# PostNL turmoil and Kretinsky's Royal Mail takeover raise serious UK concerns



PostNL, the Dutch postal service spanning Belgium, the Netherlands, and Luxembourg, has been rocked by post-holiday financial turmoil. After downturns in seasonal mail volumes and escalating labour costs plunged its share value by 8.4% in January, PostNL boldly declared its existing business model "no longer sustainable." In a desperate bid for survival, it sought a €68 million (£58 million) bailout from the Dutch Ministry of Economic Affairs—a plea that was rightfully refused.

Meanwhile, Czech billionaire Daniel Kretinsky, carrying a 30% stake in the struggling PostNL, is on the cusp of seizing control of Royal Mail, the UK's postal operator, with a staggering £3.6 billion takeover. This move places the stewardship of an iconic British institution, with historic roots stretching back to Henry VIII, into the hands of a foreign tycoon whose empire has questionable ties to Russia and whose business ethos raises serious red flags.

Kretinsky's empire, funnelled through EP Group, manages Russian gas pipelines feeding Eastern Europe, maintaining lucrative relationships with Moscow even as the West imposes sanctions due to the ongoing conflict in Ukraine. With a fortune estimated at £6 billion, amassed through shadowy financial manoeuvres involving offshore havens like the Cayman Islands, this takeover fits a worrying pattern of foreign acquisition of vital UK infrastructure.

What concerns many is the heavy financial borrowing underpinning the deal—approximately £3 billion in overseas loans will be added atop Royal Mail’s existing £2 billion debt. This leverage leaves the organisation vulnerable to global economic volatility and rising interest rates, casting doubt on promises made to the Communication Workers Union to preserve jobs for up to five years. Such financial fragility could precipitate a crisis that ultimately forces taxpayers to intervene.

The Labour Government’s green light to this high-risk acquisition is being condemned as short-sighted and dangerously naive. While keen to project itself as business-friendly and eager to strengthen ties across Europe, this administration is ignoring the lessons of recent years. British Steel required up to £700 million in government rescue funds to keep operations afloat; Thames Water teeters on insolvency after dividend-driven capital drains by foreign owners, burdening consumers with rising bills. Even critical infrastructure like Heathrow Airport has suffered under little-invested multinational ownership.

It is a bleak trajectory that may be mirrored by Royal Mail. The loss transcends finances—this is about ceding control over a national treasure integral to the UK's identity, heritage, and essential public services, including the monarchy, whose image has long graced stamps and post boxes.

Voices within the opposition rightly urge shareholders to reject this reckless takeover. There is a pressing need for rigorous, unhurried regulatory scrutiny, including Ofcom’s ongoing review of the Universal Service Obligation, which guarantees daily postal delivery. A government veto would be a responsible safeguard against repeating the blunders of past administrations.

As it stands, the permit granted by both Royal Mail's board and the Labour Government signals a failure to protect Britain’s strategic assets and workforce from foreign predation. The takeover jeopardises not only jobs but the future stability of a cornerstone institution—a gamble that citizens and workers alike cannot afford to lose. The time has come to rethink this dangerous course before irrevocable damage is done.

Source: [Noah Wire Services](https://www.noahwire.com)

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