

# **Proposal to Relocate RTCAP**

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**Proposal to Relocate the RTCAP from Singapore to Bangkok**

(Document prepared by APPU Bureau, in consultation with involved parties, and reviewed by APPU/UPU Reform Working Group)

1. Subject	References/paragraphs
<p>Informing APPU members on:</p> <ul style="list-style-type: none"> <li>- the background to the establishment of the RSCAP / RTCAP, its location in Singapore, and agreement in principle (Da Nang, 2018) to relocate the RTCAP to Bangkok</li> <li>- the opportunities and benefits available by relocating from Singapore to Bangkok</li> <li>- the organisational considerations for relocation in Bangkok, including broadening the scope of activities whereby RTCAP becomes part of a Consultancy Section within the Bureau</li> <li>- the financial aspects of relocation whereby increased expenditure is minimal and there should be a net decrease to members when other factors are taken into account</li> <li>- the procedural step of prior consultation with involved parties</li> <li>- the procedural requirements for approving               <ul style="list-style-type: none"> <li>- the relocation</li> <li>- changes to Bureau structure</li> <li>- financial aspects</li> </ul> </li> <li>- timing for key steps and implementation</li> </ul>	<p>§ 2, §§ 3.1 – 3.2</p> <p>§§ 4.2 – 4.6</p> <p>§§ 5.1 – 5.3</p> <p>§§ 6.3 – 6.6, Appendix 2</p> <p>§ 7.3, Appendix 1</p> <p>§ 7.4.1</p> <p>§§ 7.5.1 – 7.5.3</p> <p>§ 7.6, Appendix 2</p> <p>§ 8, Appendix 3</p>
<p><b>2. Decisions expected</b></p> <p>The EC is asked to:</p> <ul style="list-style-type: none"> <li>- <b>note</b> the background to the establishment of the RSCAP / RTCAP, its location in Singapore, and agreement in principle (Da Nang, 2018) to relocate the RTCAP to Bangkok</li> <li>- <b>note</b> the opportunities and benefits available by relocating from Singapore to Bangkok with particular attention drawn to the increased value to be gained from RTCAP exposure to the high number of visitors and participants each year at the Bureau</li> <li>- <b>note</b> the ability that relocation provides in terms of reviewing the purpose and continuity aspects of the role (i.e., role continuation, role definition, succession planning, successor recruitment)</li> <li>- <b>note</b> that parties involved in the process or affected by it have been consulted and generally support the relocation</li> <li>- <b>note</b> that, apart from any financial impact, there is no formal approval requirement for a change of location of the RTCAP</li> <li>- <b>note</b> and <b>confirm</b> the organisational change whereby the RTCAP will continue its functions in a Consultancy Section at the Bureau, this structure enabling continuation and broadening of current and additional activities</li> <li>- <b>note that relocation to Bangkok will result in the Manager, RTCAP becoming an APPU employee</b></li> <li>- <b>note</b> that the <del>intention is to obtain relocation proposal depends on</del> international staff status <u>for the relocated position</u></li> </ul>	<p>§ 2, §§ 3.1 – 3.2</p> <p>§§ 4.2 – 4.5</p> <p>§ 4.6</p> <p>§§ 7.3.2 – 7.3.3, Appendix 1</p> <p>§ 7.4.1</p> <p>§§ 7.5.1 – 7.5.3</p> <p><u>§ 7.5.2 (i)</u></p> <p><u>§ 7.5.2 (iii)</u></p>

<p>- <u>note that, subject to the outcome of discussion and decisions at the 2019 Tokyo APPU EC meeting on this matter, the Thai Ministry of Foreign Affairs will be approached, with a request for international status for the RTCAP position</u><del>being assigned to the</del></p>	<p><u>§ 7.5.4</u></p>
<p>- <u>approve that due to the transitional nature of the relocation process from a recruitment point of view, the standard step of calling for applications is not being followed</u><del>RTCAP position and that this has yet to be confirmed by the Thai Government (this now being a matter of some urgency)</del></p>	<p><u>§ 7.5.2 (iii) and (iv), § 7.5.3</u>  <del>§ 7.3.1, § 7.5.4</del></p>
<p>- <b>approve</b> one-off additional expenditure (incurred in 2020) up to US\$4,000 for personal expenses incurred by Mr Tan in relocating from Singapore to Bangkok</p>	<p>§ 7.6.2 (Ref. 6)</p>
<p>- <b>approve</b> additional expenditure in the 2020 Union budget for accommodation (utilities and maintenance) of US\$3,150</p>	<p>§ 7.6.2 (Ref. 3)</p>
<p>- <b>note</b> the desirability of the additional relocation costs in 2020 and 2021 not resulting in the 2019 contribution unit level of US\$2,650 being exceeded</p>	<p>§ 6.6</p>
<p>- <b>note</b> that the increased expenditure for the relocation of the RTCAP should be more than offset by a reduction in external consulting costs from 2022</p>	<p>§ 6.6</p>
<p>- <b>further note</b> that subject to the associated expenditure approval, the RTCAP will relocate to Bangkok no later than 1 April 2020</p>	<p>§ 8.1</p>
<p>- <b>consider</b> the establishment of a small, ad hoc team comprising the Manager RTCAP, the Secretary General, and 2-3 members with specific interest in RTCAP / relocation, to maintain close review of the benefits outlined in the proposal actually being achieved, and reporting on this annually to the EC</p>	<p>§ 4.5.1</p>
<p>- <b>further consider</b> that the small ad hoc group mentioned in paragraph 4.5.1 could also report on costs saved as a result of relocation.</p>	<p>§ 6.8</p>

