

Summary Report of the Asia Pacific Post (APP) General Assembly meeting

Opening

The Asia Pacific Post Cooperative (APP) General Assembly meeting was held on the 5th July 2021 via Zoom.

At the commencement of the meeting there were 22 APP member Posts present, namely Australia, Brunei, Cambodia, China, Fiji, Hong Kong, India, Indonesia, Japan, Korea, Laos, Macau, Malaysia, Nepal, New Zealand, Philippines, Singapore, Solomon, Sri Lanka, Thailand Post, Vanuatu and Vietnam.

Member adopted the following Agenda for the meeting:

Agenda

1. Welcome Members and Roll call
2. Confirmation of Agenda
3. Confirmation of APP GA 2020 Minutes
4. Election of 4 CMB Members
5. 2020 APP Project Report
6. 2020 APP Budget Report
7. 2021 APP Project Update Reports
8. 2021 APP Budget Report and Managing Director Report
9. 2022 – 2024 Strategy and Business Plan
10. AOB
 - Japan Post – Application of Tier 2 rates
 - Australia Post – Amendments to APP ePacket Agreement
11. Meeting close

Election of APP Cooperative Management Board (CMB) members

Elections for the CMB were required to take place during the meeting. The APP Office announced that they had received 5 nominations by the deadline for the 4 vacant seats. The candidates were China Post, Hong Kong Post, India Post, Post Fiji and Pos Malaysia.

Each APP member was asked to vote for nominees by submitting their vote via private chat or email to the APP Managing Director before the end of the GA meeting.

The following members were elected to the CMB - China Post, Hong Kong Post, India Post and Pos Malaysia for a two year period and notified to members via email.

APP Business Plan report 2020

The APP Office took members through an overview of the APP's 2025 – 2020 strategy and activities. In particular there was a focus on 3 Strategies:

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|------------|---------------------------------------------------------------------------------------------------------------------------------------------|
| Strategy 1 | Support and assistance to members to strengthen quality of service for EMS, Parcels, Tracked items and APP initiated products and services; |
| Strategy 2 | Market intelligence, information and best practice sharing; and |
| Strategy 3 | Regional business development initiatives. |

Strategy 1 2020 Project Report

The APP Office summarized the Strategy 1 report which focused on 5 projects:

- Desktop Research Reports (APP ePacket, EMS & Parcels).

The APP Office completed the dissemination of 203 EMS reports, 185 APP ePacket reports, 302 Parcels reports with least 23 members received the performance reports for 2020.

- Business review

Due to COVID-19 the APP could not conduct physical visits during 2020 The APP Office noted that it continued to provide support and assistance to members remotely and via online training.

- APP ePacket Steering Committee / Work Group

This project focused on supporting the APP ePacket service through the work of the APP ePacket Steering Committee and APP ePacket Working Groups (Marketing, Operations and Accounting) to advance work to help develop the APP ePacket service.

The major tasks for 2020 review were:

- Extension of the APP ePacket weight from 2 to 5kgG on a bilateral basis;
- Forming of Pay for Performance Plan Working Group to review the current Pay of Performance Plan;
- Conducting a survey for 2 Tier rates and the implementation of this decision;
- EMSEVT V3 tracking upgrade;
- Expansion of the APP ePacket prefixes from LP to include a wider range (LA – LZ); and
- Mandatory scans for EMA for Leg 1 export performance monitoring.

It was noted that the majority of the APP ePacket members agreed to simplify the Pay for Performance Plan for implementation in 2021.

The APP Office explained the decision to introduce a Tier 2 rate structure with members wishing to opt into applying the 2 tier rate from 2022 having to notify the APP Office by the 31st August 2021.

In the matters under AOB, Japan Post submitted a letter asking the APP Office to ensure that the APP ePacket Agreement and any other documents were updated to include the 2 Tier pricing changes.

It was agreed that this matter would be picked up during the next APP ePacket Steering Committee meeting on 12th July 2021.

- Postal Security (S58, S59)

The APP Office noted that it was exploring work with the UPU on implementing the UPU S58 & S59 Postal Standard in the region.

- APP Reporting

The APP Office provided an update on reporting, noting that it was working on automating service performance reports for APP ePacket and EMS, to provide End-to-End reviews and improve the quality of service provided to members.

Strategy 2 2020 Project report

The APP Office provided an overview of the 3 projects carried out in 2020:

➤ APP Country Guide

The APP Office had requested data from members, carried out data collection, data refining, live testing and launching of the updated version.

➤ APP Newsflash

As of 31 December 2020, the APP Office had circulated 46 Newsflash issues to members.

➤ APP Website and Communication Software

The APP Office noted that this project aimed at improving membership engagement, access to APP services through an online portal designed, providing access to email tracking tools, CRM solutions and to support a single view communication between the APP Office and the members.

