



# Istanbul World Postal Strategy

2017–2020



**UPU** | UNIVERSAL  
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# STRATEGIC DIRECTION AND ANALYSIS



# VISION

***The postal sector is seen as an enabler of inclusive development and an essential component of the global economy.***

Considering the rapidly changing world and building on our fundamental strengths, the UPU vision is more relevant today than it has ever been. Through its continued leadership in fast-tracking development of the postal sector, the UPU's proactive efforts are contributing to the development of the global economy.

This vision remains within reach. The global postal sector is realizing the value of adapting to innovation and, in turn, the world is recognizing the postal sector's significant potential in helping to strengthen the future of the global economy.

The vision is only achievable when combined with a renewed commitment to the mission of the UPU. The mission adopts a global approach to supporting the priorities and needs of each country and region, and encompasses the fundamental areas where the UPU can contribute to a positive and significant impact on customers around the world.

# MISSION

*“To stimulate the lasting development of efficient and accessible universal postal services of quality in order to facilitate communication between the inhabitants of the world by:*

- ▶ *guaranteeing the free circulation of postal items over a single postal territory composed of interconnected networks;*
- ▶ *encouraging the adoption of fair common standards and the use of technology;*
- ▶ *ensuring cooperation and interaction among stakeholders;*
- ▶ *promoting effective technical cooperation;*
- ▶ *ensuring the satisfaction of customers’ changing needs.”*

The vision and mission together guide the overall direction of the UPU. To achieve them, a robust plan of action and organizational effectiveness need to be in place.

# SITUATION ANALYSIS

We live in a new age. In our revitalized world, there is disparity in income and standards of living, yet a burgeoning middle class with a strong voice is emerging. While some countries battle with economic and political turmoil, others are successfully disrupting international trade. There is widespread adoption of mobile technology throughout the developing world, which in turn is leading to digitalization of all industries.

We live in an age of polarity. As postal sector contributors, we serve as trusted bridges that connect and adapt to an ever-changing world. As a result of this symbiosis, global trends are permeating and impacting the postal sector as well as providing opportunities for the sector to lead positive change.

A situation analysis of the postal sector reveals the following trends:

- i On the political front, we face the emergence of new international and regional groupings. Changes in government–citizen interactions have led to the prevalence of initiatives such as e-government. The role of the government in supporting the universal service obligation (USO) is shifting, as are the measures and policies to combat the rising incidence of security threats. Liberalization and privatization have had significant political impacts. Other challenges are arising from the need to balance the political pressures of special interests.
- ii From an economic perspective, we are witnesses to and participants in the liberalization and privatization process that is now a reality for many of our member countries. Changes in postal business models and cross-sectoral innovation have led to varied ways of functioning. Business models have been further affected by the increase in cross-border trade, by the Internet economy and innovative partnership models, by energy cost volatility, and by changes to financial models, access to finance, and global capital flows. A deepening level of financial inclusion is both seen and facilitated by the Post. The dominance of large and influential private sector entities and their increasing virtual integration is a significant development. In the end, all of these factors contribute to a changing relationship between the businesses that we serve and our mutual end customers.



- iii Our social anatomy is fast-changing: the digital age and changes in consumption patterns have contributed to the evolution of the customer of tomorrow, with a unique set of needs and expectations. Ease of cross-border interactions, migration, and demographic shifts have altered our understanding of customer needs. In addition, defining the value of time for customers who are constantly connected through new devices is a critical challenge. In the context of widening socio-economic chasms, postal addressing in physical and digital contexts is now both a challenge and an opportunity.
- iv As the fuel of change, technology is key to understanding current and future transformation. The unprecedented growth of e-commerce and m-commerce has led to a marked increase in parcel volumes and the need for updated foci. It is imperative to be cognizant of and adapt to the accelerating rate of technological change. In this respect, it is necessary to rely on initiatives that allow the postal sector to be repositioned and considered an essential component of the global digital economy.
- v A review of legal aspects concerning the postal sector indicates global changes in existing regulations, where innovation is necessary when establishing new international standards.
- vi The global spotlight on environmental concerns has led to the evolution of environmentally conscious customers who hold both themselves and the businesses they interact with accountable for environmental impact. There has also been an increased recognition of the postal sector's role in fighting climate change and responding to global crises.

