

EXECUTIVE COUNCIL 2023

REPORT ON the Physical Service and eCommerce Working Group

Report by the Chair (Australia)

1. Subject	References/ Paragraphs
Informing the Executive Council on the: - Report of the meeting of the Physical Service and eCommerce Working Group held on 16 August 2023.	§§ I - V
2. Decisions expected The Executive Council is asked to take note of the: - Update of work of the UPU's PSDEIG (Physical Services Development, eCommerce and Integration Group) through the current cycle and Integrated Product Plan (IPP) related proposals for consideration at the fourth Extraordinary Congress in Riyadh. - Update presented by Iran outlining eCommerce trends in Iran and initiatives by Iran Post.	§ II § III

I. Opening of the meeting and adoption of the agenda

- The meeting of the Physical Service and eCommerce Working Group was held both physically and online on 16 August 2023 as part of the APPU's Executive Council 2023.
- Australia, the Chair of the Working Group, opened the meeting and confirmed the meeting agenda, which was approved, and expressed gratitude to the APPU Bureau and Secretary General for their efforts in organising this year's Executive Council.

II. Update on work of UPU C2, including Integrated Product Plan proposals for consideration at the fourth Extraordinary Congress

- Australia made a presentation providing an update and comprehensive overview of work within the UPU's Physical Services Development, eCommerce and Integration Group (PSDEIG), including Integrated Product Plan (IPP) related proposals that will be considered at the fourth Extraordinary Congress in Riyadh to amend Articles 17 and 18 of the UPU Convention.
- The five proposals outlined to the Working Group were:
 - o a. Provide mandatory registered service for documents only and make tracking through delivery mandatory (2 proposals).
 - o b. Make the tracked delivery service mandatory for inbound goods.
 - o c. Transfer M bags from a basic service (mandatory) to a supplementary service (optional).

- d. Limit advice of delivery service to registered and insured letter-post items and remove it as a value-add for parcels.
- Australia also highlighted to the Working Group ongoing work to review IPP recommendations during the current Cycle and provided an update on the feasibility and development of a potential business-to-business-to-customer (B2B2C) product.

III. Presentation on eCommerce trends and initiatives in Iran

- Iran, from the floor, presented an overview of eCommerce trends in Iran and across the Iran Post network. The presentation considered eCommerce infrastructure in Iran, including internet and smartphone penetration, eCommerce performance and how Iran Post is adapting its network to demand.
- Iran showcased some of the initiatives it is exploring to better equip itself to market trends, for example eMarketplaces, new market opportunities and the hosting of postal industry exhibitions. Future plans were also considered and showcased to the Working Group.

IV. Q&A and discussion on the presentations

- The Chair opened the floor to members physically and remotely in attendance for questions and discussion following both presentations.
- Malaysia commented on Extraordinary Congress Document 8, and the proposals to be considered in Riyadh, outlining its support for the tracked service for eCommerce. New Zealand asked whether the product proposals will be taken by the Extraordinary Congress separately or as a package. The Chair advised the proposals will each be taken separately by the Extraordinary Congress. The product proposals on tracked and registered are linked but will be taken one-by-one. It is also important to note that these product proposals will only be discussed by the Extraordinary Congress if a majority of members agree that they can be heard as an "urgent postal matter".
- India commented on the eCommerce exhibitions held in Iran, and the importance of the types of initiatives hosted by Iran Post, and that they should increase. The Asia Pacific Post Cooperative outlined that it was encouraging to see the efforts by member countries like Iran and offered its assistance where applicable.

V. Closing

- In conclusion, Australia, as the Chair of the Working Group, closed the meeting expressing its thanks to the Bureau and the Secretary General for organising the Executive Council and to Iran for its exceptional presentation and insights into eCommerce across the Iran Post network, and to members in physical attendance and remotely for their participation and questions. In closing, the Chair encouraged member countries to remain engaged in the work across C2 during this cycle of the UPU and the work of the Physical Service and eCommerce Working Group, especially in light of the Extraordinary Congress and proposals to be considered in October.
- The Working Group meeting was closed in due time.