

# HONG KONG : THE FACTS

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## Hongkong Post

High quality postal services have been an important factor in facilitating Hong Kong's development as a leading business, financial and industrial centre. Hongkong Post aims to provide reliable, efficient and universal postal services at reasonable prices to meet the needs of Hong Kong as well as fulfilling its international postal obligations.

**Postal Services:** The laws of Hong Kong empower Hongkong Post to handle local and overseas mail and mail for transit to other places. The Postmaster General is the head of Hongkong Post.

The exchange of mail between Hongkong Post and other places in the world started as early as 1841. With the growth in population and the development of business activities in Hong Kong, the range and level of services provided by Hongkong Post have multiplied. There were 127 post offices as at January 31, 2009, located on Hong Kong Island, 37 in Kowloon, 57 in the New Territories and the outlying islands, and two mobile offices. In 2007-08, the volume of mail handled increased to an average of 3.86 million items daily. With over 90 per cent of the mail handled coming from the industrial and business sectors, it is clear that Hongkong Post has played a significant role in facilitating the development of commerce and industry in Hong Kong.

Hongkong Post changed to a trading fund operation on August 1, 1995. The new status provides Hongkong Post with a high degree of financial autonomy, enabling it to respond more effectively to changing market demand and customer needs, and to pursue new initiatives and improvements. Despite the changes in its financial and accounting framework, Hongkong Post remains a government department.

**Letter Mail Services:** In 2007-08, Hongkong Post handled 1 235 million of local letters. Over 99 per cent of letters posted locally are delivered on the next working day after posting. Bulk economy items paid at discounted postage rates are delivered within three working days.

Overseas letter mail services include Air Mail, Bulk Air Mail, Surface Mail, Bulk Bag, Direct Agent Bag and Surface Airlifted Mail. A total of 123 million air and surface letters were posted to destinations abroad in 2007-08. For the airmail service, letters collected in Hong Kong are delivered to the airport to board departing aircraft either on the same day or the next day, depending on the time of collection and the availability of flights.

**Parcel Services:** Both local and overseas parcel services are available. Customers may send parcels by air or surface to around 230 international destinations. In 2007-08, Hongkong Post handled 1.1 million parcels. The service standard is to deliver local and inward parcels to addressees within two working days for Hong Kong, Kowloon and major commercial and industrial areas in the

New Territories. Outward air parcels are delivered to air carriers within the same day or the following working day.

**Speedpost Service:** Speedpost is the international courier service provided by Hongkong Post, and is the local brand name of the global Express Mail Service (EMS) of the Universal Postal Union. Speedpost has been given due recognition worldwide by achieving Gold Level Certification in the Express Mail Service Cooperative Audit and Measurement Programme for the sixth consecutive year. Speedpost provides reliable, convenient and value for money express delivery services to our customers. With a global reach of over 210 destinations and 1 900 cities in the Mainland, packages can be delivered to major international cities by the following business day. To provide more convenience to our customers, a pick-up service is available, or they can go to any post office to send their Speedpost items. Customers can also open an account to enjoy the convenience of monthly billing and promotion offers for Speedpost. A 24-hour track-and-trace service is available via the web site of Speedpost [www.hongkongpost.com/speedpost](http://www.hongkongpost.com/speedpost).

**Local CourierPost:** Two services are available through Local CourierPost – Standard Service and Premium Service – to cater for both individual and business needs for local express delivery of documents and packages. Local CourierPost Standard Service items can conveniently be posted at all post offices throughout the territory. Customers can choose to register as account holders and enjoy a pick-up service. For major service areas, the Standard Service guarantees that items accepted before the cut-off time are delivered by 1:00 pm on the following working day and the Premium Service provides guaranteed delivery within 2.5 hours from the time of receipt of customer orders.

**e-Post:** This service provides customers a one-stop mailing solution that includes printing, enveloping, mailing and delivery to the recipients. The service is ideal for both commercial firms and government departments which require printing and mailing enormous amount of invoices and statements on a regular basis.

**Logistics Service:** A full range of inventory and supply chain management services are available through the Hongkong Post Logistics Service which includes warehousing and stock management, pick and pack, local and international delivery, online order tracking, import and export declaration, import license application, cross-border transportation and freight forwarding services.

