

## **CYPRUS POSTAL SERVICES**

### **INTRODUCTION**

The Department of Postal Services is responsible for the management, operation and provision of postal services, in the entire territory of the Republic of Cyprus and in foreign countries, as well as for the international promotion of Cyprus postage stamps.

Within this framework the Department of Postal Services is geared towards the continuous improvement of the quality of services on a national and international level, the effective response to the increasing competitiveness resulting from the technological development in telecommunications and on maintaining its leading role in the market always with high quality customer services.

Due to the Department's wide Postal network in Cyprus, in both cities and rural areas, offers apart from traditional postal services additional services on behalf of other government departments.

Within the wider government action plans for the improvement of services of the Department of Postal Services and the creation of such conditions that allows it to function competitively, the Ministry of Communications and Works promotes the transformation of the Department to a Public Organisation with administrative and financial autonomy.

### **MAIN ACTIVITIES OF THE DEPARTMENT**

The Postal Services Department operates by virtue of the Regulation of Electronic Communication and Postal Services Law of 2004, which embodies all relevant European Council and Parliament directives.

Within the new open postal market environment, the Department of Postal Services has improved and has put into full use the available equipment and human resources, aiming always to improve its services. At the same time Department of Postal Services has improved the time factor of delivery of mail both within Cyprus and abroad and further, aims to reach the standards set by the relevant European directive and the Cyprus legislation.

In 2006 the Department promoted the project for the development of tracking and tracing software of barcoded items and its installation is expected to be completed in the beginning of 2007. Upon completion of the software installation process the mailers of registered items, postal parcels and EMS/Datapost items will be able to track and trace the delivery progress of their dispatched items.

In the field of human resources development the Department participated in the European programme Leonardo Da Vinci focusing on professional training and certification of the European Postman, financed by the European Union. All of the above as well as other measures that have been taken have significantly contributed to the improvement of quality in mail deliveries. However, there is much more to be done before all designated targets have been reached.

During 2006 the Department of Postal Services piloted the Accounting and Costing system. Its full implementation will make possible the rational costing of services and products offering by the Department.

Within 2006 the negotiations regarding the transformation of the Department to a Public entity having more flexibility were intensified. The creation of such an entity will allow the Cyprus Post to turn into full advantage the existing infrastructure, with all available equipment and most importantly the know-how of the staff. This will improve existing services and speed up the introduction of new services and products to satisfy customers' needs.

## **ORGANISATION AND STRUCTURE**

Cyprus Postal Services consist of the Central Service responsible for the management, planning and supervision of works as well as of the district services responsible for the smooth operation of the regional post offices.

## **HUMAN RESOURCE**

### **Staff**

In 2006, Cyprus Postal Services employed 625 persons on a permanent basis. At the same time seasonal staff was employed for a period of approximately 6 months so as to cover additional needs arising during Christmas and summer. Furthermore, 200 delivery officers were employed for mail deliveries in large rural communities.

## **Education/Further Training**

Staff training is always placed among the priorities of the Department of Postal Services.

In cooperation with the Cyprus Academy of Public Administration, the Cyprus Productivity Centre and other international educational institutions/ organizations the Department carries out a number of courses focusing on training, customer service, communication etc.

The primary objective of these courses is to give the opportunity to attending officers to form professional behavior and notions that will positively contribute to the improvement of the standard of existing services, to adapt to conditions of greater competition for a smooth implementation of the *acquis communautaire*.

Training within the framework of the European programme Leonardo Da Vinci <European Postman – Vocational Certification> continued throughout 2006 and 17 Cypriot Postmen were certified.

In total, 8 further training programmes were held with the participation of approximately 80 postal officers from all over Cyprus.

## **MARKETING DIVISION**

The accession of Cyprus to the European Union and the impending liberalization of the postal market are the main factors that led to the reconstruction and further enrichment of services and products offered by the Cyprus Postal Services in order to respond immediately and effectively to the increased market demands focusing on customer needs and services.

Setting as target the effective attainment of the designated objects of the Cyprus Postal Services and aiming to maintain their leadership in the new competitive area, the Marketing division implements an annual action plan that includes on-site visits by marketing officers to premises mainly of customers from the commercial and business world. These on-site visits aim at:

- Regular contact and up-to-date information of the customers regarding the particular features of services offered;
- Strengthening of trust and credibility between customer and Postal Services and acknowledgment of the latter as high quality services operator;
- Promotion of Direct Mail as means of low cost advertising;
- Constant improvement of service;
- Increase in services and products sales and consequent increase of the segment of the Cyprus Postal Department in the market of services.

The action plan for better acquaintance of the customers with products and services offered by the Cyprus Postal Services also includes an advertising campaign, set out by the Marketing division, with advertising material, mass media coverage, visitor tours at the Mail Sorting Centre and projection of a special advertising/informative film.

