

UNION POSTALE

June 2010

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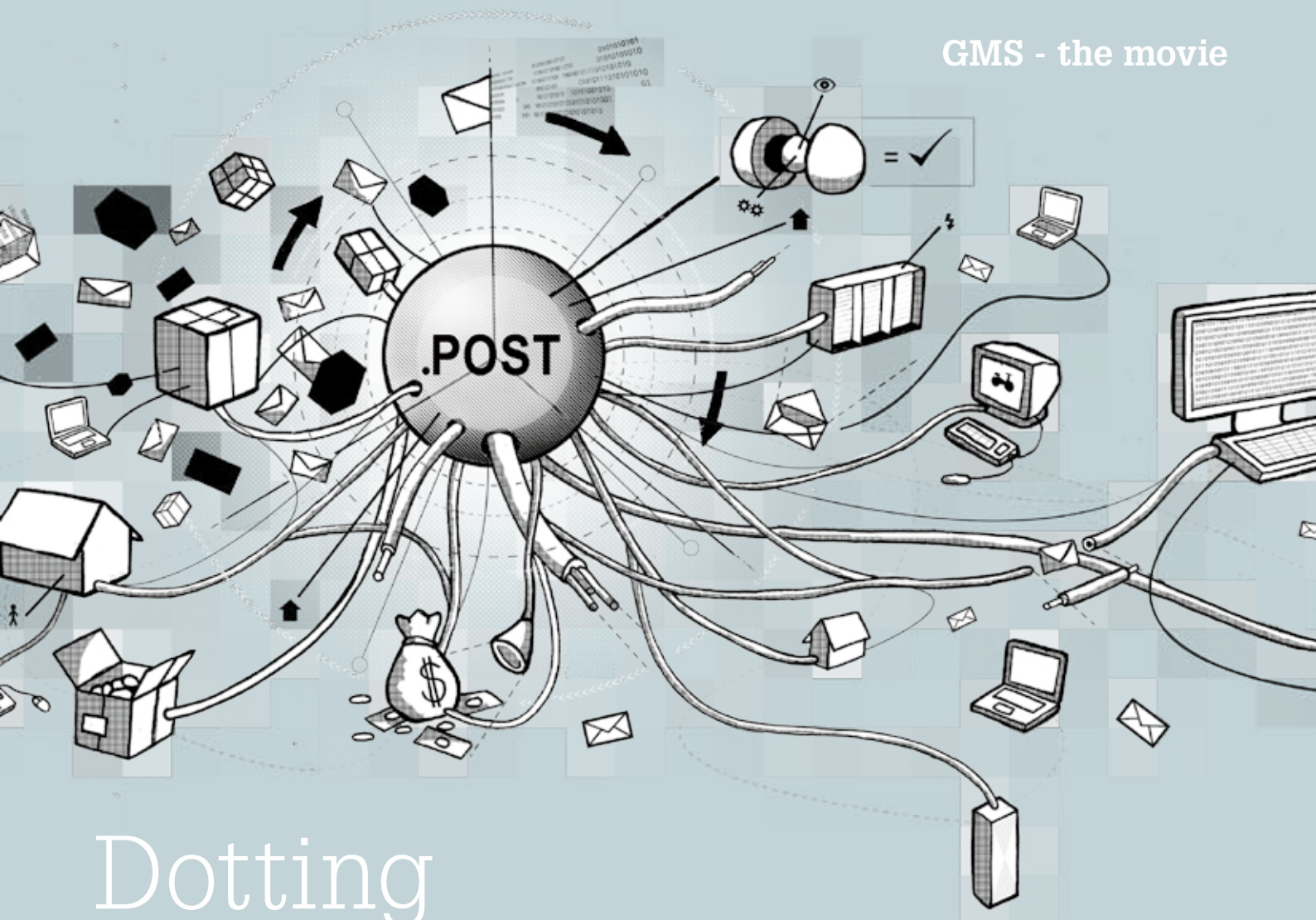


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Dotting the Post

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Contents

Cover story

Dotting the Post

The sector's top-level Internet domain takes a step closer to becoming a practical reality 10

Features

When Posts met politics

A recent conference focuses on the impact of politics on the postal system 14

GMS – the movie

The UPU proudly presents its first-ever animation film 16

Loving *Union Postale* on paper

The readership survey results are out 17

Killing two birds with one stone

New research shows Posts are increasingly offering financial services with success 18

People

Back to the streets

Fritz Jean, head of verification and monitoring at the Bas Peu de Choses post office, Port-au-Prince, Haiti gets to work two months after the January earthquake 20

The Interview

Highway to digital heaven

Bangladesh Post's director general, Mobasherur Rahman, on mobile-phone based money transfers with a difference 22

Perspective

Five keys to a successful postal bank

France's La Banque Postale offers advice 26

Departments

In brief 4

Editor's note 5

Who's who at the UPU 6

Market focus 29



Cover: workingclasshero

June 2010

Union Postale is the Universal Postal Union's flagship magazine, founded in 1875. It is published quarterly in seven languages and takes a closer look at UPU activities and features international news and developments within the postal sector. The magazine regularly publishes well researched articles on topical issues facing the industry, as well as interviews with the sector's leading individuals. The colour publication is distributed to Posts around the world from our 191 member countries, including thousands of decision-makers, who regard it as an important source of information.

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in brief



Photo: Marcel Bieri/keystone

Financial inclusion

Exploring new avenues

Promoting best practices, regulatory frameworks and in-depth research on access to financial services hold the key to including Posts in any development policy for financial services. Those were the findings of the round table on financial inclusion held in Berne in April. Taking part was a high-level panel of lenders, international development aid organizations and donors.

Tamara Cook of the Bill and Melinda Gates Foundation said the UPU should continue its research so that Posts could be included in the Financial Sector Assessment Pro-

gramme, a joint International Monetary Fund and World Bank initiative that provides detailed analyses of countries' financial sectors, their soundness and contribution to countries' growth and development. Hayder Al-Bagdadi of the Alliance for Financial Inclusion said that promoting groundbreaking financial inclusion policies in cooperation with central banks was the UPU's way forward.

Cooperation models

The workshop generated much debate, as financial organizations like

the World Bank, Planet Finance and PostFinance International Development shared their experiences of different models in Azerbaijan, Brazil, India and South Africa, where postal banks ensure that millions of people, often the least well-off, have access to financial services.

According to Pedro de Vasconcelos of the International Fund for Agricultural Development, 30–50 per cent of the 300 billion money transfers sent worldwide annually are made to rural areas, and the cost of sending the money – often using informal networks – is very high. Posts, therefore, have a leading role to play in helping migrants send money to their families by developing money transfers and basic, low-cost financial services.

Usman Shettima said his institution, the Nigerian Central Bank, was looking at ways of bringing financial services within reach of 70 per cent of the rural population but needed to implement workable cooperation models before joining partnerships or appealing for financial backers.

Antonique Koning of the Consultative Group to Assist the Poor, said the financial services and microfinance on offer in post offices needed transparent management and affordable rates. Counter staff should be given training in how to help postal customers when opening an account for the first time.

JD/RL

The figure

8,500

rural postmasters in Bangladesh are using mobile phones supplied by the Post to carry out business.

Editor's note

I am very happy to unveil the results from our readership survey in this issue. Respondents gave a big thumbs-up to *Union Postale*, saying they very much appreciated the print magazine in both form and content. It was full steam ahead at this year's Postal Operations Council as this issue's coverage reveals. The top-level domain, .post, was the focus of extensive discussions and is the subject of our cover story. We also follow up on postal services in Haiti through our *People* feature. This time

The Interview shows how Bangladesh is bridging the digital gap thanks to the Post's innovative approaches in areas like money transfers through mobile phones. We also publish new results on trends in postal financial services.

On a separate note, I would like to extend warm thanks to Pedro Lahiguera, who is hanging up his overalls after translating *Union Postale* into Spanish for the best part of 50 years. **Faryal Mirza, Editor-in-chief**

Global

Haiti Post in business again

The UPU has informed its member countries that Haiti Post is again open for business. Since May 9, the Caribbean country can receive international mail from the UPU's 190 other member countries and send it out too.

The first international mail exchanges were re-established with France and the United States at the beginning of May. The resumption of full mail services is the result of a major international postal effort over the past few months to help kick-start Haitian postal services since they were interrupted by the January earthquake.

The UPU is coordinating international postal aid directed at Haiti and working closely with its member countries, who have generously donated financial, material and human resources to help the devastated country re-establish postal services.

