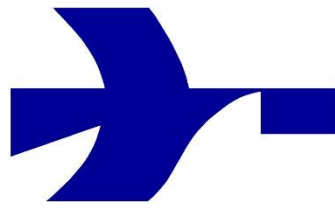


Information on opening up the UPU

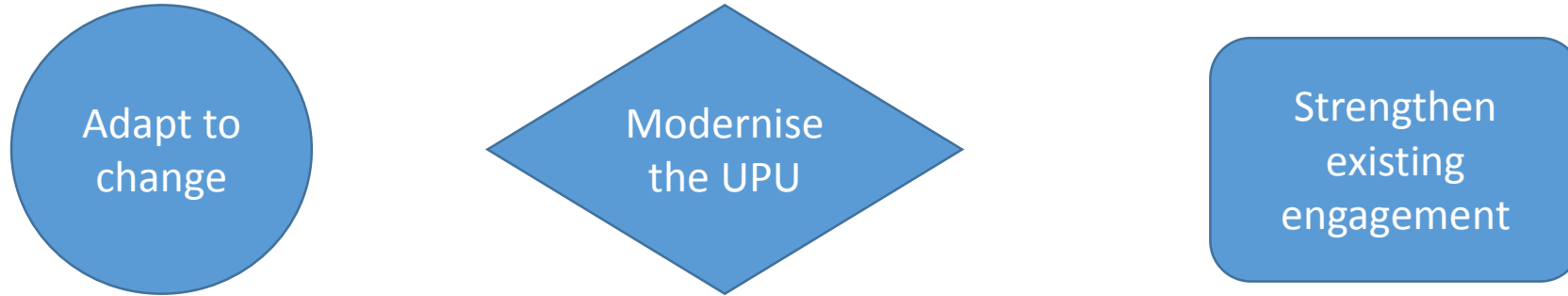
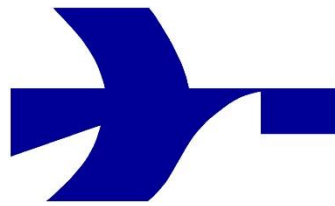
**ASIAN-PACIFIC POSTAL UNION EXECUTIVE COUNCIL MEETING
22 July 2020 , Online Session**



Presentation outline

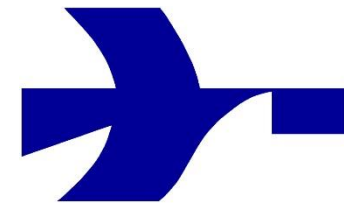
1. Why is opening up the UPU important?
2. What is being proposed?
3. What have Asia-Pacific regional taskforce members proposed?
4. What are the key considerations going forward?

Why is opening up the UPU important?



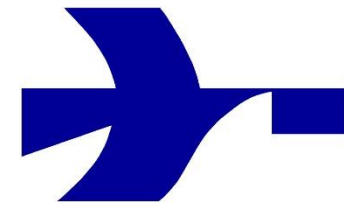
Outcomes to date

- Resolution C10/2016 “Policy on the access of wider postal sector players to UPU products and services” – the CA to approve and oversee the implementation of the access policy.
- Creation of taskforce in October 2019 – to examine the specific topic of opening up the UPU to other stakeholders and provide recommendations to the Council of Administration on the extent to which, in what way, and under what conditions the UPU should be opened up.
- Following from the February 2020 Council of Administration meetings, the taskforce is considering three recommendations:
 1. **Institutional change:** Congress will determine the membership, contribution and structure for the new proposed new members.
 2. **Opening of products and services:** Congress will determine which products and services are to be opened to new players.
 3. **Roadmap for implementation:** Congress will determine the timeline and roadmap for implementation of opening up.



What is being proposed?





Possible institutional change: Membership

Current UPU membership

- Member countries (192)
- Designated operators
- Consultative Committee (14)

17 taskforce member countries responded to the “questionnaire on the next steps in opening up the UPU to wider postal sector players”.

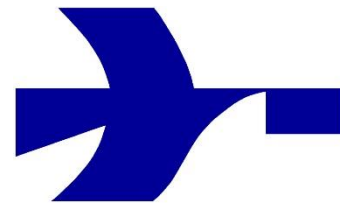
The option to the right was presented by the Taskforce Secretariat on 24 June based on the ITU model.

Possible new membership categories

ITU model

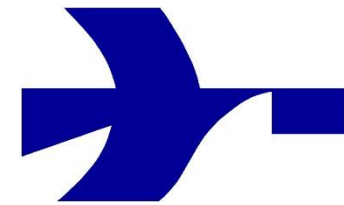
- Member countries
 - Sector members
 - Associate members
-
- Sector members = Entities that are operating in postal segments in which postal operators are present, whether or not they have a postal license.
 - DOs/USO providers, shipping providers, large ecommerce merchants providing IT services, or independent operators.
 - Associate members = Entities that are not directly providing postal services, but are relevant to the postal sector, who can use specific products and services on a paid basis and contribute their technical expertise to UPU forums.

