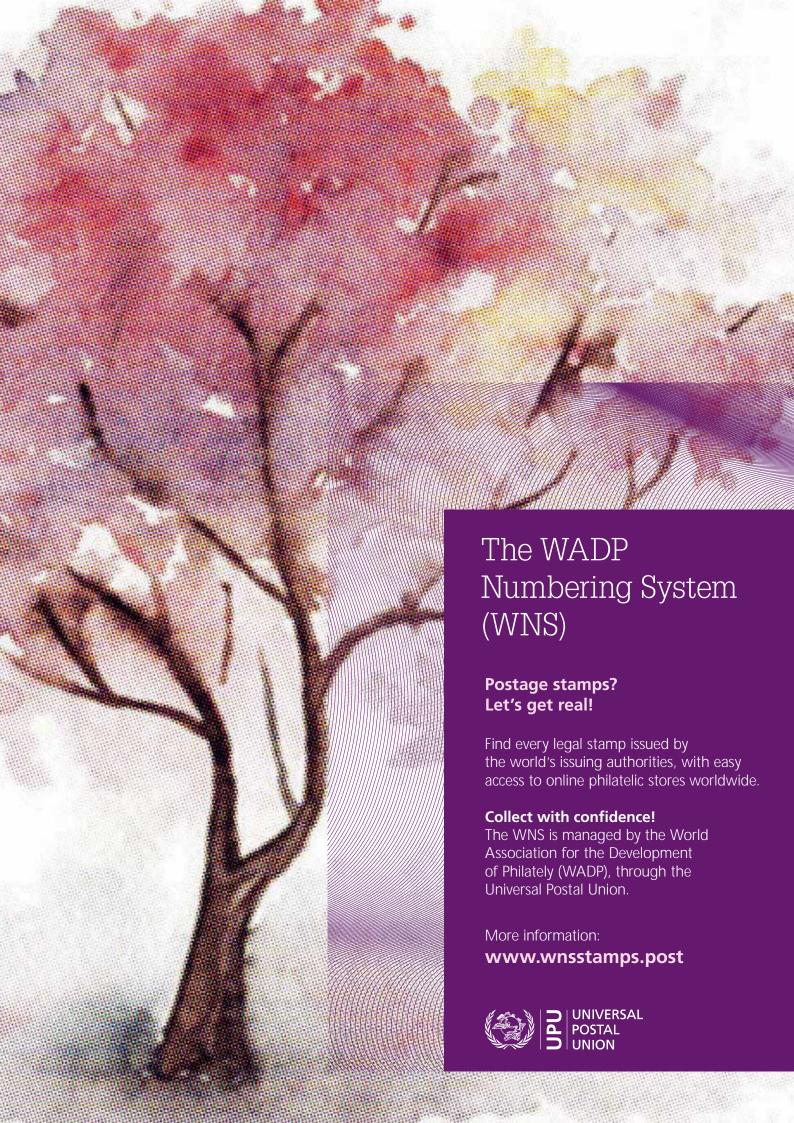
Moving the postal sector forward since 1875 DECEMBER 2017 / N°3 UNION POSTALE New partnership with Visa World Post Day 2017 a specialized agency of the United Nations CEOs talk strategy



**COVER STORY** CEOs talk strategies for success

**INTERVIEW** Working toward common goals



Cover: UPU

**WORLD POST DAY 2017** The International Bureau celebrates in style

> INTERNATIONAL LETTER-WRITING **COMPETITION 2017**

The winning letter

MARKET FOCUS Swiss Post unvells new post office concept DEPARTMENT

Editor's note

In brief

#### December 2017

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PHONE: +41 31 350 31 11 **E-MAIL:** kayla.redstone@upu.int WEBSITE: news.upu.int/magazine 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, featuring international news and developments from 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. It is distributed widely to the UPU's 192 member countries, including thousands of decision-makers from governments and Posts, as well as other postal stakeholders. All regard it as an important source of information about the UPU and the postal sector at large. Union Postale is also published in French, Arabic, Chinese, German. Russian and Spanish.

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Fellows from nine countries gathered for the training workshop at the UPU International Bureau in Berne, Switzerland.

Postal course designers from nine countries - China, Greece, Jamaica, Pakistan, Sri Lanka, Sudan, Thailand, Trinidad and Tobago, and Turkey recently participated in a UPU workshop aimed at improving postal training across the globe.

Developed by the UPU's Training Programme, the workshop was launched to help postal training experts design courses that both satisfy the training needs of their country and adhere to the UPU's training standards, so that these courses can be used by other members of the Trainpost network.

Over the course of two weeks, fellows learned about the Trainpost approach to course design - from identifying operational issues through to designing and implementing training curricula to address and resolve these issues. Participants say that the workshop has left them with new skills and strategies that they are ready to implement at their Posts.

"What I've learned from [this workshop] is the sequence of how to design and develop a course. And when I go back, I have a plan in my mind to clean up the courses which we teach in the Economic Cooperation Organization Postal Staff College. I also have a plan to conduct a workshop of the same nature at the ECO Postal Staff College for my own officers so that we can develop a team of trainers in my country," said participant Muhammed Zaheer, who works as a director with Pakistan Post.

#### **New strategy**

The workshop represents just one activity in the UPU's new training strategy for the 2017 - 2020 cycle, which aims to create a more wellrounded training environment and ensure an interoperable network of trainers.

"Just as the postal sector has a physical network or a financial network, it also has a training network that we must strengthen as well," says Pooran Parampath, UPU training expert.

"We hope to create an environment where our fellows can learn from each other and design courses for their own designated operators," he explains.

This particular workshop will help to address challenges the Training Programme faces in keeping the Trainpost system up to date amid changes in the organization's strategic direction, and in the context of a quickly evolving postal market. Parampath says workshop participants could one day become Trainpost course designers now that they are equipped with the Trainpost course design methodology.

Under the strategy, the UPU plans to launch other activities to address other gaps, such as a lack of postal training instructors and training experts. These activities will be rolled out during the remainder of the cycle. **KR** 

EDITOR'S NOTE

#### Bringing key players together

In the months since our last issue of Union Postale, the UPU has organized several key events aimed at targeting key stakeholders.

The 2017 CEO Forum, which features as our cover story, brought together some 60 postal chief executives in Moscow, Russia, this September. As you will read, the forum gave them an exclusive space to evaluate the sector's challenges and opportunities and map a way forward. Through the annual World Postal Business Forum at Post-Expo, the organization also had a chance to connect with operational leaders in the logistics world, striking up important conversations on e-commerce, technology and the postal network. Through a new ceremony prepared for this year's World Post Day, the UPU brought together leading designated operators from its list of 2IPD champions with the diplomatic community and our 2017 letter-writing competition winner to celebrate the value the world's posts add to their communities.