The key global trends identified as influencers of the postal sector bring to light the following messages:

- i The escalating pace of change across multiple dimensions reflects an urgent need for the UPU and the postal sector to develop solutions focused on innovation, both within the UPU and through the offer of diverse, sustainable products and services for the global customer of tomorrow.
- ii The sheer magnitude of socio-economic and developmental disparity highlights the significant role the UPU can play in ensuring inclusion while creating a growing new base of stakeholders.
- iii With the rapidly changing needs of governments, businesses and customers around the world, the UPU is strongly positioned to promote the integration of interoperable solutions throughout its complex and extensive postal network.

# SWOT ANALYSIS

Building upon the identification of current trends, lessons from the past, and future realities, the SWOT (strengths, weaknesses, opportunities and threats) analysis highlights three key takeaways:

- i To maintain the relevance of the UPU and the postal sector in the global economy in the coming years, it is crucial for it to act much more quickly to adapt to the trends in all three dimensions: physical, financial and digital.
- ii In order to respond quickly to current and future trends, the UPU needs to address its weaknesses, identified in the SWOT analysis, as a matter of priority. These weaknesses have remained relatively unchanged over the past two cycles, indicating that they are not being addressed adequately. If the UPU does not adapt, it will find it increasingly difficult to seize current opportunities and will be left unprepared to face its identified threats. Therefore, waiting for change to gradually take place is no longer an option, and the UPU urgently needs to confront challenges, adapt quickly to the market place, and address its weaknesses through:
  - › integrated structural reform to allow for more efficient and effective decision making in order to enable UPU bodies to quickly respond to opportunities where trends and customers' needs continue to evolve rapidly; and
  - › greater involvement with and adoption of a modern suite of sustainable UPU products and services by member countries and their designated operators.
- iii Leveraging strengths and addressing weaknesses will enable the UPU to seize opportunities and defend against threats through an integrated, innovative and inclusive implementation of the IWPS at the global, regional and national levels.

**N.B. – A detailed list of factors from the situation analysis, as well as a list of the UPU's strengths, weaknesses, opportunities and threats, can be found in Annex 1.**

# VISION 2020

The IWPS comprises three overarching themes, set out in Vision 2020, that have been identified to provide a broader vision and direction for the future strategy with a view to collectively building:

- › a postal world where innovation is shared, promoted and driven – not as a luxury, but as a reality for all;
- › a postal world where full integration of networks at the national, regional and global levels is no longer an objective but a reality;
- › a postal world in which our sector's unique ability to include populations, economic actors and territories is fully recognized and exploited by governments, development partners and international organizations.



## REGIONAL PRIORITIES IDENTIFIED THROUGH UPU 2015 REGIONAL STRATEGY CONFERENCES

- Operational efficiency and e-commerce
- Postal financial services
- Postal sector development and diversification

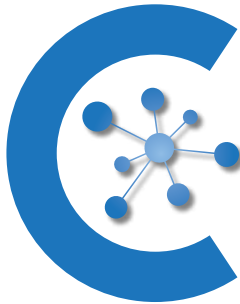


# ISTANBUL WORLD POSTAL STRATEGY

goals and programmes



In order to proactively respond to the opportunities and challenges identified in the strategic analysis and progress towards the overall strategic direction of the UPU, the IWPS comprises three goals:



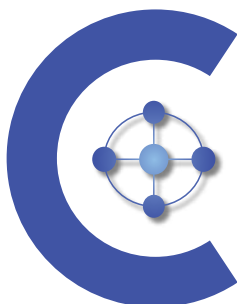
## GOAL 1

**IMPROVE THE INTEROPERABILITY OF NETWORK INFRASTRUCTURE:** By ensuring quality of service, efficient and secure supply chains, the development of standards and of information and communication technologies (ICTs), and streamlined operational processes and regulations.



