



A Message from the Secretary General

With 2011 behind us we look forward to the promises and challenges 2012 brings to the European Postal community. The world as we know it is changing and economists predict 2012 to be another difficult year for Europe and this means that we need to be more astute towards our business, adapt our strategies and aim for long-term sustainable growth.



PostEurop remains loyal and committed to supporting our members through our activities. We firmly believe that the new vision and strategy will allow the association to be more flexible, efficient and continue to add value through deepening our relationships with our key stakeholders and focussing on the right issues. Hence, we look to finalize this reform at the upcoming Plenary Assembly in Belgrade, Serbia on 25-26 April 2012.

So let us brace ourselves for a busy and progressive year and remind ourselves that the future is in our hands.

Lastly, I would like to take this opportunity to wish everyone all the best for 2012!

Botond Szebeny
Secretary General

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UPCOMING MEETINGS



- **1 FEB** - 18th IAC Plenary, Madrid, Spain
- **8-9 FEB** - Leonardo Da Vinci program - Multilateral Visit to La Poste, Marseille, France
- **12 FEB-2 MAR** - UPU Postal Operations Council & Council of Administration, Bern, Switzerland
- **15 MAR** - 86th PostEurop Board Meeting, Brussels, Belgium

BUSINESS FORUM

- "Merging with the Digital World" is the title of the 2012 PostEurop Business Forum.
- Held on 26 April 2012 in Belgrade, Serbia
- For more information please contact sebastien.houze@posteurop.org

PLENARY ASSEMBLY

- The next PostEurop Plenary Assembly will be held in Belgrade, Serbia on 25-26 April 2012
- Hosted by Public Enterprise of PTT Communications "Srbija"
- For more information please contact administration@posteurop.org

Info & Subscription on: www.posteurop.org

From The Editor



Dear Members and Colleagues,

I would like to take this opportunity to wish all our readers a Happy New Year as we welcome 2012. One of my New Year resolutions is to issue a survey soliciting your feedback and ideas as we look to continuously improve PENews.

This is a short issue covering the end of 2011 and a glimpse of January 2012.

We start by welcoming three newly appointed Chair and Vice-Chairs of the VAT, Retail Network and EMIP working groups as we launch into full activities particularly in the regulatory area. Much in the spirit of PostEurop, our Aviation Security experts are taking proactive measures to further strengthen relationships with key stakeholders.


On the social aspect, multilateral visits under the Leonardo Da Vinci program "Training Partnership for a Changing Post" project are well on its way.

There is much buzz around the potential around the role of Information Technology as postal operators look to grow their products and services, and it is especially uplifting to share the positive feedback from participants at the last Advanced Electronic Solutions (AES) Forum. We can definitely look forward to more innovative e-solution to come.

We hope that you enjoy this issue and look forward to your feedback and contribution.

Cynthia Wee
Communications Manager
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NEWS IN BRIEF

- Russian Federal Agency of Communications: the Regions support the idea** of using the 42,000 post offices network to guarantee an access to every citizen to federal & municipal services, including e-services, has been discussed at a Government meeting with Representatives of the FAC, the Minister of Economic Development and members of the Regions 'executive. The project has to be further developed.
 - Positive balance for Correos' solidarity campaigns** in which, Correos sold in 2011 various UNICEF items amounting to € 1.203.725. Correos also sold 1.216.402 lottery tickets sold in collaboration with the Spanish Red Cross during Christmas. The Company also sold 152.591 pens as well at the initiative of the Fundación Crecer Jugando (Growing up playing) y Radio Nacional de España (RNE) to collect funds for children in need in 20 countries. In addition, the campaign "Dona tu móvil" (Donate your mobile) co organised by the Red Cross and Fundación Entreculturas allowed to collect 32.642 mobile phones for recycling. Finally, the Correos campaign "Correos reparte sonrisas" (Correos gives out smiles) allowed for the 3rd consecutive year to help children in need in hospitals with the support of celebrities and volunteers.
 - In less than a month after its launch, the Croatian Post iphone application reached over 5,000 users.** It offers all the useful information on the Croatian Post services and can be useful to daily clients looking for a zip code or to tourists visiting the country looking for a post office to send a postcard. The "Pošta" application became in just a few weeks time the first navigation app and the second on the full list of free apps.
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- Bulgarian Post launched a new express international money transfer service** as a part of the Moneygram system. In only 10 minutes you can receive and send money from/to around the world. This service is currently available in 165 post offices but there should be more soon.
 - Correos signs agreement with Casa Asia for the introduction of parcel services on the Asian market.** The agreement will permit intensified links with new clients that work and trade on Central Asia, China, India and Oceania markets. Thanks to this agreement, Correos will develop their international parcel and packaging products business on the Asian market to respond to the specific demands of the market and attract clients for exports of traditional products as well as for e-commerce.
 - Itella Bank launches operations as a deposit bank at the beginning of the year 2012.** On August 31, 2011, Itella subsidiary Itella IPS Ltd (now called Itella Bank Ltd) was granted a deposit bank license by the Financial Supervisory Authority in accordance with the Act on Credit Institutions. The invoicing and payment services of Itella IPS Ltd will continue as part of the offering of Itella Bank. The first new banking services will be introduced in 2012. Initially the services will be intended for companies, but consumer banking services will also be provided in the future.
 - Russian Post Money Transfer Service "Forsazh" increased by 71% in 2011** compared to 2010 with 19,000 in 2011. This service will be developed to cover the whole country and to allow international transfers as well. Although it may not be as fast as what competitors can offer, this program relies on its (low) cost and efficiency.

