



Postal Prosperity Zone (PPZ) Newsletter #2 5 September 2025

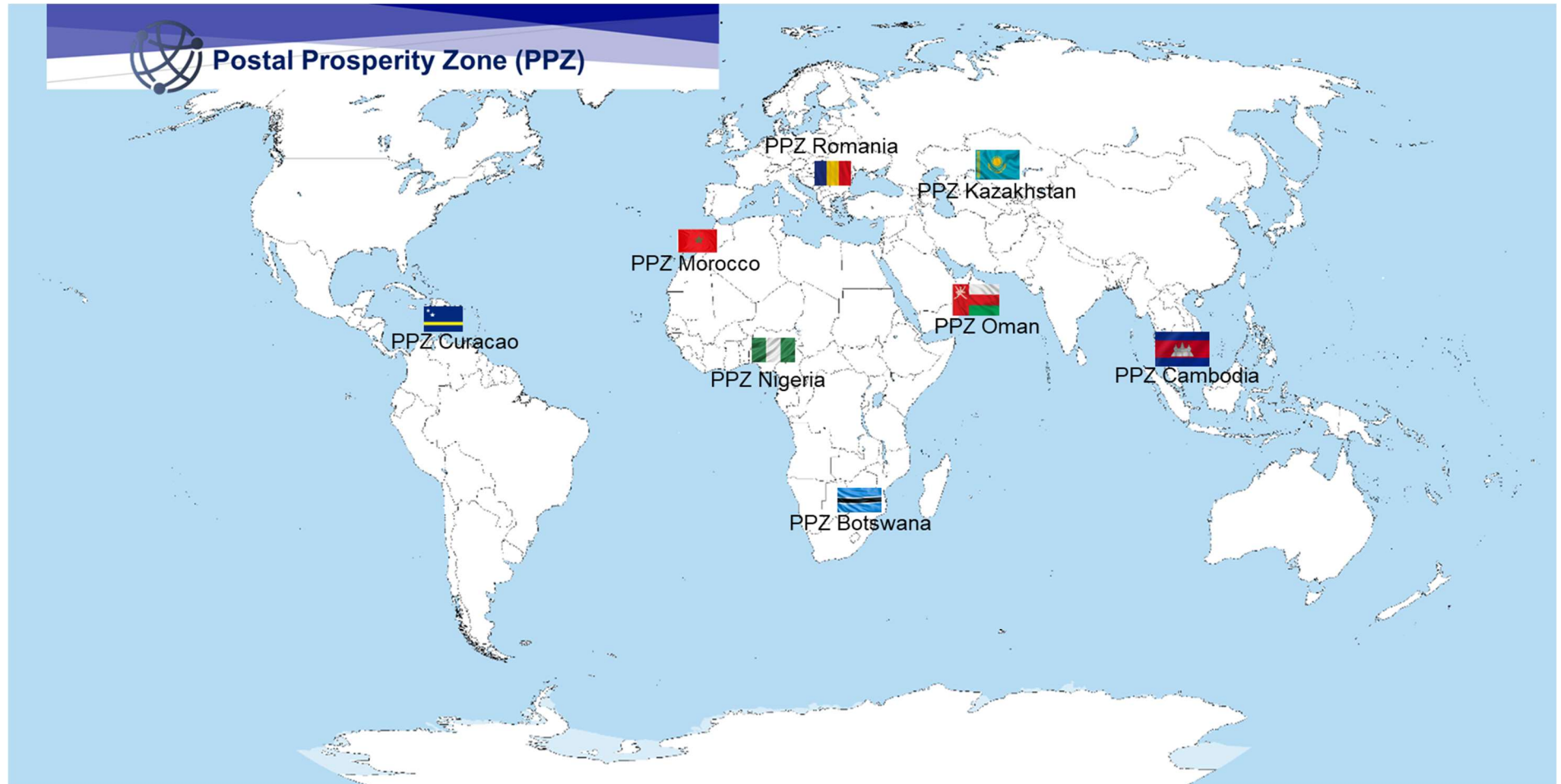
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Postal Prosperity Zone (PPZ)



Foreword by Walter Trezek, Chair UPU CC

Postal Prosperity Zone (PPZ) – a UPU CC initiative and lighthouse project increasingly recognised as a huge benefit by both Designated Operators and the private sector

Private sector logistics operators may be perceived as “racing ahead” in global ecommerce delivery, but they are also increasingly taking note of the UPU CC Postal Prosperity Zone (PPZ) initiative. Electronic interfaces such as marketplaces, websites, platforms, and social media, together with their logistics providers, are actively engaging with the UPU CC and becoming CC members in order to participate in upcoming projects and benefit from future developments to the Post-to-Post and Commercial-to-Post delivery models.