## GOAL 2

**ENSURE SUSTAINABLE AND MODERN PRODUCTS:** By modernizing and fully integrating the product portfolio and supporting remuneration systems, accelerating the development of e-commerce solutions, supporting the development of diverse products and services, and supporting trade facilitation through the postal network.



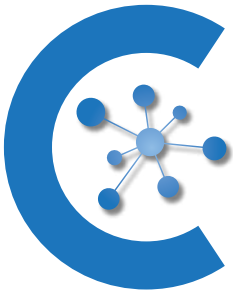
## GOAL 3

**FOSTER MARKET AND SECTOR FUNCTIONING:** By contributing to the definition and development of the USO, initiating and implementing relevant development cooperation measures, encouraging market and sectoral information, improving efficiency in the areas of policy and regulation, and mobilizing environmental and sustainable development.

These three goals are supported by 15 programmes and one supporting lever as follows:



All three goals contribute to enhancing the role and relevance of the postal sector, including governments, regulators and operators, to bring confidence to strategic and development objectives.



# GOAL 1

## IMPROVE THE INTEROPERABILITY OF NETWORK INFRASTRUCTURE

Through a network of over 675,000 post offices, the Posts provide fundamental services to citizens in the most remote areas of the world. However, the reach of the postal network needs to be bolstered by its efficiency: a seamlessly integrated and efficient network is a basic requirement. In the light of the realities of the new environment for transport, security and customs, sustainability of the global postal network is key. Goal 1 of the IWPS aims to strengthen the global postal network through its activities on quality of service, supply chain and security, accounting and operational processes, ICTs, and standards.

### PROGRAMME 1

#### *Quality of service*

- ▶ Related activities: Quality of Service Fund, Global Monitoring System, parcels and EMS, e-commerce;
- ▶ Recommended roles:
  - › **Operators:** Ensure execution and implementation;
  - › **Governments/regulators:** Ensure investment; set goals and objectives; set targets;
  - › **UPU bodies:** Monitor, evaluate and report on quality of service standards and targets, with a focus on ensuring alignment with changing market needs.

### PROGRAMME 2

#### *Supply chain and security*

- ▶ Related activities: Customs, security, transport, addressing, joint contact committees with the World Customs Organization, International Air Transport Association and International Civil Aviation Organization;
- ▶ Recommended roles:
  - › **Operators:** Ensure execution and implementation;
  - › **Governments/regulators:** Facilitate common global requirements; ensure alignment with different supply chain partners;
  - › **UPU bodies:** Accelerate the development of a fully integrated supply chain and standard business model for the single postal territory by advocating and collaborating with all interested stakeholders; facilitate capacity building for supply chain and security interface.



## PROGRAMME 3

### *Accounting and operational processes*

- ▶ Related activities: Operations and accounting;
- ▶ Recommended roles:
  - › **Operators:** Adopt and implement much faster paperless operations and accounting processes;
  - › **Governments/regulators:** Promote and support effective and efficient use of operational processes;
  - › **UPU bodies:** Harmonize and streamline processes; adopt processes supported by paperless operations and accounting.

## PROGRAMME 4

### *Information and communication technologies*

- ▶ Related activities: Postal Technology Centre, e-services, philately;
- ▶ Recommended roles:
  - › **Operators:** Fully adopt and implement the use of timely, accurate electronic data interchange (EDI) messaging in line with current UPU standards;
  - › **Governments/regulators:** Invest in, promote and encourage the general use of EDI standards in the postal supply chain (designated operators, Customs, airlines, security);
  - › **UPU bodies:** Monitor and report on usage and quality of EDI, developing suitable and affordable IT solutions in line with postal supply chain and market opportunities.

