

State Department Public Briefing on Universal Postal Union (UPU) Issues November 19, 2004

A public briefing on Universal Postal Union (UPU) issues was held at the Department of State on November 19, 2004. Richard T. Miller, Deputy Assistant Secretary, Bureau of International Organization Affairs, chaired the meeting. U.S. government officials and members of the private sector attended the briefing.

The primary purpose of the meeting was to provide an overview of the 23rd UPU Congress held in Bucharest, Romania, September 15 – October 5, 2004.

Highlights of the UPU Congress

Richard T. Miller delivered welcome remarks and presented highlights of the Bucharest Congress. Key points included:

- A new terminal dues system that brings rates closer to costs and that sets an end point of December 31, 2012 for use of the transitional, flat rate terminal dues system by developing countries;
- A payment configuration for the Quality of Service Fund that is country-specific and based on mail volumes exchanged between postal administrations;
- Clear UPU decision that regulation of Extra-Territorial Offices of Exchange (ETOE) is the responsibility of member states;
- Formal establishment of the private sector UPU Consultative Committee;
- Clarification of the ownership of items seized in transit;
- Maintenance of zero nominal growth for the biannual UPU budget;
- Election of Mr. Edouard Dayan of France to Director General and Mr. Huang Guozhong of China to Deputy Director General;
- Election of the United States to the Postal Operations Council; and
- Election of USPS Vice President James Wade as Chairman of the Postal Operations Council.

Mr. Miller also outlined future U.S. objectives in the UPU. He noted that the United States would continue to participate actively in POC working groups and CA working groups, even though the United States is not a member of the CA (ineligible to run after serving two elected terms). Within the POC, the United States will chair the Standards Board and the Postal Security Action Group (PSAG). The United States has developed a strategic plan for its participation in the UPU, which will soon be published on the State Department website. To the extent possible, the U.S. government will measure progress in carrying out this plan in quantitative terms, a concept that the U.S. will also strongly advocate within the UPU.

Review of major outcomes

State Department officials Donald Booth, Dennis Delehanty, and Heather Von Behren reported on the major issues at Congress, as follows:

- Consultative Committee;
- Terminal dues;
- Country classification and the Quality of Service Fund;
- Extra-territorial Offices of Exchange (ETOEs);
- Quality Link and performance measurement;
- Successful and unsuccessful U.S. proposals;
- UPU Elections;
- Council of Administration and the Postal Operations Council constituent meetings;
- U.S. participation in CA and POC groups over the next four years.

Meeting participants asked several questions throughout the session; however, the UPU decision on ETOEs generated the most debate. Briefly, participants asked whether there were laws currently in place that addressed the status of ETOEs in the United States, how U.S.-based ETOEs would be regulated, and who would have the authority to regulate them. Mr. Booth explained that currently there are no U.S. laws specific to ETOEs. Since the issue of ETOEs is now for national governments to decide, the U.S. Postal Service or the U.S. Congress would be responsible for developing either legislation or regulations governing ETOEs.

Meeting participants also asked whether performance measurement report cards would be made available to postal stakeholders. Mr. Delehanty noted that it was expected that those receiving UPU documents, for example UPU member countries and private-sector members of the Consultative Committee, would receive these report cards. The POC would need to address this issue of distribution of the report cards once they are published, which may take two or more years.

UPU Postal Operations Council meeting

The next Postal Operations Council meeting will be held January 17 – 28, 2005 in Bern, Switzerland.

U.S. strategic plan for the UPU and the Bucharest World Postal Strategy

Mr. Delehanty discussed the U.S. strategic plan for the UPU and pointed out that the main priorities for the United States remain: (1) economic issues, (2) performance measurement, and (3) launch of the Consultative Committee's work plan. The U.S. strategic plan will be posted on the State Department website in the coming weeks.

Next State Department public briefing on UPU issues

The next State Department briefing on UPU issues is tentatively scheduled for September 2005.

Note: For further details of the briefing and the Bucharest Congress, please refer to the PowerPoint presentation and the comprehensive Bucharest Congress Report posted on the State Department website.