

# Work of the UPU Councils – April to October 2010

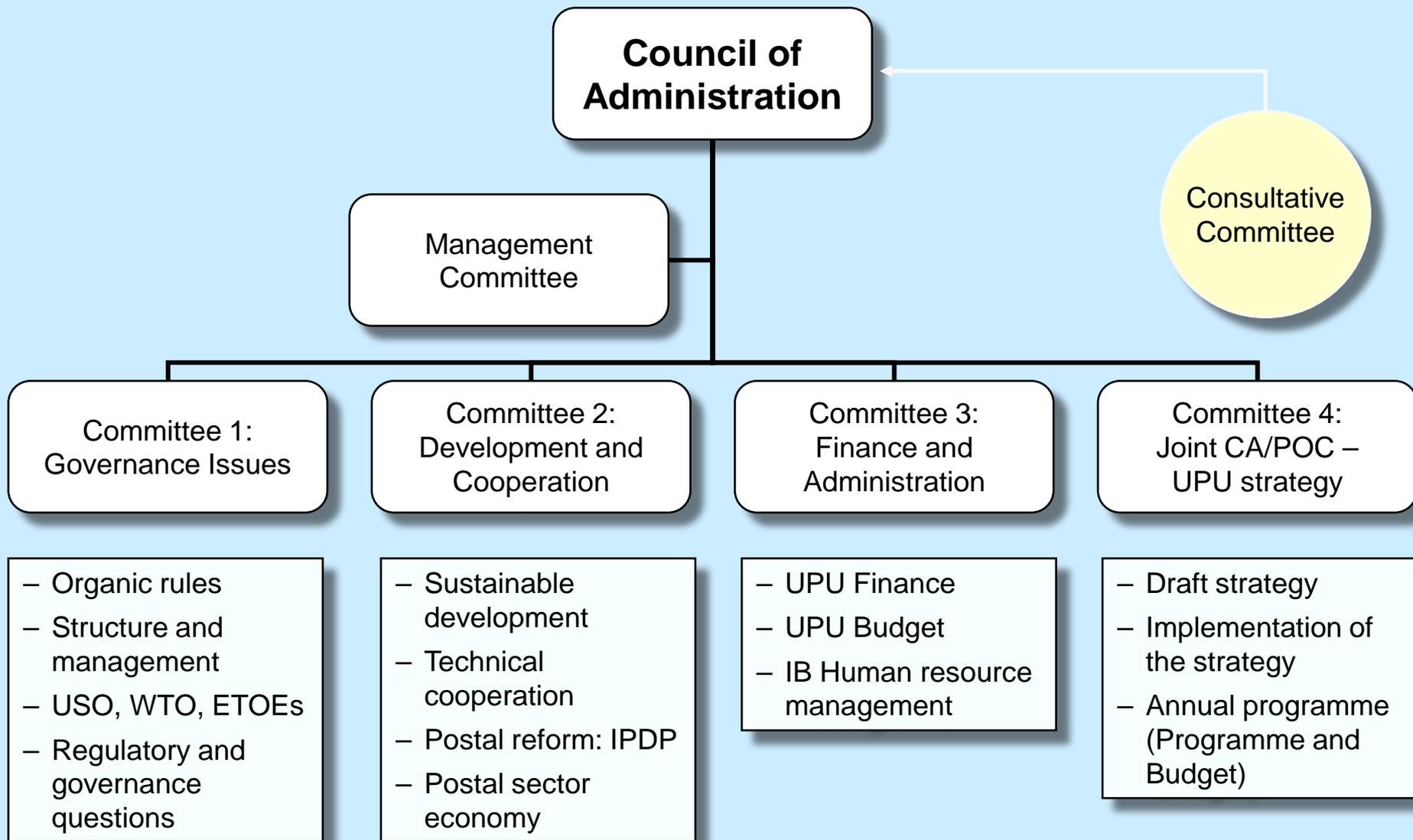
U.S. Department of State

Presentation to the Advisory  
Committee on International  
Postal and Delivery Services