## 1. Introduction

1.1 This document presents a proposal to relocate the Regional Technical Centre for Asia and Pacific (RTCAP) from its current location in Singapore to the APPU Bureau in Bangkok.

## 2. Background to the RTCAP and to the relocation proposal

2.1 The entity was initially set up by the UPU (1995) as RSCAP (Regional Support Centre for Asia and Pacific). Its purpose was to support the UPU's Telematics Project, with a broad role of developing and implementing the Telematics Project at the regional level.

2.2 In 2007, the UPU Postal Technology Centre (PTC) reorganised its support services. A Global Support Centre (GSC) was established in Montevideo, Uruguay. In 2008, the GSC took over providing the hotline support services that RSCAP had provided up until April 2008.

2.3 With the establishment of the GSC, the residual tasks for RSCAP were technical expertise and assistance to countries on PTC systems (IPS, IFS). This technical support might comprise deployment of experts and follow up and training missions for the PTC in the region. The change from support services to technical services was reflected in the change of name to RTCAP.

- 2.4 At the 2008 APPU EC meeting in Hanoi, the PTC and APP agreed that an improvement would be for the RTCAP to report to the APP Cooperative Office Director for operational control. This was seen as APP / RTCAP working in close cooperation with PTC in the area of technological products, services and regional missions. It also reflected the fact that APP and RTCAP staff were working alongside each other. (The change in operational control became effective on 1 January 2009.)
- 2.5 As part of the work of the APPU / UPU Reform Working Group, the 2018 Da Nang EC undertook a review of RTCAP (as well as reviewing other entities). The focus was as follows.
- (i) To understand the basics of how RTCAP operates.
  - (ii) To confirm accountability and reporting lines, as well as how RTCAP, organisationally, fits into the APPU.
  - (iii) To understand the relationship between RTCAP and the UPU PTC.
  - (iv) To discuss longer-term reliance on RTCAP for the services it provides and any issues that are foreseen in obtaining such services.
- 2.6 Among other things, the 2018 EC discussed the benefits of relocating the RTCAP from Singapore to Bangkok (the RTCAP essentially being the Manager, RTCAP). The context of this part of the discussion was the need for closer working with the College, the opportunity to improve coordination and synergy between the Union's entities, and getting increased value from the funds contributed by members. As a result of the review the 2018 EC approved:
- (i) further work being undertaken by the Working Group on future planning for RTCAP;
  - (ii) the Working Group updating the EC annually on progress; and
  - (iii) seeking decisions from the EC, as and when these may be required, to maintain optimum progress with the work.
- 2.7 For clarification, the "further work ..... on future planning for RTCAP" (paragraph 2.6, (i) above), refers to relocation from Singapore to Bangkok.

### **3. Further work – current position**

- 3.1 In reviewing the Da Nang discussion and decisions, the matter was seen as already being well advanced in terms of the views of involved parties and identification of issues that might be a problem for the proposed relocation. In particular, the following points from the Da Nang meeting were noted.
- (i) The Manager, RTCAP supported the relocation.
  - (ii) Singapore Post supported the relocation.
  - (iii) The APP Cooperative Office Director (to whom the Manager, RTCAP reports for administrative matters), supported the relocation.

- (iv) The APP Cooperative did not raise any issues regarding the relocation.
  - (v) The APPU Bureau supported the relocation.
- 3.2 A particular aspect of the relocation proposal was the 2008 EC decision for the RTCAP to report to the APP Cooperative Office Director for operational control. At the time (i.e., 2008) this was considered appropriate because it had been assumed that the APP and the RTCAP would be working in close cooperation with PTC on technological products, services and regional missions. Since 2008, however, the need for the APP and the RTCAP to be in close proximity to each other has diminished. This was confirmed during side-room discussions in Da Nang.
- 3.3 Against the background of the comments and direction from Da Nang, work continued on the possible relocation of the RTCAP from Singapore to Bangkok. The work was of a research nature to understand the:
- (i) opportunities and benefits (i.e., “why make the change?”)
  - (ii) organisational considerations (i.e., “who would the RTCAP be responsible to when it is located in Bangkok?”)
  - (iii) financial context (i.e., “how much would relocation cost for the first year, and then for ongoing years?”)
  - (iv) procedural requirements (i.e., “what are the rules for making such a change?”)
  - (v) implementation aspects (i.e., “when could relocation happen?”)
- 3.4 The research work has been undertaken by Mr Tan Yong Chee (Manager, RTCAP) and Mr Mark Lawley (Consultant, APPU Bureau), under the supervision of Mr Lin (Secretary General, APPU). Mr Lin then sought input from involved parties (as set out in paragraph 7.3.1) prior to inviting the Working Group to review a fully thought-through proposal (thus making effective use of the Working Group’s limited resources for this type of activity).