A new office of exchange – a facility where all incoming and outgoing international mail is prepared for dispatch – is being built in the SONAPI Park near the Port-au-Prince airport. The facility, sponsored by the UPU, is expected to be ready for operations in the next few weeks. An international team of postal experts has been in Haiti for the past month to help the Post get on its feet again.

RL

Restricted unions

Investing in quality of service

PostEurop and the UPU have signed an agreement on a multi-year integrated project to improve the quality of mail exchanges in Eastern Europe. "This project fits neatly with rolling out the UPU's postal development plan for the Europe and CIS region for 2009–2012, bringing together the UPU's expertise and PostEurop's regional know-how," said Botond Szebeny, PostEurop's secretary general, who heads a restricted union comprising 48 European Posts.

The joint project, based on PostEurop's own methodology, will lend technical and logistical support to the introduction of modern technologies, quality-evaluation systems and tools for improving quality of service. "We shall be sending our experts to beneficiary countries in South-East Europe and the Balkans to transfer knowledge acquired in

Western European countries," added Szebeny.

This part of Europe is well covered by quality-of-service testing, in particular the UPU's continuous tests. Thanks to a joint UPU-PostEurop initiative, dubbed the European matrix, the number of links tested rose to 136 in 2008. Unfortunately, some of the results remain unsatisfactory with less than 50 per cent of test items achieving their targets. One of the goals is to achieve 80 per cent compliance with the UPU's J+5 worldwide end-to-end delivery standard for international letter-post items.

This agreement is another milestone in the cooperation between the UPU and PostEurop. Amongst others, the two organizations have worked closely on an inventory of postal sector greenhouse gas emissions. **JD**

Write to us!

Do you have an opinion about an article you've read in *Union Postale*, a particular viewpoint or a best practice to share with other readers? If so, we want to hear from you! Send your letter by mail

or e-mail (faryal.mirza@upu.int) with your name, address, telephone number and e-mail address. Where necessary, letters chosen for publication may be edited.

in brief

Who's who at the UPU

Funding quality



Name Florian Bertschy
Position Quality of Service Fund assistant
Department Development Cooperation Directorate
Nationality Swiss

The UPU's Quality of Service Fund (QSF) finances projects to improve the quality of postal services in developing and least developed countries. Its funds are collected from terminal dues and held in special accounts. Once an operator feels it has accumulated enough credits, it can submit a project proposal to the QSF team. The latter receives more than 50 such proposals a year on average. Bertschy and his colleagues analyse them, ensure the plans fit the QSF's scope and advise Posts wherever necessary. The team helps operators every step of the way on a daily basis by answering their questions over the phone or by email.

One project that recently came to fruition was at China Post. After spending millions of US dollars on developing translation software, this Post can now automatically sort international mail with addresses in Chinese characters. And helping to make this a reality was the QSF. "This was one of the biggest projects the QSF ever had and one of the most exciting for me," says Bertschy, who has worked at the UPU since 2002.

After projects are completed, the team evaluates their implementation through follow-up reports and organizing onsite visits by consultants. "We are also here to ensure the money is used properly so that fund contributors believe in the QSF, trust us and continue to donate," Bertschy said. The best part of his job is when country delegates drop by during the Postal Operations Council and Council of Administration. "They come if they need help but they also come to say hello. It is really nice to be able to meet the people with whom we work," he says. **CB**

Postal Operations Council

Exporting the *Exporta Fácil* model



Putting a smile on a small business-owner's face Photo: Rosa Lafosse

The postal export programme, *Exporta Fácil*, is seeing such phenomenal growth in Brazil, Peru and Uruguay that organizations involved in aid for trade, together with financial backers, are sitting up and taking note.

This was the message that came across loud and clear at a workshop, held at UPU headquarters in April, which aimed to highlight the impact of this one-of-a-kind mechanism.

"We know that, from now on, when organizations talk of trade facilitation, Posts must be included," says Jan Hoffman, head of trade facilitation at the United Nations Conference on Trade And Development (UNCTAD).

UNCTAD was among the many participants at the workshop, together with the World Trade Organization, the International Trade Centre, the World Bank and several large postal operators such as the United States Postal Service, La Poste (France), Royal Mail and China Post. Much was made of the positive impact on countries' other economic sectors and the easier process for traders.

"We believe that the *Exporta Fácil* project is a benchmark in aid for trade facilitation," declared Matthew Wilson, a WTO economist. "This postal project was presented at the Global Review of Aid for Trade in 2009 and will be laid out more fully in 2012."

Brazil, represented by its communications ministry and its postal operator, said it was prepared to make all the methodology required for the implementation of *Exporta Fácil* available to member countries requesting it. A draft guide is currently being prepared.

Originally a pioneering initiative from the Brazilian Post, *Exporta Fácil* has been rolled out in a number of South American countries since its inception in 1999. It facilitates low-cost exports of goods through the postal network and cuts the red tape for traders. **JD/RL**

Record awards for service quality

Thirty-eight countries received performance awards for the quality of their EMS service in 2009 during the EMS Cooperative's annual general meeting at UPU headquarters in April.

That's the largest number of awards given out since they were created in 2005, and more than double the number handed out in 2008, when 18 countries were recognized. Awards are given based on how well countries perform on various key indicators such as on-time transmission and delivery of items.

Improving service

In 2009, 90 per cent of EMS items worldwide were delivered on time, compared to 60 per cent ten years ago. According to Wendy Eitan, chair of the EMS Cooperative, the increased number of awards is a signal that service is improving. "These results demonstrate our members'

commitment to the EMS business plan. EMS has been identified as a growth area and operators are working to keep their customer base and increase it." Julia Bazukina, who oversees the standards and measurement programme at the EMS Unit, the cooperative's secretariat, added: "There's been a lot of hard work by countries, and we have held many improvement activities with our members."

Russia, Hungary and Singapore also received customer-care awards. These are given by EMS Cooperative members based on the quality of replies countries provide to enquiries processed through an Internet-based system.

Elections

In related news, four new members were elected to the EMS management board. Brian Hutchins from the United States, Kazou Kamishiro



Australia
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Hong Kong
China
Macao, China
El Salvador
Great Britain
Ireland
Japan
Kazakhstan
Republic of Korea
Portugal
Singapore
Switzerland



Belgium
Cayman Islands
China
Czech Republic
Finland
Hungary
Israel
Italy
Malaysia
New Zealand
Senegal
Spain
Sweden
Uruguay
Viet Nam



Argentina
Brazil
Canada
France
Malta
Mongolia
Slovakia
Thailand
United States
Ukraine

from Japan, Patrick Richon from France and Yu Zhou from China were elected to the seven-member board for a two-year term.

EMS is Posts' fastest mail service. Almost 200 operators worldwide offer the service. **RL**

Postal Operations Council

Cutting carbon emissions a priority

The Sustainable Development Project Group is moving forward with its feasibility study on the establishment of a CO₂ offset system. The proposed fund would enable postal operators to compensate for their greenhouse gas emissions.

The subgroup tasked with studying the initiative presented its initial proposals, which centred on a reciprocal carbon offset fund in which countries would participate voluntarily. This, in turn, would invest in projects corresponding to the sustainable development priorities set by the UPU.

According to Stéphanie Scoupe, assistant to the group's chair, the fund would help position the postal sector as a responsible, proactive player capable of using existing assets to create direct value for the industry (such as replacing vehicle fleets, green energy, reforestation), or contributing to the economic development of their own corner of the planet.

"Using carbon trading for sustainable development means investing and managing in a clear and accountable way, driving economic and social development and stimu-

lating the activity of local postal operators," she explained.

The final study will be presented to the Council of Administration session in November 2010 for approval, together with the initial results of the 2010 greenhouse gas inventory. It will provide an up-to-date picture of the harmful emissions generated by Posts throughout the world. **JD**

in brief

Postal Operations Council

A look at the highlights



Looking ahead Photo: Marcel Bieri/keystone

The UPU will move forward on several issues following decisions taken by its Postal Operations Council, which met at UPU headquarters from April 12–30. Here are some of the highlights.

.post

The POC approved a domain management policy for .post, the top-level Internet domain name the UPU was officially granted last December by the Internet Corporation for Assigned Names and Numbers. The policy sets out guidelines for the attribution of .post domains and how these can be used by postal-sector members.

