Intra-community Cross-border Mail (D+3) | 3.5 | 85.0 | 88.0 |
| QSI 8 | Transit time for Intra-community Cross-border Mail (D+5) | 3.5 | 95.0 | 97.0 |
| QSI 9 | Transit time for Standard Parcels (D+3) | 5.0 | 90.5 | 92.0 |
| QSI 10 | Waiting time at Post Offices (% of events < 10min) | 5.0 | 75.0 | 85.0 |

Source: Universal Postal Service Quality Convention of 10/07/2008.

The Quality Convention also sets an Overall Quality[125] of Service Indicator (OQSI), which is reckoned depending on the quality of service levels reached by CTT for the previously mentioned QSIs. This indicator's evolution is shown on the following table. The indicator was stable versus to the previous year.

[125] IThe OQSI is reckoned in the following way: Firstly, each QSI defined in the Quality Agreement is given a classification in accordance with the following methodology: i) Given the value set for each QSI, the target value is given the value 100 ii) Non-fulfilment of the minimum value = 0; iii) Proportional value from 0 to 100 for values situated in the interval between the target and the minimum; iv) For values above the target, the classification will also be above 100, in proportion to the positive variation regarding the target. Secondly, Sum of the classifications given to each QSI, weighted by their corresponding relative importance. Thirdly, should de OQSI be: i) 100 or above 100, there is no application of the subtraction associated to the OQSI; ii) below 90, the maximum deduction foreseen fully applies, of 1%; iii) between 90 and 100, the subtraction applies proportionally. The subtraction corresponds to deducting up to 1% to the price variation of the reserved services allowed for the year following the year of the non-fulfilment.

**Evolution of the overall quality indicator**
**Graph 7.10**




Source: ICP-ANACOM.

Note: Since de OQSI figure results from the individual QSI values, the comparison of the evolution of the OQSI must be done with care by considering the modifications at the level of the QSIs defined for each year and their methodology of reckoning

Note 2: In case the overall indicator is equal to 100, there is no penalty. Should it be lower than 90, the penalty applies in full. In the case the indicator stands between 90 and 100, the deduction is applied proportionally.

In 2008 once again, the indicators' values reached the minimum levels as well as all the targets, except for the target value for correspondence not delivered within 15 working days, which did not reach the target value.

## Postal services' user profile and service's usage level

The main users of postal services are non-residential entities. According to the survey on business consumption of postal services conducted by KPMG[126], it is estimated that, within the several European countries, the flows originated by individual consumers stand for less than 15 per cent of postal traffic.

We following present the postal services' user and residential usage profile.[127].

According to the available data[128], standard mail and priority (blue) mail continue to be the most used postal services. On the other hand, there was a considerable increase in the number of interviewees claiming to use the remaining types of postal services[129].

[126] See KPMG, Study on the corporate consumption of postal services, May 2008. The universe is made up of 244,024 companies operating in Portugal (Mainland, Azores and Madeira). The sample is representative in regards to level NUTS I. 1119 interviews were made, connected to a ±3,0 per cent error margin, for a confidence level of 95 per cent. The full presentation is available at http://www.anacom.pt/render.jsp?contentId=596055.

[127] The values presented in this section and retrieved of the 2008 Electronic communications consumer survey, may present considerable differences when compared to the figures presented in previous years. This could be due to the fact that the method for collecting information in the 2008 survey was the personal interview, while previous surveys used telephone interviews to FTS and MTS subscribers.

[128] The universe is composed of individuals of 15 years or more who reside in private housing units located in Mainland Portugal or in the Autonomous Regions (Azores and Madeira). The sample is representative at the level of NUTS I having been composed of 2040 interviews on the Mainland and 780 interviews in each of the Autonomous Regions. Households were selected by means of proportional stratified random sampling according to the crossing of the NUTS II Region variables and the size of the household. Within each household one individual was selected by means of sampling by quotas guaranteeing the marginal totals of the sex, age class, level of education and employment status variables, according to the General Population Census (2001) of the National Institute of Statistics (INE). The gathering of information was by CAPI – Computer Assisted Personal Interviewing which took place between 5 November and 29 December 2008. The results regarding the Mobile Telephone Service are based on the universe of the individuals and present a maximum margin of error of less than 2% (with a degree of reliability of 95 per cent). The results regarding the Fixed Telephone Service, Internet Service and paid Television Service are based on the universe of the households and present a maximum margin of error of less than 3% (with a level of reliability of 95 per cent). The company TNS-Euroteste was responsible for the fieldwork and data handling.

