

Decision on the criteria to be adopted to evaluate the achievement of the performance targets associated with QSIs which are established through samples

By resolution of 12 July 2018, the Board of Directors of the National Communications Authority (ANACOM) approved the decision on the “Quality of service parameters and performance objectives associated with the provision of the universal postal service”, for the period 2018-2020 (hereinafter “Quality Decision”¹).

In the context of this decision, non-compliance with a universal postal service quality indicator (QSI) exists when its value in a given year is lower than the respective fixed performance target, and in some QSIs² the calculated value corresponds to an estimate obtained through sampling.

In the Quality Decision ANACOM indicated that it would not fail to assess the impact of the sampling error associated with the estimated value of the observed QSI, in the context of checking the level of achievement of the performance target of each QSI.

By decision dated 16 July 2020, ANACOM approved the decision on the criterion to be adopted to assess achievement of the performance targets associated with QSI that is calculated through samples.³ The specific aim was to take into consideration the impact of the sampling error associated with the estimate of the value of the observed QSI and to reduce to reasonably small probabilities ANACOM taking decisions that penalise CTT for the occurrence of “false non-achievement” of the performance targets.

¹ Available at <https://www.anacom.pt/render.jsp?contentId=1456816>.

² The QSIs whose values are ascertained through estimation by sampling are: non-priority mail (QSI1 and QSI2), priority mail (QSI3 to QSI6), newspapers and periodicals (QSI7 to QSI12), non-priority bulk mail (QSI21 and QSI22) and customer service waiting time (QSI23 and QSI24).

³ Available at <https://anacom.pt/render.jsp?contentId=1551821>.

In particular, it was decided that ANACOM would consider as met the QSI performance targets relating to non-priority mail (QSI1 and QSI2), priority mail (QSI3 to QSI6), newspapers and periodicals (QSI7 to QSI12) non-priority bulk mail (QSI21 and QSI22) and customer service waiting time (QSI23 and QSI24), applicable in 2019 and in 2020, when the upper threshold of the 95% confidence interval of the observed value is higher than or equal to the target value set for the respective QSI (no 1 of the point in the decision of 16 July 2020), with obligations having also been established for CTT to send information on said confidence intervals, for each of the years covered by the decision (no 2 and no 3 of the point in the decision of 16.07.2020).

The decision of 16 July 2020 therefore took into account the possibility of 'acceptance' errors, if the sample gives a false achievement result, and 'rejection' errors, if the sample gives a false non-achievement result, where such results do not occur over the range as a whole, i.e. in reality.

Pursuant to the provisions of Article 35-W of Decree-Law 10-A/2020 of 13 February, as amended by Decree-Law no 106-A/2020 of 30 December 2020,⁴ the Universal Postal Service Concession Contract entered into between the Portuguese State and CTT was extended until 31 December 2021, having been further extended, following the resolution of the Council of Ministers 144/2021,⁵ by way of a transitional agreement between the Portuguese State and CTT, from 1 January 2022 until the entry into force of the new contract between the Portuguese State and CTT.

Article 12(2) of the “Quality of service parameters and performance targets associated with the provision of the universal postal service”, for the period 2018-2020, states that, *‘[i]f CTT remains the universal postal service provider after 31 December 2020, the quality of service parameters and performance targets associated with the provision of the universal postal service applicable for the years 2019 and 2020 shall remain in force until ANACOM approves a new decision referring thereto, in the context and for the purposes of Article 13(1) of the Postal Law’*.

⁴ Available at <https://dre.pt/web/guest/home/-/dre/152639821/details/maximized?serie=l&day=2020-12-30&date=2020-12-01>.

⁵ Available at <https://dre.pt/dre/detalhe/resolucao-conselho-ministros/144-2021-173732853>.

