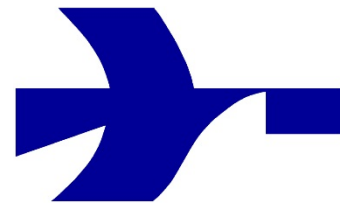


# UPU Council of Administration Matters

## Working Group

**ASIAN-PACIFIC POSTAL UNION EXECUTIVE COUNCIL MEETING  
2-6 September 2019 , Tokyo, Japan**

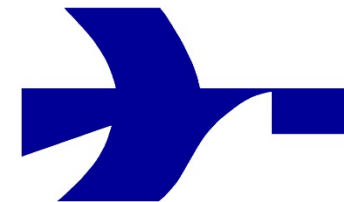


## Agenda / Running Order

1. Introductory comments from Pakistan
2. Update on the UPU voluntary contributions task force
3. Update on the UPU Provident Scheme task force
4. Any other Business

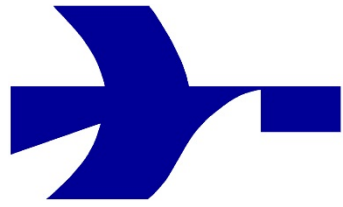
Presentations from Japan:

- A. Voluntary Fund
- B. Ensuring Legal Stability of the Acts of the Union



- Introductory comments from Pakistan
- Discussion

- Update on the UPU Provident Scheme



# Provident Scheme of the Universal Postal Union

- The UPU Provident Scheme is under capitalised by about 60m CHF.
- A taskforce was set up by CA in Oct 2018 to look into options for restoring sustainability to the scheme.
- Discussions with the UN Joint Staff Pension Fund have commenced.
- The first meeting with the UNJSPF took place on 29 March 2019 and was attended by representatives of the secretariats of both organizations.
- Many issues raised that will make joining the UNJSPF not easy, nor a quick fix. Next dialogue session couldn't commence until last month.

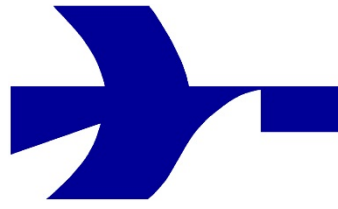
# Provident Scheme of the Universal Postal Union

- Important upcoming documents to review for October CA:
  - a Update on actuarial review of the year 2018 CA C 1–D13 CA C 1 2019.2–Doc 11a
  - b Update by the International Bureau on the status of negotiations with the United Nations Joint Staff Pension Fund CA C 1–D14 CA C 1 2019.2–Doc 11b
  - c Report by the Chair of the task force CA C 1–D14 CA C 1 2019.2–Doc 11c
- Potential impact on APPU members if full recapitalisation is called upon: ~13.4m CHF from APPU region pro-rata on contribution units (CU).
- At half a unit CU member country would be called to pay 36k CHF. Each full unit CU would require 72k CHF. 13 member countries of APPU would be required to pay over 200k CHF each totalling 12.2m CHF or 90% of the region contribution.
- US potential withdrawal adds ~10% to the Pension funding cost.

# Provident Scheme of the Universal Postal Union

- In developments related to US withdrawal from UPU, they have signalled they could arrange for 6m CHF additional funding for PS and 2m CHF for QSF p.a. for five years. Very generous!
- But will depend on outcome of EC in Geneva and support for Option C with US amendment.

- Update on the UPU Voluntary Contribution



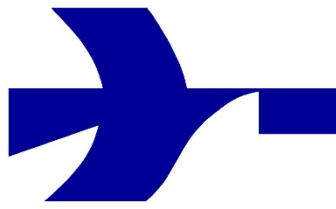


# Reform of UPU Contribution System

- Members should seek out the upcoming "Report by the Chair of the Task Force on Reform of the System Applied to Contributions by Union Member Countries" CA C 1–D6 CA C 1 2019.2–Doc 7
- A task force proposed an alternative contribution model to the second Extraordinary Congress in Addis Ababa. However, the proposal was not adopted by that Congress as it fell short of the qualified majority required to amend the Constitution.
- Through resolution C 4/2018, to instruct the CA to continue studying the issue, again with a view to developing a contribution model proposal for submission to the 27th Congress in 2020.

