

Postal Prosperity Zone (PPZ) Initiative
**Project Management
Office**
Scope & Objectives
November 2023



PPZ Context

- The globalization of trade has created new markets and arenas for businesses, leading to exponential growth in ecommerce and postal traffic – and new business models based on digitalization and data.
- One key objective of the Abidjan Postal Strategy (adopted by the 27th UPU Congress in Riyadh) has been to increase the competitiveness and performance of postal operators by adapting strategies and business models.
- For years, the UPU channel has been losing volumes – and relevance. One of the main reasons for this is the thriving B2B2C model used by electronic interfaces (marketplaces), commercial carriers and consolidators. In addition, the digitalisation of cross-border trade and highly fragmented Electronic Advanced Data (EAD) requirements of customs authorities are challenging for the Dos.

The PPZ initiative has been developed to provide a short-term solution to better integrate DOs into the commercial supply chain and the B2B2C business model and create additional digital capabilities.

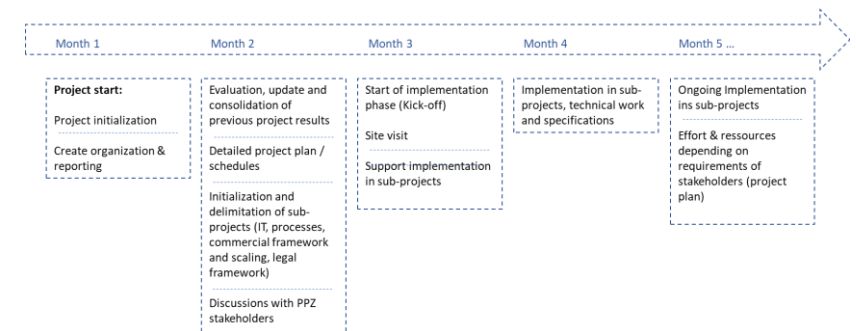
It positions DOs as a data and service hubs for interconnecting Wider Postal Sector Players (WPSP) and competent authorities, leveraging the existing global digital Infrastructure of UPU and the unique business model of Free Zones.

