

Posti's proposals for the next parliamentary term: consistently towards emission-free logistics, reform of postal regulations must be continued

10-03-2023

Posti hopes that political decision-makers will take care of the operating conditions for the domestic logistics and transport sector during the next parliamentary term. In a country with long distances, transport costs and the efficiency of logistics have a major impact on Finland's economic growth and exports, as well as on the competitiveness of regions and companies. In recent years, the maintenance backlog of transport networks has increased substantially.

"It is important that the budget allocated to the maintenance, repair and development of roads and the rail network are brought to a sustainable level. The competitiveness of the transport sector requires that the taxation and energy solutions for commercial traffic are sustainable, that the availability of skilled labor to the sector is secured and that companies in the sector are not subject to additional regulation at the national or EU level," says Turkka Kuusisto, CEO of Posti.

Posti's ambitious emission reduction targets will accelerate the green transition in the entire logistics sector in Finland. Posti is committed to reducing its own emissions to zero and achieving fossil-free transport by 2030. To reach the emission targets for transport, the company supports the expansion of the charging and distribution network for new propulsion systems and the extension of procurement subsidies from electric cars to other propulsion systems.

Profitability ensured by reforming the company; regulatory reform must also be continued

Posti's business environment has changed significantly over the years. The volume of letters delivered by Posti has fallen by nearly 70 per cent in more than ten years due to

digitalization and intense competition. The delivery of letters was fully opened to competition in 2016. At the same time, Posti's parcel business has grown strongly as e-commerce has developed.

Posti has been able to ensure its profitability by proactively renewing itself and by investing in the future. In 2015–2022, the company has paid more than EUR 271 million in dividends to the state.

Posti operates in an open and competitive market entirely without public funding. Proactive regulation, cost-effective delivery infrastructure and effective competition ensure that Posti can continue to operate in an economically profitable manner, and that the universal postal service will not need to be financed from the state budget in the future. As the number of letters continues to fall sharply and the state digitalizes its communications, the reform of postal regulation must be continued during the next parliamentary term.

"Posti is being built into a modern delivery and fulfillment company, and our direction is clear. We respond to the global transformation of our industry and the rapidly changing needs of our customers with our growth strategy. At its core are parcels and

logistics services in Finland, Sweden and the Baltic countries. Traditional postal services in Finland play an important complementary and supporting role. Posti has an extensive, nationwide delivery network that delivers parcels and freight, as well as letters and publications. Competitive and cost-effective logistics also ensure operational security of supply throughout the country,” Turkka Kuusisto says.

Posti’s solution proposals for the next parliamentary term:

Sufficient financing for the maintenance of transport networks will ensure the smooth movement of people and goods and prevent an increase in the repair backlog. Traffic and urban planning will create better conditions for delivery services.

The digitalization of logistics is promoted most effectively through extensive cooperation that is based on market terms and agreements. Autonomous cars without drivers will be enabled in traffic by reforming the Road Traffic Act.

To reach the emission targets for transport, the charging and distribution network for new

propulsion systems will be expanded, and procurement subsidies will be extended from electric vehicles to other propulsion systems. In achieving the emission targets, Finland will stick to EU-level measures and will not impose additional costs on Finnish logistics operators.

The streamlining of Posti’s universal service will continue during the government term in order to secure affordable delivery throughout the country even as delivery costs increase and the volume of mail decreases. Finland will promote the reform of the EU Postal Directive in order to increase the national room for maneuver. The delivery of newspapers in sparsely populated areas will be secured by continuing the fixed-term delivery support for newspapers.

The parcel market is a globally competitive industry, where only internationally harmonized regulation ensures fair competition. Finland and the EU treat all delivery companies equally, regardless of their nationality or company form.

Source: [Posti](#)

