

EXECUTIVE COUNCIL 2025

REPORT OF THE FINANCE COMMITTEE*Report by Japan*

1. The Finance Committee was attended by Japan (Chair), Australia, China, India, Korea (Rep.), New Zealand, and Thailand. It met on Monday, 30 June 2025.
2. The Bureau was represented by Dr Vinaya Prakash Singh, Secretary General of APPU, Mr Sandeep KP (Consultant, APPU Bureau), and Ms Kwanjai Kajornwuttideth (Manager, Administration and APPU Affairs).
3. The Secretary General welcomed all members to the meeting, particularly the observers who were participating in the work of the Finance Committee for the first time. This made it a milestone event for transparency and inclusivity in financial decision-making. He expressed his pleasure in being associated again with Mr AOKI and thanked him for his dedication to the work of the Committee and to the Union in general.
4. The Chair then proceeded to the business of the meeting.

5. Doc 6a - Report and financial statements of 2024 for the Administrative Section of APPU**5.1** Topline financial information

- (i) Revenue was in line with budget at US\$210,475.95.
- (ii) Expenditure was under budget at US\$196,897.67.
- (iii) The outcome for 2024 was a saving of US\$13,578.28.

5.2 Decision taken

The Finance Committee **noted and approved** the report and financial statements for 2024 for the Administrative Section (i.e., Doc 6a).

6. Doc 6b – 2026 Administrative Section Budget**6.1** Topline financial information

- (i) Revenue is projected at US\$209,227.
- (ii) Expenditure is projected at US\$207,708.
- (iii) The outcome for 2026 is projected as a surplus of US\$1,519.

6.2 The contribution unit is proposed to remain unchanged from that signalled at the 2022 Bangkok of US\$2,737.

6.3 Discussion

AUSTRALIA spoke in its role as Chair of the Reform Working Group (RWG). There was a requirement to deliver work to the 2026 Congress, work which relies on the support of the Reform Consultant and will continue to do so until Treaty changes are adopted. The amount of work should decline, and it may only be minimal.

The RWG has proposed in EC 2025 Doc 13.1 that a reduced amount of US\$15,000 be allocated for 2026. It was noted that the Consultant may be under-expended in 2025, as was the case in 2024. The RWG Chair highlighted that the budget requirement and signals that there will be a need for financial support in 2026.

The BUREAU responded that it had not received any request from the RWG for funds for 2026. The past practice has been for budget requirements to be notified to the Bureau. There had been no request in writing received by the Bureau.

AUSTRALIA replied that funding for 2026 had been raised with the Bureau in a discussion. AUSTRALIA mentioned that it would be grateful for the budget to be updated to reflect the financial requirement. The work will need further consulting support, and it would be appreciated if the Bureau could make an adjustment.

The BUREAU answered to the effect that it had cross-checked the 2026 draft budget with previous years. It also noted that costs had increased in many of the expenditure lines, particularly where CPI is an underlying factor. There was an allocation of \$US 10,000 for all consulting work and this might offer some scope for the RWG to continue with external support.

NEW ZEALAND noted that there was substantial funding in the ASRF and also a healthy balance in the SAF. NEW ZEALAND mentioned that these two sources could offer the solution.

The BUREAU replied to New Zealand that there will be a need for a substantial call on the ASRF in the next year for three new vehicles and this tends to rule out any other use of the ASRF for the time being. However, it may be possible to carry forward any savings across other budgets from 2025 to provide funds for the RWG.

INDIA noted that the RWG was a very important piece of work and that it was coming to an end. It preferred to try and find savings in other areas to meet the RWG funding requirement, rather than access ASRF.

AUSTRALIA closed its comments with the point that it is important to know how much work there is to be done in 2026 and beyond. BUREAU agreed to use the savings from 2025 and the budget of 2026 to make sure that the consulting needs of the RWG is met in 2026.

6.4 Decisions taken

The Finance Committee:

- (i) **Noted** Doc 6b
- (ii) **Approved** the budget for 2026

7. Doc 6c – Update on the ASRF of the APPU

7.1 Topline financial information

- (i) Minimum financial level required: US\$80,000.
- (ii) Opening balance on 1 January 2025: Expenditure is projected at US\$358,487.
- (iii) Estimated closing balance on 31 December 2025: US\$346,900.