NEW FACES

Endorsed at the 85th Management Board Meeting, let us congratulate:

Mr. Carlo Sauve, Head of taxation from Poste Italiane was appointed as the new Chair of the PostEurop VAT working group. Carlo will be supported by **Ms. Marcela Mooren** from Deutsche Post as Vice-Chair of the working group.

Marc Gloesener Head of Commercial and Retail Departments at PTT

Luxembourg was appointed as Vice-Chair of the PostEurop Retail Network working group. Marc will support **Bruno Sattler** from Deutsche Post who is the current Chair of the working group.

Adrijana Zivanovic, Head of Strategic Department at the Public Enterprise of PTT Communications "Srbija" was appointed as the Vice Chair of the PostEurop EMIP working group. Adrijana will support Sébastien Houze, PostEurop Market Manager and Chair of the EMIP working group.



An updated organisational chart is available on www.posteurop.org/organisation

European Affairs Committee (EAC)

EAC AND POSTAL DIRECTIVE WORKING GROUP MEETING IN COPENHAGEN

The European Affairs Committee held a plenary meeting combined with a Postal Directive working group meeting in Copenhagen, on 23-24 November 2011, hosted by Post Danmark.

During the EAC meeting, members discussed the EAC Progress Report to date with special focus on new regulatory developments including state aid review package, modernisation of the public procurement framework, data protection and aviation security.

Future Scope of the EAC

The EAC chair and vice chair presented the EAC questionnaire results and their proposal on future scope of the EAC. EAC members shared their views on the



future work proposals and focus points of the European Affairs Committee. Particular attention was given to the mission of the EAC, work allocation within the committee, relationship between the EAC, its working groups and other pillars. It was agreed that the EAC should have a simple mission with deep business impact analysis of its activities. The EAC is based on its members' inputs and their involvement. A progress file on this matter has been sent to the Management Board for further deliberation.

Regulatory Developments in Commerce and EU Transport policy

The Deutsche Post DHL regulatory team highlighted two important issues, namely the regulatory developments in e-commerce and EU Transport

Policy. In the area of e-commerce, the Commission e-commerce communication is expected in January 2012 and will contain a chapter on delivery issues. It was acknowledged by the committee that e-commerce has a wider scope covering others activities that are already within the EAC's scope.

Natural Co-operation

Finally, the latest regulatory and operational issues in the area of customs was brought to the EAC's attention by PostNord/Post Danmark's customs expert, accompanied by a memo from Reinhard Fischer, Chair of the Customs working group. An intensified co-operation with the IAC Customs WG is opportune given the outreach of the European Commission on the implementation of the Modernised Customs Code and the recent hearing at the European Parliament.

For more information on the EAC please contact Joost Vantomme (joost.vantomme@bpost.be) and Koppány Mátyási (koppany.matyasi@posta.hu)

POSTAL DIRECTIVE WORKING GROUP MEETING

Chaired by Dennis Joram, the Postal Directive Working Group meeting covered the national regulatory developments in which members concluded with take-aways on recent regulatory benchmark.