Terminal dues

A set of rules were adopted for using letter-post performance results obtained from measurement systems

such as the UPU's GMS (Global Monitoring System) for the calculation of terminal dues, payments countries receive for processing other countries' incoming international letter-post.

Postal security

Member countries supported a proposal to amend the UPU Convention before the 2012 Universal Postal Congress to include lithium cells and batteries in the list of articles that can travel through the international mail system if they meet the packaging requirements of the International Civil Aviation Organization and the International Air Transportation Association.

Postal services in Palestine

Palestine was granted observer status within the EMS Cooperative,

which promotes the development of the Posts' fastest service. This status will enable its postal authority to benefit from EMS training. An assistance programme to help develop the EMS service will be drawn up by the International Bureau's development cooperation directorate. Since the 2008 Geneva Congress, the UPU has been working to implement the framework for Palestine to have direct-mail exchanges with other UPU member countries. Over the past two years, the UPU has classified Palestine for terminal dues. This enables the postal operator to receive financial assistance from the Quality of Service Fund for improving the universal service. A UPU international mail processing centre code was also granted to the postal facility in Ramallah.

Financial services

The POC approved a model service agreement for postal payment services. In addition to being a useful tool for governmental supervision of such services, it can be used by designated operators to facilitate and speed up the opening of exchanges between them. International standards will ensure that operators define levels of quality of service for postal payment services and that exchanges are secure.

Agreements

The UPU signed two agreements with other organizations. The first, with the restricted union, PostEurop, focuses on improving the quality of mail exchanges in Eastern Europe. The second, with the International Organization for Migration, aims to improve migrant workers' access to remittances through the postal network. **RL**



We're all ears Photo: Marcel Bieri/keystone

Global

Good addressing key to businesses

An efficient global addressing system could make a big difference to many lives was the general consensus at a conference organized by the Consultative Committee, the UPU entity representing postal-sector stakeholders at large.

Customer and industry representatives shared their insight on addressing, with a view to contributing to the UPU's broader initiative: *Addressing the world: an address for everyone*. Participants discussed how improving global addressing could reduce undeliverable mail and facilitate the delivery of important public services such as emergency responses. They also examined the economic benefits of effective addressing and postcode systems and how standards and technology could be better used for these purposes.

"An address is everyone's job. Customers have a duty to ensure their addresses are right and postal operators have a duty to give the tools to ensure addresses are accurate," said Charles Prescott, Consultative Committee chair. "Posts have to be fully accountable to senders because it's all about trust and businesses are the main customers of Posts. We work on faith and the assumption that addresses are accurate."

According to the United Nations Development Programme, four billion people are excluded from the rule of law for lack of a legal identity, which is directly related to the lack of addressing systems. But the lack of addresses, or poor addressing systems, also prevent Posts from delivering millions of pieces of mail, generating added processing costs,

affecting quality of service and hampering business. For example, a survey by the Interactive Media in Retail Group, the United Kingdom's e-retail body, revealed that failed deliveries of online orders result in losses of up to £1 billion (US\$1.45 billion) a year.

Useful tools

Municipalities, builders and addressing software vendors, among others, also have a role in ensuring proper addressing. With some 130 different postal formats and character sets in the world, participants agreed that international mailers need better global addressing systems. To meet this need, the UPU has developed tools such as the Universal POST*CODE database, which groups the postal code structures of its member countries. The UN agency has also developed an international addressing standard called S42, which describes the unique elements of an address within a country.

One country that is reaping the benefits of S42 is South Africa, the first country to comply. Using S42 in its global policy to improve postal services, the South African Post Office (SAPO) has assigned a six-digit identifier to every household in rural villages and informal settlements. When a family moves, the number moves with it. Local village agents keep track of moves and report them to the Post Office. System improvements enabled SAPO to dramatically reduce the number of rejected items during mail processing and achieve a 99 per cent acceptance rate after three passes on the machines. **RL**



Dotting the Post

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.post – the sector’s top-level Internet domain – has taken a step closer to becoming a practical reality since the Postal Operations Council approved its domain management policy in April.



In the beginning was a dream to provide the postal sector with its own top-level domain (TLD). Years later followed an agreement signed by the UPU and the Internet Corporation for the Assignment of Names and Numbers (ICANN), making the TLD .post a reality. And now the vision for .post has been unveiled and the foundations laid for the administrative and operational rules to allocate, manage and use the TLD. "In a nutshell, .post will be a secure and trusted platform regulated by the UPU for the postal community that will integrate physical, financial and electronic capabilities to enable e-commerce, e-post and e-government," says Paul Donohoe, the UPU's electronic postal services manager.

Vision bytes

To help member countries see the gamut of business opportunities .post could offer, the TLD has been dubbed the iPhone of the postal sector. "Just as Apple's iPhone is not only a phone, .post is not only the Post," says Donohoe. "The iPhone has enabled applications to integrate capabilities of telephony and the Internet with complementary value in business, social networking, media and entertainment to create a platform that meets the needs of today's consumer," he explains further. "The vision the UPU has for .post is to define a platform that integrates the Post and its capabilities into the digital world of commerce and communication."

Donohoe adds that the Post has played a pivotal role in the world of commerce for hundreds of years. ".post will link the physical and digital worlds, bringing together applications such as identity management, e-shops, e-payments, e-forms, secure postal mailboxes, address management, hybrid mail, advertising mail and many others that we cannot yet dream of, to create a secure platform that enables important e-services to be delivered to all citizens and businesses."

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By
Faryal Mirza

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Illustration:
working-
classhero



In the meantime, efforts are focusing on the nuts and bolts of managing a TLD. As to who can apply for a .post website, the rules are clear: any prospective applicant has to belong to a certain pre-defined group from the postal community. The main ones are the UPU, its member countries, restricted unions and designated operators. Other postal sector members may also apply, providing they have been authorized by the UPU to do so. These are non-designated operators and communication entities supporting the delivery of postal services. Direct marketing and hybrid mail vendors, logistics companies and payment providers and educational institutions may also be able to hop on the .post bandwagon in the future.

Testing the waters

The new rules also ensure that the UPU continues its role as the .post guardian. As the TLD's 'sponsor', it will process all applications for a domain name. Pragmatism reigns as the Union dives head first into managing a global postal internet domain. "The UPU is only just beginning to understand this complex subject," says Oussama Rouatbi, the chair of the e-services group within the Postal Operations Council. "The group's main consideration is to ensure that a balance is maintained between the fundamental principles of a secure and trusted domain for the provision of postal services and the principle of an inclusive and non-discriminatory domain for the .post community," he explains. And the UPU has its work cut out for it. If all goes well, the first .post website could be online by the end of 2010.

› [Contact dotpost@upu.int](mailto:contact.dotpost@upu.int) for more information.

“Take a deep breath and jump in!”



Roger Higginson

.post, the sector's new TLD, got top billing during the recent Postal Operations Council. Attending the sessions was Roger Higginson, head of international postal policy at the British Ministry of Business, Innovation and Skills, who explained Great Britain's interest in this digital development.

Why is GB interested in .post?

Roger Higginson: On the basis that the Internet has generally been a wonderful success, we were very enthusiastic when we heard that the UPU had applied for a TLD because the .post concept clearly holds potential for integrating traditional postal services with electronic forms of communication. So, we were very happy when, after the much extended negotiations, agreement was reached between ICANN and the UPU and the contract was signed.

Why are you here today?

As the UPU now has permission to set up .post, we (GB) want to make sure it is a success, particularly after the great efforts being put in at the International Bureau.

The key issue when you step back from the minutiae of the different interests at the meeting groups across the committee structures of the UPU's Council of Administration and Postal Operations Council is: for this to be a success in the positive sense for the postal community, we must avoid creating a closed, walled garden for the exclusive use of the national designated operators that distribute the universal service. We must keep .post open to all the legitimate stakeholders in the postal community and that means companies in the liberalized European Union, which are licensed to provide postal services, and different suppliers to different parts of the postal chain from envelope-makers to people that help to prepare letters right across logistics, sorting and final-mile delivery.

What would be the benefits of including the postal sector at large? If you get the wider community involved, then there will be many benefits, such as sharing best practices and the potential for innovation. Other factors will also come into play, which would be good for post as a mode of communication.

If the mentality conversely prevails that this is just a closed shop for national operators that think they can shut out the rest of the world, sure it will be nice and cosy but .post will slowly atrophy and die after a number of years. And that's the last thing that any of us want. That's the key issue Great Britain sees in the discussions going out ahead: is this going to be open or closed? It has to be defined – we accept that – but within the definition of 'postal stakeholders', we will be pushing for as much openness and inclusivity as possible.

