



CPC International Postal Update

By: John Cicchitti

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The third quarter had many important international postal developments.

After a year long COVID delay, the Universal Postal Union held its international Congress. Several posts improved service and financials as countries began to exit the pandemic. Posts continue experimenting with new delivery methods. Brazil is considering privatization.

We review these and other issues below.

UPU Congress

The Universal Postal Union (UPU) held its Congress from August 9-27 in Abidjan, Côte d'Ivoire following a year-long delay due to the pandemic. The 27th Congress was not the first to be [postponed](#), as prior Congresses were put off due to the First and Second World Wars. Below is a summary of key developments.



*Masahiko Metoki (left) and Marjan Oswald (right) after their election.
Source: UPU.*

New Leadership Elected

The UPU's member countries [elected](#) Japan's Masahiko Metoki and Slovenia's Marjan Oswald to lead the international postal organization into a post-COVID future. Metoki will serve as Director General, succeeding incumbent Director General Bishar A. Hussein. Oswald will serve as Deputy Director General, succeeding incumbent Deputy Director General Pascal Clivaz.

Metoki promised to “work for all the UPU member countries by listening to each voice carefully and by considering your differences,” while Oswald said he would “fight for accountability, transparency and business ethics.”

Global Postal Response to COVID Examined

Director General Hussein [began](#) the Congress with praise for postal services across the world for their response to the pandemic. “Posts rose to the occasion and worked tirelessly and courageously to ensure that people in lockdown still received their goods and services,” he said.

Several UPU panels [reviewed](#) the international postal network’s response to COVID-19, looking at areas where postal services succeeded and where they could have improved. Representatives agreed that posts reacted well to the spike in ecommerce, keeping communities afloat.



Abidjan, the site of the UPU’s 27th Congress. Source: Wikimedia.

But the panels also called for change. Several representatives encouraged posts to pursue technological solutions to environmental challenges. Other representatives stressed the need for public-private partnerships regarding the trend of growing digitalization.

Hussein Reflects on Time in Office

The outgoing Director General of the UPU [reflected](#) on his time in office during a press conference. Bishar Hussein touted a theme of “balance” in his remarks: “We have created regional balance in the Union’s membership. We have created gender balance in the Union. And we have introduced a number of reforms that have created a level playing field for every country whether you are big or small.”

Hussein, a distinguished Kenyan diplomat, also praised government-run posts for connecting nations and communities. “We provide social services – every government service can be run through the postal network. This is a one-stop shop for the

governments to provide services. This is a service that does not discriminate against anyone – anyone can access postal services,” he said. He has [served](#) as Director General since January 2013.

Congress Host Showcases Its Innovations

La Poste de Côte d'Ivoire, the host country's postal service, took the opportunity to show off its “[post office of the future](#).” According to the UPU, “The new facility promotes digital inclusion and the digital economy and provides modern and innovative postal services.” The growing “digital transformation of the nation” will involve more young people in the country's institutions, the government anticipates.

Service Developments



Royal Mail's logo. Source: Wikimedia.

Royal Mail Records Service Improvements

Royal Mail, the United Kingdom's postal service, reported that the organization is seeing improvements in mail delivery service despite high levels of illness among its workforce, according to [Post & Parcel](#). “During the last quarter we have experienced high levels of sick absence and selfisolation compared with pre-COVID levels. . .But we are making progress and today's figures are an improvement on the previous quarter,” Royal Mail said.

Ofcom, the United Kingdom's mail regulator, issued an emergency decree at the beginning of the pandemic that exempted Royal Mail from its universal service obligations. That exemption was scheduled to expire August 31, 2021.

Thai Post Experiences Delays, Begins Box Recycling Drive

The pandemic continued to negatively impact Thailand's postal operations, [Bangkok Post](#) reports. Illness is leading to staffing shortages, which is “forcing post offices to shut temporarily.” Thai Post has attempted to mitigate the danger of the pandemic with social distancing measures in its facilities.

[Bangkok Post](#) also wrote that Thai Post is launching a new recycling initiative. The postal service is collecting unused boxes and envelopes to “turn them into beds and other necessary items for hospitals.” The news outlet noted that the rise in ecommerce is leading to many unused packages lying around.

Spain Begins Use of Computerized Package Drop-Off

Spanish postal service Correos “is installing self-service parcel drop-off machines in post offices,” according to [Postal Hub Podcast](#). Machines will allow customers to pay and drop-off packages without clerical help. This will help prevent COVID infections as Spain exits the pandemic.

Australia Increases Parcel Locker Locations

Australia Post is partnering with 7-Eleven to bring parcel lockers to over 1,000 locations, reports [Post and Parcel](#). This comes in response to a rapid increase in package volumes from July 2020 to July 2021. These lockers will be available for customers at all hours.

7-Eleven will host around 500 locker locations, while Australia Post already maintains 500 on its own. “This partnership with 7-Eleven gives our customers greater choice on the most convenient way to collect what they’ve bought, at the times and places that suit them, which is why expanding our locker network into 7-Eleven stores just makes sense,” said an Australia Post official.

Financial and Organizational Developments

Brazil Chamber Votes to Privatize Postal Service

Brazil’s Chamber of Deputies voted to privatize Correios, Brazil’s postal service, in an August vote. To become law, the bill now must be approved by the Federal Senate and then be signed by the President. The Deputies’ vote was a resounding endorsement of privatization, with 286 supporting selling off the organization and 173 opposing.

Brazilian President Jair Bolsonaro has been pushing for privatization, and the vote is a victory for his agenda, [Rio Times Online](#) reported. CPC has covered this privatization effort in previous [international updates](#).



*Inside Brazil’s Chamber of Deputies.
Source: Wikimedia.*

Insurance Business Increases Poste Italiane Profits 32%

Poste Italiane, Italy's postal service, saw a 32 percent rise in profits in the second quarter, reports [Reuters](#). The company's insurance division led the rise in profits, according to the service. Earnings exceeded expectations by nearly €75 million.

Executives are optimistic. A new workforce contract and a continuing partnership with Amazon "significantly reduce the execution risk attached to the group's strategic plan to 2024," Poste Italiane's CEO told Reuters.

Latvia Purchases New Trucks

Latvijas Pasts (LP) will buy between 200 and 344 new service vehicles, according to [Public Broadcasting of Latvia](#). These will be especially helpful in reaching residences in rural areas, and the service will mandate that the vehicles meet a certain level of fuel efficiency to protect the environment. This purchase will ultimately cost the service €5.5 million over five years.

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