The European Commission Online and Postal Unit commissioned two studies in 2011:

- Study on appropriate methodologies to better measure consumer preferences for postal services (Rand Europe)
- Study on Intra-Community Cross-Border Parcel Delivery (FTI).

A voluntary member or group of members from the Postal Directive working group will assess the above studies when published and present the results to the working group for further action if needed.

The Commission has announced two new studies for 2012:

- Study on the pricing behaviour of postal operators and its effects on postal markets
- Study on the principles used to calculate the net costs of the postal universal service obligation.

The EU COM kick-off workshop was organised on 24 January 2012.

As for The European Regulators Group for postal services (ERGP) activities two documents have been submitted for public consultation: one on common costs allocation and one on the net



cost calculation of the universal service. The consultation was open until 18th January 2012. Two other reports have been published: one on quality of service and end-user satisfaction, the other on indicators for postal markets (for collection of statistics). The Postal Directive working group's discussion resulted in a focus group and position paper, adopted unanimously.

For more information on the Postal Directive working group please contact Denis Joram (denis.joram@laposte.fr) and Jan-Bart Henry (janbart.henry@postnl.nl)

AVIATION SECURITY

As everybody knows, Aviation security is a main issue for the postal sector as well as other operators and even the average citizens as passengers. That is the reason why PostEurop Working Group on Aviation Security (PEGAS) dedicates itself to participating in Stakeholders Advisory Group Aviation security (SAGAS) meetings with the European Commission (EC). Simultaneously, each PEGAS representative must develop also regular contacts with his/her national civil aviation authority.

Over the last year a new regulation concerning Cargo and mail coming from third countries into the EU has been formalized by the EC. Hence, it has been necessary to participate in working group sessions organized



by EC. As the threat is defined PEGAS participated in High level conference "Protecting civil aviation against terrorism" organized by the Polish EU Presidency (September 2011). Now the next steps are to improve the new regulation and to assess its impact on mail sector.

The goal of this new legislative

package which will be applied as of 1 February 2012 to all cargo and mail carried into the EU is to strengthen global aviation security by reinforcing the different measures existing in accordance with a risk based approach. This means that cargo and mail must be carried by air carriers registered as "ACC3" and it requires air carriers to ensure security standards, which must be at least to International Civil Aviation Organisation (ICAO) baseline.

Air Cargo or Mail Carrier operating into the Union from a Third Country airport (ACC3) must operate according to a security programme covering cargo/mail operations from airports outside the EU, declares compliance of its security programme to one of EU's Member State's civil aviation authority in respect of foreign airports of departure, by 1 February 2012 at the latest.

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At last by 2014, ACC3 must undergo independent site validation in respect of foreign airport sites from which it carries cargo/mail into the EU. The status of consignment has to be clearly indicated on the shipment, SCO status if carried on a cargo/mail flight. If transferred to a passenger aircraft it has to be rescreened to SPX standards by appropriate screening procedures. If the cargo / mail is considered a high

risk sample or is coming from a high risk country it has to be screened with the status of SHR (new status level).

Now the concept of "high-risk cargo or mail" (HRCM) has been introduced. This concept applies to flights coming into EU from ACC3 countries which are defined as high risk countries according to the risk assessment. HRCM is also defined as follows: "Consignments which appear to have been significantly tampered with or which are otherwise suspect shall be treated

as high risk cargo or mail (HRCM)". The detailed measures are contained in the new Commission decision (confidential). More thorough screening will apply for this new category. The main responsibility is for the air carriers and the regulated agents.

For more information on Aviation Security WG please contact Philippe -Alexandre Ellenbogen (philippe-alexandre.ellenbogen@laposte.fr)

European Projects

LEONARDO DA VINCI PROGRAM "TRAINING PARTNERSHIP FOR A CHANGING POST PROJECT"



The Leonardo da Vinci "Training Partnership for a Changing Post" program raises awareness of the postal sector for new competences needed to accelerate the necessarily adaptation of this changing labour market and stir debates between postal sector members.

After the first stage of the Training Partnership for a Changing Post Project has been successfully accomplished the Project has entered its second phase where the multilateral visits (workshops) took place. The Organisation of visits for



the "Top best practices" allowed the partners to establish main tendencies and analyse them.

A two-day multilateral visit meeting (1st Workshop) of Leonardo da Vinci programme "Training partnership for a Changing Post Project" was held on 29th – 30th September 2011 in Bonn, Germany, at Deutsche Post Headquarters where Training for Middle Management, Performance Management and several other interesting topics were presented and discussed.