# Reform of UPU Contribution System

- Within the framework of that Congress resolution, the CA was specifically mandated to:
  - prepare a contribution model proposal that would guarantee the Union's long-term financial sustainability;
  - identify and describe the main issues pertaining to the Union's long-term financial sustainability (including the recovery of arrears and improvements to the financial efficiency of the Union, along with an analysis of the various contribution models applied in the UN system);
  - study possibilities for additional sources of revenue for the Union, including:
    - implementing cost recovery for specific categories of services provided to member countries by the International Bureau;
    - creating new forms of membership in exchange for contributions to the regular budget;
    - develop a new approach that would lead the Union to recover outstanding payments from members.
- The new task force met on 22 January 2019 and 18 March 2019 and plans to have at least three more meetings prior to the forthcoming 27th Congress in Abidjan, Côte d'Ivoire (Rep.).
- Three models being discussed – UPU tailored; UN Scale of Assessment; "Pay-to-use".



- Any other business (A)
- Presentation by Japan on the Voluntary Fund

# Future together Fund

Japan's renovated and upgraded contribution  
toward co-prosperity of the postal world

Ministry of Internal Affairs and  
Communications (MIC), JAPAN

September 2019

Previous MOC between the UPU and MIC of Japan

## Resilient and Sustainable Future Together

- ✓ Japan's voluntary contribution fund launched in 2010.
- ✓ 3,147,956 CHF contribution for (1)Sustainable Development and (2)DRM/DRR up to now.

## New MOC 2019

## SHape Innovative Future Together

Reinforce  
existing initiatives

Launch  
new initiatives

- ✓ Make the most of ICT and cutting-edge technologies.
- ✓ Achieve the full potential of the world postal network.

# Resilient and Sustainable Future Together

## Disaster Risk Management

- **DRM Guide** (2016)
  - Formulation of UPU guidelines compiling case studies on disaster prevention policy in a form compatible with the goals of the UN Action Plan
- **Regional Seminar**
  - Holding disaster prevention seminars and workshops in each region to share the experiences and best practices of each country
- **Dispatching Experts / Training**
- **Technical Assistance Project** (2018~/ 9 countries, 440 thousand SHF)
  - Formulate disaster prevention plans and provide equipment for disaster prevention for improvement of the capability to cope with disasters in developing countries
- **ESF** (Emergency and Solidarity Fund)
  - In 2012, the UPU established an emergency and solidarity fund as a fund scheme to restore postal services in disaster-stricken countries, and supported affected countries.

**New application is currently open for everybody, apply now!**

## Sustainable Development

- Study on Greenhouse Gas Emissions
- Regional Seminar
- Training Workshop
- Online Solution for Carbon Calculation and Reporting