## PROGRAMME 5

### *Standards*

- ▶ Related activities: Standards and certifications;
- ▶ Recommended roles:
  - › **Operators:** Set standards and certification and licensing processes;
  - › **Governments/regulators:** Ensure the adoption of standards and of accreditation processes; recognize and adopt UPU standards;
  - › **UPU bodies:** Speed up the worldwide development, adoption and usage of common standards.



## GOAL 2

### ENSURE SUSTAINABLE AND MODERN PRODUCTS

A large and efficient physical network is a definite strength, but in the age of the Internet, it is necessary for the Posts to innovate to be facilitators and integrators of new postal services. Digitalization and financial services are the key focus areas in terms of diversification. Along with diversification, it is also necessary for the postal sector to streamline and integrate existing services. Goal 2 of the IWPS aims to facilitate this diversification and integration through its activities on e-commerce and trade facilitation, financial inclusion and services, product and service diversification and harmonization, integrated remuneration, and e-services.

#### PROGRAMME 1

##### *E-commerce and trade facilitation*

- ▶ Related activities: E-Commerce Programme (ECOMPRO), Easy Export, collaboration with the World Trade Organization, International Trade Centre, United Nations Conference on Trade and Development, etc.
- ▶ Recommended roles:
  - › **Operators:** Meet the minimum requirements for ECOMPRO; develop integrated solutions to promote trade facilitation and contribute to economic growth and inclusion;
  - › **Governments/regulators:** Invest in new business models and solutions; establish a policy framework to promote investment in and ensure support for trade facilitation and postal sector integration; leverage the postal sector for socio-economic development;
  - › **UPU bodies:** Speed up the development and implementation of the different components of ECOMPRO to meet changing customer requirements; monitor e-commerce readiness across the UPU membership; develop sustainable trade facilitation solutions and frameworks to ensure non-subsidized trade.

#### PROGRAMME 2

##### *Financial inclusion and financial services*

- ▶ Related activities: Financial inclusion, postal financial services;
- ▶ Recommended roles:
  - › **Operators:** Strengthen networks and ICT capabilities to enable the effective deployment of financial services and financial inclusion;
  - › **Governments/regulators:** Support and encourage innovation in the areas of financial inclusion and postal financial services;
  - › **UPU bodies:** Develop products and services that cater to increasing demands for financial inclusion and financial services; strengthen cross-sectoral collaboration.

## PROGRAMME 3

### *Product and service diversification and harmonization*

- ▶ Related activities: All physical products, 3D products and services, Direct Marketing Advisory Board;
- ▶ Recommended roles:
  - › **Operators:** Develop and implement products and services; implement modern portfolio alignment;
  - › **Governments/regulators:** Recognize the role of the postal sector in providing 3D products and services; invest in and promote the development of new postal business models; support modern product portfolio alignment;
  - › **UPU bodies:** Support and speed up the development of diverse financial, electronic and physical products and services aligned with market requirements and customized business models; align a modern product portfolio with customer and supply chain needs, with a clear differentiation between products; identify and share best practices.

## PROGRAMME 4

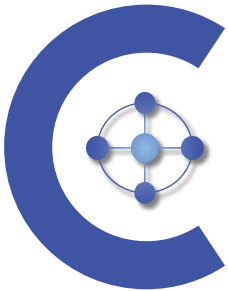
### *Integrated remuneration*

- ▶ Related activities: Terminal dues; ECOMPRO; EMS; inward land rates; registered, insured and express items;
- ▶ Recommended roles:
  - › **Operators:** Implement integrated remuneration;
  - › **Governments/regulators:** Support integrated remuneration;
  - › **UPU bodies:** Develop integrated remuneration across the full product spectrum, focusing on end-to-end network sustainability.