PPZ Scope and Objectives

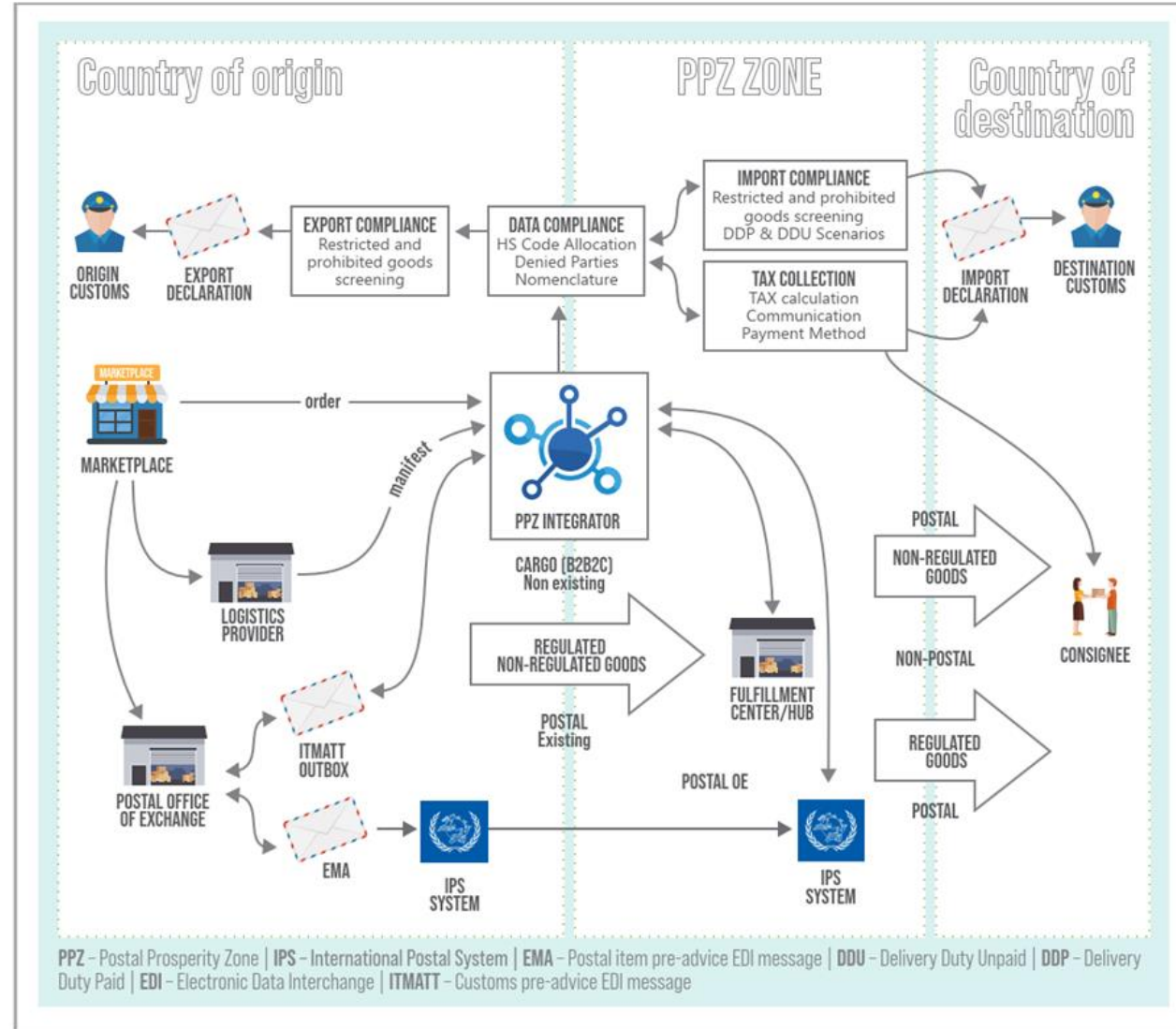
- The UPU CC has started the PPZ initiative based on the requirements of various UPU member countries. In November 2023, the first PPZ project in Morocco (initiated by the government of Morocco and its DO) has been started which shall serve as a template for similar initiatives of other UPU member countries.
- The PPZ initiative will enable the UPU's existing digital infrastructure (provided by UPU/PTC and based on the UPU Global Postal Model) to interconnect Designated Postal Operators (DO), Wider Postal Sector Players (i.e., B2C suppliers and their logistics service providers and competent authorities (i.e. customs and tax authorities)
 - to facilitate a fully digital and seamless integration of DOs with competent authorities to ensure compliance concerning customs and transport security both domestically and cross-border (i.e. ICS2)
 - to create operational workflows for integration into the movement of cargo in freight and transport modes (i.e., “containerization”), as well as to the parcelization of trade in free zones, creating postal items for delivery both domestically and cross-border (postal transit/transshipment)
 - to integrate DO with digital infrastructure of relevant WPSP operating in the field of 3PL/4PL/warehouses or commercial/express last-mile solutions (to facilitate multi-carrier-solutions analogous to the capabilities of leading b2c suppliers and integrators/consolidators)

Project management „glues it all together“

- In order to ensure successful project execution, project management led by the project owner has to be able to work with very different players (DO / authorities / various WPSPs) and related different cultures and interests, specific business models and IT systems / data models.
- To support PPZ projects and the project owners, CLS has developed and set up a scalable PPZ project office team which provides
 - dedicated project management skills in successfully implementing and closing projects in a complex PPP / UPU / DO environment
 - experience in dealing with and contacts to the diverse variety of stakeholders involved (authorities, DO, WPSP) and
 - practical an in-depth knowledge of the respective workflows, IT systems, and business models applied by the involved authorities, DO and WPSP
 - to ensure efficient and effective project planning and implementation in order to safeguard the interests of the project owner in this complex environment.
- The final, detailed schedule / project plan including detailed schedule, milestones and reporting depends on the specific requirements of the project owner.



PPZ – Relevant workflows and roles (Draft)



Source: PPZ project