

Supply Chain Working Group

Presentation by India and China

Siem Reap, Cambodia 12 – 16 August 2024

Agenda



- $1.\;\;$ Opening of the meeting and adoption of the agenda
- 2. Scope and methodology
- 3. Updates on UPU POC Committee 1 activities (S4 & S5 session)
- 4. Other presentations on Supply Chain
 - a) Presentation by UPU Regional Office, India
 - b) Presentation by PRIME
 - c) Presentation by IPC on Shopper's Survey
 - d) Presentation by UPU
- 5. Presentation by APPU Bureau on Supply Chain Survey
- 6. Any Other Business



2. Scope & Methodology

Scope & Methodology

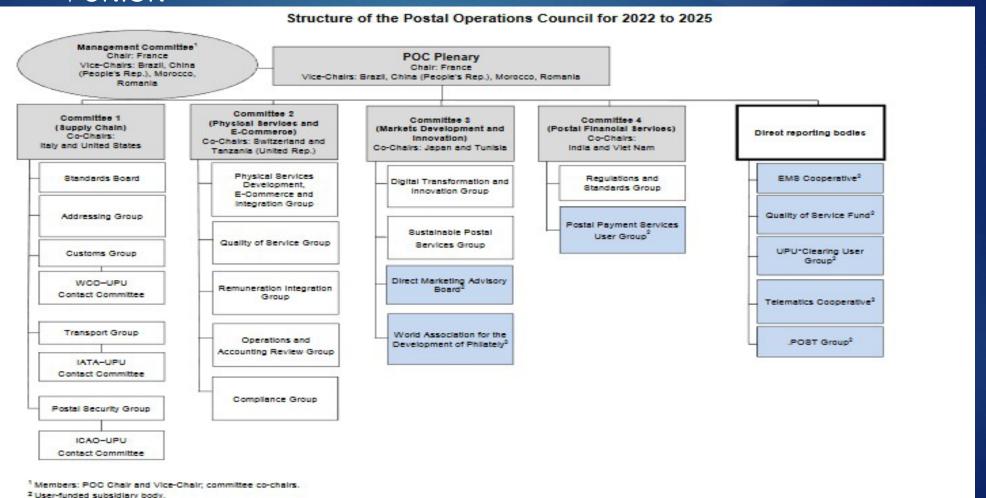


- Follow UPU Postal Operational Council Committee 1
- Brief important decisions to member countries
- Find best practices & other activities on Supply Chain
- Analyze the future decision impact and,
- Suggest probable solutions



ASIAN-PACIFIC POSTAL

ASIAN-PACIFIC Structure of the POC 2022 2024 Doc 11. Rev.2 August 2024)





3. Updates on UPU POC Committee 1 activities

Outcomes related to Standards Board



- Status 2 to M51, e55 electronic terminal dues statement :
 - Electronic version of the CN 55 (Statement of mails),
 - Can be exchanged via e-mail or uploaded to a central solution.
- Granted status 2 (approved) to M48 CARDIT V2.1 and M49 RESDIT V1.
 - Status 1 in 2017 (Tested Draft Stage)

Outcomes related to Addressing Group



- Working on UPU Geo Code:
 - Updated ToR for ET to include references to addressing & GIS in the Convention Regulations
- Encourage countries to regularly update the information in the new data sharing tools developed by IB to ensure electronic advance data (EAD) quality.
- The IB presented a range of tools that it has designed to help member countries control data quality, in particular for EAD quality and compliance.
 - Automated ways of checking captured address information and format addresses according to national standards using S42 address templates

Outcomes related to Addressing Group



- Implementation of the Universal POST*CODE Data Base within UPU solutions
 - Development of a statistical measure called the "deliverability rate" for addresses.
 - Aims assessing the likelihood of the successful delivery of postal items to an address.
 - The project will leverage resources such as the Universal POST*CODE Database, POST*CODE API, and historical data from the UPU big data repository for its development.

Outcomes related to Customs Group



- Development of interactive capacity-building materials on EAD data capture and compliance:
 - An online course on how to meet EAD requirements (<u>training.ptc.post</u> platform)
 - EAD training clips focused on i) data capture interfaces; ii) ITMREF exchanges; and iii) CARDIT AR compliance (<u>training.ptc.post</u> platform)
 - YouTube channel to guide DOs in using CDS and sending ITMATT messages (www.youtube.com/c/CDS-UPU/videos)
- Continuous development of customs publications through regular reminders to DOs
 - to complete the Customs Compendium
 - country-specific list of prohibited and restricted articles