This issue we would also like to take a moment to remember a member of our postal family who has passed away, Mr. David Roberts. Mr. Roberts made many valuable contributions to the postal sector as Chair of the Conference of Commonwealth Postal Administrations. He will be sadly missed.

KAYLA REDSTONE, EDITOR-IN-CHIEF

E-COMMERCE

#### Priority project launched in all regions

The UPU has launched a transversal project aiming to improve designated operators' operational efficiency for e-commerce development globally.

The operational readiness for e-commerce (ORE) project aims to address the challenges posed by the e-commerce market in each of the six developing regions – Africa, Arab region, Asia-Pacific, Caribbean, Europe/CIS and Latin America – over the next four years. Its goals are threefold: to address the barriers preventing customers from making online cross-border transactions and create more customer-centred solutions; to help posts modernize their operations, thereby creating an integrated supply chain; and to help them make use of the standardized IT tools and end-to-end systems required to facilitate e-commerce, such as electronic data interchange (EDI) exchanges between posts and other stakeholders.

As a key strategic project under the UPU's regional development plans for 2017 – 2020, work on ORE will extend throughout the entire Istanbul Cycle.

#### New approach

Working under a new methodology, the UPU's Development Cooperation Directorate (DCDEV) developed the ORE project in collaboration with the Postal Operations Directorate, using a more integrated and streamlined approach that will help reduce silos and overlap within the technical assistance provided by the UPU toward e-commerce.

The project will also include the Postal Technology Centre as a key partner, meaning all UPU work on e-commerce in the regions would fall under the umbrella of the ORE project. This will help target member countries' needs more effectively.

The project will be realized through a series of training sessions, workshops, on-site surveys and twinning activities over the duration of the work cycle. These activities will be carried out in coordination with restricted unions, e-commerce supply chain partners and other relevant stakeholders such as airlines, handlers and customs authorities.

As a first step, the UPU organized a series of start-up workshops in each region throughout 2017, including those in Moscow, Nairobi, Tunis, Bangkok, Bridgetown, and Montevideo. KR

#### QSF projects celebrated

The UPU established the Quality of Service Fund (QSF) in 2001 specifically to finance projects aimed at improving the quality of postal services in developing countries. Although most projects normally involve only one country, the QSF promotes a regional approach and solidarity between countries. It enables groups of operators to pool their financial resources to set up joint projects for the benefit of their entire region.

The QSF awards, launched in 2010, have recognized more than 70 operators for their exceptional national quality of service projects, covering such diverse areas as improving international delivery of publications, enhancing security conditions, establishing mobile post offices in rural areas, and implementing cost-accounting programmes. Projects are assessed on the ground based on their performance against targets, compliance with budgets, financial regulations and timetables, and long-term viability. This year, eight designated operators have been selected to receive awards for projects assessed in 2015, including Morocco, Viet Nam, Sri Lanka, Costa Rica, Democratic People's Republic of Korea, Republic of Congo, Uganda and Croatia.

#### **GMS** participation

In 2016, the QSF Board of Trustees decided to extend the awards to Global Monitoring System (GMS) projects to honour the successful, long-term participation of designated operators. In consultation with the GMS team, the QSF secretariat evaluated past projects and proposed that Morocco and Viet Nam be singled out for their implementation of the GMS participation project in 2012 and 2013. The decision was based on criteria such as continuous performance improvement, care of equipment during project implementation and sustainability of project

The Moroccan Post optimized its operational processes and addressed shortcomings in its quality of service to bring mail delivery times into line with customers' expectations. Abdeladim El Massoudi, Director of the Mail Division at Poste Maroc, says that the objective data provided by GMS helped to identify at what point in the operational pipeline quality improvements were required. This was made possible by radiofrequency identification technology, which Poste Maroc installed at 38 processing and delivery sites across the country. Meanwhile, Viet Nam, which participated in GMS for the first time in 2010, raised its delivery performance from 77.8 percent to 82.3 percent, exceeding its target of 75 percent.

#### Other projects

In another project, Sri Lanka Post managed to improve mail delivery in tsunami-struck areas of the country's Eastern Province. Its efforts were aided by the acquisition of four minivans. Thanks to the QSF, Sri Lanka is now able to deliver local mail by J+1 and has also exceeded its target of J+2 for international mail, previously J+5.

Costa Rica, the Democratic People's Republic of Korea and the Republic of the Congo also received delivery vehicles, enabling them to improve the performance and reliability of their mail delivery networks.

A project rolled out in Uganda helped to improve mail processing and security. Uganda Post increased the number of letters processed per minute from 30 to 40 and employed a security team to monitor its facilities around the clock, demonstrating its commitment to protecting mail.

Lastly, Croatia Post received funding for a project aimed at monitoring end-to-end quality while improving the accuracy of quality measurements, last evaluated at 95 percent. A second objective of the project was to deliver 85 percent of priority mail by J+1, 95 percent of priority mail by J+2 and 95 percent of non-priority mail by J+3. FR

#### Who's who at the UPU

#### Man of many hats

Name: Hubert Monod Directorate: Finance

Position: Assistant, Accounting

Nationality: Swiss



An accountant by trade, Hubert Monod's position at the UPU requires him to keep tabs on the Union's accounts. He joined the UPU in 2001, working with the Quality of Service Fund (QSF), later joining the accounting team in 2006. He is now responsible for handling debts owed to the Union, following up with members who are late paying their contribution units or subscriptions to UPU products and services.

However, Monod leads a sort of double-life at the UPU – lately, he has also lent a hand in coordinating some of the organization's events.

It sounds like a drastic shift in duties, until you consider his hobby: planning the annual Free4Style extreme sports festival in his hometown of Estavayer-le-Lac, Switzerland. He worked on the festival

between 1998 and 2014, helping grow the event's attendance to an impressive 25,000 people.

"I like the adrenaline of event planning. It requires you to react very quickly," says Monod, who compares the experience to what extreme athletes must feel when they compete.

Aware of Monod's enthusiasm for event planning, the UPU's General Management called for his help in managing the social activities taking place on the sidelines of the Universal Postal Congress in Istanbul last year. He played a central role in coordinating the member-sponsored coffee breaks, excursions and social events that took place during the three week Congress, which brought together some 2,000 delegates.

