

UNION POSTALE

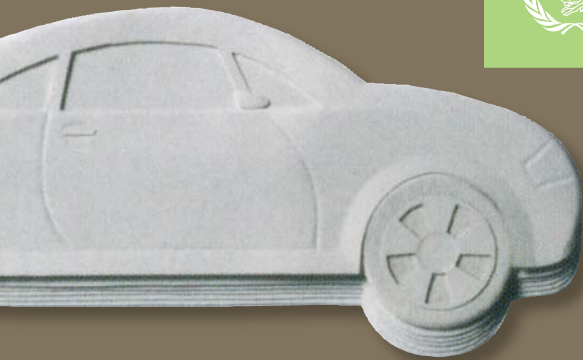
June 2007

.....
Moving the postal sector forward



UPU, a specialized agency
of the United Nations

2



Direct mail

Tales of a targeting tool





International Postal System

The Complete management system of your international mail

For the past twelve years, the Postal Technology Centre of the UPU has been working together with several postal operators around the world in order to develop the International Postal System (IPS).

What IPS does is integrate international mail management applications that combine mail processing, operational management and EDI messaging into one application.

IPS provides a means for postal operators to have an **accurate and comprehensive view of their mail movement** covering every point between origin and destination, including transit offices of exchange, international carriers, and handling through Customs.

The purpose of IPS is to **help Posts to improve and manage the quality of their international mail service** through a comprehensive measurement of the mail delivery cycle and end-to-end monitoring of items, receptacles and dispatches.

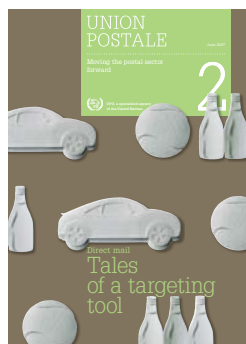
International Postal Services, now in use by over 120 postal organizations, came about because of the cooperation and sharing of knowledge between administrations under the umbrella of the Telematics Cooperative. Developed by the PTC, it is complete software is capable of managing the entire mail process. IPS can be manipulated in order to adapt to the needs of any organization and can be easily interfaced with other applications.

Contact

- Address: Postal Technology Centre - Universal Postal Union - Weltpoststrasse 4 - 3000 Bern 15 - Switzerland
- Phone: +41 31 350 31 11 / Fax: +41 31 352 43 23
- Email: info.ptc@upu.int



Contents



Direct mail today can take various shapes. Australia Post helps its customers design the perfect campaign by showing them various shapes their mail could take, such as these cars, bottles or tennis balls, and still be acceptable for mail processing.

In brief

Short news items about the UPU

4

Editor's note

5

Cover story

Tales of a targeting tool

Direct mail, a global attention grabber, is as effective as ever

10

Direct access: a threat or an opportunity?

Some countries allow it; others don't... direct access to national postal markets remains a contentious issue

16

Strategically speaking

In association with the restricted unions, the UPU is organizing a series of regional round tables to fine-tune its future world postal strategy

20

The interview

Digital bridge builder

In the new information society, the UPU and the International Telecommunications Union have new ways of cooperating, says ITU secretary general Dr Hamadoun Touré

22

Perspective

If you can't beat them, join them!

How can the postal sector contribute effectively to the Millennium Development Goals? Graeme Lee shares his thoughts on the matter

27

Market focus

A glimpse at what's going on in the worldwide postal sector

29

June 2007

Union Postale
Bureau International
Union postale universelle
Case postale
3000 BERNE 15, SWITZERLAND

Phone: +41 31 350 33 10
Fax: +41 31 350 31 77
E-mail: rheal.leblanc@upu.int

www.upu.int

Published since 1875, *Union Postale* is also available in Arabic, Chinese, French, German, Russian and Spanish.

Director, Executive office and communication: Juliana Nel
Editor-in-chief: Rhéal LeBlanc
Assistant editor: Jérôme Deutschmann
Editorial assistant: Gisèle Coron
Contributors: Emmanuel Deonna, Graeme Lee
Translation: Gary Long, Mark Prosser, Margaret Wills
Revision and proofreading: Mark Prosser
Design: Die Gestalter, St. Gallen (Switzerland)
Printer: Benteli Hallwag AG, Berne (Switzerland)
Subscriptions: publications@upu.int

The opinions expressed in the articles are not necessarily those of the UPU. Material may be reproduced with an acknowledgement: © *Union Postale* (UPU)

High-speed Internet needed to connect the world

On World Information Society Day, celebrated on 17 May, the UPU stressed the importance of having more reliable telecommunications systems offering reasonably priced services in developing countries.

As a founding partner of the International Telecommunication Union's "Connect the World" initiative, the UPU is developing its world financial network to improve access to secure and reliable electronic money transfer services, which are of particular benefit to migrant workers, low-income families and rural populations with no access to banking services. Around 50 countries are currently using the International Financial System (IFS) application to exchange electronic money transfers. Russia and China were due to start exchanging in June.

However, the lack of high-speed Internet access in many developing countries could hold back the rapid expansion of the international postal financial network. "In Africa especially, telecommunications systems are limited, and where they exist, services are offered at exorbitant rates," says Henri Biadala, an expert from the French Post, who recently led a UPU-sponsored project to

launch electronic money transfers between Benin, Burkina Faso, Mali, Niger and Togo.

Some 20 other African countries wish to exchange money transfers, but "the problem is that not everyone is able to do so," explains Biadala. "We must find a solution that guarantees the quality and sustainability of the networks."

Determined to work more closely together, the UPU and the ITU signed a cooperation agreement during a conference on the postal sector and the information society that took place at UPU headquarters in Berne on 8 June. **RL**

The figure

80 %

Another 20 QSF projects approved

A new postcode and addressing system to improve Posta Uganda's mail transmission, sorting and delivery processes; new bicycles to help Brunei's postmen deliver mail to remote rural areas... just two of the 20 new projects, representing a total of 20 million USD, adopted at the end of April by the Quality of Service Fund (QSF) board of trustees. For the postal administration of Macao (China), which will deploy a system to speed up mail deliveries, as well as for Brunei, this marks the first use of QSF funds. The 20 initiatives, spread across five conti-

nents, bring to 379 the total number of projects financed by the QSF since its creation six years ago. The Fund helps to improve postal service quality in the developing and least developed countries. Each project has clearly defined performance indicators, and its success is evaluated in the field; in 2007, 38 projects will be evaluated by UPU regional advisers or by consultants. Evaluation of project results also draws on the results of UPU quality testing, and data from tracking and security systems such as e-MARIA. **ED**

Editor's note

Global attention grabber

Direct mail, in all its diverse forms, addressed or unaddressed, leaves no-one indifferent; it is designed to provoke a reaction, to grab our attention. And it gets results.

Globally, advertising items now account for at least 38 % of domestic letter mail and 12 % of international letter mail, which makes direct mail an important source of income for postal operators. And UPU member countries are taking a keen interest in this fast-growing sector, as evidenced by the high response rate to a recent International Bureau survey on the subject.

Direct mail is already well established in industrialized countries, but it is also enjoying rapid growth in the developing world. Between 2003 and 2005, for example, direct mail volumes shot up in a number of countries: from 276,000 to 3.6 million in Viet Nam, from 23 to 90 million in Croatia, and from two to four million in Namibia.

