

EXECUTIVE COUNCIL 2024

Report on the Physical Services Development 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 Services Development and eCommerce Working Group held on 15 August 2024.	§§ I - VI
2. Decisions expected The Executive Council is asked to take note of the: - Update of the work of the UPU’s PSDEIG (Physical Services Development, eCommerce and Integration Group) with a focus on the changes approved by the fourth Extraordinary Congress in Riyadh. - Recent priority product changes approved by the 2024 POC and future work programme. - Update on the Integrated Product Plan (IPP) for the 2026-2029 cycle.	§ II §III § IV

I. Opening of the meeting and adoption of the agenda

- The meeting of the Physical Service and Development & eCommerce Working Group was held both physically and online on 15 August 2024, as part of the APPU’s Executive Council 2024.
- Australia, the Chair of the Working Group, opened the meeting, 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 meeting.

II UPU’s Product Group (Physical Services Development, eCommerce and Integration Group) changes approved by the fourth Extraordinary Congress in Riyadh.

- Australia made a presentation providing an update and comprehensive overview of the work within the UPU’s Physical Services Development, eCommerce and Integration Group (PSDEIG), with a focus on the changes agreed by the fourth Extraordinary Congress in Riyadh.
- The four key amendments to the UPU Acts were discussed:
 - o Tracked delivery service, mandatory for inbound small packets from 2025;
 - o Transfer of the M bags service from a basic service (mandatory) to a supplementary service (optional) from 2025;
 - o Registration Service limited to documents from 2026; and
 - o Limiting the advice of delivery service to registered and insured letter-post items and removing it as a value-add for parcels.

- Australia also highlighted the impact of these changes for affected customers as well as the implication of the changes for designated operators.

III Recent priority product changes approved by the POC in 2024

- Australia presented the key focus areas of work by the UPU's Physical Services Development, eCommerce, Integration Group (PSDEIG). This included the work on:
 - o Introducing "Postal Document Regulations" and "Postal Goods Regulations" within the Convention Regulations;
 - o Removing the signature requirement from Parcels and adopting a menu-based approach to features;
 - o Redefinition of the G format items (document);
 - o Registration and insured service with tracking as a mandatory feature; and
 - o Modernization of the merchandise returns service.

The floor was open for comments and India shared some views on the proposal to remove signature from the Parcels' basic feature and move this to an optional add-on feature. They encouraged members to exchange ideas on this point as the proposal is further developed.

Hong Kong clarified the proposed changes to the Parcels signature on delivery requirement, by seeking classification for postal operators who need to provide a signature on delivery to their customers. The Chair advised that the signature component could be an optional feature that designated operators could choose to provide to their customers, but that it would not be mandatory under the new proposal being worked on by the PSDEIG.

The Chair encouraged members of the APPU to engage in the work and provided their feedback to ensure it was reflected in the final proposal for the Dubai Congress in 2025.

IV Integrated Product Plan (IPP) for the 2026-2029 Congress cycle

- Australia presented the work to date on the IPP and shared the drafting process which informed the PSDEIG's work which was:
 - o Guided by market dynamics and customs needs;
 - o Based on guiding themes and solid basic structure; and
 - o Led by the PSDEIG IPP drafting expert team.

Australia then shared the structure and overarching content of the IPP and encouraged members of the APPU to engage in the work of the PSDEIG over the next 12 months as the final proposal on the IPP is developed for approval by the Dubai Congress in 2025.

V Q&A and discussion on the presentations

- The Chair opened the floor to members physically and remotely in attendance for questions and discussion.

VI 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
- In closing, the Chair encouraged member countries to remain engaged in the work across the PSDEIG during this cycle, especially in light of the 2025 Dubai Congress.
- The Working Group meeting was closed in due time.