



ECT Correios selects a strategic partner for Banco Postal



CORREO  
URUGUAYO

Correos Uruguayo develops savings mobilization



Correos del Ecuador and the Pacific Bank provide payroll payments



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### ECT Correios selects a strategic partner

Brazilian Post is announcing a bidding to select a partner financial institution that will operate the Postal Bank program starting from the next year, as the contract with Bradesco will end later this year



The Postal Bank offers basic banking services at post offices to population of lower income and un(der)banked communities.

The president of ECT Correios (The Brazilian Post), Wagner Pinheiro, stressed that the main objective of the Postal Bank is to reach the largest possible number of Brazilian cities, bringing banking to the entire population.

Banco Postal has more than 10 million accounts opened in more than 6,192 agencies. The figures show that Banco Postal ensures around 95% of financial inclusion in the country.

Among the new products to be launched in Brazilian Post are credit cards and prepaid cards.

The licensed financial institutions interested to participate in the bidding are required to have total assets of at least 21.6 billion USD and shareholders' equity of at least 2.2 billion USD. The decision of the selection will take place by mid-year and allow the winner to begin operations in January next year.

The current partner bank, Bradesco, can participate in the bidding as well.

*Jornal Do Brasil, Thais Sousa  
February 17, 2011*

## Correos del Ecuador and Pacific Bank to provide basic financial services

Correos del Ecuador has entered into a strategic alliance with the Pacific Bank to provide basic financial services at post offices through the system PUNTOMÁTICO.

At an initial stage the system will enable the customers to pay the bills for water and electricity as well as for telephone in a few agencies countrywide. To provide these services the Post of Ecuador will charge a service commission of 35 cents for collection of water and electricity bills, while there will be no commission for collection of telephone bills.



Mr. Vivero, the Executive Vice President of Pacific Bank has stressed the importance of this strategic alliance with the Postal Service of Ecuador, saying that there are 72 innovations to bring to postal customers in all 24 provinces of Ecuador.

”Through such initiatives, the Government of Ecuador confirms its commitment to offer

more and better services to people in all sectors of the country”, added Mr. Vivero.

*El Ciudadano.gob.ec  
February 4, 2011*

## Correos Uruguayo becomes active in mobilization of savings



The president of the Banco Hipotecario del Uruguay (BHU) Jorge Polgar announced that soon the bank's customers will be able to make use of savings services through the network of Uruguay's postal office.

Jorge Polgar said the BHU, with 50% of clients in the housing market, seeks to position itself as the key savings institution in terms of provision of mortgages.

BHU provides loans with an annual interest of 6% and offers financing up to 80% of the house value.

*LR 21, Jorge Polgar  
16 February, 2011*

## Innovative ICT Technology in PT Pos Indonesia



PT Pos Indonesia has introduced innovative information technology to improve the provision of financial transactions, in particular money transfer services through weselpos instant system.

Menurut Sudirdjo, Deputy Head Post Office Jambi, said that the system is rather effective and enables the recipients to get the money transfer within five minutes upon transmission at post offices. He also added that a sender is required to present only an identity card to transfer the money and the recipient gets the money on the basis of the PIN code to be provided by the sender.

The system is available in each rural and remote post office, where one can hardly see any bank branch.

The deputy director furthermore added that PT Pos Indonesia is working towards the idea to introduce agent system in 2011 This program started late in 2010 and there are already 20 agencies spread across the city of Jambi.

*Ekonomi & Bisnis, Ditulis Oleh Jennifer Austrian,  
January 27, 2011*

## Banks intensify branch growth to raise customer base



The race to bring on board the unbanked population is gathering pace among commercial banks after realizing that low income earners have potential to grow revenues and customer base.

Almost all the 23 banks in Uganda are investing heavily in expanding their branch networks to reach out to people especially those in rural areas who had previously been ignored, in a bid to bring the unbanked in those areas on board.

All these branch expansions, however, have mainly been on the mainland, leaving out the population living on Islands. However, in a bid to cater for the financial needs of the underserved people on Islands, Post Bank is in advanced stages of extending its services to Koome Island to enable fishermen from the surrounding communities to access financial services.

Almost 95 per cent of about 2,700 people living on Koome Island keep their money under mattresses since the nearest bank branch is in Entebbe, 21 kilometers away, making it inaccessible to many.

