

Results of the November 2009 UPU Council of Administration

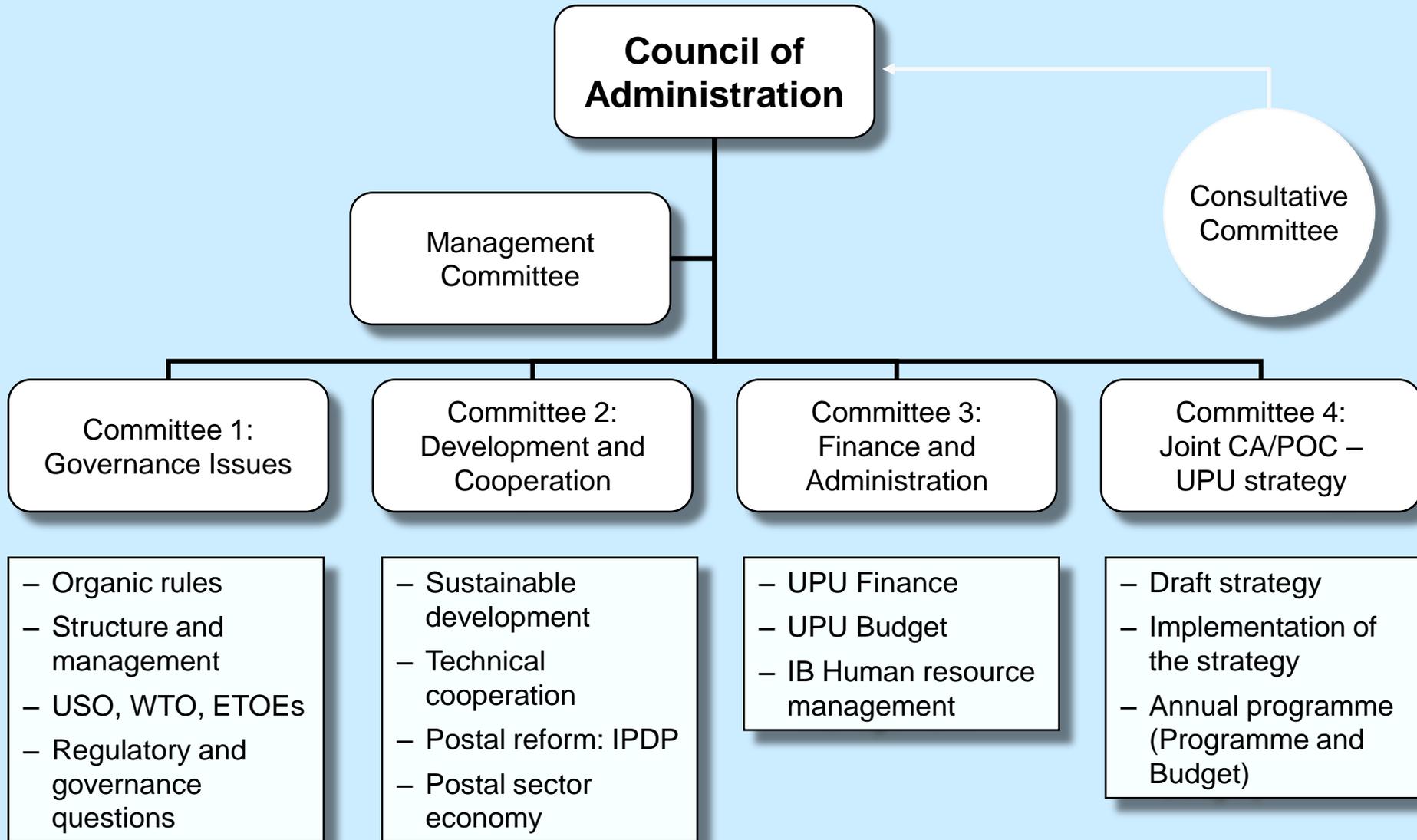
U.S. Department of State

Presentation to the Advisory
Committee on International
Postal and Delivery Services

