



EXECUTIVE COUNCIL 2024

ASIA PACIFIC POST COOPERATIVE UPDATE

(Document prepared by the APPU/UPU Reform Working Group and the Bureau)

1. Subject	References/ Paragraphs
Informing the EC on: <ul style="list-style-type: none"> - The background to the issue facing the Asia Pacific Post Cooperative - The steps taken since the 2023 Executive Council meeting 	§ 1.1-1.4 § 2.1-2.4
2. Decision expected <p>The EC is asked to:</p> <ul style="list-style-type: none"> - note the information provided - agree the next steps 	§ 1.1-2.4 § 3.1

1 Background

1.1 The issues impacting the Asia Pacific Post Cooperative (APP) have been extensively explored by the Asian-Pacific Postal Union (APPU) Executive Council (EC). In brief, the issues can be summarised as:

- (i) The EC decided in 1998 to create the APP through a process that occurred outside the strict framework of the APPU treaties. This resulted in the creation of a body ultimately owned jointly by all EC members but which was not a formal organ under the APPU’s treaties.
- (ii) This does not mean the creation of the APP was illegal or that the APP does not exist. However, the effect of this decision-making process means that the APP currently does not have any legal personality and therefore cannot hold funds in its own name, sign contracts, employ staff, or do many other things in the normal course of its activities.
- (iii) These issues have been largely out of sight from APPU member countries as a result of the generosity of Singapore Post to host the APP, employ its staff, and carry much of the liability for its activities. In December 2022 Singapore Post indicated it was unable to continue this arrangement following an internal review that identified associated operational issues.

1.2 Further detail can be found in EC 2023 Doc 13.7.

- 1.3 At the 2023 EC meeting, the membership agreed that the preferred path forward is to amend the General Regulations of the APPU to permit the creation of user-funded subsidiary bodies. Once this amendment is in place, the EC can then retake its 1998 decision to create the APP inside the treaty framework. This would facilitate the APP being established as a legal entity, resolving the issues identified above, particularly its ability to legally employ staff and meet its obligations towards them.
- 1.4 To progress this work, in 2023, the EC further decided to:
- (i) **note** the text of the draft amendment to the General Regulations of the APPU presented to the 2023 Executive Council.
 - (ii) **instruct** the APPU/UPU Reform Working Group to continue to develop the text of the amendment to the General Regulations of the APPU in consultation with APPU member countries, and to communicate a final proposed version to all APPU member countries no later than 6 months prior to the relevant Congress.
 - (iii) **instruct** the APP Cooperative Management Board to establish a taskforce or similar body consisting of such APP Cooperative members as may be desired by the Board, to develop a proposed 'Basic Framework' for the integration of the APP into the APPU, as outlined in the text of the draft amendment, and to provide their proposed 'Basic Framework' to the Chair of the APPU/UPU Reform Working Group no later than 6 months prior to the 2024 Executive Council meeting.
 - (iv) **instruct** the APPU/UPU Reform Working Group to analyse the proposed 'Basic Framework' in cooperation with the APP Cooperative Management Board and provide the 2024 Executive Council with advice on its suitability for adoption.
 - (v) **establish** a working group to commence negotiations with the government of the APP's preferred host country (when such a preference is communicated to the Bureau by the Chair of the APP Cooperative Management Board), and commence discussions on any changes (noting none may be required) to that country's domestic law to facilitate recognition of the APPU's legal status as an intergovernmental, multilateral, treaty-based organisation and restricted union of the Universal Postal Union.
The working group shall be chaired by the Secretary General. In view of the subject matter, membership of the working group shall be closed and consist of the Chair of the Executive Council (presently Thailand), the Chair of the APP Cooperative Management Board (presently Singapore), and the Chair of the APPU/UPU Reform Working Group (presently Australia). It may be assisted by the Reform Consultant or members of the Bureau as decided by the Chair. It is to report annually to the Executive Council until such time as the matter is concluded.
 - (vi) **instruct** the Secretary General to work with the Chair of the APP Cooperative Management Board and the APP Managing Director on operational transition arrangements as required, with the Chair of the Cooperative Management Board to report annually to the Executive Council on such activities.
 - (vii) **agree** that the Bureau in line with Article 10 of the APPU Constitution, undertake a consultation with members on holding of an APPU Extraordinary Congress in conjunction with the 2024 EC meeting.

2 Recent activities

- 2.1 As decided by the EC in 2023, the Bureau conducted the consultation regarding the holding of the Extraordinary Congress. In March 2024, the Bureau advised the outcome of the consultation was that the membership had not consented to holding an Extraordinary Congress. Details on this are provided by the Bureau in EC 2024 Doc 13.2 (a). This means that any treaty changes can occur at the 2026 Congress at the earliest.
- 2.2 Since the 2023 EC meeting, the required actions have been progressed as outlined below.

EC instruction	Summary	Actions
(ii) Treaty text	Further develop treaty amendment to facilitate agreed solution to be finalised no later than 6 months prior to the next Congress.	For consideration The RWG has developed a policy position on user-funded subsidiary bodies more broadly, including draft treaty text. Refer EC 2024 Doc 13.3.
(iii) Basic framework – APP	The APP to create draft ‘Basic Framework’ and provide to RWG no later than 6 months prior to the 2024 EC meeting.	Completed The Chair of the APP Cooperative Management Board (CMB) provided a draft Basic Framework to the Chair of the RWG in February 2024, within the required timeframe.
(iv) Basic framework – RWG	The RWG to analyse the ‘Basic Framework’ and advise the EC on its suitability for adoption.	Underway The RWG analysed the ‘Basic Framework’ in February and March 2024 and provided comment back to the Chair of the APP CMB. See paragraph 2.3.
(v) Government negotiations	Create a group to commence negotiations with the host country of the APP, once the preferred host is identified.	Not commenced The APP is yet to advise its preferred host country so negotiations have not commenced.
(vi) Operational transition arrangements	The SG of the APPU and the Chair of the APP CMB to work on operational transition arrangements.	Underway The SG and CMB Chair have met to discuss preliminary arrangements, noting more detailed discussions will follow.

- 2.3 The APPU/UPU Reform Working Group considered the draft ‘Basic Framework’ provided by the Chair of the APP Cooperative Management Board in Meeting 6 (March 2024) and by correspondence. Following this, questions and comments were provided to the Chair of the APP CMB.
- 2.4 The APPU/UPU Reform Working Group cannot recommend the draft ‘Basic Framework’ for adoption by the EC as further work needs to be undertaken to ensure it is suitable. Given this matter cannot be finalised until a treaty amendment is made, which cannot occur until the 2026 Congress, the APPU/UPU Reform Working Group proposes discussions continue and an update is provided to the 2025 EC.

3 Next steps

- 3.1 Further work is required ahead of the 2026 Congress to implement a solution for the APP. As such, it is recommended that the EC **asks**:
- (i) the Chair of the APP CMB to advise the Secretary General and the Chair of the Executive Council on the preferred location of the APP Cooperative no later than 3 months prior to the 2025 Executive Council meeting,
 - (ii) the APPU/UPU Reform Working Group to continue working with the Chair of the APP CMB to develop the 'Basic Framework', and
 - (iii) the Secretary General to continue working with the Chair of the APP CMB and the APP Managing Director on operational transition arrangements as required, with the Chair of the APP CMB to report annually to the Executive Council on such activities.