## PROGRAMME 5

### *E-services*

- ▶ Related activities: e-services, .POST.
- ▶ Recommended roles:
  - › **Operators:** Use the postal e-services multiservice platform to strengthen and extend business, products and services;
  - › **Governments/regulators:** Recognize and promote postal network assets in the digital economy (maintain trust, interconnectivity and visibility of the postal network as a worldwide brand);
  - › **UPU bodies:** Promote the digital transformation of the UPU and the postal sector, build the secure online presence of UPU members and offer new electronic services, demonstrating the importance of Posts in the global digital economy and ensuring connected governments; contribute through .POST to IWPS programmes on e-commerce, trade facilitation and ICTs.



## GOAL 3

### FOSTER MARKET AND SECTOR FUNCTIONING

With a strong physical network and diversified and integrated modern products and services, the postal sector is theoretically ready to function effectively. However, regulatory bottlenecks, lack of market knowledge, and larger environmental, social and economic concerns can hinder the growth of the sector. Goal 3 of the IWPS therefore aims to address these issues through its activities on the universal service obligation, policy and regulation, market and sectoral information, sustainable development, and capacity development.

#### PROGRAMME 1

##### *Universal service obligation*

- ▶ Related activities: Acts of the Union;
- ▶ Recommended roles:
  - › **Operators:** Fulfil the USO and implement operations in line with the Acts and national laws;
  - › **Governments/regulators:** Define the appropriate USO for today's realities; control and evaluate the fulfilment of the existing USO;
  - › **UPU bodies:** Contribute to the debate by bringing expertise and experience; propose changes to the Acts to bring them in line with emerging operational realities.

#### PROGRAMME 2

##### *Policy, regulation and strategy*

- ▶ Related activities: Strategy, Acts of the Union, governance, reform;
- ▶ Recommended roles:
  - › **Operators:** Advocate a wider postal sector role in society to government; contribute to and implement strategies, reforms, policies and regulations;
  - › **Governments/regulators:** Play a leadership role in developing policies, regulations and strategies to reform and transform the sector; generate investor confidence and trust;
  - › **UPU bodies:** Develop, raise awareness of, implement and monitor strategies, and adopt improved structures and decision-making processes in line with changing environmental and market needs; speed up change in policies and regulations to respond to changing environmental and market needs.

## PROGRAMME 3

### *Market and sectoral information*

- ▶ Related activities: Statistics, economic and market studies, knowledge and information management;
- ▶ Recommended roles:
  - › **Operators:** Facilitate the exchange and provision of data to contribute to improving operational efficiency and market response and development;
  - › **Governments/regulators:** Encourage and support the exchange and provision of data with the UPU; provide and publicize appropriate data in line with customer needs;
  - › **UPU bodies:** Consolidate and analyze data; present relevant topics to support more informed decision making in line with changing market requirements and needs.

## PROGRAMME 4

### *Sustainable development*

- ▶ Related activities: Sustainable development (social, economic, environmental), financial inclusion, disaster and risk reduction;
- ▶ Recommended roles:
  - › **Operators:** Contribute to achieving sustainable development;
  - › **Governments/regulators:** Invest in and support initiatives to promote sustainable development and inclusion; recognize the role of the postal sector in contributing towards the UN 2030 Sustainable Development Agenda;
  - › **UPU bodies:** Engage in monitoring, awareness-raising and resource mobilization activities in the area of sustainable development.

## PROGRAMME 5

### *Capacity development*

- ▶ Related activities: Training, seminars and workshops, capacity building.
- ▶ Recommended roles:
  - › **Operators:** Participate in and implement best practices;
  - › **Governments/regulators:** Invest in and support initiatives to promote capacity development;
  - › **UPU bodies:** Develop, raise awareness of and implement capacity development initiatives in line with stakeholder needs.

