

APPU EC Meeting 2016 Reform of the Union Update

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Agenda

- State of Play
- The Need for Reform
- Congress Proposal
- Issues to Consider

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APPU Executive Council Meeting	<h1 style="margin: 0;">State of Play</h1>
	<ul style="list-style-type: none"> Australia presented on the work on UPU reform at the APPU regional meeting held in Kolkata, India in February 2016. This presentation is intended as an update. Discussions on proposals for reform of the UPU began in earnest in 2015 The CA's Reform of the Union Project Group (RUPG) was tasked to develop proposals for reform Ad Hoc Group created to take this work forward <ul style="list-style-type: none"> – Initially a small group of member countries involved including Argentina, Australia, Belgium, Brazil, Canada, China, Poland, Portugal, Qatar, Spain and US. – On last count membership consisted of 30 countries and 4 observers (3 Restricted Unions and GEA) Ad Hoc Group reform proposal tabled for consideration of members during CA meeting of November 2015 UPU International Bureau also tabled an alternative reform proposal for consideration of members at that meeting
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APPU Executive Council Meeting	<h1 style="margin: 0;">State of Play</h1>
	<ul style="list-style-type: none"> Members views on the proposals were divided <ul style="list-style-type: none"> – Complementary or conflicting – Level of ambition – Deliverables for Istanbul – Next Steps CA mandated the Ad Hoc Group to take the work further forward to find common ground between the proposals Ad Hoc Group has had 3 teleconferences and a physical meeting between November 2015 – January 2016 A compromise proposal was tabled by the Ad Hoc Group at the meeting of the RUPG (see CA C1 RUPG 2016.1 – Doc 2a). Members views were again divided on the compromise proposal <ul style="list-style-type: none"> – Some expressed support seeing it as a good basis for moving reform forward – Others wanted greater clarity on outstanding issues such as the timing for implementation of reform, the number of seats on the proposed new Council, representation and rotation principles – Still others not sure whether the proposal achieved a clear separation of governmental/operational functions The discussions resulted in a “boiled down” proposal being tabled for the consideration of the CA (see CA 2016.1 – Doc 5a. Annex 1). Following another protracted debate, this proposal was put to a vote. 23 CA member countries voted in favour; 9 voted against with 3 abstentions. It is this proposal that will now be considered by the Istanbul Congress
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Why Reform?

Current UPU Structure

Congress
- Supreme Body -

Current UPU structure is based on three “circles” of interests

Operational with responsibilities for delivering services under the provisions of the UPU agreements

Postal Operations
Council (POC)

Governmental and Regulatory

Council of
Administration (CA)

Broader Sector Interests

Consultative
Committee

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Experience To Date

- UPU’s current decision making processes and working methods untenable
 - There are real concerns that the UPU is unable to quickly respond to the rapid changes in today’s global postal market and increasing customer demands
 - The market is moving ahead of the regulatory and operational frameworks of the UPU and the UPU is playing “catch up” because of these inefficiencies
 - The UPU is also potentially out of kilter with domestic postal reforms in many UPU member countries

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Experience To Date

- Discussion of topics and papers are repeated across different levels of hierarchy
 - Multiples of meetings, documents and reports
 - Time, resource and coordination inefficiencies
- More than two thirds of Plenary agenda are Committee reports, thus making the Plenary less interesting
- No attraction for high-level representation
- Difficult to allocate enough time for discussion to build up a consensus on issues

Experience To Date

- The lines of responsibility and accountability of the UPU's POC and CA still not clear
 - Duplication of bodies and work under two Councils
 - Creation of joint bodies, without clear lines of decision-making
 - Lack of transparency as to which body is responsible for what
 - Unnecessary coordination and resources required
- Frequency and relevance of meetings

Proposal to Congress

Key Documents

- Please review document CA 2016.1 – Doc 5a. Annex 1. This contains the “boiled down” proposal that is to be considered by Congress
- Please also review CA C1 RUPG 2016.1 – Doc 2b. This document contains the proposed amendments to the Acts (e.g. the UPU Constitution and the General Regulations) needed to give effect to the “boiled down” proposal

Key Elements

- **Creation of a single Council – UPU Council**

- Its function would be to continue the work of the Union between Congresses
- Two Commissions reporting into the UPU Council – **Postal Business Commission** and **Governance & Policy Commission**
- As a **transitional measure** at the Istanbul Congress, members of the single Council will be elected using the current CA and POC election rules
 - POC election rules will apply to elections to Postal Business Commission
 - CA election rules will apply to elections to Governance & Policy Commission
 - Once elected, all members will as a whole form the Council
- Future composition and election rules to be decided later possibly by mid-term Congress in 2018
- UPU Council to meet twice a year in Berne with each session to last a maximum of 10 days
- To be managed by a Management Committee comprised of the Chairperson of the UPU Council and board members of the Commissions

