



**UPU 4th
Extraordinary
Congress - Riyadh**
1 - 5 October, 2023



Opening the UPU

Who are "wider postal sector players (WPSPs)"?

Wider postal sector players include private companies and partner organizations, such as e-retailers, courier companies, logistics service providers, financial service providers, airlines, railways and other transport companies, customs organizations, manufacturers of postal and postal industry-related solutions, customer associations, unions and postal worker associations, among others.

The Universal Postal Union (UPU) is set to discuss reforms to the organization to further promote the engagement of wider postal sector players with the UPU's single postal territory – aka, the international postal network governed by the UPU's international treaties. These treaties ensure a universal service for all people in the UPU's 192 member countries and this universal service obligation is upheld by each member country's designated postal operator.

UPU membership and, therefore, access to its multilateral agreements, discussions and decision-making processes, and products and services, has historically been limited to governments and their designated postal operators. Proposals for opening the UPU strive for greater engagement with wider postal sector players in the UPU's fora, network, products and services.

Why is the UPU considering greater engagement with WPSPs?

There are several reasons why the UPU and its member countries are considering proposals for enhancing the UPU's engagement with WPSPs:

The UPU's mission is to stimulate the lasting development of efficient and accessible universal postal services. Ensuring all players are considered in the UPU's network could enhance its universality.

Cooperation between national postal operators and WPSPs on an international scale could be mutually beneficial – postal operators could enhance the sustainability of their business models while providing WPSPs with access to a truly global network reaching even the most remote areas.

Discussing cooperation on a global scale with all postal players and partners could help ensure harmonized standards and technical solutions and lead to better services for customers.

Many national postal operators already have relationships with WPSPs, as well as a domestic governmental authority to regulate this interaction. There is a regulatory gap at the international level that UPU could fulfil.

What is being decided at the UPU's fourth Extraordinary Congress?

The UPU's task force on opening up, currently led by Algeria and the United States, has developed a set of proposals for opening the UPU based on three workstreams: one covering potential changes to the UPU's institutional framework, one focused on the further opening of UPU products and services, and one that proposes continued reform for the UPU.



Workstream 1: Institutional Framework



This workstream focuses primarily on potential changes to the UPU's Consultative Committee – a UPU body that is currently open to WPSPs and reports to the organization's supervisory body, the Council of Administration. While the Consultative Committee gives WPSPs a forum through which to discuss the sector in the UPU context, its role in decision-making processes is limited and, at times, unclear.

Consultation under this workstream has led to proposals to strengthen the role of the CC in UPU processes, including proposals that would:

Provide greater clarity on reporting lines between the Consultative Committee and the UPU's bodies within the organization's General Regulations.

Allow Consultative Committee members to submit proposals, input, comments or opinions on the work of the UPU's decision-making bodies.

Expand the Committee's membership categories to include knowledge institutions.

Allow Consultative Committee members to attend meetings of all UPU bodies, without the right to vote.





Workstream 2: Products and Services

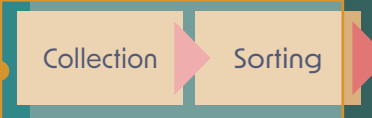
Under this workstream, the task force examined possibilities to open sets of UPU products and services to WPSPs with the goal of improving interoperability across the international postal supply chain. The task force narrowed in on three thematic areas of interest for opening to WPSPs:

Interoperability/ Interconnection Package

1

This package proposes the secure, effective and timely opening up of certain products and services that would advance the UPU's mission of facilitating communication among all people globally. It proposes three voluntary commercial models that national postal operators and WPSPs may adopt:

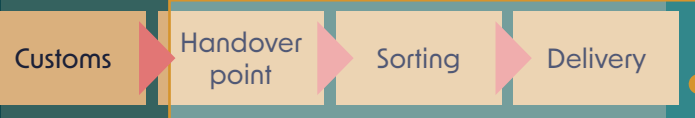
Leg 1



Leg 2



Leg 3



Direct entry model

Seeks to enable the operational, technical, legal and policy frameworks needed to facilitate the exchange of postal items between national postal operators and WPSPs.

Transport interoperability and interconnectivity marketplace

A solution that will bring together the demand and supply of UPU-certified international transport services for postal and commercial items.

First mile injection model

Would provide UPU interfaces allowing WPSPs to easily capture and generate UPU-required postal data required to ship items through the UPU's universal postal network.

Green Package

2

This package considers the post and logistics partners' common environmental sustainability goals. It proposes voluntary carbon emissions reduction targets for the sector and proposes a set of UPU products and services that may be opened to WPSPs to harness synergies towards climate action. More information is available in the "Climate action for the postal sector" factsheet.

Postal Financial Services Package

3

The UPU's Postal Payments Services Agreement (PPSA) defines international postal financial services products offered through the UPU's network. This package proposes changes to the PPSA in order to allow for interconnectivity with electronic money transfer providers outside the postal network, as well as the creation of a knowledge centre that would support the development of an interconnected postal payments network. More information is available in the "Future of financial services" factsheet.



Workstream 3: Reform as a Continuum

Bearing in mind rapid and continued sectoral changes, this workstream proposes a timeline and structural frameworks for ensuring the continued evolution of the UPU across four axes:

1 Keeping the Union future ready

Targets continuous trend monitoring, analysis & benchmarking.

Carried out by the UPU with the support of knowledge partners & academia.

2 Treaty frameworks & member country obligations

Taking into consideration recommendations from axes 1 & 2:

- Will ensure UPU treaty frameworks are fit-for-purpose and updated as necessary
- Will evaluate and update members' treaty obligations

3 Further institutional reform

Focused on enhancing the UPU's value-add to the postal sector by identifying focus areas of interest, evaluating the potential involvement of WPSPs, and assessing UPU's governance frameworks

Also considers the UPU's value-add to the UN Sustainable Development Goals through the single postal territory.

4 Development of products and services packages

Focused on continuing the development of UPU product and services packages that can be opened to WPSPs, including packages on:

- Research and communication products and services
- Operational excellence

Is this a new idea?

1999 – The Beijing Congress authorizes the creation of an Advisory Group that would increase the participation of interested parties in the UPU's work.

2004 – The UPU Consultative Committee is established at the Bucharest Congress, succeeding the Advisory Group and assuming a key role in facilitating the participation of wider postal sector players in the work of the UPU.

2012 – The Doha Congress adopts Resolution C/26, promoting greater engagement with wider sector stakeholders on the basis of the "3 Cs" model: consultative, collaborative, and contributory.

2016 – The Istanbul Congress approves access to selected UPU products and services for wider postal sector players.

2019 – A UPU task force launches the largest-ever consultation on opening the UPU to wider postal sector players. 54% of posts, 64% of governments, 77% of regulators, and 80% of other stakeholders confirm their willingness to open the UPU to external players.

2020 – The UPU convenes a high-level forum on wider postal sector engagement, inviting wider postal sector players for a first-of-its-kind large-scale consultation at the UPU headquarters in Berne.

2021 – The Abidjan Congress decides to continue the work of the task force on opening up across 3 streams: institutional change, opening UPU products and services, and reform as a continuum. The results of this work shall be presented at the 2023 Extraordinary Congress.

2022 – The UPU Consultative Committee's composition changes to include individual companies from the wider postal sector as its main membership group.

2023 – The UPU holds its 4th Extraordinary Congress in Riyadh, Saudi Arabia, to decide on plans for opening up the UPU to wider postal sector players.



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