The PPZ has already achieved major milestones since launching in 2022, with active projects in Asia, Africa, Europe and America. Around the world, harmonisation is forging ahead, whether in terms of the UPU–WCO Global Postal Model, technical and messaging standards for a common European (EU and non-EU countries in Europe) postal and courier, express and parcel delivery market, or the global market for innovative logistic services.

As most of our UPU CC members are, or will be, directly engaged in developing these standards, this ensures that the tools and solutions designed to establish interoperability between DOs and wider postal sector players (WPSP) within the PPZ initiative (UPU CC members) will remain aligned with these developments. UPU CC members recognise that by developing standards they can actively shape the future of the postal business.

The 28th UPU Congress in Dubai this month will shape the future of the UPU, its products and services, tariffs, interoperability with freight and transport operators, and with the competent authorities for customs, product security, consumer protection, data protection and the protection of personal data, and sustainability.

- The UPU CC has proposed a congress decision to enhance the role of the UPU CC to coordinate postal sector projects involving UPU CC members, governmental authorities and DOs subject to the approval of the Council of Administration and, when matters of interest are involved, the Postal Operations Council. The aim of the proposal is to allow the UPU CC to initiate and run projects, as well as to facilitate public-private-partnerships to the benefit of UPU CC members and the Union.
- The UPU CC has also lobbied for a second congress proposal, to raise the status of the UPU to that of an internationally recognised standardisation authority. This proposal is now being carried by Oman, supported by Kazakhstan, Seychelles and Qatar. While the UPU currently develops standards only for the Post-to-Post environment, this would authorize the UPU to also develop Post-to-Commercial and Commercial-to-Post standards, establishing trusted and certified interoperability globally. This would also place the guidance and legal/regulatory framework for the development of international postal sector-related standards in the hands of the UPU member countries, rather than a few dominant countries and multinationals. The model has been used successfully by the European Commission to establish a common postal market in the EU which incorporates courier, express and parcel delivery operators.

The last 3 years have been hugely dynamic and productive for the UPU CC and its WPSP, bringing significant benefits for all those engaged in UPU CC initiatives, the PPZ, and the work of the thematic chapters.



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The next cycle – the Dubai cycle – looks set to accelerate these developments. The UPU CC remains committed to creating a bright future for the UPU, which will be based on close collaboration with the wider postal sector players.

Walter Trezek | Chair UPU Consultative Committee (UPU CC)

From the PPZ Project Management Office (PMO): About PPZ and this newsletter

Over the past months, the Postal Prosperity Zone (PPZ) has evolved from an idea into a concrete and collaborative implementation platform. What started as a vision to better integrate designated operators (DOs) into global ecommerce flows is now a growing network of pilots, partnerships, and real-world infrastructure.

At the PPZ Project Management Office (PMO), we are honored to support this transformation from the inside — bringing together Designated Operators (DOs), customs authorities, ministries, and UPU CC members alongside platforms, technology partners, and logistics experts. On behalf of the PPZ PMO, we wish to thank all our partners for the confidence, commitment and energy you invest. From building infrastructure to streamlining customs, from integrating suppliers to harmonizing regulations, your contributions are what is turning the PPZ vision into reality for global ecommerce.

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In this newsletter we provide an update on the PPZ customs model and the PPZ business model (White Paper on the PPZ business model will be issued parallel to this newsletter), as well as details of new PPZ projects either just started or about to start.

We are pleased to report that the PPZ initiative is effectively aligning with the UPU's commitment to “open up”, demonstrating the potential for mutually beneficial collaboration between commercial partners and DOs made possible using the UPU's global IT system and associated standards and processes.

We are convinced that many more countries will strengthen their position in international ecommerce with PPZ projects, and we look forward to further successful cooperation.

Let's keep building — step by step, country by country, partner by partner. The momentum is real, and together we are shaping a future-ready postal ecosystem which will generate more business and profit for all partners!

Martin Füll
Head of PPZ Project Management Office (PMO)

Florian Seikel
Managing Director, Logistic Natives



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The Opportunity: The UPU Postal Prosperity Zone (PPZ) Initiative

The Challenge

Global ecommerce has reshaped international trade. Marketplaces, private logistics providers, and courier networks now dominate cross-border flows, while traditional postal systems risk being sidelined. Traditional post-to-post volumes in the UPU network have largely disappeared. DOs are trying to compete for commercial ecommerce parcels as lone wolves, often dependent on large platforms or express carriers.

Without change, DOs could be reduced to simple last-mile carriers, missing out on growth and losing long-term relevance.

The Opportunity

The UPU Postal Prosperity Zone (PPZ) initiative offers DOs a path to reclaim their role at the centre of cross-border logistics. By combining the strengths of governments, DOs, customs, and private partners, PPZ delivers more than concepts — it builds real, competitive capabilities. DOs gain the tools to serve as trusted infrastructure partners to global platforms and suppliers, turning the PPZ into a catalyst for growth, investment, and digital transformation.

