



CPC International Postal Update

By: John Cicchitti

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Postal services around the world faced two major challenges in the final quarter of 2021: holiday deliveries and the spread of the Omicron variant. Several posts also reorganized their businesses with acquisitions or leadership changes. And some are experimenting with new ways to deliver to customers. These issues and more are discussed in our quarterly update below.

Christmas Expansions and COVID Delays

Australia Post Expands Christmas Delivery to Include Twilight Service

Australia's postal service introduced "twilight" deliveries to help deal with the volume of the Christmas season, [7News](#) reported. The organization hired 300 drivers to deliver packages in the evening. Rod Barnes, one of its executives, told media that the additional workers would complete the delivery of "an additional 25,000 parcels per day." The temporary service wrapped up on December 23.

India Suspends Delivery to United States Due to COVID

With COVID on the rise worldwide, India's postal service suspended the delivery of mail and parcels to the United States in December, according to [The Times of India](#). One major problem facing logistics operators has been the cancellation of flights between countries, and India's Department of Posts acknowledged that in its statement.

The rise in COVID numbers has led the Indian government to limit the country's international transportation. India's air travel agency has suspended many international flights until January 31, the *Times* reported, leaving packages and parcels unable to reach their destinations.

Royal Mail Generally Keeping Pace, but Some Christmas Delays

The vast majority of Royal Mail offices kept pace with the busy Christmas season. According to [Yahoo](#), "most of the postal service's 1,200 offices" maintained normal business schedules. But like many countries' posts, some Royal Mail centers experienced delivery delays ahead of Christmas. In several areas of the United Kingdom,

the sheer volume of packages was overwhelming. Disruptions hit hubs in the cities of Bristol, Chester, and Belfast, [Express](#) reported. Additionally, many centers experienced high employee sickness rates as coronavirus infections rose, [Yahoo](#) reported.

Flight Cancellations Lead to Lithuanian Export Delays

Lithuania's postal service announced that delivery times increased when shipping packages to some countries, as the pandemic intensified. [The Baltic Review](#) reported that flight cancellations and other complications have led to delays up to three weeks. The onset of the holiday season compounded these difficulties, according to the service.

Business Organization Updates

Deutsche Post Names Future CEO, Requires Environmental Certifications from Subcontractors

Deutsche Post AG announced in early December that Tobias Meyer will succeed long-time Chief Executive Officer Frank Appel in 2023, [The Wall Street Journal](#) reported. Meyer currently heads Deutsche Post's domestic mail operations in Germany. He will take over a company that has not had a change at the top in 13 years.

Deutsche Post AG also announced that all road-transport subcontractors will have to certify reductions in their carbon footprints, said [MarketWatch](#). The logistics giant is aiming to be at net-zero carbon emissions by 2050, and it will require subcontractors to log their carbon emissions.



A Deutsche Post office in Dresden, Germany. Source: Wikimedia.

South African Postal Workers Win at Supreme Court

South Africa's Supreme Court ordered the country's postal service, Sapo, to continue contributions to its postal workers' retirement fund, reported [IOL](#). Sapo had stopped such payments due to financial difficulties. The retirement system deducts pay from employees' salaries and combines it with a separate contribution from the organization.

Sapo had stopped its contributions in May 2020, contending that these were optional payments and that even if required, it could not meet the financial burden. The court rejected both arguments.

Royal Mail Expands International Subsidiary with Acquisition

Royal Mail subsidiary General Logistics Systems (GLS) purchased Mid-Nite Sun Transportation in the fourth quarter of 2021, reported [Nasdaq](#). Mid-Nite Sun Transportation is a Canadian transport company, and its merger with GLS, another Canadian company, “is likely to result in one of the most integrated transportation systems in Canada.” The purchase price was \$286.8 million.



A GLS hub in Germany. Source: Wikimedia.

Estonian Auditor: Obsolete Systems Plague Post Offices

Estonia’s National Audit Office criticized the operational structure of the country’s post office in a review late in 2021, reported [ERR](#). “In a situation where one letter on average is sent per person per year in Estonia and the post office is usually visited in order to pick up a parcel, it is obvious that the current system is outdated,” its director said. The audit office suggested that the service should focus on innovations more conducive to package delivery, like parcel lockers.

Increased Profits Lead to Poste Italiane Raising Expectations

After third-quarter revenue exceeded expectations, Italy’s postal service announced it was raising its annual profit target 100 million euros. [Reuters](#) reported that mail delivery, financial payments, and mobile services drove the increased profits. Its insurance business, on the other hand, declined during the quarter. The service said the insurance decrease was expected.

Jamaica Post’s Nine Point Plan for Transformation

Jamaican Postmaster General Lincoln Allen announced “nine strategic objectives” to reorganize Jamaica Post, reported [The Gleaner](#). These include “renovat[ing] some of [Jamaica Post’s] locations” and “strengthening [Jamaica Post’s] IT (information technology) infrastructure,” Allen told a business gathering. The Postmaster General anticipates the reforms will increase the organization’s “customer service capacity.”

Cyber and Technology

Brazil's Post Office Targeted in Hack

Correios, Brazil's postal service, was the victim of a cyber attack on its website just ahead of Christmas, financial publication [Valor Investe](#) reported. The attack prevented customers from accessing Correios' package tracking system online.

Hacker group Laspus\$ claimed credit for the attack. According to Valor Investe, the same group hacked Brazil's Ministry of Health earlier in December. In the previous attack on the health ministry, the group succeeded in shutting down some of the department's systems.



*"Pochta Roccii." The harsh climate of Russia can make traditional postal deliveries difficult.
Source: Wikimedia.*

Russia Uses Drones and Robots to Deliver Packages

Russian Post is now using self-driving robots to deliver parcels, reports [Reuters](#). In partnership with Yandex (Russia's equivalent of Google), the postal service deploys the self-driving robots in Moscow. The initial program will see 36 small robots deliver packages from 26 post offices. Customers can track the progress of the robots.

In more remote regions, Russian Post is using drones to reach consumers. [The Barents Observer](#) reported that Russian Post drones are delivering packages to Russian towns in the extreme north. These towns are often hard to reach by conventional means due to harsh weather.

Norway's Postal Locker System is a Hit

Posten Norge's parcel locker system is quite popular in Norway, according to [Post & Parcel](#). The service has placed lockers in everyday locations, and customers can easily access their packages while running other errands. [Post & Parcel](#) reported that data showed a 95% satisfaction rate with the new system.

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