129 The service standard was approved by the Administrative Rule no. 1048/2004 of 16 August. See http://www.anacom.pt/streaming/port1048_04.pdf?categoryId=42989&contentId=224902&field=ATTACHED_FILE.

Postal services are more intensely used by individuals at a working age, with highlight to the 25-34 year-old age group.

**Percentage of individuals that used postal services, by age group**
**Table 7.11**

| Age group | Standard mail | Priority mail | Express mail | Pre-paid mail | Parcels |
|---|---|---|---|---|---|
| 15-24 | 44.5% | 48.9% | 15.7% | 14.3% | 28.3% |
| 25-34 | 51.5% | 61.0% | 26.1% | 25.1% | 35.5% |
| 35-44 | 45.2% | 57.7% | 16.3% | 16.3% | 27.1% |
| 45-54 | 37.9% | 47.8% | 15.2% | 13.2% | 21.8% |
| 55-64 | 36.1% | 62.6% | 13.8% | 18.6% | 24.3% |
| 65-over | 38.5% | 42.6% | 6.4% | 6.2% | 14.3% |
| **Total** | **42.2%** | **53.1%** | **14.9%** | **15.0%** | **24.7%** |

Source: ICP-ANACOM, Survey on the use of postal services, December 2008.

Individuals with a lower education level use postal services in a slightly more intensive way.

**Percentage of individuals that used postal services, by educational level**
**Table 7.12**

| Education level | Standard mail | Priority mail | Express mail | Pre-paid mail | Parcels |
|---|---|---|---|---|---|
| Up to 4th grade | 54.7% | 70.0% | 23.9% | 28.5% | 38.9% |
| 6th and 9th grades | 47.3% | 55.1% | 17.6% | 16.1% | 25.6% |
| Secondary education | 37.5% | 50.5% | 11.1% | 10.2% | 19.5% |
| Higher education | 37.0% | 47.7% | 12.0% | 11.8% | 21.6% |
| **Total** | **42.2%** | **53.1%** | **14.9%** | **15.0%** | **24.7%** |

Source: ICP-ANACOM, Survey on the use of postal services, December 2008.

The higher income[130] groups are those that use mail more intensely.

[130] "The social status is determined according to the education level and the professional occupation of the individual in the household with the highest income. Social status A is the highest and social status D is the lowest"

**Percentage of individuals that used postal services, by social status**
**Table 7.13**

| Social status | Standard mail | Priority mail | Express mail | Pre-paid mail | Parcels |
|---|---|---|---|---|---|
| A/B | 51.1% | 62.9% | 19.7% | 21.0% | 33.7% |
| C1 | 46.6% | 54.7% | 14.9% | 18.6% | 20.6% |
| C2 | 38.6% | 52.4% | 13.4% | 11.0% | 23.3% |
| D/E | 29.3% | 38.9% | 10.1% | 7.0% | 18.4% |
| **Total** | **42.2%** | **53.1%** | **14.9%** | **15.0%** | **24.7%** |

Source: ICP-ANACOM, Survey on the use of postal services, December 2008.

Lastly, it should be noted that Internet usage does not seem to hinder the consumption of postal services, or to influence the use of parcels services, as shown by the fact that Internet users are the most intensive postal service users. However, there can be a self-selection mechanism and Internet users may have a more intensive usage of all communications means.

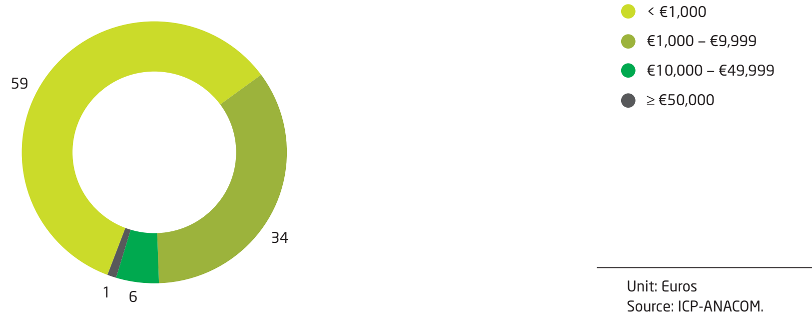
**Sendings in the last 12 months, per Internet usage**
**Table 7.14**

