

The CNMC fines Correos 32.6 million euros for applying an anti-competitive discount system for large customers

- This is an abuse of a dominant position prohibited by the Law for the Defence of Competition and the Treaty on the Functioning of the European Union.
- This conduct would have potentially excluded or prevented other competitors of Correos from entering the market, at least from 2015 to 2019.

Madrid, February 23, 2022.- The CNMC has fined the Sociedad Estatal Correos y Telégrafos, S.A., S.M.E. (Correos) 32.6 million euros for abusing a dominant position, as prohibited by Article 2 of the Law for the Defence of Competition (LDC) and Article 102 of the Treaty on the Functioning of the European Union (TFEU). **(S/0041/19)**.

The infringement took place in the traditional postal services market offered to large corporate customers who send mass mailings (MM), mainly involving banking and insurance companies, electricity, water, gas and telephone companies, as well as shopping centres and supermarkets.

The sanctioned conduct consisted of applying a system of exclusionary discounts that, by incentivising the loyalty of large business customers, would have potentially excluded or prevented the entry into the market of other competitors of Correos, at least from 2015 to 2019.

The elements whereby the CNMC concluded that, taken as a whole, the system of discounts applied to the MMs constitutes abusive conduct as prohibited by the competition regulations were, fundamentally, the conditional and retroactive nature of the discounts, the excessive duration and concatenation of the contracts through their automatic extensions, the lack of transparency in the calculation of the discounts and the application of discounts in a non-standardised manner.

Taking into account the fact that Correos is the dominant operator in the market, with market shares above 95% in some years, the CNMC has established that these discounts and their application have impacted competition in the terms established by case-law, constituting an abuse of a dominant position in the terms set out in Article 2 of the LDC and Article 102 of the TFUE.

In view of the above, the CNMC has decided to impose a fine of 32,600,000 euros on Sociedad Estatal de Correos y Telégrafos, S.A., S.M.E. (Correos) for the commission of a very serious infringement of Article 62.4. b) of the LDC.

The CNMC reiterates that there is no administrative appeal against this Ruling. A contentious-administrative appeal may be filed in the National High Court within a period of two months from the day following notification.

S/0041/19