Mr. Christopher Kigeny, Post Bank executive director told Daily Monitor in an interview that competition in the corporate customer segment has forced banks to consider bringing on board small businesses to boost revenues. “It’s better to have many small businesses and get more revenue than getting corporate who tend to negotiate on price,” he said at Koome Island on Tuesday.

Out of a population of 32 million, only about three million Ugandans have bank accounts, meaning that banks have a huge potential to tap by innovating products that suit Uganda’s rural poor. Post bank has 31 branches across the country but Mr. Kigenyi said that the bank’s strategy is to have a Post bank unit in all the 112 districts in Uganda.

Although mobile money has been widely adopted by most people even in the remote village on the mainland, people on this Island despite having mobile phones, have never used the mobile money platform to save, send or receive money. Mr. Kigeny, however, said low banking levels due to financial illiteracy and high operational costs are still an obstacle to the industry.

*Daily Monitor, Faridah Kulabako  
18 February, 2011*

## Vietnam Post becomes shareholder in Lien Viet Post Bank

HA NOI — The Prime Minister gave a nod on Monday to Viet Nam Post Corporation (VNPost), a member of the Viet Nam Post and Telecommunication Group (VNPT), to contribute capital to Lien Viet Commercial Joint-stock Bank (Lien Viet Bank).



VNPost's contribution to Lien Viet Bank included cash and financial value from the Viet Nam Post Savings Services Company (VPSS). It also changed its name to Lien Viet Post Joint Stock Bank.

The PM has assigned the Ministry of Finance to instruct defining the financial value of the Viet Nam Post Savings Services Company and financial issues relating to this deal.

*Viet Nam News  
24 February, 2011*

## Post Office looks to enter loans market

Postbank, the financial services arm of the Post Office, is exploring how to leverage the ZAR 4 billion (US\$ 276 million) it has in assets by extending loans to the public, says Post Office CEO Motshoanetsi Lefoka.

The Post Office presented today its strategic plan to Parliament's communications committee in which it outlined what it plans to do with its budget of ZAR 5.753 billion.(US\$ 397 million)



In terms of the plan, the Post Office will restructure from four business units into four operating divisions, namely mail, digital services, non-Postbank financial services and properties, plus two subsidiaries - the SA Postbank and Logistics. This restructuring, the Post Office told the politicians, was to ensure that the organization was able to meet the changing environment it faced as electronic communications increasingly became a substitute for postal services.

Parliament passed legislation last year - the SA Postbank Law - to regulate, for the first time, the financial services arm of the Post Office. The law, which was signed by President Jacob Zuma in December, allows the SA Postbank to effectively compete with commercial banks in offering savings and loans to the public. It means that the SA Postbank will be governed as a separate legal entity within the SA Post Office Group.

Lefoka said the SA Postbank board should be constituted by the end of 2011-12. "Moving into the loans arena will be challenging for us. We have to develop a strategy that would not put the government at risk," she said. The politicians emphasized that a key role of the Post Office was that of supplying postal and financial services to the unbanked and the poor at low cost.

Juli Kilian, the communications spokesperson for political party Cope, said: "The development of the Postbank will create a change in the culture of the Post Office and I hope the unions will come on board."

The majority of the SA Post Office's 40,000 workers are unionized. Lefoka said management was constantly engaging with the unions about the changes and how to best implement them

*Paul Vecchiato, BusinessLIVE  
March 18, 2011*

## PAPU Conference 2011 in Burkina Faso

On the invitation of the Secretary General of the Pan African Postal Union (PAPU), the conference on development of postal financial services was held at Ouaga 2000 International Conference Centre, Burkina Faso, from 7 to 9 February 2011.

The conference was attended by 138 delegates and experts representing postal administrations of 26 African and European countries. It was also attended by representatives of Central Banks, International Financial Institutions, and Regional Economic Communities.

The Conference was an opportunity to share experiences and to review all the opportunities that can be available for Postal Operators to change direction and so to give a boost to their activities regarding postal financial services and to achieve financial inclusion for the benefit of Governments and people.

On account of these opportunities, restructuring postal services in order to allow them adapt to customers' needs can be placed in the front line.