11 March 2010



Structure of the UPU Council of Administration



CA Committee Chairs and Vice Chairs

Council of Administration
Chair: Kenya
Vice Chairs:
Great Britain, Qatar, Trinidad and Tobago, Ukraine

Consultative Committee
Chair: Charles Prescott (DMA)
Vice Chair: Great Britain

Committee 1:
Governance Issues
Chair: Germany
Vice Chair: Argentina

Committee 2:
Development and Cooperation
Chair: China
Vice Chair: Spain

Committee 3:
Finance and Administration
Chair: Tunisia
Vice Chair: United States

Committee 4:
Joint CA/POC – UPU strategy
Chair: Canada
Vice Chair: India

Major Decisions Taken by the 2009 CA

- Important human resources decisions referred to a “Reflection Group” on Human Resources to be chaired by the United States.
- Country classification appeal by United Arab Emirates approved.
- Work of the Reform of the Union Project Group moves forward.
- Progress made in establishing ethics function and initiating whistleblower protection at IB.
- CA confirms creation of an Audit Reflection Group.

Human Resources Take Center Stage at 2009 CA

- CA members expressed serious concerns about UPU personnel policies by deferring an IB suggestion to merge human resources, finance and strategic planning functions at the IB. Concerns also expressed about other recent IB personnel decisions.
- Broad coalition of countries signed a draft resolution concerning the issue which the CA Plenary adopted by consensus.
- Proposed move would have likely skewed the balance of managerial responsibilities at the IB.
- U.S. to chair a “Human Resources Reflection Group” confirmed; 19 CA members and observers have joined the Group.

Work Ahead for Human Resources Reflection Group

- Urgent decision required on handling recruitment for two upcoming senior-level D2 positions – and member country involvement in the selection process.
- Identify and organize human resources work in following areas: recruitment, promotions, job classification, budget decisions related to staffing, dispute resolution, staff climate surveys, personal promotions, value of elections for senior positions versus appointments, clarification of roles and responsibilities of the CA and IB management, equitable gender and geographical representation, ethics, and whistleblower protection.
- Group could later focus on IB reorganization, starting with 2000 study on IB's organizational structure (the "MOVE" report).
- Set calendar and methods of work (conference calls, etc).
- Post Group documents on the State Department website.

UPU Reform – New Market Players and UPU mission

- CA Reform of the Union Project Group, composed of 10 POC and 10 CA members, led by Belgium. U.S. is an active member.
- Ad Hoc Group led by Norway to study on the impact of “new market players” on the mission of the UPU. U.S. and Consultative Committee are members. External consultant to be hired to conduct initial study.
- Proposal to push ahead with work on revising the UPU mission delayed to obtain first the results of the “new market players” study. Unlikely that work on revising UPU mission statement will begin before 2011.
- Also, Project Group endorsed simplified procedures for notification of participation in UPU Council sessions and asked Belgium to study legal implications of UPU’s status as a UN specialized agency.

Reform of the Union – UPU functions

- Project Group briefly reviewed five organizational models for the UPU developed for the UPU High-Level Group in 2000, and agreed that Belgium could propose an “up-to-date” sixth model.
- U.S. delegation suggested comprehensive study on UPU’s governmental/regulatory and operational functions. Despite exhaustive work to revise 2008 Geneva Congress Acts to assign responsibilities for carrying out provisions to governments and “designated operators,” no overall study of governmental and operational roles of the UPU yet undertaken.
- Member countries strive for a greater distinction between UPU’s regulatory and operational functions, but the organization has not yet defined these functions.