IWPS supporting lever: Development cooperation

- ▶ Related activities: Development cooperation contributing to the achievement of all three IWPS goals;
- ▶ Recommended roles:
  - › **Operators:** Contribute to the development of a high-quality and efficient UPU single 3D territory by focusing on strengthening the international postal network;
  - › **Governments/regulators:** Invest in, support and promote the UPU, the single postal territory and the postal sector by developing national and regional programmes and policies through consultations with UPU bodies and restricted unions;
  - › **UPU bodies:** Develop, prioritize, coordinate, execute, monitor, evaluate and follow up in the area of development cooperation; recommend the setting of priorities in line with changing market requirements; increase awareness.



# IMPLEMENTATION, MONITORING AND EVALUATION



# GLOBAL LEVEL

## UN SDGS

In September 2015, the UN General Assembly approved the 17 Sustainable Development Goals (SDGs) and their 169 targets. The SDGs are interrelated, universal (covering developed, developing and least developed countries) and integrated (encompassing the three dimensions of development: social, economic and environmental).

As the United Nations specialized agency in charge of the postal sector, the Universal Postal Union will support its member countries in implementing the SDGs. Key activities for the UPU include the identification and analysis of the role of the postal network in implementing the SDGs, the integration of the SDG framework with UPU strategic planning, the involvement of member countries to assess postal sector relevance at country level, and the monitoring and evaluation of the impacts of the postal sector for SDG implementation.

At an international level, the UPU vision of being “seen as an enabler of inclusive development and an essential component of the world economy” embodies the fundamental principles of the SDGs. Through its direct and indirect contributions to the achievement of multiple SDGs and targets, the postal sector is a natural partner to governments in order to achieve their development objectives at a national level. The UPU also enables a regional approach to addressing challenges through joint projects geared towards achieving development objectives.





## UPU LEVEL

The draft quadrennial Istanbul Business Plan will provide a detailed roadmap of the steps for implementing, monitoring and evaluating the IWPS.

It is expected that the business plan will be the subject of annual reviews in order to adapt it to possible future opportunities and unexpected developments or threats.

During the Istanbul cycle, the aim will be to monitor the Top 15 SMART KPIs adopted in the current cycle. Subject to improvements to reflect goals and activities, these are:

- ▶ Number of countries where the postal address standard complies with the UPU's S42 standard over the total number of countries;
- ▶ Number of DOs receiving parcel track-and-trace bonus for delivery over the total number of DOs;
- ▶ Number of DOs in UPU QS Link over the total number of DOs;
- ▶ Number of DOs in UPU QS Link system achieving their target over the total number of DOs in the system;
- ▶ Percentage of worldwide measured mail delivered end to end within five days;
- ▶ Number of DOs transmitting standardized EDI messages over the total number of DOs;
- ▶ Number of DOs participating in the Internet-Based Inquiry System for parcel post over the total number of DOs;
- ▶ Number of EMS Cooperative members participating in the Internet-Based Inquiry System for EMS over the total number of EMS Cooperative members;
- ▶ Number of EMS Cooperative members having fully integrated transport, customs and EDI messages to improve e-commerce over the total number of EMS Cooperative members;
- ▶ Number of countries and territories in the target system over the total number of countries and territories;
- ▶ Number of DOs receiving all of the bonuses for service features in the inward land rates system over the total number of DOs;
- ▶ Number of countries implementing innovative UPU services related to financial services over the total number of countries;
- ▶ Number of countries having followed a structured postal sector reform process that allowed them to implement a legislative framework over total number of countries;
- ▶ Number of countries that implement a universal postal service defined by law over total number of countries;
- ▶ Number of countries implementing funding mechanisms for universal service over the number of countries with a universal postal service.

Improvements to the above KPIs are encouraged, and additional KPIs should be introduced where UPU bodies anticipate a need to measure specific elements of the agreed IWPS programmes.

