



EXECUTIVE COUNCIL 2024

REVIEW AND CONTINUATION OF THE CONSULTANCY SECTION

Proposal by the APPU Bureau

1. Subject	References/Paragraphs
Review the activities of the Consultancy Section in the APPU Bureau and proposal to extend the services of the Consultancy Section for 4 more years	\$1- \$7
2. Decisions expected	
EC is invited to: - take note of the report - approve the extension of the Consultancy Section for a period of four more years starting from 2025	\$1- \$7 \$7

1. Introduction

1.1 The Executive Council of 2022 approved the creation of a full-fledged Consultancy Section in the APPU Bureau along with the activities of the Regional Technical Center for Asia-Pacific (RTCAP). Established in January 2023, the Consultancy Section of the APPU currently consists of 2 Consultants- the Consultancy Section Manager who was appointed in the 2022 Executive Council meeting, and another Consultant on secondment to the Union. Further, the Consultancy Section engages external consultants on a case-by-case basis.

1.2 In the past 2 years, the Consultancy Section has significantly contributed to the objectives of APPU by providing expert advice, facilitating strategic projects, assisting capacity-building activities, and supporting member countries in their developmental goals. This document outlines the achievements of the section over the initial two-year period and proposes a strategic vision for its continued contributions.

2. Activities of the Section (2023-2024)

2.1 While the details of the activities undertaken are presented each year to the Council, this section summarizes the activities undertaken by the Consultancy Section/ RTCAP in the first 18 months of its establishment. The Consultancy Section has undertaken the following activities:

- (a) **Member Country Support and Consultancy activities:** The Consultancy Section in the first 18 months made efforts to address the specific needs of member countries in the form of expert advice which were majorly around regulatory information, business development, and repositioning of post offices in countries. Further, talks are progressing and the Section is open to assisting countries in providing dedicated consultancy services using internal as well as external resources.

- (b) **Regional Technical Support:** The Consultancy Section has actively promoted and supported UPU PTC's technical solutions within the region. It has participated in multiple PTC project-related training sessions, ensuring a thorough understanding and promotion of these solutions. During the APPC regular training courses, topics such as data integrity and compliance with standards are incorporated as part of the curriculum to ensure that participating DOs have a comprehensive understanding of the latest technical standards.
- (c) **Capacity Building:** The Consultancy Section took part in all the Courses of the Asian-Pacific Postal College in the period providing training assistance to the Training Section/ the APPC. In the last 18 months, the Consultants led 4 Courses as Course Director and coordinated/led 7 workshops at the College.
- (d) **Information Dissemination:** The Consultancy Section takes the lead in the publishing of the monthly APPU Newsletter which is a major publication in the postal sector informing all the activities of the Union as well as the postal sector in the region to our members and other stakeholders.
- (e) **Knowledge Centre:** The Consultancy Section has initiated a "Knowledge Centre" in APPU to collate the best practices in the postal sector. This is now available on the APPU website and serves as a single point of information for the best practices in the sector.
- (f) **Project Activities:** The Consultancy Section has initiated various projects for the region in the last 18 months. There are 2 ongoing projects on date:
- **Postal Regulatory Reforms project:** With a budget of CHF 50,000, this project aims to assist the ministries, regulators, and operators in the region in updating their postal acts, regulations, and policies. In the initial stage, data is being collated regarding the current postal regulations in the member countries. Thereafter, a workshop will be held in 2024 to learn more about the postal regulations and to facilitate exchange of information.
 - **LDC Special QSF Common Fund Project:** The Consultancy Section is the Project Management Office of the first ever UPU LDC Special Account QSF Common Fund Project. With a total budget of USD 500,000, this project is designed to assist the posts in capacity building for mail quality improvement. 11 countries from the region are part of the project.
- (g) **Supporting the UPU projects:** The Consultancy Section supports the UPU in the implementation of various UPU projects in the region. In the last year, the section assisted the UPU in the project of Governmental and Citizen Services in the Asia-Pacific region.
- (h) **Postal Business Forum:** The Consultancy Section plays a major role in the organization and development of the program for the APPU Postal Business Forum. The Section led the activities concerning the first-ever Postal CEOs Forum and the Postal Start-up Forum in conjunction with the Postal Business Forum.

