

Message from Holger Winklbauer, IPC's CEO

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On the occasion of the first edition of the YourIPC newsletter after the summer break, I would like to share with you some thoughts about the main developments of the year so far, as well as the future perspectives for the postal sector and IPC.

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First of all, I'd like to say that the biggest success for our member posts and the postal sector as a whole over the past 18 months has been their resilience. Posts across the world have adapted to the situation and played an essential role for society: when countries around the world were in lockdown, posts were still bringing essential mail and goods to every household. As a result, the perception of the posts' critical role has improved. As far as IPC is concerned, the COVID-19 crisis is taking much longer than expected, but we have continued to provide our services despite the challenges in order to support the posts in these difficult times.

Secondly, the current context is challenging for the postal sector, as mail volumes are

decreasing and e-commerce is booming. Posts have proactively responded to the rapidly increasing e-commerce volumes. Nevertheless, the market is more and more attractive for other players too. The competition is making strong headway in the e-commerce delivery market. Posts need to make sure they respond to the demands of e-retailers and consumers.

What does that mean concretely? The e-commerce market will continue to grow. This growth will bring plenty of business opportunities for the posts and other delivery companies, but also for IPC as the partner of the postal sector. Focus should be put on both increasing capacity and developing features to address new consumer demands. IPC is supporting posts both by monitoring and analysing the market needs and by developing the business offerings that will help the posts responding to those needs. All we need is to stay on our toes, see the opportunities and make it happen in close cooperation with our members.

For IPC, key priorities in the second half of this year will include the further increase of volumes going through INTERCONNECT as the set of standards for cross-border e-commerce delivery. The other key priority will be the further roll-out of the Postal Delivery Duties Paid (PDDP) service. This is the key instrument which will allow posts to play an important role in cross-border e-commerce delivery.