

EXECUTIVE COUNCIL 2025

Report on the Supply Chain Working Group

<p>1. Subject</p> <p>Informing the EC on:</p> <ul style="list-style-type: none"> - Report of the Supply Chain Working Group held on 1st July 2025 to the Executive Council. 	<p>References/ Paragraphs</p> <p>§ 1 to 8</p>
<p>2. Decision expected</p> <p>The EC is asked to take note of:</p> <ul style="list-style-type: none"> - Update of outcomes of POC C1 (S6&S7) to Supply Chain WG - Presentation on trends in Postal Supply Chain and Air Mail Outlook - Presentation by PRIME - Presentation by IPC on Shopper's Survey - Presentation by USPS on its proposals developed for Dubai Congress 	<p>§ Uploaded in the relevant section</p>

I. Opening of the meeting and adoption of agenda:

The meeting was co-chaired by Mr. Ram Sikaria from India and Mr. Pang Yu from China. Both welcomed the participants and emphasized the importance of regional collaboration in strengthening postal supply chains. China presented the agenda, which was adopted without objection. India presented the Scope & Methodology, highlighting alignment with UPU POC Committee 1 priorities and focus on regional needs.

II. Update on POC Committee 1 (S6 and S7):

China provided a comprehensive overview of POC Committee 1 activities, outlining recent developments in postal standards, addressing systems, customs procedures, transport logistics, and postal security. Key highlights included steady progress toward ICS2 Release 3 readiness, the formal adoption of BACR 2025, continued advancement of regional mail hub initiatives to enhance efficiency, improvements in the S58/S59 certification process to strengthen aviation security compliance, and the launch of pilot projects aimed at facilitating the exchange of transit EAD data across borders.

III. Presentation by India:

India presented key trends and drivers influencing postal supply chains, highlighting the growing shift toward B2B2C and D2C business models, persistent challenges in Leg 2 air transport, the critical importance of EAD (Electronic Advance Data) and DDP (Delivery Duty Paid) compliance, and the increasing need for hybrid mail-cargo operations and integrated logistics solutions.

Following the presentation, several countries took the floor to emphasize the need for enhanced capacity-building workshops, particularly in support of ICS2 Release 3 implementation. They also called for improved inter-regional communication and the development of mechanisms to ensure the smooth and consistent flow of mail across regions. In addition, some delegations inquired about potential technological solutions to support the rollout of advanced services, such as DDP.

IV. Presentation by PRIME:

Ms. Cinzia Neri provided an update on PRIME, highlighting current membership status, product offerings, quality performance metrics, upcoming developments, and the introduction of new dynamic reporting tools aimed at enhancing data visibility and operational decision-making.

V. Presentation by IPC on Shopper's Survey 2024:

Mr. Luke provided a remote presentation on emerging shopper trends, emphasizing the growing adoption of B2B2C models, increasing consumer expectations for faster delivery, and the significant influence of major e-commerce platforms on purchasing behavior. He encouraged APPU member countries to participate in the ongoing survey, facilitated through the Bureau, to explore potential cost-sharing benefits and regional insights.

VI. USPS presented its proposed upcoming Congress proposals on GMS, Revenue Protection, Data Protection

Ms. Michaela George provided a detailed walkthrough of proposals being considered by USPS for the upcoming Dubai Congress, outlining key elements of the proposals. She invited member countries to review and support these proposals ahead of the submission deadline to the UPU on 8 July.

VII. Closing:

The Co-Chairs thanked member countries for their active participation and urged ongoing engagement to build a resilient and innovative postal supply chain.

Co-Chairs APPU-EC Supply Chain Working Group:
India and China

Represented by:
Ram Sikaria - India
Pang Yu - China