#### **4. Opportunities and Benefits (i.e., “why make the change?”)**

- 4.1 The RTCAP is a technical entity. Its capability and value are equivalent to the capability and value of its staff (i.e., the Manager, RTCAP, Mr Tan Yong Chee). It is not an entity whose location must, of necessity, be in a specific place. It is an entity where there is flexibility regarding location. Consideration of opportunities and benefits is approached from two perspectives:
- (i) an immediate focus on **enhancing knowledge and experience** in the Union; and
  - (ii) a medium-term focus on **purpose and continuity** of the RTCAP.
- 4.2 As far as **enhancing knowledge and experience** is concerned, in the immediate term the area of the Union’s activities that can benefit most from the knowledge, skills and ability to move into new areas of learning of the RTCAP, is the Bureau in Bangkok. The activities include:

- (i) increased reach for the current role of the RTCAP;
- (ii) opportunities to enhance the content and quality of current training programmes at the College;
- (iii) opportunities through the on-site availability of a specialist resource in terms of technical aspects of a Restricted Union; and
- (iv) opportunities through the on-site availability of a specialist resource in terms of meeting operational and technical requests from members.

(Refer to paragraphs 4.4 and 4.5 for detail on **enhancing knowledge and experience.**)

4.3 Regarding the medium-term focus on **purpose and continuity** of the RTCAP, within a timeframe of the next 3-4 years the opportunity should be taken to make a thorough review of RTCAP in terms of:

- (i) role continuation;
- (ii) role definition;
- (iii) succession planning; and
- (iv) successor recruitment.

#### 4.4 **Enhancing knowledge and experience: detailed comments**

##### 4.4.1 Increased reach for the current role of the RTCAP

The table below sets out the current RTCAP role, as well as the current involvement in each of the three fields. The column “Future Involvement” describes the increased benefit that will be possible to achieve from location in Bangkok i.e., the ability to more easily reach a greater number of people.

<b>Current RTCAP Role</b>	<b>Current Involvement</b>	<b>Future Involvement</b>
Provide technical assistance for PTC operational and accounting applications	Undertakes all such work as directed by PTC	Will continue to undertake all such work as directed by PTC
Participate in UPU/APPU regional projects and courses	On an “as required” or “when available” basis (with participation often requiring travel to a venue)	Will continue to participate but will have better quality access to more people without the need to travel (e.g., there are more than 400 visitors and participants on site at the College each year)
Participate in activities that improve quality and improve operations”	On an “as required” or “when available” basis (with participation often requiring travel to a venue)	Will continue to participate but will have better quality access to more people without the need to travel (e.g., there are more than 400 participants and visitors on site at the College each year)

4.4.2 Opportunities to enhance the content and quality of current training programmes at the College

4.4.2.1 The current syllabus at the College incorporates:

- (i) six Regular Courses (including two courses for which the RTCAP is a guest lecturer);
- (ii) one Special Programme; and
- (iii) five External Training Programmes (including tuition in the use of IPS / IPS.POST),

that are partly or wholly directly related to the core RTCAP activities. The RTCAP will be able to contribute significantly to these courses in terms of current coverage as well as broadening / updating course material and introducing new content.

4.4.2.2 The table below sets out the relevant detail.

Course Type	Course Name	Current Involvement	Future Involvement
<b>Regular Courses</b>	Express Mail Service	Nil	Contributing to course content and lecturing
	International Mail Accounting	Guest Lecturer	Guest Lecturer (no change)
	International Postal Services	Guest Lecturer	Guest Lecturer (no change)
	Operations Management	Nil	Contributing to course content and lecturing
	Parcels and Logistics Management	Nil	Contributing to course content and lecturing
	Service Quality Management	Nil	Contributing to course content and lecturing
<b>Special Programme</b>	Terminal Dues	Nil	Technical support
<b>External Training Programmes</b>	International Mail Accounting	Nil	Course review, technical support, possible delivery (including tuition in the use of IPS / IPS.Post)
	International Postal Services	Nil	Course review, technical support, possible delivery
	Operations Management Course	Nil	Course review, technical support, possible delivery
	Parcels and Logistics Management	Nil	Course review, technical support, possible delivery
	Service Quality Management	Nil	Course review, technical support, possible delivery



4.4.2.3 The **future syllabus at the College** may benefit from the combined operational / IT skill-base of the RTCAP. This should enable the College to economically develop and maintain new areas of training as set out in the following table.