Lastly, implementation of the IWPS will be successful only if the UPU's structures and decision-making authorities and processes are adequate and reflect the strategic directions laid out in this document. Furthermore, in developing suitable responses to the changing postal market environment and technological advancements, four main principles need to be addressed and adopted in order to deliver the solutions customers want, namely:

- i the need to modernize and update the network;
- ii the need to streamline the structure of UPU bodies to support better integration and ensure effective management of deployment;
- iii the need to accelerate decision making; and
- iv the need to examine and update the Acts and the authorities given to UPU bodies to enable speedy decision making.

ANNEX



# SITUATION ANALYSIS

The situation analysis in the IWPS looks at political, economic, social, technological, legal and environmental issues.

## POLITICAL

- i New international and regional groupings
- ii Change in government–citizen interactions (e.g. e-government)
- iii Role of the government in the universal service obligation
- iv Liberalization and privatization (political impact)
- v Rising incidence of security threats
- vi Political role of special interests

## ECONOMIC

- i Liberalization and privatization (economic impact)
- ii Change in postal business models
- iii Cross-sectoral innovation and impact on Posts
- iv Increase in cross-border trade
- v Energy cost volatility
- vi Changing financial models, financial access, and global capital flow
- vii Dominance of large and influential private sector entities and their increasing vertical integration
- viii Deeper financial inclusion
- ix Change in business–customer interactions

## SOCIAL

- i Customer of tomorrow: different needs and expectations
- ii Cross-border interactions
- iii Defining the value of time for constantly connected customers
- iv Migration and demographic shifts
- v Addresses – physical and digital
- vi Widening socio-economic chasms

## TECHNOLOGICAL

- i Growth of e-commerce and m-commerce and consequent increase in parcel volumes
- ii Rate of technological change
- iii Digital transformation of all industries
- iv Widespread adoption of mobile technology throughout the developing world
- v Economic emergence of digital natives in business

## LEGAL

- i Global changes in existing regulations
- ii Regulating for innovation
- iii Innovation – need for establishment of new international standards

## ENVIRONMENTAL

- i Evolution of the environmentally conscious customer
- ii Recognition of the postal sector's role in fighting climate change
- iii Global crises and postal response

# SWOT ANALYSIS

## STRENGTHS

- Global network of 192 countries
- Intergovernmental
- Integrated three-dimensional network
- Expertise and access to information
- Capillarity of the global network in access and distribution
- Vertical integration of supply chain
- Ability to enter into multilateral and bilateral agreements

## WEAKNESSES

- Structure and general lack of flexibility and speed in decision making
- Difficulty in attracting interest of member countries and ensuring relevance
- Inability to prioritize
- Inability to work effectively with an increasingly complex sector and stakeholders
- Increasing pressure to address perceived market distortion effects of remuneration systems
- Lack of awareness and adoption of products and services offered by the UPU to its members
- Perception of poor quality of the postal network
- Lack of logistic interoperability and connectivity with supply chain partners

## OPPORTUNITIES

- Anticipating changing customer needs
- Need for information and expertise on the postal sector
- Growth of e-commerce and international trade
- Need for inclusion of all sections of the population
- New and improved postal networks in the future
- Addressing and accessibility
- Greater need for interoperability and international standards
- Addressed direct mail, parcels and express services, secure and affordable money transfers and secure digital services
- International standards and regulations
- Economic growth and trade
- Modern product portfolio and integrated remuneration
- Leveraging of intergovernmental character
- Leveraging of technology to meet customer and government needs
- End-to-end sustainable network

## THREATS

- Shrinking funding base for the organization
- Technological substitution/diversification by communication media
- Unilateralism potentially threatening the integrity of the network
- Pressure on the universal service obligation and its sustainability
- UPU as a residual option
- Substitution of declining letter volumes not compensated by adequate parcel growth
- Remuneration arrangements that threaten the sustainability of the network
- Failing to quickly respond to changing customer needs
- Continued development and growth of non-UPU networks

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