## Postbank privatization to boost savings



NAIROBI, Kenya Mar 3 - The Ministry of Finance expects the recent privatization of Postbank to increase domestic saving to 30 percent of GDP from the current 17 percent.

The Treasury plans to re-position the bank to play a more significant role in mobilizing the investible resources to spur economic development.

Ministry of Finance Permanent Secretary Joseph Kinyua on Thursday said the privatization of the bank would jumpstart major organizational change to boost its capacity to compete proactively in the financial services sector.

"The government initiated the privatization process to make Post Bank more effective. We now want to align it in such a way that it becomes a competitive financial institution in the country," Mr. Kinyua said.

With the privatization of Postbank, a subsidiary of the Postal Corporation of Kenya, it will be licensed and regulated by the Central Bank under the Banking Act and converted to a limited liability company. The government agreed to transfer 44 percent of its ownership in the bank to the Postal Corporation of Kenya.

In the 2009/2010 Finance Bill Finance Minister Uhuru Kenyatta announced that Postbank would be able to deal in forex, which saw the bank engage in discussions with relevant government departments to expand its mandate to offer credit facilities.

Mr. Kinyua said the bank would now be more effective in offering loans and credit facilities to low-income earners and micro-enterprises.

"We are hoping to have this reform during the course of this year, to position the bank to effectively contribute to Vision 2030," Mr. Kinyua said.

He was speaking during the launch of Postbank's third wave of the rapid results initiative (RRI).

Postbank Managing Director Nyambura Koigi said the third phase would see the bank to roll out modern financial services pegged on convenience and innovation.

"We are re-inventing ourselves to keep pace with changing market dynamics to offer competitive financial services," Ms Koigi said.

Ms Koigi said the bank would be looking to grow its branch network to 102 from the current 91 branches. The bank will also be seeking to increase its number of accounts to 114,000 by the end of the year.

With the conversion into a limited liability company, Postbank will also be able to use post office outlets across the country to offer its services.

"This will give us greater access to the rural areas where financial services are still limited," Ms Koigi said.

Through the third cycle of RRIs, the bank will maintain its focus on business growth and optimal utilization of its assets to foster financial literacy.

*Business Capital. Michael Karanja  
March 3, 2011*

## Governments in emerging markets tackle the cash culture

Card growth in emerging markets has been hindered by the prevalent cash culture present in many of these countries. To counter this trend, governments have introduced initiatives aimed at helping consumers change the habit of paying for all of their purchases with paper.



These initiatives have included offering government benefits on cards, requiring that sector-specific workers are paid via bank transfer or allowing banks to offer financial services within the existing postal system infrastructure.

In the South American countries of Brazil and Argentina, government benefit programmers have been a big factor in shifting them from cash-dominant cultures to societies that embrace plastic too. The 'Bolsa Familia' program in Brazil allows the government to distribute money on a monthly basis to prepaid cards given to families in lower income segments, who commit to keeping their children in school and taking them in for regular health checks.

Brazil's 'Programa de Alimentação do Trabalhador' (Workers Nutrition Program), or PAT, provides meal vouchers for low-income workers in hopes of improving workers' nutrition, reducing labor-related accidents and increasing productivity.

The federal government in Argentina also launched a new social benefit program at the end of 2009 to give assistance to all eligible children under 18 years old and pregnant women. As part of the plan called 'Asignacion Universal por Hijo' (Universal Children Assistance), a bank account is opened for each family and a debit card is issued to the children's mother, father or legal guardian.

The program serves 3.4 million children, or about 85% of the population under the age of 18. The beneficiaries also receive four free ATM transactions per month and can receive a 5% VAT rebate when they make purchases with their cards. In Russia, the government issues maternity benefit cards that can be used to buy infant and child care products.

The United Arab Emirates has made inroads on the cash culture through the introduction of the Wage Protection System launched in the summer of 2009. This program requires all companies to pay their employees by bank transfer rather than paper statement. The system was introduced to safeguard the wages of some 4 million employees via electronic transfer through selected financial institutions.

Similar bank transfer programs have been adopted in Vietnam, including government initiatives to pay the salaries of employees in all state-owned companies through bank transfers. These initiatives are expected to force many consumers to open bank accounts, which will provide banks with a strong platform upon which to promote card payments.