## **POSTAL SERVICES**

### **Postal Operation Service**

Postal Operation Service is responsible for the organization and operation of the postal services offered to the public as well as for the taking of measures to ensure sustainable improvement and upgrading of these services.

The Postal Operator is also the competent authority for promoting the work carried out by the Postal Services, for launching new services and for dealing with other postal organizations.

The following sectors appertain to the Postal Operation Service:

### **Letter Mail**

Traditional letter mail constitutes the major sector of activities of the Department and generates the greatest revenue percentage.

This sector is the universal service provider and is responsible for improvement in service quality according to the standards designated by the relevant EU directive.

## **Parcel Service**

In the year 2006 installation and implementation of the system IPS-CAPE to all Parcel Service Offices was completed with a significant contribution to the qualitative upgrading of services. This fact and other measures taken have led to an important increase of the number of parcels transported to and from Cyprus.

At the same time and having as ultimate objective the improvement of security measures taken, x-ray scanner machines were placed at the Exchange Office of the Larnaca Airport, at the Mail Sorting Centre at Latsia and at the main Parcel Offices at Lefkosia and Lemesos for the checking of the content of outgoing and incoming parcels and small packages.

## **EMS/ Datapost**

Despite the intense competition with multinational companies, the EMS/Datapost Service in 2006 continued its up-swing always focusing on the best possible customer service.

In the year 2006, 118.673 items were trafficked in comparison to 108.047 over the last year. Furthermore, it introduced the pay-for-performance scheme operating according to quality measurement standards set by the Universal Postal Union (UPU).

## **Private Post Office Boxes**

The year 2006 closed up with 28.959 private post office boxes. All holders, mainly legal entities as well as natural persons enjoy the benefit of collecting their mail via their post office boxes fast and safely. As of 2006, there is opportunity to have mail retained for a certain period of time in case of customer's absence abroad. Among others, Post Office Boxes provide a permanent and easy address regardless of changes to residential or professional addresses and convenient access since they can be found at all Cyprus Post Offices.

In the year 2006 Private Post Boxes have been installed in certain post offices located in urban areas and in big rural communities.

According to the Department's data a big percentage of correspondence is delivered through private post office boxes, which means that the majority of holders of post office boxes are persons who receive daily a big number of mail items. Within 2006 the total revenue of the Department from the rental of PO Boxes has reached the amount of £468,183.

### **Postal Agents**

Rural communities having no Postal Offices are serviced by Postal Agencies. Postal agents A and B, as they are called, carry out basic postal services, e.g. sale of stamps, revenue stamps, delivery of simple and registered items, collection and delivery of the mail sack and delivery of correspondence. In rural areas with population under 200 inhabitants mail is delivered through the rural private post office boxes provided free of charge by the Department.

Mail distribution in communities with population of over 200 inhabitants is carried out by postal agents C/ Messengers. Their remuneration is defined on the basis of the number of objects delivered at each community. The institution of the door-to-door delivery was implemented in all communities with a population of over 200 inhabitants.

In tourist areas as well as in other areas with increased commercial activities there are appointed agents who receive a commission of 3% on the sale of stamps, instead of an annual remuneration. In 2006, 1094 postal agents were appointed.

### **Franking Machines**

#### **Official**

The Department of Postal Services, providing better and more efficient service offers to bulk mailers an alternative easier way to save time instead of the traditional method of affixing post stamps. Franking machines have been placed at almost all urban Post Offices to serve customers wishing to have postage fees prepaid.

## **Private**

Customers with large mailings such as banks, organisations, enterprises or natural persons, may buy such machines from authorized importers.

The Postal Services Department issues special licenses for the purchase and use of such machines and in this way, business customers have the advantage of stamping their mail in their own premises saving precious time.

During recent years and as part of the effort for quality improvement, the Postal Services Department has developed significant communication channels with customers that own such machines, so as to disseminate information of interest to them, and in particular detailed information regarding the way and time of mail posting in order to be processed for delivery the day after posting. This informative approach is highly appreciated by customers.

## **OTHER SERVICES**

### **Direct Mail**

Direct mail service offers immediate distribution of advertising material with or without addressees in all Cyprus or in selected areas, post office boxes or public mail counters at low prices. With this service customers can dispatch advertising material, coupons, leaflets, small parcels, advertising samples and other small advertising items. For delivery of items without addressees through private post office boxes and public mail counters the maximum weight limit is 1000gr. For door-to-door delivery the maximum weight limit is 250gr.

### **Postage paid (Domestic and Foreign)**

Bulk mailers (1000 and over for each mailing dispatch), e.g. correspondence, advertising material, newspapers or magazines have the option of using envelopes with the indication "postage paid" printed instead of traditional post stamps.