The Plan & Vision

Our PPZ IT Connector module directly connects commercial platforms and suppliers with DOs. This convenient and cost-effective solution is based on the existing global and highly secure UPU IT system. For a DO, it suddenly makes no difference whether data and parcels come from other DOs or commercial senders – the PPZ solves the problems ‘in the background’. We support and create effective, competitive postal customs systems which form the basis for modern PPZ hubs, and infrastructure for customs, logistics and fulfilment. Postal infrastructure evolves into competitive ecommerce gateways and joint business models with commercial partners. DOs can open new channels — post-to-post, commercial-to-post, all fully UPU-compliant and future-ready.

From Morocco to Romania, Oman to Botswana, the PPZ is already proving that DOs can move beyond survival to embrace a future in which they are regional leaders, global connectors, and enablers of prosperity in the digital economy.



Kazakhstan to launch PPZ project in 2025



The Republic of Kazakhstan, together with its DO KazPost, has formally announced its intention to establish a PPZ eHub. Building on successful models launched in Oman, Romania, Morocco, and Curaçao, the Kazakh initiative aims to position the country as a regional leader for cross-border ecommerce and logistics innovation.

This comes shortly after a landmark commercial partnership between KazPost and YTO Express, a member of the UPU Consultative Committee and PPZ project stakeholder. The collaboration is expected to accelerate Kazakhstan's role in facilitating ecommerce flows across Central Asia and beyond.

To mark this milestone, KazPost and the Royal Government of Kazakhstan will host a partnership event in Astana later this year, bringing together Consultative Committee members and stakeholders. The event will serve as the official launch of the Kazakhstan PPZ eHub, further strengthening global commercial opportunities within the UPU network.

We are delighted that the PPZ model is being adopted by additional UPU member countries and their DOs as a pragmatic, short-term solution to secure the long-term position of DOs in the ecommerce business, and also that Kazakhstan is taking the initiative to further strengthen the community of PPZ stakeholders (governments, authorities, designated operators and commercial partners) and deepen it through the planned PPZ event in Astana.

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Cambodia PPZ Hub to start in 2026



Signaling a high-priority national initiative, the Royal Government of Cambodia and Cambodia Post are proactively advancing plans for a major Postal Prosperity Zone (PPZ). Cambodia is currently in direct discussions with the PPZ team to finalize the project framework and accelerate its development.

The goal is to launch a state-of-the-art regional e-commerce eHub in Southeast Asia, positioning Cambodia as a critical logistics gateway, with a targeted launch in 2026. With preparatory work and initial implementation already beginning, this initiative demonstrates Cambodia's firm commitment to leading in the region's rapidly growing e-commerce sector, backed by significant infrastructure investment and full WCO/UPU compliance.

The PPZ initiative warmly welcomes the integration of another dynamic e-commerce region into the PPZ model through the planned Cambodia hub.



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PPZ Curaçao launched in August 2025



The Government of Curaçao and the island's DO CPost have officially launched their Postal Prosperity Zone (PPZ) project, marking a milestone for the Caribbean and South America. This initiative positions Curaçao as a strategic regional hub, designed to capture and facilitate the growing flows of cross-border ecommerce in the wider region.

PPZ Curaçao is also focused on implementing the new PPZ Transit module. This new component enables seamless, compliant, and efficient processing of transit flows, providing a model for integrated logistics and customs solutions. By combining modern infrastructure with advanced data-driven processes, Curaçao is set to strengthen its role as a bridge between global platforms and regional markets, bridging commercial and postal flows based on UPU technology and standards.

This step underlines Curaçao's ambition to become a gateway for ecommerce growth in the Caribbean and Latin America. The PPZ model not only enhances operational efficiency but also lays the foundation for sustainable economic benefits, attracting new trade flows and investment while reinforcing the country's strategic relevance in the global postal network.

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The Gamechanger: PPZ Customs Model at a glance

The challenge

Cross-border ecommerce has grown explosively in recent years. Most ecommerce parcels entering the global markets now come from a few large platforms and their logistics services and are consolidated at just a handful of airports in Belgium, the Netherlands, and Hungary. The reason is simple: these are the only locations offering fast, digital, and competitive customs clearance.

For most countries and DOs, customs remains a bottleneck. In many countries, commercial customs clearance has now overtaken postal customs clearance.

Customs clearance is a key element in cross-border ecommerce as it heavily impacts the key ecommerce success factors including reliability, delivery times, and most significantly, costs. Traditional postal customs clearance, based on pre-digital models and processes, often is no longer competitive. It is a highly labour-intensive process that is both costly and time-consuming.

