

PostNL requests withdrawal of USO designation

05-09-2025

The Hague, 5 September 2025 - PostNL has formally requested the Minister of Economic Affairs to withdraw the designation for providing the Universal Postal Service (USO). The request follows the continued lack of a solution to cover the high costs of this public service, which PostNL is obliged to provide despite the fact that, from 2025 onwards, it will lead to structural losses across the entire postal business. Short-term relief measures have not materialised, the subsidy request was rejected by the minister, and there is no legislative perspective offering sufficient improvement. Today, the Administrative High Court for Trade and Industry (CBb) also rejected PostNL's request for an advance payment on the subsidy. This creates an unsustainable situation for PostNL and puts the continuity of postal service provision in the Netherlands at risk. This is irresponsible for people who rely on post and for the thousands of people working in the postal sector. It is also unreasonable to expect a commercial company to absorb such losses when carrying out a mandatory public service. PostNL sees no other option than to request the withdrawal of the designation and urges the ministry to respond within two months.

Outdated legal obligations no longer meet consumer needs

PostNL CEO Pim Berendsen commented: "For many years, all postal workers have done their utmost to ensure a responsible and high-quality postal service in the Netherlands. We have done so in the face of a structural mail volume decline of 8% to 10% annually. PostNL has continuously looked for ways to keep postal services both affordable and feasible, for example by closing locations and adapting operational processes. These measures have led to a substantial cost reduction over the years. We have now reached the limits of what PostNL can do within an outdated legal framework

that no longer reflects societal needs. There is broad agreement on the urgent need to revise the legislation. However, a solution requires political will and decisiveness. And that is lacking right now."

<u>Public service has become loss-making and unworkable</u>

Today, postal services are structurally loss-making due to the high costs linked to the current USO framework. PostNL is responsible for collecting and delivering mail from over 10,000 orange mailboxes five days a week, with at least 95% of items required to be delivered within one business day. Without these obligations, PostNL would organise its network and operations



differently.

To cover the additional costs of these legal obligations, PostNL requested subsidies of €30 million for 2025 and €38 million for 2026. The minister rejected this request. PostNL has objected to this decision and, given the urgency, also applied for an advance payment on the subsidy through preliminary relief proceedings. Today, the court rejected this request. As a result, PostNL is now forced to formally request the withdrawal of its USO designation.

Minister's proposal not viable

The minister recently proposed extending the delivery timeframe to two, and over time three days. Even if implemented, this would come too late and would not solve the structural cost issue that exists now and will continue in the years to come. The proposed delivery standard of 95% is also unrealistic in practice, given the labour-intensive nature of mail delivery. The proposal offers no financial compensation for the substantial costs PostNL is required to bear, meaning the postal service as a whole will remain structurally loss-making. This is economically unsustainable. Furthermore, implementation

is surrounded by political uncertainty, as highlighted once again in the recent roundtable discussion in Parliament on the future of mail delivery.

Difficult decision

PostNL emphasises that it has engaged in dialogue for years to seek an acceptable solution for all parties. Berendsen: "Filing this request was not an easy decision, but we are left with no alternative. Continuing in this way is no longer viable or responsible. The mounting losses caused by the USO obligations not only threaten the continuity of the postal service but also limit the development of our e-commerce business."

Request for response within two months

PostNL asks the minister to respond to the request within two months. This timeline aligns with the minister's expected decision on PostNL's appeal against the rejection of the subsidy at the beginning of November. It is now up to the minister to provide a clear perspective for the future of the postal market and to propose an adequate solution for the USO. PostNL will determine its next steps based on the minister's decision.

Source: PostNL