



Proposal of a general nature

---

## **COUNCIL OF ADMINISTRATION**

### **Resolution**

#### **Classification of countries and territories for terminal dues and Quality of Service Fund (QSF) purposes**

Congress,

Having adopted  
the provisions of the new UPU terminal dues system,

Considering  
that Bucharest Congress resolution C 13/2004 instructed the Council of Administration to establish an acceptable system for the classification of countries,

Having observed  
that the need for preferential terminal dues rates decreases with the country-specific potential to self-finance postal development and increases with the country-specific difficulties in serving the postal territory and with the postal service level provided,

Further noting  
that the gross national income per capita reflects the potential to self-finance postal development and that the average costs per letter reflect the difficulties in serving the postal territory,

Bearing in mind  
that the special needs of small countries/territories i.e. small island developing countries/territories and land-locked countries/territories in similar circumstances have to be fully taken into consideration,

Recognizing  
the special needs of least developed countries for preferential treatment,

#### *Decides*

- to adopt the methodology for the classification of countries in five groups, based on the value of their postal development indicator, determined as a weighted combination of the gross national income per capita (75%) and the normal average cost per letter (25%) estimated econometrically;
- to adopt a four-year classification cycle as of 2010;
- on the classification of countries in five groups for terminal dues and quality of service fund purposes, as shown in the following list. The provisions concerning terminal dues rates and levels of contribution and access to QSF funds are specified in the Convention,

*Authorizes*

the Council of Administration to decide on the temporary downward reclassification of countries due to war or extremely severe economic crisis.

**Reasons.** – See CONGRÈS–Doc 19.

24th CONGRESS

Proposal of a general nature

**Draft programme and budget impact (PBI) statement (2009–2012)**

<b>Title of proposed resolution:</b>	Classification of countries and territories for terminal dues and Quality of Service Fund (QSF) purposes
--------------------------------------	--

<b>PBI statement submitted by:</b>	International Bureau
------------------------------------	----------------------

**PART 1 – Overview of goals and outcomes of proposed resolution**

<b>Objectives</b>	<b>Results (performance indicators)</b>
1 Apply the methodology approved by the 24th Congress for the classification of countries in five groups for the four-year classification cycle as of 2014.	<p>Establish the classification of countries into five groups based on the value of their postal development indicator, determined as a weighted combination of the gross national income per capita (75%) and the normal average cost per letter (25%) estimated econometrically.</p> <p>New country classification lists to be submitted to the 25th Congress for approval.</p>

**PART 2: Overview of estimated funding required for implementation of proposed resolution for the period 2009–2012****Funding (proposed)**

<b>Regular budget</b>			<b>Extrabudgetary resources</b>		
<b>Staff (M/M)</b>		<b>Other expenditure (000 CHF)</b>	<b>Staff (M/M)</b>		<b>Other expenditure (000 CHF)</b>
P	G		P	G	
6	4	0	0	0	0

**Details/comments regarding other expenditure and extrabudgetary resources**