But, experts say, much work remains to be done, particularly in terms of creating databases which, in addition to physical addresses, specify delivery points and provide a range of socio-demographic indi-

cators. Such databases are an essential means of developing direct mail, which, in terms of targeting possibilities and return on investment, compares very favourably with other direct marketing techniques. Developing more sophisticated databases is one of the many activities of the UPU's Direct Mail Advisory Board, which is made up of around 50 postal operators, associations and private companies. **The editor-in-chief**

That's the percentage of post offices located in the towns and villages of sub-Saharan Africa that are home to the 80 % of citizens who do not have access to financial services or to the Internet. A recent economic study by the International Bureau shows that, in this part of Africa, as in many oth-

er regions of the world, the Post is the only structured delivery network capable of providing easy access to financial services and information and communication technologies. Associated with a strong universal service policy, the Post could thus contribute significantly to the achievements

of the United Nations' Millennium Development Goals. (See "Perspective" column on page 27.) **RL**

EMS certification: the icing on the cake



Azerbaijan Post shows its pride with eye-catching EMS envelopes flaunting its gold-level service. Canada Post's original

"Just scan it! It's a piece of cake" campaign greatly improved EMS service quality, earning the operator a silver award.



Thirty-six Express Mail Service (EMS) operators received 2006 performance awards at the recent EMS Cooperative General Assembly: 14 received gold, 12 got silver and 10 bronze. Operators are certified on the basis of their annual achievements in on-time delivery, quality of tracking data and response to customer enquiries. Globally, on-time delivery of EMS items reached 86.5 % in the fourth quarter of 2006. EMS traffic reached 37 million items in 2005, a 7.3 % increase over the previous year. EMS is today provided by 197 operators world-

wide. For the complete list of EMS award winners, go to www.ems.coop and look under NEWS.

For the first time, EMS Cooperative members also handed out customer care awards. Japan, Spain and Sweden were rewarded by their peers. **RL**

Quality of service: awards for Belarus, Germany and Hungary



.....
Laszló Szivi,
vice-president of
Magyar Posta,
with UPU
director general
Edouard Dayan
and Committee
3 chairman
I.M.G. Khan.

"The certification enables us to present a very positive brand image to customers," said Laszló Szivi, vice-president of Magyar Posta, upon receiving the UPU's highest level of certification for quality of service management during the 2007 Postal Operations Council. The Posts of Belarus and Germany were also recipients, bringing to nine the number of Posts certified since the programme began in 2003. The UPU certification programme rewards postal operators that apply quality management procedures in their postal structures, guarantee high standards in their international mail service, and actively participate in quality improvement programmes. Quality is evaluated on criteria other than speed

and regularity, providing a level playing field for all Posts to apply for certification, irrespective of their infrastructures and level of development. **JD**

Postal payment services: Draft multilateral treaty ready

Work on drawing up a new multilateral postal payment services agreement is making good progress. Experts presented a draft multilateral treaty at the 2007 Postal Operations Council session.

At present, designated postal operators enjoy contractual freedom in the electronic payment services field. As the number of designated operators turning to electronic money transfers increases, each operator finds itself having to manage as many bilateral contracts as it has partners, which is hampering the development of an interconnected network.

The decision to create a multilateral framework for postal payment services has the same basis as that which led to the creation of the UPU and the adoption of its constituent treaties. The recast of the Postal Payment Services Agreement and Regulations will be based on a number of

principles, which operators will have to observe in order to facilitate the extension and interoperability of the worldwide electronic payment network. These principles include: fair trade; allocation of roles and responsibilities between designated operators and governments; compliance with international money-laundering standards; and meeting security and confidentiality requirements governing electronic data interchange. In view of their social role, these principles are key tools in implementing the "Connect the World" initiative and the United Nations Millennium Development Goals. **ED**

Operators rewarded for better parcel performance

.....
A new system of bonuses for the handling of parcels will come into force on 1 January 2008. Operators will be rewarded with bonuses of up to 20 % of their basic inward land rates, depending on performance reports based on EDI messages exchanged by operators for the tracking of international parcels. These reports, developed and disseminated by the Postal Operations Council's parcels group and the UPU Postal Technology Centre, will provide a measure of the quality of service and identify particular links where there is room for improvement. The bonuses will only be available to operators that use the tracking system for parcels; they can also earn a further 5 % by using the UPU-wide electronic customer inquiry system. **JD**

Towards an electronic payment services mark

Posts that offer electronic money transfer services could soon benefit from a “quality symbol”, a distinct visual mark to promote such services to customers. The branding/positioning group of experts, which reports to the UPU’s postal financial services group, is stepping up its work on developing a visual mark incorporating attributes such as universality of service, accessibility, reliability, quality of service and solidarity. Once adopted (by the 2008 Nairobi Congress), the collective mark will be managed by the UPU and licensed to Posts that comply with a number of quality-related criteria: speed of service; quality of the reimbursement service; compliance with financial obligations; and number of inquiries processed. The experts are now drawing up regulations governing the mark’s use, and setting up a user group responsible for its collective registration. The International Bureau plans to register the visual mark in Switzerland, in accordance with the Madrid Protocol on Intellectual Property.

“For customers, this mark will provide an image of security. It will be instantly recognizable by both the sender and the beneficiary, regard-

less of the country,” says South Africa’s Marietjie Lancaster, chair of the branding/positioning group of experts.

Efforts to promote electronic payment services will be supported by the group responsible for marketing and financial activities, chaired by Khaled Neji, head of international affairs with the Tunisian Post, who says the group will benefit from operators’ experience by identifying best practices in this field. **ED**

It will cost around 300,000 CHF to get the visual mark registered. Member countries wishing to make a financial contribution to its development are asked to contact Serguei Nanba at serguei.nanba@upu.int.

› Visit the page
“UPU snapshots”
(under UPU News
Centre) at
www.upu.int
for more photos
showing the UPU’s
work in the field.



On mission

Nathalie Chemineau, associate expert with the regulatory and economic affairs directorate at the International Bureau, chats with G. Majawa, senior manager of the mail sorting centre in Blantyre (Malawi). Nathalie and economist José Anson, also from the International Bureau, went to Benin and Malawi in March as part of a universal postal service pilot project seeking to identify the necessary criteria for broadening access to postal services in sub-Saharan Africa. The project is being led by the Council of Administration’s universal postal service group. **RL**



Tulips for peace

Edouard Dayan, UPU director general, Paula Savage, president of the International Peace Garden Foundation, and Alexander Tschäppät, mayor of Berne, inaugurated the 2007 International Peace Garden at the UPU International Bureau on Thursday, 3 May. The City of Berne received the honour of hosting the garden this year following a nomination from Dublin (Ireland), last year’s recipient. In turn, Berne decided to plant the tulips donated by the Netherlands at the UPU, the only United Nations organization located in the Swiss capital. Thousands of

beautiful tulips will thus bloom each year on the grounds of the International Bureau, reminding visitors of the role of postal services in peace-keeping efforts. **RL**

in brief

Focus on electronic services

The world's postal operators will further integrate e-services into their strategies to grow their core business and develop new opportunities for themselves and their customers. During its plenary session on 4 May, the Postal Operations Council (POC) approved an e-services strategy developed by the electronic products and services group, as well as a resolution urging other POC groups to integrate e-services into their future work. Several POC groups and committees discussed the role of e-services and products in helping Posts grow their core business and develop new services and revenue streams. A report on e-shopping showing how postal operators can play a key role in this rapid-growth area was also approved. Electronic products and services are sure to feature prominently in the Nairobi Postal Strategy. **RL**