### ***POSTAL SYSTEMS TURN INTO BANK OUTLETS TOO***

State-owned postal outlets also have proven an invaluable vehicle for targeting the low-income and unbanked segments over the past decade. Their wide, government-funded branch infrastructure reaches into communities that may be underserved by banks. And while postal and banking systems have historically often been connected in some way, more recent developments in some markets are proving that government efforts to incorporate banking services in post offices are capable of greatly increasing the rate of financial inclusion for unbanked consumers.

Brazil has experienced one of the most significant recent banking sector transformations through use of the postal system. Banking correspondents for basic payment, deposit and cash transactions based in lottery and

small retail shops or drugstores started growing in the 1990s, and the Brazilian government took the step of formally recognizing them in 2000. It then went even further in spreading financial services through competitively bidding off usage of its postal system infrastructure for correspondent banking in August 2001, which the country's largest private bank, Banco Bradesco, won on the condition that it would target areas with limited banking access first.

Romania's postal system, Posta Romana, launched a program along with MasterCard International in 2009 following the postal savings system model. Posta Romana's CashPlus cards are specifically targeted at the market's unbanked population, which amounts to 54.6% of the population over the age of 15, according to the latest figures from Euromonitor International.

The Italian postal system issues Poste Pay, a reloadable Visa-branded prepaid card. Italian banks also are successfully marketing prepaid cards to their mortgage customers as a budgeting tool for the rest of the family.

Relatively limited access to traditional banking services for unemployed consumers like recent immigrants to pensioners continues to drive growth in prepaid cards across Italy. In South Africa, the government has moved to create post offices that will bring full-service financial services closer to the previously unbanked people and create some vital competition in the banking sector.

Postbank, a savings institution that operates as a division of the South African Post Office, provides products and services through the post office network and operates a card-based transaction account that can be used by customers to deposit and withdraw salaries and other payments.

*Euromonitor International, BI-ME staff  
March 21, 2011*

### **UK firm recommends fresh talent to revamp Posta**



A UK consulting firm wants the Postal Corporation of Kenya to undergo a vigorous restructuring process aimed at getting on board a “younger, energetic talent” that can refine the agency to relevance in a competitive market.

IBM Corporate Service Corps says in a report that PCK should also tap into new business opportunities such as offering government and banking agency services to boost its earnings.

The firm said PCK should take advantage of its 700 outlets and partner with other government agencies to offer services such as motor vehicle registration, passport and personal identification numbers (PIN).

“As PCK improves existing services and adds new offerings such as financial and government services – it will create improved access, speed and efficiency for Kenyan citizens – which will benefit the government as well,” Mr. Fredette said.

The report noted that one of the current challenges Kenyans are facing is accessing government services – with long processes and requirements for in-person transactions at public offices.

To reverse its dwindling revenue, the report recommends that PCK has to consider establishing an executive level sales management team focused on new offerings, and implementing stricter accountability throughout organization.

The parastatal has a market share estimated at between 40 and 50 per cent yet it enjoyed monopoly status 13 years ago before the liberalization of the telecoms and communication market in 1998.

*Business Daily, Okuttah Mark  
March 21, 2011*

### Privatization process in SEE countries

After approximately two decades of transition, privatization is pretty advanced across the Balkan region and more or less complete in many sectors of the economy.

Nevertheless, there is still a privatization agenda of some sort in all SEE countries.

The process has largely stalled in the past two years, because of reluctance to bring politically sensitive companies to the market on the one side, and lack of confidence of international investors on the other.

However, with modest signs of an economic upturn now apparent, the time may once again be appropriate to reinvigorate the process.

EBRD's outlines on a country-by-country basis, some of the major assets that still remain to be sold, and the current plans (if any) for their sale.

The presence of Posts and Postal banks in the list is remarkable.

It is noticed that preparations for privatization of the Postbank

[HPB] in Croatia, and the Posts in Macedonia are underway, while in an agreement with IMF Posta Romana has been identified as a state owned enterprise to be privatized.



*Balkans.com, Peter Sanfey  
March 12, 2011*

### Cabinet nods privatization of Kenya Postbank

The Cabinet has approved the privatization of the Kenya Postal Savings Bank (Postbank of Kenya).

The Cabinet said that Postbank, which is a subsidiary of the Postal Corporation of Kenya will be licensed and regulated by the Central Bank of Kenya under the Banking Act.

