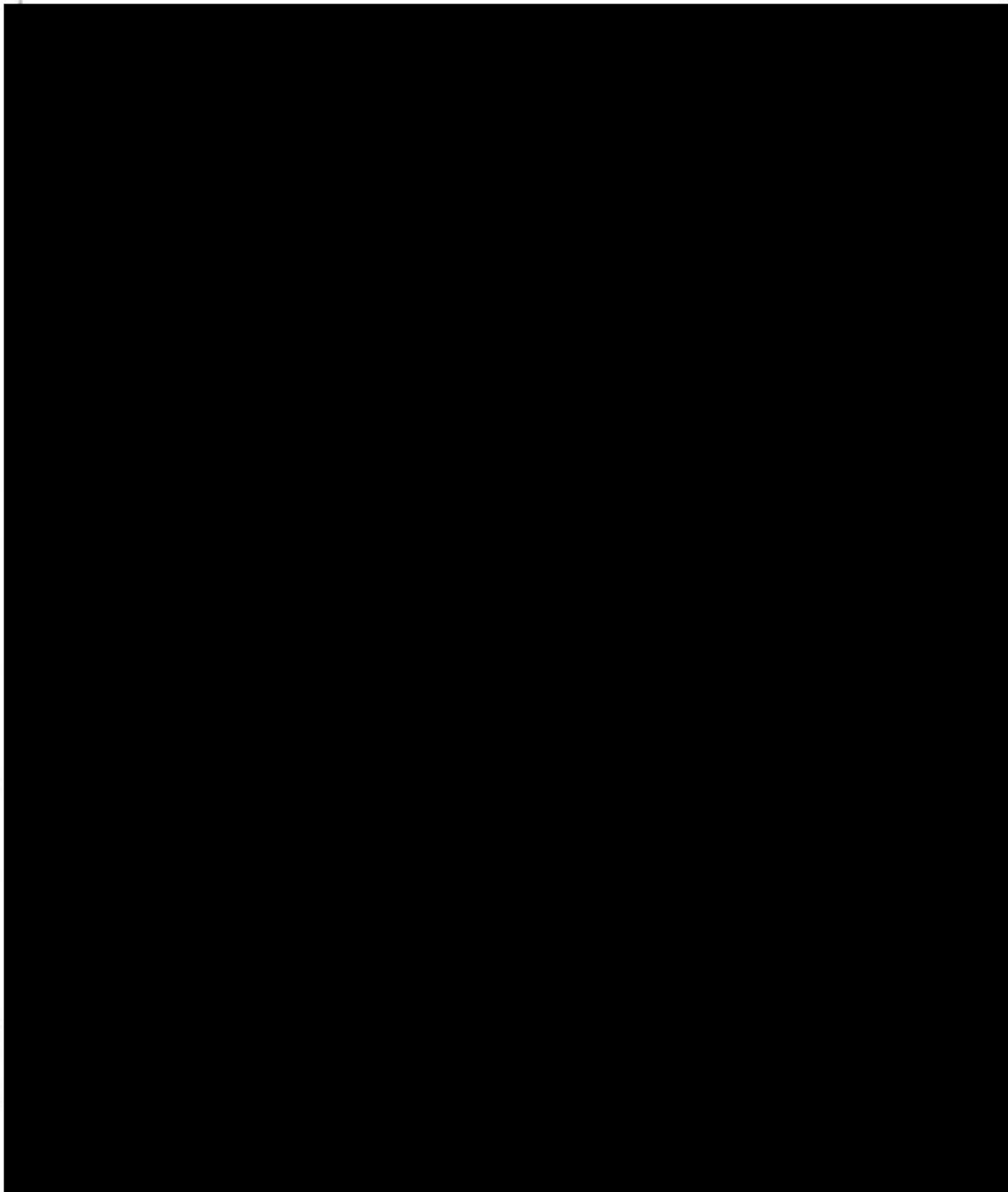

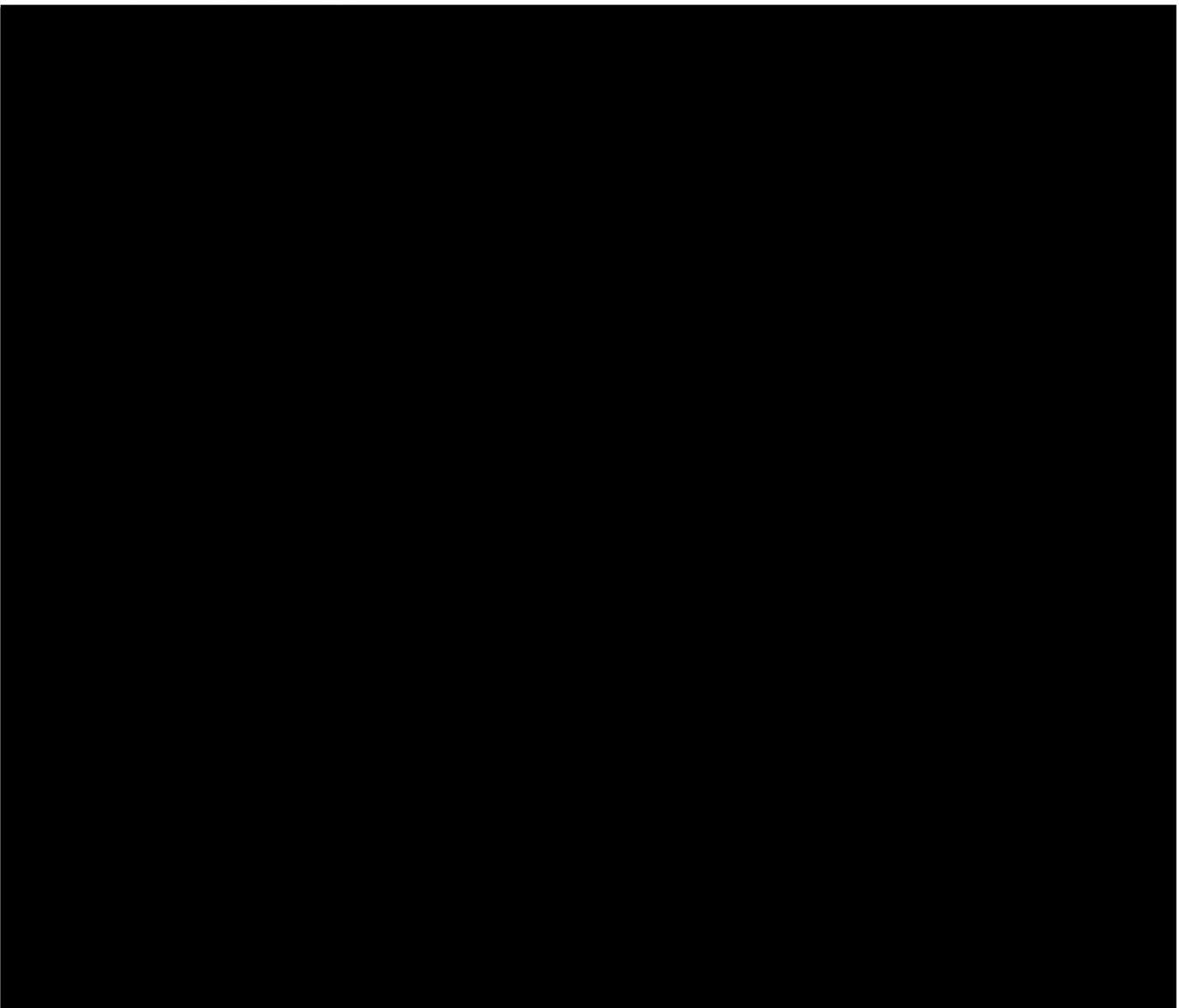


**1. Progress Report against Period 9 Strategic Milestones**  
(as defined in the Budget Paper)



**POCL Milestones**

| Traffic light indicator   | Overall objective     | Milestone  |
|---|-----------------------|--|
|   |                       |  |
| <br>A | Harnessing Technology | <ul style="list-style-type: none"><li>• To continue the automation of POCL by:<ul style="list-style-type: none"><li>▪ successfully completing the live trial of Horizon by the end of September 1999;</li><li>▪ installing 4,000 post offices with Horizon by the end of March 2000;</li></ul></li></ul> |

**Harnessing Technology**

There is still some uncertainty surrounding the Horizon project, due to the system's performance. The meeting to agree the way ahead took place in the first week of January and POCL are hopeful that the traffic light status will be green by period 10.