Outcomes related to Customs Group



- ICS2 Release 2: operational since 1 October 2023
 - applied to postal transit: 1 April 2024 (Without prejudice to the relevant provisions of the UPU Acts),
- Challenges specific to ICS2:
 - data quality, timeliness, error codes, missing messages and transit
 - UPU HS tariff codes for commercial items: September 2025,
 - ICS2 Release 2 require HS tariff codes for commercial items: October 2023
- For items without an HS tariff code,
 - European DOs try to identify the appropriate HS code and, where this cannot be identified, an error message is sent to the origin DO.
 - Consumer-to-consumer (C2C) items are not subject to HS codes in ICS2
 - difficult to distinguish C2C from non-C2C items,

Outcomes related to Customs Group



- Approved Amendments to the CN22, CN23, CP72 postal customs declaration forms / instructions.
- These amendments aims to address the issue of misdeclarations and the modernization of the category block
- Approved 2024 edition of the WCO-UPU Postal Customs Guide.



- Approved 11 proposals to amend the Convention Regulations (articles 17-009, 17-010, 17-014, 17-132 and 17-224; and articles 25-004, 27-002, 35-210, 27-103, 34-103 and 34-106) focused on paper free processes
- Adopted the Basic Airmail Conveyance Rate (BACR) for 2025: 0.590 thousandths of an SDR per kilogramme and per kilometre;
 - and approved the creation of a BACR expert team.
- Noted the progress of GPM implementation in the area of transport and the EAD transit mail piloting, and the next steps including the creation of a surface PLACI expert team.
- Expansion of transport-related mobile application.
 - EAD check functionality,
 - will be extended to include ENS filing in ICS2.

- Approved the updated edition of the Postal Transport Guide.
- Reflects new standards for electronic data interchange (EDI) and electronic advance data (EAD)
- New EAD dashboards, compliance reports and EDI tools have been included to reflect recent leg 2 capacity-building activities undertaken by the UPU and Dos
- Introduces more best practices
 - to help DOs enhance leg 2 international mail flows and transport performance, the updated guide provides additional best practices
- Promotes the UPU paper-free transport initiative;
- Incorporates transport-related training resources and essential UPU publications for the convenience of DOs;



- PoC for transit & transshipment EAD
 - Copying of the data from the network (by reusing EDI message files already exchanged)
 - Voluntary, Feasible & Simple solution
 - Origin and transit DOs need to agree on data copying authorization for such network providers
 - No IT development requirement on Dos
 - assist in the identification of scenarios before final solutions from a legal, regulatory, operational and IT perspective
- Not applicable for following cases:
 - destined to members not requiring EAD;
 - cases aimed at testing the ability of the transit member country to respond to a referral message from destination; or
 - cases of divergent risk assessment results from transit and destination and how to coordinate member countries to ensure a consistent and coherent risk assessment process



- DOs are required to capture and exchange EAD
 - S10 all items containing goods must bear a barcode identifier;
 - ITMATT must be transmitted from origin DO to destination DO (for customs/security reasons);
 - S9–S10 item identifiers for all items containing goods must be included in the PREDES message (standard M41) sent to the destination DO and linked to the S9 receptacle ID
 - CARDIT AR (article 08-002.6) from 1 January 2023, DOs must assist their air carriers in complying with pre-landing security requirements by ensuring that, where applicable, the relevant CARDIT message is transmitted to the airline, including the applicable regulations (AR) flag
 - ITMREF–REFRSP (January 2025) DOs must take reasonable measures to ensure that no Request for Information (RFI), Request for Screening (RFS) or Do Not Load (DNL) message goes without a response (08-002.7 and 8)
 - HS codes should be provided for commercial items containing goods (September 2025, 20-001.2.8);
 - Transit ITMATT, S9–S10 (September 2025) must be transmitted, in line with 20-001.2.2 (ITMATT to transit DO), 08-002.5 (S9–S10 to transit DO) and 08-002.6 (CARDIT AR if required by transit country).









EAD KPI dashboard

CARDIT/ RESDIT

190 Number of DOs sending CARDIT 155 Number of DOs sending CARDIT AR flag **91**Number of carriers sending RESDIT

CARDIT compliance

CARDIT AR flag compliance

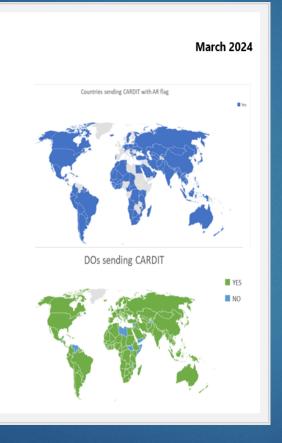
RESDIT compliance







Sources: UPU and IPC



- EAD Transport Chart
 - Good Progress
 - But now stagnating
 - Need more push to further improve
 - Remaining DOs need to take action
 - Next step is to focus on EAD Quality
 - Proper Address
 - Proper HS Code
 - Proper description