What concrete uses do you foresee for .post?

In terms of a clearly defined business case, we are not there yet but we don't need to see that as too much of an inhibiting factor as the Internet has grown dramatically and exponentially and it hasn't grown on the basis of conventional and traditional business cases. If so many other people have found it worthwhile to flourish on the net, there is no reason why the postal community couldn't. It would be a travesty if it didn't.

Any advice on accelerating the provision of services through .post?

The key message for member countries and the International Bureau is that we shouldn't agonise and argue over every detail of this through every meeting for the next few years because that is a successful way of killing the whole thing. If you are going to do this, you are going to have to take a deep breath and jump in. You need to structure it in such a way that there is sufficient flexibility in the management system that if a problem that was unanticipated at this stage – bearing in mind that all these issues are being discussed by people who are not Internet experts, it is not their field, they are from the postal world – so glitches are quite likely. I would like to put in a plea for a degree of flexibility in taking the project forward and agreeing on the way things could be managed, which is not totally bureaucratic and is able to respond to any show-stopping problems that might arise at the delivery stage.

I can well understand the concepts being developed at the moment for a fast-track procedure for national governments, regulators and designated operators. In the interests of inclusivity and broaden-

ing the community, the time delay before the other stakeholders in the community are allowed to participate should nevertheless be as short as possible. If you postpone the entry of the others in the future, you will fall back by default and de facto into your walled garden or this privileged group of designated operators and that will not be in their long-term interest or anyone else's.

Could mechanisms like the UPU's Consultative Committee have a special role to play?

Yes, absolutely. The whole rationale behind the committee is that it is very important that interests outside those of the designated operators are able to input their voices into the UPU, especially because of liberalization. This keeps the UPU as a United Nations agency relevant.

Particularly when you get to the stage of advertising the existence of .post, it is in all of our interests that there are as many possible inputs and groups disseminating information about it as possible. This will be a very important step when you move over into the implementation phase. It would be a bit ironic to construct the most perfect structure you could imagine in the world of the internet and then find nobody was engaged because there wasn't very much public knowledge about its existence in the first place or crucially what it had to offer. **FM**

When Posts met politics

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The impact of politics on the postal system was the focus of a recent conference co-hosted by the Swiss Federal Institute of Technology, Lausanne (EPFL).

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By
Tobe Freeman

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Photo:
bekop

Held at the UPU during its recent Postal Operations Council, the conference revealed how Posts are increasingly working beneath the watchful eyes of politicians, lobbyists and policy consultants.

Speaker Botond Szebeny, PostEurop's secretary general, argued that lobbying, position papers and academic research would become increasingly important as tools to manage political expectations. These tools, he said, were building a consensus between governments, postal operators and the public. That consensus was hard won.

Sparked off by reform calls in the 1980s, the reorganization of postal systems was never expected to be plain sailing. Since the 1988 European Union directive calling for a single postal market, European countries in particular face the challenge of reconciling market liberalization with the costly provision of services that should be accessible to all.

To Whom it May Concern

Hottest of all is the topic of introducing private-sector competition to the postal market. "In the beginning, employees were sceptical that competition existed at all," said Jean-Noël Rey, head of Swiss Post during the 1990s. Responding to the need for greater market awareness at the time, he presented staff with a brief film of global couriers going about their business in downtown Zurich and Geneva.

But competition is not the only challenge. Speaker Joost Vantomme, Belgian Post's strategic and regulatory affairs head, said that a host of new and complex issues impact postal operations today. Postal policymakers must now respond to environmental issues, global service trends and even privacy concerns.

All this puts a strain on the management of Posts, argued conference moderator, Matthias Finger, an EPFL professor. On the one hand, Posts must be sensitive to political issues and these new policy concerns. On the other, they must compete in an increasingly global market place.

Perhaps in response to these demands, Posts have changed dramatically in the past three decades. Significantly, some have adopted a more corporate organization. Corporatization offered Posts a degree of autonomy from their traditional masters in government, said Finger, and enabled them to be more adaptive to change.

Finger summarized these changes using a model in which governments, regulators and postal operators have highly independent roles in the provision of postal services. In the model, governments are responsible for policy, leaving operators to find practical solutions required to meet policy demands. Lying between governments and postal operators is an independent regulator to enforce the rules.

That at least is the theory. Percolating through the conference were the experiences of the UPU's members. That meant a diverse representation from developing countries as well as industrialized nations large and small. According to conference attendee Jörn Allardt of Finland's postal operator, Itella, "even within Western Europe, each postal system is substantially different".

New business

If the journey towards diversification and reform has been difficult, the solid participation of Posts in new business activities offers some consolation. Some postal operators already draw more than half their revenue from sources beyond traditional deliveries. While physical postal volumes may be in decline, demand for electronic communications and financial services provided by Posts is rising year on year.

And the potential for growth does not end there. One emerging, highly competitive market is business process outsourcing. This covers a broad range of activities from direct marketing to the logistics of product delivery. The market for such services is estimated to reach 18 billion euros (US\$23 billion) a year by 2013.

Tobe Freeman is a freelance communications specialist.

.....
The German presidential residence, Berlin



GMS – the movie



The UPU is proud to present its first animation film, featuring the Global Monitoring System (GMS). Working closely with the UPU's communication and GMS departments and die Gestalter, Sascha Tittmann from büro sequenz created this state-of-the-art animation in high definition. The challenge was to show UPU members, which know little or nothing about this project, how this affordable RFID-based system measures the quality of mail services accurately. The result is a remarkable animation with a cutting-edge feel, befitting its subject. FM

› Watch the animation:

<http://www.youtube.com/universalpostalunion>

or

<http://tinyurl.com/gmsfilm>

› For more information contact:
gms@upu.int

Loving *Union Postale* on paper

The overwhelming majority of our readers want to keep on reading *Union Postale* in print, according to responses to our recent readership survey. Nearly 86 per cent of respondents expressed their preference for the print magazine, citing reasons such as being able to read it at leisure in the office, at home or on public transport, or the ease with which it could be archived and retrieved. Some were also happy not to be dependent on an unreliable and slow Internet connection to access the magazine. The results also revealed that the majority of respondents very much like the magazine's look and feel and agree that the quarterly keeps them well informed. The most popular rubric was *Features*, followed closely by *In Brief*.

The results are helping us to identify what we are doing right and where and how we can improve. And some changes have already been made in response to readers' comments. These include the new-look *Market Focus* and articles focusing on operational and business issues. Many thanks again to all of our readers who took part. **FM**

Results compiled by
Gisèle Coron

Top 5 sections

1. **Features**
2. **In Brief**
3. **Market Focus**
4. **The Interview**
5. **Perspective**

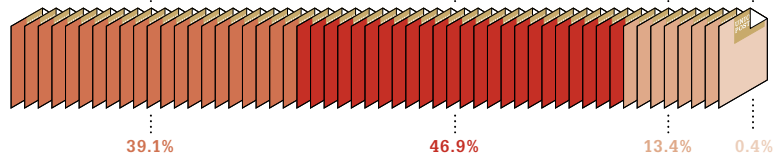
85.8%

prefer *Union Postale* in print

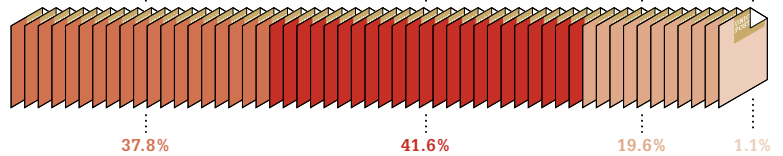
The magazine...

keeps me well informed about the UPU and its activities

No opinion 0.2%

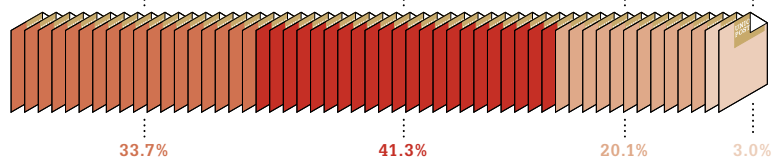


provides a good overview of developments in the postal sector



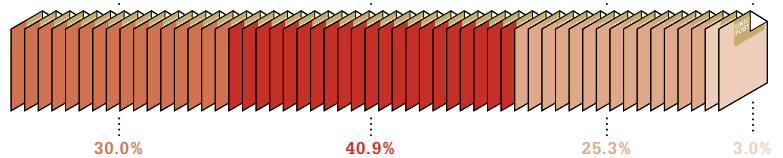
content is relevant to professional life