“The cabinet’s meeting has approved conversion of the Kenya Postal Savings Bank to a limited liability company,” said the Cabinet in a statement.

The bank was incorporated in 1978 to mobilize savings for national development, but retained the agency services of the then Kenya Posts and



Telecommunications and now its successor Postal Corporation of Kenya. The government has agreed to transfer 44 percent of ownership in the bank to the Postal Corporation of

Kenya, the cabinet further said.

However, no mention has been made as to how the remaining 56 percent will be dealt with.

Postbank of Kenya has for some times now urged the government to expand its mandate to enable it effectively compete in the financial services sector.

Currently its mandate has been to inculcate a savings culture among Kenyans, which it does through the various savings products it offers.

In the Finance Bill of 2009 /2010,



on a regular basis and should often be done in person.

Zanaco managing director Martyn Schouten said the bank was growing at a fast rate which had seen it double its client base to more than 450,000 in just three years. The bank is expected to open 111 more centers in the rural areas, thereby increasing its bank's representation in 70 of 73 districts of Zambia.

"Zanaco is growing at a very fast rate and I am pleased to announce that we are opening about 500 accounts every day and this means we are a big and trusted bank.

"We were first to introduce mobile banking and we shall continue to set the pace with innovative products for the benefit of our customers," he said.

As part of its vigorous plan, Zanaco signed a memorandum of understanding (MoU) with the Zambia Postal Services (Zampost) that would see the bank open a branch at every post office in the country.

Investment avenues for the urban population such as Government debt, mutual funds and capital market instruments and insurance products should be made available to the rural sector too.

Information and communication technology can help banks convert rural networks into financial markets. Banks today have surplus liquidity and those that succeed in directing the surplus funds to productive sectors will gain.

Banking is becoming increasingly complex and those that fail to tap the potential of the rural sector will stand to lose.

*Times of Zambia, Maimbolwa Mulikelela  
16 February 2011*

### **Botswana Post on the Fast Lane**



Botswana Post has promised to deliver quality improvements in both services and products as the entity goes through modernization and transition.

The Chief Executive Officer (CEO) of Botswana Post, Mr. Pele Moleta told the Post has redirected its efforts to improving the delivery of postal and related services using processes thriving on quality assurance and internationally accepted business standards.

Some of the major projects Botswana Post is set to complete during the immediate financial year include the mail center, automation of the mail processes, and automation of the Post office counter as well as their merger with Botswana Savings Bank (BSB). "The automation of our systems in all our post offices will link processes offering all transactions to be on-line and on real-time basis. We have been fortunate as the local financial market has responded to our needs for borrowed funds, thus enabling us to proceed with the key projects," Moleta said.

The Ministry of Finance and Development Planning has since given the group (Botswana Post) the go ahead to engage lenders for long term and sustainable borrowing arrangements which will support its growth objectives.

However Moneta would not be drawn into discussing Botswana Post's pending merger with Botswana Savings Bank (BSB) which is due next month. He referred the questions concerning the merger to the permanent secretary in the ministry of transport and communications, Mabua Mabua.

The Centre will serve as a national and International mail Hub, housing the Operations, Transport, Express Mail Service (EMS) and Hybrid departments, and therefore allowing the organization to benefit from logistical and process savings. "It will also put us in a position to efficiently implement and adopt contemporary mail handling processes such as automated processing and sorting, improve mail tracking and tracing, and item level intelligence to generate downstream process efficiencies and benefits," Bok said

The proposed merging of Botswana Savings Bank (BSB) and Botswana Post have been moved from the initial target date of March 2011 to July 2011.

Botswana Post Chief Executive Officer (CEO) Mr. Pele Moleta confirmed that, "The ministry of finance has since given the group (Botswana Post) to engage lenders for long term and sustainable borrowing arrangements which will support our growth objectives."

The bill calling for the merger of the two entities (Botswana Post and Botswana Savings Bank) will propose amongst others things a Postal bank. The Postal Bank will be tailor-made along the lines of the South African Post.

Mabua said as soon as the bill is passed, "The restructuring of the human capital of the two organizations will take place, which will pave way for the merger." Currently, BSB clients use Botswana Post for cash deposits and withdrawals.

