

Executive summary

European postal business cannot ignore the increasing political momentum behind the climate change debate. Faced with this situation the Kyoto Protocol and the European Commission - among others - have set targets for reducing CO₂ emissions for the next decades.

According to recent studies greenhouse gas emissions from postal operators in Europe represent about 70% of their total environmental impact. Half of these CO_2 emissions result from the use of road transport, with aviation and building energy usage also contributing significantly. There is however considerable scope to further reduce environmental impacts and CO_2 emissions within the postal industry.

For these reasons PostEurop's Environment Working Group has decided to launch a Greenhouse Gas Reduction Programme and invites PostEurop Members to join the initiative.

Benefits are:

- Economic, from reduced fuel, energy and resources consumption
- Regulatory, by anticipating the evolution of 'green' regulation
- Scientific, by encouraging R&D and innovative technologies
- Societal, by demonstrating postal operators' goodwill to address their social responsibility

The expected result:

 To demonstrate an average 10% reduction in the CO₂ emissions across the programme participants over the next five years.

Join the programme now!

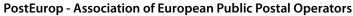
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Introduction

Since 2005 and the adoption of its new ambitious 'Vilamoura' strategy PostEurop has been active in promoting Corporate Social Responsibility (CSR) in the European postal sector and raising its Members' awareness on the issue. In March 2006 PostEurop was the first European trade association to support the European Alliance for CSR launched by the European Commission.

PostEurop's Environment Working Group (under the Social Responsibility Committee) supports the actions against climate change and proposes the **introduction of a Greenhouse Gas (GHG) Reduction Programme** to help Member postal operators quantify and mitigate its impact and exploit opportunities provided by progression to a low carbon economy.

Increasingly postal operators are sharing a common vision of sustainable development and are committed through social and environmental programmes to match their customers' and other stakeholders' strategy and expectations in this area. It is expected that postal operators will work together through this programme to exploit synergies in their management approach to climate change.

In Europe many climate-related initiatives have taken place since the European Commission issued the first Community strategy in 1991 to limit carbon dioxide (CO₂) emissions and improve energy efficiency. However, it is clear that action needs to be reinforced if the EU is to succeed in cutting its greenhouse gas emissions to 8% below 1990 levels by 2008-2012, as required by the Kyoto protocol.

In January 2007 the Commission unveiled its awaited energy proposals in a move to, it hopes, "set the pace for a new global industrial revolution". Central to the proposals is a binding target to slash the EU's greenhouse gas emissions by 20% until 2020.

This paper will show how PostEurop Members can support the achievement of the internationally ratified Kyoto agreement as well as the second European Climate Change Programme (ECCP II). This programme was launched by the European Commission as the main instrument to discuss and prepare the further development of the EU's climate policy in close cooperation with a wide range of stakeholders.





Greenhouse gases and the postal industry

As with other industrial sectors, the activities associated with the delivery of mail and provision of postal services have an impact on the environment. The use of fuel and building energy results in emissions of airborne pollutants, such as carbon dioxide, sulphur dioxide and nitrogen oxides, which contribute to nutrient enrichment, photochemical oxidation and the acidification of waterbodies, as well as having a significant contribution to the enhanced greenhouse effect.

Environmental assessments of postal operations show that the emissions of greenhouse gases are the postal sector's single biggest environmental impact, constituting about 70% of the total environmental impact. This is primarily due to the emissions of greenhouse gases, notably CO₂, contributing to the escalation of global warming, as they create a barrier in the upper atmosphere that prevents outgoing heat from escaping.

There is little doubt that the reduction of CO₂ emissions is the most important environment challenge for the European public postal operators. **Annually European public postal operators within PostEurop emit between 8 and 11 millions tons of CO₂**. The share of the operators from the EU countries is roughly between 5 and 8 millions tons of CO₂ yearly. These figures are based on studies undertaken by Post Danmark and include emissions associated with transport activity, building energy usage and sub-contractors for both mail and parcel services.

Approximately 50 % of these CO₂ emissions result from the use of road transport, with aviation and building energy usage also being significant contributors.

Reasons for reducing postal emissions

Highly efficient distribution systems ensure postal operators are well placed to meet customer expectations and their requirements for acceptable delivery times, costs and environmental impacts. However there is considerable scope to further reduce environmental impacts and CO₂ emissions within the postal industry. The intention of this programme is not to limit or constrain the economic development of European postal operators, nor impact their ability to deliver a high quality service to their customers. Rather the aim is to help postal operators decouple their economic performance from their environmental impacts - especially emissions of greenhouse gases – and thereby develop in a truly sustainable manner.

As **transport** constitutes the most important single factor causing CO₂ this area calls for action. Improvements can be achieved by driving more kilometres per litre or by switching to more environmentally friendly vehicles or fuel types. Such improvements are partly a question of technology, partly driven by behavioural elements since driving habits are key to lowered emissions. Other areas for improvements exist as postal operators are able to configure logistic networks to align with environmental objectives, i.e. by using alternative means of transportation.

