



EUROPEAN COMMISSION

DIRECTORATE-GENERAL FOR INTERNAL MARKET, INDUSTRY, ENTREPRENEURSHIP
AND SMES
Services in the Single Market and Digitalisation
The Director

Brussels
GROW.E.2/CO/AS

Ms Melinda Mészáros
President of the Democratic League
of Independent Trade Unions from
Hungary

Mr Imre Palkovics,
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Dear Madam, Dear Sir,

Thank you for your letter of 25 May 2020 addressed to Ms Ursula von der Leyen, President of the European Commission, regarding an issue related to the EU Postal Services Directive. Ms von der Leyen asked me to reply on her behalf.

We have taken good note of your concerns regarding the compensation of the net cost for the universal service provision by the Hungarian Post, and the specific context you highlight concerning rising net costs in the past years due to increased wages and other factors.

In this regard, I would like to draw your attention to the fact that the Postal Services Directive (Directive 97/67/EC amended by Directives 2002/39/EC and 2008/6/EC)¹ contains some principles that, inter alia, define the net cost of the universal service obligation as any cost related to and necessary for the operation of the universal service provision. More detailed guidance on calculating the net cost can be found in the annex to the Directive.

¹ Directive 2008/6/EC of the European Parliament and of the Council of 20 February 2008 amending Directive 97/67/EC with regard to the full accomplishment of the internal market of Community postal services, OJ L 52, 27.2.2008, p. 3-20.

This confirms that the rising costs (for higher wages and other reasons) are an element that constitutes part of the calculation of the net cost. The Directive explicitly allows a Member State, if the Member State determines that the universal service obligations entail a net cost and represent an unfair financial burden on the universal service provider, to compensate the undertaking concerned from public funds. In such a case, the relevant State aid rules as enshrined in the Treaty on the Functioning of the European Union need to be fully respected. That includes also the ceiling of EUR 15 million laid down in Article 2(1) of Commission decision 2012/21/EU².

Article 23 of the Postal Services Directive requires the European Commission to submit a report on its application (i.e. a review) to the European Parliament and Council every four years. The Commission will use the next review opportunity to do a formal evaluation of the Postal Services Directive, in line with the better regulation requirements, to assess if the Directive is still fit for purpose and future-proof in the context of an increasingly digitalised world. As this preparatory process includes an online public stakeholder consultation, which will be launched later this year, I would like to encourage you and your member organisations to contribute to this process.

For further information on EU postal policy, please go to our website on https://ec.europa.eu/growth/sectors/postal-services_en

Yours sincerely,

e-signed
Hubert GAMBS

² Commission decision of 20 December 2011 on the application of Article 106(2) of the Treaty on the Functioning of the European Union to State aid in the form of public service compensation granted to certain undertakings entrusted with the operation of services of general economic interest.