More recently, he had the chance to contribute his expertise to the UPU team tasked with designing a new stand concept for the Post-Expo postal, parcel and express industry exhibition. They decided to implement new tactile screens equipped with a special application designed for the event, which showcased how the UPU's products and services come into play throughout a postal item's journey. Visitors simply had to click on various parts of the supply chain to learn more.

"This year we wanted to try something different than we've done in the past," explains Monod.

He says he is happy to dabble in event planning at work from time-to-time, but until he is called on again, Monod insists he is quite content to focus on figures. KR

# CEOs talk strategies for success

Nearly 60 postal CEOs from around the globe gathered in Moscow this September for the second edition of the UPU World CEO Forum, where they laid out paths toward creating a robust postal sector.



#### TEXT: KAYLA REDSTONE

The UPU conceived the idea to host an exclusive forum for heads of designated operators in 2016. The plan was to give chief executives a space where they could discuss the key challenges and opportunities facing the Post and forge a path to move the sector forward.

During the first edition, hosted by La Poste Group in Paris, CEOs talked "Leading postal growth amidst an environment of disruptive innovation", focusing on the challenges and opportunities presented by the digital economy, the development of postal financial services and the harnessing of big data.

This year's event, hosted by Russian Post in Moscow, built on the previous year's discussions, giving more CEOs an opportunity to share experiences, best practices and potential solutions for the sector's transformation in a digital age.

"With rapid technological advancement and changing customer needs, we have to keep redefining the role of the UPU and the position of the Post in world trade. The UPU World CEO Forum is one of the best opportunities to address this subject," said UPU Director General Bishar A. Hussein.

For his part, Russian Post CEO Nikolay Podguzov underlined the importance of creating a more sustainable Post. "The postal service is very well positioned to be on top of processing the global economy because it is a unique organization as it faces people and can bring them services, which is probably one of its biggest advantages in a global economy where we have digitization," he explained.

Guided by the theme "Leading multidimensional growth: the hows and whys of postal strategy," the chief executives spent a day and a half diagnosing the global economic context in which the Post operates, examining how Posts are currently delivering to meet stakeholder and shareholder needs and determining successful business models they could implement to thrive.

#### Global situation

With economic growth and trade back on track after a period of stagnation, there has been an explosion of demand for e-commerce and light logistics.

"The explosion of e-commerce is a fantastic possibility for all postal services," said La Poste Group CEO Philippe Wahl. "We have systems that already work perfectly – this is why it is our first possibility to transform our businesses."

While e-commerce is still a huge opportunity for the Post in the current economic climate, postal leaders must keep changes in demographics and potential barriers at front of mind, cautioned Gabriel Di Bella, the IMF's Resident Representative for the Russian Federation. He noted that regions with a demographic dividend will have to conduct reforms to ensure that financial services and other infrastructure required to seize the e-commerce opportunity is available for all citizens to take advantage.

"In a world in which internet is more diffused, the business of personal correspondence will go down. But e-commerce should not be taken for granted because it depends on the availability of credit cards and the like," said Di Bella.

The postal executives also expressed their views on the challenges and opportunities presented by these global shifts in demographics.

#### Digital dreams

With young people constituting 1.8 billion of the world's population, there has been an increasing demand for digital and mobile services. In particular, they noted the shift from communication between people to person-item and item-item communication, whereby customers have choice and control over how, when and where their items are delivered.

CEOs agreed that the Post needs to continue developing the innovative technological solutions that modern postal customers demand, but some expressed reservations about leaving behind those who rely on traditional physical services. While individuals using the internet has reached 81 percent in developed countries according to ITU statistics, less than 50 percent of the world's total population has access – 41.3 percent in developing countries and only 17.5 percent in the least developed countries.

"We need to take this opportunity as developing countries to learn from [other CEOs] what we could have in the future, but at the moment we are living in a different reality," said Paositra Malagasy CEO Stéphanoël Razafimanantsoa, adding that the Post must satisfy the needs of those who are not online as well.



"The Post is something that exists in some places where there is nothing else. We cannot live without the Post." – Arkady Dvorkovich, Deputy Prime Minister, Russian Federation



"This forum will play a positive role in the development of the postal industry and give ability to all of us to facilitate our cooperation and share experiences and best practices." – Rashid Ismailov, Deputy Minister of Telecommunications and Mass Media, Russian Federation

#### Government relations

The forum drew the attention of several high-level officials from the Russian government, including Deputy Prime Minister Arkady Dvorkovich and Deputy Minister of Telecommunications and Mass Media Rashid Ismailov, who both highlighted the importance of the Post in national development.

"The digital economy is characterized by growth rates and will become the main driver for growth of the global market and inclusion of populations, which means there needs to be development in infrastructure to match this," Dvorkovich explained during his opening remarks.

"The Post is something that exists in some places where there is nothing else, we cannot live without the Post," he said.

Lyudmila Kononova, First Deputy Chairman of the Council of the Federation Committee on Social Policy, added that traditionally the government has perceived Russian Post not as an enterprise, but as a link between citizens and the state. It is responsible for delivering a number of social services across the vast country, including pensions. She noted that of 42 million pensioners, one third live in rural areas and only the Post will deliver pensions to these areas free of charge.

Many CEOs also stressed the importance of the Post's relationship with the government in its role as a public service provider. The Post's universal service obligation

(USO), which is determined by the government, is what gives it the mandate to offer widely accessible services.

In South Africa, for example, the postal bank facilitates financial inclusion, lending where most commercial banks would not. South Africa Post Office (SAPO) CEO Mark Barnes said he takes pride in this role.

"Our measurement of success is not immediate profits, but the creation of a middle class. Privatization is not the panacea for success, it creates more inequality," he added. "If governments leverage the Post, they can create economically stable citizens."

With that said, many CEOs expressed that a lack of financial and political support from governments made it difficult for their posts to devise a sustainable business model. CEOs expressed that their governments often expect the Post to maintain its expansive network while offering unprofitable services at a low rate, leaving little, if anything, left to develop innovative services.

"Our challenge is to convince government that this is not expenditure, it is investment," said Barnes.

Another option would be to look elsewhere for funding; however, many governments do not give Posts free range to manage their own capital and sometimes restrict their ability to engage in joint-venture partnerships.