UPU*Clearing

Fees reduced

Member Posts of the UPU*Clearing system will see their annual membership fees drop by 25 % from 2008 as a result of savings made in previous financial years and effective treasury management. The annual fee varies according to the country's contribution class to the Union. By joining UPU*Clearing, postal operators are able to send their partners all sorts of bills via an Internet portal, instantly transmit notifications and comments, and accept or decline international transactions, in euros or US dollars. The system, created in 2003, currently links 30 member countries. **JD**

A voluntary fund for .post

The 2007 Postal Operations Council approved a resolution to set up a voluntary fund to help finance the .post project. The electronic products and services group and the Telematics Cooperative have each committed 50,000 CHF to the fund. The UPU needs a little more than one million USD to complete negotiations with

the Internet Corporation for Assigned Names and Numbers (ICANN) and issue a request for proposals on the commercialization of .post. The UPU will also use the fund to launch a small-scale .post project, whose overall aim is to secure the postal industry's presence and development on the Internet. **RL**

Sustainable development: building a new postal culture

How to distribute microfinance via postal networks and the consequences of climate change or worldwide epidemics were among the issues debated at the symposium on sustainable development held during the 2007 Postal Operations Council session. Various experts underlined the postal sector's impact on the environment and the importance, for the sector's leaders, of responsible ecological and social conduct, the only way forward for Posts that wished to innovate, cut costs, develop new revenue streams and prevent risks. "This is certainly one

way of reinventing how Posts operate," said Patrick Widloecher, chairman of the sustainable development project group. This group has also drawn up an operational guide, covering postal environmental policy, transport and logistics, reduction of CO₂ emissions, energy consumption, waste management and green buildings. This publication is designed to offer guidance to the 141 members of the network of sustainable development correspondents, who coordinate activities in this area between Posts. **JD**



WHAT'S THE MOST VALUABLE TOOL TO DRIVE SUSTAINABLE GROWTH AND POWERFUL RELATIONSHIPS? MAIL!

The Postal industry has significant potential for long-term growth so long as mail continues to be the most effective medium for business communications.

Growth will come from increased co-operation of posts and suppliers, responding directly to customers choice.

Service innovation and integration through technology will deliver revenue growth, cost reductions and increased customer loyalty. Pitney Bowes is the leader in creating technologies to bring posts and mailers

Pitney Bowes operates in 130 countries around the world, investing in the growth of mail. Our innovative technology creates solutions that bring Posts and Mailers together for greater productivity.

Pitney Bowes promoting partnerships to deliver profit.



together to optimize the entire mailstream.

Mail is a valuable tool for sustainable growth with the power to build valuable relationships. Mail adds impact by being

targeted, universal and non-intrusive. Mail has that ability to get the right message, to the right person, at the right time.

Our goal is to make those who use the mail more successful. Pitney Bowes invests time and resources, in partnership, to ensure mail delivers.

 **Pitney Bowes**
Engineering the flow of communication™



Tales of a targeting tool

.....
When customers open their letter boxes these days, they can expect to find anything from a car or a tennis ball to a bottle of fizzy drink inside.



Cut-through results

With Impact Mail you can customise your communication by creating virtually any shape direct mail piece you can think of, out of almost any material you'd like – plastic, rubber or even wool. For more information contact your Australia Post Account Manager or visit www.auspost.com.au/impactmail

Impact Mail

By
**Emmanuel
Deonna**

Today's mail, with its odd shapes, bright colours, unusual materials, and even sweet scents, is guaranteed not to go unnoticed. Thanks to advances in information technology and digital printing solution, the direct mail customers receive is becoming more and more attractive. Today, it is not uncommon to find free samples of food or cosmetics, or even audio or video disks, in your mailbox alongside more traditional letters. The countless ways in which direct mail can be personalized make it a highly effective direct marketing tool. Growing volumes and increased expenditure in the direct mail sector are proof of its enormous potential, particularly in developing countries.

On average, direct mail worldwide accounts for 38 % of letter-post items in the domestic service and 12 % in the international service. According to UPU statistics, an estimated 163 billion items were delivered in 2005 in almost 60 % of Union member countries. In short, direct mail is one of the few traditional services the world's Posts can rely on to counteract the effects of electronic substitution.

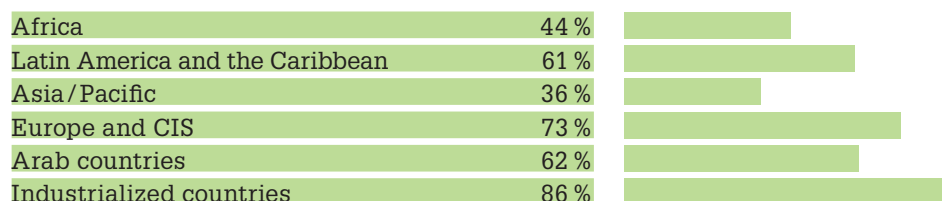
Even in countries where direct mail is not explicitly included in the universal service definition, it can help postal administrations to fulfil their universal service obligation by guaranteeing higher mail volumes and reducing the costs associated with this obligation.

The growth of direct mail can be seen today on every continent, in countries as diverse as China, Croatia, Egypt, Iran, Mexico, Namibia, Russia and Viet Nam. Targeted direct mail is still a relatively new phenomenon in some developing countries, but the potential is huge.

Return on investment

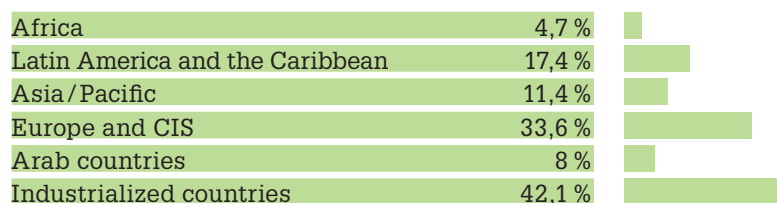
The rapid growth of the Internet and electronic media has not led to the decline in direct mail that some predicted; far from it, in fact. Like the giant eBay, businesses that operate on the Internet know that catalogues are an excellent way of directing consumers to their websites, thus increasing their online sales. According to Pitney Bowes, a company that provides mail management solutions, 55 % of American consumers buy on the Internet after looking at a catalogue.

Percentage of countries offering direct mail services
(domestic service)



2005 data

Minimum percentage of letter mail comprised
of direct mail



2005 data

According to Mark Roberts, who is responsible for direct mail at Australia Post, new direct marketing methods, such as e-mail and advertising on search engines or by mobile phone, are attracting a lot of attention. But unlike direct mail, these techniques have yet to demonstrate their long-term effectiveness. According to a study carried out by the Winterberry Group, a leading American firm of direct marketing consultants, the return on direct mail campaigns between 1999 and 2006 was 13 to 16 times the initial investment. Experts say the trend today is for "integrated communication", which uses a combination of different media, depending on the advantages and disadvantages of each (the costs and expected response rate being different in each case).

Throughout the goods and services market, players are under increasingly intense pressure. Consumers are offered a growing number of channels of communication and a vast array of choices, making their decisions more and more difficult to interpret. Meanwhile, businesses are under constant pressure to show that their marketing activities offer the best return on investment. "The emphasis is already very much on managing customer relations; it will be a priority in years to come," observes Mark Roberts. In this context, the ability to deliver detailed, relevant information to targeted addressees, establish a dialogue with them, and measure the results accurately is absolutely essential. But despite all these demands, direct mail very often proves to be the most successful technique. Advertising agencies are well aware of this, and are creating or incorporating direct

mail units. Postal operators are showing their support for this trend by encouraging the direct marketing sector to emulate it, and by offering a fast-growing range of highly effective services.