No opinion 1.9%



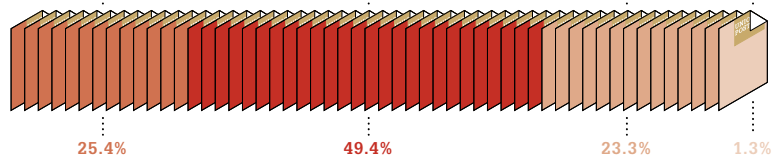
information provided is timely

No opinion 0.9%



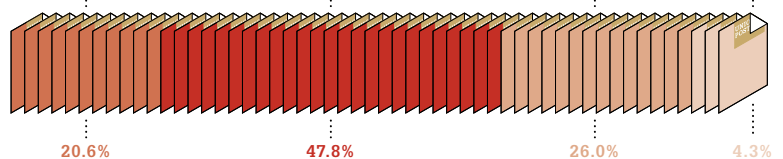
range of topics is very good

No opinion 0.2%



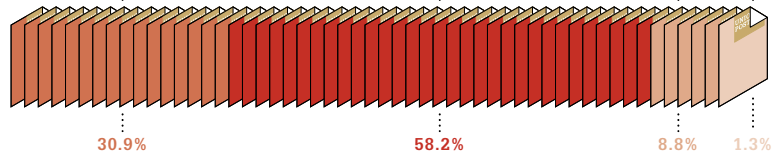
has in-depth coverage

No opinion 1.3%



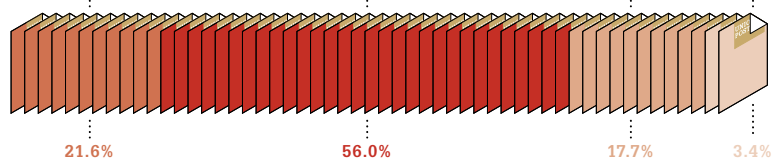
content is of good quality

No opinion 0.8%



length of articles is right

No opinion 1.3%

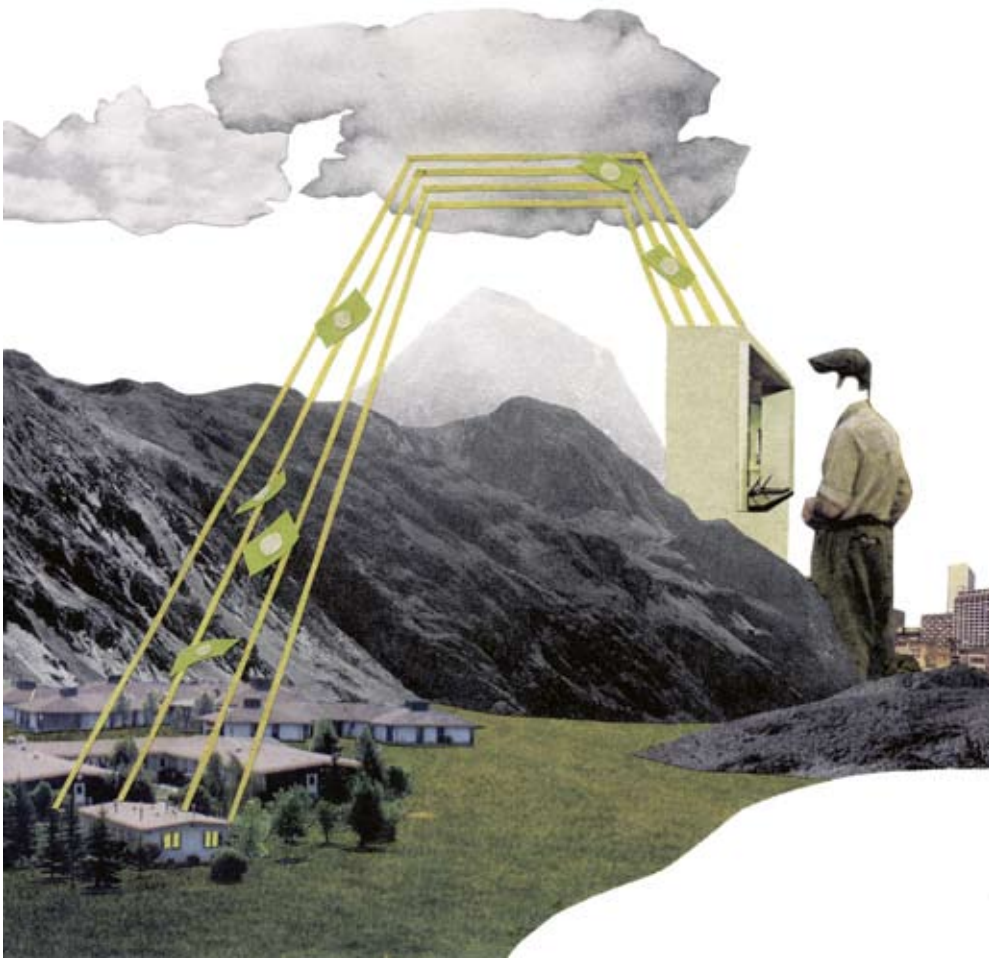


Totally agree

Agree

Partially agree

Disagree



Killing two birds with one stone

.....
By
José Ansón and
Joëlle Toledano
.....
Illustration:
Daniel
Lachenmeier

.....
Posts are increasingly offering financial services with some success as new research shows, diversifying their business activities and furthering financial inclusion in the process.

Our empirical analysis highlights the emergence and acceleration of a very recent movement of diversification towards postal finance in the last decade (2001–2008), with increasing market shares for a significant number of postal operators in some segments of the retail banking business. This movement was already taking place before the global economic and financial crisis hit and is probably accelerating further as consumers seem to trust the Post more than a bank.

The size of the global retail banking market – in terms of deposit and savings accounts – is an estimated 5.185 billion accounts. Out of these, almost a billion are held in postal financial institutions, tantamount to a 19.2 per cent market share. This underlines the significant weight of postal banks and other postal financial institutions in

deposits and savings holdings for individuals worldwide. Even more interestingly, these market shares seem to have substantially increased for a number of postal operators in emerging and developing countries in very recent years (2004 to 2008), with three nations leading this evolution: Brazil, India and China. In many of these countries, increases in the postal operators' market share of accounts have ranged from five to 20 percentage points.

Transformation

More than a dozen developing and emerging countries were identified as having substantial market-share increases. The compounded annual growth rate (CAGR) of the total number of accounts reached 8.3 per cent on average in this subgroup. When comparing these evolutions with those prevailing in more advanced economies, one does not observe the same movement, except in the subgroup of NIFS (New Zealand, Italy, France and Switzerland) countries. In advanced economies, CAGR for postal operators providing account-based services was only 2.6 per cent on average.

As far as business revenues are concerned, there has been a significant transformation. Postal financial services increased their contribution to postal revenues from 15 per cent in 2001 to almost 22 per cent in 2008 on average, while parcels and logistics grew from 10 to 17 per cent of Posts' total incomes. Taking into account the proportion of other services (not accounted for in finance or logistics), this means that letter post no longer represents the absolute lion share of revenues. On average by country, it represented almost 60 per cent of revenues in 2001 (or almost three-quarters of the sum of mail, express services, parcels and financial services income once other revenue sources had been subtracted). Today if we apply the trend recorded between 2001–2008 to 2009–2010, letter post will represent a little more than 40 per cent of total income.

From 112 operators declaring that they offered postal financial services in 2001, 133 Posts now offer some sort of postal financial services, representing an increase of 19 per cent. While there were 32 operators with financial services contributing more than 20 per cent to overall revenues in 2001, 44 postal operators reached at least this threshold in 2008. And, while four Posts generated more than half of their postal income from financial services in 2001, at least 15 achieved this outcome in 2008.

Financial inclusion

The recent trend towards offering more financial services is not underpinned by any common model. It is heterogeneous and modalities vary greatly from country to country. The latter include strategic alliances with one or several banks, creation of an integrated postal bank or simple cash services, among others.

A pro-active public policy of financial inclusion adapted to the level of economic development was fundamental in fuelling the overall trend. Posts in agreement with the public authorities utilised their presence in rural and peripheral areas and developed products adapted to low-to-middle income populations.