"Our measurement of success is not immediate profits but the creation of a middle class." – Mark Barnes, CEO, South African Post Office



"We have to become co-producers and involve people so they can become part of new business models." – Pascal Clivaz, Deputy Director General, UPU



"Every employee of the post must be engaged in the transformation of the post and our work to sell innovation." – Isaac Gnamba-Yao, Director General, La Poste de Côte d'Ivoire

#### **Opportunities**

Though CEOs did not shy away from identifying challenges, they likewise did not hold back sharing potential solutions to bridge the gap between stakeholder expectations and what the posts delivers.

While CEOs recognized the gap in development between and even within countries, they suggested that posts take a more active role to involve people in the transformation process. For example, La Poste de Côte d'Ivoire Director General Isaac Gnamba-Yao described an innovative means his Post is using to connect rural agricultural workers with innovative technologies: a mobile platform that will allow agricultural workers to order fertilizer and seeds on their smartphone enabling them to participate in the digital economy and increase the productivity of their businesses.

"The global economy is changing and moving and it is important to integrate humans into this development," said Gnamba-Yao.

This not only means customers, but also employees. "Every employee of the post must be engaged in the transformation of the Post and our work to sell innovation," explained Gnamba-Yao.

Participants agreed on the need to move away from letters and diversify their businesses, but this did not only mean commercial services – CEOs said that the Posts network and citizens' trust would make diversi-

fication of social services a big opportunity for the future. For example, e-government services or personal care services for the elderly. However, in order to capture the trust of new, younger customers, the Post will have to gain their digital trust.

As for investments in costly infrastructure, CEOs suggested that governments redefine the USO so that there is balance between the Post fulfilling its role as a public service provider and satisfying the needs of its commercial customers. Importantly, the Post should create cooperative relationships with private companies such as start-ups, but also with each other. This is where the UPU plays a critical role.

"UPU is a vitally important organization that can help us turn competition into coopetition," said Podguzov.

CEOs agreed that the UPU is the ideal player to facilitate the exchange of information and best practices among postal operators. It also has a part in providing necessary technical solutions and assistance to postal operators needing to upgrade infrastructure.



CEOs from around the globe gathered for the discussions.

#### Follow-up critical

"After gathering our CEOs for a second time, it is clear that this forum is a vital space for our postal executives to put their heads together to find ways to drive the sector forward. With participants from all corners of the world represented at this forum, we have heard a diversity of proven strategies that CEOs can take back to their Posts," said the UPU Director General.

For his part, Podguzov added, "We have had very fruitful discussions in the last few days. It is important for us that after this forum the ideas shared here will benefit every Post, turn into business projects and create more synergies so that we can be stronger and more effective."

The 2018 edition of the UPU World CEO Forum will be hosted in Istanbul by PTT Turkish Post.

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## Working toward common goals

During the October session of its Council of Administration, the UPU announced the recent creation of its Financial Inclusion Technical Assistance Facility (FITAF), which is meant to advance financial inclusion by accelerating the digitization of postal financial services and increasing their uptake to reach last-mile customers and businesses. Visa joins the Bill & Melinda Gates Foundation in funding the FITAF and will provide a three-year charitable grant. Amina Tirana, Senior Director at Visa Inc., highlights the importance of technology for Posts and shares Visa's vision of a comprehensive digital network that will benefit whole societies.

INTERVIEW BY: SONAM BERNHARD

PHOTO: AMINA TIRANA



#### "Posts themselves need to commit to their role as agents for financial inclusion."

Visa's tagline is "everyone, everywhere." How does this apply to Financial Inclusion?

The line says it all – we want to serve all people, no matter who or where they are. This includes the two billion people around the world who are left out of the formal financial system – something we are committed to changing by offering tailored products and services, and through partnerships with organizations like UPU and the postal operators in its 192 member countries, which already have relationships with lower income and unbanked people and small businesses.

Some of Visa's many partners include governments. How do you specifically approach and support governments?

Visa works with and supports governments in several essential ways. At the country level, Visa has partnered with governments to provide payment solutions ranging from employee wages in Egypt to welfare in the Dominican Republic to health benefits in the United States and emergency aid in Pakistan and the Philippines. In the process, Visa has helped governments move from the distribution of cash or cheques to digital forms. Each of these examples has solutions customized to the individual government needs and goals. All offer significant efficiency savings in administrative costs, and bring greater security and convenience to recipients. In a number of instances, these solutions also represent citizens' first experience with the formal financial system.

At a global level, Visa engages with governments through its partnership with international organizations including the Alliance for Financial Inclusion, the Better Than Cash Alliance and now the UPU, all three of which are supported by Visa charitable grants. We also engage with governments through international organizations including the World Bank and International Finance Corporation, and global financial standard setting bodies.

Across all these national and global partnerships, we share insights from our experiences in more than 200 markets to help foster enabling environments that are inclusive and secure, and encourage innovation and financial inclusion.

In 2015, Visa made a public commitment to provide payments accounts to another 500 million unbanked people as part of the World Bank's call for Universal Financial Access by 2020. Where do you stand now and how does Visa's support of FITAF fit in?

By the end of 2016, Visa had added 162 million new payment accounts, of which 56% are held by women, 46% by rural residents, and 47% by low-income households. We'll report again at the end of 2017, but our interim monitoring suggests that we're already more than halfway to our goal. Visa's support of FITAF aligns with our overall mission to advance financial inclusion.

With 19% of the world's adult population holding an account at the Post, what could be done to enhance the already important role of posts in financial inclusion?

Posts themselves need to commit to their role as agents for financial inclusion and to the actions necessary to fulfill that role. We know that can be challenging, especially without a clear understanding of what that commitment means, how to fulfill it, or what benefits may result. So, UPU's work to raise awareness of the potential of posts to deliver inclusive financial services will be very valuable, especially when that potential is linked to national goals on poverty alleviation and economic growth, and comes with practical information about how posts can proceed. Finally, partnerships that help build the use cases, training and capacity building can also help enormously.

A UPU/UN Women 2015 study shows that posts have twice as many female financial services clients as banks. How important is the gender dimension of financial inclusion for Visa and how do you see the Posts contributing to this?

I was fascinated to read that study! The insights raise so many ideas. Reaching women is essential. Research tells us that achieving any number of development goals, from family health and wellness to community prosperity, hinges on the financial empowerment of women. Yet, even with all the progress on financial



Visa employees in many countries celebrated World Post Day and the partnership with the UPU – from the United States to Egypt and from Kenya to Kazakhstan and beyond!

inclusion, the gender gap remains persistent, with women lagging nine percentage points behind men in access globally. We have learned that in many places, women feel comfortable using post offices; we need to understand that dynamic better and build on it to accelerate inclusion for women.