- (i) **Business Promotion Activities:** The Consultancy Section led two editions of the APPU Postal Technology and Innovation Showcase which remained a unique initiative in the region in connecting Posts to the industry players and creating a common platform to discuss the latest technologies, innovation, strategies and sustainability initiatives in the postal sector. Both editions were attended by around 150 participants each from around 30 postal operators in the region.
- (j) **Sustainability Initiatives:** Sustainable Development of Postal Services is given priority by the Union and the Consultancy Section plays a major role in sensitizing Posts in the region about Sustainable Development in the Sector and the role of Posts in achieving the UN Sustainable Development Goals. In June 2024, a dedicated workshop was organized to learn more about sustainability initiatives and to collate the best practices from Posts in the region and beyond. The Consultancy Section is moving forward with a project to integrate the postal sector in the region closer to sustainable postal practices.
- (k) **Working Groups:** The Consultancy Section assisted all the Working Groups of the Union in their activities including the preparation of meeting documents, developing surveys, coordinating with members and non-members, and providing secretarial assistance.

3. Rationale for extension

3.1 **Need for Continued Expertise:** The past two years have demonstrated a persistent and growing need for specialized consultancy across the APPU member countries. The unique challenges posed by evolving market dynamics, digital transformation, and regulatory changes require ongoing expert support that the Consultancy Section is uniquely positioned to provide. The services provided through the Regional Technical Center for Asia-Pacific (RTCAP) are vital in assisting the members in the technical solutions provided by the UPU. The positive feedback and demand for services such as regulatory guidance, business development, and postal repositioning confirm the necessity for continued support in these areas.

3.2 **Proven Impact in the Region:** The achievements of the Consultancy Section since its inception have been significant, impacting the majority of the member countries with tailored advice, strategic project implementation, and capacity-building initiatives. The Section's leadership in courses and workshops at the Asian-Pacific Postal College has elevated the quality and relevance of training, directly contributing to enhanced operational capabilities within member Posts. Additionally, the successful management of high-budget projects, such as the Postal Regulatory Reforms project and the LDC Special QSF Common Fund Project, demonstrates the Section's capability to handle complex, high-impact initiatives effectively.

3.3 **Alignment with APPU's Strategic Goals:** The Consultancy Section's activities align closely with APPU's overarching goals of enhancing cooperation, innovation, and development among its members. Extending the Section's mandate will enable the continued promotion of these goals, facilitating a more integrated and cooperative postal network across the Asia-Pacific region. The Section's role in disseminating crucial information and best practices through the APPU Newsletter and Knowledge Centre is indispensable for maintaining an informed and cohesive community.

3.4 **Opportunities for Growth:** There is considerable potential to expand the Consultancy Section's services to cover emerging areas such as digital postal services, e-commerce integration, and environmental sustainability. These areas are crucial for the future competitiveness and relevance of postal services in the region. By extending the Section's operations, APPU can proactively address these emerging trends, offering member countries the tools and knowledge necessary to adapt and thrive.

3.5 **Enhancement of Member Engagement:** Continuing the Consultancy Section will provide further opportunities to deepen engagement with member countries through more personalized and continuous support. This will not only help in addressing the immediate challenges faced by member countries but also foster a more collaborative environment conducive to shared learning and mutual growth.

3.6 The extension of the Consultancy Section for another **four years** (January 2025- December 2028) is not just beneficial but essential for the continued support and development of the postal sector within the APPU region. The foundation laid in the past two years and the ongoing projects underscore the critical role that the Consultancy Section plays in fulfilling the APPU's mission and strategic objectives.

4. Proposed objectives for 2025-2028

4.1 Expansion of Consultancy Services:

- **Broaden the Scope:** Extend consultancy services to include emerging domains such as e-commerce logistics, digital transformation of the postal sector, digital financial services, and cyber security. This will ensure that member countries are equipped to handle the challenges and opportunities of modern postal services.
- **Customized Consultation Packages:** Develop tailored consultation packages that address the specific needs of member countries, especially the LDCs, LLDCs, and SIDS, promoting equitable development across the region.

4.2 Enhanced Capacity Building Initiatives:

- **Advanced Training Programs:** Collaborate with the training section of the APPU Bureau, the Asian-Pacific Postal College, to introduce advanced courses focusing on digital transformation, technology solutions, sustainability, and disaster risk management.
- **Leadership Development:** Launch targeted development programs for senior postal managers and executives to foster leadership that is critical for navigating the changing postal landscape.