The Mid Term Multilateral Visit meeting (2nd Workshop) was held from 17th – 19th October 2011 in Istanbul, Turkey, at Istanbul Regional Directorate. The main objective of the meeting was to focus on the "Training Partnership for a Changing

Post" project management and the results of Work Package 1. The main topics covered were Performance Management System, Focus on the postman evolution and several others.

The multilateral visit (3rd Workshop) to Correos took place in Madrid, Spain on 23rd and 24th November 2011 at Correos Training Center. The main topic of discussion for the meeting was E-Learning.

The next multilateral visit (4th Workshop) is scheduled to take place on 8th and 9th February 2012 in Marseille, France.

For more information on the programme and training working group please contact Nathalie Ganzel (nathalie.ganzel@laposte.fr) or Antonino Scribellito (antonino.scribellito@posteurop.org)

PROJECTS - OPERATIONS

UPU-PostEurop Quality of Service Project

4th Workshop - 15-17 November 2011 – Belgrade, Serbia



The Universal Postal Union (UPU) PostEurop Quality of Service Project 4th Workshop was held in Belgrade, Republic of Serbia, hosted by Public Enterprise of PTT Communications "Srbija". The workshop was held from 15th -17th November 2011. Ms. Olja Jovicic, Director of International Business Department of Public Enterprise of PTT Communications "Srbija" opened the meeting and warmly welcomed all the participants to the workshop.

"Quality of Service has high importance for PostEurop and UPU, and at PostEurop there is a pillar dedicated to the Quality of Service. PostEurop regional UNEX project, PostEurop Process Reviews and Process Assessment are some of the examples, which were carried out in cooperation with UPU and PostEurop is proud to be working together to enhance and improve Quality of Service among our members", says Mr. Antonino Scribellito, PostEurop Regional Project Coordinator.

One of the project's most important milestones is the implementation of the UPU Quality Management Certification System. The UPU Quality Management certificate has four levels Gold, Silver, Bronze and an entry level. The main objective of the workshop was to prepare all the participating Designated Operators to apply for the UPU Certification system and to achieve the points required in order to qualify for a UPU Quality Management Certificate.

The PostEurop project team are aiming at most of the designated operators who has participated in all workshops to be awarded with a UPU certificate during the UPU congress in Doha. PostEurop believes that most

"We are very optimistic and I believe that we are one of the highest level Regional UPU project worldwide"

Karsten Oebro, Regional Project Manager

of the members in the Southeast Europe group can qualify for achieving a UPU quality management certificate.

The UPU – PostEurop project "Under the Strategic Regional Improvement of Postal Service Quality" has an Integrated Regional Approach aimed at supporting Designated Operators (DOs).

For more information on the UPU PostEurop Quality of Service Project please contact Antonino Scribellito (antonino.scribellito@posteurop.org)



AES FORUM - LOOKING FOR INNOVATIVE E-SOLUTIONS

PostEurop's Advanced Electronic Solutions (AES) Forum identifies each year topics of great interest for the European Postal sector and selects a number of top speakers to address them. This provides PostEurop members with an updated view of those relevant topics and its most striking aspects as well as challenge European postal representatives to reflect on the importance, impact and potential benefits for their organisations.

AESForum aims to be about innovative services, products and applications either already or to be offered by the developed Postal Operators (PO) in the market, to learning experiences during the developmental stages, which in time will unfold into concrete and commercially

"PostEurop AES Forum gave postal experts and visionaries a wonderful opportunity to discuss the situation on the postal market today and in the future, realistically. We also identified opportunities and challenges in order to strengthen our market position. Every participant handled the topics and similar existing problems from a different point of view. That gave a possibility to see from another perspective."
- Olle Koop, Member of the Supervisory Council of Eesti Post

viable solutions.

Nowadays, the turmoil triggered by the financial, economical crisis is greater than ever; the globalisation, the substitution effect, the liberalisation and the privatisation tend to create more barriers for many Postal Operators. Physical mail "contribution" to the PO's balance sheet is progressively fading away. Therefore specialized events such as the AESForum can greatly benefit participants as it focuses on the most innovative solutions using the latest technologies as well as conceptual technology that will most likely contribute to generating revenues in the future.