Advances in information and digital technologies have enabled millions in the developing world to leapfrog many of the infrastructure and development constraints they face, allowing them to become connected and productive citizens. What is the role of digitization in enabling financial inclusion and how can Posts promote the positive aspects of this role?

One of the things I find wonderful about financial inclusion is how much innovation originates in developing and emerging markets. Five years ago, I met an elderly woman in rural Mali who was part of a women's cooperative that made juice and food from fruit. She could only read and write a little bit, and struggled financially. But, she knew how to receive money from her son in the city via her mobile phone. The payments came quickly and reliably and she could get cash immediately from an agent. Before, they took weeks and often got lost or stolen when sent via a bus. This made a huge difference to her welfare. She was also really proud of being one of the first people in the cooperative to use mobile money. So, technology is

definitely a game changer for financial inclusion, helping to overcoming barriers of physical access, increase convenience and security, and reduce costs for all involved – especially compared to traditional bank services and the high real cost of cash.

Taking advantage of digital technology will be critical to increase the opportunities for posts. We've seen so many examples of how technology can enable new kinds of solutions, ones tailored to specific populations. Digitization and technology can also help post offices to deliver financial services at scale, and allow for long-term solutions, sustained investment and innovation. Of course it's not a silver bullet and it's not easy. But when combined with good understanding of consumer needs, the right partnerships, and commitment, we are seeing really exciting results. As they expand, digital payments are creating more robust financial infrastructure and more trusting and confident users. And leading to the increased use of other products, like savings, credit and insurance that are so important to improving lives and livelihoods. SB

This interview has been edited for length and clarity.



## Posts must be agile in uptake of technologies

Discussions at the UPU World Postal Business Forum in Geneva this September left one resounding message clear for the postal sector: Posts must use technologies to their full advantage to offer customer-centred services.

TEXT: KAYLA REDSTONE The forum brought together operational experts from the UPU, Post and private sector for discussions on the theme "Connecting the dots: e-commerce, technology and the postal sector".

"This business forum is a very inspiring source of ideas to take forward with us as we plan for gatherings with various stakeholders in the future," said UPU Deputy Director General Pascal Clivaz during his closing remarks.

"Of course we need to put designated operators in the forefront of the digital space ... everybody is aware today that the postal sector is one of the last real universal service sectors," he continued.

#### Agility a must

Panellists' dialogue touched on challenges of the global logistics supply-chain, how to unblock barriers for cross-border e-commerce, payment solutions and the impact of cloud and mobile tech. They agreed that, while there is technology abound to be implemented, posts have not been agile in taking up these solutions that could help them address e-commerce challenges.

Speakers noted that competition from start-ups offering customizable services is ever increasing, meaning posts will need to employ a user-centered approach. They suggested that operators quickly adopt technologies that allow consumers to track their item and allow them to control last-mile delivery, whether that be by developing tools themselves or partnering with start-ups. They agreed that both operational and private big data could be harnessed to provide a better customer experience.



Speakers, including UPU Postal Technology Centre Director Harald Weyerich (far right), discussed unblocking barriers during the World Postal Business Forum's second panel.

#### Technological advances

They also noted that technology would be important in unblocking the barriers currently facing cross-border e-commerce, such as lack of communication between supply chain partners such as transport agents and Customs. UPU experts affirmed that the organization has already been working toward this, developing standards between organizations and deploying technologies, such as the Customs Declaration System (CDS), to facilitate these exchanges.

"Offering affordable technical solutions is very important to us as it is our role to make sure that solutions are there," explained the Deputy Director General.

He emphasized that the UPU would be there to assist countries interested in implementing these technologies and to listen to the changing demands of postal operators. Furthermore, the Deputy Director General assured participants that the UPU would continue its work with partner organizations in the supply chain to facilitate global e-commerce for everyone.

"This event shows that the UPU itself is a forum to open up dialogue and ensure that we are listening to our stakeholders from across the entire sector and find multilateral solutions through these discussions," said Clivaz.

#### Post-Expo

The annual forum is organized by the UPU within the context of the Post-Expo postal, parcel and courier exhibition, which this year gathered delegates from more than 135 countries at the Palexpo conference centre in Geneva.

In addition to hosting the forum, the UPU also participated in the exposition. For this year's edition, the UPU launched a new and modern stand concept based around its technical products and services across four pillars: e-commerce, mobile, cloud and big data.

Using an application designed for new tactical screens featured at the stand, delegates had the opportunity to follow the journey of an item from sender to receiver via the many products and services provided by the UPU. KR



Prize winners and VIP guests take time to capture the moment.

### World Post Day 2017

Inaugurations and guided tours of post offices, blood drives among postal employees, release of special stamps – there was no shortage of originality this year in the activities organized for World Post Day on 9 October. The aim, however, remained unchanged: to raise awareness among the public and businesses of the role the postal service plays in their day-to-day life and in global socio-economic development.

TEXT: SONAM BERNHARD The UPU International Bureau also chose to mark the occasion in a novel way, organizing a prize-giving ceremony in Berne to honour the winners of the 46<sup>th</sup> International Letter-Writing Competition for Young People, as well as the highest-performing countries on the 2016 Integrated Index for Postal Development (2IPD).

Guests included high-level representatives from designated operators, regulators and the United Nations, as well as ambassadors, ministers and Swiss authorities. Employees at the International Bureau also responded to the invitation extended by General Management, which seized the opportunity to thank staff for their work and dedication.

#### Human understanding

The International Letter-Writing Competition perpetuates an ancient craft at a time when, as UPU Director General Bishar A. Hussein remarked, "the Internet's reach is increasing every year and transforming the way citizens interact, communicate and do business".

Conceived to encourage literacy among young people and develop their ability to clearly express their thoughts in writing, the competition also aims to increase their awareness of the importance of postal services. Some 1.2 million young people from 49 different countries put themselves, as the 2017 theme proposed, in the shoes of an adviser to the UN Secretary General to help resolve a pressing global issue.

From the refugee crisis to sustainable development to eradicating violence, to cite just a few, the issues tackled by the 49 finalists showed evidence of true humanism and a clear commitment to international cooperation, as noted by António Guterres in his message, read out at the beginning of the ceremony.

### 2IPD champions' winning words

#### 1st place, Switzerland

"This 2IPD first-place award fills us with pride and confirms to us that Swiss Post's strategy is on the right track. It encourages us to constantly improve our services and remain close to our customers, for whom we want to make life easier."