Potential for growth in developing countries

Sharing information on best practices, strengthening the partnership between postal operators and direct marketing associations, and putting in place the necessary infrastructure to develop the sector are all core objectives of the UPU's Direct Mail Advisory Board (DMAB), which is made up of 36 operators and 13 private businesses and associations. Its direct mail market development workshops often act as a catalyst in a country or region. For example, a workshop held in New Delhi in February 2006 is already paying dividends just one year later. M.S. Bali, the former direct mail manager of the Indian Post, and now chief postmaster general of the province of Assam, has noticed an increase in the use of "Direct Post", an unaddressed direct mail product launched in June 2005. The "Direct Post Advertisement", a product inserted in transactional mail, which was introduced in April 2006 on the basis of recommendations stemming from the workshop, has also been highly successful.

"Taken together, these products generated over 342,000 EUR in the first ten months and for the year as a whole they are expected to bring in almost 514,000 EUR. This is an entirely new source of revenue for India Post; it has not previously offered a product of this kind, either for unaddressed direct mail or for direct mail enclosed with transactional mail," explains Bali.

Like many operators in developing countries, India Post now faces the challenge of developing an addressed direct mail product. At the same time, it is working on the development of a database system for the direct mail sector. Its task is to create and update a postal address database that includes demographic data. "This project could receive World Bank support," adds Bali. More detailed lists, based on consumer preferences, would be provided by the market. Meanwhile, India Post will undertake to raise its profile among small and medium-sized businesses. No-one can be in any doubt that these are all worthwhile projects; over the next few years, GDP is expected to grow by 9 % and the service sector by 13 %. And if the predicted rapid growth takes place, businesses will have an even greater need for effective



.....
According to an American study, the return on direct mail campaigns between 1999 and 2006 was 13 to 16 times the initial investment.

direct marketing tools, according to Bali. "With the increase in foreign direct investment, a lot of multinational companies, having experienced the power of direct marketing in developed economies, are coming to India with a view to repeating their experience here," he concludes.

Partnerships with direct marketing associations

To ensure sector growth, postal operators are developing and disseminating exemplary direct mail practices. They share the objectives of the direct marketing associations, within which they are often represented. Australia is a very good example of this. As well as being represented on the board of directors of the Australian Direct Marketing Association, Australia Post is active in its working groups (training programmes, awarding prizes for innovation in direct marketing techniques, etc.). This partnership has produced remarkable results. Expenditure on direct mail represents 13 % of the 581 million Australian dollars invested in direct marketing each year. "In Australia, in the ten years between 1995 and 2005, annual direct mail expenditure almost doubled. While ADMA and Australia Post cannot claim sole responsibility for this result, it would be fair to suggest the result would not have been as strong without the collaboration and cooperation between both organizations," asserts Roberts.

The only potential stumbling block is that postal tariffs sometimes complicate relations between associations and operators, particularly in developing countries. "But even here, progress is being made – on all other points, players' interests coincide," says Raquel Ferrari, the UPU's publishing sector and direct mail markets development programme manager.

Direct marketing associations tend to be set up once markets have achieved a sufficient level of maturity. They understand that it is to their advantage to involve postal operators in the profit-making opportunities on offer. The Slovenian Direct Marketing Association, which has been particularly active since it was set up four years ago, is the first to position itself in the markets of the countries of the former Yugoslavia.

"For two years now, we have been talking about setting up direct marketing associations in Serbia and Croatia," explains its secretary general, Bostjan Zrimsek. We are

Direct marketing based on accurate market intelligence

the main point of contact for companies wishing to enter this market. The Slovenian Post is one of our members, and also a sponsor of the conferences and other events we organize. The high quality of its services has earned it a good reputation among its customers. We believe that direct marketing should keep pace with the latest developments in postal services.»

As the large number of delegates attending the DMAB meeting held during the recent Postal Operations Council session demonstrated, direct mail is worth its weight in gold to postal operators.



..... Operators are sharpening the tools that will help their customers to conquer new markets. Knowledge of the ways and customs of different countries is an undeniable asset. With this in mind, Swiss Post has produced the *Direct Marketing Passport to Europe*. Published in October 2006, this guide aims to make its customers aware of the national and regional characteristics likely to influence their customers' direct marketing operations. Covering seven different countries, it also contains information on finding addresses, data protection, and basic conditions for distance selling. In addition, it offers suggested layouts and gives a wealth of advice on creating an effective mailing. The German postal service is providing a similar service, with its *Direct Marketing Monitor International*, now in its fourth year of publication. This guide, which includes consumer trends, response rates to advertising items, and profiles of groups having a particular affinity with mail order selling, is a mine of useful information for anyone wishing to establish or strengthen a commercial presence in Europe, the Americas, Asia or Australia.



The Austrian Post is using its geographical position to turn its sights on Eastern Europe. Its guide, entitled *Eastern Europe in Focus*, was very well received when it came out last year. The second edition, out this spring, puts no fewer than thirteen countries under the microscope, with chapters on subjects including the economy and national mentalities. The guide gives very detailed information on basic factors to be considered when exploring new outlets, including purchasing power, existing direct marketing products, postal infrastructure and the regulatory framework governing advertising. The figures for growth in Central and Eastern Europe point to exceptional market potential. As the authors of *Eastern Europe in Focus* explain, "average annual growth rates in these countries are between 3 % and 7 %, far higher than the European average (1.6 % in Austria and 1.1 % in Germany). The high standards of postal service, abundance of retail outlets, varied consumer demands and legal framework conditions are all factors paving the way to the future of mail order sales in this region." **ED**



The importance of targeting

.....

A direct mail campaign can be broken down, step by step, according to senders' interests and needs. As the UPU's Raquel Ferrari points out, from the creation and drafting of the message to the identification of targets, not forgetting the production and delivery of the mail, the processing of replies and orders and the monitoring of customer relations, postal operators are providing solutions all the way along their customers' value chain.

Postal operators' strategic positioning is reflected in the progress made in how address lists are used and managed. In many cases, operators are able to keep their databases constantly updated by giving their business and private customers the opportunity to inform them when they move to a new address, and by arranging for the collection of returned items. According to Geoff Collins, managing director of Wundermann Bangkok – a leader in the field of international direct marketing – the rules protecting people's private lives are set to get even stricter. It is therefore in postal operators' interests to compile address lists of those who have agreed to receive advertising mail (opt-in lists). They know that private individuals make important economic decisions when they move to a new address (changing banks, taking out new insurance policies, buying cars and furniture ...). Like other Posts, New Zealand Post offers firms an extensive database of people who have recently moved. "Only private individuals who have given their authorization appear on this list. It is currently the best-selling list in New Zealand. What's more, this system is a very effective way of reducing costs linked to the management of undeliverable mail," Collins points out.

.....

To increase the response rate for unaddressed mail, postal operators often provide demographic data that enables target groups with similar profiles to be identified in a given geographical area. To refine the targeting of addressed items, some operators offer their customers lists based on questionnaires sent to firms and private individuals.

The *Australian Lifestyle Survey*, *Select Post* and *Stichting Selective Post* surveys have enabled the Posts of Australia, Belgium and the Netherlands to provide their customers with the names and addresses of businesses and private individuals with common interests, lifestyles, activities and characteristics. "The *Stichting Selective Post* survey is the oldest lifestyle survey in the Netherlands. Since its launch in 1986, two million households have responded," says Laurens Ruster, marketing manager for Cendris, a division of TNT Post.