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Key Elements

- **The Commissions**

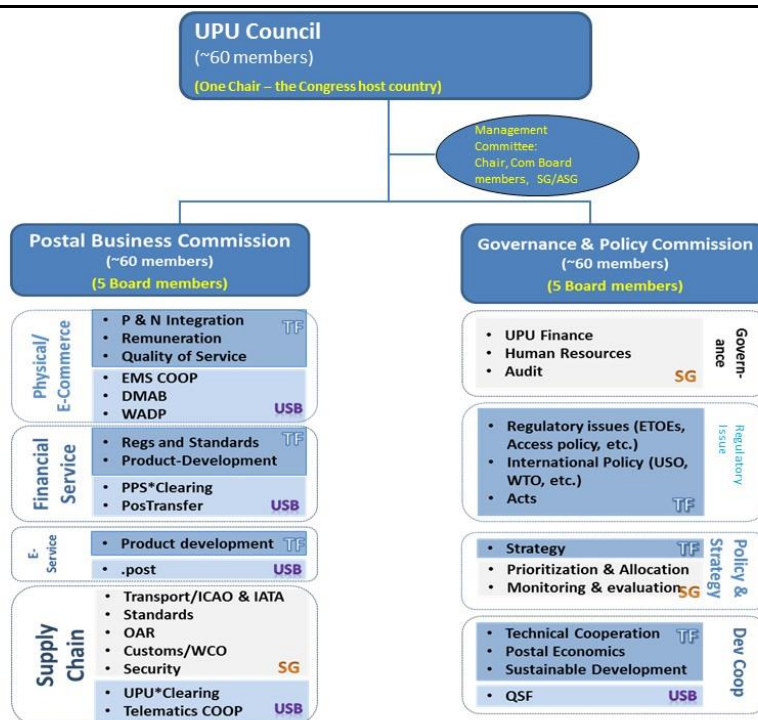
- Chairpersons of both Commissions to be elected by Council members and to come from different regions
- Their activities will be based on the UPU Strategy and business plan
- Work will be carried out by a combination of task forces (not permanent) and standing groups (where necessary)
- Each Commission will be managed by a Management Board comprised of five members.
- The five members of a Management Board will each be elected from the five geographical groups of the Union. However, board members will be elected only by member countries of the geographical group to which they belong.

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Key Elements

- **Task Forces & Standing Groups**
 - The UPU Council is to establish guidelines for the creation of task forces.
 - Participation in task forces open to all UPU members
 - Standing groups may be created by each Commission to address ongoing and cycle long activities
 - Creation of task forces and standing groups are to be subject to UPU Council approval
 - Work is to be organised in principle by electronic means (teleconferences and emails) and to take place between Council sessions
- **Mid-term Congress**
 - To be held to address any urgent postal issues and the implementation of the UPU strategy
 - Organised as a permanent event (therefore defined in the Acts) or as an extraordinary Congress
 - Current UPU Strategy Conference to be merged into the event



Issues to Consider

- Consider impacts of the proposal from different perspectives
 - A systemic point of view
 - ☐ Does it sufficiently safeguard the separation of governmental/operational functions?
 - ☐ Will it improve the UPU's decision making processes and address the concerns raised to date?
 - ☐ Are the proposed standing groups the right ones? For example Transport (SG) vs. Product Integration (TF) vs. Regulatory Issues (TF)
 - ☐ How is representation in the UPU Council and the two Commissions to be determined in the future?
 - A regional point of view
 - ☐ Will our voice in the UPU be secure?
 - ☐ Will it facilitate effective regional participation in UPU processes?
 - A national point of view
 - ☐ Will it ensure greater transparency and inclusiveness in UPU decision making?
 - ☐ Does it take into account and seek to address some of the barriers to transparency and inclusiveness?
- Can the region support the proposal?
- Please feel free to reach out to us if you have any questions or wish to discuss further

Thank You

Report of the UPU Reform

APPU member countries also held a session on Tuesday afternoon to review and discuss the outcomes of the work of the UPU's Reform of the Union Project Group. The session was chaired by Australia.

The session was informed of the latest developments in the Ad Hoc Group of the RUPG and subsequently in Committee 1 of the Council of Administration in respect of the proposals on UPU reform. It was noted that following extensive work, discussion and debate, a compromise proposal was tabled by the Ad Hoc Group at its meeting of the RUPG in February 2016. The views of UPU member countries were, however, divided on the compromise proposal. Some expressed support seeing it as a good basis for moving reform forward. Others wanted greater clarity on outstanding issues such as the timing of implementation of reform, the number of seats on the proposed single Council, representation and rotation principles. Still others were not sure whether the proposal achieved a clear separation of governmental/operational functions. It was noted that the discussions resulted in a "boiled down" proposal being tabled for the consideration of the CA at its meeting in February 2016. This proposal was in turn endorsed by the CA on the basis of a majority vote and will now be brought to Congress for approval.

APPU member countries took note of and were supportive of the case for reform of the UPU and in particular the urgent need for efficient, leaner, more inclusive, transparent and faster decision making processes to ensure the continuing relevance of the UPU. The importance of ensuring the inclusive and effective participation of all UPU member countries through technology such as teleconferences and video conferences was also emphasised.

The session was informed of the key elements of the "boiled down" proposal including the proposed creation of a single UPU Council, two commissions – namely the Postal Business Commission and the Governance and Policy Commission – the creation of task forces and limited standing bodies to give effect to the Istanbul Business Plan and the proposed Mid-term Congress to facilitate faster decision making.

APPU member countries represented in the session were generally in support of the key elements of the "boiled down" proposal and no opposing views were expressed. However, some members desired a greater understanding of the organisational principles underpinning the proposal as well as clarity on how some of the key elements of the proposal would be operationalised. There was particular interest over what subject matters should rightfully be the ambit of a task force as opposed to a standing body, the representation rules that would apply from 2020 onwards and the process by how these rules would be agreed in the lead up to 2020, and the composition and role of the proposed management boards of the Commissions.

Australia as chair of the session was requested to convey to the UPU on behalf of APPU member countries the importance attached by APPU member countries to UPU reform and the need to achieve concrete and balanced reform outcomes at the Istanbul Congress, as well as the calls for greater clarity on some of the key elements of the "boiled down" proposal.