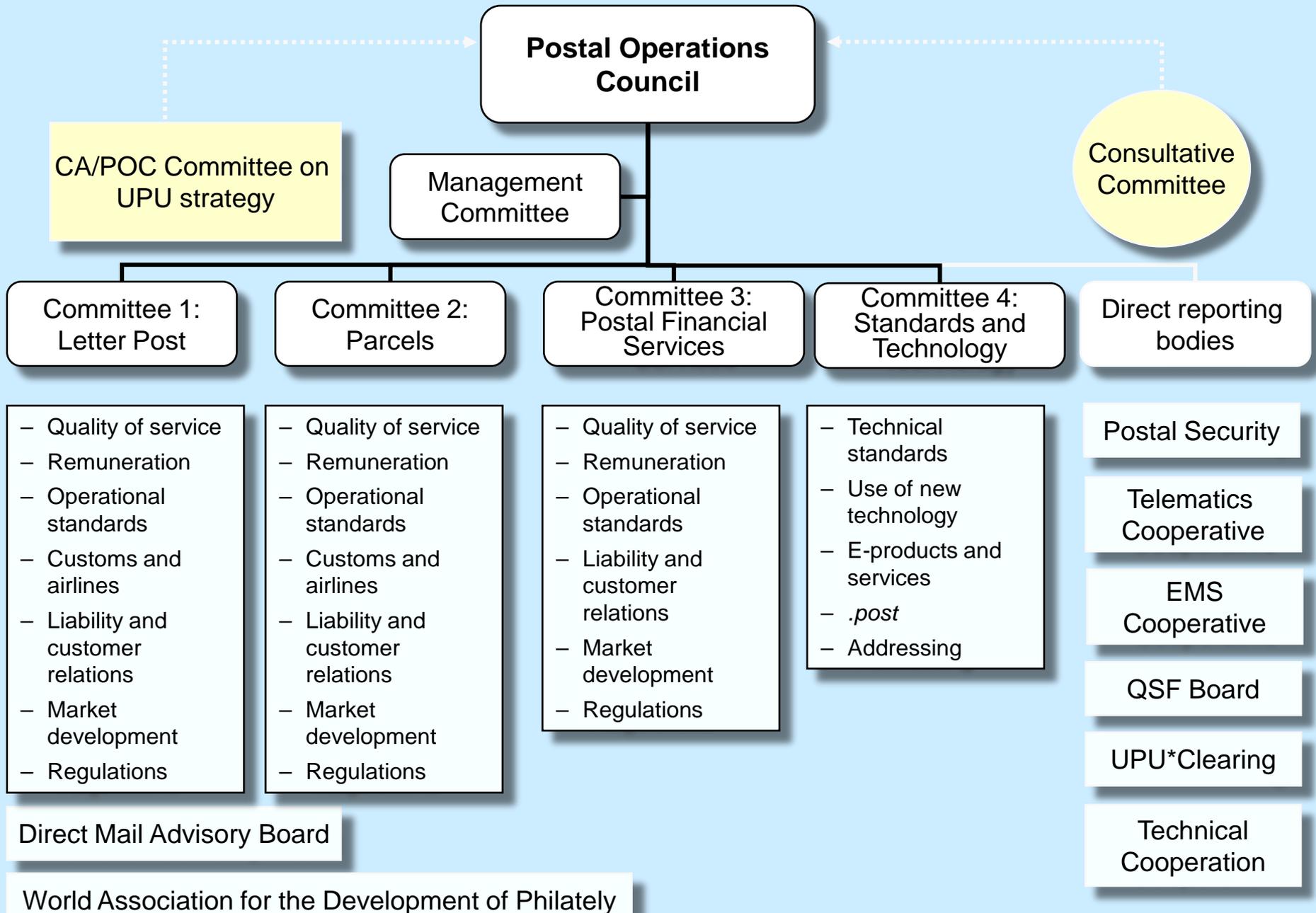
19 October 2010



# Structure of the Council of Administration



# Structure of the Postal Operations Council



# 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

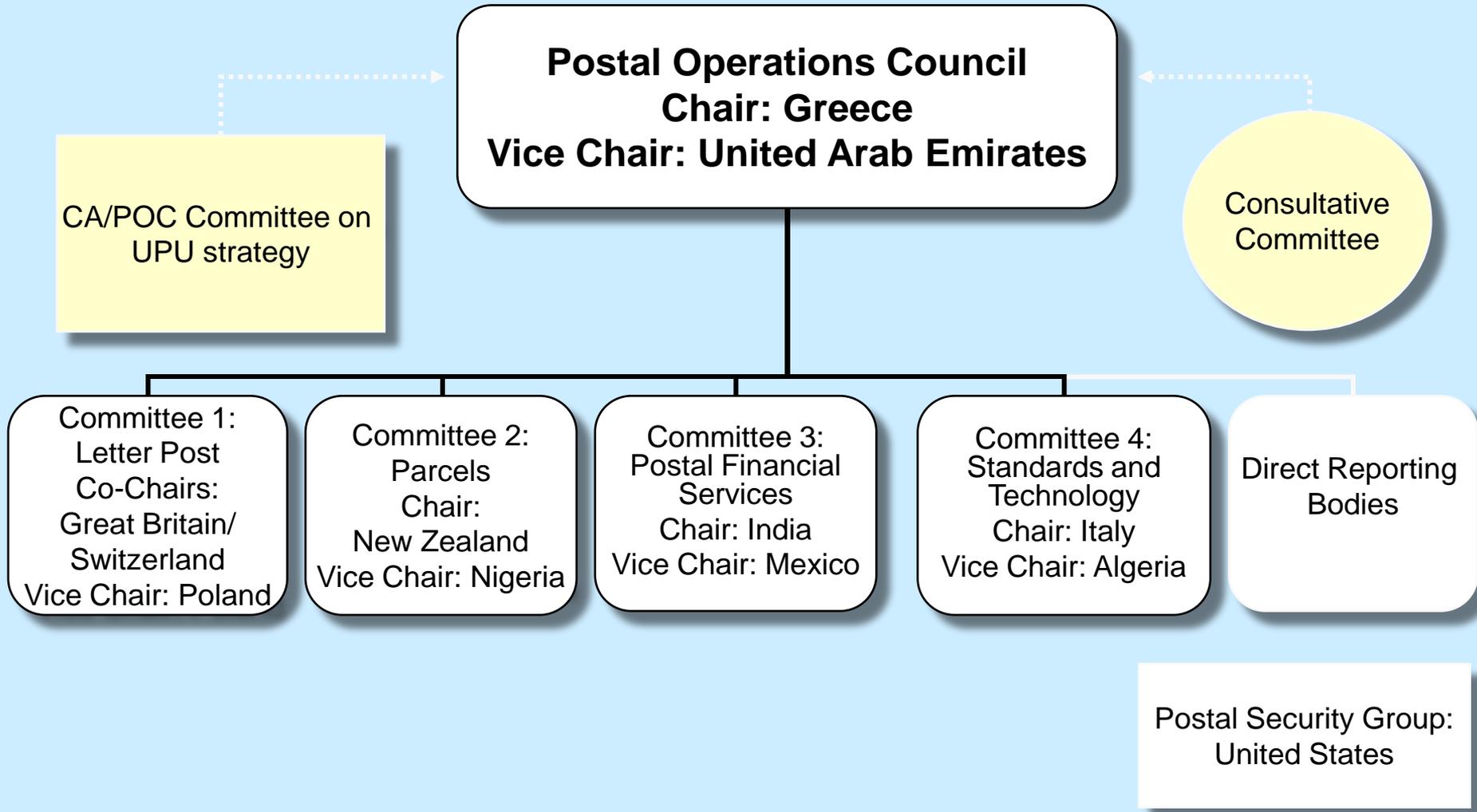
**Committee 1:**  
**Governance Issues**  
Chair: Germany  
Vice Chair: Argentina

**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

# POC Chairs and Vice Chairs



# Reform of the Union Project Group – Work Ahead

- Study suggested by U.S. delegation on identifying UPU's governmental/regulatory and operational functions. Further work awaits results of PWC (PriceWaterhouseCoopers) study.
- Start of work on possible adjustments to mission statement in UPU Constitution also awaits results of PWC study.
- Document produced on practices of other UN specialized agencies regarding term limits for D 2 (senior director) positions. Issue raised by U.S. delegation at April 2010 meeting of Reform of the Union Project Group. Issue also of interest to Human Resources Reflection Group.
- U.S. document on possible lifting of password protection on UPU documents. Issue raised at earlier Advisory Group meeting.

# Human Resources Reflection Group

- First meeting of Reflection Group held on April 26. Group formed three teams, led by Germany, Malaysia, and Great Britain.
- Team 1 (Germany) to study promotions, recruitments, and classification of posts.
- Team 2 (Malaysia) to take on contracts (core and non-core), ethics, whistle-blower protection, training, and performance evaluation.
- Team 3 (Great Britain) to review proposed merger of Finance and Human Resources functions at UPU International Bureau, IB organizational structure, and human resources policies of UN specialized agencies similar in size and scope to the UPU.
- One main focus of Reflection Group is how to achieve balance of responsibilities between CA and Director General for IB human resources matters, as reflected in the UPU General Regulations.