Aiming at upgrading initiatives by **FtF** with new MOC  
Future together Fund

# New initiatives by the Future together Fund



## New targets of Japan's contribution Financial Support and Human Resources

### 1. Various utilizations of postal networks for business and social purposes

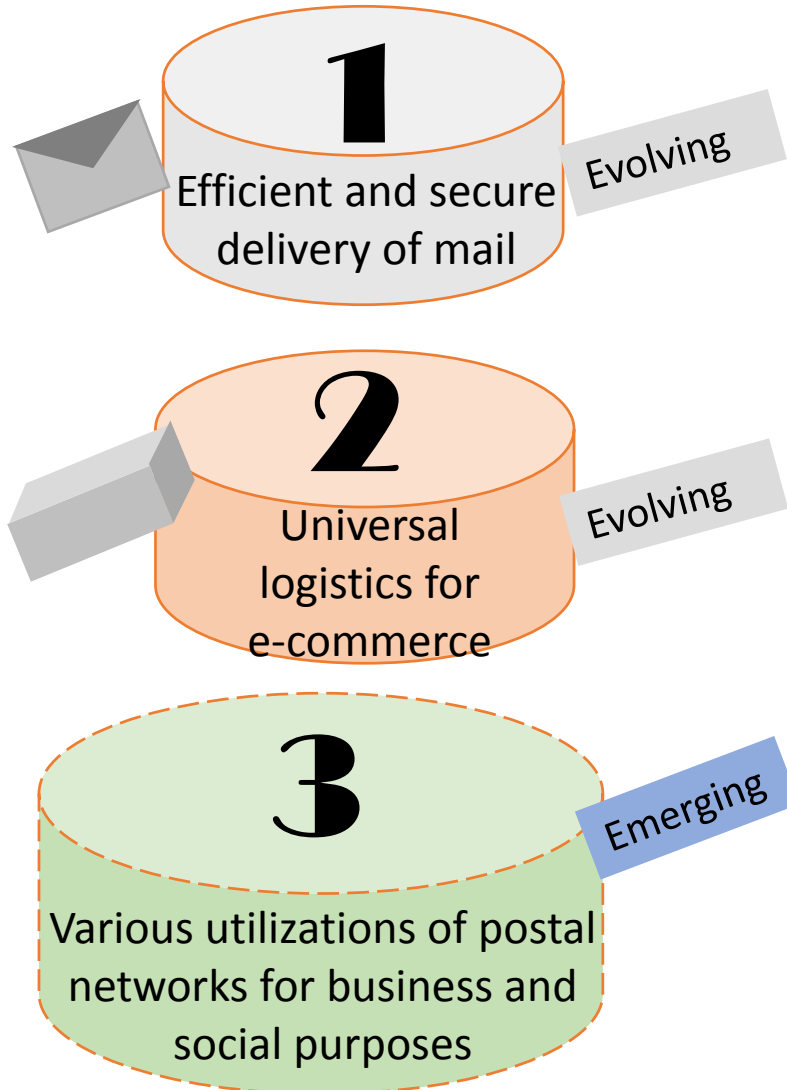
#### Particularly comprises

- Support of the establishment of new businesses by synergistically using cutting-edge technologies and postal network;
- Support of small and medium-sized enterprises (SMEs) ranging from individuals, families through to multiple employee businesses, which are reliant on the postal network to access major urban and rural markets;
- E-commerce services offered by DOs to support local artisans and entrepreneurs in the private sector, in order to leverage the vast physical network of such DOs with its proximity to underserved areas in rural and remote communities;
- Community initiatives that lead to realizations of United Nations Sustainable Development Goals;
- Delivery of prescription medicines and collection of out-of-date medicines;
- Checking on elderly/housebound citizens;
- Bringing financial services to people with reduced mobility.

2. Initiatives to make use of cutting-edge technologies by DOs, including without limitation artificial intelligence, drones, robotics, blockchain, “big data”, “Internet of Things” and sensors, so as to add new value to postal services

# SHaping Innovative Future Together

Three roles of the postal network



Collect best practices from all over the world, and suggest solutions matched to each country