Strategy 3 2020 Project report

➤ 2020 Ship4me (Consolidation Service)

The APP advised that the operation of this project was temporarily suspended due to COVID-19. The APP Office has been working with SingPost to review the ongoing options and re-launch when COVID-19 transport restrictions had recovered. EDI / ITMATT Implementation support

The APP Office has been working with the UPU to help members understand, identify the solutions and implementing CDS by conducting an online workshop. They also completed an APP survey on CDS and Electronic data capture for cross border traffic.

It was evident that Posts were not ready for the changes taking place and that the utilization of ITMAT and EDI messaging was limited at this time.

➤ APP ePacket Monthly / Quarterly Review

The APP advised that the review had been completed in the 4th quarter of 2020.

➤ APP ePacket 2020 Project Report

The APP Office noted that the APP ePacket continued to be a key focus for the APP in 2020 with the following key targets:

- 2 new members to join the service;
- 5 million items posted in 2020;
- APP ePacket being made available to 20 + destinations; and
- Having 10 exporting countries within the membership.

The performance against each of these KPI's was reported to the GA members.

2020 Budget report

The 2020 APP accounts were presented to the General Assembly, these detailed the income and expenditure, cash flow and balance sheet for the APP Cooperative.

The income in 2020 was USD 551,031 with expenditure at USD 509,883. This resulted in a surplus of USD 41,148.

In summary, the 2020 Budget report noted:

- It was an extraordinary year where the APP Office had tried to maintain its complete set of activities whilst travel restrictions remained active. .

The APP management team had worked remotely following advice and sanctions imposed by the Singapore Government. The APP MD spent most of 2020 in the UK.

- The APP Office noted that it has switched traditional physical meeting online, removing all the costs and increasing participation significantly. Most events attended more than 50 APP members, .
- New reporting software and a new website were developed which significantly assisted the APP Office in improving the delivery of its obligations to members as well as improving the ability to deliver additional benefits and performance.
- The APP Office was able to replace the excellent contribution of Mr. Said Haryadi with the appointment of Ms. Norika.
- Special thanks go to Pos Indonesia, Sri Lanka Post, Australia Post and Singapore Post.

APP 2021 update

A New Business plan was adopted at the 2020 GA meeting with 4 main business focus points: .

- Quality of Performance;
- Knowledge and Experience
- Commercial Collaboration
- Develop Capability

The APP Office reported on the performance to date against each of the projects undertaken. Key highlights as follows:

- New reports were introduced with a focus on individual performance.
- Raising the awareness of Regulatory changes affecting APP cross border small packets and parcels, and the changes to VAT and tax which would be taken place in Europe and the USA.
- Support members and the UPU with Postal Security Audits, support members to implement S58/S59 Standards and obtain Postal Security Compliance certifications.
- The APP had run 10 sessions in the first half of the year.
- The average Monthly APP ePacket outbound volume for the first 5 months was around 140,000 items.
- The top 6 APP ePacket import members were Australia, Indonesia, Japan, Korea, Singapore, and Thailand (more than 87% of the overall volume).
- The new APP website was launched, and members were provided with training on how to use it.
- Yun Qin Chua was appointed in March 2021, having carried out the role as an agency staff..

The recruitment for the APP Office Managing Director commenced in March 2021 with over 500 applicants. The final decision is expected imminently.

- **2021 Budget**

The budgeted income for 2021 is USD 551,100, with budgeted expenditure at USD 474,425.94. It was noted that 95% of expenditure in 2021 was fixed costs spent with minimal or no variation from the expected costs.

2022 Business Plan

Strategy 1 Quality

The focus of this Strategy is operational and quality performance. The projects under this strategy look to support members improve and meet quality targets, drive operational efficiencies, and keep members informed of operational best practices. 5 projects are identified under this strategy and are as follows:

- Desktop Research Reports
- APP Reporting
- Operations Review
- APP ePacket Accounting (Phase 2)
- Integration of IPC Reporting (ePacket, EMS) and PTC Accounting (ePacket)

Strategy 2 Knowledge and Experience

The main focus here is to share knowledge and experience with members. 2 projects were identified as follows:

- Postal Security
- APP Newsflash

Strategy 3 Commercial Collaboration

The main focus of this strategy is on regional business development initiatives. The projects under this strategy help facilitate members to organize common business initiatives which may assist gain greater market share. One project was identified as follows:

- APP ePacket Growth

2022 Budget

The budgeted income for 2022 was noted as USD 551,100 with budgeted expenditure at USD 572,823 with a deficit of USD 21,723. There were Planned increases in activities in 2022 due to the restrictions took place in 2021.

In summary, APP Office noted that it has adapted to the COVID-19 restrictions and identified alternative methods to deliver services to its members.

Close of meeting

In closing, the CMB Chair thanked Mr Gary Carroll and the team for working very hard over the last 12 months to ensure the objectives and planned activities of the APP were done undertaken during

the difficult COVID-19 pandemic. The CMB Chair also thanked Mr Gary Carroll for his hard work and contribution to the APP over the past 4 years.

The APP Office advised that the results of the election of CMB members would be communicated to members following the meeting by email.

The meeting closed at 3:50 PM Bangkok time.

Bhavana Chhagan

Chair – APP Cooperative Management Board