Bank branches today in any country are more likely to be concentrated in the most prosperous areas, such as the largest cities, but are even more so in developing and emerging countries. In contrast, post offices anywhere are distributed rather more evenly within a country. Banks have been very reluctant to expand financial services to poorer segments of the population and may find higher returns (and sometimes bailouts) in wholesale business than in retail banking.

Today, more than two billion adults worldwide remain unbanked. In industrialized countries, full financial inclusion has not always been ensured by pure commercial banks. The United States Federal Deposit Insurance Corporation estimates there are 50 million under-banked American citizens. Out of 1.5 billion users of postal financial services in the world, 400 million are holders of a postal banking account, 300 million of them located in developing or emerging countries.

José Ansón is an economist at the UPU and Joëlle Toledano is a board member of ARCEP, the French communications and postal regulator. The article reflects their own views and not necessarily those of the organizations to which they are affiliated.

› Access the research paper:

<http://tinyurl.com/postal-research-paper-06-10>

› José Ansón maintains a blog on postal financial inclusion:

<http://postfi.files.wordpress.com>

Back to the streets

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Fritz Jean is head of verification and monitoring at the Bas Peu de Choses post office, Port-au-Prince, Haiti. Two months after the January earthquake, he was on the streets, delivering mail where many addressees could not be found.

Many of the letter-carrier motorcycles lie mangled like crushed insects in empty rooms of the Bas Peu de Choses post office. Most workers would have to walk miles to their assigned neighbourhoods this morning, but Fritz Jean is lucky and gets one of the few intact bikes.

With some 300 letters in his shoulder bag, he motors up the hill, wending through traffic and debris and detouring to avoid roads blocked off for rubble removal, to Rue Cheriez in the Canape Vert district.

He parks his bike beside a crew shovelling chunks of concrete into a pick-up truck and fingers through his stack of mail. It is late March and this is the first delivery in the neighbourhood since the earthquake. Jean has no idea how many letters he will be able to dispense with today.

The first building is a totally intact business. Jean knocks on the gate and delivers a stack of mail to a man inside. He then walks next door to a house where concrete floors have half collapsed like a de-

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**Story and photos
by
Amy Bracken**



flating accordion. "House destroyed," Jean declares unemotionally, making a note on the back of an envelope.

At the next house, there is clearly no coming or going (a mountain of rubble blocks the entry), but Jean climbs up the crumbly cinder block pile and slips through the gate. "There could be someone inside," he explains. The badly cracked building contains an office and a school. The door to the school is open, exposing a room filled with a jumble of dusty tables and chairs. Still, Jean wants to be sure, yelling, "Hello! Anybody there? La Poste!" The only sound is shovels pushing rubble back on the street. Jean writes something on an envelope and climbs back out of Number Six. "You see, when I can't deliver a letter, I write on the envelope 'House destroyed' or 'Moved' and we announce on radio that people need to come to the post office to pick up the mail... Let's go! Number 10..."

Across the street, Jean raps repeatedly at a shut gate as a dog yelps from the other side. "Hello! La Poste!" Jean doesn't want to leave the mail where it could get chewed up by a pet. Eventually someone comes to the gate to receive the letters.

Anybody home?

Even at the abandoned houses, Jean scours the grounds and does what he can to learn the owners' whereabouts. "See," he says, "a lot of people spend their days here even if they sleep in tents somewhere else." What's more, the city's already high unemployment rate skyrocketed with the earthquake, increasing the likelihood of finding an addressee at home on a weekday morning. Often neighbours offer to pass along the mail. For Jean, there's no dropping letters through a slot. He puts them in someone's hands or keeps them with him.

The next destination is down an alley, where a makeshift school has been set up. Under a tarp strung between buildings, a man at a chalkboard explains to rows of children that houses are tents in their new reality. "You must accept this," he says, pointing to simple chalk drawings of a tent and a house.

Jean doesn't expect to deliver any mail to tent camps, but that if that's how letters are addressed, then that's where the letter carriers will go. When he gets no response at the next house, a head pokes out of a tent in the driveway of a house across the street, and a

woman yells, "He's alive. He comes back from time to time. You can leave it with me."

Home ground

In spite of the challenges of mail delivery today, Jean seems matter-of-fact, cheerfully and politely greeting those he finds at home. He is at ease in his job, as strange as it may have become. He has been with the postal service for 18 years and he and his merchant wife were able to put their two children into a quality private school and to support Jean's mentally ill brother, who lives with them. At the time of the earthquake, Jean had just been promoted to head of verification and monitoring at the Bas Peu de Choses post office.

The earthquake froze all of this progress. Jean's children's school was destroyed, as was his wife's street-vending business. And his new role at the postal service became temporarily obsolete as he found himself back to mail delivery to make up for a new staff shortage.

Yet Haitian postal workers aren't exactly unaccustomed to hardship. Some parts of the country have been repeatedly devastated by floods and landslides, while others, like Port-au-Prince, see periodic waves of violence. And then there are the budget shortfalls - Port-au-Prince postal workers went more than three months without pay before the earthquake. Still, Jean says, "We have a strong will because we love to work, which is why we're in the streets now."

Amy Bracken is a freelance journalist based in the United States.



Highway to digital heaven

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Mobile-phone money transfers with a difference are the order of the day at Bangladesh Post as the entire country goes digital. Director General Mobasherur Rahman reveals more.

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By
Faryal Mirza

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Photo:
**Marcel Bieri/
keystone**

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How has digital technology changed the way the Post is working?

Mobasherur Rahman: We have provided all postmasters with a mobile handset and computer. In our country, electricity frequently plays games so when there is a power cut, a postmaster can still transfer money through his mobile phone. We have already provided 8,500 rural postmasters with SIM cards and mobile phones.

Digital Bangladesh is a government initiative to bridge the digital divide by 2021, which was announced in December 2008. In the last few years, the Post lagged behind in digitalization but we have recently gone full thrust ahead. One project is to automate counter service with a system using our own software to deal with all kinds of postal work from parcels, track and trace, sorting, accounting and training to management. We hope to start its deployment sometime in

December 2010. Initially, 80 major post offices will be covered. If this is successful, we will increase the rollout until all 1,600 post offices are covered.

The Post has just premiered a new way of delivering remittances; how does this work?

The system is very simple. The sender fills in a small form with his name, mobile number and recipient details at a post office. The latter's mobile number is optional. The sender gives the money to the counter operator in one post office and the data is sent by mobile phone (as a text message) or computer to our server.

The server responds that the money order has been received and this information is sent to the sender's mobile. A 16-digit personal identification number (PIN) is generated and sent to the sender, who passes it on to the beneficiary. The latter comes to any post office with



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“Necessity is the mother of invention.”

proof of identity and the PIN, fills in a form with their details and that of the sender and expected sum. The postmaster enters the information, including the transaction PIN, into his computer or mobile phone. Our server responds in the affirmative and the postmaster pays out the money. A text message is sent to the sender's mobile, confirming that the money was successfully delivered.

Why did you introduce this service?

We used to process four million physical money orders annually about four years ago. This has decreased over the years and we now only have about 2.8 million. Some courier services have taken our business. They are using mobile phones but not like we are. They use the phones to transfer money from one office to another by speaking to staff at other sites and confirming the remittance amounts to be paid out. The government wanted to stop this but could not because the market demand was there and people had no alternative. We now have a reliable, dependable and secure system, which is totally compliant with anti-money laundering and terrorist-financing rules.

Why do Bangladeshis need such a service?

Our urbanization is happening very fast, so people from the countryside are coming to the cities to work and have to send small amounts of money back home. As the cost of sending money through other channels is very high, the

Post wanted to provide an efficient and affordable service to these rural domestic workers. We also had a long-term plan to target our expatriate workers, who are in their millions around the world. They are also sending money home. Our banks are trying to process these remittances but are failing. They were advertising that they would deliver the money to rural areas in three days but could not even do it in seven. Now the banks have seen our system and 22 of them have signed an agreement with us where they hand over the remittance data to our server and we deliver the cash. They have seen that our system works efficiently.

How big is the market?

It is huge because of the lack of alternatives. I hope that we will process six million transfers this year. Two or three of our banks were trying frantically to launch a similar service before us and also had contracts with mobile companies but we launched our service before they could. The banks are now very worried that their business is being taken away by the Post. They complained to the central bank, which, in turn, called us for clarification. We showed them the Post Office Act, which states that we have been authorized to do this business for 150 years.

How are your postmasters dealing with the new ways of doing business?