For traditional post-to-post business operations, the imposition of (excessively) high customs duties can result in a shift in volumes towards commercial channels. For commercial-to-post business, which is now more relevant from a commercial standpoint, the costs incurred can often be a deal-breaker.

The opportunity



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The PPZ Customs Model provides the solution. It upgrades postal customs clearance to a level that matches — and in some areas exceeds — the commercial integrators. It features:

- **Data-first, automated processes** using existing UPU and WCO standards (Electronic Advance Data (EAD), based on UPU Global Postal Model and IPS/CDS).
- **Pre-arrival data and risk analysis** allowing customs to decide on inspections before parcels land.
- **“Blue Lane” flows**: compliant parcels are cleared and released on the same day, while flagged items go to inspection based on automated decision-making and sorting processes.
- **Full compliance** with EU, WCO, and UPU regulations, ensuring trust and scalability.
- **High data quality** based on supplier alignment: commercial platforms already provide high-quality data; the PPZ model ensures it is used effectively.

Our streamlined customs procedures forms a key pillar of the PPZ Hub. We work closely with commercial PPZ partners (UPU CC members), sometimes in the form of PPPs, to ensure efficient and cost-optimised customs clearance and logistics infrastructure. This is achieved through the combination of efficient processes and high standards in automation and digitalisation. Where circumstances permit, we incorporate the advantages of free zones (FZ) into the calculation.

As each PPZ project and country has specific characteristics, particularly in terms of customs, the PPZ customs model is used as a target model that can be implemented either in full or partially. However, a number of prerequisites must be met. They include the appropriate regulations, or a willingness to adapt existing regulations. Effective collaboration with the local customs authority is also paramount. Furthermore, it is essential to consider the DO's resources and capacities. For this reason, the PPZ customs model has a modular structure that includes hardware and software components as well as IT integrations. Our approach is tailored to meet the specific requirements of the project owner (i.e. the DO) while taking into consideration the unique characteristics of the local environment.

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In short: the PPZ Customs Model turns postal customs clearance from a bottleneck into a competitive advantage. It makes DOs attractive partners for global suppliers who urgently seek efficient and trusted entry points into the markets.

Implementation in Romania: From Blueprint to Pilot

Romania is the first EU country to implement the PPZ Customs Model. Poșta Română is building a PPZ eHub at Oradea Airport in close collaboration with the Romanian customs authorities and has designed and planned the first implementation of a postal PPZ “Blue Lane” customs model in the European Union (EU).

The EU is a unique market, importing around 5 billion ecommerce parcels and offering fully digitalized and streamlined customs clearance for goods shipments valued under EUR 150, both for postal and commercial customs clearance. This process can be consolidated at a single point of entry for the entire EU. Most of these parcels are handled by commercial service providers and express carriers, with DOs currently playing a very minor role.

In October 2025, the new PPZ customs clearance model will be piloted in Oradea in collaboration with the Romanian customs authority and commercial PPZ partners (WPSP / UPU CC members), setting new standards in the field.

- Customs and logistics data of a commercial partner will be transferred to the global UPU IPS/CDS system operated by Poșta Română using the PPZ IT interface.



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- Electronic Advance Data (EAD) will be subject to a pre-arrival risk assessment by the Romanian customs authority. Note that in the EU, two automated and digital customs processes are carried out in parallel: EU transport security checks (ICS2) and national customs clearance for revenue protection, product security, counterfeiting and compliance with local regulation. The results are stored in CDS.
- Upon arrival, the parcels are automatically scanned by a sorting machine. This first scan at parcel level initiates a sorting program that retrieves the customs decisions made during the pre-arrival check. The sorter automatically divides the parcels to create a “Blue Lane” and an “Inspection Lane”.
 - The machine directs parcels requiring inspection to the appropriate exits and forwards directly to the customs inspection zone of the hub.
 - “Blue” shipments are immediately sorted according to their domestic destinations or relevant EU destination countries.

As a result, most parcels do not require manual intervention, making the process efficient and cost-effective. Poșta Română takes a range of advance measures to ensure maximum data quality to support pre-arrival risk classification and to optimise the proportion of parcels in the Blue Lane.

The result is highly efficient, automated and digital customs clearance in accordance with the specifications of the EU customs model, and fully competitive with the leading solutions in the EU at locations such as Amsterdam, Liege and Budapest. The PPZ PMO and Poșta Română are available for additional information or related questions.

White Paper: PPZ Business Model

In the summer of 2025 we completed our new White Paper on the PPZ Business Model which takes a closer look at the market developments and commercial conditions that have contributed to the creation (and success) of the PPZ initiative. It explores how the PPZ can contribute to the business success of DOs and other PPZ stakeholders.

The White Paper is being distributed together with this PPZ newsletter. Should you require further copies or more detailed information, please contact the PPZ Project Management Office (PMO).



Thank you

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