**Material posted in sealed envelopes, polywrapped or enclosed in any plastic material, with addressees.**

Mailers of advertising material may use specific sealed envelopes or any plastic material cover that bear the indications "sealed under permit", "may be opened for postal inspection".

### **Private letter boxes**

For proper and safe mail distribution, all premises must have a letterbox with a lock. To facilitate the public even more there are letterboxes for sale available in all Post Offices at affordable prices. The Department's official campaign has been proven fruitful since today the percentage of premises without letterboxes has been limited to 3% in all Cyprus.

## **PACKING MATERIAL**

### **Yellow Cardboard Boxes**

For easy, safe and inexpensive posting of small packages and parcels, yellow cardboard boxes are available for sale at all Post Offices in six different sizes.

### **Bubble Padded Envelopes**

For even greater protection of mailing items such as documents, photos, videotapes, floppy discs, CDs etc., bubble padded envelopes are available in all Post Offices in different sizes.

## **HARMONIZATION WITH THE ACQUIS COMMUNAUTAIRE**

### **Financial and Management Accounting system and Costing of offered Products and Services.**

In the year 2006 the installation of the new Financial and Management Accounting system and Costing of offered Products and Services was completed. The installation procedure was completed within the expected time schedule of 9 months since the commencement of the project. The system is of high standards, it abides by the international accounting standards and is expected to satisfy the maximum installation objectives as provided by the relevant directive of the European Union and the decree of the Commissioner of Electronic Communications and Postal Regulation.



## **INTERNATIONAL RELATIONS**

In 2006, Cyprus Postal Services, as member to International Postal Organizations, participated in many conferences, meetings and seminars. Among others, the Postal Services Department participated in the annual General Meeting of shareholders of the International Post Corporation IPC/UNIPOST as well as in the annual General Meeting of the Association of European Public Post Operators PostEurop that took place in Brussels and Kyev respectively.

Furthermore the Department participated in the meetings in Spain of the IPC member states belonging to the Group of countries “South of the Alps”.

## **POSTAGE STAMPS AND PHILATELIC SERVICE**

The Stamps and Philatelic Service is responsible for planning the issue of postage stamps and also for supervising the artistic work, design and printing of postage stamps and of other philatelic items.

The primary objective of this Service is to meet postal and philatelic needs and to send postage stamps to Post Offices, philatelists and to postal agents abroad, who are assigned the sale of Cyprus stamps overseas.

Apart from the promotion of Cyprus stamps, the aim of the Stamps and Philatelic Service is also the spread of philately in Cyprus and the promotion of the civilization, culture, history, flora and fauna of our country through stamps abroad.

### **Philately**

Philately is a wonderful hobby without social and geographical boundaries that not only is entertaining but also educational through well-designed depictions of stamps. This hobby requires devotion and systematic effort for a collection to be complete and up to date. Apart from the stamps themselves, always chosen and designed with much care and love, the publications of the Department of Postal Services are supplemented by the First Day Circulation Envelopes, Commemorative Issues, Leaflets and Albums of the complete stamp series issued during the year, special albums containing stamp series and First Day Circulation Envelopes of the year, Illustrated Post Cards and various other items.

Cyprus has a long history in the sector of postage stamps and in dating back to April 1<sup>st</sup> 1880 when the first Cyprus stamps were put into circulation, having since continued to enrich this activity. This allows Cyprus to be proud of its interesting postal and philatelic tradition. The mission of the Postage Stamps and Philatelic Service is to continue to issue quality postage stamps to meet the needs of postal services and at the same time stamps that are attractive and valuable to the philatelists. Revenue from the sale of postage stamps for philatelic purposes amounted in 2006 to £943,755.

### **Commemorative Stamp Series and other Philatelic Material**

During 2006 the Stamps and Philatelic Service issued the following commemorative stamp series:

- 50<sup>th</sup> anniversary of the Stamps “Europe” (23/02/2006)
- 25<sup>th</sup> anniversary of the Establishment of the Postal Museum (30/03/2006)
- 400 years from the Birth of Rembrandt (30/03/2006)
- Football World Cup 2006 (30/03/2006)
- Common Issue of Cyprus and India (12/04/2006)
- Europe 2006 (15/06/2006)
- Refugee Stamps 2006 (04/05/2006)
- Fruit of Cyprus (15/06/2006)
- Transplants (15/06/2006)
- Fire Engines (14/09/2006)
- Christmas 2006 (11/09/2006)

The stamps series Christmas 2006 was accompanied by the distribution of commemorative and special albums of 2006.

The sales of the catalogue “Cyprus Postage Stamps, History and Culture” in 2006, issued and circulated in 2005, showed that it is successfully received and loved not only by philatelists but also by other readers as an exceptional philatelic and historic book. It is essentially an edition of 400 pages giving a historical survey of all stamps issues from 1880 up to 2004.