Subject	Possible Activity
Dangerous Goods	Training course design and lecturing (Bangkok or elsewhere). Mr Tan is qualified to teach in the area of Dangerous Goods.
Electronic Advance Data (EAD)	This is a complex area being developed globally at present. Mr Tan, through his combined operational/IT skill-base, could develop additional training resources for the region in this key area.

4.4.3 Opportunities through the on-site availability of a specialist resource in terms of technical aspects of a Restricted Union

4.4.3.1 One of the aspects highlighted in the Reform work to date is the substantial focus of time and resource on the College. Contrastingly, there is minimal focus on the core activities of a restricted union. Typically, the core activities would include understanding the detail of key events and developments in policy and operational matters at the global level (UPU) and how these translate into the interests of members. The Bureau does not have such a resource at its disposal.

4.4.3.2 It is acknowledged that relocating the RTCAP to Bangkok and expecting it to take on a “watching-brief” role for key UPU matters is a significant step up. In the short-term it is not realistic; however, it is a step in the right direction and represents an area for tentative development.

4.4.4 Opportunities through the on-site availability of a specialist resource in terms of meeting operational and technical requests from members

4.4.4.1 It is not known the extent to which the RTCAP would be requested to undertake operational or technical tasks for members (i.e., outside the scope of PTC activities). Nevertheless, the possibility exists, and the first 12-24 months will determine whether there is a demand for this type of function. To a degree, it is an area that will probably emerge from contact with the large number of people visiting and participating at the College.

4.5 **The overall thrust of the opportunities and benefits for enhancing knowledge and experience through relocation is the productivity advantage it creates to more fully use the time that is available to RTCAP for APPU activities. The Union will get better value for the full-time salary it pays to RTCAP by locating the entity where the greater amount of APPU work is (i.e., Bangkok).**

4.5.1 While the proposal presents a range of benefits from relocation, the Working Group suggested that these benefits could easily be overlooked once relocation had taken place. Accordingly, the Working Group considered it important for a small, ad hoc team comprising the Manager RTCAP, the Secretary General, and 2-3 members with specific interest in RTCAP / relocation, to maintain close review of the benefits outlined in the proposal actually being achieved, and reporting on this annually to the EC.

#### 4.6 Purpose and continuity: detailed comments

4.6.1 Based on current information, the incumbent Manager of the RTCAP may retire in the next 3-4 years. Good business practice is to be ready for such an event so that the Union can make best possible decisions, particularly concerning the ongoing expenditure involved in RTCAP.

4.6.2 Relocation to Bangkok, therefore, provides the opportunity to understand the greatest value that can be obtained from the role of the RTCAP Manager (i.e., the current role plus the additional duties described under paragraph 4.4). Over a timeframe of 3-4 years, this will tell the Union two things:

- (i) whether there is justification to continue with a role covering RTCAP and the other activities (described under paragraph 4.4); and
- (ii) if there is a justified need to continue with a role, then what activities the role should cover.

4.6.3 Following on from role continuation and role definition (as set out in paragraph 4.6.2 above), and assuming the decision is to continue the role, the Union can work through succession planning and successor recruitment in a planned and efficient manner. ~~In this regard, there is a very important point that should be explained.~~

~~(i) Currently, the RTCAP role assumes some support from the host country (Singapore). Going forward, it would not be good business practice to plan for such an arrangement continuing (APPU members are justifiably very careful with their own resource commitments).~~

~~(ii) The objective for recruiting a successor should be to attract a field of strong candidates so that "the Union can get best possible value for money".~~

~~(iii) Relocation to Bangkok provides the opportunity to classify the role as "international staff". In short, this means the ability to offer a very competitive salary package to the successful candidate. But, perhaps, just as importantly, it facilitates the role being open to applications from all APPU member countries.~~

4.7 As far as approval to proceed with a change of location, this is covered in paragraph 7.4.

#### 5. Organisational Considerations (i.e., "who would the RTCAP be responsible to when it is located in Bangkok?")

5.1 The RTCAP is an activity which, largely for convenience, has been located in Singapore. It is not a formalised part of the APPU organisation (i.e., it is not specifically referred to in the Constitution or General Regulations). Its tie to the Union is as an approved receiver of funds from the SAF.<sup>4</sup>

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<sup>4</sup> Further comment may be documented on the organisational relationship between the APPU and the RTCAP prior to the Tokyo EC meeting. If so, it will be by way of a separate document.

- 5.2 The RTCAP would relocate to Bangkok as part of a new Section in the Bureau. In so doing, the focus on PTC matters would not change. However, there would now be an ability to increase productivity (i.e., get greater value for money) through directing non-PTC time to other matters (initially focusing on the College and the large number of participants visiting the facility). This should be a significant step forward in improved utilisation of Union resources.
- 5.3 The organisational aspect of the relocation proposal is for the RTCAP to be restructured into a Consultancy Section that retains current RTCAP responsibilities but takes on a broadened role definition covering a range of other specialist activities (as generally described in paragraph 4.2 and paragraphs 4.4–4.5). The Consultancy Section would report to the Secretary General.
- 5.4 As far as approval to proceed with a change of organisation within the Bureau, this is covered in paragraph 7.5.

