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Physical Services and eCommerce Working Group

Wednesday 16 August 2023

Presentation by Australia

Executive Council Meeting
Bangkok, Thailand
14 - 18 August 2023



Agenda

1. Extraordinary Congress proposals – Integrated Product Plan (IPP)
2. Review of other IPP recommendations – next steps
3. Review features of advice of delivery, cash-on-delivery (COD), registration, delivery to the addressee in person, cumbersome parcels, and delivery-free-of charges services
4. Feasibility and development of a potential postal B2B2C product
5. Q & A
6. Presentation from Iran Post – eCommerce in Iran Post
7. AOB
8. Close the meeting

1. Extraordinary Congress proposals - Product portfolio



Congress-Doc 8 – Integrated Product Plan (IPP) related changes

This document invites Extraordinary Congress to decide to include in its agenda consideration of five proposals relating to the IPP (given these fall outside the topics that the EC will consider).

- a. Provide mandatory registered service for documents only and make tracking through delivery mandatory (2 proposals);
- b. Make the tracked delivery service mandatory for inbound goods;
- c. Transfer M bags from a basic service (mandatory) to a supplementary service (optional);
and
- d. Limit advice of delivery service to registered and insured letter-post items and remove it as a value-add for parcels.

2. Review of other IPP recommendations and next steps



A review of other recommendations and deciding on next steps:

- a) Recommendation 1 (Documents/goods split) introduce Postal documents Regulation(s) and Postal Parcels Regulations.
- b) Recommendation 2 (Redefine G format) increase G format to 3cm thickness and weight to 1kg.
- c) Recommendation 3a (Small packet dimensions) – withdrawal of recommendation to review current min/max dimensions & weight limits for small packets.
- d) Recommendation 3b (Optional boxable small packet) – introduce an optional product.
- e) Recommendation 4a & 4b (Parcel features – introduction of economy parcel (no signature) & enhanced parcel) – next steps involve Standards Board, OARG, RIG engagement.
- f) Recommendation 5 (Additional new services – tracked and signed small packet and specific rate for parcels) – next steps involve Standards Board, OARG, RIG engagement.
- g) Recommendation 6 (Supplementary services) review Insured, MRS, Delivery free of charges, M Bags and Advice of delivery for parcels.

3. Review the features of advice of delivery, cash-on-delivery (COD), registration, delivery to the addressee in person, cumbersome parcels, and delivery-free-of charges services



In summary, the results of the review (to date) are:

1. Advice of delivery – Limit to registered and insured letter-post items only, no longer used for parcels.
2. Cash on delivery – Review service.
3. Registration – Limit to documents only and add tracking (see Doc 2).
4. Delivery to the addressee in person – Review service required.
5. Cumbersome parcels – Consider retaining with surcharge. Clarify dimensions. Examine remuneration.
6. Delivery free of charges & fees – Review service. Consider name change to “DDP”.
7. Insured service – Adding on optional tracking for letter post items.
8. Merchandise returns service – Rejuvenate service in line with market requirements.

Review the features of advice of delivery, cash-on-delivery (COD), registration, delivery to the addressee in person, cumbersome parcels, and delivery-free-of charges services cont...



- focus on reviewing the market expectations and operational and regulatory requirements of the eight supplementary services;
- consider the possible use of electronic signatures and/or solutions to replace or enhance the advice of delivery, COD and registration services;
- propose a way forward that would result in completing the comprehensive review, development and modernization of the eight services referred to; and
- agree to submitting the results of the review, development and modernisation process to the S4 POC session.

4. Feasibility and development of a potential postal B2B2C product



Further develop the concept of a potential postal business-to-business-to-consumer (B2B2C) product and explore its market opportunities and operational feasibility for consideration by the POC.

Principles for the work:

- Leverage the product to enable postal operators to provide an additional value-added market-driven solution;
- Facilitate cross-border e-commerce market for the bulk movement of e-commerce and efficient customs clearance processes;
- Provide a range of optional services that complement the UPU product portfolio while utilising the UPU core strengths (availability of standardised operational and accounting forms, UPU standards, data and services features, etc.);
- Provide added features in line with consumer needs (VAT prepayment solutions, time certain customs clearance, options for customers to obtain refunds on taxes paid, etc.); and
- Facilitate the development of innovative solutions that enhance the role, capabilities and capacity of (DOs) as effective cross-border B2B2C e-commerce players.

Feasibility and development of a potential postal B2B2C product cont..



The Expert team will review in detail the existing models and services within the UPU sphere, taking into account the final report of the joint CA.

C 2-PSDEIG study and the experience of DOs operating B2B2C models, with a view to:

- Modernising existing services;
- Exploring new approaches to the B2B2C market;
- Socialising new services; and
- Proposing appropriate changes, if any, to the UPU Convention and Regulations.

5. Questions & Answers





- EC is invited to take note of the presentation of the Physical Services and eCommerce Working Group



Thank you