4.3 Strengthening Information Sharing and Knowledge Dissemination:

- **Upgrade the Knowledge Centre:** Enhance the APPU Knowledge Centre by incorporating interactive tools and real-time data analytics to provide up-to-date insights and best practices.
- **Regular Publication of Case Studies:** Publish case studies showcasing successful projects and innovations from member countries, facilitating a learning culture across the APPU network.

4.4 **Project Management and Development:**

- **Initiate New Regional Projects:** Identify and develop regional projects that encourage cooperation among member countries, such as joint ventures in logistics and cross-border e-commerce solutions.
- **Increase External Funding Opportunities:** Secure funding from international donors and organizations for projects that advance postal development and sustainability, reducing the financial burden on member countries.

4.5 **Fostering Sustainable Postal Practices:**

- **Sustainability Audits and Action Plans:** Conduct sustainability audits for member countries and help develop comprehensive action plans to integrate sustainable practices into their postal operations.
- **Annual Sustainability Forum/ Workshop:** Establish an annual forum where member countries can share their progress, challenges, and innovations related to sustainable development within the postal sector.

4.6 **Promoting Innovation and Technological Adoption:**

- **Innovation Labs/ Hackathons:** Set up regional innovation labs/ organize hackathons where member countries can collaborate on developing new postal technologies and solutions.
- **Technology Transfer Initiatives:** Facilitate technology transfer between more technologically advanced posts and those in the developmental stage, ensuring all members have access to state-of-the-art postal technologies.

4.7 **Enhanced Member Engagement and Support:**

- **Bespoke Advisory Services:** Offer bespoke advisory services to help member countries with specific operational, regulatory, or strategic challenges.
- **Regular Impact Assessments:** Implement a framework for regular impact assessments of consultancy interventions to continuously improve the effectiveness and relevance of the services provided.

5. **Budget Forecast**

5.1 **Budget:** The projected budget of the RTCAP/ Consultancy Section is USD 96,000. Details are provided in the EC 2024 Doc 6 on Finances of the Union.

5.2 Sources of Funding:

(a) **Voluntary contributions:** The RTCAP/ Consultancy Section currently receives a voluntary contribution of USD 80,500 per year. Continued efforts will be made to encourage more countries to contribute to the section and for the contributors to increase their contributions, enhancing financial stability and shared responsibility across member countries.

(b) **Project Revenue:** The balance of the required budget around USD 16,000 annually, is planned to be covered through revenue generated from handling projects and consultancy services. In the year 2024, the estimated revenue from projects is USD 18,000. The Consultancy Section will enhance its capacities to handle more projects efficiently, thereby increasing income from these activities and reducing reliance on the Special Activities Fund (SAF).

5.2 **Contingency Plan:** In scenarios where project revenues fall short, the shortfall will be covered by the SAF. If no project revenue is generated, the total expenditure from the SAF over four years would amount to USD 64,000. This scenario still leaves a balance of around USD 120,000 in the SAF. The financial status of the SAF will be rigorously monitored on an annual basis to ensure sustainability and prudent financial management, and this will be part of the report to the Executive Council every year.

5.3 **Financial Health and Sustainability:** Even in a funding scenario with no revenue from projects, the SAF will maintain a balance that exceeds USD 120,000, underscoring the financial health and preparedness of the APPU. By improving engagement and showcasing the value delivered by the Consultancy Section, the Bureau aims to attract higher voluntary contributions and increase project-based revenues, further enhancing the financial stability of the section.

6. Human Resources:

6.1 The Human Resource plan of the Consultancy Section will follow the Staff Regulations of the APPU Bureau. Any recruitment, appointment, and other related staff information will be presented to the Executive Council every year for information/ approval, similar in line with the other staff of the APPU Bureau.

7. Conclusion

7.1 The extension of the APPU Consultancy Section for an additional four years is not only a strategic imperative but also a necessary step to continue fostering innovation, capacity building, and sustainable development within the postal sector of the Asia-Pacific region. The Section has demonstrated its value through technical assistance, capacity building, consultancy services, and significant project implementations that have directly benefited our member countries. The budget forecast confirms the financial viability of this extension, with well-planned funding sources and prudent financial safeguards in place.

7.2 Approval of the Executive Council is sought to extend the services of the Consultancy Section in the APPU Bureau for four more years, from January 2025-December 2028 which will ensure that the APPU remains at the forefront of addressing the challenges and seizing the opportunities in the postal sector, thereby reinforcing our commitment to the collective progress and resilience of our member countries.