**6. Financial Context** (i.e., “how much would relocation cost for the first year, and then for ongoing years?”)

6.1 As background to the financial context of the relocation proposal, the SAF from which the RTCAP is funded, had a balance of US\$ 241,746 as at 31 December 2017. Over the five-year period 2013-2017, the average end-of-year balance of the SAF has been US\$ 248,373. The financial position of the RTCAP is very strong with the average annual income<sup>2</sup> and expenditure for 2013-2017 being:

Average Income: US\$ 64,392  
 Average Expenditure: US\$ 65,893

- 6.2 The annual budget for the RTCAP submitted to the EC for approval is currently of the order of US\$ 84,000. This is an estimate of the total costs incurred in operating the RTCAP for one year.
- 6.3 Appendix 2 sets out the operational budgets for the RTCAP for 2020 and 2021 for either a Singapore or Bangkok location.
- 6.4 The budget comparison is summarised in the following table (all figures in US\$).

Item	Singapore	Bangkok	Difference	Explanation of Difference
Total cost for 2020	84,000	89,578	+5,578	1. One-off relocation cost of +4,000. 2. Accommodation cost of +3,150 (9 months). 3. Office support costs -1,572
Total pa cost from 2021	84,000	86,628	+2,628	1. Accommodation cost of +4,200. 2. Office support costs -1,572
Bureau pa costs for 2020	0	7,150	+7,150	1. One-off relocation cost of +4,000. 2. Accommodation cost of +3,150 (9 months).
Bureau pa costs from 2021	0	4,200	+4,200	1. Accommodation cost of +4,200.

<sup>2</sup> Income is the amount that members voluntarily pay into the SAF for RTCAP services.

- 6.5 While the costs are marginally higher for the Bangkok option, this is solely due to the provision of personal accommodation at the College (i.e., the cost of utilities and maintenance<sup>3</sup>), and a one-off relocation cost in 2020. However, whereas the overall cost has not increased significantly, the funding has been redistributed with the Bureau now being allocated a cost of US\$ 7,150 in 2020, and US\$ 4,200 per annum from 2021.
- 6.6 The increased costs to the Bureau equate to approximately US\$93 per contribution unit for 2020, and US\$55 from 2021. Although this represents an increase in membership costs, there should be a net contribution unit reduction from 2022 when external consulting costs are not seen as being required. In other words, from 2022 membership costs should reduce below the 2019 level (in real terms). Notwithstanding the low overall impact on Union costs in 2020 and 2021, the Reform Working Group considered that, in the interests of cost management, every effort should be made to not exceed the 2019 contribution unit of US\$2,650 in those two years.
- 6.7 In order to provide the Union with short-to-medium-term control over ongoing costs arising from the relocation (generally being a period for the concept to prove itself as producing the benefits perceived), the arrangement will be reviewable on an annual basis for the first three years. This is seen as particularly important for the new Secretary General who would take up office on 1 January 2022 as it would allow that person to evaluate / modify the arrangement in a relatively unrestricted manner.
- 6.8 The Reform Working Group noted that, while there is an understandable focus on additional costs, the relocation proposal will also save some costs e.g., no requirement for Mr Tan to travel from Singapore to Bangkok, Mr Tan being able to undertake activities from within his fixed salary cost as opposed to paying another specifically-contracted person to undertake such tasks. Putting a figure on such savings is difficult to do simply because it is information most reliably captured at the time a savings occurs. Suffice to say, the Working Group has no doubt there will be savings. This may be a matter the small ad hoc group mentioned in paragraph 4.5.1 could keep an eye on during the evaluation period.
- 6.9 As far as approval to proceed regarding the financial aspect, this is covered in paragraph 7.6.

## **7. Procedural Requirements (i.e., “what are the rules for making such a change”)**

- 7.1 This part of the document discusses the approvals necessary to relocate the RTCAP from Singapore to Bangkok in relation to:
- (i) change of location;
  - (ii) organisation changes within the Bureau; and
  - (iii) financial aspects.

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<sup>3</sup> Costs for utilities and maintenance have been scheduled by the Bureau and reviewed by Thailand Post. The amount of US\$4,200 per annum is regarded as reasonable.

7.2 The process is seen as including:

- (i) consultation for support; and
- (ii) approval to proceed.