Universal Postal Service, Interconnectivity and UPU Acts

- Universal Postal Service: Presentations given to Group reflect general view that universal postal service is a fundamental right that should be protected by governments.
- Interconnectivity: Update on status of member countries' policies on ETOEs. Only 67 countries have replied to UPU questionnaires in recent years on this subject. IB also produced useful paper on likely challenges that designation of multiple postal operators within a single country will present for the UPU Acts.
- Acts of the Union: Mock-up of recast of UPU General Regulations and adoption of study on "permanent" UPU Convention proposed by Japan. Procedures for a permanent Convention would resemble those applied currently for UPU Constitution.
- *.post* Top Level Domain: CA welcomed finalization of negotiations with ICANN for the *.post* domain. All players in postal and delivery services – public and private sector – to have access to *.post*.

Country Classification

- Procedures for appeals related to country classifications adopted by the CA for purposes of terminal dues and the Quality of Service Fund.
- United Arab Emirates won an appeal not to rise to Group 1 status, the equivalent of Industrialized Country status, and pay industrialized country terminal dues rates. UAE delegation lobbied CA delegates heavily. Vote on appeal, 23 to 13, seen as signal that countries in Groups 2, 3, and 4 want to slow down process of moving to the target terminal dues system. 2009 CA was last session where such appeals could be raised unless in case of severe economic circumstance.
- An appeal by Fiji to remain in Group 3, which the U.S. supported on technical grounds, was also approved.



Sustainable Development and Technical Cooperation

- Sustainable Development: Preparations for UPU participation in the December 2010 Copenhagen Conference on climate change; replies from 98 member countries on their postal carbon footprint; renewable energy ad hoc group formed; information on best environmental practices of postal operators.



- Development Cooperation: a survey on Integrated Postal and Development Plans (IPDP) revealed challenges faced by member countries – funding, cost of universal service and low government interest. Also, UPU's regional plans move forward.

Ethics, Whistleblower Protection and Audit

- Committee examined the creation of an ethics function at the IB, which will be handled by the office of the Legal Advisor.
- IB will study possible mechanisms for protecting IB staff who report misconduct (whistleblowing protection).
- CA named Canada as Chair of the Audit Reflection Group, which will study the feasibility of creating an Audit Committee for the UPU. Several UN specialized agencies have formed such audit committees. The U.S. will serve on this Group.

CA Committee 4: Strategic Planning

- U.S. View: UPU Councils and IB should focus on measuring member countries' attainment of goals in Nairobi Postal Strategy, through report cards where possible. Report card approach apparently has been set aside.
- Ideally, the UPU Strategy should reflect all activities that the UPU undertakes, and member countries should be consulted regularly on their views of the organization's priorities.
- Further, the line items in the UPU Programme and Budget should be prioritized based on the views expressed by member countries.
- Should there be separate budgets for governmental/regulatory and operational functions of the UPU?
- At U.S. delegation's urging, Committee 4 confirmed it will work on implementation of a Geneva Congress resolution on publishing statistics on postal operators' performance in delivering inbound international letters.

September 2010 Strategy Conference in Nairobi

- U.S. delegation suggested that member countries be consulted about the themes to be discussed at September 2010 UPU Strategy Conference in Nairobi. U.S. Government reply sent to IB last week. Subject on Advisory Committee agenda for today.
- Strategy Conference should focus on UPU's attainment and design of its own strategy – and how UPU should be best structured to achieve the goals of its members.
- Conference should also concentrate on the concrete challenges the UPU faces and provide a roadmap for member countries to regulate and manage their national delivery services better.

Work of Postal Operations Council Groups

- Quality of Service Fund: Annual rotating elections of three of the nine Board members approved.
- Terminal Dues: Consideration given to possible future terminal dues methodologies; Canada Post's "medium letter" proposal rejected; 88% target for Quality Link to Terminal Dues set for 2011 for target (mainly industrialized) countries; concept of bonus terminal dues payments for exceptional performance floated.
- Customs: Work on MEDICI (electronic preadvice of customs information on postal items between selected pilot countries) reviewed. Also, U.S. helped to defeat a proposal that would have had postal officials take an active role in detecting and interdicting counterfeit and pirated articles in international mail.



Presentation delivered!