| | Does not use the Internet | | Uses internet | | Total | |
|---|---|---|---|---|---|---|
| | Postal service usage % | Average no. of sendings | Postal service usage % | Average no. of sendings | Postal service usage % | Average no. of sendings |
| Standard Mail | 29.8% | 14 | 48.3% | 39 | 42.2% | 33 |
| Priority Mail | 40.5% | 9 | 59.2% | 53 | 53.1% | 43 |
| Express Mail | 4.0% | 3 | 20.3% | 13 | 14.9% | 12 |
| Pre-paid Mail | 5.6% | 36 | 19.6% | 24 | 15.0% | 21 |
| Parcels | 15.0% | 5 | 29.5% | 10 | 24.7% | 9 |

Unit: number of sendings, %
Source: ICP-ANACOM, Survey on the use of postal services, December 2008.

Regarding the service's business users, their characterization follows according to the above-mentioned survey by KPMG. This survey concluded that most companies, around 60 per cent, spend less than 1,000 Euros per year with postal services.

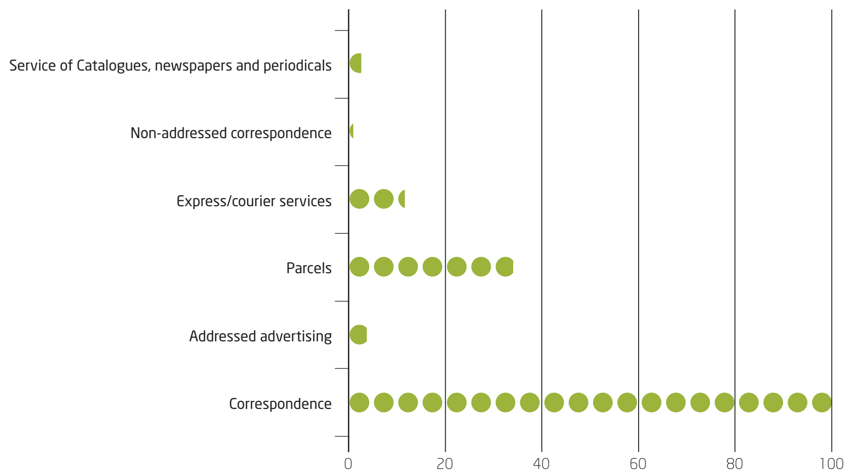
**Annual expense of the business segment with postal services**
**Graph 7.11**




Unit: Euros
Source: ICP-ANACOM.

The vast majority of the interviewed companies use correspondence services. On the other hand, over one third of the companies also resort to parcels services, and 12 per cent use express services.

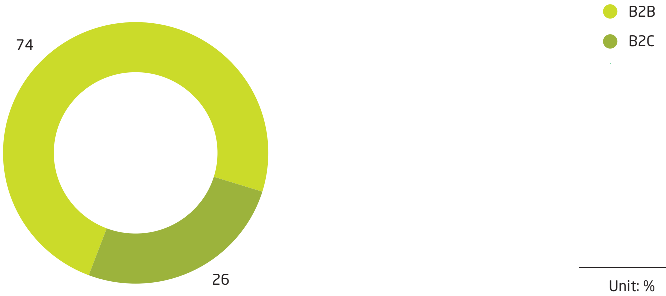
**Types of mail used by the business segment**
**Graph 7.12**




Unit: %
Source: ICP-ANACOM.

The B2B (*business to business*) segment surpasses the B2C (*business to consumer*), in contrast with the remaining European countries.