**Philatelic Services:** Like many postal administrations, Hongkong Post issues two kinds of postage stamps –

definitive stamps which are normally issued once every three to five years and special/commemorative stamps which depict themes of general or historic interest. Usually there are about ten sets of special/commemorative stamps issued each year. Hong Kong postage stamps, which reflect Hong Kong's history, life and development, are designed and printed to a consistently high standard. The low postage rates prevailing in Hong Kong make philately an interesting and inexpensive hobby. Apart from handling and promoting philatelic services, Hongkong Post Stamps provides a wide variety of philatelic products to meet the needs of local and overseas stamp collectors. In addition to its extensive post office network, Hongkong Post also makes use of its well-established advance order system and online Internet shopping platform to enable local and overseas philatelists to purchase Hong Kong stamps in a convenient manner.

**PayThruPost Service:** The PayThruPost Service has provided customers with greater convenience to settle both government and utility bill payments by cash, cheque and EPS at all post offices (except mobile post offices).

**ShopThruPost:** The online shopping mall administered by Hongkong Post provides customers a reliable channel for purchasing philatelic and postal souvenirs as well as selected local and overseas products.

**Certification Authority (CA) Service:** To enable the development of electronic commerce in Hong Kong, Hongkong Post established a public key infrastructure and began acting as the first public CA in Hong Kong in January 2000. As empowered by the Electronic Transactions Ordinance, the Postmaster General is a recognised CA in Hong Kong. Hongkong Post Certification Authority (HKPCA) issues digital certificates, namely Hongkong Post e-Certs, to individuals and businesses to facilitate the identity verification of the subscribers over the Internet. The operation and services of HKPCA have been outsourced to E-Mice Solutions (HK) Limited since April 1, 2007 for 4 years. By the end of December 2008, HKPCA had issued about 1.6 million digital certificates to businesses, government departments and individuals.

**Development of Postal Services:** Automation of letter sorting was introduced in July 1990 with the commissioning of the Mechanised Letter Sorting System (MLSS), which was the first in the world using modern Optical Character Recognition (OCR) and Video Coding technology to sort letters without post codes or zip codes. To further enhance operating efficiency, a replacement MLSS is being installed in phases since early 2008 and full implementation to be completed by mid-2009. The new MLSS combines and improves the functioning of Optical Character Reader; Video Coding Machine and Letter Sorting Machine to streamline and optimise mail flow.

Four Culler-Facer-Canceller machines are installed in the General Post Office and the International Mail Centre.

These machines automatically segregate mail items into packets and letters, cancel the postage stamps on letters with a date impression and further segregate them into local/surface mail and air mail.

The Air Mail Centre at the Hong Kong International Airport at Chek Lap Kok is fully mechanised. Sorting of letters, packets and parcels is automated. There is also a mechanised mail storage and retrieval system, and an airline container handling system to facilitate mail processing.

The Track and Trace System, installed at all counter offices, delivery offices and sorting centres, computerises the tracking and tracing of Speedpost and Local CourierPost, as well as registered, recorded delivery and insured mail and parcels. Hongkong Post makes mail tracing information available to customers through an interactive voice response system and on its web page.

The computerised Collection and Delivery Management System incorporates the use of mobile devices through the application of General Packet Radio System (GPRS) telecommunication technology to automate operations in the courier service.

**International and Regional Involvement:** Hongkong Post participates as a member of the delegation of the People's Republic of China in meetings and activities of the Universal Postal Union (UPU). Established in 1874 in Berne, Switzerland, the UPU aims to foster the sustainable development of quality and efficient universal postal services in order to facilitate communication among the people of the world, and to guarantee the free circulation of postal items through an interconnected single postal territory. The Universal Postal Union Congress is held once every four years to determine strategic policy issues and to review existing postal working procedures and regulations to ensure that they continue to meet the needs of the community. Hongkong Post attended the 24th Universal Postal Union Congress held in Geneva, Switzerland, in July-August 2008 as part of the China delegation. Hongkong Post remains a separate postal administration and effectively exchanges international mail and has bilateral postal agreements with the postal administrations of other countries.

Apart from the UPU, Hongkong Post also participates in the meetings and activities of the Asian-Pacific Postal Union (APPU) as a member of the China delegation. The APPU is a regional postal union which deals with postal matters in Asia and Oceania. It aims at improving postal services through understanding and co-operation among the postal administrations in the region.

In November 2007, Hongkong Post was elected as the Chairman of the Asia Pacific Post (APP) which was established in 1995 to improve the quality of postal services in the Asia-Pacific region; enable member postal organisations to enhance their market share; and address operational, commercial, technical and economic issues of postal services in the region. Currently 25 postal organisations are members of APP with a governing board of seven members.