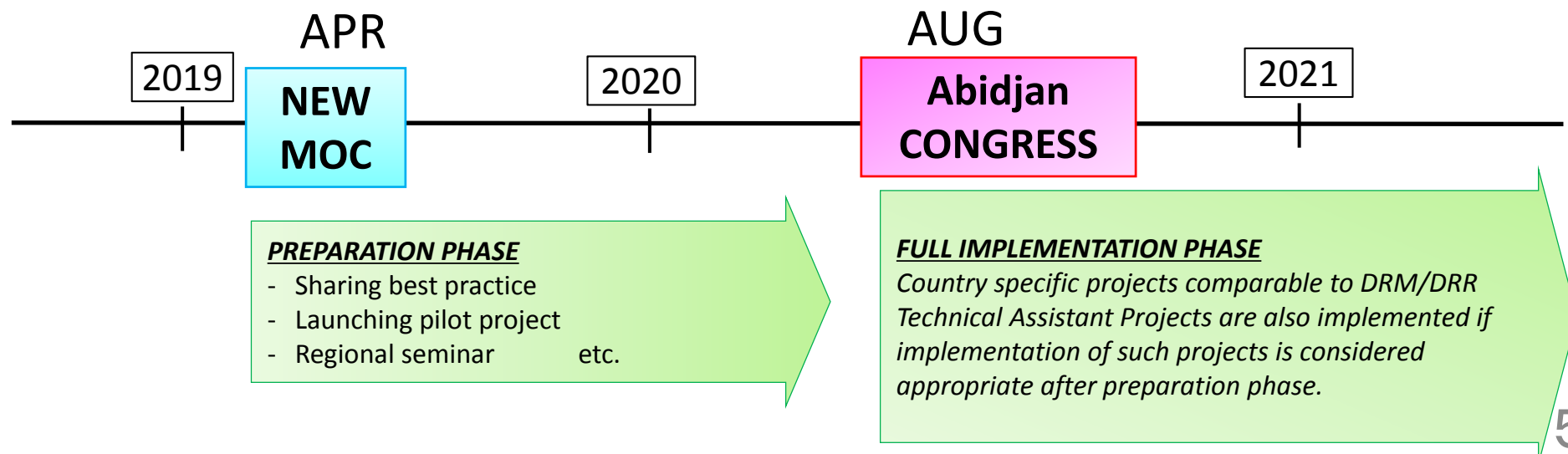
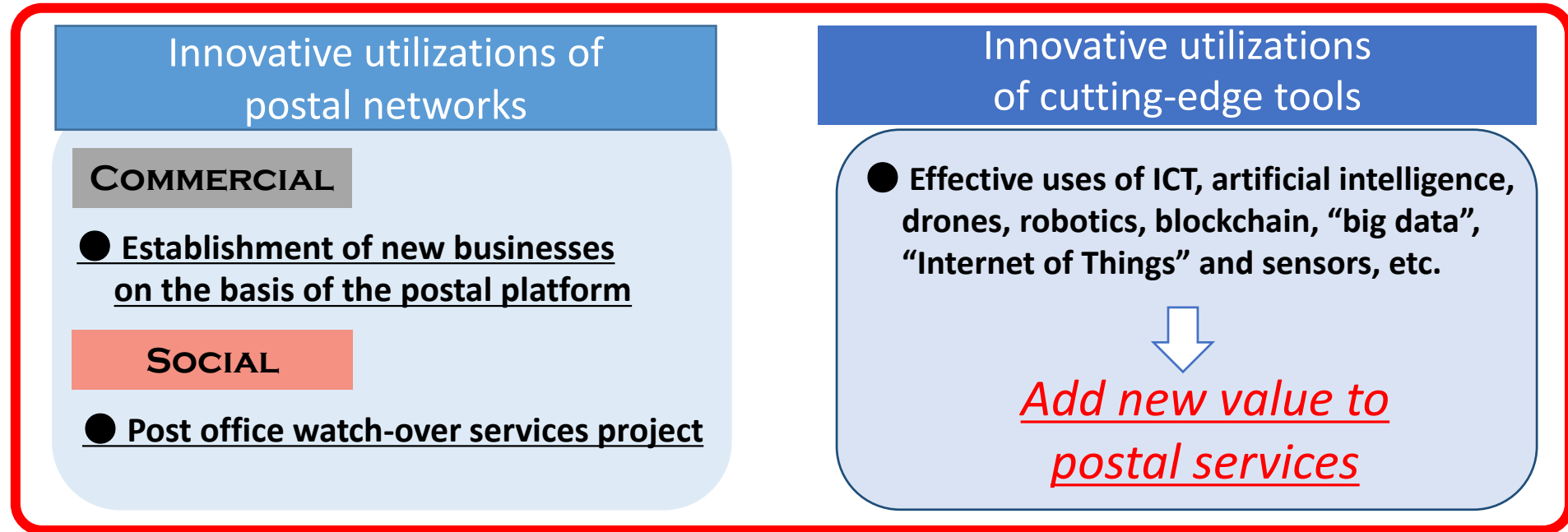