Referring to the Belgian survey, Emmanuel Foulon, spokesman for the Belgian Post, says: "The high rate of response shows the degree of trust users place in our postal service. What's more, better targeting gives businesses added credibility." Operators are working in a booming address list market. Their positioning is part of a wider strategy of delivering detailed information to their customers on all aspects likely to promote their direct marketing activities, even beyond national boundaries. **ED**

.....

› Address lists are also essential tools for international direct mail campaigns. Read the article on *Union Postale's* Web page at

.....

› www.upu.int/union_postale/en/index.shtml

.....

Direct access: an opportunity or a threat?

.....
Should one postal administration allow another to
access its postal market under the same conditions
and rates it offers its own domestic customers?

.....
By
Emmanuel
Deonna

.....
Illustration:
Ray Hegelbach

How can such a system be put into practice? And what are the advantages and disadvantages for national operators? These are some of the issues currently being thrown up by the debate on reform of the terminal dues system.

At the moment, the industrialized countries that make up the “target” terminal dues group have to grant direct access, while such provision remains voluntary for developing countries in the “transitional” terminal dues group. Under the UPU Letter Post Regulations, developing countries are allowed to offer direct access to a limited number of countries for a two-year trial period. However, the level of knowledge of, and interest in,



this practice still varies greatly from one operator to another. Seen as an opportunity by some, and as a threat by others, direct access remains a contentious issue.

"As well as the UPU Convention, the European Postal Directive, national legislation and, to a lesser extent, the provisions of the World Trade Organization oblige the great majority of European operators to guarantee direct access. For them, this practice has long represented a means of protecting market share and generating income in a postal environment facing ever heavier competition, particularly from private operators. The system complements the existing terminal dues mechanisms," explains

Jörn Allardt, vice-president of international mail at Finland Post. Under the direct access system, items are prepared under the supervision of the designated postal operator of origin, to comply with the destination Post's product specifications. As Altamir Linhares, direct access project manager and economist in the International Bureau's economic and regulatory affairs directorate, explains, these specifications can include the dimensions of the item, the type of franking marks and their location, weight, return address in the country of destination, sortation requirements and addressing standards. This means that the end customer receives a product that has the appearance of a domestic mail item. "The price offered to the destination postal operator corresponds



fully to that offered to domestic customers, including bulk mail discounts, mechanization discounts or other price incentives,” adds Linhares. For all these reasons, direct access is a particularly attractive solution for sending large volumes of mail, particularly advertising mail. A further benefit is that financial settlements between operators can be made more rapidly than under the terminal dues system.

A list of arguments in favour of the development of direct access has been compiled by the direct access working group, part of the terminal dues model project team. Consisting almost exclusively of industrialized countries, this group is tasked with promoting direct access, particularly among the restricted unions, with a special focus on the countries in the transitional terminal dues system. As Silvia Badulescu, head of the international traffic department of the Romanian Post, and Debbie Spring, unit manager with Australia Post, explain, the direct access working group they jointly chair has found there to be a dearth of information on this issue. “There was a very high response rate to the questionnaire prepared by the International Bureau, but it was clear that there was still some confusion about direct access. This might account for the reservations recently expressed by certain operators.”

On the strength of this finding, it was decided to not only raise awareness of direct access, but also refine the tools for putting such systems into practice. Back in 2003, the

International Bureau started work on a direct access database containing information provided by designated postal operators on key account managers, products and prices, and the operational and financial requirements of UPU member countries. This database also contained links to operators’ direct access websites. The direct access working group’s efforts to develop an operational guide and a model bilateral agreement for use by operators, and to standardize accounting methods, form part of efforts to further expand this database. A calculation tool enabling the financial impact of direct access operations to be compared with the remuneration received under the terminal dues system has also been developed. This tool may help to overcome the reticence on the part of some of the operators in the transitional system.

Developing countries remain cautious

In the developing countries, direct access is often perceived as a threat, the argument being that granting such access is incompatible with the collection of terminal dues. “We have to bear in mind that these payments represent a significant portion of our operators’ income,” points out Paul Nomba Ouedraogo, who is responsible for strategic planning in the Pan African Postal Union. “Given that the costs borne by operators in developing countries often outstrip the rates they are able to charge, granting direct access to operators in the target system would, in the worst cases, equate to subsidizing the latter’s commercial operations,” admits José Anson, an economist with the International Bureau’s economic and

Two systems, one goal

The current terminal dues system consists of two sub-systems: a target one and a transitional one. The target system applies to industrialized countries and other countries wishing to belong to it. The transitional system applies to developing countries not yet ready to join the target system. The UPU's are continuing their work on terminal dues, with a view to achieving a single country-specific, cost-based remuneration system by 2014.

Further information on direct access:

www.upu.int/direct_access/en/index.shtml

Study on access to postal markets:

www.upu.int/news_centre/2005/en/paper_2005-10-29_access_to_postal_markets_en.pdf

Contact:

direct.access@upu.int

regulatory affairs directorate and author of studies on postal development in Africa. "The current terminal dues system, for all its faults, does at least ensure some degree of balance in relationships between Posts," says Ouedraogo. "The strategy adopted at the Bucharest Congress was to move the terminal dues system towards a cost-based approach which took account of operators' specific situations. Accepting this principle, the developing countries asserted their right to benefit from UPU assistance with the introduction of suitable cost accounting tools. Improving analysis of their cost structures is now seen as the main priority. Where operators' cost structures and tariff policies are comparable, developing direct access on a reciprocal basis is a reasonable option. However, the introduction of mandatory direct access for all UPU member countries is still a very long way off. In any event, it cannot happen until the transitional terminal dues countries have assessed the impact of applying direct access within their own group," concludes Ouedraogo.

"The members of the Postal Union of the Americas, Spain and Portugal (PUASP) currently lack concrete data on target-system operators' experiences with direct access," laments its secretary general Serrana Bassini Casco. The operators she represents wish to be able to take a properly informed decision; she sees information as the key issue, not least because direct access is a solution that could actually prove very beneficial for certain operators, particularly those with a small share of the domestic postal market but high levels of oper-

ational expertise. As Bassini Casco points out, operators working in a competitive market are aware of the benefits of direct access: where levels of terminal dues remuneration are too high, and there are large volumes of mail to be delivered in a developing country, private commercial operators in the international postal market will collect traffic and insert mail for the country directly into its domestic mail stream, at domestic tariffs, paid in the local currency by local agents. Designated operators do likewise in order to compete with these private operators. As soon as the terminal dues system is bypassed, switching to the "organized" direct access channel will help to protect revenue. "With 'organized' direct access, the destination designated operator is paid in hard currency. This is worth bearing in mind, given the greater instability and risk of devaluation of developing countries' currencies," notes Jörn Allardt.

An ongoing debate

Designated operators' experiences with direct access should certainly be shared more widely. Whether convergent or divergent, operators' views on the matter need to be heard. This debate is set to continue in the coming months, at regional round tables where the future terminal dues system will be considered. "Just as for many other aspects of reform, direct access solutions will need to be developed with a precise goal in mind: that of ensuring that worldwide exchanges enjoy better levels of growth, mirroring the growth in international trade," concludes José Anson.

Many hands make light work

Never before will the work of building a world postal strategy have involved such a number and wide range of postal sector players.

By
Rhéal LeBlanc

Work is well under way on developing the Universal Postal Union’s forthcoming four-year roadmap, which will be adopted by member countries at the 2008 Nairobi Congress. With the final version to be presented at the joint sessions of the Postal Operations Council and the Council of Administration (CA) in February 2008, it’s a case of all hands on deck for the Nairobi Postal Strategy. At the Postal Operations Council in April, the strategic planning group’s Nairobi Postal Strategy team, chaired by Belgium, presented a draft document inspired by the report on future postal scenarios delivered by the United States last year, the results of the UPU Strategy Conference held in Dubai in November 2006, studies conducted by the International Bureau and input from

operators, ministers, regulators and other industry players – members as well as non-members of the Consultative Committee.