Some of our postmasters were not accustomed to using mobile phones. We had an extensive train-

ing programme for 8,500 of them and now they are very friendly with this device. The mobiles – from the largest mobile network provider, Grameenphone – have special SIM cards that can sell phone top-ups and calls. The postmasters are now very enthusiastic and can earn up to 4000 taka (US\$56) instead of the 750 taka honorarium they used to get. They don't do other jobs now and sit in the post office, selling their services.

When it comes to money transfers, how do you ensure cash flow in the final mile?

As the Post is a government entity, there is no shortage of cash. The only problem is keeping cash in the last mile because it is not secured as we do not have a post-office structure in rural areas. Usually, it is the postmaster's house or drawing room, which serves as a post office, or a shop.

Now we have plans to build government-owned post offices in all 8,500 rural places. In the meantime, we are encouraging our rural postmasters, who are our agents, to keep their own cash. They are rich, solvent and reliable people. As soon as the remittance arrives, they pay out of their own cash to the recipient and claim the money back within two or three days, receiving it from the sub-post office with their commission.

On an operational level, how was the new remittance business organized?

We first made our postmasters practise with mobile phones as this



groundwork was crucial to mobile money-transfers. In the meantime, we developed our own software. Connectivity problems were solved by another mobile company, which gave us a virtual private network and an access point name. In our contract with them, they only charge us seven taka for each successful money transfer. They also gave us seven million taka to pay for mobile phones. We already have computers. So, now all 1,600 districts and sub-districts are covered by our mobile money-transfers, based either on mobile phones or computers. The latter use either GPRS (General Packet Radio Services) or USSD (Unstructured Supplementary Service Data).

How is the relationship with the mobile providers structured?

It is a unique relationship without parallel in the government system. I was asked by our government how I did it. I replied: "Necessity is the mother of invention." It was important to launch such a system as quickly as possible. If we had done it the 'government way', it would have taken many years to get through the system. We invented a new way to do it and did not vio-

late any government rules in the process. We outsourced the communication system to BanglaLink, the country's second largest mobile operator, through a bidding process. It came first by offering the lowest costs: seven taka per transaction.

For 12 years until 2008, Bangladesh had been absent from the UPU stage; why has it returned?

It is to do with the government's new political outlook. Previous governments were not confident with postal people but the current one is more so. The latter is also keen to show the Post's capabilities to the international postal world and allowed us to stand for election to the Council of Administration and Postal Operations Council at the 2008 Congress. This was great: we got a lot of support from UPU members and were elected to both organs. Bangladesh is being exposed to the world and the world now knows how we are progressing.

In what kind of market does Bangladesh Post operate?

The Post is based on the traditional British postal system. Besides the

universal service obligation, we also serve people on behalf of the government. At one point in time, the Post was delivering school books to pupils as there was no other infrastructure to deliver them. Nowadays, the education ministry has its own system.

Whenever the government feels something has to be delivered to the people, they entrust it to the Post as the former knows very well that we can do the job. Now that the government has started *Digital Bangladesh* to minimise the gap between rural and urban people, it has asked us to transform all our rural post offices into IT centres. We have submitted our programme to revamp 8,500 rural post offices to provide IT services to farmers, students and the like. It is likely that the government will have to subsidize this as it will not be remunerative since rural people cannot afford to pay the full costs to use such services. Bangladesh is overpopulated and if we can train people to use computers, we could export the manpower to other countries.

Five keys to a successful postal bank

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With ever more Posts looking to create postal banks, Philippe Bajou of France's La Banque Postale offers a few words of advice.



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By
Philippe Bajou



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Think long term

Financial services operate in a restricted field, so it is all the more complicated for a bank that forms part of an institution with a wider field of activities and special constraints to establish itself. Long-term management of its development is needed to ensure a secure, smooth transition.

One of the key phases in the creation of La Banque Postale was the transfer of the management of Giro account funds at the beginning of 2000, following the green light given by the French government in 1998. Previously, funds were transferred each day to the treasury, which was responsible for managing them. This change required approval from the supervisory authorities, which gave La Poste the opportunity to show its capabilities by putting in place a secure system for managing its customers' funds.

The new system allowed La Poste to begin removing what were considered to be the most significant barriers to the creation of a fully fledged bank, whether in terms of putting in place oversight structures, or devel-

oping its information systems. Projections showing that La Poste had sufficient funds were produced in 2001. These enabled it to present its case to the finance ministry, which needed to approve the launch of the legislative process. That process was launched in 2004.

Between 2001 and 2004, La Poste clarified compliance issues regarding prudential standards and worked on drafting the necessary legislative and regulatory instruments. It also proved that it could develop a banking entity capable of meeting the constraints and rules of the industry. From start to finish, the process launched in 1998 – with the transfer to La Poste of a specially created subsidiary for management of Giro funds – took eight years, up to the opening of the bank in 2006.

Ours is a fairly complex model and the legislative route was marked by numerous hurdles, which delayed its progress. Between the political decision and the actual entry into business of a postal bank, it is normally reasonable to assume a delay of between 18 months and two years. However, at a technical level, a number of organizational steps should be taken far more in advance.

This was a two-phase process. First, it had to be shown that the creation of a postal bank following the rules of competition would not skew the market. On the contrary, the initiative would further extend the range of banking services on offer, at the very least by fostering innovation. This was demonstrated by a consultant's report commissioned by the finance ministry, which also led to an official consultation of stakeholders. And secondly, the initiative had to be presented to all parties as a natural development. The creation of a postal credit establishment was thus presented in the context of La Poste's own business plan: "La Poste's development depends on the development of financial services; the development of financial services depends on the development of credit; and, to offer credit, you need a credit institution". This message – so obvious that all scepticism melted away – was reflected in the name chosen for the institution: 'Postale' to put the institution in a historical context, driven by values of proximity and service to the greatest number of people, making it a bank unlike any other; 'Banque' to underline its commitment to build a project conforming to industry standards since it is an institution like others; and 'La' or 'The' because it is a unique institution.



Adopt a strategic position that is visible to politicians, the business community, staff and customers

More than 99 per cent of the French population have bank accounts. In a country where banks are subject to fierce competition and the sector is considered 'mature', converting postal financial services into a fully fledged bank was viewed as a high-risk venture. And given the particular status of La Poste, there were certain competition rules that were applicable.



Create a stable team

The team was built up gradually around its president, Patrick Werner, between 1999 and 2004. Dubbed ECP 2005, the project involved 250 individuals working on one of 13 themes, including economic models, communication, and risks. This efficient structure enabled the Banque de France to produce a full regulatory report on a test basis six months ahead of launch. For the various work units, it was a race against time to meet the dead-

line of the beginning of 2006, especially as far as the switch-over of customer communication media and printed materials was concerned.

In parallel with the preparatory technical work aimed at allowing La Poste's old financial services to meet the standards of the banking profession, the team worked closely with the government to pilot the legislative process. As part of its examination of the law transposing the postal directive into French law, the senate passed an amendment to the banking law to allow for the creation of a postal credit establishment. The law was adopted by parliament on 20 May 2005, with the opening of La Banque Postale set for 1 January 2006.

In addition, the technical work carried out within the framework of ECP 2005 led to regular exchanges with the banking commission and the committee of credit and investment institutions to prepare an approval file, which was deposited in November 2005. This approval was granted swiftly.

Five years on, this team is still in place and includes a united executive board.



Use internal and external resources

In addition to the external recruitment required in the area of financial management and the supervisory functions, the teams were formed from within La Poste's financial services to a large extent. These teams had expert guidance, particularly during the project phase in 2004–2005.

This phase enabled the teams to focus on obtaining approval and a change in the status of financial services, which took place on 1 January 2006. A consultant bank was selected to review the business plan and ensure compliance with prudential rules. A renowned law firm was retained to assist La Poste, including drawing up agreements between the latter and La Banque Postale, and ensuring compliance with competition law. A specialist consultancy helped at the project's pilot phase.



Maintain links with the Post

Our governance model maintains a strong link with La Poste, our sole shareholder. Formalizing relations through service agreements was essential to the success of partnerships between the parent and subsidiary. The high level of precision of these agreements, while generating a degree of complexity, also helps to guarantee success. This kind of contractual measure lays down the rights and duties of each party in the long term. And it defines the economic and financial parameters over three years, which provides for good visibility of the operating accounts and their progress for the banking subsidiary and the parent firm alike.