# Human Resources Reflection Group – Where Work Stands

- Group produced spreadsheet showing detailed personnel movements at IB from 2001 to present. Data shows marked decline in applicants for key IB positions in recent years.
- Issue, identified by UN Joint Inspection Unit auditors, to approve reclassification of posts through UPU budget approval process.
- Need identified to regularize conditions for core and non-core staff. Core positions are supported by mandatory UPU budget; non-core positions are paid through extrabudgetary resources.
- Secretariats of other UN specialized agencies, for example the ITU, provide detailed information annually on personnel decisions and movements to their governing bodies. Reflection Group to pursue issue.
- Review of IB organizational structure immediately after 2012 Congress?

# Interconnectivity and UPU Acts

- **Interconnectivity:** Recent UPU questionnaire on IMPC (International Mail Processing Center) codes and operational problems caused by current codes. Survey asks member country views about a proposed code structure that would identify, in first two code positions, owner of mail (or traffic), rather than location of facility. Example: a Deutsche Post ETOE in Chicago might be assigned the code DEORDL, rather than the current USORDL, to better identify the origin operator.
- **Acts of the Union:** Questionnaire issued over summer to survey member country views about a possible “permanent” UPU Convention. Concept, proposed by Japan, aimed at simplifying ratification process for member countries. In principle, U.S. delegation supports concept.

## 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.
- Ideally, 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, 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

- 600 participants from 110 countries attended the Conference. Strong presence by African delegations. First major UPU meeting ever held in Sub-Saharan Africa.
- In opening remarks, Kenya Vice President Kalonzo Musyoka and Minister of Information and Communication Samuel Poghio stressed that “this is Africa’s moment”. Poghio made a thoughtful, forward-looking introductory address on the serious challenges facing the postal sector.
- Major themes of Conference: Effects of liberalization and the global financial crisis; need for diversification (including postal financial services, hybrid mail, .post, certified email, e-services and logistics); sustainability; decline in letters but growth in parcels; impact of social networks on mailing patterns; importance of measurement and improvement of services; and inherent value of the postal network.

# September 2010 Strategy Conference in Nairobi

- Presentation on “Addressing the World” by UPU Consultative Chair Charles Prescott called for UPU to step up work on addressing. Presentation noted the many UN organizations with a stake in better addressing and the Global Addressing Summit held by the UPU Consultative Committee on April 23 in Bern.
- Kenya announced a candidate for UPU Director General for election at 2012 Doha Congress: current CA Chair Bishar Hussein.
- Switzerland announced that it would put forward a candidate for Deputy Director General at the Doha Congress.

# Terminal Dues

- In May 2009, Canada notified the IB that it would apply a “medium letter” rate for calculation of its terminal dues rates. (Terminal Dues Group had rejected application of Canada’s “medium letter” rate in November 2010.) Several delegations, including the U.S., objected to Canada’s notification – on the basis of both content of the notification and procedure followed. A draft resolution to reopen discussion on the issue did not gain sufficient votes. The issue will arise again at the November CA.
- U.S. delegation put forward for consideration by the Terminal Dues Group a possible new methodology for 2014-2017. This methodology would give countries more flexibility to adjust the ratio of the per item and per kilogram terminal dues rates (vs. the current fixed rates) to better align with costs. This proposal will be given further consideration by the Terminal Dues Group Project Team on the terminal dues model later this month.

## Quality of Service Fund, Audit Group and *.post*

- Quality of Service Fund: Ad personam candidates from Australia, Ecuador, and Nigeria elected to Board of Trustees in first election of Board members since 2001. Three of the nine Board members to be elected by the POC annually, to serve three-year rotating terms. Flori McClung of USPS has replaced Dennis Delehanty of State as the U.S. Board member.
- Audit Reflection Group: First meeting of Group, chaired by Canada, held on April 22 in Bern. Formation of Group proposed by U.S. delegation in late 2008. Group currently focusing on risk assessment.
- *.post* Top Level Domain: Resolution adopted by POC that would give a role to the CA in the UPU's management and oversight of UPU's work related to *.post*, to ensure level playing field for all interested stakeholders, both public and private sector.

# EMS Cooperative and Customs

- EMS Cooperative: Brian Hutchins of USPS appointed as Manager of the EMS Unit in Bern. He is now most senior American at the IB. Lupe Contreras of USPS elected to seven-member EMS Cooperative Board, to fill seat vacated by Hutchins.
- Customs: Plowed through a heavy agenda, including work on implementation of Geneva Congress Resolution C 56 on greater use of EDI (Electronic Data Transmission) for customs purposes, promoting awareness of intellectual property issues, customs EDI privacy considerations, the impact of developments in EU customs policies on UPU members, initiatives to improve the customs information provided by postal customers including greater use of Harmonized System codes, and a range of technical issues.

**Presentation  
delivered!**