The Botswana Savings Bank (originally the Post Office Savings Bank) was established in 1911 as a Branch of the South African Post Office Savings Bank, and has the longest continuous existence of any financial institution in Botswana.

*The Botswana Gazette, Victor Baatweng  
February 16.2011*



***Western Union money transfer system to be available in Azerpocht's most branches by late 2011***

The services of Western Union money transfer will be available in most branches of the Azerbaijani state postal operator LLC Azerpocht by late 2011, head of the postal services department of the Azerbaijani Communications and IT Ministry, chairman of the postal services of the Regional Commonwealth of Communications Novruz Mammadov said.

Today, a meeting was held in Baku between representatives of Azerpocht and Western Union Company to discuss rendering of money transfer services via this system in the operator's branch network.

The partnership agreement on implementing money transfer services was signed in November last year.

Western Union Regional Vice President in Eastern Europe and CIS, Jonathan Knaus, said that the agreement between Western Union and Azerpocht will create the conditions for sending and receiving money transfers virtually in every settlement of the republic.□

The cooperation between Western Union and Azerbaijani postal operator will provide the company's customers with the opportunity to send money transfer to any world country, as well as to receive money transfer from any world country in urban and rural post offices of Azerbaijan, he said.

Mammadov spoke about the project of developing financial services. It is being implemented by the World Bank. He expressed confidence that the cooperation with Western Union will be long and fruitful.

The financial services are rendered at post offices of the republic within the project of developing financial services. According to the program, roughly 1,200 of more than 1,600 post offices of "Azerpocht" will render financial and banking services, including implementation of various payments, opening the account, as well as sending and receiving money transfers.

*Trend H. Valiyev  
February 16, 2011*

### **Slovak Postal Bank buys pension management company of Czech CSOB**



The Slovak Postal Bank will become 100 % owner of a pension fund management company owned by CSOB (parent of the Czech Postal Savings Bank). The amount of the transaction has not been disclosed and is still subject to approval of the National Bank of the Slovak Republic and the Antimonopoly Office.

The conclusion of the process and completion of the transaction is expected to take a few more months.

The CSOB is willing to support the Slovak Postal Bank to ensure a smooth transition of clients and their retirement savings under its management.

CSOB's pension management company was established in 2004 as a 100% owned subsidiary of the CSOB Bank. The pension fund has almost 94,000 clients as per 31 December 2010.

Chairman and Chief Executive Officer of the CSOB, Daniel Kollar justified the deal saying that it will enable to provide comprehensive care for existing and new clients under one roof.

Michael Holik, Board Member of the Slovak Postal Bank, added that this appears as a significant step to use the market opportunities in order to provide the best possible service to our customers.

*spravy.pravda.sk, SITA  
January 31, 2011*

### **Serbian PTT- 2010 net profit of 4.65 billion dinars (EUR 46 million)**

The Serbian PTT (a state-owned company for public utility) recorded a profit of profit of 4.65 billion dinars in 2010, or about 800 million dinars (EUR 8 million) more than in 2009.



Managing Director of PTT Serbia Goran Ciric said that profit growth has been achieved as a result of the growth in business.

According to him the total revenues of the public company were 24.9 billion dinars (EUR 249 million) in 2010.

This is four percent more than planned, while expenditures were 20.2 billion dinars (EUR 202 million), which is one percent less than forecasted.

Goran Ciric said that the percentage of dividend income from Telekom Serbia has become smaller and stressed that the Post is on a sustainable way to grow and develop.

He added that PTT Serbia transmitted 80 percent of its shares in Telekom Serbia to the Government, and expects to receive in return additional shares in the Postal Savings Bank.

"We talk about stronger connections to optimize the relationship between Posta and the Postal Savings Bank. We are sure that with such a large number of users at post offices and new services to be jointly offered we can raise the level of income," concluded the Director.

*Izvor: Beta  
February 8, 2011*

## National postal operator of Kazakhstan to go public before the end of 2011



The national postal operator of Kazakhstan, Kazpost AO, will be privatized through an IPO before the end of 2011. According to the decision of the President of Kazakhstan, Nursultan Nazarbayev, voiced at the summit of the ruling Nur Otan political party, the Government will be responsible for developing a plan of a public IPO for several state-owned companies which are part of Samruk-Kazyna sovereign wealth fund.