The current document identifies four objectives, rather than the five contained in the Bucharest World Postal Strategy. These objectives focus on the main issues of concern to today’s postal sector, but their ultimate aim will have to be to ensure interoperability and the development of the physical, financial and electronic dimensions of the world postal network, along with all the various aspects involved (universal service, quality, security, etc.).

In order to review, modify and develop the future strategy, the International Bureau will be holding seven regional round tables between June and December 2007, their objective being to review progress on the Bucharest Strategy and to seek the regions’ views on the future strategy, thus ensuring that it takes account of regional approaches to postal sector development, and guaranteeing a future role for the regions in implementing that strategy. The round tables will take place during the annual meetings of various restricted unions, including the Regional Commonwealth in the Field of Communications, the Association of European Public Postal Operators, the Postal Union of the Americas, Spain and Portugal, the Pan African Postal Union, the Caribbean Postal Union, the Arab Permanent Postal Commission and the Asia Pacific Postal Union. China has also offered to host a final meeting, as it did in 2004 in the run-up to the Bucharest Congress. This meeting will be an opportunity for all sector stakeholders to put the finishing touches to the Nairobi Postal Strategy.

World – yes or no?

To avoid any confusion with the initials BPS, standing for Beijing Postal Strategy (1999–2004), the UPU added the word “world” to the title of the strategy adopted in Bucharest (2005–2008). The adjective was dropped for the Nairobi Postal Strategy, as there was no longer any possibility of confusing the initials NPS with previous strategies and, in any case, the UPU is an intrinsically global organization. However, not all member countries accepted this decision with equanimity. At the strategic planning group’s meeting in April, some of them professed an attachment to the epithet. In their view, the adjective reinforced the idea of a strategy that was well and truly global in scale. So will five extra letters grace the name of the next strategy? The CA might be called upon to adjudicate when it meets in February 2008.

Schedule of 2007 round tables

Saint Petersburg (Russia)	21 June
Nairobi (Kenya)	18–19 July
Montevideo (Uruguay)	3 September
Vienna (Austria)	11 September
Fort-de-France (Martinique)	September
Arab region	November
New Delhi (India)	30 November
Guangzhou (China)	4–5 December

Some locations and dates to be determined.

The mailbox

“High-quality service appreciated”

› Write to us!

We welcome letters to the editor. Post a letter by mail, or send it by e-mail to rheal.leblanc@upu.int, with your name, address, telephone number and e-mail. When necessary, letters chosen for publication may be condensed.

Hellenic Post ELTA recently upgraded the International Postal System to the latest version 4.24. Although the updated process runs without major problems, some operational deficiencies occurred, needing urgent solutions. The immediate intervention of the IPS helpdesk was of great importance. We are grateful to the IPS helpdesk for its professional response

to our problems. We would especially like to mention the vital help of Mr. Silviu Lita, who acted very professionally on many occasions. In all cases, the support services of the Postal Technology Centre were of high quality.

Xenophon Chatzithanassis
Director, International Mail
Hellenic Post

“Kudos for *Union Postale*”

I just finished reading the last issue of *Union Postale* and wanted to tell you how good it is, especially in this new format! Congratulations on the content, the new look, and the new column giving information about the activities of various Posts. I think everyone will welcome learning how other Posts are doing and what is important to them.

Flori McClung
International Postal Affairs Specialist
United States Postal Service

Congratulations on the brand new *Union Postale*. As you mentioned in the last issue, the postal landscape has been changing, and each postal operator and the UPU should change to suit various customers' need. In these circumstances, changing *Union Postale* [at this point] is very good timing. I believe we can share much information through the magazine, and we will be unified to meet global customer needs.

M. Kazunori Uchida
International Affairs Office
Japan Post

Congratulations on the new look of *Union Postale*. Much more attractive and easy to read!

Sture Wallander
Vice-President, International Relations
Posten AB (Stockholm)



Digital bridge builder

.....

In spite of a forced separation back in the 1980s, there is more that unites the postal and telecommunications sectors than divides them.

For Dr. Hamadoun Touré, the new secretary general of the International Telecommunication Union (ITU), who took up his post on 1 January 2007, the two sectors can look forward to a bright future together, as they tackle major social and economic challenges such as the digital divide and cybercrime. We meet the Malian now heading one of the world's oldest but most future-focused international organizations.

What are your priorities for your time in office?

Dr Hamadoun Touré The ITU's mission is very similar to that of the UPU, but focused on enabling all the planet's inhabitants to benefit from information and communication technology (ICT). So my number one priority is reducing the digital divide, wherever it exists. This mission is now linked to the follow-up of the two phases of the World Summit on the Information Society (WSIS) in 2003 and 2005. Two of the WSIS action lines were specifically assigned to the ITU – infrastructure and cyberspace security. I see these two issues, along with that of emergency communications, as very important. Recent natural disasters have highlighted the need for a global alliance to deal with emergency situations and

restore infrastructure and services. As for cybersecurity, we have to recognize that nobody is safe while there are vulnerabilities that cybercriminals can exploit. We are increasingly dependent on communications networks, the backbones of our economies and societies. Whether in the context of links between schools or hospitals, or the e-government services increasingly on offer, the need to protect data and people is taking on a completely new dimension. Cybercrime knows no borders, and in this interconnected world, criminals have no difficulty transferring their operations elsewhere to continue acting with impunity. The scale of the problem, and the importance of finding lasting solutions for it, is such that truly global action is called for. This is why I

.....

By
Rhéal LeBlanc

.....

Photos:
Manu Friederich

.....

“In remote areas,
the Post can provide
privileged access
points for communi-
cations systems
that are open to all.”

have made combating cybercrime another focus of my work programme.

What sort of partnership would you like to build between the ITU and its sister organization, the UPU?

The ITU and the UPU are, indeed, the two oldest international organizations. A changing world led to their respective activities being separated in the 80s, but, in reality, there has always been this need to work together, and it is more important than ever to collaborate now, in the age of the information society, where every post office is a potential telecentre. More than any other service, post offices form a unique network linking hundreds of thousands of villages and communities throughout the world, and an access point for the universal service. Our two organizations have already worked together on a number of major projects, during which we have been able to put our capacity for cooperation to the

test, and the positive results are now forming the basis of pilot projects on an even grander scale. We have run very successful projects, most notably in Bhutan, but also in Afghanistan, Nepal and Africa, in conjunction with other countries; India, for example, contributed to the Bhutan and Nepal projects. We have seen what can be achieved through this type of collaboration, and have decided to step it up.

Given the synergies that exist between the ITU and the UPU, was it right to separate telecommunications from Posts?

These decisions were dictated by circumstances. Back then, financial analyses were carried out to show how the telecommunications sector could be made profitable before opening it up to competition. The postal sector's profitability was questioned, but I think new technology has been a boon for Posts. In my opinion, in the context of

those times, it would certainly have been less than desirable for an operator that enjoyed a dominant market position in one sector to be able to exploit this position in another sector where it did not necessarily have the same dominant position. Clearly, there have been a number of changes in the environment since then, both technological and regulatory.