Susanne Ruoff, Director General, Swiss Post

#### 2<sup>nd</sup> place, France

"This award recognizes the resilience of La Poste's business model and the relevance of our strategic decisions. The 2IPD is an indicator that can really motivate all operators, serving as a good basis from which they can evolve and continue to play an important economic and social role in the future."

Béatrice Roux, Director of International Affairs, La Poste Group

#### 3<sup>rd</sup> place, Japan

"This award demonstrates our commitment to maintaining our social role – even after privatization – and shows that we have worked very hard to improve our quality of service."

Masahiko Metoki, Senior Vice President of International Affairs, Japan Post

#### Brilliant pen and voice

Having travelled especially from Togo where she had won the national competition before being awarded the gold medal by the UPU jury, 14-year-old Eva Giordano Palacios left the audience deeply moved after reading her poignant letter on child marriage.

"The solution, the only solution to child marriage is education. Education allows the children of today, who will be the adults of tomorrow, to understand that ageold traditions which instruct them to marry off their daughters are unfair, and that poverty is no excuse," she declared.

Determined and enthusiastic, Eva has a passion for the arts. She followed her recitation with a song she had composed on the same subject, for which she received a standing ovation from the audience. Hussein's rhetorical question said it all: "Could the Secretary General find a better adviser than Eva?"

Yackoley Kokou Johnson, Ambassador of Togo in Switzerland, took his turn to congratulate Eva for her letter, which he described as "a work of sensitivity and humanity for young girls". The Ambassador, who said he believes that "the postal service is one of the best displays of human ingenuity in communication in both its origins and its ability to adapt to the environment," also expressed that "the letter is one of the best displays of the depths of human understanding, as it is the result of inspiration and reflection. It conveys a part of its composer's strong personality, and the realities she has witnessed and felt."

If letters seem outdated in our increasingly digital societies, these young people have demonstrated through their indisputable talent that letter writing still has a bright future ahead.

Prize winners, dignitaries and employees gathered together for the same purpose: to celebrate all aspects of the postal service.





To end child marriage by breaking the vicious circle of ignorance and poverty, Eva asked the UN Secretary General to support the affected countries financially.

#### Index of excellence

But Posts are not there just to stamp letters. As Hussein explained, "they facilitate inclusive development and are an essential part of the global economy". Recognizing this reality, the UPU took a decisive and forward-looking step by creating the 2IPD, with its four indicators of reliability, reach, relevance and resilience.

The inaugural ceremony awarded prizes to the three highest-performing countries on the index – Switzerland, France and Japan – and the five regional champions: Poland for Eastern Europe and the CIS, Singapore for Asia-Pacific, Mauritius for Africa, Brazil for Latin America and the Caribbean, and the United Arab Emirates for the Arab region. Their encouraging results prove that solid social, economic and postal infrastructure can help achieve the UN Sustainable Development Goals.

Senior representatives from these countries took turns coming up onto the stage to receive their prize from Hussein and Pascal Clivaz, Deputy Director General. The Director General and Deputy Director General warmly congratulated them for their performance and encouraged them to continue on this path. The prizes are a testament to the excellence and innovative spirit of these Posts.

Susanne Ruoff, Director General of Swiss Post, received the award on behalf of Switzerland, which obtained a perfect score on the index. She took the opportunity to pay tribute to the employees that provide high-quality service day in, day out. In her acceptance speech, Béatrice Roux, Director of International Affairs at La Poste Group, referred to the social role of the French Post, which develops services that aim to include vulnerable customers, such as the elderly. For Masahiko Metoki, Senior Vice President of International Affairs at Japan Post, this award coincided almost to the day with the 10-year anniversary of his operator's privatization, and is recognition of all their efforts thus far. Suffice to say, the 2IPD will encourage Posts to further improve their scores and give them hope, as expressed by regional champion Poland, of receiving another prize next year. SB





http://bit.ly/2yHd4Bb

WINNING LETTERS AND SPECIAL MENTIONS: http://bit.ly/2AIQaNZ

### 46<sup>th</sup> UPU International Letter-writing Competition for Young People (2017)



1st Prize
Eva Giordano Palacios,
14 years old (Togo)

**UNION POSTALE 03/2017** 

#### Dear Secretary General,

My name is Eva Palacios, I am 13 years old and I live in Lomé, Togo. Just like any other young girl, I dream of the perfect wedding, with a dazzling white dress and the perfect gentleman by my side, of an unending buffet and throwing my bouquet, and of two wedding rings that are more beautiful than diamonds. I dream of the perfect wedding, but it's only a dream as I have all the time in the world before I get married, and for that I am happy! It is just a dream for me, but for others it is a horrific reality. Every day it becomes a reality for poor young girls who cannot defend themselves. Each year, more than 15 million girls aged 15 and under are forced to marry men three times their age.

No doubt you have understood, Mr Secretary General, that today I would like to talk to you about child marriage.

Child marriage is the act of marrying a child who has neither legally nor emotionally reached marriageable age. Child marriage is the result of deep-rooted traditions, poverty, ignorance, early pregnancy or a lack of law. Underdeveloped and poor countries are often the most affected, and the victims are usually girls aged 15 and under. They are married to build strategic alliances and partnerships with other families. They are married because of tradition, which leaves their parents with no choice in the matter. They are married because they are seen as a burden and another mouth for their parents to feed. They are married because...because...

The solution, the only solution to child marriage, is education. Education allows the children of today, who will be the adults of tomorrow, to understand that age-old traditions which instruct them to marry off their daughters are unfair, and that poverty is no excuse, especially when the men are far too old for them. But education is not possible without means, without money. Underdeveloped countries are often poor, lacking the means to build good education facilities and recruit qualified teachers. They settle for low-performing schools. Aid to underdeveloped countries must, therefore, be increased, so these countries can make up lost ground in terms of both their educators and their infrastructure. But for now, these countries must be encouraged to strengthen their laws against child marriage. When families end up in court for having married their child too young, they are often released without charge as they can bribe the judge or police officer. Not to mention how the legal system can often be much too lenient in these types of cases. And ironically, although it was a lack of money that drove them to marry off their daughter in the first place, parents then have to find the money to bribe the legal authorities. They are trapped in a vicious circle and only you, Mr Secretary General, have the power to help them break free today.

Mr Secretary General, I hope that my small contribution will help you as you plan your work for the years to come, and that you manage to end once and for all the inhumane and outdated practice that is child marriage.