Strengthen the think tank function

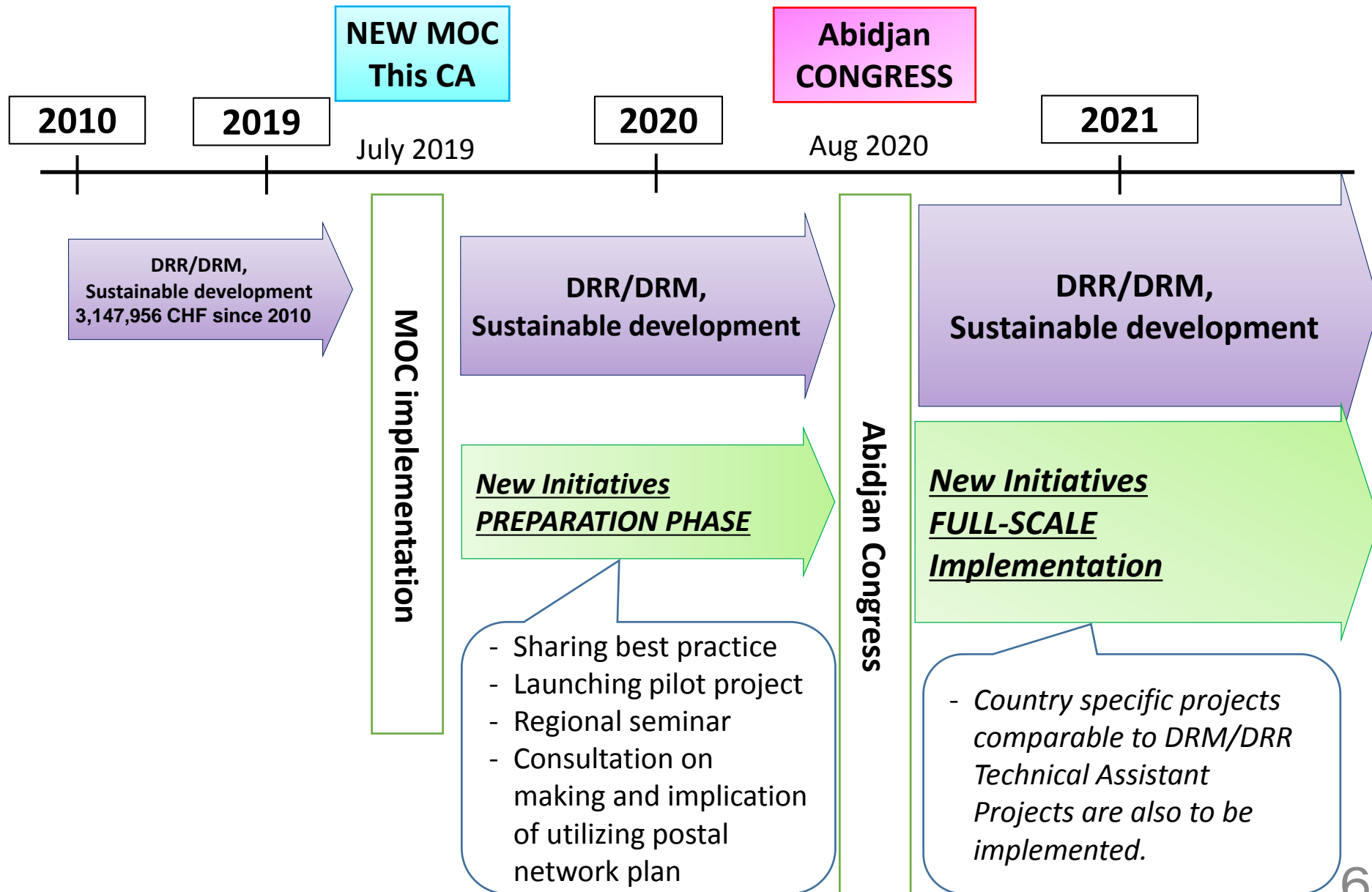




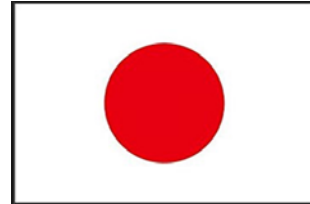
# SHaping Innovative Future Together

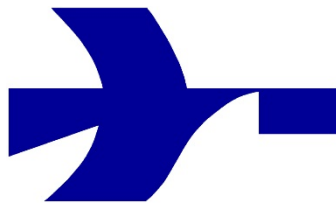


# Timeline for designing the Future Together



**Thank you!**





- Any other business (B)
- Presentation by Japan on Ensuring Legal Stability of the Acts of the Union

# Ensuring Legal Stability of the Acts of the Union

~ Simplified process to be legally bound by the Acts ~

Presentation by Japan

# Background ①

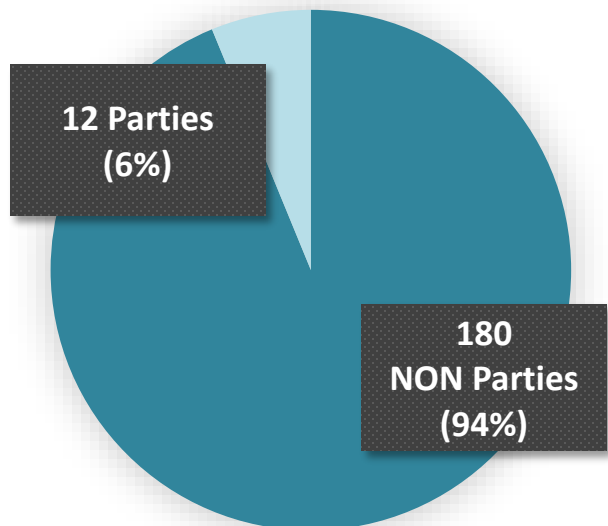
1

- ◆ The majority of the member countries have not ratified / approved the amended Acts.
