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Postal Operations Council



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Letter Post (Com 1)

Terminal Dues

- Agreed on the principles for the future terminal dues system:
 - Multiple tariffs based;
 - Quality linked;
 - Impact controlled through caps and floors;
 - Gradual transition to the target system.
- The final Congress proposal will be discussed at the TD Round-table in Feb 2012

Coordination across lightweight packet, parcels and EMS

- Coordinated actions required to seize opportunities for growth
- Inter-committee joint group is created to develop Congress proposals



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Postal Parcels (Committee 2)

Inward Land Rates

- The Inward land rates bonus system is performance based and the validation procedures was established.
- An external study on the base rates demonstrated that Inward Land Rates are too high and not cost based.
- The ILR base rates are still frozen at 71.4% of 2004 rates with the option of gaining up to 40% bonuses based on service features provided. DOs can also claim inflation adjustment.

Customs issues – Kyoto Convention Annex J

- Promotion of Specific Annex J (Postal Traffic) of Kyoto Convention on the simplification and harmonization of Customs Procedures
 - 11 signatories countries : Algeria, Australia, Egypt, Madagascar, Malaysia, Korea (Rep.) Mauritius, New Zealand, Norway, Uganda and Zimbabwe



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Postal Financial Service (Com 3)

Establishment of the quality standards of the postal payment service

- Decided to create ad hoc group and ad hoc groupe to present a draft quality standards at the October CA session.

Creation of the UPU regional clearing

- Decided to implement UPU clearing for the postal payment service from 1 January 2012

Creation of a collective mark for the postal payment service

- Selected a logo
- Decided to launch a call for funding to register the mark at the worldwide level (1 000 000 CHF)



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Standards & Technology (Com 4)

- Enhanced .post Domain Management Policy;
- .post pilot project for international registered mail;
- New Letter Post regulation for postal registered electronic mail (RL256bis);
- New Letter Post regulation for postal electronic mailbox (RL256ter);
- A Congress proposal to amend UPU Convention Article 14 - to be presented to 25th UPU Congress



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Postal Security - *The US Security measures taken in November 2010*

Background

- Interception of two packages containing explosive materials (PETN) sent through courier service providers in October 2010
 - PETN is not detectable by standard x-ray screening.
 - Aim was to take down a commercial aircraft
- In response, the US Transportation Security Administration (TSA) imposed heightened security measures for mail items destined for or transiting through the US.



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Security measures implemented on 18 Nov 2010

- Mail separated by weight and relationship of shipper with the Post
- Tendering statements required from posts to verify the separation of dispatches
- Restrictions on mail transported on passenger aircraft
- Screening required for a considerable portion of mail at the item level



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Impact on the postal community

- Freedom of transit was affected dramatically (18 hub operators)
- Many airlines declared non-acceptance of mail items
- Partial or total suspension of mail services to the US
- Backlogs of mail items at various points in the postal transport chain
- Delay of mail occurred in many links to the US
- Increased costs resulting from the need to move mail by cargo aircraft and other operational changes
- Customer claims, loss of customer confidence and business



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Actions undertaken

- Task Force created immediately after the 2010 CA session (daily and subsequently weekly teleconferences were held)
- Numerous actions by the Director General of the UPU-IB were undertaken to address concerns to the US (three letters to the US Secretary of State and one letter to the US Secretary of Homeland Security)
- Consultation and coordination with Chairs of CA and POC
- Communication with member countries
- Participation in Global Mail Working Group created by US DHS and TSA to provide advice and refine the security measures to focus on high risk mail.



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Results of 10 March US amended measures

- Four countries have reopened transit mail service of all classes regardless of weight to the USA
 - **Germany** - requested to be contacted prior to shipment to ensure air lift and screening capacities (EmIS n° 048/2011)
 - **Great Britain**
 - **Romania**
 - **Netherlands**
- 14 countries have continued suspension of transit mail service to the USA
 - Maybe because lack of communication and unclear understanding of the security measures



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Way forward – Global standardized approach

- The security concern is fundamental and a top priority matter in every organization.
- Inter-Committee Security Group created within the UPU in cooperation with the leading countries in the CA and POC.
- The UPU, closely working with the relevant international, regional and national stakeholders, should find common solutions taking into account new requirements.



