

Report of the Asia Pacific Post Cooperative

Introduction

1. The 17th Asia Pacific Post Cooperative (APP) General Assembly was held on 18 May 2016. It was attended by representatives from 24 member Posts namely from Australia, Bhutan, Cambodia, China, Hong Kong, India, Indonesia, Iran, Japan, Korea, Lao, Malaysia, Mongolia, Maldives, Macau, Nepal, New Zealand, Pakistan, Philippines, Sri Lanka, Samoa, Singapore, Thailand and Vietnam.

Election of APP CMB members

2. Under the current rules of the APP, 3 member Posts had to step down from the APP Cooperative Management Board this year. There were 3 nominations for these vacancies on the Cooperative Management Board by the applicable deadline. Nominations were received from Korea Post, Japan Post and Singapore Post. Under Article 5, Clause 7.3.1 of the APP's governing statutes, the General Assembly approved the appointment of these nominations to the APP Cooperative Management Board by a show of hands.

APP Business Plan 2015/16 Update

3. The General Assembly was updated on the progress of the activities mandated under the APP Business Plan for the period 2015-2016. It was noted that the main focus of these activities was on: (a) assisting member Posts to improve their quality of service performance in respect of EMS and Parcels; (b) providing member Posts with timely and relevant market intelligence and information on best practice; and (c) regional business development initiatives including ongoing development of the APP ePacket service.
4. In relation to the quality of service activities of the APP, it was noted that the APP Office had conducted an EMS and Parcel operational audits of Laos Post. The audit led to the development of an action plan for Laos Post on areas of improvement and ways to strengthen performance to meet 2016 EMS standards and 2016 Parcel ILR bonuses.
5. The General Assembly was informed of the APP Offices role in assisting members to achieve UPU parcel and EMS bonuses. A large amount of work has also been conducted on the APP ePacket platform build and reporting tools for the APP ePacket service.

6. In relation to the activities of the APP in providing member Posts with timely and relevant market intelligence; the APP Office provided an overview of the APP CEO Forum which took place in September 2015. This was the first APP CEO Forum for the APP and provided a platform for members to discuss key issues from the region including sustainability, product development and market insight. CEO's were briefed of the APP's five year business plan which was endorsed by APP members. The CEO forum was well attended and work for the next CEO Forum is already underway.
7. The General Assembly was briefed on the revamped APP website which is aimed at ensuring members are able to access information in a timely and efficient manner. The APP Office also provided an update of the work it has done on APP Information services to provide members with updates on key market activities, including consolidating key developments from within the region for members. Key areas of market information and analysis included providing updates to members on crowdsourcing delivery, the SME model and focused regulatory updates.
8. On regional business development activities, the General Assembly was updated on the progress and development of the APP ePacket service, and in particular creation of the IT platform with the UPU's Postal Technology Center (PTC) which provides Quality of Service monitoring and reports for the service. An update on the various workshops and meetings on the APP ePacket initiative were noted these included the APP ePacket Forum; the Operations and IT workshop and the APP ePacket launch and CEO Forum. Following the launch of the APP ePacket service a Steering Committee of sixteen members has been established to work on two future development areas - (a) Service Agreement & Operations; and (b) Business & Marketing issues and Development of future services, such as of a returns service.

Financial Status of the APP Cooperative

9. The financial reports relating to the actual income and expenditure of the APP for the full year 2015 and the projected income and expenditure for the year 2016 were presented to and approved by the General Assembly. It was noted that in future any over and under spending in the budget would be clearly noted along with an explanation in the financial statements to assist members understand the budget expenditure.

Business Plan and Proposed Budget for 2016

10. The General Assembly approved the proposed business plan for 2016 which is in line with the strategic plan set out for years 2015 to 2020.
11. Amongst the Strategy 1 activities agreed, was future work on conducting Operational Audits, Service Performance and Monitoring and Reporting for the APP ePacket. The APP Office will be focused on future operational developments for APP members with the move towards EMSEVTs and the requirements around Electronic Advanced Data (EAD) developments in the UPU.
12. Strategy 2 activities include the APP Office providing information services and market intelligence reports as well as organising an APP Benchmarking workshop to learn best practices and experience from each other. Themes for the Benchmarking workshop include business and operation matters, strategic operational, efficiency and performance, and quality of service, optimization and revenue protection.
13. Strategy 3 activities are focused on future work and development of the APP ePacket service to ensure future development of the service. Work will continue on inducting new members, reviewing and enhancing the platform for reporting, development of new enhancements, Pay for Performance (PfP) and organizing training workshops and a Return Service for the APP ePacket service.

Future Funding of the APP Office

14. The current financial position of the APP was brought to the attention of the General Assembly. Importantly, it was noted that the APP Office has funding issues and cannot continue to provide the services agreed by APP members under the Business Plan on the basis of its current budget of member contributions. Members agreed that in light of the increased workload and activities of the APP Office, the Office requires increased funding to continue its work. The proposal brought to and endorsed by the General Assembly is for all APP Members to increase their membership contribution over a period of two years. Further, and to ensure that the APP Office is able to perform the function of its activities, APP members agreed to a moratorium on unilateral reduction in membership contributions for a period of two years. Members also agreed to the revision of the APP statutes to provide for

the change in contribution levels and the associated voting rights. Members noted they would like to have clear oversight of the activities of the APP going forward to ensure its activities were well understood, particularly in light of the additional funding and moratorium agreed.

Reorganization of the APP Office

15. The General Assembly agreed to a proposal to reorganize the APP Office. The rationale for the reorganization was driven from the need to ensure the APP Office has the required resources to carry out the objectives and activities agreed by APP members in the Business Plan and any future initiatives driven from its members. It is proposed that under the reorganization of the APP Office, a new role of the Office Managing Director would be created and this role would oversee and drive future initiatives, provide leadership and professional direction to the APP Office and act as the conduit between the APP CMB and the APP Office. Members noted that the reorganization of the APP Office was a necessary and consequential requirement from the need for future funding and increased budget which APP members had already agreed.

Siva Somasundram
Chair of Cooperative Management Board
Asia Pacific Post Cooperative
19 May 2016