Today, we are meant to work together since we share a common objective – universal access, based on cooperation between all the stakeholders. As you know, we organized the World Summit on the Information Society because we [the ITU] found ourselves alone in the face of a digital divide that was growing ever wider. For a long time, the ITU worked single-handedly to close this gap. Eventually, we had to call on all the players in this field to contribute to a solution. No body or organization can narrow the digital divide on its own. There has to be a joint effort.



The UPU lays great emphasis on its role in the information society, and was very active during the Summit.

In concrete terms, how can the postal sector help to reduce the digital divide?

Through its global presence and the tools it is able to make available to the population. The postal sector can use new technology to bring added value to the UPU. I am thinking in particular of online postal and financial services or electronic mail. With its network of 660,000 post offices, often in remote areas where few communications services are available, the Post can provide privileged access points for communications systems that are open to all. As well as financial services, this will offer a means of providing new services in areas such as health, education or access to knowledge.

Almost two years after its launch, how is your "Connect the World" initiative, in which the UPU is a partner, faring? Does it have any

real chance of meeting its objective?

It is very successful. Many projects have gone live within the framework of this open partnership. This is why the ITU has transferred the "Connect the World" project to its development sector, which is tasked with reducing this digital divide. Connecting every village by 2015 is an ambitious goal but an achievable one. Geneva 2003 and Tunis 2005 provided an opportunity to obtain the commitment of Heads of State. Once we have shown the top-level authorities that a country's development depends on access to the information and communication technologies, the next stage is to mobilize all the country's resources to achieve this objective.

We know that telecommunications services are profitable, but there is a need to adopt a policy that attracts external investment. Many countries, through their regulatory authorities, are implementing



this type of policy to ensure that investors are kept happy and that partners support the initiatives. Meanwhile, we, as international organizations, act as catalysts. We must show that these pilot projects are feasible, and share information about them so that they can spawn further projects.

You mentioned cyberspace security and assistance in the wake of natural disasters. How can the UPU and ITU work together to find solutions in these two areas?

The UPU and the ITU each have almost 200 members. The UPU has a vast network of post offices, while the ITU has several hundred private partners. All these members share the same ambitions, as our cultures are very similar. And even though their approaches sometimes differ, our respective members provide mutual support, because of this shared culture. This is a significant asset when we address challenges like security, which concerns

everyone. A virtual virus knows no borders; it has no passport and no nationality. Even if there is an agreement covering all the countries of a particular region, a criminal can act remotely from another region. This is why it is important for us to work more closely together. Any parent will be worried about child pornography, for example. It is something we all need to combat together. There are basic principles enabling us to work together. In my view, a just world cannot develop without a secure cyberspace. We shall have no peace without it.

How do you, as a representative of the telecommunications sector, see the postal sector's future?

I see a postal sector that is ever more computerized. The Post has always been there, and will always be there. For as long as humans need to communicate, they will use the Post. It is an indispensable tool, and this is why the founding fathers of the UPU were visionaries. Their

vision, like that of the ITU's founders, remains relevant today. These forms of communication are changing, but they will always be there, because communication is peculiar to humans. From the moment we are born, we communicate with our first cries – "I'm here!" [laughs]. Humans will certainly continue to communicate.

If you can't beat them, join them

By
Graeme Lee

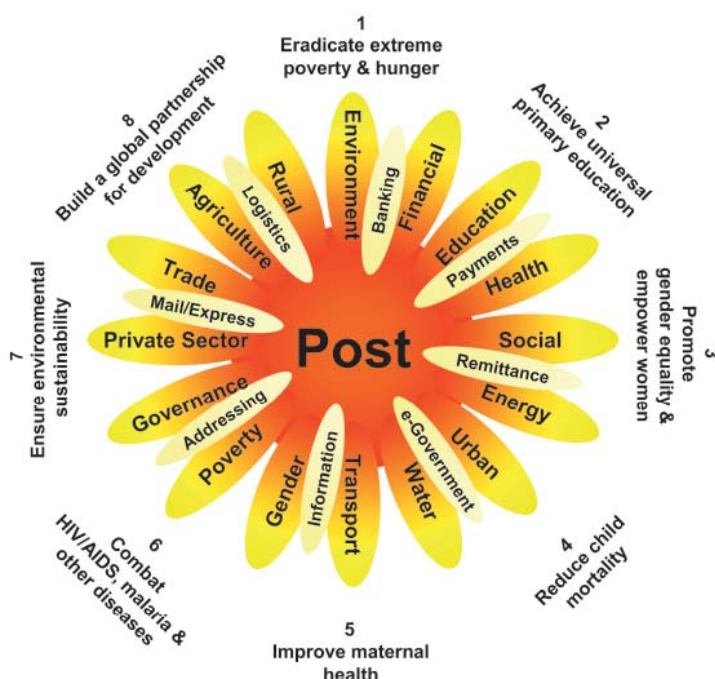
The Universal Postal Union has committed to helping the United Nations achieve its Millennium Development Goals. But more concretely, the specialized agency can play a key role in helping its members – particularly the least developed countries – obtain funding for postal development.

When the Millennium Goals were defined, the 2015 target date seemed away beyond the horizon, and optimism was high that these eight goals and their associated 18 targets would be met by the deadline. Yet, as we sail through 2007, even United Nations officials admit that many countries are behind schedule in achieving the goals. This is more apparent when one considers that large development projects require two to three years of preparation and upwards of five years for implementation. A project at the concept stage in 2007 will be implemented in 2015 at the earliest.

The postal community had little involvement in shaping the Millennium Goals. Reducing poverty and child mortality and increasing access to education and health were not postal sector competencies. Hindsight suggests that the postal community should have highlighted the significant positive impact it can have on social and economic development because the Millennium Goals do not just consist of eight goals with 18 targets, but also include 48 indicators. The last two indicators measure the number of telephone lines and mobile phone users, as well as the number of computers and Internet users per 100 people, but postal activities are not mentioned in any of the indicators. It would be easier to achieve the Bucharest Congress objective of expanding universal postal access if it were also one of those indicators.

The consequence of this omission is significant for those Posts looking to fund postal reform and development. Governments have higher priorities than the postal sector, and the 48 indicators add further weight to this. Other sectors are bigger and more likely to have an impact on achieving the Millennium Goals. The postal sector is somewhat invisible, accounting for only 0.01 % of World Bank loans, while law and administration accounts for 20 %, finance for 8 % and water and sanitation a further 8 %.

What can the postal sector do to elevate its position in the world of development? As the saying goes: "If you can't beat them, join them!" The postal sector, and the communications sector as a whole, is in a fortunate position because it acts as a facilitator of development, allowing it to link to any other sector to fulfill its own development ambitions. If governance is the driver of



How the postal sector can contribute to the eight Millennium Development Goals.

investment, then the postal sector can sell itself as a network to access government services. If the driver is access to finance, it can promote itself as a provider of financial services in rural areas. If the driver is provision of utilities, it can sell the need for bill delivery and payment. By understanding the eight goals, 18 associated targets and 48 indicators, Posts can better position themselves for funding.

Three opportunities

What role does the UPU have in promoting the postal sector as a facilitator to deliver the goals? The concept of the integrated postal reform and development plan (IPDP) has proven an excellent first step, but the UPU must work closer with development organizations to raise the postal sector's profile. There are three notable opportunities to do this: the first is to open regular dialogue with development organizations; the second is to create a trust fund with the World Bank; and the third is the development of a concept we might dub IPDP II.

Opening regular dialogue with the World Bank and other development banks is crucial to obtain funding. The approach should be to create a win-win situation by looking at each organization's development objectives and linking the Post to them. In this regard, universal postal service should be seen as a consequence of reform, rather than the rationale for it. Funding organizations will be more interested in postal reform if we talk of expanding access to financial services in rural areas, ICT access or billing and bill payment mechanisms to provide sustainable utility services. Achieving those goals will actually lead to universal postal services in the long term.

