

EXECUTIVE COUNCIL 2023

Estimated budget for the Consultancy Section (CS)/RTCAP for 2024

(Document prepared by the APPU Bureau)

1. Subject	References/paragraphs
Informing the EC on: <ul style="list-style-type: none"> - Background of the Consultancy Section/RTCAP - estimated budget of the Consultancy Section/RTCAP for 2024 - estimated balance of the RTCAP Special Activity Fund for 2024 	§ 1 § 2 § 3
2. Decisions expected The EC is asked to: <ul style="list-style-type: none"> - approve the estimated budget for the Consultancy Section for 2024 - approve the estimated balance of the RTCAP Special Activity Fund for 2024 	§ 2 § 3

1. Background

1.1 The entity was initially set up by the UPU (1995) as RSCAP (Regional Support Centre for Asia and Pacific). Its purpose was to support the UPU's Telematics Project, with a broad role of developing and implementing the Telematics Project at the regional level.

1.2 In 2007, the UPU Postal Technology Centre (PTC) reorganized its support services. A Global Support Centre (GSC) was established in Montevideo, Uruguay. In 2008, the GSC took over providing the hotline support services that RSCAP had provided up until April 2008.

1.3 With the establishment of the GSC, the residual tasks for RSCAP were technical expertise and assistance to countries on PTC systems (IPS, IFS). This technical support might comprise the deployment of experts and follow-up and training missions for the PTC in the region. The change from support services to technical services was reflected in the change of name to RTCAP.

1.4 Proposal to relocate RTCAP to Bangkok was made during the EC in 2019 and the relocation was completed in 2020.

2. Decisions made during the 2022 EC

2.1 A review of the value and direction of the RTCAP/ Consultancy Section was undertaken during the Constituent EC of 2022. Following a consultation process in 2022 and as approved vide EC 2022 Doc 5 and Doc 5 Appendix 1, there was support from the members for the two-year assignment involving an enhanced role for the RTCAP/ Consultancy Section.

2.2 Following this, the enhanced Consultancy Section started functioning in the APPU Bureau in January 2023. The budget for the 2-year Section was laid down in Table 2 of EC 2022 Doc 5 which projected an estimated expenditure of USD 186,500 over the period of 2 years. The document was taken note in the EC with comments from member countries as explained in the EC minutes.

3. Budget for 2022

3.1 RTCAP Income and Expenditure for the year 2022 are tabulated in the two tables as below:

(i) The 2022 RTCAP voluntary contributions were USD 55,272 as shown below.

2022 Voluntary Contributions	Total (USD)
Bhutan	480.96
China	4,967.55
Japan	40,000
Laos	490.80
Philippines	954.97
Fiji	451.50
India	4,977.52
Nepal	487.77
Vietnam	961.10
Thailand	1,500.00
Total	55,272.17

(ii) The 2022 RTCAP expenditure was USD 68,180.43. This was USD 12,908.26 more than the USD 55,272.17 received in voluntary contributions in 2022. The deficit was adjusted from the Union's Special Activities Fund (SAF) and the balance of the RTCAP SAF as of 31 December 2022 was USD 227,358.89.

2022 Expenditures	Total (USD)
Staff Salary	63,600.00
Medical Insurance	426.25
Accommodation	3,150.00
Telecommunication / Postage	305.00
Airfare / Travel Allowance	692.96
Computer/ Equipment / Maintenance / Stationery	-
Miscellaneous	6.22
Total	68,180.43

4. Expenditure in 2023

4.1 An estimate of USD 92,162 was budgeted for the Consultancy Section for the year 2023. The projected income for the year 2023 is USD 80,500 and the estimated expenditure is USD 98,000. There shall be a deficit of USD 17,500 which will be covered by the SAF for 2023. Accordingly, the balance in SAF for the year 2023 will be approximately USD 209,859.

5. The estimated budget of the Consultancy Section for 2024

5.1 Estimated income for the year 2024 is as tabulated below:

Contributor	Voluntary contribution (USD)
Bhutan	500
China	23,000 ¹
Fiji	500
India	5,000
Japan	40,000
Laos	500
Nepal	500
Philippines	1,000
Singapore	5,000
Sri Lanka	2,000
Thailand	1,500
Vietnam	1,000
Total income	80,500

¹ China made an announcement at the Constituent EC Meeting in 2022 that China would provide special financial support to the Consultancy Section. The voluntary contribution of 23,000 has been offered to Consultancy Section in 2023.

5.2 The projected expenditure of the Consultancy Section for 2024 is as below:

Item	Cost (USD)
Salary and allowances ²	87,732
Retirement fund (2 nd year) ³	7,290
Insurance	2,600
Bank charge	200
Travel (completion)	3,200
Total expenditure	101,022

5.3 The estimated budget of the Consultancy Section for 2024 would have a deficit of 20,522 USD. This amount will be covered by the Special Activities Fund for 2024.

6. The estimated balance of the RTCAP Special Activity Fund for 2024

6.1 The balance of the RTCAP Special Activity Fund as of 31 December 2022 was USD 227,359 as shown in the audit report⁴. During 2023, approximately USD 17,500 might be used to cover the cost/deficit for this section. The estimated balance of the RTCAP Special Activity Fund at the end of 2023 would be approximately USD 209,859.

6.2 During the year 2024, the Consultancy Section will access an amount of USD 20,522 from RTCAP Special Activity Fund. As a result, the estimated balance of the RTCAP Special Activity Fund would be approximately USD 189,337.

² For the 2024 year, The CPI has not been announced yet. The Bureau, therefore calculated the salary excluding the CPI increment. The 2024 actual figures will be adjusted once the CPI announcement is made by the Bank of Thailand (BOT) or Division of Trade and Economic Indices Trade Policy and Strategy Office of the Ministry of Commerce, expected to be in early 2024.

³ The retirement fund is computed by multiplying the amount of the last month's salary of each staff member including post adjustment allowance for internationally recruited by the number of years of service.

⁴ EC 2023 Doc 6 Annex 1 – 2022 Audit Report.