The formalization of relations through service agreements also facilitates audits by third parties such as the European Union, especially when it comes to competition rules. Nevertheless, the governance of such a system, for entities as large as La Banque Postale, which recorded net banking revenue in excess of €5 billion (US\$6 billion) in 2009, is part of a complex, formal system. To operate effectively, such a legal edifice requires energy and a degree of tolerance on the part of the various stakeholders, from the postal and banking worlds alike. Aside from these benefits, maintaining a close link between La Banque Postale and La Poste has enabled the bank to benefit in countless ways from the latter's unrivalled reach and public profile.

Now finally established as a recognized banking group, the bank has developed in three business areas: retail banking, insurance and asset management. Giving prominence to security and transparency, La Banque Postale is guided first and foremost by a desire to protect its customers' interests. Thanks to its unique model, it has carved out a market share based on accessible products and services. And the relevance of its positioning has been sharply demonstrated by its resilience to the financial and economic crisis.

Philippe Bajou is a member of La Banque Postale's two-man executive board.

Market focus

Digest

Czech Republic

Ceská pošta says its Data Box, an electronic mail system introduced six months ago, has already saved the company 200 million korunas (US\$9.7 million). A Data Box message costs 15 korunas compared to 20 korunas for registered mail items. There are 380,246 active Data Box accounts across the Czech Republic. **CB**

Finland

Itella has launched a pilot project to deliver mail digitally. The operator is opening, scanning and electronically delivering the mail of 140 households and businesses in Porvoo. Participants will receive their mail both traditionally and electronically to determine which method they find more convenient. The results will be used to provide alternative services replacing traditional deliveries in the future, particularly in sparsely populated areas. **CB**

Former Yugoslav Republic of Macedonia

Designated operator **Makedonska Posta** recorded a profit in 2009 after years of losses, according to local news agency, Makfax. The Post registered a net profit of 37.6 million denars (US\$813,342) in 2009 compared to losses of 40.2 million denars a year earlier. Total income rose 5.3 per cent to 1.36 billion denars after the company cut costs by 1.0 per cent. **CB**

Italy

Poste Italiane says that its *Postacertificat* service, an email-based messaging service, has the same legal validity as a registered letter. More details can be found at: <http://www.postacertificat.gov.it> **CB**

Netherlands

TNT Post has expanded *PremierSort*, its unsorted mail service, to include the sorting and handling of large, heavy letters and packages through a three-day definite delivery service. Mailers of such letters and packages can now have these items machine sorted. Clients will no longer be required to source different mailing partners to accommodate larger, irregularly shaped items when sending more than 250 packages or 1000 large, heavy letters. **CB**

Germany

Deutsche Post DHL concluded the first quarter of 2010 with an increase in revenues and a strong rise in earnings. The continuing recovery of the world economy and rising transport volumes contributed to a 4.4 per cent growth in revenue to €12.0 billion (US\$14.6 billion). These solid results were also fuelled by substantial growth of DHL, a development driven by increasing business with important new customers, said the company. **CB**

Ireland

An Post has launched a new customer charter that specifies the precise service standards to be provided to business and personal customers. More details at: <http://www.anpost.ie/customercharter> **CB**

Portugal

CTT Correios has unveiled *Terra*, a new green strategy and investment plan. The project aims to prepare the Post for a further round of market liberalization. Around €13.4 million is being invested in equipment to increase automation of processing operations, covering some 2000 workplaces and branches. **CB**

Spain

Capgemini, a provider of consulting, technology and outsourcing, has won a contract to improve the efficiency of **Correos'** information management systems. **CB**

Switzerland

Swiss Post Group has ended the first quarter of 2010 with a profit of 274 million francs (US\$238 million), up 38 per cent from last year. Nearly half came from its financial arm, Postfinance, which turned a profit of 130 million francs during the same period. The improved result was due to an increase in customer deposits and the gradual economic upturn. **CB**

United Kingdom

Swiss Post International UK has acquired **MCM Direct Limited**, a Southampton-based direct mail and printing solutions provider. The acquisition will bolster the former's retail business by providing customers with an increased range of services and products such as database management and processing, laser and digital printing, polywrapping and envelope closing. **CB**

Eight out of 10 householders and small businesses are satisfied with **Royal Mail** according to a survey by its regulator, Postcomm. **CB**

United States

The **United States Postal Service** has unveiled its online green newsroom. The website – <http://www.usps.com/green> – is a one-stop shop library of the Postal Service's past and current planet-friendly initiatives. **CB**

United States

UPS delivered 940 million packages during the first three months of 2010, a three per cent increase on the comparative period last year. Consolidated revenues for the same period reached \$11.7 billion and profit \$1.0 billion. **FM**

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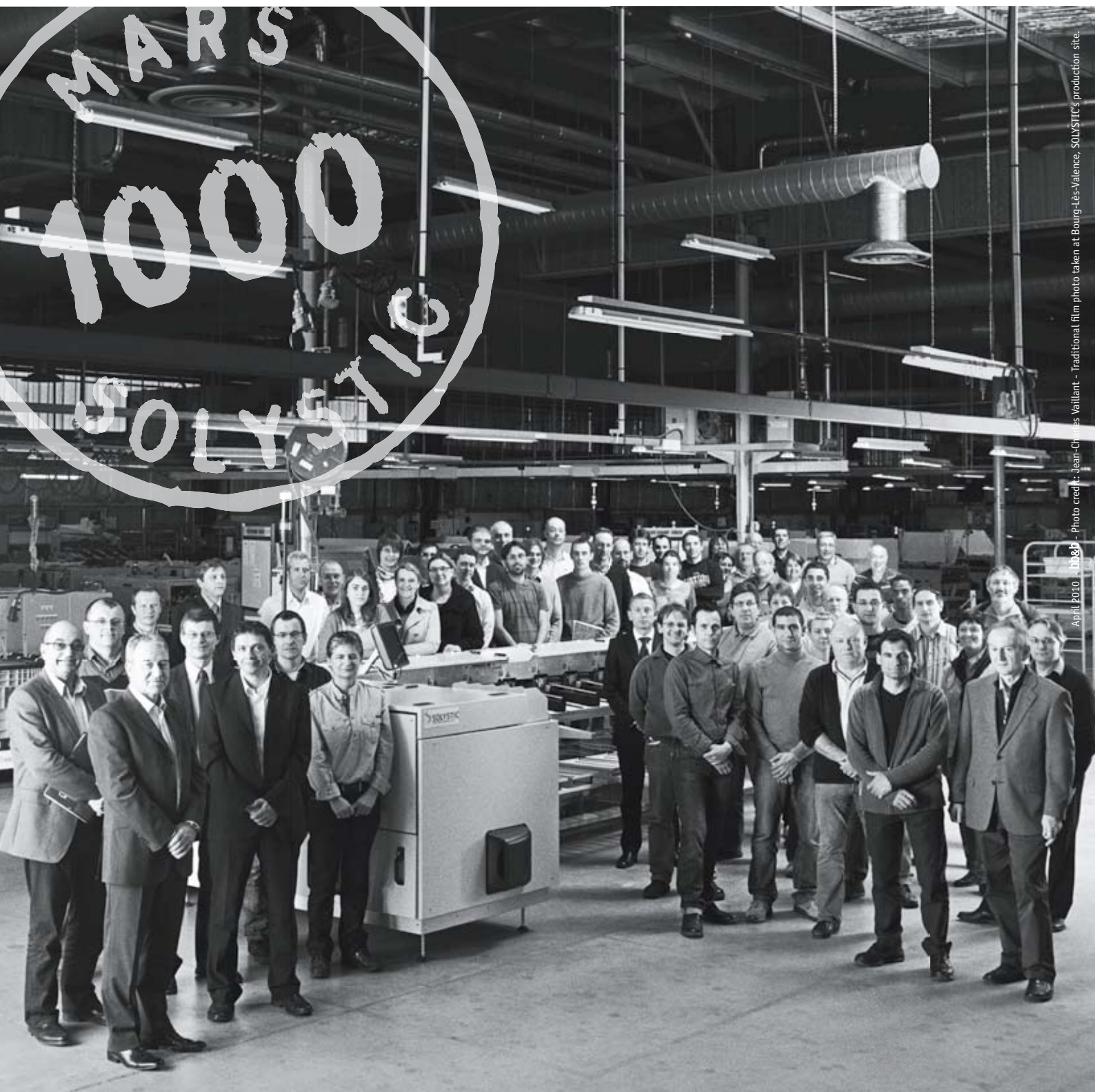
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