Kind regards, Eva Palacios

## Spreading the love for letters

In 2013, British schoolboy Toby Little embarked on a summer project to write a letter to all 193 UN member states with his mum, Sabine. Four years later and his holiday hobby has turned into an ongoing project.

TEXT: KAYLA REDSTONE Toby was inspired to begin sending handwritten messages to every country in the world at age five after reading a children's book about the journey of a letter from England to New Zealand. With summer break just around the corner, Toby and his mum thought writing letters around the world would make for a fun summer project.

Several years later, nine-year-old Toby has written more than 1,100 letters and received more than 500 responses from friends and strangers alike across the globe. He shares photos of his letters and their responses online via the project's website, writingtotheworld.com. Sabine also helps her son share news on his project through Facebook and Twitter pages.

When asked why he prefers this more traditional means of communication in today's internet-driven society, Toby says it comes down to anticipation and authenticity.

"With letters, you can wonder to yourself what the answer is going to be, and wait for it, and be excited when it comes – it just keeps you very, very patient. With a proper letter, you also get stamps that are bright and colourful, and exciting, but with an email, all you get is a subject and some words," he explains.

Toby's letters have been published in Dear World, How Are You?, which is now available in several different languages.





One of Toby's most cherished letters is a response from a Lebanese newspaper in the form of a mock front page.

#### **Educational** impact

While Sabine suggests it's unreasonable to assume that just because Toby has written to every country he can recall every detail he has ever collected, she says the project has definitely fuelled his interest in learning.

"[The project] has given him a huge hunger for knowledge, for languages, for customs, food, people, and animals," says Sabine. "That hunger in itself is a great starting point in life," she adds.

Toby echoes this, explaining that researching each country and brainstorming new questions to ask is one of his favourite parts of the letter-writing process. He says he hopes that helping his followers learn about different parts of the world will inspire compassion among others.

"Through writing letters and asking questions, people will hopefully know each other better and know how other people feel ... If you know how other people think and feel, maybe it is easier to understand and like each other, and this will hopefully help to keep people from fighting with each other," he explains.

When asked to pick out a few of his favourite responses, Toby describes a reply from a Lebanese newspaper, which wrote back to him in the form of a mock front-page; a letter from an employee of the Henry Ford Museum in Michigan, who later gave Toby and Sabine a tour during a family trip to the United States; and a reply from a researcher in Antarctica, who sent Toby a special "happy birthday" photo from the South Pole for Toby's sixth birthday.

#### Missing countries

Despite his attempts, there are still 20 countries Toby has yet to receive a response from: Angola, Armenia, Burundi, Central African Republic, Cuba, Equatorial Guinea, Guinea, Guinea Bissau, Ivory Coast, Kiribati, Mauritania, Pakistan, Panama, Somalia, Sudan, Syria, Tajikistan, Tonga, Tunisia, Tuvalu.

Though, it seems he has given himself plenty of time and patience to wait for letters from these remaining countries: "I don't know when I'll finish [the project], but I hope to at least carry on until I'm a grown-up," he says. "My interest is fuelled by Toby's interest," adds mum. "As long as he wants to carry on, I'm happy to support him. I think it is amazing that so many people have taken an interest and want to help — a beautiful community has sprung up around Toby's project, made up of individuals, teachers, parents, and children, who want to explore the world with Toby." KR

For those interested in reading Toby's letters or who would like to contribute, visit the project's website: www.writingtotheworld.com

For those who prefer to read on paper, Toby's letters have been published into a book. Dear World, How Are You, is now available in several languages.

### Lithuania replaces rural post offices with "mobile posties"

As populations decline in the Lithuanian countryside, the designated operator is closing hundreds of rural post offices, replacing them with "mobile posties" – letter-carriers, equipped with portable technologies, who carry out postal transactions at customers' doorsteps. Though the project will involve a reduction in the workforce, the Post says the new model is needed to sustain rural services amidst a shift in demographics.

TEXT: DAVID KOCH Young people are seeking economic opportunities in urban centres and abroad, making post offices in rural areas "unprofitable and unsustainable," said Mikas Jovaišas, head of strategy and business development at Lithuania Post. "We discovered that every year, the decline is five to ten percent of the service volume."

Seventy-seven post offices have been closed as part of the project's first stage, and mobile posties are expected to replace 375 post offices in rural areas across the country. Currently, these are open for just two to four hours daily – the short hours are a result of previous cost-saving measures, said Jovaišas.

Customers can use the service by phoning a call centre and arranging for a mobile postman to stop by their home at a predetermined time, said Jovaišas. Customers can also hail mobile posties as they do their rounds.

The letter-carriers also make stops at designated locations during the day – usually in a village centre close to the former location of the post office – where they wait for 15 or 20 minutes for clients. This is meant to accommodate vulnerable people lacking access to a phone, who would otherwise be cut off.

The letter-carriers are equipped with a tablet, a mobile phone, a receipt printer, and a small scale for weighing postal items. Three types of vehicles are currently being tested (Volkswagen Caddy, SsangYong Tivoli and Renault Kangoo), and the posties make an average of 26 stops and cover about 100 km daily. Their routes mainly involve deliveries, since sales are low: mobile posties typically get just one request every two or three days.

The project is intended to save money by combining the role of letter-carrier with the sales tasks usually carried out by post office workers. The model will cut operating costs for the affected rural areas by 15 percent, according to the Post.

The Post will save on costs, including the rental of postal facilities, many of which are in poor condition and requiring significant repairs. While much of the savings will come from the salaries of employees whose jobs are replaced by the service, Jovaišas maintains that downsizing will allow the publicly owned company to pay higher wages to the employees who stay on as mobile posties, and that the pay increase will be up to 20 percent for these workers, who will mostly be employed full-time. **DK** 

## Swiss Post experiments with "branch of the future"

Interlaken is a town long known among mountaineers as a doorstep to the Swiss Alps. Today, it's also on the threshold of fresh approaches to postal retail services, as Swiss Post experiments with a new concept at its Interlaken post office.



Customers receive a warm welcome at the extensive information desk in Swiss Post's "new concept" post office in Interlaken

TEXT: DAVID KOCH The post office in central Interlaken could serve as a template for the "branch of the future", based on how customers respond to the new design.

Customers entering the open-concept post office immediately encounter a wide information desk bearing the word "grüessech" – an expression meaning "hello" or "welcome" in the Bernese dialect of Swiss German. The information and advice counter is an essential feature of this experimental post office.

