















## BEST PRACTICE

## **DRIVING RURAL GROWTH**

## CHINA POST'S DIGITAL EMPOWERMENT MODEL

At the APPU Postal Business Forum 2024, China Post received the Sustainable Development in the Postal Sector Award for its national rural revitalization initiative. This project demonstrates how postal operators can play a catalytic role in addressing long-standing development challenges such as connectivity, market access, and inclusive financial services in underserved rural regions.

Highlights: China Post's project stands out for its scale, integration, and long-term impact. The initiative offers a forward-looking model that links postal logistics, digital transformation, and green development to national development goals. It represents one of the most comprehensive efforts in the region to align postal operations with rural development policy. Through investments in last-mile infrastructure, smart technologies, e-commerce, and inclusive finance, the project not only extends essential services but also supports small-scale producers in becoming active participants in the national economy.

## Project Overview: Empowering Villages through Postal Innovation

In support of China's rural revitalization strategy, China Post launched an ambitious initiative to use its nationwide infrastructure and data capabilities to boost economic inclusion in rural areas. The project focuses on four key areas: developing the rural digital economy, building new rural infrastructure, promoting the upgrading of the agricultural industrial chain, and providing rural digital inclusive services.

To solve logistics difficulties, China Post applied a postal and express waybill recognition system that enables simultaneous sorting on a single machine with 95% accuracy, reducing sorting time by 40%. Cooperation with other delivery firms now covers 75% of administrative villages, with 2.7 billion parcels delivered to villages in 2023, a tenfold increase in just three years. Drones have also been piloted in remote areas, enhancing mail access to islands and mountainous regions.

To tackle sales challenges, China Post built a two-way distribution system linking rural and urban markets. This model grew two-way business volume by 43.6% and boosted related package volume by 40%. The value of managed financial assets doubled year-on-year. Additionally, platforms for product traceability and live e-commerce sales have supported small producers in expanding market reach.

On the financing side, China Post's services now reach over 3.9 million rural households, 2.2 million cooperatives, and 90,000 agri-merchants. The balance of agriculture-related loans has doubled to 2.22 trillion yuan over five years, offering accessible credit via both in-person and digital channels.

China Post also emphasized green development, delivering more than 108 million mail items in recyclable packaging and reusing over 94 million corrugated boxes.

Together, these efforts form a highly integrated system that improves rural livelihoods, boosts farmer incomes, and supports sustainable economic development—offering a scalable model for the postal sector globally.