Part of this “people’s IPO” will be the placement of shares of Kazpost AO, as well as Samruk-Energo and KEGOC (Kazakhstan electricity grid operating company). The second round of IPO, in 2012-13, will involve the state oil and gas company KazMunaiGas, uranium mining company Kazatprom and national railway system operator, KTZ (Kazakhstan Temir Zholy). The demand for public offering is deemed to be high. The investor demand for investment in Kazakhstan has been strong. A \$700 million, 10-year Eurobond issued last year by KTZ, the rail monopoly, was heavily oversubscribed.

President N. Nazarbayev stressed the necessity to make sure the placement will be addressed to general public, and not to the selected few. “A” People’s IPO will give an opportunity to hundreds of thousands of ordinary citizens of Kazakhstan to have a share in the largest companies, as a new instrument of investment and multiplication of their savings and wealth”, he said. He pointed out that the prices for raw materials produced in Kazakhstan are rising, and therefore the State must see to it that the shares would reach regular people.

Total assets of Kazpost, as of the end of 2009, equaled 36,5 billion KZT (USD 250 million). Assets of Samruk-Energo and KEGOC, at the same date, totaled 183,2 and 174,4 billion KZT, respectively. Together, they total around 2,5% of Kazakhstan’s GDP of 2009. With KazMunaiGas and KTZ, the correlation to GDP (by 2009’s data) will rise to around 19% of GDP. Kazpost and other future participants of IPO have not yet communicated the volumes of stakes to be presented for public offers.

*Aram Gareginyan  
February 20, 2011*

## Cash machines put inside, outside most postal branches

For the first time, most postal branches have been equipped with cash machines, enabling customers to pay bills in cash or just to put in their wallets.



Numerous government offices and other organizations insist on cash rather than checks when customers make payments; now they will be able to pay in cash without having to run to a machine somewhere in the neighborhood and carrying large sums of money around.

Unlike the commercial banks, the postal banks in postal branches do not charge fees for paying bills.

However, the charge for getting cash from a machine outside branches is NIS 4 and for inside machines NIS 5.

Postal Bank director Yoel Naveh said the new services makes it a financial banking

The Israel Postal Company said Wednesday that it has completed a project to install automated teller machines on the exterior walls of branches so anyone can use their debit/credit card to get cash 24 hours a day.

In addition, regular machines have been installed on inside walls and minimachines have been set up on counters that tellers can operate when receiving payments with the customer keying in his personal code number.

institution like commercial banks (except that the postal bank branches do not loan money). They are open longer hours than commercial banks and can be a one stop shop for most banking services, he said.

*The Jerusalem Post, Judy Siegel-Itzkovich  
February 17, 2011*



### **VEB to independently assess the financial business of the Russian Post**

VEB has decided to independently evaluate the financial business of the Russian Post whereupon the Russian Post Bank is supposed to be created.

The assessment of 90-108 billion RUR (USD 3-3.2 billion) by KPMG. appeared to be too high.

As announced, the Postbank will be established on the basis of Svyaz-Bank (a subsidiary of VEB), and is already operating in 1000 out of 41,000 post offices in Russia.

As initially projected by VEB, investment in the amount of 5-10 billion RUR will be required to realize the establishment of the Russian Postbank. Two potential partners - Nomos-Bank and Russian Standard bank, have already submitted their business plans to VEB.

The obstacles that postpone and hinder the creation of the Russian Postbank are also a result of the varying estimates submitted by the interested participants in terms of assessment of the financial business of the Russian Post, said Igor Shchegolev, the Minister of Communications. As he mentioned the difference in the figures provided ranges from 1 to 100 billion RUR.

*Rossiyskaya Gazeta  
January 28, 2011*

### **Postal and Financial Events May/June 2011**

- UPU POC Workshop on Mobile Telephony and MicroFinance - Berne Switzerland, 11 May, 2011
- Eurogiro General Community Meeting – Warsaw, Poland, 10-12 May, 2011
- Lafferty's International Post Bank Council - Rome, Italy, 17 May, 2011
- WSBI Workshop for [Postal] Savings Banks improving access for the poor - Nairobi, Kenya , 24-26 May, 2011
- Pochtovaya Troika - St.-Petersburg, Russia, 22-24 June 2011

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