Outcomes related to Postal Security Group



- Illicit Drugs and Contraband in the Post guidance document
 - aims to provide information and best practices on mitigating illicit drugs and contraband in the post for DOs
- engagement of 37 certified regional security auditors:
 - to facilitate regional security certifications and
 - further increase the security knowledge base worldwide
- working to build a relevant, up-to-date, digital reference library.
 - requested to volunteer for a Reference Material Expert Team (RMET)
 - to facilitate the necessary work on document revision and creation.
 - SMEs interested in participating in the RMET: may reach via <u>security@upu.int</u>.

Outcomes related to Postal Security Group

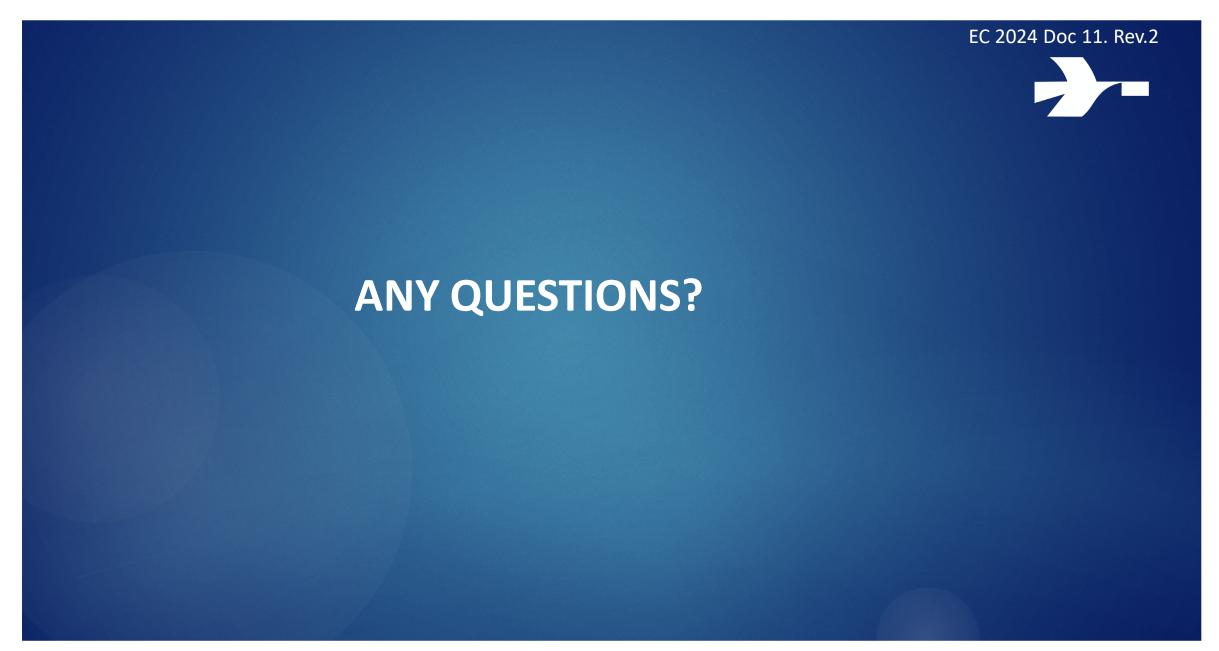


- Encouraged DOs to get Equipment Containing Lithium Batteries (ECLB) certification:
 - Survey circulated to identify the challenge
- Approved the updated Guidelines for Postal Crime Prevention as a living document.
- Approved the revised S58-S59 certification process updates.
 - A standardized point system was instituted for all levels of certification to further remove ambiguity among certification reviewers and reviewees,

Outcomes related to Postal Security Group



- Approved the progress made on all S5 deliverables as well as the next steps.
- Approved the document Illicit Drugs and Contraband in the Post as a living resource.
- Noted the list of identified gaps and recommendations in relation to the S58/S59 certification process





4. Other presentations on Supply Chain



b) Presentation by UPU Regional Office: Annexure - I



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Presentation on RFID based Tracking

Dr. Gaurav Saini, UPU Regional Field Expert
UPU Regional Office, India

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c) Presentation by PRIME: Annexure - II



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Presentation by PRIME

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d) Presentation by IPC: Annexure - III



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Presentation on Shopper's Survey: IPC

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e) Presentation by UPU: Annexure - IV



Supply Chain Working Group Presentation by UPU

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5. Presentation by APPU Bureau on Supply Chain Survey



6. Any Other Business



Thanks