7.2 Based on the topline information, no supplementary funding is necessary for the ASRF in 2026.

7.3 Decisions taken

The Finance Committee:

- (i) **Noted** Doc 6c
- (ii) **Noted** the current financial level of the ASRF
- (iii) **Approved** the status of the ASRF for 2026 (i.e., no additional funding (replenishment) is required)

8. Doc 6d – 2026 Consultancy Section Budget

8.1 Topline financial information

- (i) 2024
 - (a) Expenditure: US\$98,317.
 - (b) Voluntary contributions: US\$78,959.
 - (c) Net contribution from UPU-China Fund project: US\$26,758
 - (d) Funding required from Special Activities Fund (SAF) to cover costs: Nil.
 - (e) Outturn for 2024: a surplus of US\$7,400
 - (f) Closing balance of SAF (31 December 2024): US\$139,288.
- (ii) 2025 (estimated)
 - (a) Expenditure: US\$99,050.
 - (b) Income: voluntary contributions of US\$80,000 and projects of US\$19,980.
 - (c) There is no deficit projected for the year 2025.
 - (d) Closing balance of SAF (31 December 2025): US\$139,288.
- (iii) 2026 (estimated)
 - (a) Expenditure: US\$103,109.
 - (b) Income: US\$80,000 and projects of approximately US\$25,000.
 - (c) There is no deficit projected for the year 2026.
 - (d) Closing balance of SAF (31 December 2026): US\$139,288.

9.2 Discussion

CHINA noted that the Regulatory Workshop project had a budget of CHF 50,000. However, the revenue allocated to the project was somewhat less than this figure at US\$ 47,358. (The observation being that in the latter part of 2024 CHF 50,000 converted to around US\$59,000.) China asked the Bureau for an explanation of the difference between original budget and the actual drawdown of funds.

The BUREAU commented that there were two factors that resulted in the shortfall in funds being used. Firstly, some participants from the member countries for whom the Bureau had made travel arrangements, were unable to attend and had to cancel very close to the timing of the Workshop. This resulted in some unused funds. Secondly, within the original budget there was an allocation of CHF 5,000 for printing and publishing of the report, and that money remains unutilized yet.

9.3 Decisions taken

The Finance Committee:

- (i) **Approved** the estimated budget for the Consultancy Section for 2026
- (ii) **Approved** the estimated balance of the RTCAP Special Activity Fund for 2026

10. Doc 23 – Establishing a Philatelic Gallery at the APPU Bureau

10.1 Referral to Finance Committee

Doc 23 was referred to the Finance Committee at the opening Plenary session on Monday, 30 June. It related to a proposal to establish a Philatelic Gallery at the APPU Bureau.

The referral sought the endorsement of the proposal by the Finance Committee. For avoidance of doubt, the endorsement related to the use of the Administrative Section Reserve Fund (ASRF) as the financing mechanism for the initiative.

- 10.2 The Finance Committee was given a breakdown of the costs of the project as well as confirmation that the funding could be seen as using US\$5,000 from a budget saving in 2024 of US\$13,000 (rounded).

10.3 Decision taken

The Finance Committee **endorsed** the proposal to establish a Philatelic Gallery at the APPU Bureau at a cost of US\$5,000 funded from the ASRF.

11. **Doc 29 - Hosting of the APPU Congress in 2026**

- 11.1 The BUREAU advised the Finance Committee that there was no member offering to host the 2026 Congress. In such a situation it falls to the Bureau to host the Congress. While the apportionment of costs among members in such a situation is not spelt out in the General Regulations, the Bureau is taking the approach that it will follow the policy for the hosting of an EC meeting – i.e., the costs are apportioned among the members by raising the contribution unit to cover the additional expenditure involved.

- 11.2 While the Bureau is hopeful of a member coming forward to act as host, it has set a deadline of October 2025 for this to happen. At that time, if there is no member offering, the Bureau will proceed on the basis of it being the host.
- 11.3 A further detailed document on this matter will be circulated for consideration at the closing Plenary on Friday, 4 July.
- 11.4 Decision taken

The Finance Committee **noted** the financial aspect of the matter and **approved** the proposal (for the Bureau to potentially host the 2026 Congress).

12. Conclusion of meeting

- 12.1 The Chair of the Finance Committee thanked the members for their participation and the Bureau for their preparations and support. He also acknowledged the observers for attending and remarked that it will have facilitated a better understanding of the financial workings of the APPU.