  - ◆ Almost all countries operate in accordance with the latest Acts even if they are not Contracting Parties.
- ➔ Gap between the legal status and the practices

The current situation lacks...

Legal  
Stability

Number of Contracting Parties of the latest Acts (Istanbul)



At the point of 27 August 2018

Number of Contracting Parties and Signatories of the amended Acts

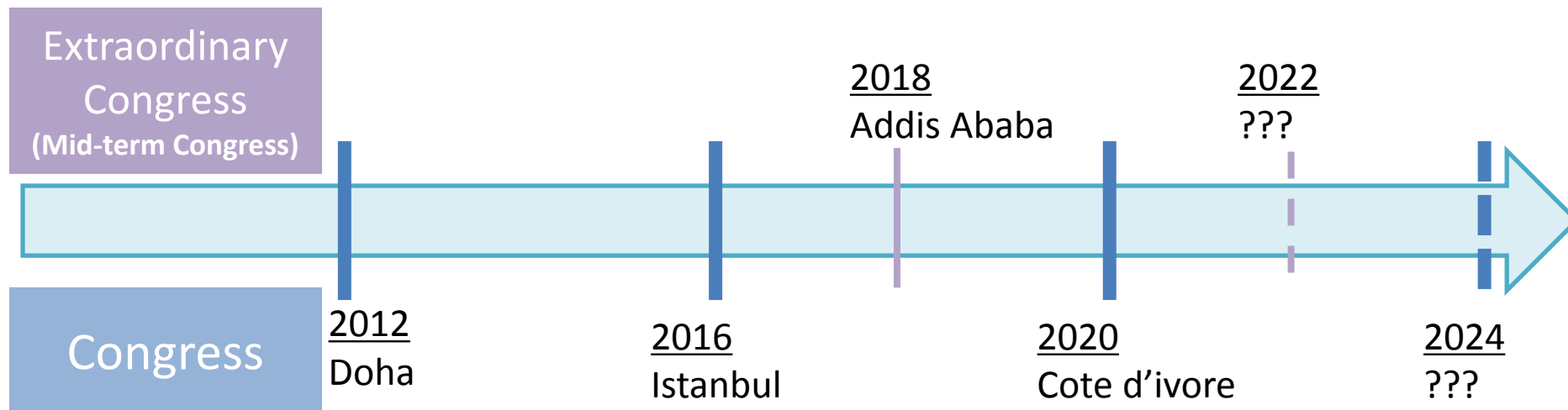
Congress Acts	2004 Bucharest	2008 Geneva	2012 Doha	2016 Istanbul
Parties (ratified / approved before the entry into force)	91 (14)	68 (15)	37 (5)	12 (2)
Signatories	159	147	144	129

