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CZECH TELECOMMUNICATION OFFICE

PRESS RELEASE CTU notified on the recovery of net costs for provision of universal postal services

Prague, 28 January 2020 – Today, CTU formally notified the European Commission via the Office for Protection of Competition on the recovery of net costs for provision of universal postal services by the Czech Post between 2018–2022.

Notification means information about intended measure based on which the European Commission assess whether it complies with the Union law. In this case, the European Commission will assess, whether the intended recovery of net costs to the Czech Post complies with the Union law for provision of public support.

In the notification proceeding, the European Commission can request additional information. In the alternative, it will decide on the submitted notification within two months. In complex cases, when the decision cannot be made solely by preliminary assessment, the European Commission has to initiate a so-called formal investigation. Its aim is to eliminate all doubts, which could arise in the relation to the notified measure, and to assess its compatibility with the internal market. In this case, the proceeding should be completed within 18 months.

CTU provided detailed explanation of a mechanism to verify real net costs pursuant to the Postal Services Act and implementing regulations, already during a so-called prenotification negotiations with relevant bodies of the European Commission.

According to current law, the Czech Post is entitled, as a postal licence holder, to recovery of net cost up to CZK 1.5 bn per year, if those represent an unreasonable burden.

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