

## 13<sup>th</sup> CONGRESS

Proposal of a general nature

04 Rev 1

### ~~EXECUTIVE COUNCIL~~

### ~~AUSTRALIA, JAPAN~~

### ~~Resolution~~

### ~~Decision~~

### ~~Creation of an interim arrangement to accommodate the UPU 0.1-unit contribution class members of 0.5 units~~

Congress,

**noting** the request from Nauru for a reduction in its contribution class to the expenses of the administrative section,

**further noting** that the request from Nauru arose from the creation by the UPU, at its 2018 Addis Ababa Extraordinary Congress, of a 0.1-unit contribution class for SIDS with a population of less than 200,000 people,

**being aware** that the new UPU contribution class of 0.1 units represented a 90% reduction for eligible UPU members and, as such, was tangible evidence of the UPU's intent to recognise the financial capacity issues of members with smaller economies,

**noting, however,** that the financial scale and contribution class systems of the UPU and APPU are vastly different to the point where valid mathematical comparisons between respective contribution class systems cannot be sustained,

**acknowledging** that a further relevant difference between the UPU and APPU contribution class systems is that the UPU has actively reviewed its structure to respond to member interests whereas the APPU has not undertaken a review since 1985,

**further acknowledging** that the APPU will propose a major review of its financial contributions system at the 2022 Bangkok Congress and that this review will, in part, examine financial capacity aspects of the membership with a view to bringing forward proposals at the 2026 APPU Congress,

~~**noting** that until any changes are made to the APPU contribution class system, the current provisions of APPU General Regulations Article 116 no longer cover members in the UPU 0.1-unit contribution class,~~

~~**recalling** that, in the scenario where a member's UPU class is no longer explicitly included in Article 116 of the General Regulations, members may be required by Article 13 of the Constitution to pay the nearest prescribed APPU contribution class, being 1 unit in the present situation, until such time as the General Regulations are amended,~~

**agreeing** that, in the interests of proper management of its financial contributions system, the APPU ~~needs to should~~ make an interim arrangement, as decided by the 2021 EC, that ensures UPU 0.1-unit contribution class members continue to be included in the financial contributions structure of the APPU,

**further agreeing** that the need to create an interim arrangement for the UPU 0.1-unit contribution class members is an opportunity to reflect the spirit of the UPU's consideration of its members with smaller economies as defined by the 2018 UPU Addis Ababa Extraordinary Congress,

### ***Decides***

- ~~1. to create an interim contribution class to be offered to APPU members who are placed in the UPU 0.1-unit contribution class;~~
- ~~2. that the interim contribution class be arbitrarily set at 0.5 units; and~~
- ~~3. that the interim contribution class of 0.5 units becomes effective on 1 January 2024 (for the apportionment of the administrative section budget for 2024),~~
1. that the existing minimum contribution defined in Article 116 of the General Regulations (i.e., 1 unit) should be assigned to the UPU 0.1-unit contribution class members;
2. that, bearing in mind the inclusivity of the APPU, members other than the UPU 0.1-unit contribution class members will voluntarily make up for the half of the contributions assigned to the UPU 0.1-unit contribution class members in a collective manner where additional/voluntary contributions will be allocated in proportion to their usual contributions defined in Article 116 of the General Regulations;
3. that, as a consequence, each of the 0.1-unit contribution class has to assume only the remaining half of the assigned units (i.e., 0.5 units);
4. that those interim arrangements become effective on 1 January 2024 (for the apportionment of the administrative section budget for 2024), and remain effective until the corresponding amendment to Article 116 of the General Regulations will be made in the future; and
5. that this arrangement is not intended to create a precedent or bind any future Congress in similar circumstances.

### ***Requests***

the Bureau -to make the necessary arrangements to implement the Decision in proposal 04 Rev 1

**Reasons** – see Congress 2022 Doc 24.5 Rev 1.

This proposal seeks to confirm that if a member's contribution class is not explicitly covered by the APPU General Regulations, they will be taken to be placed in the nearest APPU contribution class listed. In the present circumstances, this means Nauru and Samoa shall remain on 1 contribution unit and Tonga shall reduce from 2 to 1 contribution units.

Whilst this clarifies the treaty ambiguity, it does not address Nauru's request for reduced contributions of 0.1 UPU unit members, nor does it embody the spirit of inclusivity intended by the UPU's decision to reduce their contributions to that organisation from those members.

To give the practical effect of reduced contributions for Nauru, Samoa and Tonga while avoiding amending the treaties, it is proposed that all other member countries contribute a total of 1.5 units, spread equitably on a proportional basis to each member's usual contributions amongst the remaining membership, which will provide sufficient funds to allow Nauru, Samoa and Tonga to each contribute:

- 0.5 units directly; and
- 0.5 units made up of voluntary contributions from other members.

This decision shall be taken until such time as new provisions amending Article 116 of the General Regulations are adopted, but should not seek to bind the Congress if a similar situation were to arise in the future.