Expert Meeting on

CYBERLAWS AND REGULATIONS FOR ENHANCING E-COMMERCE:
INCLUDING CASE STUDIES AND LESSONS LEARNED
25-27 March 2015

Fulfilling the e-commerce promise
Accelerating actions towards an integrated cross-border network

By

Paul Donohoe
Programme Manager, E-commerce, E-services and .post
Universal Postal Union

The views reflected are those of the author and do not necessarily reflect the views of UNCTAD
Fulfilling the e-commerce promise

Accelerating actions towards an integrated cross border network

Paul DONOHOE
Programme Manager, E-Commerce, E-Services and .post
Major market trends – opportunities for growth

1. Macroeconomic: Continued growth but shift in pattern
   - Growth in long-haul trade slowing down
   - Continued importance of emerging markets

2. Acceleration of eCommerce and more demand for last-mile solutions
   - More “fine distribution” and direct shipping, e.g., parcel
   - Multi-channel delivery

3. Accelerating impact of technology and automation
   - Automation drives efficiencies
   - Importance of data leads to new business models

Source: DHL
In the world of eCommerce, decision power is switching from manufacturers to consumers ...

Consumers influence what is produced, configuring the last detail

Consumers are ordering via all channels and taking control of payment methods

Consumers want instant delivery at a location they choose

... and therefore from sender to recipient!
The UPU's role in global e-commerce

Paul Donohoe, Programme Manager, e-commerce, e-services and .post, UPU
192 member countries, one single postal territory for all postal exchanges

Postal income by business line: 2013

(income share by region, 2013, simple average of designated operators in every region)

- Africa: 36.0% Letter post, 13.2% Postal parcels and logistics services, 16.8% Postal financial services, 34.0% Other products
- Latin America and Caribbean: 32.3% Letter post, 13.9% Postal parcels and logistics services, 18.5% Postal financial services, 35.3% Other products
- Asia and Pacific: 33.3% Letter post, 31.3% Postal parcels and logistics services, 14.0% Postal financial services, 21.4% Other products
- Eastern Europe and CIS: 37.9% Letter post, 11.2% Postal parcels and logistics services, 23.1% Postal financial services, 27.8% Other products
- Arab countries: 51.3% Letter post, 26.5% Postal parcels and logistics services, 11.0% Postal financial services, 11.2% Other products
- Industrialized countries: 59.6% Letter post, 19.5% Postal parcels and logistics services, 3.9% Postal financial services, 17.0% Other products
- World: 43.4% Letter post, 18.6% Postal parcels and logistics services, 14.5% Postal financial services, 23.5% Other products
UPU Global Value Chain

**MARKET DEVELOPMENT**
- **MARKETING**
  - Post PostID interconnect
  - POST®CODE address check
- **WEB SHOP**
  - Post Website
  - GLORYPOSE merchandise repository
  - Buy from a trusted space

**FINANCIAL INCLUSION**
- **PAYMENT**
  - IFS/COMPAS

**FULFILLMENT TRANSPORT**
- **FULFILLMENT TRANSPORT**
  - IPS
  - Post*net
  - Mail and EDI mng.
  - CDS & Postal Export Guide
  - Quality Control Systems

**TRADE FACILITATION**
- **DELIVERY**
  - UPU Global Track & Trace
  - UPU e-commerce parcel
- **CUSTOMER CARE**
  - Global Customer Service System
  - Inquiry Systems
- **RETURN AND REPAIRS**
  - Merchandise
  - Returns Service

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UPU E-commerce program (ECOMPRO) 5 areas

1. Market development
   - Trade facilitation
   - SME engagement
   - Direct marketing
   - Stakeholder engagement and communication
   - UPU E-commerce guide
   - Big data

2. Postal electronic services
   - Secure identification
   - Secure messaging
   - Postal web platform
   - Digital-physical addresses
UPU E-commerce program (ECOMPRO) 5 Projects

3. **Logistics (physical services)**
   - Service specification and harmonisation
   - Delivery product features
   - Delivery remuneration review
   - Accounting and settlement procedures
   - Customs

4. **Interoperability**
   - Paperless processes
   - Pre-advice data (ITMATT enhancement)
   - Data exchange
   - Addressing (Address verification)
4. Payment

- Payment on delivery (PyOD)
- Escrow services (Escrow services development,
- e-COMmerce PAyment services (COMPAS),
- Payment remuneration review
90% of Posts with Track & Trace capabilities use UPU Mail Management solutions
Customs clearance performance Parcels

Median duration between events EME and EMF excluding customs with less than 500 obs.
Processes and capacities have to be adjusted by all parties involved

- Transport capacities
- Air transport / dangerous goods

- Storage capacity
- Regulations
- Efficiency
- Customs clearance
- Data protection

- Security
- ePayment options
- Data protection

- Easy returns process
- Repayment of taxes and duties
- Data protection

- Failure of 1st delivery attempt
- Delivery capacities

Source: DHL Thomas Baldry

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UPU vision 2020: seamless global e-commerce

Opportunities → Action → Remaining challenges

- UPU Cooperation & Coordination with:
  - Customs & Security (WCO, EU)
  - Airlines (IATA, ICAO)
  - Trade facilitation and Financial Inclusion (UNCTAD, WTO, World Bank, WSBI, UPU e-commerce forum)
New delivery specifications for e-commerce in 2015

- UPU recently approved new e-commerce delivery specifications
- Overriding principles:
  a) Simplicity for both the e-tailer and consumer;
  b) Value for money, low costs for the e-tailer and designated operator;
  c) Quick implementation, a key e-tailer requirement;
  d) Easy to implement using the available networks (letters, parcels and EMS) with limited requirement for additional investment;
  e) A sustainable solution for all customers and sending and receiving designated operators
UPU targets – helping countries to ...

**Deliverables**

- Special eCommerce products
- Quality of service measurement improvement
- Solutions for returns and delivery
INTEGRATING POSTS INTO THE WORLD OF E-COMMERCE

Paul Donohoe,
Programme Manager, e-commerce, e-services and .post
paul.donohoe@upu.int
+41 31 350 3450