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Council of Administration



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Governance Issues (Com 1)

Reform of the Union

- Arbitration procedure for designated operators
- Study on maximizing existing synergies between the Union and Restricted Union
- Seeking the possibility for the Union to appeal the UN International Court of Justice
- Establishment of general principles concerning the organization of extrabudgetary activities
- Rules concerning UPU observers at meetings
- UPU structure and mission study – Ad hoc group activities

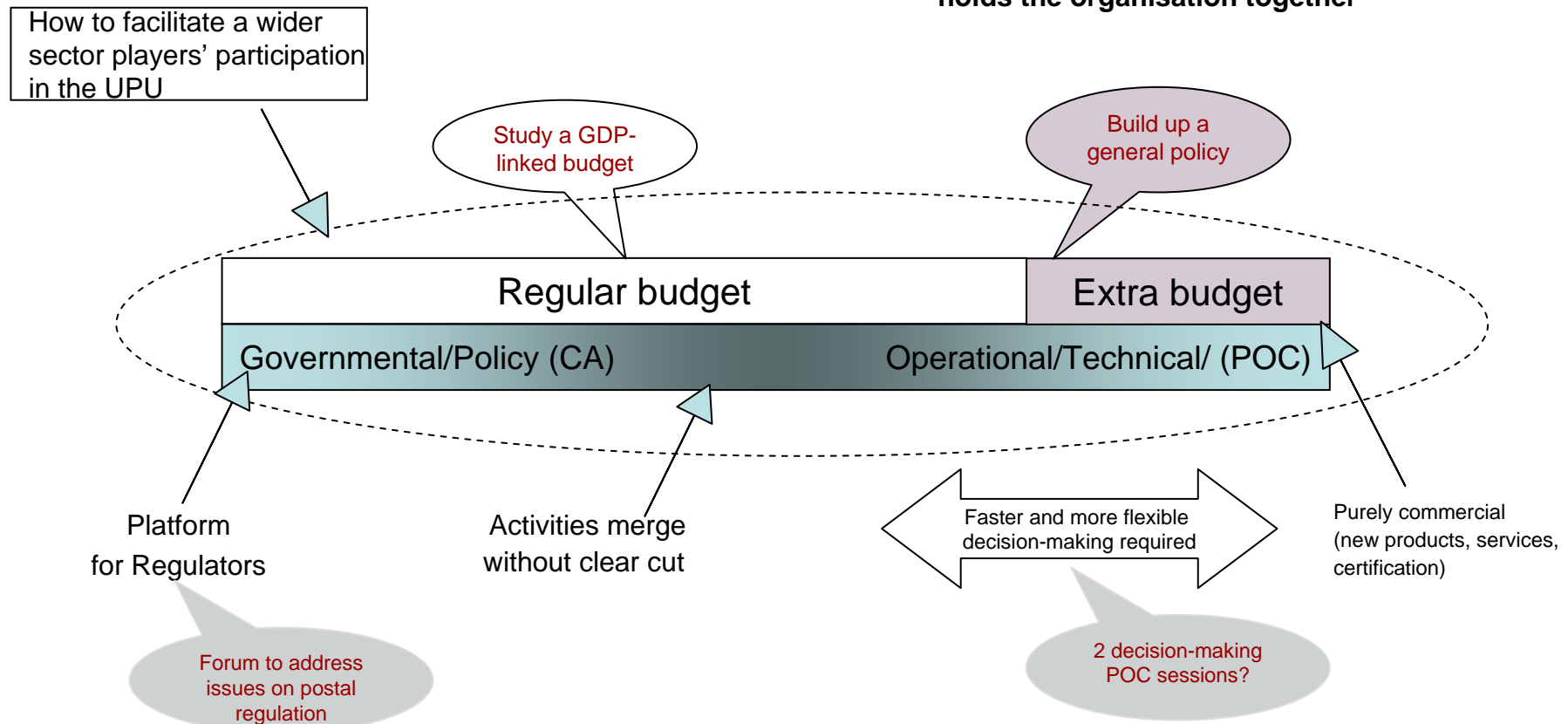


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Ad hoc group's study

Integrated model for the UPU

Supply chain integration – interconnectivity, technical cooperation, standards, Acts and Regulations are the glue that holds the organisation together