PostEurop 2011 AESForum was about e-commerce: regardless the growing digitalisation of any kind of business, the need to pick, transport and deliver physical goods remains something that Postal Operators will continue to do in the years to come but, of course, with an unquestionable degree of sophistication due to the possibilities Information Technology (IT) can offer. Besides, people tend to buy more and more through the web because, among other reasons, this is a very convenient way for shopping.

UPU recently published a study titled "Measuring postal e-services development:

"I found it very inspiring to attend in the forum. It stressed the importance for PostEurop members to focus on the opportunities in e-commerce and gave us valuable insight about how both postal operators and some of our competitors develop their business to meet the requirements in e-commerce.." - Jørgen Sondrup, Vice-Chair of PostEurop OAC and Head of International at PostNord

"What postal operator essentially must realize is that E-commerce works on what we term as 'pull mode' which is contradictory to the traditional 'push mode' a postal network usually operates in. What that means is that today it is 'the receiver' that triggers the 'action' and no longer 'the sender'! This is the starting point for a new strategy" says João Melo, Chair of the AES Forum.

an industry perspective". According to Eduard Dayan, the study shows that as physical mail volumes decline, postal operators are active in the area of innovation and making strategic use of new technologies to further diversify their products and services to meet the changing needs of their customers.

The empowerment of the receiver/buyer is growing in more ways than one and the increasing number of very sophisticated mobile phones/smart phones nowadays clearly supersedes the number of existing personal computers. This means that Postal Operators must also pay a great deal of attention to a device that will be the main focal point of interaction between individuals and the world surrounding him/her: work, entertainment, travel, hobbies, shopping, communication, etc.

Hence, the upcoming PostEurop 2012 AESForum will be about Mobile and how Postal Operators can use these to convey to their customers, in a convenient way, access to a full range of innovative solutions. Watch out for more communication.

For more information on the AES Forum please contact João Melo (joao.m.melo@cct.pt)

USEFUL LINKS

Corporate Social Responsibility

Switzerland- Swiss Post

www.post.ch/en/post-startseite/post-konzern/post-engagement/post-engagement-nachhaltigkeit.htm

Ukraine - Posta

www.ukrposhta.com

United Kingdom - Royal Mail Group

www.royalmailgroup.com/our-corporate-responsibilities

CSR Europe

www.csreurope.org/

European Environment Agency

www.eea.europa.eu/

Centre of European Policy Studies

www.ceps.be/index.php

CHANGES IN EESTI POST

The Eesti Post supervisory council unanimously appointed Mr. Aavo Kärmas as the new CEO of Estonian Post. Mr. Kärmas is a former Member of the Eesti Post Board.

"Kärmas has shown very good work so far and has the clearest vision of the future of Estonian Post," said chairman of the supervisory council Meelis Atonen. "There are challenging times to come, but I believe that Aavo Kärmas will complete successfully Baltic expansion projects and conducts firmly Estonian Post towards better results," added Atonen.



Kärmas confirmed that he will continue on the chosen course. "Eesti Post has operated in the open market environment for years. We can't ignore what is happening around us, but we must be prepared for quick changes. Our task is to develop continuously our services according to growing customers' demands. Eesti Post is well positioned in order to expand activities in the Baltics. In order to succeed we must think big and act reasonably to achieve balance between expectations and opportunities," said Kärmas. "Reliability is our most important value, which means that we are completely committed to our daily work and we keep our promises. This concerns both our customers and co-workers. I am sure that doing so we can achieve all success. "

Aavo Kärmas has worked as a Board Member of the company for five years and will replace Ahti Kallaste who will remain in his role till 29th February 2012.

The Eesti Post supervisory council recognizes the important role **Ahti Kallaste** had in the development of the company. "The Council appreciates the contribution of Ahti Kallaste to development of the company. Under his leadership management of the company has changed considerably clearer and more efficient, he has also carried out several important projects, such as reorganization of post office network and introduction of new e-services," said chairman of the council Meelis Atonen. Atonen added that he respects the wish of Mr. Kallaste to move on to the private sector.

Ahti Kallaste has worked in this position for five years and says that now is the right time to hand the responsibility over to a new leader. "My career in Estonian Post has certainly been exciting and self-developing but I want to leave at the right time and to move on to accept new challenges," commented Ahti Kallaste. "The company has vigorously started the modernization of the postal network, but several large projects that have been initiated, remain to be completed. Within five years the company has become more efficient. I would say that social enterprise has become a business enterprise. "

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