
Results of reforms and
perspectives of “Azerpost” LLC
within the framework of
co-operation with World Bank

**Head of Postal Sector of
MC&IT**

N. Mammadov

Bern city

9-th November, 2009

Co-operation of the country with the World Bank

The Republic of Azerbaijan is the member of World Bank (WB) since 1992

During this period WB 42 projects has been implemented and allocated more than 2,7 billion USD

Basically, all projects cover the transport, infrastructure, agriculture, education, financial-banking and social sector

What does FSD project mean?

“Development Credit Agreement” in accordance with the FSD project was signed on 24th May, 2005

The realization of the project has started on 14th October, 2005

The total amount of the project is 17,75 million USD

The part of FSD project, through IDA WB financing, is 12,25 million USD

5,5 million USD of this amount is allocated by the Ministry of Communications and Information Technologies.

The main targets of the project

- Promoting the level of living conditions of people
- Improving business climate in the Republic
- Reducing the cash volume in the economy
- Creating unique electron payment system all over the territory of the Republic
- Favoring the quality of plain-ordinary and existing alternative services
- Expanding the collaboration with international and domestic postal-financial and bank organizations
- Providing access to financial and banking services for customers in rural areas

The performed works

The international consulting company of the Netherlands – FACP (Financial Access Capital Partners) has rendered consulting services in various directions

Strategy and business plan covering future three years period of “Azerpost” LLC

Head Office, post offices and branches in Baku as well as regional branches have been automated

The main and back-up server rooms was created and provided with required equipments

Automated Corporative Informational System that provides automation of all services and operations has been put into operation (provided by WB tender winner HP-COLVIR-SINAM Consortium)

Continuation

Structural reforms have been carried out in order to transfer “Azerpost” LLC into market structure that provides postal-financial services

The amendments and supplements have been filed to the law of the Republic of Azerbaijan “On postal communications”, necessary legal foundation has been created in view of rendering postal-financial services

Regulations on issuing special permission (license) regarding rendering financial services of “Azerpost” LLC

Azerbaijan Bank Training Center has run courses on various subjects

Financial condition of “Azerpost” LLC

New agreements with corporative customers have been concluded and also accounts on collection of payments for public services have been centralized

Total income has increased 15 percent in 2008

Economic growth for 9 months of 2009 has amounted to 28 percent

The amount of collection of payments for public services has risen 35 percent for 9 months of 2009

The income from public services has reached 70 percent

The income from money order has reached 30 percent

Quality indicators regarding UPS

Nearly 80 percent of PO facilities have been restored anew or overhauled thoroughly

POs have been provided with furniture and other necessary equipments

Conditions of safe keeping and shipment of cash and other valuables have been bettered in “Azerpost” LLC

The control process of registrable incoming and originating mail has begun in the country

The quality of all types of rendered services as well as UPS has improved appreciably

New services

Implementation of a number of banking activities

Mobilization of deposits from physical bodies and legal entities

Issuance of debit and credit cards

Delivery of Internet-banking services

Providing customers with the currency exchange service

Expansion of money order using different systems

Opening of accounts and their management

Collection of cash and other valuables

Delivering services in the directions of e-trade and e-government

Results for country

- Commitments to be implemented by government regarding improving quality and access to UPS services
- Infrastructure of payment system to be upgraded
- Financial services as well as financial market to be developed, also cost of financial services to be reduced
- Domestic and foreign investments to be attracted
- The term of putting e-government services into operation to be reduced in the regions (especially in the rural areas)
- New vacancies to be created in the regions

Results for population:

- Satisfaction of customer needs for all types of rendered services
- Increase of users' relies on post
- Payment of salaries, pensions and allowances (grants) in timely manner
- Possibility to pay for public and other services through electronic devices in any POs
- Creation of opportunities to use services of e-business and e-commerce

Results for “Azerpost” LLC:

- Increasing incomes, benefits, the level of profitability and other economic indicators of an company by applying new financial services
- Bettering social position and pay rise
- Improving organizational structure of company, creating conditions for adoption of tracking system of registrable mail within the country
- Raising the professional level of employees and their training for financial-banking services



Thanks for attention!

ERROR: syntaxerror
OFFENDING COMMAND: --nostringval--

STACK:

/Title

()

/Subject

(D:20091116153109+01'00')

/ModDate

()

/Keywords

(PDFCreator Version 0.9.5)

/Creator

(D:20091116153109+01'00')

/CreationDate

(AnsonJ)

/Author

-mark-