In the context of the new concession contract entered into between the Portuguese State and CTT, ANACOM's decision of 29 April 2021, concerning the quality of service parameters and performance objectives associated with the provision of the universal postal service,⁶ is only applicable on a transitional basis, until new quality of service parameters are set, in accordance with the transitional regime provided for in Decree-Law 22-A/2022, of 7 February,⁷ Therefore, until the entry into force of the new concession contract, the “Parameters of quality of service and performance targets associated with the provision of the universal postal service” set out in the Quality Decision were in force.

In this context, it is still necessary to take into consideration the impact of sampling error associated with the estimation of the observed QSI value, and to define a criterion for assessing compliance with the performance targets associated with QSI whose calculation is made through samples, for the period after 2020.

Within this framework, note that the grounds and consideration that were used to support the decision of 16 July 2020 are still current and relevant, thus maintaining the justification for continuing to apply the criterion established therein for measuring the results of the QSI obtained by an estimate through sampling, particularly with regard to the use of confidence intervals with a high level of confidence to take decisions on the achievement, or not, of the relevant targets.

In this regard, and as detailed in the decision of 16 July 2020, considering a given target as met if the upper limit of the confidence interval for the percentage p of items that are delivered within the set deadlines (or of persons who are served within the set waiting time) is greater than or equal to the percentage to be achieved (performance target) set for the QSI, allows reducing the probability of ANACOM taking decisions that penalise CTT for the occurrence of “false non-achievement” with the performance targets. It should be noted that the use of the lower limit of this interval would not be proportional, since it would imply that CTT would have to have as reference (to be achieved) a value above the target value set.

Whereas:

- a) the above;

⁶ Available at <https://www.anacom.pt/render.jsp?contentId=1624123>.

⁷ Available at <https://dre.pt/dre/detalhe/decreto-lei/22-a-2022-178716215>.

- b) by resolution dated 29 December 2021, the Board of Directors approved the draft decision on the criterion to be adopted to assess compliance with the performance targets associated with the QSI that is calculated through samples, which was subject to:
- i. hearing of CTT, pursuant to Articles 121 et seq. of the Code of Administrative Procedure (CPA);
 - ii. hearing of consumer organisations, under Article 43 of the Postal Law;
 - iii. public consultation with users in general, pursuant to Article 124(1)(d) of the CPA;
- c) the comments received, whose analysis is contained in the “Report on the prior hearing and public consultation to which the draft decision on the criterion to be adopted to assess the achievement of the performance targets associated with the QSI that is calculated through samples”, which is an integral part of the present decision,

The Board of Directors, in carrying out ANACOM's duties as set out in Article 8(1)(h,i) of its Statutes, approved by Decree-Law 39/2015, of 16 March, in the exercise of the powers conferred upon it by Article 26(1)(b) of those same Statutes, and aware of the provisions in the “Quality of service parameters and performance targets associated with the provision of the universal postal service” set out in ANACOM's decision of 12 July 2018, and under Article 45(1) of the Postal Law, hereby decides as follows:

1. ANACOM shall consider as met the performance targets for the QSI relating to non-priority mail (QSI1 and QSI2), priority mail (QSI3 to QSI6), newspapers and periodicals (QSI7 to QSI12), non-priority bulk mail (QSI21 and QSI22) and customer service waiting time (QSI23 and QSI24), as defined in the decision of 12 July 2018, when the upper limit of the 95% confidence interval of the observed value is greater than or equal to the target value set for the respective QSI.
2. For the purposes of point 1, CTT shall send ANACOM the 95% confidence interval of the observed value of each of the aforementioned QSIs, rounded to the second decimal place, as well as all the calculations carried out to determine it.

3. The information referred to in point 2 is sent to ANACOM at the same time as the annual report of quality levels recorded for that year.
4. What is defined in points 1 to 3 shall apply to the QSIs in force on or after 2021 and shall remain applicable throughout the period of validity of the “Quality of service parameters and performance targets for the universal postal service provision”, defined in the decision of 12 July 2018.