### 7.3 Consultation for support

7.3.1 The RTCAP operates under the direction and guidance of the PTC (UPU). It reports to the APP Cooperative Office Director. Office accommodation and office support expenses are provided by Singapore Post. The Manager, RTCAP is a secondee from Singapore Post with longstanding personnel entitlements. Japan and the UPU are significant providers of funds for missions. The Governing Board of the Training Section of the Bureau (i.e., the College) will be a benefactor of the change of location of the RTCAP. Thailand will also have an interest in the "International Staff" classification proposed for the position ~~(reference paragraph 4.6.3)~~. The Chair of the APPU / UPU Reform Working Group has an oversight interest in the proposal.

7.3.2 Consultation with each of the parties identified in paragraph 7.3.1, plus Iran as EC Chair, was undertaken during March and April 2019. The comments from each party are contained in Appendix 1. The overall tone of the feedback was favourable towards the relocation. In particular, it is important to note the position of the PTC as strongly supportive (copy of letter at Appendix 4).

7.3.3 The Reform Working Group was also consulted during May-July. This was positive with additional material being provided for inclusion in the proposal viz.,

- paragraph 4.5.1: establishing a small ad hoc group to monitor the benefits documented in the proposal actually being achieved, and reporting on this to the EC annually;
- paragraph 6.6: in the interests of cost management, making every effort not to increase the contribution unit in 2020 and 2021 above the level for 2019 (i.e., US\$2,650); and
- paragraph 6.8: the relocation will also offer cost savings (i.e., it is not simply a matter of increased cost), and that these savings might also be reported on by the small ad hoc group referred to in paragraph 6.6; and
- ~~paragraph 7.5.4: the urgency that exists in resolving the international staff status for the Manager, RTCAP.~~

### 7.4 Approval to proceed: change of location

7.4.1 There is no formal approval requirement for a change of location, apart from any financial implications as set out in paragraph 6.4. Nevertheless, it would be a courtesy to seek the endorsement of the (2019) EC for the relocation.

### 7.5 Approval to proceed: organisation within the Bureau

7.5.1 The ability to make this organisational arrangement is set out in the General Regulations of the APPU, Article 107, § 1 and Article 108, § 1. To deal with these provisions it is necessary to do so with the person in mind as opposed to the function (i.e., the Manager, RTCAP, as opposed to the RTCAP itself). The two provisions are as follows.

(i) Article 107, § 1

The Bureau is composed of a Director and such other staff as the Union may require.

(ii) Article 108, § 1

The direction of the Bureau is entrusted to a Director assisted, if necessary, by qualified officials who have served at least five years in the postal service and who possess a working knowledge of French or any of the languages in Asia, in addition to English. These positions are in addition to the training and administrative staff of the Bureau. The representation of the member-countries of the Union is taken into consideration in the selection of these officials. The Director appoints them, subject to the confirmation of the Executive Council, from among those who are recommended by their respective postal administrations, on condition that they satisfy the needs of the Bureau on the technical aspect.

7.5.2 There are ~~four~~<sup>two</sup> elements that need to be discussed in relation to Article 107, § 1 and Article 108, § 1 as follows.

(i) Article 107, § 1: "The Bureau is composed of a Director and such other staff as the Union may require."

This provision has been interpreted as meaning that staff in the Bureau are employees of the APPU. While such an interpretation may not be entirely evident in the text of Article 107, § 1, it is the preferred interpretation to make. This is because the employment status necessary for the relocation proposal to be of greatest benefit to the Union (i.e., "international staff") will require an individual to be an APPU employee.

(ii) Article 108, § 1: "The direction of the Bureau is entrusted to a Director assisted, if necessary, by qualified officials who have served at least five years in the postal service and who possess a working knowledge of French or any of the languages in Asia, in addition to English. These positions are in addition to the training and administrative staff of the Bureau."

This provision enables qualified officials to be employed in positions in the Bureau (these positions being in addition to the training and administrative staff positions).

(iii) Article 108, § 1: "The Director appoints them, subject to the confirmation of the Executive Council, from among those who are recommended by their respective postal administrations, on condition that they satisfy the needs of the Bureau on the technical aspect."

This provision requires the EC to confirm the appointment of a qualified official. Further, there is the requirement to satisfy the needs of the Bureau on technical competence to undertake the duties of a position. In the case of RTCAP duties being undertaken in the Bureau, the incumbent has been in the role for more than 10 years, he has had the ongoing endorsement of EC meetings and Congresses, and has enjoyed

the support of members during all of his tenure. Accordingly, there should be no issues on this criterion.

Where the EC will need to make specific consideration is that this is a transitional appointment i.e., the incumbent transferring from Singapore (as a contract employee of Singapore Post on secondment to RTCAP duties) to Bangkok (where the employment status is intended to be international staff). In this circumstance, the process does not involve calling for applications. The EC should specifically endorse this exceptional process.

- (iv) Article 108, § 1 “The representation of the member-countries of the Union is taken into consideration in the selection of these officials.”