Public postal operators are **significant landowners and managers of property through their administrative offices, sorting centres and outlets**. In the EU Commission's Green Paper on Energy Efficiency, the Commission showed that up to 20% of EU energy use could be saved in general. An effective energy efficiency policy by the public postal operators does





not mean less comfort or reducing competitiveness. It means making cost-effective investments and programmes in order to reduce energy wastage. In addition the contribution that can be made by the employees of postal operators to reducing energy usage must not be overlooked. Significant reductions in energy consumption can be achieved through the promotion of simple no/low cost housekeeping measures and engendering behavioural change. There are possibilities going further regarding buildings, where an existing Community directive applies.

Postal operators should also consider the **use of renewable/ low carbon fuel and energy sources** in their buildings and transport infrastructures.

Postal operators have a significant opportunity to influence and help reduce the greenhouse gas emissions of their supply chain through their **significant procurement budgets**. By specifying low carbon products, including environmental criteria in tender requirements and working with suppliers to identify, quantify and mitigate their emissions – across the whole product life cycle – the combined impact of both supplier and customer can be reduced, as well as stimulating and incentivising the development of energy efficient and low carbon products. In many areas competitive technologies already exist for improving energy efficiency. One such example is the procurement of cars and commercial vehicles, where the postal operators have a significant opportunity.

There is also the potential to reduce greenhouse gas emissions associated with the **development of postal products**, such as packaging material, through the specification of resources and materials with lower environmental footprints.

On that basis this programme will focus on four key areas:

- 1. Transport
- 2. Buildings and machinery
- 3. Eco-efficiency products
- 4. Procurement and use of renewable energy and low carbon fuels

As a part of this programme best practices and experiences in the four areas will continually be collected and shared amongst the participating postal operators.





Postal commitment

The purpose of the Greenhouse Gas Reduction Programme is to show the commitment amongst PostEurop Members to reduce CO2 emissions, stimulate progress and report the results.

One success criterion of the programme is to demonstrate an average 10% reduction in the CO_2 emissions across the programme participants over the next five years. The primary target will be expressed as both an absolute (total CO_2 emissions) and normalised figure (such as CO_2 emissions per 1,000 letters) – with the format of the latter to be determined. This approach will allow progress to be monitored relative to increasing, or decreasing, economic / postal activity.

The focus of this programme is to reduce the emission levels of PostEurop Members and as such carbon offset credits are out of the scope of this programme.

Expected result - An average 10% reduction in CO_2 emissions from programme participants by 2013

Results and reporting

Progress reporting is an important element of the programme. PostEurop Members who want to participate in the programme should agree to monitor their emissions and report achievements annually. To help Members report in a consistent manner a range of reporting tools will be provided, including a guide to progress reporting, a data-gathering tool and an emissions calculator.

A review of reporting methodologies and tools currently in use by PostEurop Members will run concurrently to the programme. It is proposed that PostEurop resources will be utilised for this activity and the results and recommendations will be shared with all programme participants.

Proposed steps in monitoring and reporting:

- Define the parameters and scope of greenhouse gas emission reports
- Determine the total CO₂ emissions of PostEurop Members
- Define the objectives of the programme, initally by specific postal activities such as transport, buildings and products, and then for each postal operator. Emissions are to be normalised and the percentage contribution of each Member determined.





Benefits for Members

Membership of this programme will provide participating postal operators with access to information and tools that will assist in reducing their greenhouse gas emissions and ensure they are getting the most out of their participation.

The main benefits for participants will be:

- Direct economic aspects such as reduced fuel consumption, energy consumption and use of resources for postal products will result in economic benefits
- Implementation of greenhouse gas reduction actions is a way to anticipate the evolution of regulatory instruments (e.g. EU Emissions Trading Scheme, domestic carbon taxation)
- The greenhouse gas reduction programme is a way to develop R&D and innovative technologies for PostEurop Members.

Wider benefits include:

- The use of a logo for the programme
- Showing society and stakeholders a commitment in the climate debate and gain recognition
- Information tools, as press releases and posters
- Technical tools, as a greenhouse gas data gathering tool and emissions calculator
- Sharing best practice concerning transport, energy efficiency in building and machineries, and eco-efficiency products
- Setting up regional eco-driving competitions
- Access to a yearly conference focusing on CO₂ reduction
- Contact with the European Commission concerning the European Climate Change Programme

- Further stimulation of national / European renewable energy generational capacity
- Be involved in the different work carried out on sustainable development amongst PostEurop and the EU.

Others benefits will develop as committed Members support and influence the PostEurop Greenhouse Gas Reduction Programme.

Join the Programme

PostEurop invites the public postal operators to join the Greenhouse Gas Reduction Programme. PostEurop urges as many Member organisations as possible to participate in this voluntary initiative to give strong support to a very important issue for the years ahead.

By entering this programme, participating postal operators agree to monitor their CO_2 emissions as accurately as possible, using the support and tools provided as part of the programme. They also agree to set voluntary targets for reducing CO_2 emissions, report achievements back to the programme and share experiences and best practices with the other postal operators participating in the programme. In return participants should be able to realise the aforementioned benefits and support the European Commission's European Climate Change Programme.