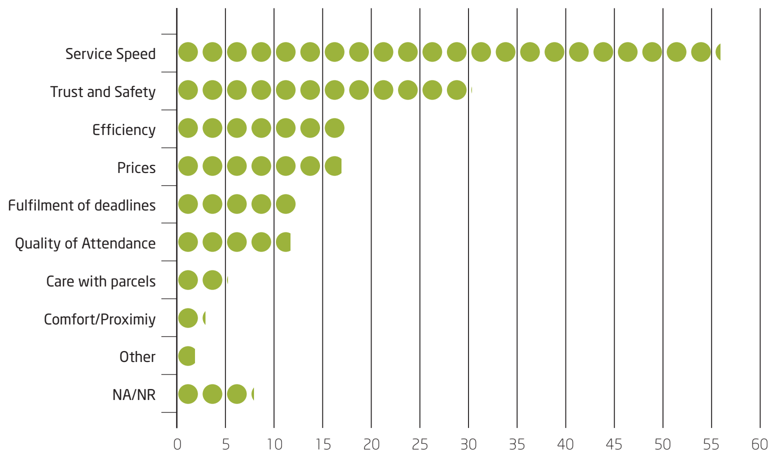
**Type of sender**
**Graph 7.13**




Unit: %
Source: ICP-ANACOM.

Among the decisive factors in choosing the service provider, highlight goes to service speed (50 per cent), followed by trust and safety.

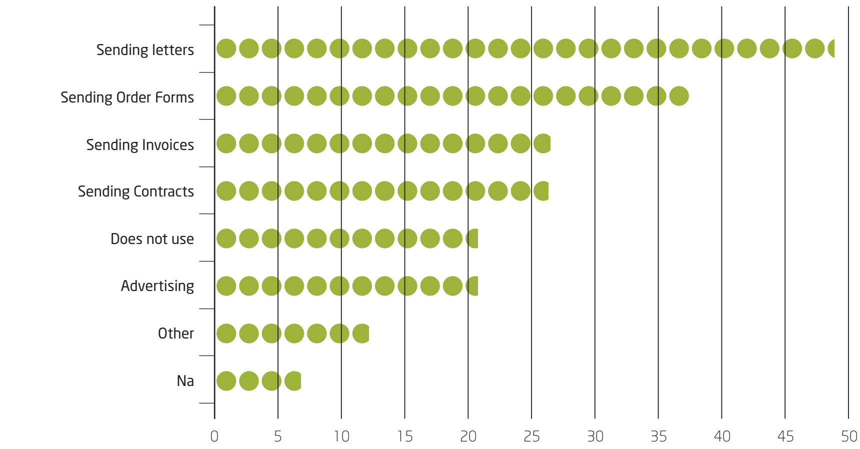
**Decisive factores in operator selection**
**Graph 7.14**




Unit: %
Source: ICP-ANACOM.

Lastly, it is correspondence that is mostly affected by the replacement effect brought on by the use of the electronic mail. It should be noted that, in spite of this, a considerable rate of the interviewees, over 20 per cent, still does not use the electronic mail to replace postal services.

**Use of electronic mail as a replacement of postal services, by type of service**
**Graph 7.15**




Unit: %
Source: ICP-ANACOM.

## Service's usage level

The following sections assess the evolution of overall traffic, liberalized traffic and traffic by destination.

### Evolution of overall traffic

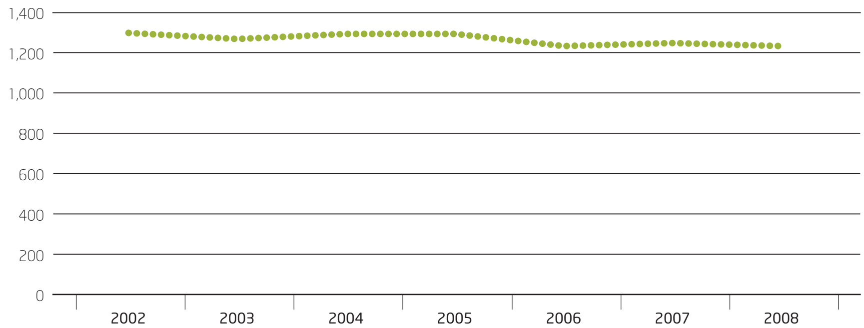
Postal traffic dropped 1 per cent in 2008. During the last 5 years postal traffic decreased 4.8 per cent, which resulted in an average annual reduction of 1.2 per cent.

**Postal traffic**
**Table 7.15**

| | 2007 | 2008 | 2007/2008 var. (%) | 2004/2008 cumulative var. (%) | 2004/2008 var. (%) |
|---|---|---|---|---|---|
| Postal traffic | 1,238,569 | 1,226,121 | -1.0% | -1.2% | -4.8% |

Unit: thousand objects
Source: ICP-ANACOM
Note: 2007 figures were corrected further to the data update sent by some operators.