By creating a trust fund, the UPU can attract World Bank interest in the postal sector. This trust fund could be established by using the interest gained on the UPU Quality Service Fund to undertake the feasibility of postal development projects in targeted countries. As the "owner" of the trust fund, the UPU could exert influence over the direction of projects and ensure that postal experts are involved in creating postal projects, an issue the UPU can legitimately raise with current World Bank projects.

The dialogue and the trust fund in turn lead to the IPDP II concept. Funding is a complex process and involves a large number of factors coming into place at the right time. The UPU should review completed IPDPs with the World Bank and rank them according to those that have the best chance of obtaining funding. The ranking should take into account factors such as the Country Assistance Strategy, development objectives and the postal sector's potential for adding value to economic and social development. The trust fund can be utilized to carry out an in-depth study (IPDP II) on the most appropriate form of postal development.

As 2007 approaches its mid-point, so does the journey to achieving the Millennium Development Goals. It is time for the UPU and the postal community to step out of the shadows and face the sun. There is a wonderful opportunity for Posts to be part of the development process, but only if they regard themselves as facilitators to the development of other sectors rather than as recipients of funds in their own right.



.....
Graeme Lee has worked over 15 years in the postal sector. He is a senior partner in Sunflower Associates (www.sunflower-associates.com).

Market focus

PostZertifikat is born

Swiss Post has launched an electronic signature service. Documents which, for legal reasons, could previously only be sent by registered post can now be mailed electronically. The digital identification system is based on the PostZertifikat, a sort of passport or identity card for cyberspace. Combined with an electronic signature, the PostZertifikat certifies that the identities of the sender and addressee have not been

hijacked. Encryption techniques ensure that the documents remain confidential, and proofs of sending and receipt are generated. Electronic signature has numerous applications, ranging from the transmission of legal papers and signing of contracts, to administrative formalities requiring proof of identity.

Source: Swiss Post press release

And the winners are ...

More than 350 senior executives from the international mailing industry attended the World Mail Awards in London on 21 May. This year's winners were: Brazil Post (corporate social responsibility), Canada Post (customer service), Deutsche Post AG (e-commerce), DHL Global Mail (growth), Jean-Paul Bailly, CEO of the French Post (leadership), AMPM (innovation), Masterlink Express (people management), Singapore Post (quality), Aramex International (retail project), Royal Mail (security), Denmark Post (technology) and Saudi Post (transformation).

Source: Triangle Management Services Limited

Saudi Arabia adopts IFS

Saudi Post has adopted the International Financial System (IFS) solution. This is the first time the system has been installed in the Gulf region with an Arabic user interface. IFS will facilitate money transfers between Saudi Arabia and the United Arab Emirates, Tunisia, Egypt, India and the Philippines, which are already part of the IFS network. Saudi Arabia's adoption of IFS marks a significant step forward in terms of universal service, given the large numbers of migrants from countries such

as India (1.2 million), Egypt (1.2 million) and the Philippines (460,000) living in the country, who will now find it cheaper to send money back home. Saudi Post already has an excellent technical infrastructure, and plans to integrate IFS into the range of advanced electronic services on offer at post offices and via automated kiosks, mobile platforms and its website.

Source: UPU, Postal Technology Centre

Ethiopian Post moves into mail transport

The Ethiopian Postal Service is to acquire four Mitsubishi buses for mail deliveries throughout the country. These buses, financed to a large extent by the UPU Quality of Service Fund, as well as by the Ethiopian operator itself, will carry the mail along with 26 passengers. As well as being a useful public service, providing passenger services will help to cover maintenance costs for the vehicles. Since 1958, private transporters had been obliged by law to carry mail to and from their destinations. By acquiring vehicles of its own, the Ethiopian Post will finally be able to improve quality of service and cut delivery times.

Source: All Africa Global Media

Market focus

Brazil supports Paraguay

Brazilian president Lula Inácio da Silva and his Paraguayan counterpart Nicanor Duarte Frutos signed an agreement on 21 May 2007 whereby Brazil will fund 80 % of a project to establish universal postal service in Paraguay. The project, with a total budget of 282,000 USD, forms part of an integrated postal reform and development plan (IPDP) jointly coordinated by the UPU, the Postal Union of the Americas, Spain and Portugal, and

the Paraguayan Government. It will lead to the definition of a postal sector policy, the establishment of a regulatory framework, and restructuring of the public operator Correo Paraguayo. Paraguay was the very first country to benefit from an IPDP drawn up by the UPU.

Source: : UPU/InvestNews

Postmen are dog-tired

America's 298,000-strong National Association of Letter Carriers backed a resolution, presented to the United States Congress on 21 May, aimed at obliging dog owners to take steps to protect postmen and other citizens from dog bites. The resolution was supported by a number of awareness-raising initiatives during National Dog Bite Prevention Week in May. "Local governments and homeowners must ensure that it is safe for letter carriers and others to walk through their neighbourhoods without fear of being attacked," said NALC president, William H. Young. "This includes adopting and then enforcing sufficient laws to control dangerous animals." According to USPS figures, 3,184 letter carriers were bitten by dogs in 2006.

Source: PR Newswire (U.S.)

GAMPOST: A new beginning

Following the enactment of the Gambia Postal Services Corporation Bill in December 2006, the GAMPOST management has drawn up an ambitious reform plan involving the use of modern technology to strengthen the network and speed up money transfers and microfinance transactions through

public/private partnerships. Post's management is also seeking to breathe a fresh air of dynamism into the business with a new logo that incorporates elements symbolizing speed, efficiency and trust, as well as the importance of high quality international service.

Source: The Point newspaper, Gambia

Women of letters

In Djibouti, three postwomen are part of the new door-to-door mail delivery service targeting large customers such as ministries, embassies, international organizations and businesses. This unit, housed in a separate area of the sorting centre, is the result of a Quality of Service Fund project, also aimed at building customer loyalty. These female letter carriers, criss-crossing the country on their motorcycles, are helping to give the Post a more youthful image.

Source: UPU, Regional Adviser for the Arab countries



Create tailor-made projects.



FROM HIGH PERFORMANCE SORTERS TO 'TURNKEY' SOLUTIONS

To best accommodate your requirements and give momentum to your development projects, SOLYSTIC capitalises on its expertise. Listening to and understanding your needs, conducting diagnoses and delivering appropriate, dedicated solutions... SOLYSTIC is a strategic partner for postal services the world over. For you, there are never any standard responses – only individually tailored solutions.

SOLYSTIC has been awarded the International Trophy for Technology



Future postal solutions

SOLYSTIC S.A.S - 14, avenue Raspail - 94257 Gentilly CEDEX - France
Tel: +33 (0)1 49 69 41 00 - Fax: +33 (0)1 45 47 82 20 - www.solystic.com

 **SOLYSTIC**
a NORTHROP GRUMMAN company

THE WORLD'S LEADING EXHIBITION AND CONFERENCE DEVOTED
TO THE GLOBAL POSTAL, COURIER AND MAILING INDUSTRIES



POST-EXPO 2007

2, 3, 4 October 2007 Barcelona, Spain

**CONFERENCE
PROGRAMME
NOW ONLINE!**
www.postexpo.com



To register, visit www.postexpo.com

UKIP Media & Events • Abinger House, Church Street, Dorking, Surrey, RH4 1DF, United Kingdom