

**FEPE's contribution to the draft Domain Work Proposal (DWP)
for the upcoming Dubai Business Plan**

1. Standardisation of Letter Mailboxes for Small Packages:

- **Problem:** Currently, only about 18% of e-commerce packages are directly delivered to homes, largely due to the inadequate size of traditional mailboxes.
- **Solution:** We propose adapting mailboxes to better accommodate small packages by increasing openings to 8-10cm or adding specialised boxes for light packaging.
- **Added Value:** An IPC study indicated that 46% of packages could have fit into larger mailboxes, highlighting the significant potential for increasing first-time delivery success rates. Financially, this could lead to logistics and handling cost savings of up to 30% due to fewer failed deliveries and reduced fuel usage. This solution primarily affects packages under 2kg, a substantial segment of e-commerce parcels.

2. Mandatory Universal Postal Service Obligation:

- **Problem:** Reliable postal services are not universally accessible, particularly in remote areas, limiting their integration into the global e-commerce network.
- **Solution:** Implement a mandatory Universal Postal Service Obligation globally to ensure all regions, especially underserved ones, have reliable postal services.
- **Added Value:** This would ensure that all individuals, particularly those in remote areas, have reliable access to postal services, thereby reducing their dependence on private delivery providers. This measure would ensure that all users, especially those in remote and underserved areas, have equitable access to essential postal services, thereby fostering more inclusive participation in the global e-commerce marketplace. The expansion of service coverage can potentially increase postal service revenue by tapping into new markets, enhancing customer loyalty and broadening the customer base.

3. Transition from Weight to Volume-Based Measurement for Parcels (cm³):

- **Problem:** Current weight-based pricing fails to reflect the actual space a package occupies in transport vehicles, leading to logistical inefficiencies.
- **Solution:** Shift to volume-based measurement for determining postal charges to encourage the use of space-efficient packaging.
- **Added Value:** This change encourages shippers to optimise their packaging, maximising transport vehicle capacity and potentially reducing transport costs by about 20%. It aligns with environmental objectives by decreasing packaging waste, further reducing disposal and recycling costs.

FEPE's role and expertise: FEPE members produce flexible packaging ideal for e-commerce applications, offering innovative solutions perfectly aligned with the needs of modern postal services. This expertise positions FEPE uniquely to provide valuable insights and practical solutions to enhance the global postal and e-commerce ecosystem.

Further information: FEPE is prepared to provide more precise figures and detailed financial analyses reflecting the expected impact of these proposals upon request. This data will further illustrate how the proposed changes can financially benefit the postal ecosystem globally.

Conclusion: These proposals aim to address critical inefficiencies and expand the inclusivity and sustainability of the global postal system. We anticipate significant cost savings, enhanced operational efficiency, and revenue growth from new and underserved markets by adopting these changes.