

**POSTAL
SERVICES**



Postal Services is transforming for a future in which mail is used increasingly to convey eCommerce goods, with expectations for rapid and flexible delivery on the rise, shaped by the digital age we are in.

Domestic letter mail volumes continue to fall with increasing migration to electronic statements, while international mail is growing, driven by rising eCommerce transshipments. As Singapore's Public Postal Licensee, SingPost is investing and innovating to optimise our operations and services for these evolving trends so that we may fulfil our service obligations and the needs of our postal customers.

INNOVATING THROUGH TECHNOLOGY

We launched the SmartPost initiative to focus our efforts in harnessing technology to enhance postal service levels and improve operational efficiency. Trials and pilot

studies are ongoing as we develop integrated solutions to optimise our postal operations: from collection to sorting, last mile delivery and quality assurance. Rollout is targeted to complete by March 2019.

The solutions amalgamate the use of customised mobile apps, near-field communication, radio frequency identification, imaging technology and electronic notification. Their successful adoption will further strengthen our operational capabilities and improve customer satisfaction.

MAKING IT SIMPLER FOR OUR CUSTOMERS

We made further progress revamping our post office network, with 38 of our 57 post offices now upgraded with features that provide 24/7 access to key essential services such as parcel collection and bill payment. Semi-auto lobbies may now be found in the heartland, such as at the Whampoa and Teban Gardens post offices. The General Post Office will be making a return at our new SingPost Centre mall – recast for the future, while rooted to our 150-year heritage.



SmartPost harnesses mobile apps, near-field communication, and other technologies to strengthen operational capabilities and enhance service levels.

The upgrading of our post offices dovetails with the development of the digital post office, which comprises our new SAM self-service automated kiosks, web portal and mobile app. This omni-channel platform will provide ubiquitous access to our services and those of our partners, enabling customers to perform transactions anytime and anywhere.

On the products front, we launched the Poly M mailers, building on the success of our SmartPac envelopes and packaging boxes. Poly M and SmartPac have been well received by online retailers as both offer an all-in-one packaging solution, with prepaid postage that allows eCommerce shipments to be posted without the hassle of working out the postage required.

SPREADING OUR WINGS IN INTERNATIONAL MAIL

Our collaboration with the Alibaba Group deepened. Singles' Day 2016 was a massive event for us. We chartered flights for the first time as transshipment volumes from Hong Kong to Singapore were high and we wanted

to ensure quality service to our customers. Through careful planning and working closely with airlines and ground handling agents, Singles Day shipments were processed and connected onto flights from Singapore to their final destination within 24 hours. We received an award from Alibaba's logistics arm, Cainiao Network, in recognition of our efforts for Singles' Day.

Our airport postal consignment operations were integrated into SATS' eCommerce AirHub on 1 January 2017. The partnership enables single scanning and sorting, and removes the need to tow consignments between facilities. This has enhanced operational efficiency, including shorter cycle and connection times, and better productivity.

Together with other postal operators, we launched ePAC, a premium mail service for eCommerce merchants that offers full tracking for eCommerce packages bound for Australia, Canada, Germany, Israel, the Netherlands, and the US, with other major trading destinations to come.



World Post Day celebrations at the Yishun Floral & Jade Dew RC Children's Day Carnival 2016, where Minister for Education (Higher Education and Skills) and Second Minister for Defence Mr Ong Ye Kung was the guest-of-honour.

At the 26th Universal Postal Union Postal Congress in Turkey in October 2016, Singapore was elected to the 40-member Postal Operations Council. It was also appointed the Co-Chair of the Remuneration Integration Committee, which will look into the settlement rate for the next cycle, which runs from 2022 to 2026. A key decision reached at the congress was the introduction of separate settlement rates for packages. These will take effect from 2018 to 2021 and will reflect the higher costs and service expected for eCommerce deliveries.

RAISING PRODUCTIVITY

In line with Singapore's drive to improve productivity and elevate skill levels of workers, we launched a Kaizen programme, structured on Lean Six Sigma methodology, to improve productivity of our operations. The programme established a change management platform to enhance the capability and skills of our operations staff, empowering them to identify, initiate, design, and execute on productivity improvement solutions effectively.

Some of the outcomes of our Kaizen programme include:

- Improving sorting efficiency of registered articles by more than 55 per cent through the mechanisation of a large portion of the sorting process;
- Reducing sorting machinery inspection times by over 75 per cent through the introduction of WiFi-digital equipment in place of manual inspections; and

- Improving efficiency of processing delivery receipts by 80 per cent through the adoption of high speed scanners to digitise and store delivery receipts electronically.

COMMEMORATING GOLDEN MOMENTS WITH STAMPS

We released 12 stamp issues during a year of many golden moments.

Singapore celebrated its first Olympic gold medal when Joseph Schooling won the 100m butterfly swimming event at Rio 2016. On top of a set of stamps released in conjunction with the Games of the XXXI Olympiad, we released a set of MyStamps featuring Schooling and the other Singapore Olympians.

2016 was also the golden jubilee of diplomatic relations between Singapore and Japan. To mark this 50-year milestone, Singapore and Japan jointly released a set of stamps, featuring ceramic artworks by renowned potters of the two countries: Singapore's Mr Iskandar Jilil, and Japan's Mr Toyozo Arakawa. We also released a set of Hello Kitty MyStamps that was launched at the SJ50 Matsuri event held at Ngee Ann City's Civic Plaza.

In 2017, we released a set of stamps commemorating key milestones during the 50 years of National Service in Singapore (NS50) since the National Service Bill was passed in 1967. Founding Prime Minister Lee Kuan Yew and former Minister for Defence, Dr Goh Keng Swee, who were instrumental to the introduction of National Service, were featured in the stamps as well.



The NS50 stamps celebrate key milestones of National Service since its introduction in 1967. These include the passing of the National Service Bill in Parliament on 14 March 1967, enlistment of the first batches of full-time National Servicemen into the Singapore Armed Forces, the Singapore Police Force and the Singapore Civil Defence Force, and introduction of the Open Mobilisation System.