## **Postage Stamps Agents Abroad**

As mentioned before the Postage Stamps and Philatelic Service is also responsible for the dispatch of Cyprus stamps to sale agents abroad. These agents are assigned with the responsibility to advertise, promote and sell Cyprus stamps to foreign philatelists. The institution of stamp sale agents, that has been long established in most European countries, in the USA, in Australia and the Far East, has been proven very effective and beneficial since the Cyprus stamp makes its presence known in the international philatelic market.

## **Philatelic Exhibitions**

The Stamps and Philatelic Service participates regularly in international philatelic exhibitions organized all over the world. By participating in these exhibitions the Service aims to promote Cyprus postage stamps and strengthen Cyprus's national entity.

In 2006 the Department participated in the following Philatelic Exhibitions:

- International Stamp Fair "Essen 2006" Essen, Germany 04 – 06/5/2006
- International Stamp Fair "Washington 2006" Washington, USA 27/05/-03/06/2006
- International Stamp Fair "Riccione 2006" Riccione, Italy, 25 – 27/08/2006
- International Stamp Fair "Sindelfingen 2006" Sindelfingen, Germany 27 – 29/10/2006
- International Stamp Fair "Belgica 2006" Brussels, Belgium 16-20/11/2006

## **Philately Centre and Postal Museum**

The Philatelic Centre and Postal Museum operating in Cyprus since 1981, has on display a remarkable series of Cyprus stamps from 1880 to the present as well as items related to the history of the Cyprus Post Offices such as scales, seals, old letterboxes etc. The renovated and enhanced Museum is situated since 1999 at Laiki Yitonia in the old town of Lefkosia an accessible area for local and tourist philatelists. The Museum is run by of a qualified person acquainted with philatelic issues and the working hours are from 8.00am to 3.00pm for the service of philatelists and other visitors.

## **FINANCIAL SERVICES**

The Financial Sector Services cover a broad spectrum of activities and competencies on issues that concern:

- Organisation, operation, monitoring and auditing of the financial activities of the Postal Services Department;
- Improvement and development of the service of local and foreign money and postal orders;
- Invitation to tender for purchase of materials, of small services and of modern electromechanical equipment as well as the monitoring of the maintenance schedule;
- Uniform appearance and maintenance of building, machinery and equipment aiming at the smooth operation of the Department for better customer service;
- Briefing, monitoring and implementation of new legislation and regulations to harmonize the Cyprus law with the new Acquis Communautaire concerning the above activities.

### **Postal Orders Sector**

This Sector is responsible for all matters pertaining to the organization, operation and auditing of the financial activities of the Department, the improvement and development of the Sector of Domestic and Foreign Postal Orders as well as of Postcheques.

In 2006 all Post Office continued to issue and cash money orders, domestic and foreign. The exchange of foreign cheques is carried out with 12 countries with which Cyprus has signed bilateral agreements. The Sector aims to conclude equivalent bilateral agreements with the private sector as well as to implement the directives of the Universal Postal Union. In the short term and within the framework of modernisation our aim is the computerisation and electronic connection with the cheque services of postal offices of other countries.

### **Purchases and Supplies Sector**

The Purchases and Supplies Sector shoulders the responsibility of improving quality and meeting the needs of the Department in terms of mechanical and other equipment,

e.g. vehicles, private post office boxes, letterboxes, furniture, appliances, staff uniforms, printed material, stationery and consumables. In 2006 and during the implementation of the new “Public Procurement Law” the sector proceeded to purchase various items and supplies for the Department. Adaptation to today’s competitive conditions, complete uniformity and unimpeded operation of Post Offices are always the primary objective and mission of the Sector in order to face the challenge of technological developments in the field of communication and information technology.

### **Postal Buildings**

There are 50 Post Offices operating under the Postal Services Department, 13 of which are privately owned, the rest being rented. In 2006, as part of the postal policy for the upgrading and development of Services, the Department continued its efforts to improve expand and renovate its postal buildings so as to ameliorate their operation, their uniform appearance, to install additional post office boxes to satisfy the demands of business customers and others and increase public revenue. In the year 2006, the erection of the new Post Office at Ayia Napa was completed and the Office opened its doors to the public, the Post Office Centre of Lemesos was transferred, the Post Offices of Kaimakli and Pallouriotissa were integrated and transferred to a new Office and the District Post Office of Lemesos and the Post Office of Omonia at Lemesos have both undergone renovations.

### **Postal Service Vehicles**

The Department owns 77 vehicles used for the collection, distribution and delivery of mail and parcels between post offices, sorting center, ports and airports. During 2006, the Department used its own vehicles as well as the services of private transport companies upon agreement, mainly for the transport of mail between cities and providing service in rural areas. Among the priorities of the Service for this year was also the proper maintenance and use of the fleet of postal service vehicles so as to meet increasing needs without problems.