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Congress Timetable

Monday, 24/09	9.30–12.30	(Registration)	
	15.00–18.00	Opening Plenary	
Tuesday, 25/09	9.30–12.30	C 3 (General Matters) 1/5	
	15.00–18.00	C 5 (Economic Issues) 1/5	C 6 (Postal Payment Services) 1/2
Wednesday, 26/09	9.30–12.30	C 3 (General Matters) 2/5^	
	15.00–18.00	C 4 (Regulatory Issues) 1/4	C 6 (Postal Payment Services) 2/2
Thursday, 27/09	9.30–12.30	C 3 (General Matters) 3/5	
	15.00–18.00	C 5 (Economic Issues) 2/5	C 7 (Postal Markets and Products) 1/5 C 9 (Drafting)
Weekend			
Sunday, 30/09	9.30–12.30	C 3 (General Matters) 4/5	
	15.00–18.00	C 5 (Economic Issues) 3/5	C 7 (Postal Markets and Products) 2/5
Monday, 1/10	9.30–12.30	C 3 (General Matters) 5/5	
	15.00–18.00	C 4 (Regulatory Issues) 2/4	C 7 (Postal Markets and Products) 3/5
Tuesday, 2/10	9.30–12.30	C 5 (Economic Issues) 4/5	C 7 (Postal Markets and Products) 4/5
	15.00–18.00	C 4 (Regulatory Issues) 3/4	C 8 (Development Coop) 1/3 C 9 (Drafting)
Wednesday, 3/10	9.30–12.30	C 5 (Economic Issues) 5/5	C 7 (Postal Markets and Products) 5/5
	15.00–18.00	C 4 (Regulatory Issues) 4/4	C 8 (Development Cooperation) 2/3

Thursday, 4/10	9.30–12.30	C 2 (Finance) 1/2	C 8 (Development Coop) 3/3 C 1 (Credentials)
	15.00–18.00	C 2 (Finance) 2/2	EMS Cooperative
Thursday, 4/10	9.30–12.30	C 2 (Finance) 1/2	C 8 (Development Coop) 3/3 C 1 (Credentials)
	15.00–18.00	C 2 (Finance) 2/2	EMS Cooperative
Weekend			
Sunday, 7/10	9.30–12.30	Plenary	
	15.00–18.00	Plenary	Telematics Cooperative/C 9 (Drafting)
Monday, 8/10	9.30–12.30	Plenary (high-level Ministerial Plenary)	
	15.00–18.00	Plenary (high-level Ministerial Plenary)	
Tuesday, 9/10	9.30–12.30	Plenary	
	15.00–18.00	Plenary	C 1 (Credentials)
Wednesday, 10/10	9.30–12.30	Plenary (elections)	
	13.00–18.00	Plenary (elections)	
Thursday, 11/11	9.30–12.30	Plenary	Signing of the Acts
	15.00–18.00	Plenary	Signing of the Acts
Weekend			
Sunday, 14/10	9.30–12.30	Closing Plenary	Signing of the Acts
	15.00–18.00	CA constituent meeting	Signing of the Acts
Monday, 15/10	9.30–12.30	POC constituent meeting	Signing of the Acts
	15.00–16.30	CC constituent meeting	



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Governance Issues (Com 1)

Next steps for Reform of the Union

- Ad hoc group will continue to work (Summer)
 - Ø Ad-hoc Group meetings
 - Ø IB Consultations
 - Ø POC and CA Chair Consultations
 - Ø Regional Round Tables
 - Ø Final proposals (CA)
- Consultation on the proposal to create an article governing the organization of the extrabudgetary activities (voluntarily funded subsidiary bodies)



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Governance Issues (Com 1)

Interconnectivity

- International mail processing centre (IMPC) code structure and operator IMPC codes
 - Designated operators are very reluctant to modify the code structure.
- ETOE issues - designated operators seems satisfied with the current UPU policy on ETOEs
- Implication of designating multiple operators by a member country, such as Bosnia and Herzegovina, Kazakhstan
 - Kazakhstan designated two operators (Kazakpost and Janzen Express) which complete to each other in the parcel segment.



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Development Cooperation (Com 2)

Creation of a UPU emergency solidarity fund for countries affected by natural disasters and/or in special situations

- Generally agreed on the creation of the fund;
- However, more information about how to maintain and manage the fund should be provided at the next CA session.

E-Commerce Development

- E-Post Africa project, a joint venture involving the PAPU, the African Telecommunications Union (ATU) and the Regional African Satellite Communication Organization (RASCOM) aimed at developing an e-connectivity network for member countries, modernizing the postal network and improving quality of service



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UPU Doha Postal Strategy (Com 4)

Goal 1 – Improve the interoperability of the international postal networks

Program 1.3 – Develop adequate standards and regulation

Goal 2 – Provide technical knowledge and expertise

Program 2.1 – Increase awareness of the role of the postal sector

Program 2.2 – Develop statistical & cost accounting procedures

Program 2.4 – Capacity building to implement their universal service

Goal 3 – Promote innovative products and services

Program 3.4 – Facilitate international e-commerce

Goal 4 – Foster sustainable development of the postal sector

Program 4.1– Improve remuneration systems between DOs

Program 4.2 – Promote environmental awareness and social responsibility



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Thank you for your attention!

Any question?

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