



CPC International Postal Update

By: John Cicchitti

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There have been many international postal news developments for the quarter ending December 31, 2022. The Universal Postal Union (UPU) released its 2022 Postal Development Report. South Africa's postal bank suffered from several cyberattacks. New technologies were developed and deployed. And the United Kingdom endured postal strikes over the holidays. These issues and more are covered in our quarterly update below.

UPU 2022 Postal Development Report

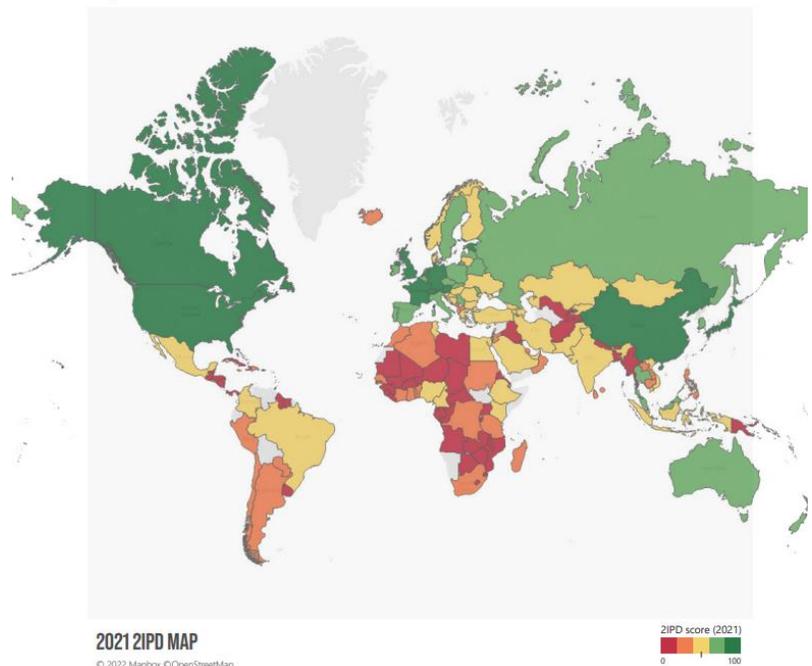
The UPU released its [2022 Postal Development Report](#) in October, based on 2021 data. Key findings are summarized below.

Switzerland Ranked Top Postal Service in the World (Again)

For the sixth year in a row, the UPU's annual postal development report awarded Switzerland its highest Integrated Index for Postal Development (2IPD) score. This evaluates postal services in four areas: reliability, reach, relevance, and resilience. Five other countries joined Switzerland in the UPU's top tier: Austria, Germany, China, France, and Japan.

The United States Postal Service was the most improved organization in "postal reach." This UPU

Figure 1: Global 2IPD score distribution



*A map of country scores in the UPU's latest report.
Source: Universal Postal Union.*

measurement considers a post's ability to "maintain active international postal routes...connecting the country to the rest of the world."

Package Revenue Overtakes Mail Revenue

The UPU's report revealed that global package revenue surpassed global letter revenue in 2021. "[G]lobal postal revenues ... from parcels and logistics ... are larger than letter-post revenues for the first time ... in 147 years of UPU postal statistics," the report said. It found that "parcel volumes increased by 33.6% between 2019 and 2021," and letter volumes declined 13.6% over the same period. However, the decline in letter volumes was slower than previous years.

Addressing the Relationship Between Postal Development and Carbon Emissions

The UPU's report acknowledged the tension between its mission for postal development and its desire to see cleaner postal services. Oftentimes, "moving to a higher [postal development level] also leads to a higher level of carbon emissions," the report said. Ways to solve this include offering new services and continuing to invest in green technology.

Ukrposhta Updates

As Ukrainian Forces Liberate Territory, Ukrposhta Reintegrates the Areas

[Ukrposhta](#), Ukraine's postal service, announced that it has "resumed work in 390 liberated settlements in Kharkiv region." As Ukrainian forces push back Russian invaders, Ukrainian postal workers are now "issuing pensions, which local residents have not been able to receive for several months while they were under occupation" and resuming regular parcel delivery. The service is also delivering medicines to the formerly occupied territories.



A post office in Ukraine, not far from the front lines. Source: Wikimedia.

Parcel and Postal Technology Salutes Ukrposhta as "Provider of the Year"

In October, [Parcel and Postal Technology International](#) awarded Ukrposhta the title "Service Provider of the Year," for its dedication in the midst of the Russian invasion.

“For more than seven months, Ukrposhta has been working in war conditions every day,” Parcel and Postal Technology said. “On the second day of the invasion, Ukrposhta reopened its post offices all over the war-torn country.” Ukrposhta has also “processed 23.5 million money transfers” and delivered 2.7 million kilograms of export goods since the war began.

Business and Labor

Lula Victory Ends Brazil Privatization Push

Luiz Inacio Lula da Silva’s (Lula) October [victory](#) in Brazil’s presidential election likely ended the prospects for privatizing Correios, Brazil’s postal service. During the campaign, Lula said he opposed privatization, according to [The Brazilian Report](#). Instead, he promised to “strengthen” the state-owned Correios, reported [Reuters](#).

The previous Bolsonaro administration tried to privatize Correios, but never achieved its goal, according to [The Rio Times](#).



Lula wearing a Correios logo. Source: Wikimedia.

Egypt Announces New Platform to Increase Business with African Peers

According to [Arabian Business](#), Egypt Post is planning a new “online trading platform that promises to significantly increase trade between Egypt and other countries in Africa.” The platform, ECOM Africa, will connect Egyptian businesses with consumers throughout the continent. ECOM Africa is an international extension of its Waslha application, which allows tracking and quick domestic delivery of parcels.

Royal Mail Strikes Impact Britain During Holidays

Ongoing discontent among Royal Mail workers led to a series of strikes ahead of the Christmas holiday. The Communication Workers Union, which represents postal workers, “took industrial action” on several days throughout December, including Christmas Eve, the [BBC](#) reported.

Rico Back, who previously led Royal Mail as chief executive in the wake of its privatization, criticized the service's handling of labor relations. According to [The Guardian](#), Back said that Royal Mail's "confrontational" approach was "not necessary." Royal Mail leadership "wasted time and have not executed properly," he added.

Cyber and Technology

Over \$1 Million Stolen from South African Postbank in Cyberattack

South African Postbank announced that cyberattacks on its IT infrastructure resulted in the theft of more than \$1 million over a three-month period, reported the [Daily Maverick](#). From August to October, South African Postbank suffered three separate attacks, each costing hundreds of thousands of dollars.

The South African Post Office Group runs both the Postbank and the traditional postal service (Sapo). The separate divisions share the same cyber network, according to the [Daily Maverick](#), and auditors have recommended they split that system in two.

The Postbank will spend \$23.5 million over the next few years to reinforce its networks, the [Daily Maverick](#) said.

Irish Postal Service Introduces Digital Stamp

An Post, Ireland's postal service, launched a digital stamp in October, according to the [Irish Mirror](#). The digital stamp will allow users to purchase "a unique 12-digit code (the Digital Stamp) through the An Post App, which customers can then handwrite onto their envelope or postcard where a traditional stamp would go."

Japan Welcomes New Delivery Drone

Japan Post introduced a new type of drone for parcel delivery in December, [Nippon](#) reported. The drones will enter service in 2023 and can carry a package that weighs up to 5 kilograms (about 11 pounds) about 35 kilometers (about 22 miles). "Japan Post expects to use the new drone for its Yu-Pack parcel delivery service, as well as parcel transportation between post offices," [Nippon](#) said.

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