**Evolution of postal traffic**
**Graph 7.16**




Unit: thousand objects
Source: ICP-ANACOM.

It should be mentioned that, according to the most recent information released by EUROSTAT[117], between 2004 and 2006, postal traffic in 22 EU27 countries decreased 1.2 per cent.

**Traffic composition: reserved/liberalized area**

2008 recorded a slight increase in reserved mail traffic (+0.5 per cent), and a reduction in liberalized mail traffic (-6.1 per cent). Thus, the share of reserved mail reached 78 per cent, 1.2 per cent more than a year before

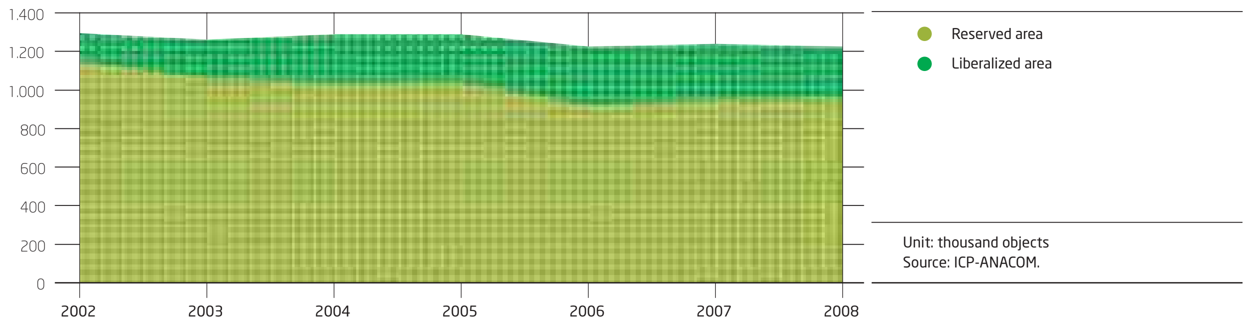
**Postal traffic: reserved area/liberalized area**
**Table 7.16**

| | 2007 | 2008 | 2007/2008 var. (%) | 2004/2008 average annual var. (%) | 2004/2008 var. (%) |
|---|---|---|---|---|---|
| Reserved area | 950,747 | 955,953 | 0.5% | -2.0% | -7.7% |
| Liberalized area | 287,822 | 270,198 | -6.1% | 1.8% | 7.2% |

Unit: thousand objects, %
Source: ICP-ANACOM.
Note: 2007 figures were corrected further to the data update sent by some operators.

However, in cumulative terms and considering the evolution in the last 5 years, there was a 7.7 per cent reduction in reserved traffic, and a 7.2 percent increase in liberalized traffic.

**Evolution of reserved and liberalized postal traffic**
**Graph 7.17**




Unit: thousand objects
Source: ICP-ANACOM.

According to EUROSTAT[117], between 2004 and 2006 correspondence traffic in 16 EU27 countries decreased about 10 per cent, similar to the decrease occurred in Portugal during that period.

It should be mentioned, however, that the most important variations occurred in the traffic's composition (reserved area/liberalized area) are mainly explained by the successive postal sector's liberalization phases that occurred in 2003, 2004 and 2006. These changes to the regulatory framework resulted in the re-categorization of traffic previously considered to be reserved. On the contrary, the variations occurred in 2007 and 2008 only reflect the behaviour of these markets' players.

**Liberalized area's traffic per type of object: correspondence and parcels**

Liberalized traffic is mostly made up of correspondence (92 per cent).

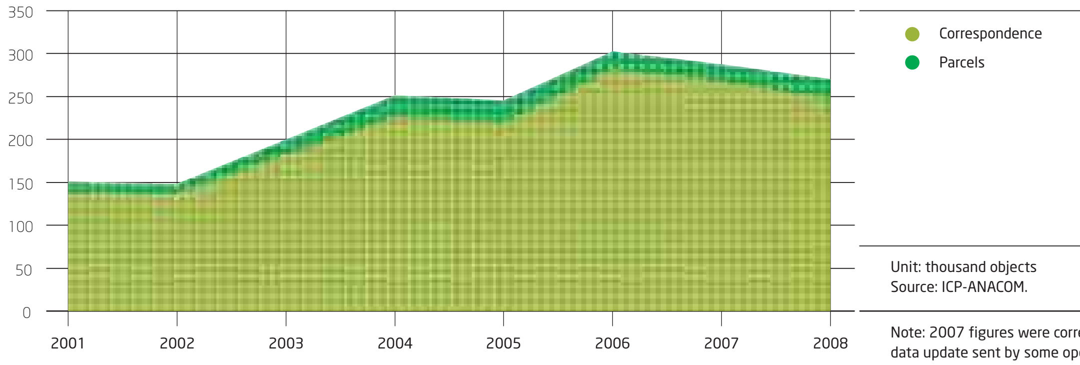
**Postal traffic in the liberalized area**
**Table 7.17**