# Background ②

2

- ◆ Emergence of smart technologies and e-commerce requires frequent reviews and updates of the Acts.
- ◆ Extraordinary Congress was held in 2018 in order to speed up the decision of UPU.
- ◆ If Mid-term Congress is established as a permanent organ, member countries will be required to ratify / approve the amended Acts every two years.

Needs to  
Frequently  
review and  
update matters



Ensure legal stability

Needs to frequently review and update matters

- ◆ To simplify the process to be legally bound by the Acts to be frequently updated, Japan proposes to amend the related provisions so that:
  - ✓ the amended Acts take effect to member countries without ratification / approval
  - ✓ the Acts reflect current practices within the UPU



# JAPAN's Proposal ①

4

✓ amend the related provisions so that the amended Acts take effect to member countries without ratification / approval

## Example

### Constitution

#### Article 30 Amendment of the Constitution

2 Amendments adopted by a Congress shall form the subject of an additional protocol and, unless that Congress decides otherwise, shall enter into force for all member countries, except the member country which has notified the Director General, prior to the entry into force of such amendments, that the amendments shall enter into force for it only after a subsequent notification of its ratification, at the same time as the Acts renewed in the course of the same Congress. They shall be ratified as soon as possible by member countries and the instruments of such ratification shall be dealt with in accordance with the procedure laid down in article 26.

✓ amend the related provisions so that the Acts reflect current practices within the UPU

## Example

### Constitution

#### Article 29 Presentation of proposals

1 A member country shall have the right to present, either to Congress or between Congresses, proposals concerning the Acts of the ~~Union to which it is a party.~~

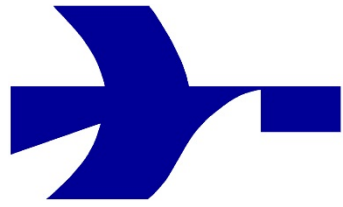
1bis If the proposal relates to an Agreement or its Final Protocol, only the member countries which are parties to that Agreement may take part in the procedure described in paragraph 1.

# Proposed Amendments of related articles

6

Acts	Article	Main contents
Constitution	29	Presentation of proposals (CA C 2 2019.1–Pres 11 Annex 1)
	30	Amendment of the Constitution (CA C 2 2019.1–Pres 11 Annex 2)
	31	Amendment of the General Regulations, the Convention and the Agreements (CA C 2 2019.1–Pres 11 Annex 3)
Additional Protocol to the Constitution	Preamble	(CA C 2 2019.1–Pres 11 Annex 4)
	Conclusion	(CA C 2 2019.1–Pres 11 Annex 5)
General Regulations	158	Amendment, entry into force and duration of the General Regulations (CA C 2 2019.1–Pres 11 Annex 6)
Additional Protocol to the General Regulations	Preamble	(CA C 2 2019.1–Pres 11 Annex 7)
	Conclusion	(CA C 2 2019.1–Pres 11 Annex 8)
Convention	Preamble	(CA C 2 2019.1–Pres 11 Annex 9)
	40	Amendment, entry into force and duration of the Convention (CA C 2 2019.1–Pres 11 Annex 10)
	Conclusion	(CA C 2 2019.1–Pres 11 Annex 11)
Final Protocol to the Convention	Conclusion	(CA C 2 2019.1–Pres 11 Annex 12)

- Any other business (C)
- The floor is open



- Thank you

