



# Implementation of the UPU Regional Projects in Asia Pacific

APPU EC Meeting 2-6 September 2019 Tokyo, Japan



#### **Structure of the report**

#### Part I:

Overview of the UPU development cooperation projects for 2017-2020

#### Part II:

UPU projects for 2017-2020 cycle in the Asia Pacific region

#### Part III:

Implementation activities in Asia-Pacific



#### **Part I:** Overview of the UPU development cooperation projects for 2017-2020

- UPU development cooperation policy for 2017-2020
  - On the basis of the regional priorities adopted for the 2017–2020 cycle through the regional development plans (RDPs)
  - The cross-cutting role of development cooperation, with the aim of further strengthening information exchange and cooperation among the various Union bodies
  - Cooperation must reflect a vision integrating development strategies at the global, regional and national levels
  - Regional approach must be consolidated and optimized
  - Greater accountability on the part of beneficiary countries must be required
  - Fundraising for the cooperation must be a priority for UPU presence in the field



### UPU activities in Asia Pacific region

- UPU Director General's visit to Pacific countries in Feb 2019
  - Visited 5 countries: Fiji, Nauru, Samoa, Solomon Islands and Tonga
  - Met with the Presidents or Prime Ministers to understand the special requirements of the Small Island Developing States (SIDS)
  - Discussed important policy issues with CEOs of 9 Pacific countries during the 2<sup>nd</sup> UPU sub-regional meeting in Apia, Samoa



## Special activities for Pacific countries

- 1st UPU sub-regional meeting with Pacific countries on important policy issues, Nadi, Fiji (June 2018)
- 2nd UPU sub-regional meeting of CEOs on important policy issues, Apia, Samoa (Feb. 2019)
- UPU Special workshop on computerization of international mail accounting using IPS.POSTIPS, Apia, Samoa (Feb. 2019)
- UPU regional workshop on postal financial services development and UPU trademark implementation in the Pacific region, Nadi, Fiji (June 2018)
- UPU project for some small Islands developing states (60,000 CHF)



# UPU regional strategy forum

- Time and venue: 25-26 April, Bangkok, Thailand
- Host: Thailand
- Attendance:
  - More than 70 delegates from 28 member countries
  - 7 from UPU, including DG and Deputy DG
  - 2 from APPU Bureau, including SG
- Results: successful



#### UPU Regional Strategy Forum 25-26 April 2019 Bangkok, Thailand





#### UPU resources – Regular budget

- Regular Budget: 11,552,000 CHF
- Other sources
  - Emergency and Solidarity Fund to respond quickly to unexpected situation
  - QSF common fund
  - Resource mobilization
  - South-south and triangular cooperation
  - Contribution of member countries, international organizations, private foundations, etc.



### South-South & triangular cooperation

- Japan fund (50,000 CHF)
  - Project: Strengthen the postal sector to fulfil its social obligation
  - Beneficiaries: Bhutan, Fiji, Maldives
- China fund (78,400 CHF)
  - APPC training fellowships for all Asian LDCs
- Korea PC donation (200 sets)
  - Beneficiaries: DOs of Pacific countries



### Part II: Projects for 2017-2020 cycle in the Asia Pacific region

- Level 1
  - Improvement of operational efficiency and the development of e-commerce
- Level 2
  - Financial services
  - Reform and modernization of the postal sector
  - Diversification
- Project for LDCs
  - Regional projects of national scope for LDCs
  - Linked to the indicators of Level 1 and Level 2 projects



Level 1 regional project: Operational readiness for e-commerce (ORE)

- Objectives of the project
  - Address obstacles preventing consumers from buying online cross-border
  - Help participating DOs modernize operational processes, use all available IT tools
  - Maximize the growth potential of international e-commerce



The main project targets by 2020

- Goals by 2020
  - better visibility through track and trace
  - consistent & reliable delivery times (E2E times)
  - seamless transport & customs clearance enabled by good quality of data captured at source
  - ability to choose delivery locations
  - simple and reliable return process
  - flexible customer service process



#### Key pillars to meet full compliance with e-commerce needs





### Minimum operational requirements

- Implement minimal OPS product standards
- Define gen. E2E process mapping & critical times
- Set up groject standards for each segment of E2E
- Update all Compendiums
- Migrate to IPS.post or latest IPS version (not for DOs with their own SW)
- Implement IPP (new classification, S10 for small packets with a good, product develop.)
- Offer delivery choice & provide return service
- Implement Post code & addressing system
- Offer payment solutions for ecommerce



# Visibility (EDI messages)

- Adopt UPU messaging standards for mandatory EDI messages, events & data elements (EMSEVTv3)
- Capture address & customs data at source
- Transmit data timely and share them with DOs, airlines and customs
- IT standardized tools & Reporting systems
- Use all available IT tools like IPS, CDS, GCSS, COMPAS, IFS
- Use available Reporting systems with all E2E segmental reports (QCS, STORM, GMS...)
- Implement E2E GMS RFID



# Data quality (Compliance monitoring)

- Provide all mandatory EDI messages, EMSEVTv3 events & data elements
- Provide timely return of tracking events, RESDES & ITMATT information
- Monitor (PTC)
- EDI message compliance
- Event compliance
- Data element compliance
- Timeliness compliance
- Compliance reporting
- Use new reporting tools (Business Intelligence)
- Maximize benefits of EDI by extracting data into domestic IT system



# Supply chain integration (Transport)

- Design operational plan & accounting with airlines
- Exchange CARDIT/RESDIT
- Use leg 2 reports on item dispatch & consign. level
- Analyze time in transport
- Test "Paperless" transport
- Customs
- Design Ops. plan & Policy
- Implement CDS & exchange ITMATT, CUSITM & CUSRP