~~As with sub-paragraph (iii) above, the EC will need to specifically endorse the fact that the transitional nature of the appointment process does not involve calling for applications, thus making the “representation of member-countries” irrelevant on this occasion. However, for the record, Mr Tan is Singaporean and would be the only national of that member-country employed in Bangkok.) This could mean inviting applications for a position and / or ensuring geographical balance in the nationalities of appointees. We are dealing with a transitional arrangement of relocating a current jobholder to take on an expanded role. Continuity of current activities to a high level is imperative. Timing is against an open appointment process on this occasion, but the open appointment process would be a feature when the role becomes vacant.~~

~~Regarding geographical balance—again, the transitional aspect of a current jobholder is relevant.~~

~~In essence, the main objective is to relocate a quality individual to gain greater value.~~

- ~~(iii) “The Director appoints them, subject to the confirmation of the Executive Council, from among those who are recommended by their respective postal administrations, on condition that they satisfy the needs of the Bureau on the technical aspect.”~~

~~On this occasion, it is this part of Article 108, § 1 that is the overriding factor i.e., “... satisfy the needs of the Bureau on the technical aspect”. In the short to medium-term the Manager, RTCAP is the natural candidate.~~

- 7.5.3 **The appointment of the Manager, RTCAP as a member of the Bureau staff, reporting to the Secretary General in the new Consultancy Section, requires the confirmation of the EC, with specific endorsement (by the EC) recommended for not calling for applications for the role due to the transitional nature of the process.**

- 7.5.4 Subject to EC action as set out in paragraph 7.5.3, the Bureau would then initiate an approach to the Ministry of Foreign Affairs of the Government of the Kingdom of Thailand to request international status for the role. For clarity, the position would be classified as “International Staff” (this being inherent in the exercising of Article 108, § 1 of the General Regulations to enable the relocation to take place). Assigning “International Staff” status will require a separate submission to the Ministry of Foreign Affairs of the Government of the Kingdom of Thailand. Given that the relocation proposal very much relies on the international staff status being granted, it is a matter of some urgency to get this resolved prior to the Tokyo EC meeting.

~~(Thailand Post informed the Working Group Chair on 22 July that, as at that date, the Ministry of Digital Economy and Society had not received a response from the Thai Ministry of Foreign Affairs.)~~

## 7.6 Approval to proceed: financial

7.6.1 The RTCAP is funded through the APPU Special Activities Fund (SAF). The EC determines the activities that the SAF covers. Further, the EC approves the budget for activities funded from the SAF.<sup>4</sup> The existence and continuation of the RTCAP from a financial perspective is a matter for the EC. There will be a small, one-off additional cost in the relocation process. The EC will need to approve this.

7.6.2 Paragraph 6.4 and Appendix 2 set out the financial position for the proposed relocation of the RTCAP. In accordance with paragraph 7.6.1, the approvals required are summarised in the table below (for 2020).

Ref.	Budget Item	Amount (US\$)	Funding Line	Approval Process
1	Salary	64,000	SAF	EC in terms of approving continuation of RTCAP activities
2	Medical Insurance	3,000	SAF	EC in terms of approving continuation of RTCAP activities
3	Accommodation (utilities and mtce)	3,150	Bureau	EC in terms of approving annual Union operating expenditure
4	Office Expenses	3,428	SAF	EC in terms of approving continuation of RTCAP activities
5	Airfare/Travel Allowance	12,000	SAF	EC in terms of approving continuation of RTCAP activities
6	Relocation Allowance (2020)	4,000	Bureau	EC in terms of approving annual Union operating expenditure

7.6.3 For the avoidance of doubt, the information in the above table indicates that SAF funding (subject to the standard procedure of EC approval) will continue for the RTCAP when it relocates to Bangkok (apart from those items in Lines 3 and 6 of the table).

## **8. Implementation Aspects**

8.1 It is intended that the RTCAP relocate to Bangkok no later than 1 April 2020.

8.2 To enable this deadline to be met, Appendix 3 sets out a timetable for key actions.

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<sup>4</sup> Article 4 of the Administrative and Financial Management Regulations of the Special Activities Fund.



**Appendix 1**

**Summary of consultation process with involved parties (reference paragraph 7.3.2)**

<b>Party Consulted</b>	<b>Summary of comments</b>
APP Cooperative Office	Positive.
Australia (APP Chair)	Positive.
Iran (EC Chair)	Suggested looking at other operating options to reduce costs (currently being examined by the Bureau).
Japan	Has raised some areas for clarification. The Bureau has replied to Japan with comments and these are being further studied by Japan.
New Zealand	Positive.
PTC (UPU)	Positive.
RTCAP	Positive.
Singapore	Positive.
Thailand	Has received the proposal documentation and confined initial activity to discussions with external parties on International Staff criteria and process (as mentioned in paragraph 7.5.4).