Possible membership options presented by the Taskforce Secretariat

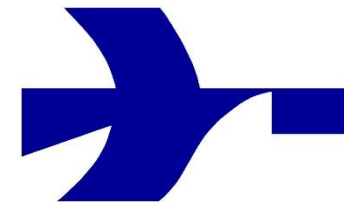


	Member countries	Sector members	Associate members
Governments & regulators	YES	NO	NO
DOs (private or public)	NO	YES	NO
E-retailers, courier, logistics & financial service providers	NO	YES	NO
Airlines, railways & other transport companies	NO	NO	YES
Manufacturers of postal solutions, unions & customer associations	NO	NO	YES
Other	NO	NO	NO

Possible membership fee options presented by the Taskforce Secretariat



	Member countries	Sector members	Associate members
Mandatory membership fees (RB)	Payments to the regular budget of the Union, as per the system in place, without prejudice to new discussions	Annual fees for the corresponding membership category (fees to be determined)	
Voluntary membership fees (VF)	Membership fees to fund any specific extrabudgetary mechanism, such as user-funded bodies (fees to be determined)		
Direct funding of projects and other payments (VF)	Any voluntary contribution to finance the Union or fund specific projects		
Purchase of products and services (SPS)	Payment for any product and service labelled as on-demand (fees to be determined)		



UPU products and services



Events and meetings of UPU bodies



Treaties and international agreements



Settlement mechanisms



Consulting and capacity building



IT solutions



Standards



Data storage and protection



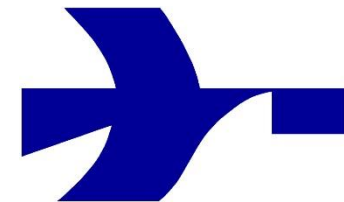
Focused analysis



Research & insights on market trends



General support/
other activities



Participation of wider sector players

The Consultative Committee is considering reforms to enhance its membership through a three-level transformation process:

1. Decision-making transformation

- The Consultative Committee should become a truly consultative body of the Union.

2. Membership transformation

- Open to all non-state actors, including individual companies or small and medium enterprises and start-ups, and not just associations, non-governmental organisations and to high-level postal figures as at present.

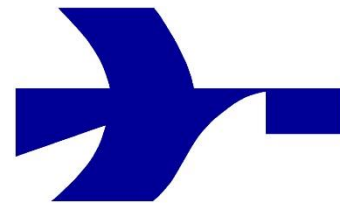
3. Internal organization

- The internal structure of the Consultative Committee may mirror the structure of the councils (CA and POC) and in particular their respective committees that are most relevant to the CC and its members.
- It could also be organized according to the goals of the UPU world postal strategy.
- The Consultative Committee may also be structured according to thematic pillars or activity clusters in line with the sectors of interests and business activities represented by its members.



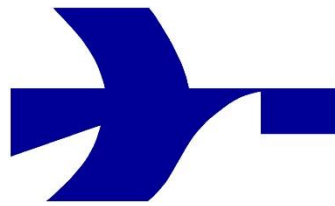
Refer to May 2020 Consultative Committee report for more details: Contribution of the Consultative Committee to the task force on the opening up of the UPU to wider postal sector players - Institutional changes to foster private sector and civil society engagement and Consultative Committee (CC) transformation

What have Asia-Pacific regional taskforce members proposed?



- **As a primary step, determine the overarching policy and principles for opening up access, to inform any proposals for Congress**
 - Any proposals taken to Congress should include and be guided by overarching principles and objectives of what opening up of the UPU's products and services will aim to achieve in the short, medium and long term.
 - This work needs to be done in a careful and considered manner.
- **Two-staged approach to opening up access to products and services**
 - Stage 1 – If there is agreement by the taskforce members, possible “quick win” proposals could be submitted to the 27th Congress.
 - Stage 2 – All products, services and membership options not unanimously agreed by the taskforce, and which require further work, should be included in a roadmap for continuing work in the next cycle.
- **Prioritise Consultative Committee reforms**
 - Reform options to extend and strengthen the membership base of the Consultative Committee are positive and should be addressed as a priority.

Key questions and considerations for ALL countries



- Future of the UPU – what will it look like in 10 years?
- What are the benefits to the UPU, and how would opening up guarantee the UPU's longer term sustainability?
- Are there any risks in opening up the UPU and how can we ensure members' interests are protected?
- How would universal service obligations continue to be protected under this membership model and an even playing field between designated operators and wider sector players be upheld?
- What benefits would opening up provide to existing members?
- Membership vs decision making rights.
- Which model would best enhance the interoperability of the global postal network?
- What extent of engagement and participation of wider sector players should be granted?
- What are the risk and opportunities, if any, of opening up particular products and services?

Discussion and questions

Thank you.