- Analyze time in customs
- Participate in roundtables with customs & airlines
- Security
- Implement policy & S58, S59
- Standards & Addressing
- Implement EDI & technical standards and Code lists
- Obtain S42 Certificate



# E2E Performance Reliability

- Set up, monitor & meet individual leg standards in E2E matrices per link
- Link all performance reports (QCS, STORM, GMS...) to SLAs (internal & external) with partners
- Implement and meet all operational product standards
- Provide Customer service Response Quality (GCSS)
- Implement adequate remuneration systems (P4P systems in E2E pipelines) and UPU supplementary services
- EMS & UPU Certif. Award



#### **Project Roadmap**





#### Level 2 Regional projects

- Regional projects will involve shorter-term activities in the fields of
  - Financial services
  - Reform and modernization of the postal sector
  - Postal reform and development
  - Diversification



#### **Regional projects**

- Regional projects of national scope
  - New integral approach
  - Regional projects for least developed countries (LDCs)
  - Linked to the indicators of L1 and L2 projects
- The impact of cooperation actions
  - Integrated economic, strategic and development indicators
  - Systematic monitoring of the application of project indicators by each country to ensure greater accountability





#### Part III: Implementation activities in Asia-Pacific

- ORE project
- Multi-year integrated projects (MIPs)
- South-south and rectangular projects
- Security project
- Postal financial services project
- Training fellowships
- Other project
- Other activities



### Implementation of ORE project: workshops

- 3<sup>rd</sup> ORE workshop on postal transport and cooperation with airlines (leg 2), the UPU certification management system for designated operators and ORE follow-up in the Asian region (Nov 2018, APPC)
- 3<sup>rd</sup> ORE workshop on postal transport (leg 2), the UPU certification management system for designated operators, and ORE follow-up in the Pacific region (Jun 2019, Nadi, Fiji)
- 4<sup>th</sup> ORE workshop for Asian countries (Scheduled in Nov 2019 at APPC)



The 3<sup>rd</sup> ORE workshop for Pacific countries

24-28 June 2019 Nadi, Fiji





#### Implementation of ORE project: On-site review and quality certification

- On-site reviews in 11 countries completed in 2018
- Pilot Audit mission on UPU quality management certification system in Vietnam conducted in July 2019
- More certification audit will be conducted in 2019



# National Multi-year Integrated projects (MIPs)

- Beneficiary countries: all LDCs except one under UPU sanction
- Budget for each beneficiary: 60,000 CHF
- Project activities
  - Procurement of equipment
  - Provision of consultancy missions
  - Provision of individual fellowships for training at APPC
  - Provision of fellowships for group training at APPC or in their own countries



# Security project funded by USA

- Joint UPU–WCO postal security capacity-building project: countering transportation of dangerous contraband
- Workshop at APPC in June 2019: more than 70 participants form member countries, DOs and Customs
- Pilot audit and certification in August 2019
  - Host: Solomon Islands and Vanuatu
  - Participation: Nauru, Solomon Islands and Vanuatu



#### Joint UPU–WCO postal security capacity-building project: countering transportation of dangerous contraband in the Asian-Pacific region 10 to 13 June 2019 APPC





### Financial Inclusion Technical Assistance Facility (FITAF)

- FITAF projects started in June 2018 during a postal financial services workshop in Nadi, Fiji
- UPU Consults conducted the digital finance assessments of Kiribati, Tonga and Nauru and some desk research of Fiji
- UPU has signed bilateral agreement with some Pacific DOs



### **E-service and diversification**

- Start up workshop on digital transformation and diversification of postal services in Asia-Pacific countries, APPC, Nov 2018
- Mission in 2 Asian countries planned in 2019



# Other projects

- Disaster risk management (DRM) workshop at APPC (scheduled in Nov 2019)
- Activities funded by La Poste France
  - Fellowships for training at APPC
  - Workshop



# Support to APPC

- Procurement of computer and furniture for APPC
- Provision of guest speakers/lecturers/experts for APPC
  - Training courses
  - Workshops/seminars
- Allocation of fellowships for training at APPC
- Grant of group training fellowships in the beneficiary countries



Fellowships for APPC courses in 2019

- ORE budget
  - 19 individual fellowships
- MIPs budget
  - 12 individual fellowship
  - 1 group training fellowship (in Timor-Leste)
- Small Islands project budget
  - 4 individual fellowships
- China Fund project
  - 6 individual fellowships



### Other projects funded by China

- Training program on promoting trade facilitation in Asia, Nanning, China (Sep 2018)
- Training Programme on Post Cross-Border Business Development and Cooperation under the Framework of the China–ASEAN Free Trade Area, Shijiazhuang, China (Aug 2019)
- UPU Global Conference on Cross-border Cooperation in an Ecommerce World will held in Xiamen, China (Nov 2019)



### **Other issues - UPU official statistics**

- The UPU statistics is an official process carried out every year since 1875 and the resulting database is the only source of official global postal statistics in line with UN standards
- One of the functions of UPU statistics is to monitor the most important trends in the postal market
- Non provision of data by operators distorts the estimates and the resulting analyses. Similar problems may occur when computing the 2IPD index, for which UPU statistics serve as important input
- It often happens that countries do not respond to questionnaires but meanwhile publish the information in their annual reports



### **Other issues - UPU official statistics**

- Member countries may claim that certain data, particularly referring to volumes are commercially sensitive
  - Many important operators, also private ones, do provide data on volumes (e.g. China, Japan, Malaysia, Viet Nam, ...)
  - Countries may declare data provided for certain headings as confidential. This means that the data will be used only as part of regional aggregates and estimations but will not be published
- It is required that each DO nominates a counterpart or a contact person