"At the advice counter, employees explain the products to customers and show them how to conduct their postal transactions efficiently," said Swiss Post spokesperson Jacqueline Buehlmann.

Buehlmann explained that these "floor managers" – a newly created position that is still being defined – act as post office hosts for customers and are trained to be familiar with all Swiss Post products and services.

"The floor manager works in the customer area, handling the activities (providing information, demonstrations, advice, explanations and sales) for all products and services that are not included in over-the-counter transactions."

For example, floor managers can help customers install and use the Swiss Post app on their mobile devices (the branch offers free Wi-Fi). They can also provide instructions on how to use parcel lockers known as

"My Post 24 terminals". Located across the country at places such as railway stations or near grocery stores – including one outside the Interlaken branch – these lockers allow customers to drop off or receive parcels outside regular post office hours.

Floor managers can also show customers how to carry out transactions independently in self-service areas, where they place their item on a scale and then, using an interactive touch screen, print out and affix the necessary postage. After preparing an item for shipping this way, customers can pay by debit using the automated service or proceed to the checkout. (These self-service counters are also found in places like grocery stores elsewhere in the country.)

By discussing customers' needs and demonstrating solutions, floor managers help to build a rapport with clientele and to increase the general public's awareness of the Post's physical and digital products.

Other features of the post office include a drivethrough counter where customers can drop off items that are ready for shipping. While this kind of service already exists for business customers, the Interlaken branch is the first example of a Swiss Post drive-through service where private customers can carry out postal transactions without leaving their car. This could be especially useful for older customers with mobility issues.

Buehlmann says that, so far, the drive-through service in Interlaken is being used by roughly 20 business customers and five private customers daily, with afternoons being the busiest time of day.

Overall, the goal appears to be creating an environment that is more pleasant and convenient for busy customers. Rather than standing in line, customers can take a number and wait in a comfortable seat, and kids can learn to send letters at a children's play desk equipped with writing materials and a little play mailbox.

The Post plans to analyze the results of this preliminary test before potentially rolling out the design at pilot branches elsewhere in the country. The ideas being tested in Interlaken could serve as a model for customer-centric postal services. **DK** 

## **UNION POSTALE** 03/2017

#### **AUSTRALIA**

**AUSTRALIA POST** has taken its online shopping subscription service "Shipster" nationwide. Shipster gives shoppers access to free shipping with 50 of the country's largest online retailers for purchases over 25 AUD (19 USD).

#### **CHINA**

THE STATE POST BUREAU OF CHINA reported an increase in express items posted during China's annual "Double 11" Day, with 331 million delivered by postal and express companies this year. This represents a 31.5 percent increase compared to 2016. "Double 11" is an e-commerce event celebrated on November 11 each year.

#### **CROATIA**

**CROATIAN POST** has signed a partnership agreement with DHL for cooperation on parcel deliveries, focusing primarily on the business to customer market. As part of the agreement, Croatian Post will join 26 European countries as part of DHL's Parcel Connect network.

#### **FRANCE**

LE GROUPE LA POSTE has announced its intention to create a joint company with French waste management company SUEZ to collect and recover office waste in mainland France. The project is subject to prior approval of the national competition authority.

#### **GERMANY**

**DEUTSCHE POST DHL GROUP (DPDHL)** has collaborated with automotive supplier ZF and AI computing company NVIDIA to launch a new test fleet of autonomous delivery trucks in 2018. The pilot will focus on the transportation of packages, including last mile delivery. It will also include equipping DPDHL's existing fleet with sensors to feed data on different routes into ZF's AI system.

**DPDHL** also has plans to invest more in people, launching new traineeship opportunities for courier, express and postal services specialists in 2018. The new training is directed at older applicants with previous work experience. The company already offers training in 18 occupational fields and with 13 dual courses of study.

#### **IRELAND**

AN POST has taken a step forward in making the returns process easier for consumers, launching a new service called ReturnPal. After downloading the ReturnPal app from the Apple Store or Google Play Store, customers simply input the address they want their parcel picked up and An Post will print the return label and send back to the retailer. The app will also allow them to track their returned parcel until it reaches the retailer.

#### **KAZAKHSTAN**

**KAZPOST** announced that it would expand its "parcel supermarket" self-service centres across the country. The concept, first launched in 2015, facilitates customers' access to services for sending and receiving parcels using electronic terminals and is available at least 14 hours per day, seven days per week. There are currently 74 "supermarkets", but the Post intends to add an additional 54 by the end of 2017.

#### LITHUANIA

**LITHUANIAN POST** subsidiary LP EXPRESS announced that it would expand its network of self-service parcel terminals across the country in response to the development of the e-commerce market. The company will install 40 new terminals in both cities and towns, thereby increasing the network by nearly 160 percent.

#### **MALDIVES**

MALDIVES POST has launched a new self-serve parcel service, called PikPost. Through PikPost, customers now have 24/7 access to parcel pick-up lockers which they can access using a code sent via SMS once the parcel arrives.

#### **SWITZERLAND**

swiss POST has joined several other Swiss companies – including banks, a financial services provider, a telecommunications provider, an insurance company and the federal railway – in signing a memorandum of understanding to create a joint company aimed at developing a digital ID for Swiss citizens. This secure electronic ID will help facilitate citizens' access online services. The Post stated that the new company, called SwissSign Group AG, would develop a "solution made by the private sector, but certified by the state".

#### **UNITED STATES**

AMAZON launched its new Amazon Key service in the Unites States, which will now allow delivery agents to drop off packages inside customers' homes. The service, which is available to Amazon Prime members, includes access to an app allowing customers to track their parcel, a smart lock giving the delivery person access to the home and a security camera allowing customers to monitor the delivery.

All items by Kayla Redstone



#### **Poststempel**

Validieren und Entwerten im Postamt

#### **Mail Daters**

For validation or cancelling in the post office

#### **Dateurs postaux**

Pour valider et oblitérer au bureau de poste







## Innovation bringing value

Every single day, hundreds of millions of parcels, packages and mailpieces move around the world, along the roads to our houses. In more than 20 countries, on 5 continents, a large part of them is sorted, routed, tracked, prepared for delivery by our solutions. SOLYSTIC provides operators of postal and parcel industry with solutions for e-commerce logistics, B2C delivery preparation, "mixed" mail sorting and automatic resolution of delivery addresses. We help our customers to meet growing demand, to be ahead of the competition, to make their business profitable. SOLYSTIC: we always try to think creatively.

Innovative solutions for the mail and parcel industry.