Appendix 2

Relocation of RTCAP from Singapore to Bangkok: Financial Analysis

**1. Costs for 2020 and 2021 if Singapore Continues as Location**

Item	Cost (USD)	Funding Line
Staff Salary	64,000	SAF
Medical Insurance / Expenses	3,000	SAF
Telecommunications / Postage	2,000	SAF
Airfare / Travel Allowance	12,000	SAF
Computer Equipment / Maintenance / Stationery	1,000	SAF
Miscellaneous	2,000	SAF
<b>Total</b>	<b>84,000</b>	

**2. Per Annum Costs for 2020 and 2021 if Relocated to Bangkok**

Item	Cost (USD)	Funding Line	Comment
Salary	64,000	SAF	Same salary as received in Singapore
Medical Insurance	3,000	SAF	Same cost as in Singapore
Accommodation (residential)	4,200	Bureau	US\$ 350 per month paid by Bureau for utilities and maintenance (See Note 1)
Telecommunications / Postage	1,371	SAF	Singapore cost adjusted to Thailand cost (See Note 2)
Airfare / Travel Allowance	12,000	SAF	Cost is the same as for RTCAP based in Singapore
Computer Equipment / Maintenance / Stationery	686	SAF	Singapore cost adjusted to Thailand cost (See Note 1)
Miscellaneous	1,371	SAF	Singapore cost adjusted to Thailand cost (See Note 1)
<b>Total</b>	<b>86,628</b>		

**3. One-off Relocation Cost**

Personal costs associated with relocation	<b>4,000</b>	Incurred in 2020 only
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**Note 1:** 2020 = US\$3,150 (relocation effective 1 April).

**Note 2:** Singapore cost adjusted to Thailand cost using downward factor of 31.45% (derived from [https://www.numbeo.com/cost-of-living/compare\\_countries](https://www.numbeo.com/cost-of-living/compare_countries))

**Appendix 3**

**Proposal to Relocate the RTCAP from Singapore to Bangkok: Timetable for Key Activities**

<b>Activity</b>	<b>Timing</b>
Completion of draft proposal	26 February
Final review by HL, KK, ML	27 February
Dispatch to Mr Tan	28 February
Feedback from Mr Tan	10 March
Advance copy to UPU and to other parties (as set out in paragraph 7.3.2)	20 March
Advance copy to EC Chair (Iran)	20 March
Consultation with parties (Mr Lin discussing with Australia, Japan, New Zealand, Singapore and Thailand)	8-12 April (Bern, in conjunction with CA session)
Incorporation into updated draft of comments from parties consulted in Bern, as well as comments received in writing	19 April
Circulation of updated draft proposal to members of APPU / UPU Reform Working Group	22 May
Feedback from APPU / UPU Reform Working Group	26 June
Update discussion with LEC	30 May
Completion of proposal (taking into account views expressed during consultation process)	5 July
Distribution of final proposal (as an EC doc)	19 July
<u>EC to make decision on relocation proposal</u>	<u>5 September</u>
<u>EC decision referred to Thai Ministry of Foreign Affairs for consideration of international status for role</u>	<u>16 September</u>



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Mr Lin Hongliang  
Secretary General of APPU  
Asian Pacific Postal Union Bureau  
111 Chaeng Watthana Road Laksi District  
BANGKOK 10210  
THAILAND

Berne, 9 March 2019

Reference: 4750(PTC)035  
Subject: Relocation of Regional Technical Centre for Asia-Pacific

Dear Mr Lin,

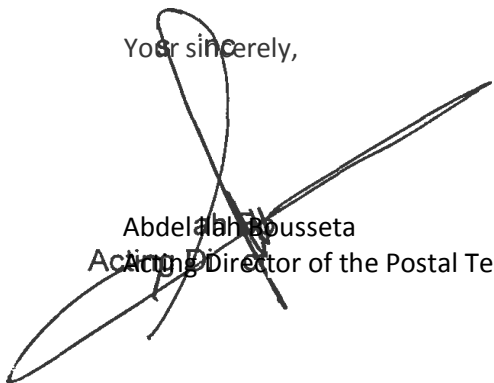
Thank you very much for your letter of 12 March 2019, and for consulting us on the question of relocating the Regional Technical Centre for Asia-Pacific (RTCAP) from Singapore to Bangkok.

First of all, let me say how much we appreciate the very valuable relationship that we have enjoyed with the APP, APPU and the RTCAP over many years. We know how much the RTCAP has helped with the deployment of UPU IT solutions in the region. We also wish to congratulate you on the very detailed impact study that you shared with us concerning this relocation. We can only concur with the report's findings as regards the added value that this relocation would provide: the proximity of the infrastructures of the APPC and the synergies with APPU make a lot of sense to us as well.

We therefore have no reservations about this proposed relocation. We know from Mr Yong Chee, who has been instrumental in the RTCAP's success, that he is happy with the move. Ultimately, good succession planning in anticipation of Mr Yong Chee's retirement is our main concern for the medium term, and we trust that we can work together on this when the time comes.

I will be happy to meet with you during the week of 8—12 April to discuss the matter further.

Yours sincerely,

  
Abdelhak Bousseta  
Acting Director of the Postal Technology Centre