| | 2007 | 2008 | 2007/2008 var. (%) | 2004/2008 average annual var. (%) | 2004/2008 var. (%) |
|---|---|---|---|---|---|
| **Liberalized area** | **287,822** | **270,198** | **-6.1%** | **1.8%** | **7.2%** |
| Correspondence | 268,086 | 248,663 | -7.2% | 2.3% | 9.7% |
| Parcels | 19,737 | 21,535 | 9.1% | -3.9% | -14.6% |

Unit: thousand objects, %
Source: ICP-ANACOM.
Note: 2007 figures were corrected further to the data update sent by some operators.

As previously mentioned, the cumulative variations occurred are mainly explained by the artificial traffic increase that resulted from successive stages of the liberalization process.

**Evolution of liberalized traffic**
**Graph 7.18**




Unit: thousand objects
Source: ICP-ANACOM.

Note: 2007 figures were corrected further to the data update sent by some operators.

**Evolution of traffic per destination: national/ international**

Per destination, national traffic and international traffic had decreases in 2008 of 0.7 per cent and 8 per cent, respectively. This traffic reduction, particularly in international traffic, was mainly influenced by the evolution of CTT's traffic in the reserved areas.

**Postal traffic per destination**
**Table 7.18**

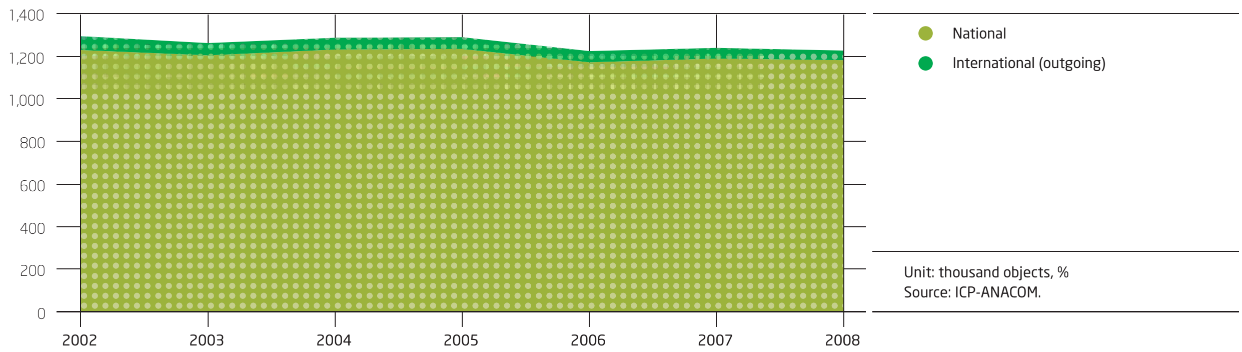
| | 2007 | 2008 | Var. (%) 2007/2008 | Var. (%) average annual 2004/2008 | Var. (%) 2004/2008 |
|---|---|---|---|---|---|
| **Postal traffic** | **1,238,569** | **1 226,151** | **-1.0%** | **-1.2%** | **-4.8%** |
| National | 1,190,083 | 1 181,456 | -0.7% | -1.0% | -4.1% |
| International | 48,487 | 44,696 | -7.8% | -5.8% | -21.1% |
| Incoming international | 44,119 | 44,817 | 1.6% | -1.8% | -6.8% |

Unit: thousand objects, %
Source: ICP-ANACOM.

Note: 2007 figures were corrected further to the data update sent by some operators.

International traffic also had the greatest proportional decrease during the 2004-2008 period. This type of traffic decreased 21 per cent versus a 4.1 per cent decrease in national traffic.

**Evolution of traffic per destination**
**Graph 7.19**




Unit: thousand objects, %
Source: ICP-ANACOM.

National traffic stands for over 96 per cent of postal traffic.

### Evolution of traffic by type of service

Regarding traffic evolution by type of service, the growth registered in the express mail services segment (11.6 per cent in 2008) stands out. This evolution is almost totally explained by the increase in national parcels by the several providers.

**Postal traffic per type of service**
**Table 7.19**

| | 2007 | 2008 | 2007/2008 var. (%) | 2004/2008 average annual var. (%) | 2004/2008 var. (%) |
|---|---|---|---|---|---|
| **Postal traffic** | **1,238,569** | **1,226,151** | **-1.0%** | **-1.2%** | **-4.8%** |
| Express | 17,751 | 19 807 | 11.6% | 9.3% | 42.5% |
| Not included in the express mail category | 1,220,819 | 1,206,345 | -1.2% | -1.4% | -5.3% |

Unit: thousand objects
Source: ICP-ANACOM.
Note: 2007 figures were corrected further to the data update sent by some operators.

In spite of this evolution, postal traffic not included in the express mail category continues to represent the overwhelming amount of liberalized traffic (92.7 per cent). However, since 2004, postal traffic not included in the express mail category suffered an overall 5.3 per cent reduction.

## Evaluation by consumers

According to the survey on the use of postal services, users are in general satisfied with postal services. On a scale of 1 to 10 (from "Poorly satisfied" to Very satisfied") the average satisfaction level stands above 8. The services drawing more satisfaction are priority mail, pre-paid mail and registered mail, with highlight to registered mail by only presenting 2.7 per cent of replies with evaluations below or equal to 5.

**Satisfaction level toward postal services**
**Table 7.20**

| | Standard mail | Priority mail | Express mail | Pre-paid mail | Parcels | Registered mail |
|---|---|---|---|---|---|---|
| Average satisfaction level | 8.2 | 8.5 | 8.4 | 8.5 | 8.0 | 8.5 |
| Very dissatisfied (1-2) | 0.6% | 0.8% | 0.6% | 2.2% | 0.8% | 0.0% |
| Dissatisfied (3-5) | 8.6% | 6.2% | 5.8% | 2.9% | 8.8% | 2.7% |
| Satisfied (6-8) | 48.3% | 35.6% | 38.3% | 42.0% | 49.3% | 46.8% |
| Very satisfied (9-10) | 42.6% | 57.4% | 55.3% | 52.9% | 41.1% | 50.5% |

Unit: %
Source: ICP-ANACOM, Survey on the use of postal services, 2008.

Satisfaction levels regarding the post offices and the evolution of posts are lower, and it should be noted that 20 per cent of the interviewees stated that they were not satisfied with their evolution, namely with the replacement of Post Offices by Letter Posts.

**Satisfaction level toward postal services – postal network**
**Table 7.21**

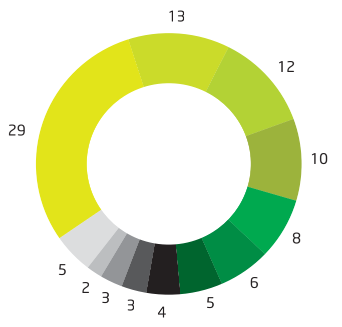
| | Post offices | Evolution of posts |
|---|---|---|
| Average satisfaction level | 7.8 | 7.3 |
| Very dissatisfied (1-2) | 1.3% | 3.3% |
| Dissatisfied (3-5) | 8.8% | 17.3% |
| Satisfied (6-8) | 57.5% | 51.1% |
| Very satisfied (9-10) | 32.3% | 28.4% |

Unit: %
Source: ICP-ANACOM, Survey on the use of postal services, 2008.

It should be mentioned that during 2008 ICP-ANACOM received 10 per cent more complaints concerning this service than in 2007. In fact, it received 6,771 complaints concerning postal services and their operators.

According to the following graph, and as in the previous year, 29 per cent of those requests relate to issues regarding customer attendance. Issues concerning lack of attempt to deliver mail at home come in second on the list of reasons for complaint, ahead of mail delivery delays.

**Complaints regarding postal services – 2008**
**Graph 7.20**




Unit: %
Source: ICP-ANACOM.

## Postal service penetration

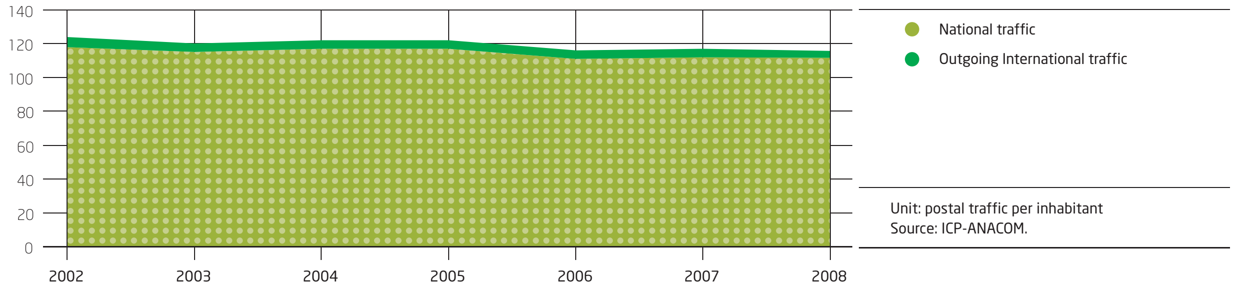
The penetration rate of postal services measured in terms of postal capitation – postal traffic per inhabitant – decreased one per cent in 2008, as shown on the following tables.

**Postal capitation**
**Table 7.22**

| | 2007 | 2008 | 2007/2008 var. (%) | 2004/2008 average annual var. (%) | 2004/2008 var. (%) |
|---|---|---|---|---|---|
| **Postal capitation** | **117** | **116** | **-1.0%** | **-1.4%** | **-5.4%** |
| National traffic | 112 | 111 | -0.7% | -1.2% | -4.7% |
| Outgoing international traffic | 5 | 4 | -7.8% | -5.9% | -21.7% |
| Incoming international traffic | 4 | 4 | 1.6% | -1.9% | -7.5% |

Unit: postal traffic per inhabitant, %
Source: ICP-ANACOM, INE.
Note 1: 2007 figures were corrected further to the data update sent by some operators.

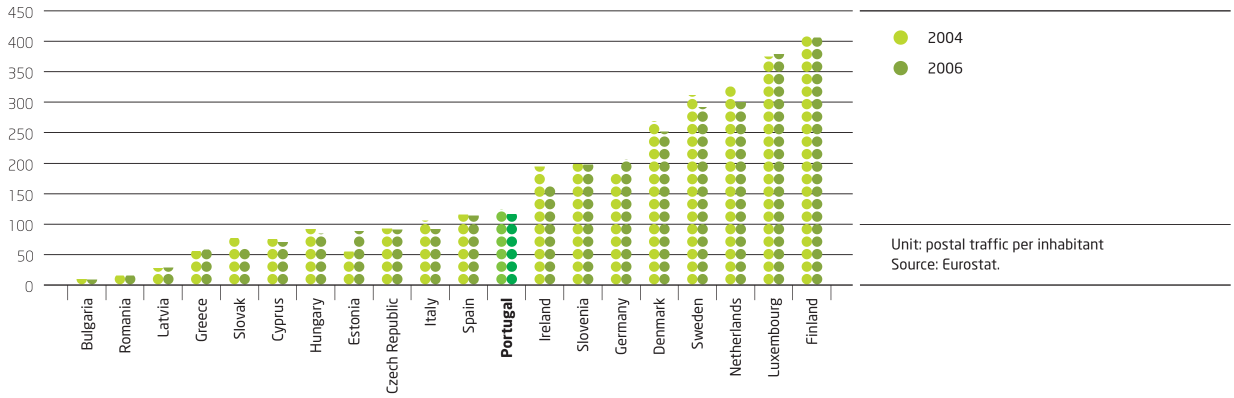
**Evolution of postal capitation per traffic destination**
**Graph 7.21**




Unit: postal traffic per inhabitant
Source: ICP-ANACOM.

According to the available information[84], postal capitation is dropping in most of the countries under consideration. In 2006, postal capitation in Portugal ranked 9th among the 20 countries shown below.

**Postal capitation in Europe 2004, 2006**
**Graph 7.22**




Unit: postal traffic per inhabitant
Source: Eurostat.